

AGENDA

ANN ARBOR HOUSING DEVELOPMENT CORPORATION REGULAR MEETING

July 17, 2024

Meeting Time: 6:20pm
Location: Virtual on Zoom

Meeting Link: Join Zoom Meeting
<https://a2gov.zoom.us/j/93197745815?pwd=a2FRd0ZGNXVLS1BuVG9XY2FTVDNZdz09>

Meeting ID: 931 9774 5815
Passcode: 266477

+13126266799,,93197745815#

- I. APPROVAL OF AGENDA
- II. APPROVAL OF MINUTES
 - A. Regular Board Meeting Minutes of June 10, 2024
- III. NEW BUSINESS
 - A. Resolution 24-16 Approve an Investment Policy
 - B. Resolution 24-17: Approve a Michigan Class as an Investment Option
 - C. Resolution 24-18: Approve an Authorizing Resolution for 121 Catherine
 - D. Resolution 24-19: Approve \$1,925,669 in Affordable Housing Millage Funds for 121 Catherine
 - E. Resolution 24-20: Approve a \$3 million loan with The Annex Group to develop the Union of A2 at 2050 Commerce Drive
 - F. Resolution 24-21: Approve \$198,000 to Avalon Housing for Tenant Services for Hickory Way III
 - G. Resolution 24-22: Approve \$2,153,533 for O'Neal Construction contract for the renovation of Broadway Terrace
 - H. Resolution 24-23: Approve \$899,897 for Jackson Automated Sprinkler for fire sprinkler system installation at Baker Commons
 - I. Further discussion of Arbor South Development Letter of Intent and Partnership
- IV. ADJOURNMENT

MINUTES

ANN ARBOR HOUSING DEVELOPMENT CORPORATION REGULAR MEETING

June 10, 2024

Meeting Time: 6:27 pm
Location: Miller Manor and Zoom

The meeting was called to order at 6:27

Board Members present: Boer, Jenkins, Hall, Dr. Meadows, and Weber

Board Members absent: Batalonga, Dr. Daniels

Guests: Dharma Akmon (in person), Ulrike Raak (zoom)

I. APPROVAL OF AGENDA

Jenkins moved and Boer seconded

Motion approved 5-0 (Boer, Jenkins, Hall, Meadows and Weber.- yes, 0 – no)

II. APPROVAL OF MINUTES

Resolution to approve the minutes for the June 10, 2024 Board Meeting

Weber moved and Boer seconded

Motion approved 5-0 (Boer, Jenkins, Hall, Meadows and Weber.- yes, 0 – no)

III. NEW BUSINESS

A. Resolution 24-12: Approve a Letter of Intent with Related Midwest for 350 S 5th Ave

Boer moved and Weber seconded

Motion approved 5-0 (Boer, Jenkins, Hall, Meadows and Weber.- yes, 0 – no)

B. Resolution 24-13: Approve a Commitment with The Annex Group to Provide up to \$3 million Loan for the Union of A2

Jenkins moved and Boer seconded

Motion approved 5-0 (Boer, Jenkins, Hall, Meadows and Weber.- yes, 0 – no)

C. Resolution 24-14 Approve an Application to the Federal Home Loan Bank of Indianapolis for up to \$1 million for Broadway Terrace Renovations

Jenkins moved and Boer seconded

Motion approved 5-0 (Boer, Jenkins, Hall, Meadows and Weber.- yes, 0 – no)

D. Resolution 24-15: Approve a grant for up to \$7.5 million of Affordable Housing Millage funds for Lurie Terrace Renovations

Jenkins moved and Weber seconded

Motion approved 5-0 (Boer, Jenkins, Hall, Meadows and Weber.- yes, 0 – no)

E. Further discussion of Arbor South Development Letter of Intent and Partnership

IV. ADJOURNMENT

End Time: 6:52

Ann Arbor Housing Development Corporation

Resolution 24-16 to Approve an Investment Policy

The Ann Arbor Housing Development Corporation (AAHDC) holds significant amounts of financial assets in the form of operating funds, millage funding received through the City of Ann Arbor as well as various other funds.

