Notification of Public Housing Closeout or Future Development HUD- 5837

U.S. Department of Housing and Urban Development Office of Public and Indian Housing

The information collection requirements contained in this document have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB control number 2577-0075. There is no personal information contained in this application. Information on activities and expenditures of grant funds is public information and is generally available for disclosure. Recipients are responsible for ensuring confidentiality when disclosure is not required. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number.

This information is designed to supplement the HUD-52860 or RAD Application (both through the IMS/PIC application submission) for all inventory removal actions that will result in the removal of all ACC units from a Public Housing Authority's (PHA) inventory. HUD will use this information to provide targeted technical assistance, to identify potential issues, and to assess risk areas. Please refer to the instructions for guidance on completing this form. The information requested does not lend itself to confidentiality.

A. General PHA Information

PHA Identification Number and Name:	
PHA Fiscal Year End:	
Expected date of removal of last ACC unit:	
Does the PHA intend to closeout its public housing program or develop new ACC units in the future?	 Closeout public housing program <i>Fill out Section B & D only</i> Develop new ACC Units <i>Fill out Section C & D only</i>

B. Public Housing Program Closeout Information

Will the PHA have any Non-Dwelling Public Housing Real Property after it removes its last public housing unit? If yes, which removal action does the PHA intend to pursue to dispose of the remaining Public Housing Real Property?	 Yes Section 18 Application Retain under 2 CFR part 200.311 Transfer to 3rd Party Other No
Does the PHA have (or reasonably anticipate) any outstanding public housing litigation, claims, compliance reviews, monitoring reviews, PHA or	Yes – explain in Section D
MTW Plan reviews, audits, and/or fair housing or other civil rights complaints to resolve?	No
Will the PHA comply with all required closeout activities, including submission of board resolution, legal opinion, and quarterly financial reports as specified in PIH 2016-23 (or subsequent guidance)?	Yes No

C. Future Development Information

How many new ACC units does the PHA intend to develop?	
Does the PHA have sufficient Faircloth limit authority to develop new ACC units?	Yes No
What is the PHA's proposed development method?	 Conventional Turnkey Acquisition With or Without Rehabilitation Force Account Labor Mixed-Finance Other Methods
Does the PHA have a site(s) selected?	Yes No
Anticipated date of development proposal submission:	

D. Identify any potential issues related to closeout or future development activities.

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This general information is required to request HUD approval to remove public housing property (residential or non-residential) from public housing requirements, including use restrictions imposed under the Annual Contributions Contract (ACC) and the Declaration of Trust (DOT)/Declaration of Restrictive Covenants (DoRC). PHAs may request such HUD approval under the following laws: demolition and disposition (Section 18 of the 1937 Act and 24 CFR part 970); voluntary conversion (Section 22 of the 1937 Act and 24 CFR part 972); required conversion (Section 33 of the 1937 Act and 24 CFR part 972); homeownership (Section 33 of the 1937 Act and 24 CFR part 972); required conversion (Section 33 of the 1937 Act and 24 CFR part 972); homeownership (Section 33 of the 1937 Act and 24 CFR part 972); subsequent notice); and eminent domain (PIH Notice 2012-8, or subsequent notice).

Note: This form requests general information only and PHAs are required to submit an additional addendum for the specific type of proposed removal. This form in addition to the applicable addendum are collectively known as the SAC application since these applications are processed by HUD's Special Applications Center (SAC). HUD will use this information to review PHA requests, as well as to track removals for other record keeping requirements. Responses to this collection of information are statutory and regulatory to obtain a benefit. The information requested does not lend itself to confidentiality. PHAs are required to submit this information electronically to HUD through the Inventory Removals Submodule of the Inventory Management System/PIH Information Center (IMS/PIC) system (or a later electronic system prescribed by HUD). IMS/PIC will assign each SAC application a "DDA" number.

This form does not apply to proposed removals (conversions) under HUD's Rental Assistance Demonstration (RAD) program; and the instructions for RAD application submissions via IMS/PIC is provided and governed by a separate OMB-approved HUD form.

Sect	ion 1: General Information		
1.	Date of Application:		
2.	Name of Public Housing Agency (PHA):		
3.	PHA Identification Number:		
4.	PHA Address:		
5.	Contact Person Name at PHA:		
6.	Contact Person Phone No.:		
7.	Contact Person Email:		
8.	consent decree, settlement agreement or oth	rder, compliance agreement, final judgment, her court order or agreement, including but not other civil rights finding of noncompliance?	Yes
		ng how the proposed removal is consistent with	🗌 No
such	order, agreement or other document		
-	D. Name of Local HUD Field Office		
	0. Name of Expeditor at Local HUD Field	Office who assisted PHA with application	

Section 2: N/A

Section 3: PHA Plan, Board Resolution, Environmental Review and L	ocal Gove	rnment Consultation	
 PHA Plan: Year of PHA Plan that includes the removal action and approval date: 	Year:	Approval Date:	

Attach evidence that the removal action is included in the approved PHA Plan and approval date

2. Board Resolution that approves the removal action; and PHA's submission of removal application to HUD: Board Resolution Number: Board Resolution Date:

Attach a copy of signed PHA Board Resolution

3. Environmental Review: Check the box for the entity that conducted the Environmental Review (ER):	 HUD under 24 CFR part 50 Responsible Entity (RE) under 24 CFR part 58 Name of RE: Washtenaw County Date ER was conducted: 11/6/2023 		
Attach a copy of HUD's approval of the Environmental Review (i.e. HUD-7015.16). See instructions.			

4. Local Government Consultation: The PHA covers the following jurisdiction(s):

5. Date(s) of letter(s) of support from (local) government officials:

Attach copies of all letters of support from local government officials, along with a narrative description of the PHA's consultation (if applicable)

Sect	Section 4: Description of Existing Development						
1.	Name of Development:						
2.	Development Number:						
3.	Date of Full Availability (D	OFA):					
4.	Number of Residential Buil	dings:					
5.	Number of Non-Residential	Buildings:					
6.	Date Constructed:						
7.	Is the Development Scattered	ed Site?			Yes No		
8.	Number of Buildings (single	e family, duplexes	, 3-plexes, 4-plexes, ot	her):			
9.	Number of Types of Structu	ires (row houses, v	valk-up units, high-rise				
	unit):						
10.	Total Acres in Developmen	t:					
11.	Existing Unit	General	Elderly/Disabled		al Units Being Used	Total Units in	
	Distribution	Occupancy	Designated Units	fe	or Non-Dwelling Purposes	Development	
	0 – Bedroom				ruiposes		
	1 – Bedroom						
	2 – Bedrooms						
	3 – Bedrooms						
	4 - + Bedrooms						
	Total						
Atta	ch a description of the distrib	ution of UFAS acc	essible units (bedroom	ı size; ı	init type, e.g., mobility	or sensory)	

Section 5: Descriptio	n of Proposed	Removal					
 Type of Removal Action(s) (e.g., Demolition, Disposition, Disposition to allow for Public Housing Mixed-Finance Modernization, Demolition and Disposition, DeMinimis Exception under Demolition, Voluntary Conversion, Required Conversion, Homeownership, Eminent Domain, Retention under 2 CFR part 200) 							
2. Proposed Action	n by Unit Type	e (e.g. bedroom size))				
Existing Unit Distribution	General Occupancy	Elderly/Disabled Designated Units	UFAS Mobility Units	UFAS Sensory Units	Total Units Used for N Dwelling P	on-	Total Units in Development
0 – Bedroom							
1 – Bedroom							
2 – Bedrooms							
3 – Bedrooms							
4 - + Bedrooms							
Total							

3.	Proposed Action by Building Type		to be Demo	olished Only	Buildi	ings to be Disposed of Only
	Residential Building				ļ	
	Non-Residential Building				ļ	
	Total Building				<u> </u>	
-	e removal action is for only a portion of			te, attach a sit	'e map	
4.	Total Acreage Proposed for Remov				<u> </u>	
	(a) Attach a description of the land		0 0	1 /	· · · · Course	$\langle (\mathbf{D} - \mathbf{D} \mathbf{C}) \rangle$
	(b) Attach a copy of the recorded D(c) If the removal action is for only a					
5.	Estimated Value of the Proposed P		<u>11 y ui u con</u>	<u>Itguous suc, a</u> \$	<u>1111011 a 51</u>	ne mup.
	(a) Was an independent appraisal co	. .	ine the esti	mated Fair Ma	arket Valı	ue? Yes No
	(b) If yes, date of appraisal and					
	name of appraiser:	Date:	Name	2:		
	(c) If not, describe other form of valuation used:	Τ				
Atta	ch an executive summary of the apprai	isal or other form	of valuation	n		
6.	Timetable					
		Activity				Estimated Number of <u>Days</u> After HUD Approval:
((a)Begin Relocation of Residents:	N/A	ant or for n	on-dwelling b	uilding	
((b)Complete Relocation of Residents:	N/Aif vaca	ant or for n	on-dwelling b	uilding	
((c) Execute Contract for Removal					
((d) Removal of the property					
See	ction 6: Relocation					
1.	1. Number of Units Proposed for Removal that are Occupied as of the Submission Date of this					
	SAC application:	1 sector sticolly no	1-4-1	lingtion in		、
2.	(Note: These numbers are not editable an Number of individual residents that t)
	action:			- · ·		
	ch a summary of the number of individ mary of households estimated by be di			er who is a pe	rson with	-
3.	Who will provide relocation counseli	ing and advisory s	ervices to	PHA staff		
	residents?	ing und ud,,,,,,,,		Another H	Entity con	tracted by the PHA Describe:
	ch a description of the relocation coun. aced by this action	seling and advisor	y services t	hat the will be	? provided	d to residents who will be
4.						
5	Capital Funds Operating Funds					
5.	What is the anticipated source of fun and moving expenses (including adv			ding Source Y -1937 Act Fur		rihe:)
		blic Housing. If cl	hecked, nui	mber:		
6.		ction 8 HCV (existent of the second sec	-			
		necked, number:	1	r v sj (see yue	suon <i>π i j</i> .	
	-	V Unit. If checke	d. number:			
		her (attach descrip			er:	
Atta	ch a summary of the comparable hous					placed residents.

