

CITY OF ANN ARBOR AFFORDABLE HOUSING AGREEMENT FOR THE STANDARD

This Affordable Housing Agreement (“Agreement”) is entered into as of the _____ day of _____, 2022, by and between the City of Ann Arbor, a Michigan municipal corporation, with principal address at 301 East Huron Street, Ann Arbor MI 48107 hereinafter call the (“City”), and The Standard at Ann Arbor LLC, a Delaware limited liability company, with principal address at 315 Oconee St., Athens, Georgia, 30601, hereinafter called the (“Developer.”)

This Agreement applies to real property commonly known as The Standard at Ann Arbor, in the City of Ann Arbor, Washtenaw County, State of Michigan (“Property”), more particularly described in Exhibit A.

RECITALS

WHEREAS, the City Council approved Resolution R-20-080 which approved the Site Plan for The Standard at Ann Arbor, and subsequently a Development Agreement, dated September 2, 2020, within which Section P-15 requires the Developer provide two permanent affordable housing units;

WHEREAS, the Development Agreement stipulates the Developer must enter into an Affordable Housing Agreement with the City prior to any certificate of occupancy, and herein is that Agreement; and

WHEREAS, City Council approved this Agreement on _____, 2022.

AGREEMENT

In consideration of the benefits received by the parties, the sufficiency of which is hereby acknowledged, the City and Developer agree as follows:

1. Definitions

As used in this Agreement, the following capitalized terms shall have the following meanings, and shall include the plural as well as the singular:

- A. “Affordable Dwelling Unit” means a rental apartment that shall be leased to a Qualified Tenant.
- B. “Ann Arbor Affordable Housing Waitlist” means the list of potential renters of Affordable Dwelling Units maintained by the City of Ann Arbor, currently found online at <https://www.annarborwaitlist.com/>.

- C. "Ann Arbor Housing Waitlist Policy" is the City Council policy for how the Ann Arbor Waitlist will be managed and utilized. It can be found on the Ann Arbor Waitlist website: <https://www.annarborwaitlist.com/>.
- D. "Annual Household Income" means the aggregate annual income of a Household as determined by using the standards set forth in 24 CFR 92.203(b)(1), (which refers to the HUD Section 8 definition in 24 CFR 5.609), or 24 CFR 92.203(b)(3), (which uses adjusted gross income as defined for purposes of reporting under Internal Revenue Service (IRS) Form 1040 series for individual federal annual income tax purposes), as amended. In the event that the IRS 1040 form is eliminated or the definition of income under 24 CFR 92.203 is substantially modified, then Income shall mean the anticipated total taxable income for the next twelve (12) month period received from all sources by the Household
- E. "Area Median Income" or "AMI" means the Area Median Income reported annually for single persons and households of various sizes by HUD for the metropolitan statistical area that includes the City of Ann Arbor, Michigan.
- F. "Business Day" means any day other than Saturday, Sunday or any day that the administrative offices of the City are closed.
- G. "City" means the City of Ann Arbor or its designee for administrative functions related to affordable housing. The City retains the right to conduct its activities described under this Agreement through a contract with another entity. (The City's affordable housing programs are currently administered by the Washtenaw County Office of Community and Economic Development.)
- H. "Certification of Income" means a certification made by the City that verifies that the Annual Household Income of a Qualified Tenant is less than or equal to 80% of AMI.
- I. "Certification of Residency" means a certification made by a tenant of an Affordable Dwelling Unit that states that the tenant occupies the Affordable Dwelling Unit as its primary residence, on such form as the City approves.
- J. "Household" means the lessee and all persons who occupy the Affordable Dwelling Unit, subject to the rules and regulations applicable to the Property.
- K. "HUD" means the United States Department of Housing and Urban Development, or a superseding or subsequent agency or division of the United States Government responsible for supporting homeownership for underserved populations and for providing affordable housing.
- L. "Market-Rate Dwelling Unit" means a rental apartment that is not an Affordable Dwelling Unit.
- M. "Qualified Tenant" means a Household that (i) has an Annual Household Income, as certified by the City, less than or equal to 80% of the AMI at the time of leasing and subsequent lease renewals, as applicable, (ii) shall occupy the Affordable Dwelling Unit as its principal residence during its lease of such Affordable Dwelling Unit, (iii) shall not permit exclusive occupancy of the Affordable Dwelling Unit by any other person, (iv) shall

use and occupy the Affordable Dwelling Unit as an Affordable Dwelling Unit subject to the Affordability Requirement and this Agreement.