The AAHDC intends to implement a formal investment policy that specifies the scope, objectives, prudence and indemnification, delegation of authority, investment procedures, ethics and conflict of interest, selection of banks, selection of brokers/dealers, authorized investments and transactions, collateralization of deposits, safekeeping and custody, investment diversification, competitive transactions, internal controls, performance and reporting.

The AAHDC's funds shall be invested in accordance all policies, State statutes, and Federal regulations (where applicable), and in a manner designed to accomplish the following objectives, which are listed in priority order:

- Safety: Preservation of capital and protection of investment principal
- Liquidity: Maintenance of sufficient liquidity to meet anticipated disbursements and cash flows
- Yield: Attainment of an optimized rate of return based on market conditions.

Created by: Ulli Raak, Finance Director, Ann Arbor Housing Commission

Approved by: Jennifer Hall, Executive Director, Ann Arbor Housing Commission

NOW THEREFORE BE IT RESOLVED, that the Ann Arbor Housing Development Corporation's Board approve the Investment policy as attached hereto.

Ann Arbor Housing Development Corporation (AAHDC)
RESOLUTION NO. 24-17 TO APPROVE THE ADDITION OF MICHIGAN
COOPERATIVE LIQUID ASSETS SECURITIES SYSTEM AS AN APPROVED
INVESTMENT OPTION

The Ann Arbor Housing Development Corporation has significant revenues that need to be invested to accomplish Safety:

- Preservation of capital and protection of investment principal
- Liquidity: Maintenance of sufficient liquidity to meet anticipated disbursements and cash flows
- Yield: Attainment of an optimized rate of return based on market conditions.

WHEREAS, the Michigan Cooperative Liquid Assets Securities System (Michigan CLASS) is compliant with Public Act 20, and;

WHEREAS, the Michigan CLASS Board of Trustees oversees the pool and directs the pool administrator, Public Trust Advisors, to emphasize safety, liquidity, and convenience while providing diversification of investments and the advantage of a competitive return, and;

WHEREAS, Michigan CLASS investments are fully compliant with all appropriate Michigan investment laws, and;

WHEREAS, Michigan CLASS has over 800 funded participants ranging from the very large to the very small, with nearly \$4.6 billion in shares outstanding, and;

WHEREAS, this investment has no restrictions regarding withdrawals or contributions, affording the AAHDC the ability to use Michigan CLASS as it best suits our needs.

NOW THEREFORE BE IT HEREBY RESOLVED that the Ann Arbor Housing Development Corporation approves the Michigan Class Investment Pool as an authorized Investment institution, authorizes the Finance Director to complete the necessary paperwork to enroll in the pool, and approves the addition of Michigan Class to the Investment Policy.

What is Michigan CLASS?

Michigan Cooperative Liquid Assets Securities System (Michigan CLASS) is a local government investment pool that prioritizes safety, liquidity, convenience, and competitive yield. Since 1991, Michigan CLASS has sought to provide Michigan public agencies with a safe and competitive investment alternative. Michigan CLASS invests only in instruments applicable to State of Michigan laws governing investment options for public agencies. Funds of the Participants are invested in prime or high-grade, short-term fixed income instruments selected with the goal of providing program safety, liquidity, and competitive yields as further defined by the Board's Investment Policy. Both Michigan CLASS portfolios are rated 'AAA' by a nationally recognized statistical rating organization.

Who oversees and manages Michigan CLASS?

Investments made on behalf of the Participants are subject to the overall direction of the Michigan CLASS Board of Trustees, which consists of up to thirteen Trustees elected by the Participants. The Board of Trustees approves the program's investment parameters that must also fall within the investment stipulations mandated under Michigan statute for the investment of surplus funds of the Participants. The Board of Trustees has entered into an investment advisory agreement with Public Trust Advisors, LLC. Public Trust is responsible to the Board for all program investment and administrative activities and services provided on behalf of the Participants.

How can you participate in Michigan CLASS?

