



Legislation Text

File #: 18-2172, **Version:** 1

Resolution to Approve Federal Home Loan Bank Sponsor Loan for Swift Lane (\$750,000)

The Ann Arbor Housing Commission is redeveloping Lower Platt located at 3401 -3457 Platt Road and White/State/Henry Apartments under the Rental Assistance Demonstration ("RAD") Program. The RAD Program requires the Commission to renovate these properties as part of a conversion from public housing to RAD project-based vouchers.

The Swift Lane Development includes the demolition of 32 apartments at Platt and White/State/Henry and the construction of 64 apartments. The Ann Arbor Housing Commission as the sole member of the Ann Arbor Housing Development Corporation has authorized it to act as the sole member of the Swift Lane GP, LLC, which is the general partner of the Swift Lane Limited Dividend Housing Association Limited Partnership, which has been authorized to act as the Developer of the Swift Lane Development.

The Commission received a commitment for the Swift Lane Development from the Federal Home Loan Bank/Affordable Housing Program ("FHLB/AHP Program") of Pittsburgh on December 14, 2018 to provide funding in the amount of Seven Hundred Fifty Thousand and 00/100 Dollars (\$750,000.00) to the Swift Lane Development ("FHLB-AHP funding").

the FHLB-AHP funding has been awarded by the FHLB of Pittsburgh through its member bank, Chase Bank, N.A., National Association, a community development banking association (the "Bank"), which shall provide the FHLB-AHP funding to the Commission. The Sponsor shall in turn provide a Sponsor loan for the same amount to the Partnership, which Sponsor loan shall be memorialized by a Sponsor Mortgage and Note ("Sponsor Loan Documents") for the FHLB-AHP Program funding to be used for the Project.

Prepared and Approved by Jennifer Hall, Executive Director, Ann Arbor Housing

WHEREAS, the Ann Arbor Housing Commission is redeveloping its public housing properties under the Rental Assistance Demonstration ("RAD") Program. The RAD Program requires the Commission to renovate these properties as part of a conversion from public housing to RAD project-based vouchers. The Ann Arbor City Council agreed to, and transferred ownership of the properties to the Commission; and

WHEREAS, the Swift Lane Development (Platt and White/State/Henry), which is located at 3401-3457 Platt and White/State/Henry apartments, will demolish 32 apartments and construct 64 apartments; and

WHEREAS, the Commission as the sole member of the Ann Arbor Housing Development Corporation has authorized it to act as the sole member of the Swift Lane GP, LLC, which is the

general partner of the Swift Lane Limited Dividend Housing Association Limited Partnership, which has been authorized to act as the Developer of the Swift Lane Development; and

WHEREAS, the Commission received a commitment for the Swift Lane Development from the Federal Home Loan Bank/Affordable Housing Program ("FHLB/AHP Program") of Pittsburgh on December 14, 2018 to provide funding in the amount of Seven Hundred Fifty Thousand and 00/100 Dollars (\$750,000.00) to the Swift Lane Development ("FHLB-AHP funding"); and

WHEREAS, the FHLB-AHP funding has been awarded by the FHLB of Pittsburgh through its member bank, Chase Bank, N.A., National Association, a community development banking association (the "Bank"), which shall provide the FHLB-AHP funding to the Commission; and

WHEREAS, as a condition of the FHLB-AHP funding to the Commission as the Sponsor, it shall be required to execute and deliver to the Bank a Note, a Mortgage securing said Note, Allonge to the Note, Pledge and Collateral Assignment of Sponsor Note & Mortgage and the AHP Direct Subsidy Agreement and all other required loan documents of the Bank ("Chase FHLB-AHP Loan Documents"); and

WHEREAS, the Sponsor shall in turn provide a Sponsor loan for the same amount to the Partnership, which Sponsor loan shall be memorialized by a Sponsor Mortgage and Note ("Sponsor Loan Documents") for the FHLB-AHP Program funding to be used for the Project; and

RESOLVED by the Board of Directors of the Commission that it authorizes the Sponsor Loan be provided to the Partnership for the Swift Lane Development; and

RESOLVED by the Board of Directors of the Commission, that the Commission has the power and authority to provide, and Jennifer Hall, the Executive Director of the Commission is hereby authorized to execute and deliver the Chase FHLB-AHP Loan Documents and the Sponsor Loan Documents, and any action taken in connection with said Development in furtherance thereof prior to this Resolution is hereby ratified and affirmed; and

RESOLVED, that in furtherance of the purposes of the Commission, and there being nothing contrary contained in the Bylaws of the Commission, The Commission is authorized to execute and deliver to the Bank, the FHLB-AHP Loan Documents and the Sponsor Loan Documents; and

RESOLVED, that Jennifer Hall, the Executive Director of the Commission be and hereby is authorized and directed on behalf of the Commission at any time after adoption of this Resolution and without further action by or authority or direction from the Board of Directors to deliver to the Bank such further documents as may be required by the Bank in furtherance of any of the above resolutions in such form as may be required by the Bank; and

RESOLVED, that the Bank is authorized to rely on the continuing force and effect of this Resolution until receipt by the Bank at their principal offices of notice in writing from the Commission of any amendments or alterations to these Resolutions.