2. Term

The term of this Agreement shall be for ninety-nine (99) years from the date of issuance of the second and last residential certificate of occupancy for the two (2) Affordable Dwelling Units.

3. Compliance with Laws

The Developer agrees to comply with all federal, state and local laws applicable to the Affordable Dwelling Units and the services required by this Agreement, including but not limited to the City's Housing Code (Ann Arbor City Code, Chapter 105) and the City's Non-Discrimination Ordinance (Ann Arbor City Code, Chapter 112), as amended or replaced from time to time.

4. Affordability Requirement

Developer shall construct, reserve, maintain and lease two (2) Affordable Dwelling Units to Qualified Tenants on the Property in accordance with this Agreement at a rental rate at the Monthly Rent as defined in Section 8 of this Agreement.

5. Affordable Dwelling Unit Standards and Locations

- A. Unit Size. The Affordable Dwelling Units shall each be a minimum of 600 square feet.
- B. Unit Locations. Affordable Dwelling Units shall be located exclusively in The Standard at Ann Arbor. Units A7 and A8 have been designated as the Affordable Dwelling Units.
- C. Finishes. Upon initial occupancy, all interior and exterior finishes and components of Affordable Dwelling Units shall be the same in size, appearance, finish and durability to Market-Rate Dwelling Units, including but not limited to fixtures, appliances, flooring and cabinetry.
- D. Alteration. The Developer shall maintain, upkeep, repair and replace interior and exterior finishes and components (including, but not limited to fixtures, appliances, flooring and cabinetry) of the Affordable Dwelling Units with equivalent interior and exterior finishes and components used to replace items in Market-Rate Dwelling Units. The Developer shall not remove components installed in an Affordable Dwelling Unit other than for maintenance, repair and replacement and shall maintain, repair and replace the unit using the same standards and procedures as Market-Rate Dwelling Units.
- E. Use. Except as provided herein, all Households shall have the same and equal use and enjoyment of all of the amenities of the Property and services provided at the Property as the tenants of the Market-Rate Dwelling Units. No restrictions, requirements or rules shall be imposed on Households that are not imposed equally on the tenants of the Market-Rate Dwelling Units. If amenities, services, upgrades, or other facilities are offered as an option at an additional upfront and or recurring cost or fee to the comparable Market-Rate Dwelling Units, such amenities, services, upgrades, or other facilities shall be offered to the tenants of the Affordable Dwelling Units at the same upfront and or recurring cost or fee. If there is no cost or fee charged to the tenants of Market-Rate Units for such amenities, services, upgrades, or other facilities, there shall not be a cost or fee charged to the Households.

- F. Unit Designation. Developer hereby designates the following dwelling units on the Property as Affordable Dwelling Units:

<u>Unit #</u>	<u>Unit Type</u>	<u>Unit Size (sq. ft.)</u>
A7	1 Bdrm.	680
A8	1 Bdrm.	645

Developer shall not change the designation of or modify the foregoing Affordable Dwelling Units without the City's prior written approval, which shall not be unreasonably delayed or withheld.

6. Rental Process and Determination of Tenant Eligibility

- A. Marketing of Affordable Dwelling Units. Developer shall assist the City in promoting the Affordable Dwelling Units by directing interested individuals and prospective tenants of Affordable Dwelling Units to the Ann Arbor Affordable Housing Waitlist.
- B. Consideration of Applicants. City shall utilize the Ann Arbor Affordable Housing Waitlist and review prospective tenants from the Ann Arbor Affordable Housing Waitlist in the order of the Waitlist as determined by the City Council prior to seeking qualified candidates from other sources. Applicants will be screened for income eligibility and then referred to the Developer to apply for the Affordable Dwelling Unit.

