



Legislation Details (With Text)

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Title:	Resolution to Approve a Grant Agreement with the Michigan Economic Development Corporation and to Approve and Authorize Execution of Sub-Grant Agreements with the Ann Arbor Housing Development Corporation and the Ann Arbor Area Transportation Authority and Appropriate Grant Funding (\$4,300,000.00) (8 Votes Required)				

Sponsors:

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Attachments: 1. Case-454477 City of Ann ArborAGR.pdf

Date	Ver.	Action By	Action	Result
5/18/2026	1	City Council		

Resolution to Approve a Grant Agreement with the Michigan Economic Development Corporation and to Approve and Authorize Execution of Sub-Grant Agreements with the Ann Arbor Housing Development Corporation and the Ann Arbor Area Transportation Authority and Appropriate Grant Funding (\$4,300,000.00) **(8 Votes Required)**

In January 2026, the City of Ann Arbor was awarded \$4.3 million by the Michigan Economic Development Corporation (MEDC) through the Michigan Talent Partnership Grant. The grant provides critical gap funding for a set of interrelated downtown redevelopment projects collectively referred to as “Cultivate Midtown,” representing more than \$233.6 million in total investment from local, state, federal, and private sources.

The projects include:

- Streetscape improvements associated with the affordable housing development at 350 South 5th Avenue, a partnership between the Ann Arbor Housing Commission and Related Midwest; and
- Expansion of bus platforms at the Blake Transit Center, led by the Ann Arbor Area Transportation Authority (AAATA).

In addition, the Ann Arbor Downtown Development Authority is reconstructing Fourth Avenue to support mobility, pedestrian safety, and placemaking. While this work will occur alongside the grant-supported projects, it will not receive Michigan Talent Partnership Grant funds.

Together, the projects advance multiple City objectives, including affordable housing production, expanded transit access, reduced vehicle miles traveled, pedestrian safety, placemaking, and economic opportunity. By locating affordable housing in a transit-rich downtown area near services, jobs, and public amenities, the projects will help lower-income households access the full benefits of Ann Arbor’s economy.

The terms of the grant between MEDC, as grantor, and the City, as grantee, are set forth in a Grant Agreement that requires approval by City Council.

Although the City is the formal grantee, the funded projects will be implemented by partner entities. Accordingly, the City will enter into a sub-grant agreement with the Ann Arbor Housing Development Corporation (AAHDC) in the amount of \$858,319.44, and a separate sub-grant agreement with AAATA in the amount of \$3,441,680.56.

This resolution authorizes approval of the Grant Agreement with MEDC and the corresponding sub-grant agreements with AAHDC and AAATA.

Budget / Fiscal Impact: The City's role is limited to administering the grant and disbursing funds to the sub-grantees. However, acceptance of the grant will require appropriation of the grant funds and pass-through accounting to the applicable project partners.

Prepared by: Joseph R. Giant, Director of Economic Development

Reviewed by: Marti Praschan, Chief Financial Officer

Approved by: Milton Dohoney Jr., City Administrator

Whereas, The City of Ann Arbor has been awarded \$4.3 million through the Michigan Talent Partnership Grant to support implementation of the "Cultivate Midtown" initiative; and

Whereas, The "Cultivate Midtown" grant application was developed in close collaboration with partner organizations, including the Ann Arbor Housing Commission, the Ann Arbor Area Transportation Authority, and the Ann Arbor Downtown Development Authority, and advances key City priorities, including affordable housing, placemaking, and increased transit use;

RESOLVED, That City Council approves the agreement entitled "Michigan Talent Partnership Program Grant Agreement" (the "Grant Agreement") between the Michigan Economic Development Corporation and the City of Ann Arbor in the amount of Four Million Three Hundred Thousand Dollars (\$4,300,000.00), substantially in the form attached hereto;

RESOLVED, That the City Administrator be authorized to take the necessary actions to implement this resolution, including administrative approval and execution of the Sub-Grant Agreements with the Ann Arbor Housing Development Corporation in the amount of \$858,319.44, and Ann Arbor Area Transportation Authority in the amount of \$3,441,680.56, administrative approval of any amendments to the Grant Agreement not exceeding the Grant awards authorized herein, and termination of the Grant Agreement or either Sub-Grant Agreement per their terms if deemed necessary.

RESOLVED, The City Council appropriates \$4,300,000.00 to the FY 2026 City Administrator Major Grants Programs Fund expenditure budget with the source of revenue being State of Michigan grant funds received from MEDC;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute the Grant Agreement after approval as to substance by the City Administrator and approval as to form by the City Attorney; and

RESOLVED, That all amounts herein are without regard to fiscal year.