



Legislation Details (With Text)

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Title: Resolution to Amend an Approved Payment in Lieu of Taxes (PILOT) for Avalon Housing Arbordale Apartments at 1010-1030 Arbordale Street

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
9/2/2014	1	City Council	Approved	Pass

Resolution to Amend an Approved Payment in Lieu of Taxes (PILOT) for Avalon Housing Arbordale Apartments at 1010-1030 Arbordale Street
Arbordale Apartments are currently owned by Arbordale Apartments Limited Dividend Housing Association Limited Partnership, an affiliate of Avalon Housing Corporation, who also manages the property. Avalon Housing, or an affiliated entity as required by funding sources, will be acquiring and rehabilitating the property and applying for Low Income Housing Tax Credits (LIHTC) from the Michigan State Housing Development Authority (MSHDA). The upcoming project has previously been awarded funds from the Washtenaw Urban County.

The property is currently eligible for a PILOT under Chapter 19 of the City's Code of Ordinances that applies to all affordable housing projects that meet the requirements of the ordinance. Avalon can secure 5 points on the LIHTC application if the City of Ann Arbor adopts a PILOT specifically for this address.

Therefore, the Office of Community and Economic Development recommends that the City Council approve a PILOT for Arbordale Apartments 2014.

Prepared By: Brett Lenart, Deputy Director, Office of Community and Economic Development

Reviewed By: Sumedh Bahl, Community Services Administrator

Mary Jo Callan, Director, Office of Community and Economic Development

Approved By: Steve Powers, City Administrator

WHEREAS, Avalon Housing or an affiliated ownership entity as required by funding sources, will be acquiring and rehabilitating Arbordale Apartments, currently owned by Arbordale Apartments Limited Dividend Housing Association Limited Partnership, an affiliate of Avalon Housing Corporation;

WHEREAS, Avalon Housing will apply for Low Income Housing Tax Credits from the Michigan State Housing Development Authority to support the Arbordale Apartments 2014 project; and

WHEREAS, The Ann Arbor City Council hereby determines that the Arbordale Apartments 2014 will be qualified for, and should be granted Payment in Lieu of Taxes (PILOT), the exemption from all property taxes, as provided in the State Housing Development Authority Act and pursuant to Chapter 19, 1:651 of the Code of the City of Ann Arbor;

RESOLVED, That pursuant to Section 15(a) of the State Housing Development Authority Act and Chapter 19, 1:651 of the Code of the City of Ann Arbor, the City Council hereby approves an exemption from all property taxes for Arbordale Apartments at 1010-1030 Arbordale, for the term of the Michigan State Housing Development Authority mortgage loan, not to exceed fifty years, subject to the Michigan State Housing Development Authority's approval of the loan for the project and receipt of the "Notification to Local Assessor of Exemption" from the Michigan State Housing Development Authority for said parcel.

RESOLVED, Notwithstanding the provisions of Section 15(a)(5) of the State Housing Development Authority Act to the contrary, a contract to provide tax exemption and accept payment in lieu of taxes, as previously described, between the City of Ann Arbor and Avalon Housing Inc., or its subsidiary, with the Michigan State Housing Development Authority as third party beneficiary under this contract, is effectuated by adoption of this resolution; and its successors and assigns, on the following parcels of property;

LOT 1, ARBORDALE SUBDIVISION, ACCORDING TO THE PLAT THEREOF AS
RECORDED IN LIBER 11 OF PLATS, PAGE 8, WASHTENAW COUNTY RECORDS. (Parcel
ID#09-09-31-101-013)

RESOLVED, That pursuant to Chapter 19, 1:651 of the Code of the City of Ann Arbor, the project shall pay a service charge equal to one dollar (\$1.00) for the assisted units as provided by the Michigan State Housing Development Authority Act; and

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