If the Ann Arbor Affordable Housing Waitlist does not have prospective tenants the Developer may seek tenants on its own, or obtain referrals of prospective tenants for the Affordable Dwelling Units from federal, state, or local government agencies or nonprofits, provided such referrals comply with the requirements of this Agreement. Rental applications received that are not from the Ann Arbor Affordable Housing Waitlist shall be considered by the Developer in the order in which the application is received. In all cases, before a prospective tenant leases an Affordable Dwelling Unit, they must be certified as a Qualified Tenant by the City.

- C. Determination of Eligibility. Each Household occupying an Affordable Dwelling Unit shall be certified as a Qualified Tenant by the City prior to leasing the Affordable Dwelling Unit. The City shall promptly review and approve or deny a prospective Household's Certification of Income and Certification of Residency.

If the Ann Arbor Housing Waitlist does not have prospective tenants for an Affordable Dwelling Unit, and the Developer provides a prospective tenant to the City to certify as a Qualified Tenant, the City shall make such a determination within seven (7) Business Days from the receipt of the required information needed to verify eligibility. Failure to timely respond to a request to certify a prospective tenant as eligible shall constitute a certification by the City that the prospective tenant is a Qualified Tenant.

- D. Rejection of Applicants. In connection with the leasing of an Affordable Dwelling Unit, Developer may reject any applicant if, after diligent review of such applicant's application, the Developer determines in good faith that the applicant or those persons that will reside with the applicant do not meet the Developer's criteria to lease or occupy an Affordable Dwelling Unit, provided such criteria does not violate applicable local, state and federal laws, and is the same criteria used by the Developer to lease or occupy the Market-Rate

Dwelling Units. Developer shall notify the City within seven (7) Business Days of any decision to reject an applicant that is a Qualified Tenant, and to provide the rationale for why the applicant was not approved, along with supporting documentation. In the event any rejected applicant raises an objection or challenges Developer’s rejection of such applicant, the Developer shall be solely responsible for ensuring that its rejection of such applicant is not in violation of local, state or federal law. The City acknowledges that review of criminal history and credit scores, and rejection for negative information in these categories is permitted as allowed by law.

7. Initial Lease Year / Income Determination

- A. Lease Term. The initial term of any Affordable Dwelling Unit lease agreement shall be for a period of one year.
- B. Income Determinations. In order to be eligible for an Affordable Dwelling Unit, the Annual Household Income of a Household shall be less than or equal to 80% of AMI. If a prospective tenant is not income eligible at the time of application, they shall be denied and will not be allowed to revise their work status or Annual Household income in order to qualify for an Affordable Housing Unit for a period of six (6) months, with the exception that an involuntary change in income would not disqualify the prospective tenant from becoming income eligible.

8. Establishment of the Monthly Rent

The allowable monthly rent, inclusive of taxes and base utilities (“Monthly Rent”), for each Affordable Dwelling Unit shall be 30% of the HUD published income for a 1-person households at 60% of the Area Median Income. For example, the table below reflects the Monthly Rent based for 2022 based on annual AMI data published by HUD for Washtenaw County. A one-person household would pay \$1,238.

Household Size	1
60% AMI	\$ 49,500
30 % of gross income	\$ 1,238

The HUD Area Median Income for Washteanw County is published annually, so rent rates will fluctuate annually.

Monthly Rent shall include the following base utilities: water, sewer, waste disposal, electricity and heating (which is electric heat). If the Developer does not include one or more of the foregoing utilities in the rent charged and the tenant must pay directly for heat, electricity or water, then the Developer shall reduce the Monthly Rent by 5% for each utility service not included. If heat (which is electric heat), electricity and water are not included in the rent, then the Developer shall reduce the Monthly Rent by 10%.