Enrolling in Michigan CLASS is simple. After reading the Participation Agreement and Information Statement (available at www.michiganclass.org), follow these steps:

- 1 Submit your entity's investment policy to the program administrator for review.
- 2 Adopt the Participation Agreement by Board resolution.
- 3 Complete the Michigan CLASS Trust Registration.
- 4 Submit the above documents to Michigan CLASS Client Services.
- 5 After we review and approve the above documents, you will receive confirmation that you have been accepted as a Michigan CLASS Participant.

MICHIGAN CLASS FEATURES

As a Michigan CLASS Participant, you have access to many convenient features:

- Same-day cash liquidity in Prime Fund (3:00 p.m. ET cut-off)
- Contributions by wire or ACH
- Secure online access for transactions and account statements
- Professionally managed since 1991
- Competitive daily yields
- Unlimited subaccounts
- No minimum investment requirements
- Dividends accrue daily
- No transaction fees*
- Audited annually by an independent auditing firm**
- Direct investment of state and federal payments
- Dedicated client service representatives available via email, phone, or fax on any business day

*You may incur fees associated with wires and/or ACH transactions by your bank, but there will be no transaction fees charged from Michigan CLASS for such transactions. **External audits may not catch all instances of accounting errors and do not provide an absolute guarantee of accuracy.



Michigan
CLASS[®]

What are the objectives of Michigan CLASS?

Safety

The primary investment objective of Michigan CLASS is the safety of public funds. The Michigan CLASS portfolios are professionally managed by a team of investment professionals who are solely focused on the management of public funds nationwide. Michigan CLASS has earned S&P Global Ratings' highest money market rating, 'AAAm.' Michigan CLASS Enhanced Cash is rated 'AAAf'/'S1' by Fitch. The custodian for Michigan CLASS is Fifth Third Bank, N.A.

Liquidity

When you invest with Michigan CLASS, you have access to your funds on any business day. You must notify Michigan CLASS of your funds transaction requests by 3:00 p.m. ET. By offering daily liquidity, we provide you with the flexibility you need to meet your daily cash needs. Michigan CLASS Enhanced Cash is a variable NAV fund that provides next-day liquidity.

Convenience

To make cash management simple and efficient, Michigan CLASS includes many features that make it easy to access account information and simplify record keeping. Transactions are conducted via the Michigan CLASS Online Transaction Portal at www.michiganclass.org and may be entered at any time - up to 365 days in advance.

Our dedicated Client Service team is available to assist with any matters related to the administration of your account

and can be reached by email at clientservices@michiganclass.org, by phone at (855) 382-0496, by fax at (855) 381-0496 or via the Michigan CLASS Online Transaction Portal at www.michiganclass.org.

Flexibility

Participants may establish multiple Michigan CLASS accounts to track and parallel their own internal fund accounting structures. You will receive an email notification when your comprehensive monthly statement is available online; statements show your transaction activity, dividend postings, and yield summaries. These statements have been specifically designed to facilitate public sector fund accounting and to establish a clear accounting and audit trail for your investment records.

Competitive Returns

The Michigan CLASS philosophy has always been to prioritize competitive yields while adhering to all objectives of safety and liquidity. Our portfolio managers are professionals with experience in public funds management. Michigan CLASS maintains a low management fee structure to help facilitate a competitive yield on the investment portfolios.

Legality

Michigan CLASS invests only in investments legally permitted under Michigan state law.

Have Questions? Contact us or visit www.michiganclass.org for more information.



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Any financial and/or investment decision should be made only after considerable research, consideration, and involvement with an experienced professional engaged for the specific purpose. The information presented should not be used in making any investment decisions. This material is not a recommendation to buy, sell, implement, or change any securities or investment strategy, function, or process. Please review the Michigan CLASS Information Statement(s) before investing. Michigan CLASS is not a bank. An investment in Michigan CLASS is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Michigan CLASS prime-style fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. Please review the Michigan CLASS Information Statement(s) before investing. Past performance is not an indication of future performance. No assurance can be given that the performance objectives of a given strategy will be achieved. Any financial and/or investment decision may incur losses. Michigan CLASS is rated 'AAAm' by S&P Global Ratings. A 'AAAm' rating by S&P Global Ratings is obtained after S&P evaluates a number of factors including credit quality, market price exposure, and management. For a full description on rating methodology, please visit www.spglobal.com. Michigan CLASS EDGE is rated by 'AAAf/S1' by FitchRatings. The 'AAAf' rating is Fitch's opinion on the overall credit profile within a fixed-income fund/portfolio and indicates the highest underlying credit quality of the pool's investments. The 'S1' volatility rating is Fitch's opinion on the relative sensitivity of a portfolio's total return and/or net asset value to assumed changes in credit spreads and interest rates. The 'S1' volatility rating indicates that the fund possesses a low sensitivity to market risks. For a full description on rating methodology, please visit www.fitchratings.com. Ratings are subject to change and do not remove credit risk.