7.	Tenant Protection Vouchers (TPVs): If the PHA is eligible to receive TPVs in connection with the proposed removal action, how many TPVs is the PHA requesting?	 Yes - Replacement TPVs. If checked, number: 1 Yes - Relocation TPVs. If checked, number: 	
	the TTh Trequesting.	No TPVs will be requested	

Attach a brief explanation supporting the TPV request. See PIH Notice 2017-10 and PIH Notice 2018-04 (or any successor notices). If the PHA is a public housing only-PHA, the PHA must partner with a PHA that administers an HCV program.

Section 7: Resident Consultation					
1. Will any residents be displaced or otherwise affected by the proposed removal action? If yes, date(s) PHA consulted with residents?	Yes No Date(s): $3/10/23$, $4/21/23$				
Attach a narrative description of consultation process, along with supporting documentation (e.g., agenda, meeting notices; sign-in sheets; meeting minutes, print-out of written or email consultation)					
2. Is there a Resident Council (at affected development)? If yes, name of Resident Council and dates PHA consulted it:	Yes No Name: Date(s): N/A to removal action				
Attach a narrative description of consultation process, along with support sheets; meeting minutes, print-out of written or email consultation)	orting documentation e.g. meeting notices; sign-in				
3. Is there a Resident Council (PHA-wide jurisdiction)? If yes, name of Resident Council and dates PHA consulted it:	Yes No Name: Date(s): N/A to removal action				
Attach a narrative description of consultation process, along with support sheets; meeting minutes, print-out of written or email consultation)	orting documentation e.g. meeting notices; sign-in				
 Date(s) PHA consulted with the Resident Advisory Board (RAB) (as defined in 24 CFR 903.13) 	Name of RAB: Date(s):				
Attach a narrative description of consultation process, along with support sheets; meeting minutes, print-out of written or email consultation)	rting documentation e.g. meeting notices; sign-in				
5. Did the PHA receive any written comments from residents or resident groups/organizations during the consultation process?	Yes No				
If yes, attach comments received, along with an evaluation by the PHA					
Section 9. N/A					
Section 8: N/A					

Section 9: PHA Certification of Compliance

Acting on behalf of the Board of Commissioners of the PHA, as its Chairman, Executive Director, or other authorized PHA official, I approve the submission of this SAC Application known as DDA # for removing public housing property from public housing use restriction, of which this document is a part, and make the following certifications, agreements with, and assurances to the Department of Housing and Urban Development (HUD) in connection with the submission of this SAC application and the implementation thereof:

- **1.** All information contained in this SAC application (including all supporting documentation, attachments and required form HUD-52860 addendums) is true and correct as of today's date.
- **2.** Resident demographic data in the IMS/PIC system is updated and current as of the date of the submission of this SAC application.
- **3.** The PHA will comply with all applicable fair housing and other civil rights requirements, including but not limited to HUD's general non-discrimination and equal opportunity requirements listed at 24 CFR 5.105(a), as well as the duty to affirmatively further fair housing (AFFH) related to this SAC application. AFFH includes ensuring that the proposed inventory removal development is not in conflict with fair housing goals and strategies in my agency's PHA or MTW Plan, and is consistent with my agency's obligation to AFFH, certification and supporting activities. The PHA conducted the submission requirements of this SAC application (including removal justification; resident consultation, etc.) in conformity with Title

VI of the Civil Rights Act of 1964, the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, title II of the Americans with Disabilities Act of 1990, state or local accessibility requirements, and other applicable civil rights laws. If HUD approves this SAC application, the PHA will carry out and implement this removal action (including relocation, if applicable), in conformity with all applicable civil rights requirements. The requirements for AFFH can be found at 24 CFR §§ 5.150-5.152, 5.154, 5.156, 5.158, 5.160, 5.162, 5.164, 5.166, 5.168, and 5.169-5.180.

- **4.** The removal action proposed in this SAC application does not violate any remedial civil rights order or agreements, conciliation agreements, voluntary compliance agreements, final judgments, consent decrees, settlement agreements or other court orders or agreements to which the PHA is a party. If the PHA is operating under such a document, it must indicate this by uploading a document to the SAC application that provides a citation to the document and explains how the proposed demolition or disposition is consistent with such document.
- **5.** If the PHA is a non-qualified PHA under the Housing and Economic Recovery Act of 2008 (HERA), it has complied with the PHA Plan requirements regarding the proposed removal action at 24 CFR part 903 and the applicable statutory removal authority. For instance, if the removal action is a demolition or disposition, the PHA must describe the demolition or disposition in its PHA Plan or in a Significant Amendment to that PHA Plan and that description must be substantially identical to the description in the SAC application. If the PHA is a qualified PHA, the PHA certifies that it has discussed the removal action at a public hearing.
- 6. The PHA has conducted all applicable resident consultation and will conduct all relocation activities associated with this SAC application in a manner that is effective for persons with hearing, visual, and other communication-related disabilities consistent with Section 504 of the Rehabilitation Act of 1973 (24 CFR 8.6) and with 49 CFR 24.5, and as applicable, the Americans with Disabilities Act of 1990. The PHA will take reasonable steps to ensure meaningful access to their programs and activities for persons who have limited ability to read, speak, or understand English i.e., individuals who have limited English proficiency (LEP).
- 7. The PHA will comply with all applicable Federal statutory and regulatory requirements and other HUD requirements, including applicable PIH Notices, in carrying out the implementation this SAC application, as approved by HUD. The PHA specifically certifies that the property proposed for removal in this SAC application is in compliance with Declaration of Trust (DOT) or Declaration of Restrictive Covenants (DoRC) requirements.
- **8.** The PHA will comply with the terms and conditions of any HUD approval that HUD may issue for this SAC application, including requirements applicable to future use, record-keeping and reporting; and will specifically retain records of the SAC application and its implementing actions of HUD's approval of this SAC application for a period of not less than 3 years following the last required action of HUD's approval. The PHA further certifies that it will make such records available for inspection by HUD, the General Accountability Office and the HUD Office of Inspector General. If the PHA wants to make any material changes from what it described in its SAC application and/or HUD's approval of the SAC application, it will request HUD approval for such changes, in accordance with applicable HUD guidance.
- **9.** The PHA will not take any action to remove or otherwise operate the property proposed for removal outside of public housing requirements until it receives written approval of this SAC application from HUD.
- **10.** If any units proposed for removal by this SAC application are subject to an Energy Performance Contracting (EPC), the PHA agrees to comply with additional instructions provided by HUD regarding the EPC and will not take any steps to implement this SAC application (if approved by HUD), without receiving confirmation from HUD that all applicable EPC requirements are satisfied.
- **11.**If any units proposed for removal by this SAC application are subject to a Capital Fund Financing Plan (CFFP) or other Section 30 debt, the PHA agrees to comply with additional instructions provided by HUD regarding the CFFP or other Section 30 and will not take any steps to implement this application (if approved by HUD), without receiving confirmation from HUD that all applicable CFFP or other Section 30 requirements are satisfied.
- 12.If the PHA is in the process of removing all of its public housing units from its ACC low-rent inventory through this or other SAC applications and/or other pending removal actions, including the Rental Assistance Demonstration (RAD) program, the PHA agrees to comply with additional instructions provided by HUD regarding the close-out of its public housing portfolio.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official	
Official Title:	
Signature:	Jenfer Hall
Date:	

Form HUD-52860 Instructions



415 W. Michigan Avenue Ypsilanti, MI 48197

www.washtenaw.org/oced twitter@WashtenawOCED facebook.com/washtenawoced www.opportunitywashtenaw.org

734.544.6748 (P)

734.544.6749 (F)

November 6, 2023

To: Jennifer Hall Executive Director Ann Arbor Housing Commission 2000 S. Industrial Hwy Ann Arbor, MI 48104

Dear Jennifer,

Your office recently submitted 2072 Garden Circle, Ann Arbor, MI 48103 for a Section 18 Disposition for the completion of a HUD NEPA Environmental Review for our office to complete. The specific project description that you provided for this project was the following:

2072 Garden Circle is a single family home (1 building) that Ann Arbor Housing Commission is converting from Public Housing to Section 18 Disposition. This is the only unit in the Ann Arbor Housing Commission's Public Housing portfolio, and therefore we are converting under the Section 18 Disposition process for small PHAs. Garden Circle is a 1,054 square foot, 3-bedroom and 1 bathroom house. The project is a financial and legal transaction with no renovations planned. Consequently, there will be no ground disturbance and no impact on the tenants. The property is currently owned by the Ann Arbor Housing Commission, and will be acquired for \$1.00 to the Ann Arbor Housing Development Corporation, a Michigan 501(c)(3) nonprofit organization, created by the Ann Arbor Housing Commission. The property currently receives an Operating and Capital Fund subsidy from HUD under the Public Housing program. After the Section 18 Disposition, the property will receive project-based voucher assistance.

