



## Legislation Text

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**File #:** 15-0470, **Version:** 1

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Resolution to Provide \$96,697.00 from the Ann Arbor Affordable Housing Fund to Avalon Housing for Glendale/Dexter Duplexes and Repairs at 1675/1677 Broadway  
Avalon Housing, Inc. is requesting \$96,697.00 for the acquisition and preservation of three duplexes (six units) of affordable housing and to replace failing retaining walls at 1675/1677 Broadway.

The Glendale/Dexter properties are three existing duplexes, containing a total of six 2-bedroom units. They are located on the City's near west side at 100/102 N. Glendale, 112/114 N. Glendale and 1911/1913 Dexter. These properties are currently owned and managed by Community Alliance and operated as affordable housing with commitments to house three households with incomes at or below 50% of AMI and three households with incomes at or below 30% AMI.

In 2014 Community Alliance informed the Office of Community and Economic Development that the non-profit organization was interested in focusing on services rather than owning and operating housing. As Avalon is a non-profit developer, owner and manager of permanent supportive housing, Community Alliance and the OCED asked Avalon to consider acquiring the property to ensure the units remained affordable.

Avalon has agreed to acquire and manage the properties. Community Alliance is transferring the properties, and the associated debt, to Avalon at no cost other than transactional expenses. Avalon is requesting \$50,000.00 from the Ann Arbor Housing Trust Fund (AAAHF) for capital needs at the properties and for transaction costs related to the transfer of ownership. Preservation and maintenance work is needed prior to improvements planned for 2017.

Avalon is requesting \$46,697.00 to replace two retaining walls at 1675/1677 Broadway, a four-unit property that houses survivors of domestic violence. The residents must have incomes at or under 30% of area median income. The income requirements are in place through 2047 under a MSHDA regulatory agreement and by the City through an ongoing restriction to house persons up to 50% of AMI. Avalon has received approval from the Ann Arbor Historic District for the proposed work to replace the failing retaining walls.

At its meeting on April 9, 2015, the City's Housing and Human Services Advisory Board voted to recommend the allocation of \$96,697.00 from the AAAHF for the preservation of three duplexes (six units) of affordable housing currently owned by Community Alliance and for needed renovation work to replace failing retaining walls at 1675/1677 Broadway.

Prepared by: Brett Lenart, Deputy Director, OCED

Reviewed by: Sumedh Bahl, Community Services Area Administrator

Whereas, The properties at 100/102 N. Glendale, 112/114 N. Glendale and 1911/1913 Dexter, are currently owned and managed by Community Alliance and operated as affordable housing with commitments to house three households with incomes at or below 50% of AMI and three households with incomes at or below 30% AMI;

Whereas, At the request of the Washtenaw County Office of Community and Economic Development, to maintain affordable housing units, Avalon is willing to accept transfer of Glendale/Dexter properties and the associated debt from Community Alliance;

Whereas, Avalon's costs associated with this transfer are transaction costs such as legal review, transfer taxes;

Whereas, Avalon is requesting \$50,000.00 from the AAAHF for the Glendale/Dexter properties that may require preservation and maintenance expenditures prior to planned rehabilitation in 2017 and transaction costs related to the transfer of ownership;

Whereas, Avalon is requesting \$46,697.00 from the AAAHF to replace walls at 1675/1677 Broadway, a property that provides four units of permanent supportive housing for survivors of domestic violence with incomes at or under 30% of area median income;

Whereas, Retaining walls at the 1675/1677 Broadway project require replacement and Avalon has received approval from the Historic Commission; and

Whereas, At its meeting on April 9, 2015, the City's Housing and Human Services Advisory Board recommended the allocation of \$96,697.00 from the AAAHF for these projects;

RESOLVED, The City Council approves the allocation of \$96,697.00 from AAAHF to Avalon Non-Profit Housing or an affiliated entity;

RESOLVED, That \$46,697 be provided to Avalon for the replacement of failed retaining walls at 1675/1677 Broadway;

RESOLVED, That \$50,000 be provided for capital reserve fund and/or improvements at 100 & 102 Glendale, 112 & 114 Glendale, and 1911 & 1913 Dexter, upon acquisition and preservation of these affordable units by Avalon Housing or an affiliated entity;

RESOLVED, That funds are available in the FY 2015 and \$96,697 be available to Avalon until expended without regard to fiscal year; and

RESOLVED, That the City Administrator, or his designee, BE authorized to take necessary administrative actions and to execute any documents necessary to complete this transaction and to implement the resolution.

Sponsored by: Councilmembers Lumm and Briere