As of the date of this Agreement, the Developer is requiring tenants to pay for electricity (including heat) and water, so a 10% reduction of rent would set the Monthly Rent as described below for 2022:

Household Size	1
60% AMI	\$ 49,500

30 % of gross income	\$	1,238
10% rent reduction	\$	1,114

Telephone land lines are not provided. The developer is providing internet and cable to all tenants. At the request of the Developer, the City Administrator, in his or her sole discretion, may reduce the amount that Monthly Rents are adjusted for utilities.

9. Subsequent Lease Years

- A. Rent Calculation. The Developer shall use the Monthly Rent for the current calendar year to determine the rental amount for Affordable Dwelling Units in each lease year.
- B. Renewal by Household. For each Household that intends to renew its lease, no more than ninety (90) days and no less than thirty (30) days before each anniversary of the first day of a lease, Developer shall use its best efforts to obtain the following: (i) a Certification of Residency from each Household; and (ii) a Certification of Income for each Household completed by the City. Developer shall not permit a renewal of an Affordable Dwelling Unit lease unless the Developer has received these documents for the Affordable Dwelling Unit prior to the end of the lease term.
- C. Annual Recertification of Tenants. Upon receipt of a Household's renewal documents at annual recertification, the Developer shall determine if the Household is still a Qualified Tenant and shall notify the Household of the same within fifteen (15) days prior to the expiration of the then-current lease term. Any Household whose Annual Household Income remains less than or equal to the 80% of the AMI will be eligible to remain in the Affordable Dwelling Unit and to renew the lease in accordance with the requirements of a Qualified Tenant in Section 1.M. above.
- D. Annual Recertification of Over-Income Tenants. Upon annual recertification, if a Household's Annual Household Income is determined to exceed 80% of the AMI (such tenant, an "Over-Income Tenant"), then Developer shall not renew the lease. At the discretion of Landlord, the Over-Income Tenant may be offered a different unit in the development at market rate rent for that rental unit.
- E. Rent from Subsidies. Nothing herein shall prevent or require the Developer from collecting rent from a subsidy or rent subsidy provider, such as a HUD rent voucher. (The City encourages the Developer to accept any available subsidies.)
- F. Additional Income During Lease Term. An increase of Annual Household Income greater than 80% of the AMI at some point in time after a lease is signed for an Affordable Dwelling Unit shall not be a basis for the City to require the Developer to immediately rent the Affordable Dwelling Unit to a Qualified Tenant.

10. No Subleasing of Affordable Dwelling Units

An Affordable Dwelling Unit tenant may not sublease any portion of its Affordable Dwelling Unit or assign its lease to any other person without the City's and Developer's prior written consent, in the City's and Developer's sole and absolute discretion. Leases for Affordable Dwelling Units shall include this restriction.

11. Representations of Affordable Dwelling Unit Tenant

By execution of a lease for an Affordable Dwelling Unit, each Affordable Dwelling Unit tenant shall be deemed to represent and warrant to the City and Developer, each of whom may rely thereon, that the Affordable Dwelling Unit tenant meets, and will continue to meet, all eligibility requirements contained in this Agreement for the rental of an Affordable Dwelling Unit.

12. Representations of Developer

By execution of a lease for an Affordable Dwelling Unit, the Developer shall be deemed to represent and warrant to the City, which may rely on the following, that: (i) based solely upon tenant and City supplied information, the Household is a Qualified Tenant, and (ii) the Developer is not charging the Affordable Dwelling Unit tenant more than the Monthly Rent.

