



Legislation Text

File #: 23-1233, **Version:** 1

Resolution to Approve a Payment in Lieu of Taxes (PILOT) for Central at Stadium Blvd - 2060 West Stadium

The Annex Group (or an affiliated entity as required by funding sources), will be acquiring and developing the property at 2060 West Stadium as further described in the attached resolution for the purpose of building 164 affordable homes, with an average household income at or below 60% of the Area Median Income (AMI).

The Annex Group will apply for Low Income Housing Tax Credits (LIHTC) from the Michigan State Housing Development Authority (MSHDA) which would result in a mortgage on the property.

No site plan or related petition has yet been submitted to the City for this project.

Staff have reviewed this housing project and determined that if approved by MSHDA, it will be eligible for tax exemption under the amended Chapter 19 of City Code.

Prepared By: Brett Lenart, Planning Manager

Reviewed By: Derek Delacourt, Community Services Area Administrator

Approved By: Milton Dohoney Jr., City Administrator

Whereas, The Annex Group (or an affiliated entity as required by funding sources), will be acquiring and building approximately 164 affordable homes at 2060 West Stadium in the City of Ann Arbor;

Whereas, The Annex Group will apply for Low Income Housing Tax Credits (LIHTC) from the Michigan State Housing Development Authority (MSHDA) for the entire project; and

Whereas, City Council has determined prospectively that, under Chapter 19 of City Code, Central at Stadium Blvd - 2060 West Stadium development will be qualified for and should be granted a tax exemption and pay an annual service charge in lieu of taxes;

RESOLVED, That the housing project known as Central at Stadium Blvd at 2060 West Stadium Blvd in the City of Ann Arbor, is exempted from all ad valorem property taxes and shall pay an annual service charge in lieu of taxes equal to one dollar (\$1.00) for each eligible housing unit in the housing project, as provided by Chapter 19 of City Code and the Michigan State Housing Development Authority Act, said housing project being the following real property:

Land in the City of Ann Arbor, Washtenaw County, MI, described as follows:

PARCEL 1:

Part of the Southwest 1/4 of Section 30, Town 2 South, Range 6 East, City of Ann Arbor, Washtenaw County, Michigan, more particularly described as: Commencing at the South 1/4 corner of said Section 30; thence along the South line of said Section 30, North 89 degrees 51 minutes 00

seconds West, 901.23 feet to the Point of Beginning; thence North 89 degrees 51 minutes 00 seconds West, 318.71 feet to a point on the Easterly Right-of-Way line of Stadium Boulevard (80 feet wide); thence along said Easterly Right-of-Way line the following 2 courses: 1) 219.59 (previously recorded as 219.53) feet along an arc of a curve to the right, radius 2239.67 feet, central angle 05 degrees 37 minutes 03 seconds, chord bears North 27 degrees 38 minutes 30 seconds West, 219.50 feet and 2) North 24 degrees 49 minutes 58 seconds West, 30.87 feet (previously recorded as South 24 degrees 50 minutes 00 seconds East, 29.56 feet); thence South 89 degrees 51 minutes 00 seconds East, 334.58 (previously recorded as 333.89) feet; thence North 00 degrees 16 minutes 30 seconds East, 120.00 feet; thence South 89 degrees 53 minutes 00 seconds East (previously recorded as North 89 degrees 51 minutes 00 seconds West) 100.00 feet to a point on the Westerly line of "Dover-Parkside Subdivision", as recorded in Liber 15 of Plats, Page 16, Washtenaw County Records; thence South 00 degrees 16 minutes 30 seconds West, 342.22 feet to the Point of Beginning.

PARCEL 2:

Part of the Northwest 1/4 of Section 31, Town 2 South, Range 6 East, City of Ann Arbor, Washtenaw County, Michigan, more particularly described as: Commencing at the North 1/4 corner of said Section 31; thence along the North line of said Section 31, North 89 degrees 51 minutes 00 seconds West, 1087.08 (previously recorded as 1087.39) feet to the Point of Beginning; thence South 52 degrees 39 minutes 00 seconds West, 113.70 feet to a point on the Easterly Right-of-Way line of Stadium Boulevard (80 feet wide); thence along said Easterly Right-of-Way line, 81.31 feet along the arc of a curve to the right, radius 2239.67 feet, central angle 02 degrees 04 minutes 48 seconds, Chord bears North 31 degrees 29 minutes 26 seconds West, 81.30 feet; thence South 89 degrees 51 minutes 00 seconds East, 132.86 feet to the Point of Beginning.

RESOLVED, That the tax exemption shall be effective on December 31st of the year in which this resolution is adopted, conditioned upon receipt by the City from the Michigan State Housing Development Authority of a "Notification to Local Assessor of Exemption" for the property;

RESOLVED, That this resolution shall remain in effect and shall not terminate so long as both (1) the housing project remains eligible for tax exemption under Chapter 19 of City Code and state and federal law, and (2) a state or federally-aided mortgage loan remains outstanding and unpaid on the housing project, as provided in Chapter 19 of City Code;

RESOLVED, That, notwithstanding the provisions of Section 15(a)(5) of the Michigan State Housing Development Act (MCL 125.1401 et seq.) to the contrary, a contract between the City of Ann Arbor and The Annex Group, or its affiliate, with the Michigan State Housing Development Authority as third party beneficiary under the contract, to provide this tax exemption and accept payments in lieu of taxes, is effectuated by adoption of this resolution;

RESOLVED, That the owner or operator of the housing project shall, upon request by the City, provide evidence to verify continuing eligibility for tax exemption under Chapter 19 of City Code; and

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