



Legislation Text

File #: 10-1245, **Version:** 1

Resolution to Allocate 8 Footing Drain Disconnect Credits from the University of Michigan to the Near North Apartments Affordable Housing Project

Attached for your consideration is a resolution to allocate 8 footing drain disconnect credits from the University of Michigan for the Stadium project to the Near North Apartments Affordable Housing project. Near North is a 39 unit affordable housing project developed by Avalon Housing Inc. and the Three Oaks Group. City Council has approved the PUD Site Plan for the project.

In accordance with the Development Agreement (P-20) "Prior to application for and issuance of certificates of occupancy, to disconnect 8 footing drains from the sanitary sewer system in accordance with the Guidelines for Completion of Footing Drain Disconnections, City of Ann Arbor - Developer Offset-Mitigation Program (November, 2005 edition, as amended). The PROPRIETOR, however, may be allowed to obtain partial certificates of occupancy for the development prior to the completion of all of the required footing drain disconnects on a prorated basis, at the discretion of the CITY Public Services Area. CITY agrees to provide PROPRIETOR with a certificate of completion upon PROPRIETOR'S submittal of approved and final closed-out permits to the CITY Public Services Area."

The estimated cost of disconnecting the footing drains is \$96,000.00 to \$120,000.00. Avalon and Three Oaks have secured Low Income Housing Tax Credits as the primary funding source for the project, however, the City's footing drain disconnect requirement is not an eligible expenditure under the LIHTC program. Community Development is requesting that the City allocate the U-M disconnect credits to off-set this cost to the project.

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Reviewed by: Mary Jo Callan, Community Development Director, Sue F. McCormick, Public Services Administrator and Sumedh Bahl, Community Services Administrator

Whereas, The City approved the PUD Site Plan for Near North Apartments (626-724 N. Main Street), a 39-unit affordable housing project developed by Avalon Housing Inc., and the Three Oaks Group;

Whereas, The City's Development Offset-Mitigation Program requires the developers to disconnect 8 footing drains at a cost of \$96,000.00 to \$120,000.00; and

Whereas, The cost of disconnecting the footing drains is not an eligible expense under the Low Income Housing Tax Credit Program, which is the primary funding source for the project;

RESOLVED, That the City authorize Systems Planning to allocate 8 Footing Drain Disconnects from the University of Michigan's stadium project to meet the requirements of the Near North Apartment's 8 footing drain disconnects under the Guidelines for Completion of Footing Drain Disconnections, City of Ann Arbor - Developer Offset-Mitigation Program; and

RESOLVED, That the City Administrator be authorized to take any necessary administrative actions to implement this resolution.