Given the scope of this project, we were able to process complete this environmental review as a Categorically Excluded Subject to 24 CFR Part 58.5 (CEST) environmental review that was able to convert to exempt due to no compliance or mitigation requirements related to any of the related laws and authorities within the environmental review. The CEST Converts to Exempt environmental review record for 2072 Garden Circle was completed and signed today (November 6, 2023) is attached, as of today's date this project has environmental clearance for the project described in the paragraph above.

Sincerely,

Mathan Voght

Nathan Voght Washtenaw County Brownfield Authority Coordinator, Washtenaw County Certifying Officer

Cc: Arin Yu, Planning Specialist, Ann Arbor Housing Commission Tara Cohen, Washtenaw County OCED Housing and Community Infrastructure Manager Terry Brinkman, Washtenaw County OCED Community and Economic Development Data Specialist



U.S. Department of Housing and Urban Development 451 Seventh Street, SW Washington, DC 20410 www.hud.gov espanol.hud.gov

Environmental Review for Activity/Project that is Categorically Excluded Subject to Section 58.5 Pursuant to 24 CFR 58.35(a)

Project Information

Project Name: 2072-Garden-Circle-Section-18-Disposition

HEROS Number: 90000010326450

State / Local Identifier:

Project Location: 2072 Garden Cir, Ann Arbor, MI 48103

Additional Location Information:

The property located at 2072 Garden Circle is located on the property with the following City of Ann Arbor Parcel Identification Number: 09-09-30-304-043. The property is located on a 0.109 acre property parcel in the City of Ann Arbor within the Garden Circle Subdivision that is located in the western part of the City of Ann Arbor in the middle of a residential neighborhood area roughly bordered by W. Liberty St on the south, W. Stadium Blvd on the west, W. Jackson Ave on the north, and farther away to the east is Crest Ave and S. Seventh St. Commercial activities nearby are found mostly on W Stadium Blvd, W. Jackson Ave, and both S Maple Rd and N. Maple Rd. Located nearby to the west is Winewood Thaler Park. See 2072 Garden Circle Location Map, 2072 Garden Circle Closeup Location Map, 2072 Garden Circle BSA Report with property information and 2072 Garden Circle photo all attached.

Description of the Proposed Project [24 CFR 50.12 & 58.32; 40 CFR 1508.25]:

2072 Garden Circle is a single family home (1 building) that we are converting from Public Housing to Section 18 Disposition. This is the only unit in the Ann Arbor Housing Commission's Public Housing portfolio, and therefore we are converting under the Section 18 Disposition process for small PHAs. Garden Circle is a 1,054 square foot, 3-bedroom and 1 bathroom house. The project is a financial and legal transaction with no renovations planned. Consequently there will be no ground disturbance and no impact on the tenants. The property is currently owned by the Ann Arbor Housing Commission, and will be acquired for \$1.00 to the Ann Arbor Housing Development Corporation, a Michigan 501(c)(3) nonprofit organization, created by the Ann Arbor Housing Commission. The property currently receives an Operating and Capital Fund subsidy from HUD under the Public Housing program. After the Section 18 Disposition, the property will receive project based voucher assistance.

Level of Environment Review Determination:

Categorically Excluded per 24 CFR 58.35(a), and subject to laws and authorities at §58.5: 58.34(a)(12) 58.35(a)(5) 58.35(a)(4)(i)

Funding Information

Grant Number	HUD Program	Program Name
MI064	Public Housing	Public Housing Capital Fund (including CFFP and other grants)
MI064	Public Housing	Public Housing Operating Fund

Estimated Total HUD Funded Amount: \$13,316.00

Estimated Total Project Cost [24 CFR 58.2 (a) (5)]: \$13,316.00

Mitigation Measures and Conditions [CFR 1505.2(c)]:

Summarized below are all mitigation measures adopted by the Responsible Entity to reduce, avoid or eliminate adverse environmental impacts and to avoid non-compliance or non-conformance with the above-listed authorities and factors. These measures/conditions must be incorporated into project contracts, development agreements and other relevant documents. The staff responsible for implementing and monitoring mitigation measures should be clearly identified in the mitigation plan.

Law, Authority, or	Mitigation Measure or Condition	Comments on Completed Measures	Complete
Factor		completed measures	

Determination:

V	This categorically excluded activity/project converts to EXEMPT per Section 58.34(a)(12), because it does not require any mitigation for compliance with any listed statutes or authorities, nor requires any formal permit or license; Funds may be committed and drawn down after certification of this part for this (now) EXEMPT project; OR
	This categorically excluded activity/project cannot convert to Exempt status because one or more statutes or authorities listed at Section 58.5 requires formal consultation or mitigation. Complete consultation/mitigation protocol requirements, publish NOI/RROF and obtain "Authority to Use Grant Funds" (HUD 7015.16) per Section 58.70 and 58.71 before committing or drawing down any funds; OR
	This project is not categorically excluded OR, if originally categorically excluded, is now subject to a full Environmental Assessment according to Part 58 Subpart E due to extraordinary circumstances (Section 58.35(c)).
repar	er Signature: Date: 11/06/2023

Name / Title / Organization: Terry R. Brinkman / / WASHTENAW COUNTY

Responsible Entity Agency Official Signature: Mathan Voght Date: <u>11/06/2023</u>

11/03/2023 17:49

Nathan Voght, Washtenaw County Brownfield Authority Coordinator, Certifying Officer

Name/ Title:

This original, signed document and related supporting material must be retained on file by the Responsible Entity in an Environment Review Record (ERR) for the activity / project (ref: 24 CFR Part 58.38) and in accordance with recordkeeping requirements for the HUD program(s).



CITY OF ANN ARBOR, MICHIGAN

301 East Huron St., P.O. Box 8647, Ann Arbor, Michigan 48107 Phone 734.794.6161 ext. 41602 http://www.a2gov.org Office of Mayor Christopher Taylor

February 12, 2024

Ms. Jane Hornstein Special Applications Center U.S. Department of Housing and Urban Development 77 W. Jackson Blvd., Room 2401 Chicago, IL 60604-3507

RE: 2072 Garden Circle, Ann Arbor

Dear Ms. Hornstein:

As the Mayor for the City of Ann Arbor, I am writing to express my strong support for the Section 18 Disposition project proposed by the Ann Arbor Housing Commission. Quality, affordable housing is a key priority for the City, and the Garden Circle project will enable the Housing Commission to continue to provide much needed affordable housing in a quality City neighborhood.

2072 Garden Circle is a single-family home that is the only remaining unit in the Ann Arbor Housing Commission's Public Housing portfolio. Garden Circle was acquired through HUD's Turnkey III lease to ownership program. The Turnkey III program no longer exists and the families that have lived in this home have not been able to purchase the property.

Garden Circle is a 3-bedroom and 1 bathroom house located in the Eberwhite neighborhood. The neighborhood boasts a number of excellent parks and schools and access to public transit. The property is currently owned by the Ann Arbor Housing Commission and will be sold below Fair Market Value for \$1.00 to the Ann Arbor Housing Development Corporation, a Michigan 501(c)(3) nonprofit organization, created by the Ann Arbor Housing Commission. AAHC Staff held several meetings with the resident between March 2023 and November 2023, and will continue to support the family's needs for affordable housing after conversion.

The Garden Circle project is an important opportunity that will further the City's goal to provide quality affordable housing for families in Ann Arbor. Thank you for your careful consideration of this project.

Sincerely,

Marster L. TA, 4

Christopher Taylor ' Mayor of the City of Ann Arbor

Narrative of Local Government Consultation

The Ann Arbor Housing Commission (AAHC) consulted with the City of Ann Arbor's Mayor Christopher Taylor on February 8, 2024, explaining our application for Section 18 Disposition through HUD and requesting his letter of support. A letter of support was signed and provided on February 12, 2024 as attached. (Public Housing Modernization Grant Projects)

Whereas, (1, see instructions) Ann Arbor Housing Commission

(herein called the Public Housing Agency (PHA), a public body corporate and politic, duly created and organized pursuant to and in accordance with the provisions of the laws of the (2) <u>State of Michigan</u>, and the United States of America, Secretary of Housing and Urban Development (herein called HUD) pursuant to the United States Housing Act of 1937 (42 U.S.C. 1437, et seq.) and the Department of Housing and Urban Development Act (5 U.S.C. 624) entered into a certain contract with the effective date as of (mm/dd/yyyy) (3) <u>11/16/1976</u>, (herein called the Annual Contributions Contract) and a certain Modernization Project Grant Amendment to the Annual Contributions Contract with the effective date as of (mm/dd/yyyy) (4) <u>8/3/2011</u>, (herein called the Modernization Grant Amendment) providing for a grant to be made by HUD to assist the PHA in modernizing lower income housing project(s); and

Whereas, as of the date of the execution of this Declaration of Trust, the Modernization Grant Amendment and the Annual Contributions Contract cover certain individual lower income housing projects located in: (5) City of Ann Arbor, County of Washtenaw, State of Michigan

which will provide ap	proximately (6)	dwelling units; a	nd which lower inco	ome housing projects are known	as Modernization	
Project No. (7)	CFP-501-11	and individual projects as fo	llows:			
Project No. (8)	MI064000100	with approximately	179	dwelling units,	. *	
Project No. (8)	MI064000200	with approximately	177	dwelling units, and		
Project No. (8)		with approximately		dwelling units; and		

Whereas, the modernization of each Project will have been financed with grant assistance provided by HUD.

