



## Legislation Text

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**File #:** 19-0605, **Version:** 2

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### Resolution Directing the City Administrator to Collaborate with the Ann Arbor Housing Commission to Provide Coordinated Analysis on the Feasibility of City-Owned Properties as Potential Locations for Affordable Housing

City Council has adopted the strategic goal of establishing Ann Arbor as a safe, warm and welcoming community. Consistent with that goal, the ability to provide affordable housing options is essential to that goal. The redevelopment of City-owned parcels of land that lie in the urban core, along transit corridors, and in the vicinities of employment centers can serve as a means to reduce the costs.

The City owns numerous parcels of property that may collectively provide solutions to community-wide affordability challenges. These properties include the Y-Lot (350 S. Fifth Avenue), the Kline Lot (309/335/337 S. Ashley Street, 216 W. William Street, and 104/116/120 William Street), 415 W. Washington Street, 404/406 N Ashley Street, the 4<sup>th</sup> Ave. and Catherine surface parking lot (the Kerrytown parking lot at the northwest corner of 4<sup>th</sup> Ave. and Catherine) and the 3400 Block of Platt (3432/3340 Platt Road and 3435/2442 Springbrook Avenue). The intent of this resolution is to provide a coordinated approach to evaluating the feasibility of these sites to provide affordable housing options.

**Budget/Fiscal Impact:** Staff support for this effort is already included in the FY19 and FY20 budgets. An additional \$100,000 is identified in the Affordable Housing allocation proposed in the FY20 budget.

Prepared by: Howard S. Lazarus, City Administrator

Reviewed by: John Fournier, Assistant City Administrator; Jennifer Hall, Executive Director, Ann Arbor Housing Commission

Whereas, City Council has adopted the strategic goal of being a warm, welcoming, and safe community and providing affordable housing options is essential to that goal;

Whereas, Redevelopment of City-owned properties to provide building sites for affordable housing units can significantly lower the cost of these developments;

Whereas, Council adopted Enactments R-19-110, R-19-111, R-19-116 and addressing the redevelopment of City-owned properties at 721 N. Main Street, 2000 S. Industrial, 1501 E. Stadium Boulevard, respectively;

Whereas, The City also owns additional properties at/on the Y-Lot (350 S. Fifth Avenue), the Kline Lot (309/335/337 S. Ashley Street, 216 W William Street, and 104/116/120 William Street), 415 W. Washington Street, 404/406 N. Ashley Street, and the 3400 Block of Platt (3432/3340 Platt Road and 3435/2442 Springbrook Avenue) that potentially could provide development opportunities for affordable units; and

Whereas, The City's interests are best served by analyzing the redevelopment of these properties in a coordinated manner;

RESOLVED, That the City Council direct the City Administrator to collaborate with the Executive Director of the Ann Arbor Housing Commission to utilize the properties cited above to create the optimal amount of affordable housing units;

RESOLVED, That the City Administrator will recommend a process to follow which addresses the following requirements:

- The City will preferentially maintain ownership of the property (e.g. land lease)
- Potential developers will offer mixes of unit types and rental levels
- Developers will optimize the number of affordable units for those who make up to 60% of the Area Median Income (AMI)
- Developers and their successors in ownership will accept Housing Choice Vouchers
- Developers will provide adequate and appropriate space to accommodate the operations of the Ann Arbor Housing Commission
- Developers will explore options with the City to provide dedicated space for other public uses and/or other non-profit space

RESOLVED, That the City Administrator will provide a report to City Council that provides recommendations on how the properties should be prioritized for consideration for of the development as affordable housing, address which properties would be best used and face the least obstacles to redevelopment, and provide a holistic approach to all identified properties;

RESOLVED, That the conditions and requirements established in Enactments R-19-110 (721 N. Main), R-19-111 (2000 S. Industrial), and R-19-116 (1510 E. Stadium) are directly incorporated into this resolution; and

RESOLVED, That an amount not to exceed \$75,000.00 will be allocated from the FY 2019 General Fund Fund Balance for a zoning analysis (unit density, footprint, parking, and setbacks) and preliminary environmental assessment.

Sponsored by: Councilmembers Eaton, Nelson, Bannister, Smith and Mayor Taylor

**As Amended and Approved by Ann Arbor City Council on April 1, 2019**