



## Legislation Text

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**File #:** 15-0803, **Version:** 2

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Resolution to Amend FY 2016 Budget to Transfer \$450,000.00 from the Ann Arbor Affordable Housing Fund to the Ann Arbor Housing Commission for the Swift Lane Project (HHSAB Recommendation: Approval - 9 Yeas and 0 Nays) **(8 Votes Required)**

Approval of this resolution will provide the Ann Arbor Housing Commission with a \$450,000.00 grant to be used in conjunction with tax credits and other funding for the demolition and construction of two different affordable housing properties in Ann Arbor, creating 64 affordable housing units.

### Petition Summary:

- Ann Arbor Housing Commission has requested funds for two properties requiring demolition and construction at both sites. The first property is located at 3401-3405 & 3451-3457 Platt Road in Ann Arbor and the second property is located at 701 Henry Street in Ann Arbor.
- The Platt Road property currently consists of six residential units. Upon demolition and construction it will be turned into 32 apartments consisting of one to five bedroom units - 8 one bedroom one bathroom units, 12 two bedroom one bathroom units, 6 three bedroom two bath units, 2 four bedroom two bathroom units, and 4 five bedroom two bathroom units - and a community center for residents.
- The Henry Street property will be demolished and rebuilt with 32 units - 23 one bedroom and 9 two bedroom units - and a community center for residents.
- The Henry Street project is in the zoning and site plan approval stage right now and is expected to be approved by October 2015
- These proposed redevelopment sites will result in 64 residential units, 44 of which will receive Project Based Voucher subsidies from HUD through the Rental Assistance Demonstration (RAD) Program.
- The project is planning to seek an allocation of 9% Low Income Housing Tax Credits in the upcoming October 1, 2015 round. The project will seek additional funding from the Federal Home Loan Bank, HUD HOME funds, and a bank loan. It is estimated that the Ann Arbor Affordable Housing Fund grant will comprise approximately 3% of the total development cost of ~\$14.5 Million.
- In October 2015, the AAHC will apply for Low-Income Housing Tax Credits, which is the primary funding source. If LIHTC are received, the demolition will begin in the summer of 2016 and construction will be completed within 2 years of receiving the LIHTC allocation in approximately December 2018.
- The proposed project will preserve affordable housing for those households whose annual income is 60% of AMI or less but over 90% of AAHC tenants are at 30% AMI or less. At least sixteen (16) units or 25% of all units will be set aside as permanent supportive housing for households who are at 30% of AMI or less. The tenants will be selected from the AAHC's existing waitlist or through Housing Access of Washtenaw County if the households are homeless.

The Housing and Human Services Board, at its meeting of May 14, 2015 recommended approval of a \$450,000 grant in support of this project.

Attachments:

- May 14, 2015 Housing and Human Services Advisory Board Meeting Minutes
- Project Application/Narrative

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Reviewed By: Brett Lenart, Washtenaw County Office of Community and Economic Development

Whereas, The Ann Arbor Housing Commission has requested support from the Ann Arbor Affordable Housing Fund (AAAHF) to support the redevelopment of the Swift Lane Project located at 3401-3405 & 3451-3457 Platt and 107 Henry; and

Whereas, The proposed project will create high quality affordable housing units, consistent with the intent of the AAAHF; and

Whereas, The Housing and Human Services Advisory Board, on May 14, 2015, recommended approval of the petition at an amount of \$450,000.00;

RESOLVED, That City Council amend the FY 2016 Budget to appropriate \$450,000.00 from the AAAHF to the Ann Arbor Housing Commission or affiliated entity for the Swift Lane Project, with funds available until expended without regard to fiscal year;

RESOLVED, That the Mayor and City Clerk be hereby authorized and directed to sign a Grant Agreement consistent with this Resolution, subject to approval as to substance by the City Administrator and approval as to form by the City Attorney; and

RESOLVED, That the City Administrator, or his designee, be authorized to take the necessary administrative actions and to execute any documents necessary to complete this transaction and to implement the resolution.