Now Therefore, to assure HUD of the performance by the PHA of the covenants contained in the Modernization Grant Amendment and the Annual Contributions Contract, the PHA does hereby acknowledge and declare that it is possessed of and holds in trust for the benefit of HUD, for the purposes herein stated, the following described real property situated in: (9)

City of Ann Arbor, County of Washtenaw, State of Michigan

To Wit: (Insert legal description for each individual project.)(10)

See attached legal descriptions of each dwelling project property for the Ann Arbor Housing Commission (included as part of the General Property Information documents).

and all buildings and fixtures erected or to be erected thereon or appurtenant thereto.

The PHA hereby declares and acknowledges that during the existence of the trust hereby created, HUD has been granted and is possessed of an interest in the above described Project property, **To Wit**:

The right to require the PHA to remain seized of the title to said property and to refrain from transferring, conveying, assigning, leasing, mortgaging, pledging, or otherwise encumbering or permitting or suffering any transfer, conveyance, assignment, lease, mortgage, pledge or other encumbrance of said property or any part thereof, appurtenances thereto, or any rent, revenues, income, or receipts therefrom or in connection therewith, or any of the benefits or contributions granted to it by or pursuant to the Modernization Grant Amendment and the Annual Contributions Contract, or any interest in any of the same except that the PHA may (1) to the extent and in the manner provided in the Annual Contributions Contract, (a) lease dwellings and other spaces and facilities in any Project, or (b) convey or otherwise dispose of any real or personal property which is determined to be excess to the needs of any Project, or (c) convey or dedicate land for use as streets, alleys, or other public right-of-way, and grant easements for the establishment, operation, and maintenance of public utilities; or (d) enter into and perform contracts for the sale of dwelling units to members of tenant families, as authorized by the United States Housing Act of 1937, or (2) with the approval of HUD, release any Project from the trust hereby created; Provided, That nothing herein contained shall be construed as prohibiting the conveyance of title to or the delivery of possession of any Project to HUD pursuant to the Annual Contributions Contract.

The endorsement by a duly authorized officer of HUD (1) upon any conveyance or transfer made by the PHA of any real or personal property which is determined to be excess to the needs of any Project, or (2) upon any instrument of conveyance or dedication of property, or any interest therein, for use as streets, alleys, or other public right-of-way, or for the establishment, operation and maintenance of public utilities, or (3) upon any instrument transferring or conveying a dwelling unit, or an interest therein, to a member of a tenant family, or (4) upon any instrument of release made by the PHA of any Project shall be effective to release such property from the trust hereby created.

The individual projects covered by the Modernization Grant Amendment shall be subject to this Declaration of Trust for a period of twenty years beginning on the date of the Modernization Grant Amendment. Each individual project shall also be subject to this Declaration of Trust for a period of twenty years after the date of the most recent Modernization Grant Amendment applicable to that project. Upon expiration of the period during which the PHA is obligated to operate the individual projects in accordance with the Annual Contributions Contract, the trust hereby created shall terminate and no longer be effective.

In Witness Whereof, the PHA by its officers thereunto duly authorized has caused these presents to be signed in its name and its corporate seal to be hereunto affixed and attested this date $(mm/dd/yyyy) - \frac{9/30/301}{201}$.

(Seal)

ELIZABETH M. YAROCH Notary Public, State of Michigan County of Ingham My Commission Expires Feb. 15, 2017 Acting in the County of <u>Ulashikwan</u>

and the second

(1, see instructions)

Menn Executive Director Secretary Date (mm/dd/vy

ref, Handbook 7485.1

form HUD-52190-B (3/90)

RELEASE FROM DECLARATION OF TRUST Colonial Oaks Development

The Housing Commission of Ann Arbor ("Local Authority"), a public body corporate and politic, duly created and organized pursuant to and in accordance with the provisions of the laws of the State of Michigan and the United States of America ("Government") pursuant to the United States Housing Act of 1937, as amended (42 U.S.C. 1401, et. Seq.), acting by and through the Department of Housing and Urban Development ("HUD") have previously entered into an Annual Contributions Contract dated November 16, 1976 ("ACC") providing for a loan and for annual contributions to be made by the Government to assist the Local Authority to finance and operate a lowrent housing project in Ann Arbor, Michigan. Pursuant to a Mixed-Finance Amendment to Consolidated Annual Contributions Contract dated August 3, 2011 as amended (the "Mixed-Finance Amendment"), HUD authorized the development of a mixed-finance public housing project known as the Colonial Oaks Development, with a public housing project consisting of approximately 25 units, with a public housing project number of MI-0640000100 & MI-0640000200 (the "Project").

Pursuant to the Mixed-Finance Amendment, the Local Authority, by Declaration of Trust and Restrictive Covenants, dated as of September 26, 2011, acknowledged and declared the property described therein to be held in trust to ensure the affordability in accordance with the terms and conditions therein set forth.

Pursuant to a Rental Assistance Demonstration ("RAD") Conversion Commitment dated May ____, 2015, HUD has authorized the conversion of the Project from mixed-finance public housing to Section 8 assistance under the RAD program and the execution and recordation of a RAD Use Agreement.

To accomplish the RAD conversion, Government has agreed to execute this Release to release the Project from the terms and conditions of the Declaration of Trust.

Therefore, the aforementioned Declaration of Trust is hereby terminated and the real property listed and described on $\underline{\text{Exhibit A}}$ attached hereto is hereby released therefrom.

SIGNATURE PAGE TO RELEASE OF DECLARATION OF TRUST

The Government executed this Release from Declaration of Restrictive Covenants on the _____ day of May, 2015.

WITNESSED:

UNITED STATES OF AMERICA SECRETARY OF HOUSING AND URBAN DEVELOPMENT

By:	
Printed Name:	
Title:	

DISTRICT OF COLUMBIA)

On this the _____ day of May, 2015, before me, the undersigned officer, personally appeared ______, who acknowledged himself/herself to be the Authorized Agent for the Secretary of the United States Department of Housing and Urban Development, and that such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained as his/her free act and deed and the free act and deed of the Secretary of the United States Department of Housing and Urban Development, by signing the name of the said Secretary of the United States Department of Housing and Urban Development of Housing and Urban Development by himself/herself as such officer.

In witness Whereof I hereunto set my hand.

Notary Public My Commission Expires:_____

EXHIBIT A LEGAL DESCRIPTION COLONIAL OAKS DEVELOPMENT

PARCEL1: 3681-3689 PLATT RD., Ann Arbor, MI 48108

Beginning at a point on the West line of Section 11, T3S, R6E, City of Ann Arbor, Washtenaw County, Michigan, the point being distant South 0°23'40" East 974.21 feet from the West ¹/₄ corner of Section 11; thence North 89°36'20" East 130 feet to a point; thence South 16°57'05" East 38.60 feet to a point; thence North 89°36'20" East 94 feet to a point; thence South 0°23'40" East 163 feet to a point; thence South 89°36'20" West 235 feet to a point; thence North 0°23'40" West 200 feet along the West line of Section 11 to the Point of Beginning, which area excludes 33 feet in width of Platt Road.

Tax I.D. 09-12-11-300-006

PARCEL 2: 221-253 South Seventh Street, Ann Arbor, MI 48103

Lot 64, the South 4 rods of Lots 65, 66, and all of Lot 70, Jewett's Addition to the City of Ann Arbor, as recorded in Liber 67 of Deeds, Pages 678 and 679, Washtenaw County Records. Tax I.D. 09-09-29-209-017

PARCEL 3: 1020-1042 Pennsylvania Avenue, Ann Arbor, MI 48103

Beginning at the Northwest corner of Section 31, T2S, R6E, City of Ann Arbor, Washtenaw County, Michigan; thence along the North line of the Section, South 89°51' East 400 feet; thence South 0°11' West 150 feet; thence North 89°51' West 60 feet; thence along the West line of Pennsylvania Avenue in the following described course: South 0°11' West 235.96 feet; thence South 122.10 feet in the arc of a circle or curve, concave curve to the East radius 1748.86 feet, chord, South 1°49' East 122.07 feet, South 3°49' East 111.62 feet, Southerly 117.91 feet in the arc of a circle or curve concave to the West radius 1688.86 feet, chord, South 1°49' East 111' West 49.7 feet; thence south 89°45' West 158.16 feet; thence North 0°11' East 658.50 feet; thence North 89°51' West 198 feet; thence along the West line of the Section and the centerline of Maple Road, North 0°11' East 129.36 feet to the Place of Beginning, being a part of the Northwest ¼ of the Northwest ¼ of Section 31, excepting the following:

Part of the Northwest ¼ of Section 31, T2S, R6E, City of Ann Arbor, Washtenaw County, Michigan, described as beginning at a point on the true West line of Section 31 (the line also being the East line of Section 25, T2S, R5E, Scio Township), distant North 00°11'19" West 4.18 feet from the southeast corner of Section 25, T2S, R5E, and proceeding thence along the true West line of Section 25, North 00°11'19" West 129.36 feet to the true Northwest corner of Section 31, T2S, R6E; thence along the North line of Section 31, as monumented, South 89°51'00" East 6.29 feet to the Northwest closing corner of Section 31; thence continuing along the North line of Section 31, South 89°51'00" East 400.00 feet; thence along the boundary of Bedford-Buttner Commercial Subdivision, as recorded in Liber 16 of Plats, Pages 8 and 9, Washtenaw County Records, the following four courses, (1) South 00°11'00" West 150.00 feet (2) North 89°51'00" West 60.00 feet, (3) South 00°11'00" West 235.96 feet, and (4) along a curve concave to the East, radius 1748.86 feet, central angle of 03°57'54", chord bears South 01°47'57" East 121.00 feet, an arc distance of 121.03 feet; thence South 89°45'00" West 146.19 feet; thence North 00°11'00" East 378.56 feet; thence North 89°51'00" West 203.45 feet to the Point of Beginning.