13. Annual Reporting Requirements

Beginning with the first occupancy of any Affordable Dwelling Unit, the Developer shall provide an annual report (“Annual Report”) to the City regarding the status of the Affordable Dwelling Units during the previous calendar year, which shall be submitted on March 1 of each year, or other date as agreed to by the City Administrator or designee and the Developer. The Annual Report shall include the following:

- A. The unit number and bedroom count of each Affordable Dwelling Unit that is occupied;
- B. For each Affordable Dwelling Unit that is vacant or that was vacant for a portion of the reporting period, the manner in which the Affordable Dwelling Unit became vacant (e.g. eviction or voluntary departure) and the progress of having the unit re-occupied;
- C. For each occupied Affordable Dwelling Unit, the names and ages of all persons in the Household date of initial occupancy, Annual Household Income as of the date of the most recent Certification of Income, and the monthly rental rate of the lease;
- D. A copy of all forms, policies, procedures, leases, and other documents reasonably requested by the City related to the Affordable Dwelling Units.

The Annual Reports shall be retained by the Developer for a minimum of five years after submission and shall be available, upon reasonable notice, for inspection by the City. Notwithstanding anything contained herein to the contrary, in the event that the Developer is providing a report with content substantially similar to the content of the Annual Reports described in this section, subject to the City Administrator’s prior written approval, then the reporting requirements under this section shall be satisfied upon Developer’s delivery of such report to the City. Developer shall also maintain copies of all initial and renewal leases for Affordable Dwelling Units, which may be retained in electronic form, for three years from the date of execution. Within fifteen (15) days after receiving notice of any error in the amount of rent being charged for an Affordable Dwelling Unit, Developer shall either: correct the error, in which event, corrections shall be retroactive to the date of the error within the annual lease period; or provide written notice to the City that Developer disputes the error, in which event, the City and Developer shall work cooperatively to reconcile the error over the next fifteen (15) days.

14. Confidentiality

Except as may be required by applicable law, including, without limitation and applicable only to the City, the *Michigan Freedom of Information Act (MCL 15.231 et. seq.)*, the Developer and the City shall not disclose to third parties the personal information of the Households, including the identity of the Households, submitted as a part of the Annual Report.

Notwithstanding in this Section 15, Developer shall be permitted to disclose its lease files for the Property in the ordinary course of business, including, but without limitation, to the management company for the Property, to any lender that may or does provide financing to the Developer with regards to the Property and to any prospective buyer of all or a portion of the Property.

15. Inspection Rights

Upon reasonable advance notice to the Developer, and subject to a tenant's privacy rights, the City shall have the right to inspect the Affordable Dwelling Units during normal business hours. If the Developer receives such notice, the Developer shall, in turn, give reasonable advance notice of the inspection to the tenant occupying an Affordable Dwelling Unit. The City shall have the right to inspect a random sampling of the Affordable Dwelling Units to confirm that the units are in compliance with applicable statutory and regulatory housing requirements and as otherwise permitted under this Agreement. The City shall have the right to conduct audits of a random sampling of the Affordable Dwelling Units and associated files and documentation to confirm compliance with the requirements of this Agreement.

16. Default

The Developer, and each subsequent owner, hereby grants and assigns to the City the right to review and enforce compliance with this Agreement. Compliance may be enforced by the City at its discretion by any lawful means, including without limitation: (a) requiring that Developer meet any unmet obligations to provide an Affordable Dwelling Unit in a subsequent year after notice and opportunity to cure as provided in this Section 17, (b) seeking specific performance of the Developer's obligations under this Agreement, (c) requesting the option to lease as provided in this section, and (d) seeking liquidated damages as provided below. The prevailing party in any litigation between Developer and City with regard to this Agreement shall be entitled to recover its costs, fees and expenses (including actual attorney fees) incurred as a result of the litigation.