Invest with Michigan CLASS

Investing with Michigan CLASS could mean more for your local community. Use the Michigan CLASS investment calculator to see just how much you could have earned.

Amount Invested

Start Date

End Date

You would have earned
\$4,573.30
 on your investment if you started on
May 1, 2024

Michigan CLASS Investment Income Earned				
As of Date	Time	\$1M	\$5M	\$10M
May 01 - May 31	1 month	\$4,573	\$22,866	\$45,733
Dec 01 - May 31	6 months	\$27,669	\$138,344	\$276,688
Jun 01 - May 31	12 months	\$55,910	\$279,551	\$559,103

Months listed are in the years 2023-2024

Michigan CLASS Daily Yields as of Month-End

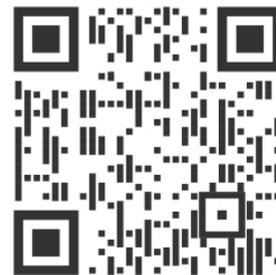
Month	Year	Month-End Yield
May	2024	5.3885%
April	2024	5.3845%
March	2024	5.4017%
February	2024	5.4413%
January	2024	5.4932%
December	2023	5.5532%
November	2023	5.5542%
October	2023	5.5227%
September	2023	5.4659%
August	2023	5.4617%
July	2023	5.3830%
June	2023	5.2602%

For more information on historical yields and annualized performance, including performance for

Michigan CLASS EDGE, visit

www.michiganclass.org/rates

or scan the below QR code:



Source: Public Trust Advisors, LLC. Data unaudited. Charts and/or values presented may not add up precisely to absolute figures due to rounding. Performance results are shown net of all fees and expenses and reflect the reinvestment of dividends and other earnings. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. Michigan CLASS is not a bank. An investment in Michigan CLASS is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Michigan CLASS stable NAV fund(s) seek to preserve the value of your investment at \$1.00 per share, Michigan CLASS cannot guarantee they will do so. Please review the applicable Information Statement(s) before investing. **Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses.**

Michigan CLASS Participant List May 2024

Authorities

35th District Court	Alger Transit Authority
Allegan Conservation District	Antrim Conservation District
Bay Area Transportation Authority	Beaver Island Transportation Authority
Benton Harbor - St. Joseph Joint Waste Water Treatment Plant	Benzie Transportation Authority
Betsie Lake Utilities Authority	Cassopolis Area Utilities Authority
Central County Transportation Authority	Chain of Lakes Area Sewer Authority
City of Davison Downtown Development Authority	City of Litchfield Tax Increment Finance Authority
Clare County Transit Corporation	Clinton Area Transit System
Clio Area Fire Authority	Construction Code Authority
Delta Area Transit Authority	Fife Lake Area Utility Auth. (FLAUA)
Genesee Conservation District	Gogebic Conservation District
Grand Valley Metropolitan Council	Gratiot Area Water Authority
Greater Lapeer Transportation Authority	Harbor Trans Transportation System
Hartford Fire Board	Interurban Transit Authority
Iron Mountain/Kingsford J.S.A.	Jackson County E.D.C.
Kalamazoo County Dispatch Authority	Kalamazoo Lake Sewer & Water Auth.
Karegnondi Water Authority	Kent County Dispatch Authority
Lake Mitchell Sewer Authority	Lapeer County E.M.S. Authority
LCSA	LCSA
Lenawee Cty. Human Services Bldg. Auth.	Livingston Community Water Authority
Loch Alpine Sanitary Authority	Lowell Area Fire and Emergency Services Authority
Ludington Mass Transportation Auth.	Macatawa Area Coordinating Council
Macatawa Area Express Trans Authority	Manistee Downtown Development Authority
Meceola Consolidated Central Dispatch Authority	Michigan International Technology Center Redevelopment Authority
Michigan Municipal Services Authority (MMSA)	Mid Michigan Community Fire Control
Midland County Building Authority	Montcalm County Building Authority
Multi Lake Water & Sewer Authority	NIESA
North Oakland Transportation Authority	Parma Local Development Finance Authority (LDFA)
Pentwater Lake Improvement Board	Portage - Base Lakes Water & Sewer Auth.
Roscommon Cty. Transportation Auth.	Schoolcraft County Transit Authority
Sister Lakes Area Utilities Authority	South Huron Valley Utility Auth.
Tawas Utilities Authority	Western Oakland Transportation Authority