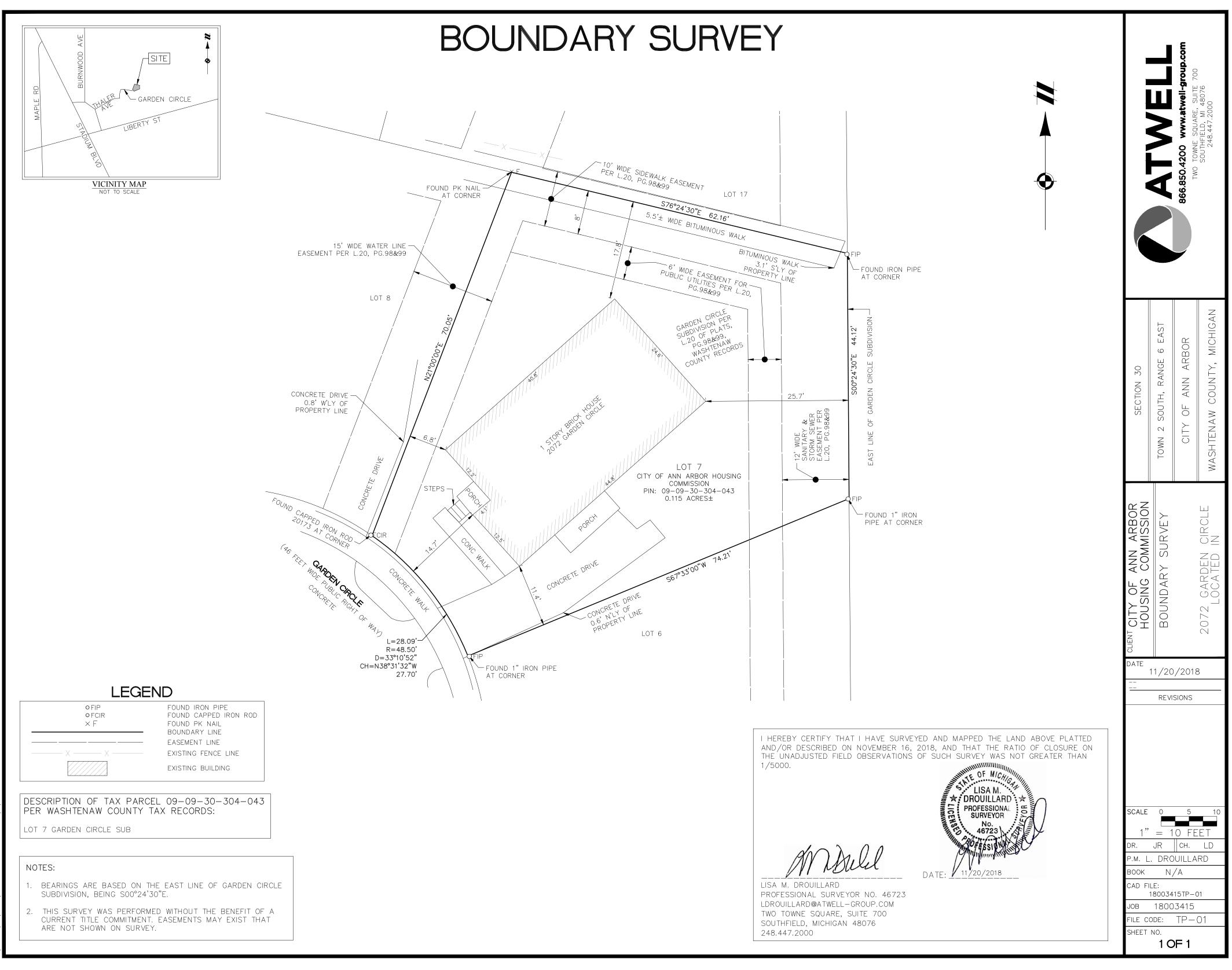
Tax I.D. 09-09-31-210-007

PARCEL 4: 2670-2680 South Main Street, Ann Arbor, MI 48103

Lots 11 and 12, South Main Acres, as recorded in Liber 10 of Plats, Page 3, Washtenaw County Records.

Tax I.D. 09-12-05-303-122

DET02\536358.1 ID\REL - 109464\0004



16\SURVEY\18003415TP-01 BNDY SURVEY.DWG 11/20/2018 2:33 PM JULIE



ASSESSOR

CITY OF ANN ARBOR, MICHIGAN

301 E. Huron Street, P.O. Box 8647, Ann Arbor, Michigan 48107-8647 Phone (734) 794-6530 Fax (734) 997-1437 ASSESSOR@A2GOV.ORG

Ms. Jane Hornstein Special Applications Center U.S. Department of Housing and Urban Development 77 W. Jackson Blvd., Room 2401 Chicago, IL 60604-3507

February 14, 2024

RE: 2072 Garden Circle, Ann Arbor

Dear Ms. Hornstein:

As the Assessor for the City of Ann Arbor, I am writing to share the 2024 market value established by the Assessor's Office for a property being converted out of Public Housing through Section 18 Disposition.

2072 Garden Circle is a single-family detached home (Parcel ID: 09-09-30-304-043). 2072 Garden Circle is a 1,008 square foot, 3-bedroom and 1 bathroom house. The property is currently owned by the Ann Arbor Housing Commission and will be sold below Fair Market Value for \$1.00 to the Ann Arbor Housing Development Corporation, a Michigan 501(c)(3) nonprofit organization, created by the Ann Arbor Housing Commission.

Based on our review of market data in the subject neighborhood, the indicated market value of the property is \$250,000.

Thank you for your consideration of this project in the City of Ann Arbor.



City Assessor

Narrative of Resident Consultation

The property at 2072 Garden Circle is occupied by one household in one unit. The Ann Arbor Housing Commission (AAHC) held two meetings with the household on March 10, 2023 and April 21, 2023 regarding the conversion of their home out of the public housing program and future options for a tenant protection voucher. The AAHC will continue to consult with the household about their housing needs before disposition. Please see the attached meeting notes with the resident affected by the conversion. No written comments were submitted to the PHA by the resident. The current resident wants to continue living in the unit and they will be rescreened under the voucher program and will be able to live there with continued assistance through a project-based tenant protection voucher if eligible. If the tenant is over-income they will continue to live in the housing and will continue to pay comparable rent.

Residential Consultation Meeting for 2072 Garden Circle – 3/10/2023

In attendance: Jennifer Hall (AAHC Executive Director), Brookanne Maitland (AAHC Property Manager), Arin Yu (AAHC Planning Specialist), Monika Martinez (resident at 2072 Garden Circle).

Summary: Conversion and no plans for major renovation were explained to the head of household, as well as future options for tenant based vouchers.

- 1. Conversion out of Public Housing
 - Jennifer: Explained Garden Circle is the last property in our portfolio we are converting to PBV. This is the only building in the project, and only one tenant/family we need to speak with.
 - Enough renovations have been done over the past few years to not have to do any major renovations during conversion.
- 2. Section 8 program
 - Jennifer: Once Garden Circle is converted, the tenant has a choice to stay at Garden Circle or move elsewhere with a tenant voucher.
 - Ms. Martinez: Understands that in the future it may be easier to move somewhere else with a voucher.
 - Ms. Martinez: Will her rent still be subsidized based on 30% of income?
 - Brookanne clarified rent will continue to be based on Ms. Martinez's household income. So payment won't change based on this program, but it could change if household income increases.
 - Jennifer: Rent subsidy could increase with a TBV. For example, Ms. Martinez would get a higher subsidy for a 4 bedroom unit than a 3 bedroom unit if she wanted to move with a TBV.
 - Ms. Martinez's household currently consists of 4 people. Jennifer clarified that her household composition will matter if she elects to take a TBV into the private sector, because the voucher amount is based on family size.
- 3. Rent payments
 - Jennifer confirmed rent payments will go to the same place and the Housing Commission will continue to be property manager.

Residential Consultation Meeting for 2072 Garden Circle – 4/21/2023

In attendance: Brookanne Maitland (AAHC Property Manager), Arin Yu (AAHC Planning Specialist), Monika Martinez (resident at 2072 Garden Circle).