Money damages caused by a lack of compliance with this Agreement by Developer would be impossible or somewhat difficult to accurately estimate given the City's zoning approval of the Property, as well as the City's loss of the opportunity to provide Affordable Housing Units to members of the public. Developer and City agree that Developer shall pay City the difference between the monthly rental amount for a Market-Rate Dwelling Unit of the same Unit Type and of comparable size to the Affordable Dwelling Unit (or the fair market rent value of the same Unit type) and the Monthly Rent of the Affordable Dwelling Unit (along with an additional 50% of this amount) per month that Developer is in default, after receipt of notice from the City and the expiration of the cure period provided in this Section 16, for each Affordable Housing Unit not being provided consistent with the terms of this Agreement ("Liquidated Damages"). City and Developer agree that the Liquidated Damages are a reasonable estimate of the anticipated or actual harm that might arise from Developer's breach of this Agreement, and these Liquidated Damages have been calculated to place the City in a position to acquire and administer similar affordable housing elsewhere for public availability. Developer and City agree and intend that the Liquidated Damages shall constitute compensation and not a penalty, and that the Liquidated Damages shall be the entire financial obligation of the Developer for monetary damages paid to the City under this Agreement, with the exception of enforcement costs including attorney's fees.

The Developer hereby agrees that if the Developer is not providing Affordable Dwelling Units in compliance with the terms of this Agreement, the City has the option to lease up to 2 units at the Property. This option to lease shall be reduced by the number of rental units that are currently in compliance with this Agreement, and the units shall be leased by the City from

Developer at a rent equal to the Monthly Rent for each unit, and with further terms consistent with the terms in Developer's other leases on the Property for Market-Rate Dwelling Units, except no such term shall conflict with the terms of this Agreement. The City shall have the right to market the Affordable Dwelling Units, and release or sublet them to Qualified Tenants. After notice and opportunity to cure as provided in this Section 17, City may exercise this option by providing fifteen (15) days written notice to Developer and Developer agrees to act in good faith, and cooperate in completing any such lease, and shall do so within thirty (30) days of receiving notice. Developer and City may subsequently agree to transfer the leasing of the Affordable Dwelling Units back to the Developer.

If a default occurs under this Agreement, the City shall provide the Developer with written notice setting forth with particularity the alleged violation and shall provide a minimum of forty-five (45) days to cure the alleged violation, prior to exercising its remedies. The City Administrator may extend the cure period in his or her sole discretion, which shall not be unreasonably withheld, if a cure cannot be reasonably obtained or achieved by the Developer within forty-five (45) days of the written notice of default.

17. Indemnification

To the fullest extent permitted by law, Developer shall indemnify, defend, and hold the City, its officers, employees and agents harmless from all suits, claims, judgments and expenses, including reasonable attorney's fees, resulting from any acts or omissions by Developer or its employees and agents occurring in the performance of or breach in this Agreement, except to the extent that any suit, claim, judgment or expense are finally judicially determined to have resulted from the City's negligence or willful misconduct or its failure to comply with any of its material obligations set forth in this Agreement. To the fullest extent permitted by law, City shall indemnify, defend, and hold the Developer, its officers, employees and agents harmless from all suits, claims, judgments and expenses, including reasonable attorney's fees, resulting from any acts or omissions by City or its employees and agents with regard to the Ann Arbor Affordable Housing Waitlist, the determination of whether a tenant is a Qualified Tenant for an Affordable Dwelling Unit, except to the extent that any suit, claim, judgment or expense are finally judicially determined to have resulted from the Developer's negligence or willful misconduct or its failure to comply with any of its material obligations set forth in this Agreement. This provision is not intended, and shall not be construed, to waive or limit any immunity defense which the City may have including but not limited to governmental immunity.

18. Insurance

Developer shall secure and maintain insurance policies, including those stated below, as will protect the Developer, any of its subcontractors and, unless otherwise specified, the City from all claims for bodily injuries, death or property damage which may arise under this Agreement; whether the actions are made by the Developer or by any subcontractor or anyone employed by them directly or indirectly. The following insurance policies are required:

- A. Worker's Compensation Insurance under the provisions of the Michigan Worker's Compensation Act and all applicable state and federal statutes.
- B. General Liability Insurance in an amount not less than \$1,000,000 for each occurrence as respect to bodily injury liability, property damage liability, or both combined. The City of Ann Arbor shall be named as an additional insured for General Liability Insurance.
- C. Property Insurance for the Property and improvements on the Property

Insurance certificates shall be provided to the City upon request.

19. Miscellaneous

- A. Recital clauses listed above constitute an integral part of this Agreement and are incorporated by reference.
- B. Each Affordable Dwelling Unit is held and hereafter shall be held, conveyed, hypothecated, encumbered, leased, rented, and occupied subject to the terms, conditions, restrictions and limitations of this Agreement. All of the stated terms, conditions, restrictions and limitations of this Agreement are intended to run with the land and shall be binding upon the successors and assigns of the Property, including mortgagees and purchasers at foreclosure sale.
- C. Any buyer or transferee of the Property, or of any portion of or interest in the Property, by acceptance of a deed thereto, shall be deemed to have consented to and accepted the terms, conditions, restrictions and limitations set forth in this Agreement and the grantor of such deed shall be released from its obligations under the Agreement.
- D. Notices to the Developer shall be given in writing and delivered in person or mailed, by certified or registered mail, return receipt requested, to the Developer at the address set forth below, or such other address designated by the Developer by like notice:

The Standard of Ann Arbor, LLC
315 Oconee St.
Athens, Georgia, 30601

- E. Notices to the City shall be given in writing and delivered in person or mailed, by certified or registered mail, return receipt requested, to the City at the address set forth below, or such other address designated by the City by like notice:

Office of the City Attorney
City of Ann Arbor
301 East Huron
P.O. Box 8647
Ann Arbor, MI 48107-8647

With a copy to:

Washtenaw County Office of Community and Economic Development
415 W. Washington Avenue, Ste 2200
Ypsilanti, MI 48197

- F. If any provision of this Agreement shall be held by a court of proper jurisdiction to be invalid, illegal or unenforceable, the remaining provisions shall survive and their validity, legality or enforceability shall not in any way be affected or impaired thereby.

- G. No waiver of any term of this Agreement shall be deemed a further or continuing waiver of such term or any other term, and the either party's failure to assert any right or provision of this Agreement shall not be deemed a waiver of such right or provision.
- H. Relief from any of the terms and conditions of the Agreement may be granted upon a written request to the City and approval of the City Administrator. Approval shall be in the City's sole and reasonable discretion.
- I. If the Property is subdivided for the purpose of the sale of individual dwelling units that are classified as Affordable Dwelling Units, such sales shall be subject to this Agreement.
- J. This Agreement shall be governed and controlled in all respects by the laws of the State of Michigan, including interpretation, enforceability, validity and construction. The parties submit to the jurisdiction and venue of the Circuit Court for Washtenaw County, State of Michigan, or, if original jurisdiction can be established, the United States District Court for the Eastern District of Michigan, Southern Division, with respect to any action arising, directly or indirectly, out of this Agreement or the performance or breach of this Agreement. The parties stipulate that the venues referenced in this Agreement are convenient and waive any claim of non-convenience. Notwithstanding anything to the contrary in this Agreement, nothing herein shall be interpreted so as to require the City to contravene applicable law including making a loan of credit.
- K. Neither party to this Agreement will be liable to the other party for failure to perform any of its obligations under this Agreement to the extent such performance is hindered, delayed or prevented by Force Majeure (except for failure to make payments hereunder). If a party to this Agreement is unable, in whole or in part, to carry out its obligations under this Agreement due to Force Majeure must provide notice to the other party. Initial notice may be given orally; however, written notification with reasonably full particulars of the event or occurrence is required as soon as reasonably possible. A party under this Agreement claiming Force Majeure will diligently use all reasonable efforts to remove the cause, condition, event or circumstance of such Force Majeure, will promptly give written notice to the other party of the termination of such Force Majeure, and will resume performance of any suspended obligation as soon as reasonably possible after termination of such Force Majeure. For purposes of this Agreement, "Force Majeure" will mean causes, conditions, events or circumstances which are beyond the reasonable control of the party claiming Force Majeure. Such causes, conditions, events and circumstances will include acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, pandemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of rulers and people, arrests and restraints of the Government, either federal or state, inability of any party hereto to obtain necessary materials or supplies or labor at market costs or permits due to existing or future rules, orders and laws of governmental authorities (both federal and state), interruptions by government or court orders, present and future orders of any regulatory body having proper jurisdiction, civil disturbances, explosions, sabotage, partial or entire loss of market, or a delay due to the shortage of materials, supplies or labor.
- L. If any time period for giving notice or taking action hereunder expires on a day that is not a Business Day, then time period for giving notice or taking action hereunder shall automatically be extended to the next Business Day.