Summary: Went over recent changes with the household size and income, which affects the family's options for other vouchers after conversion. Explained that they don't have to move right away, but there may be changes to their rent and we will help figure out how to report future changes in income as well.

- 1. Household income
 - Brookanne: Explained the household will need to income-qualify for Section 8 and household size will affect income calculations. If there is unreported income, or if the household size does not match, they may not qualify.
- 2. Moving
 - Ms. Martinez: Does this mean I have to move?
 - Brookanne clarified they do not have to move, but rent will gradually go up and they would have to pay TTP instead of flat rent.
 - If the household voluntarily chose to move, AAHC would allow termination of the lease without penalty.
 - Ms. Martinez still feels more protected living with the AAHC, doesn't feel they'd be able to go out and find a good 3-bedroom house that's affordable.
- 3. Reporting changes in income
 - Ms. Martinez is starting her own business, wondered how to report this income.
 - Brookanne clarified it would be the same as usual, can let the AAHC know about an income change and we will send the appropriate forms and calculate for the tenant to determine their income.

Narrative of Resident Advisory Board Consultation

The Ann Arbor Housing Commission held an Annual Resident Advisory Board (RAB) meeting on October 18, 2023 to discuss upcoming changes for our Moving to Work (MTW) Supplement Plan and MTW activities, as well as the proposed Section 18 disposition of 2072 Garden Circle.

The RAB had no comments regarding the conversion of Garden Circle or its inclusion in the Annual Plan. Please see the attached notice for invitation to participate in the meeting and comments from meeting attendees.

Resident Advisory Board (RAB) meeting - 10/18/2023

In attendance:

Weneshia Brand (AAHC Deputy Director) Arin Yu (AAHC Planning Specialist) Alacia Upthegrove-Newbern (Resident)

Resident comments:

My mom and my sister live in affordable housing properties. My rent isn't affordable, so I can speak for myself.

I would love to do the HC's homebuyer's program. I've had issues with landlords that don't know how to work with people. My problem is finding something affordable for our 6-person household. The market right now is so expensive. Looking for a house to rent at this point isn't really a good option. There's nothing that's affordable with what I'm working with right now. The rent is going up everywhere. The cost of housing is only going to keep going up.

They definitely need to increase the stock of housing. I've been trying to find a home since last year November, and still haven't found something that's in the budget. The 6-bedroom units that I've seen out here in Ann Arbor charge \$7,000 rent a month. There's not a lot of options, unless I look at Detroit or Van Buren.

I'm open to both a house and apartment.

RAB Annual Plan Public Meeting

Brand, Weneshia < WRBrand@a2gov.org>

Tue 10/17/2023 7:38 PM To:Hall, Jennifer (Housing Commission) <JHall@a2gov.org>;Yu, Arin <AYu@a2gov.org> Dear Sir or Madam,

We would like to invite you to our Annual Resident Advisory Board (RAB) meeting. The Ann Arbor Housing Commission (AAHC) holds the Annual RAB meeting to discuss upcoming changes for our Moving to Work (MTW) Supplement Plan and MTW activities, Housing Choice Voucher and Rental Assistance Demonstration (RAD) Project Based Voucher (PBV) program policies and processes.

The meeting generally last about 1-2 hours depending on the number of attendees and the amount of input or dialogue that occurs. AAHC participants who attend the meeting will receive a \$25 gift card. Please contact Weneshia Brand at <u>WRBrand@a2gov.org</u> if you plan on attending so that I can purchase the right amount of gift cards.

As a part of this process, we want to obtain input from our residents, voucher program participants and members of the public. In addition, we'll discuss adding affordable housing to our community. The Annual RAB meeting is scheduled for Wednesday, October 18, 2023, from 2:00 pm to 4:00 pm is available through Zoom.

The AAHC Annual Plan and MWT Supplement Plan is available online at <u>a2gov.org/housingcommission</u>.



Hi there,

weneshia brand is inviting you to a scheduled Zoom meeting.

Join Zoom Meeting

One tap mobile:	US: <u>+13126266799,,94439052271#</u> or <u>+13017158592,,94439052271#</u>
Meeting URL:	https://a2gov.zoom.us/j/94439052271?
	pwd=WHVrWUo2aEptcGFKRVFxcE1sVIFjdz09
Meeting ID:	944 3905 2271
Passcode:	515334

Join by Telephone

For higher quality, dial a number based on your current location. Dial: +1 312 626 6799 US (Chicago) +1 301 715 8592 US (Washington DC) +1 213 338 8477 US (Los Angeles) 833 548 0282 US Toll-free 877 853 5247 US Toll-free 888 788 0099 US Toll-free 833 548 0276 US Toll-free

Meeting ID: 944 3905 2271

International numbers

Demolition and Disposition Addendum

U.S. Department of Housing and Urban Development Office of Public and Indian Housing

HUD-52860-A

The information collection requirements contained in this document have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB control number 2577-0075. There is no personal information contained in this application. Information on activities and expenditures of grant funds is public information and is generally available for disclosure. Recipients are responsible for ensuring confidentiality when disclosure is not required. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number.

Section	1. Demolition	n			
1.	demolition of	es the removal action include the nolition of all or a portion of a elopment (AMP) or other public housing perty?		 Yes No If yes: All units at a development site A portion of units at a development site Non-dwelling property at a development site Non-dwelling property not at a development site (e.g. central PHA administrative building) 	
	If yes, compl	ete questions 2-6 of	this section. I	f no, move on to section 2.	
2.	What is the ea	stimated demolition	cost?	\$	
3.	3. What is the anticipated source of funds for the demolition cost?		funds for the	Capital Funds CDBG Operating Funds Fiscal Year: Non-Public Housing Funds (describe:)	
4.	4. What is the justification for the demolition?			e - Physical Condition e - Location e - Other Factors mis Demolition (the lesser of 5 units or 5 percent of the total public housing any 5-year period)	
Attach a narrative statement describing the justification for demolition, along with other supporting documentation, in accordant with 24 CFR part 970 and PIH Notice 2018-04 (or any successor notice). If the demolition is for a portion of a development, the narrative statement must specifically address how the demolition will help to ensure the viability of the remaining portion of the development.					
5.	Cost-test:		• •	ent supporting evidence that no reasonable program of modifications is ic housing development (or portion thereof) to useful life.	
	Attach a completed HUD-52860-B, narrative statement, and other supporting documentation as described in the				

instructions

	n 2. Disposition							
	Conditions in Surrounding Area: 24 CFR 970.17(a)							
	Health and/or Safety							
	***		easible Operation					
1.	What is the							
	justification for	Best Interests of PHA and Residents & Consistent with PHA Plan & 1937 Act: 970.17(c)						
	the disposition?		The Non-Dwelling Structure or Land Exceeds the Needs of the Development (after Date of Full					
			Availability "DOFA")					
			ion of the Non-Dwelling Property is		bes not Interfere with, the			
Attach			peration of the Remainder of the De	•	a daarmaatation in accordance			
			iustification for disposition, along w 04(or any successor notice).	un oiner supportin	g accumentation, in accordance			
			scence under the demolition criteria,	complete Section	l (Demolition) of this form.			
	1	<u> </u>	a. Public Bid FMV Sa	-				
			b. Negotiated Sale at I					
			c. Negotiated Lease of		FMV			
2.	Method of Dispos	ition	d. Negotiated Sale or					
2.	Method of Dispos	nion	e. Negotiated Sale at b		VI V			
			f. Negotiated Lease of		pelow FMV			
			g. Land-Swap	other fransfer at				
	1		5 <u> </u>		•.•)			
			ition (e.g. sale or ground lease terms					
			on, attach a Certificate of Good Stan e entity is recognized under State law		cable State law) of the proposed			
			PHA's instrumentality as defined	·				
5.	by 24 CFR 905.60		THA's instrumentanty as defined] Yes 🗌 No			
4.	Commensurate Pu			.1				
			below FMV, the PHA must demons					
			nmensurate public benefit in accord	ance with 24 CFR	970.19 and PIH Notice 2018-04			
	(or any successor	notice).						
	n 3. Proceeds			1				
1.	Will the PHA real							
2.	2. If PHA answered yes to question #1, indicate the estimated amount of				Yes No			
		yes to question #1	-	Gross \$	Net \$			
	gross and net proc	yes to question #1 ceeds	, indicate the estimated amount of		Net \$			
3.	gross and net proc	yes to question #1 ceeds	-	Yes \$				
	gross and net proc Is the PHA reques	yes to question #1 ceeds sting to use gross p	, indicate the estimated amount of proceeds for relocation costs?	☐ Yes \$ ☐ No	Net \$ (estimated amount)			
	gross and net proc Is the PHA reques	yes to question #1 ceeds sting to use gross p	, indicate the estimated amount of	☐ Yes \$ ☐ No ☐ Yes \$	Net \$			
	gross and net proc Is the PHA reques Is the PHA reques disposition?	yes to question #1 ceeds sting to use gross p sting to use gross p	, indicate the estimated amount of proceeds for relocation costs? proceeds for reasonable costs of	☐ Yes \$ ☐ No ☐ Yes \$ ☐ No	Net \$ (estimated amount) (estimated amount)			
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Section	Section 4. Offer of Sale to Resident Organization (Disposition Only)				
1.	If this action is for a disposition, is the PHA exercising any of the exceptions to the offer of sale requirements?	order to build 970.9(b)(3)(ii families 970.9(b)(3)(ii 972) 970.9(b)(3)(ii conversion 970.9(b)(3)(v): local government requests to a d or expand public services i): PHA seeks disposition to deve ii): the units have been legally va v): the units are distressed units s v): property proposed for disposit requests that HUD consider anoth	elop a f cated (ubject ion is r	acility to benefit low-income HOPE VI, 24 CFR part 971 or to Section 33 required non-dwelling
	If exercising an exception, attach a narrative statement or documentation supporting the exception in accordance with 970.9(b)(4). If not exercising an exception, complete questions #2-6 of this Section 4.				
2.	 Name(s) of all established eligible organizations as defined by 24 CFR 970.11 (e.g. resident organizations, eligible resident management corporations as defined in 24 CFR part 964, and nonprofit organization acting on behalf of residents at a development. 				
	Attach a narrative explanation of	how the PHA deter	rmined the entities identified		
3.	Date(s) the PHA sent an initial wr organization in accordance with 2		o each established eligible		
	Attach a copy of the initial written	notification to eac	ch established eligible organizati	on	
4.	Did the PHA receive a written exp by an established eligible organiza		t in accordance with 24 CFR 970	.11	Yes No
	If yes, attach a copy of the express	sion of interest by a	any eligible established organiza	tion	
5.	5. Did the PHA receive a proposal to purchase from an established eligible organization within 60-days of receiving the established eligible organization's expression of interest?				
	If yes, attach a copy of the propose	al to purchase from	n an established eligible organize	ation	
6.	Did the PHA accept the proposal t	to purchase?	Yes No N/A (PHA did not receive a	propos	sal to purchase)
	Attach a narrative explanation of why the PHA accepted or rejected the proposal to purchase				