[Remainder of page intentionally blank.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first stated above.

For The Standard at Ann Arbor, LLC,
a Delaware limited liability company
315 Oconee St.
Athens, Georgia 30601

By: _____
 W. Christopher Hart
Its: Authorized Signatory

For the City of Ann Arbor
a Michigan Municipal Corporation
301 E. Huron St.
Ann Arbor, Michigan 48107

By: _____
 Christopher Taylor
Its: Mayor

By: _____
 Jackie Beaudry
Its: City Clerk

Approved as to Substance

By: _____
Milton Dohoney, Jr.
Its: Interim City Administrator

Approved as to Form:

By: _____
Atleen Kaur
Its: City Attorney

STATE OF MICHIGAN)
) ss:
County of Washtenaw)

The foregoing instrument was acknowledged before me this _____ day of _____,
2022 by Christopher Taylor, Mayor, and Jacqueline Beaudry, Clerk of the City of Ann Arbor, a
Michigan municipal corporation, on behalf of the corporation.

NOTARY PUBLIC
County of Washtenaw, State of Michigan
My Commission Expires: _____
Acting in the County of Washtenaw

STATE OF _____)
) ss:
County of _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20__ by W Christopher Hart, Authorized Signatory of The Standard at Ann Arbor, LLC, a Delaware limited liability company, on behalf of the company.

NOTARY PUBLIC
County of _____, State of _____
My Commission Expires: _____
Acting in the County of _____

Drafted by and after recording return to:

Kevin S. McDonald
City Attorney (P-61761)
Office of the City Attorney
City of Ann Arbor
301 East Huron Street
PO Box 8647
Ann Arbor, MI 48107-8647

EXHIBIT A – Legal Description

LOTS 1 THRU 6 AND THAT PRT OF LOT 7 LYING N OF NL OF PACKARD ST B4S R4E
ORIGINAL PLAT OF ANN ARBOR, EXCEPTING THAT PART OF LOT 6 CONVEYED TO THE
CITY OF ANN ARBOR IN LIBER 5 OF MISCELLANEOUS RECORDS, PAGE 402,
WASHTENAW COUNTY RECORDS

Exhibit B - Additional requirements to ensure affordability in application review process

Application fees	Limit
Application / administration fee	\$65 for affordable housing applicants.
Security Deposit	Not required for those using housing vouchers or rental assistance, disability or social security incomes. Otherwise not to exceed one month's rent at time lease is signed.
Other fees related to move in? (key fob, parking set up fee, etc?)	No other fees for affordable housing tenants. These could include – fees for key fobs, parking set up fee, etc.
Pet fee	Limits on pet fee to \$300, one time fee
Pet rent	No additional pet rent cost.
Parking	Parking options must be available to affordable housing tenants
Is renters insurance required?	Yes
Application review standards	
Screening process	Savings reserves – maximum requirement of one month of reserves Credit Score – 580 but prefer credit not utilized Background checks – please note City of Ann Arbor ordinance regarding use of background checks, and related materials: https://www.a2gov.org/departments/city-clerk/Documents/Fair%20Access%20to%20Housing%20Poster.pdf
Utilities	Cable, internet, trash disposal, amenity access included in rent; Electricity (including electric heating) and water paid separately by tenants.
Furnishings	Bed, desk, coffee table, tv in living room, bar stools are provided in all units including affordable units.