Section 5. PHA Certification

For SAC applications submitted under 24 CFR part 970:

- If this SAC application includes a demolition action, I certify that the proposed development (units or other property) meets the obsolescence criteria of 24 CFR 970.15 as specifically described in this SAC application. I further certify that such obsolescence makes any units proposed for demolition unsuitable for housing purposes and that no reasonable program of modification is cost-effective to return the development to its useful life;
- 2) If this SAC application includes a demolition for only a portion of the buildings/units at a development on a contiguous site, the PHA certifies that the partial demolition will help to ensure the viability of the remaining portion of the development;
- 3) If this SAC application includes a disposition action for public housing units, the PHA is justified in disposing of the development or other public housing property in accordance with the specific criteria of 24 CFR 970.17, as specifically described in this SAC application;
- 4) The PHA will comply with all applicable relocation requirements of 24 CFR 970.21; and
- 5) The PHA will use gross and net proceeds it receives from the disposition in accordance with the requirements of 24 CFR 970.19 and the HUD approval.

For De Minimis Demolitions:

- 1) The units proposed for demolition meet the criteria of Section 18 because they are beyond repair or the space occupied by the units will be used for meeting the service or other needs of public housing residents; and
- 2) The units proposed for demolition do not exceed the statutory maximums of five percent of my PHA's total housing stock, or five dwelling units, whichever is less, in any 5-year period.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official	
Title	
Signature	
Date	

Form HUD-52860-A Instructions

This form is required when a PHA proposes a demolition or disposition under 24 CFR part 970 and when a PHA proposes a de minimis demolition under Section 18 of the 1937 Act. This information is required as a supplement to the HUD-52860 form. <u>PHAs must complete this form and upload it as an attachment to the IMS/PIC SAC application</u>. Also, PHAs must upload the supporting documentation requested by this form as part of the IMS/PIC SAC application. PHAs must label that supporting documentation by section number of this form and/or by name (e.g. use of proceeds). PHAs refer to 24 CFR part 970 and all applicable PIH Notices in completing this form, including PIH Notice 2018-04 (or any successor notice). PHAs must label All defined terms not defined in this form have the meaning in those regulations and notices.

Section 1: Demolition

<u>Justification (Question 4)</u>. In completing their narrative statements describing the justification for demolition, PHAs should refer to the guidance at 24 CFR part 970 and PIH Notice 2012-7 (or any successor notice). In the case of a SAC application for demolition of portion of a development (e.g. SAC application is for less than all units on a contiguous site) the PHA's narrative must describe how the demolition will help to ensure the viability of the remaining portion of the development. This requirement shall not apply for demolitions of units on scattered non-contiguous sites.

<u>Obsolete-Physical Condition: 24 CFR 970.15(b)(1)(i)</u>. A PHA must demonstrate serious and substantial physical deterioration of the buildings/units at the development. HUD strongly encourages PHAs to submit a physical needs assessment (PNA), government inspection, or independent architect or engineer's report as supporting documentation.

<u>Obsolete-Location: 24 CFR 970.15(b)(1)(ii</u>). A PHA must demonstrate that the location of the units causes obsolescence. HUD may consider the physical deterioration of the neighborhood; change in neighborhood from residential to industrial or commercial development; or environmental conditions which jeopardize the suitability of the site or a portion of the site and its housing structures for residential use.

<u>Obsolete-Other Factors: 24 CFR 970.15(b)(1)(iii)</u>. A PHA must generally demonstrate that factors at the development have impacted the marketability, usefulness, or management of the units so seriously that, notwithstanding due diligence and its best efforts in marketing and leasing the units, the PHA is unable to operate the development for residential purposes for an extended period of time (generally more than 5 years). HUD may consider factors such as turnover rate, historic vacancy rate, access to transportation, crime rates, site plan and density issues, neighborhood infrastructure, and unit size. HUD strongly encourages PHAs to submit third party documentation.

<u>De Minimis Demolition: 24 CFR 970.27</u>. In any 5-year period, a PHA may demolish not more than the lesser of 5 dwelling units or 5 percent of the total public housing dwelling units owned by the PHA without the need to obtain HUD approval under 24 CFR part 970 provided the PHA can meet one of the following criteria: (a) The PHA will use the space occupied by the unit(s) for meeting the service or other needs of the residents (e.g. laundry facility; community center; child care center); or (b) the PHA has determined the unit(s) are beyond repair.

<u>Cost-Test (Question 5)</u>. HUD generally shall not consider a program of modifications to be cost-effective if the costs of such program exceed 62.5 percent of total development cost (TDC) for elevator structures and 57.14 percent of TDC for all other types of structures in effect at the time the SAC application is submitted to HUD.

Obsolete-Physical Condition: 24 CFR 970.15(b)(1)(i). PHAs must complete and submit the HUD-52860-B form.

Obsolete-Location: 24 CFR 970.15(b)(1)(ii). HUD will consider the PHA's cost of curing the cause of the obsolescence (e.g. nearby industrial or commercial development, environmental conditions).

Obsolete-Other Factors: 24 CFR 970.15(b)(1)(i)(iii). HUD will consider the PHA's cost of curing the cause of the obsolescence (e.g. site plan, crime, turnover).

<u>De Minimis Demolition.</u> Cost-test requirements are not applicable.

Section 2: Disposition

<u>Justification (Question 1).</u> In completing their narrative statements describing the justification for disposition, PHAs should refer to the guidance at 24 CFR part 970 and PIH Notice 2018-04 (or any successor notice).

<u>Conditions in Surrounding Area: 24 CFR 970.17(a).</u> A PHA must demonstrate the location of the units (e.g. industrial or commercial development) jeopardizes the health and/or safety of the residents and/or the feasible operation of the units by the PHA based on external conditions outside the control of the PHA; and the condition is beyond the scope of the PHA to mitigate or cure in a cost-effective manner. To support a SAC application based on health and/or safety, PHAs must generally provide relevant third-party documentation that evidences the external conditions that present serious obstacles to the PHA maintaining the units as healthy and/or safe housing.

<u>More Efficient/Effective Low-Income Housing: 24 CFR 970.17(b).</u> A PHA must demonstrate the retention of the units is not in the best interests of the residents or the PHA because the disposition allows the acquisition, development, or rehabilitation of units that will be more efficiently or effectively operated as other low-income housing units. PHAs must generally demonstrate why other low-income units are preferable (e.g., more energy efficient, better unit configuration, better location for resident in terms of transportation, jobs, schools or racial or economic concentration). See PIH Notice 2012-7 (or any successor notice).

Best Interests of PHA and Residents & Consistent with PHA Plan & 1937 Act: 970.17(c). See PIH Notice 2018-04 (or any successor notice).

<u>Third-Party Agreement</u>. Certain third-party agreements may require HUD review and approval under 24 CFR part 970. In this case, the PHA must submit a SAC disposition application under this form to obtain HUD approval for the third-party agreement (including completing and attaching justification narrative of the agreement under 970.17(c) or other applicable section of 24 CFR 970). In the SAC application, the PHA must clearly indicate it is requesting HUD approval of a third-party agreement and attach the draft form of third-party agreement to the application. If the PHA is not requesting that HUD release the ACC or Declaration of Trust (DOT) or DORC from the property, it should put "0" in all fields for units, buildings and acreage. See PIH Notice 2018-04 (or any successor notice).

<u>Non-Dwelling Property: 970.17(d)</u>. A PHA must demonstrate that the non-dwelling structure or land exceeds the needs of the development (after DOFA); or the disposition is incidental to, or does not interfere with, the continued operation of the remainder of the development.

<u>Method of Disposition (Question 2)</u>. In completing this section, PHAs should refer to the guidance at 24 CFR part 970 and PIH Notice 2018-04 (or any successor notice). PHAs may propose different methods of disposition in their SAC applications, including:

- (a) <u>Public Bid Fair Market Value (FMV) Sale (Cash)</u>. The PHA lists the public housing property on the open and competitive market and solicits bids. Actual FMV may be more or less than the appraised value, depending on the market and may reflect negotiations during the due diligence period.
- (b) <u>Negotiated Sale at FMV (Cash)</u>. The PHA negotiates a sale with an identified buyer based on the appraised value of the public housing property. The PHA receives cash for the sale.
- (c) <u>Negotiated Lease or other Transfer at FMV (Cash)</u>. The PHA negotiates a lease (e.g. ground lease, capital lease) with an identified entity based on the appraised value (leasehold and/or fee value) of the public housing property. The PHA receives cash for the lease payments.
- (d) <u>Negotiated Sale or other Transfer at FMV (Seller-Financing)</u>. The PHA negotiates a sale with an identified buyer but instead of receiving cash proceeds, the PHA receives a promissory note and/or mortgage or deed of trust. Payments are generally made from deferred loan payments.
- (e) <u>Negotiated Sale at below FMV</u>. The PHA negotiates a sale with an identified buyer for below FMV (often nominal value).
- (f) <u>Negotiated Lease or other Transfer at below FMV</u>. The PHA negotiates a lease with an identified entity for below FMV (often nominal value).
- (g) <u>Land-Swaps</u>. The PHA negotiates a "land swap". In addition to meeting the requirements for a Negotiated Sale at FMV in B above, the PHA must generally evidences that HUD has approved the acquisition of the property to be acquired in the "land-swap" under 24 CFR part 905. If the property that PHA is proposing to acquire is valued less than public housing property proposed for disposition, the PHA receives cash proceeds to make up the difference.

If the disposition is proposed via negotiation, the PHA must evidence the entity is a valid entity under State law and is in good standing.

<u>Commensurate Public Benefit (Question 3).</u> In completing this section, PHAs should refer to the guidance at 24 CFR 970.19 and PIH Notice 2018-04 (or any successor notice). HUD determines commensurate public benefit on a case-by-case basis. However, generally the public housing property must be developed for affordable housing purposes serving low-income families (incomes at or below 80% of area median). HUD does not consider general public benefits (e.g., schools, libraries, fire stations, police stations and bridges) to be approvable non-dwelling uses that primarily serve low-income families. A PHA may propose a preferred form of use restriction (e.g., LIHTC extended use agreement, HOME agreement, reversion clause in transfer documents, provision in ground lease, separate use agreement).

If applicable, PHAs may, but are not required, to complete the following table and submit with their SAC applications in order to evidence the proposed commensurate public benefit, purpose and other disposition details:

Development Name Proposed for Disposition: B			:	
Total number of units to be developed (or preserved) on property:	Less than 80% o	Less than 80% of Area Median Income		
Total number of non-dwelling buildings to be developed (or preserved) on property:	ACC	Non-ACC	PBV	Market Rate
Rental				
For Sale				
Name of Acquiring Entity (Rental Units)				
Name of Acquiring Entity (initial developer) (For Sale Units)				
Method of Disposition	(e.g. 99-year	ground lease; f Value)	-	; Fair Market
Lease Price	\$ per year			
Sale Price		\$		
Purpose and or summary of Commensurate Public Benefit (short description of units and non- dwelling property to be developed/preserved)				

Section 3: Proceeds

In completing this section, PHAs should refer to the guidance at 24 CFR part 970, PIH Notice 2018-04 (or any successor notice) and any other HUD guidance on proceeds. In accordance with 24 CFR 970.19, PHAs describe their proposed use of estimated proceeds (gross and net) in the SAC application.

<u>Relocation Costs (Question 3)</u>. Pursuant to 24 CFR 970.21(e)(2), PHAs must pay for the actual and reasonable relocation expenses for all residents who will be displaced from their public housing units as a result of a demolition and/or disposition action. HUD considers the following to be eligible costs of relocation that can be deducted from gross proceeds: counseling and advisory services to residents (including mobility counseling), moving expenses (including housing search costs), payment of a security and/or utility deposits at a comparable housing, and costs of providing any necessary reasonable accommodations to residents in accordance with Section 504 of the Rehabilitation Act of 1973 and other HUD guidance.

<u>Reasonable Costs of Disposition (Question 4)</u>. Reasonable costs of disposition may include the following (although HUD may disapprove any costs it deems unreasonable): (i) costs that PHAs incur in preparing the SAC application (e.g. environmental studies, engineering costs of rehab estimates under 24 CFR 970.15, appraisal fees); and (ii) transactional (seller) closing costs (e.g., local customary split of any brokerage fees, appraisal fees, survey costs, tax certificates fees, fees for recording the DOT/DORC release, notary fees, title insurance fees, title company document preparation and closing fees, mailing and wire transfer fees, and reasonable attorney fees), provided such costs are listed on the HUD-1 or other applicable settlement statement document.

Net Proceeds (Question 5). Net proceeds means proceeds realized after deducting relocation and disposition costs.

Section 4: Offer of Sale to Resident Organizations

In completing this section, PHAs should refer to the guidance at 24 CFR part 970 and PIH Notice 2018-04 (or any successor notice). PHAs are eligible to exercise the exception from the offer of sale described at 970.9(b)(3)(ii) only in cases where the PHA has firm plans to replace substantially all of the units proposed for disposition with the housing units for low-income families (even if those housing units are not low-income housing units as defined by Section 3 of the 1937 Act). Note that a PHA cannot forgo giving applicable resident entities an offer of sale based on speculation or general plans to build a facility to benefit low-income families.

Section 5: Certification

The Executive Director, Board Chairperson, or other authorized agent of the PHA, should sign and date this Certification.



Lansing, Michigan

This is to Certify That

ANN ARBOR HOUSING DEVELOPMENT CORPORATION

was validly Incorporated on October 15, 1979 as a Michigan nonprofit corporation, and said corporation is validly in existence under the laws of this state.

This certificate is issued pursuant to the provisions of 1982 PA 162 to attest to the fact that the corporation is in good standing in Michigan as of this date and is duly authorized to conduct affairs in Michigan and for no other purpose.

This certificate is in due form, made by me as the proper officer, and is entitled to have full faith and credit given it in every court and office within the United States.



Sent by electronic transmission Certificate Number: 23030434409

In testimony whereof, I have hereunto set my hand, in the City of Lansing, this 20th day of March , 2023.

Linda Clegg, Director Corporations, Securities & Commercial Licensing Bureau

Verify this certificate at: URL to eCertificate Verification Search http://www.michigan.gov/corpverifycertificate.

Disposition Justification and Description

Per HUD regulations at 24 CFR part 970 and PIH Notice 2021-17, HUD will approve a request for disposition by sale or other transfer of a public housing project if the PHA certifies that the retention of the property is not in the best interests of the residents or the PHA.

The Ann Arbor Housing Commission (AAHC) has determined the disposition of 2072 Garden Circle to be appropriate under 24 CFR part 970.17(c)). The AAHC certifies that disposition of this property is in the best interests of the residents and the PHA; consistent with the PHA goals and plans; and otherwise consistent with the 1937 Act. In making such a certification, the AAHC has considered its need for public housing units, the purpose and mandate of the 1937 Act, the mission and obligations of the PHA to maintain and operate projects as decent and safe housing in accordance with its ACC, and other tools available to the PHA to preserve and reposition its public housing stock. As 2072 Garden Circle is the only remaining public housing unit under the Housing Commission's ACC, the Housing Commission is a "Very Small PHA" and it is in the best interests of the residents and PHA to close out the public housing program in accordance with PIH Notice 2016-23.

The property will be disposed to the Ann Arbor Housing Development Corporation (AAHDC), a Michigan non-profit created by the Ann Arbor Housing Commission through a negotiated sale at below Fair Market Value (\$1) to continue to be utilized as affordable housing for low-income families.

Method of Disposition

The property will be disposed to the Ann Arbor Housing Development Corporation (AAHDC), a Michigan non-profit, through a negotiated sale at below Fair Market Value (\$1.00) for 2072 Garden Circle to be utilized as affordable housing for low-income families. The property will continue to be managed by the Ann Arbor Housing Commission. Please see attached for a Certificate of Good Standing for the AAHDC.

Commensurate Public Benefit

Under this Section 18 disposition, the Ann Arbor Housing Commission will continue to maintain the property for affordable housing purposes serving low-income families (incomes at or below 80% of area median). As a single-family home, it will provide a much-needed option for lowincome families in Ann Arbor seeking housing options outside of multifamily apartment properties, in a highly desirable neighborhood of the city, in a highly-rated school district, close to transit and economic opportunities.

Offer of Sale to Resident Organization - Exception

The Ann Arbor Housing Commission (AAHC) requests that HUD consider an exception to 24 CFR part 970.9(b)(1) offer of sale requirements. There is no eligible resident organization eligible resident management corporation as defined in 24 CFR part 964, or nonprofit organization acting on behalf of the residents at any development proposed for disposition. The property is a single-family home built through HUD's Turnkey III program and the families that have lived in this home have not been able to purchase the property, including the current family. The AAHC will continue to consult with the current resident affected by the disposition in accordance with 24 CFR part 970.