Michigan CLASS Participant List May 2024

Western Townships Utilities Auth.

Cities/Villages

City of Adrian	City of Albion
City of Allegan	City of Alma
City of Ann Arbor	City of Auburn Hills
City of Bangor	City of Battle Creek
City of Belding	City of Birmingham
City of Brighton	City of Buchanan
City of Burton	City of Cadillac
City of Center Line	City of Charlotte
City of Clawson	City of Coldwater
City of Coopersville	City of Corunna
City of Crystal Falls	City of Davison
City of Dearborn, Inc.	City of Detroit
City of DeWitt	City of Dexter
City of Dowagiac	City of Durand
City of East Grand Rapids	City of East Tawas
City of Eastpointe	City of Farmington
City of Farmington Hills	City of Fennville
City of Ferrysburg	City of Flat Rock
City of Flint	City of Flushing
City of Frankfort	City of Fraser
City of Fremont	City of Galesburg
City of Garden City	City of Gaylord
City of Gladstone	City of Gladwin
City of Grand Haven	City of Grand Ledge
City of Grandville	City of Grayling
City of Greenville	City of Grosse Pointe Farms
City of Grosse Pointe Park	City of Hamtramck
City of Harbor Springs	City of Harper Woods
City of Harrison	City of Hart
City of Hastings	City of Hazel Park
City of Hillsdale	City of Holland

Michigan CLASS Participant List May 2024

City of Houghton	City of Howell
City of Hudsonville	City of Huntington Woods
City of Imlay City	City of Inkster
City of Ionia	City of Iron Mountain
City of Ironwood	City of Ithaca
City of Jackson	City of Jonesville
City of Kalamazoo	City of Keego Harbor
City of Kingsford	City of Lake Angelus
City of Lansing	City of Lapeer
City of Lathrup Village	City of Leslie
City of Linden	City of Litchfield
City of Ludington	City of Madison Heights
City of Manistee	City of Manton
City of Marshall	City of Mason
City of Midland	City of Milan
City of Monroe	City of Montague
City of Montrose	City of Mount Clemens
City of Mt. Pleasant	City of Muskegon
City of Negaunee	City of New Baltimore
City of Niles	City of North Muskegon
City of Northville	City of Norton Shores
City of Norway	City of Novi
City of Oak Park	City of Orchard Lake Village
City of Otsego	City of Owosso
City of Parchment	City of Pinconning
City of Pleasant Ridge	City of Plymouth
City of Portage	City of Riverview
City of Rochester	City of Rochester Hills
City of Romulus	City of Roseville
City of Royal Oak	City of Royal Oak Retirement Board
City of Saint Clair	City of Saint Clair Shores
City of Saline	City of Saugatuck
City of Sault Ste. Marie	City of Scottville
City of Southfield	City of Springfield
City of St. Johns	City of St. Joseph

Michigan CLASS Participant List May 2024

City of St. Louis	City of Standish
City of Stanton	City of Sterling Heights
City of Sturgis	City of Swartz Creek
City of Sylvan Lake	City of Tawas City
City of Tecumseh	City of the Village of Douglas
City of Traverse City	City of Trenton
City of Troy	City of Utica
City of Walker	City of Walled Lake
City of Warren	City of Wayland
City of Wayne	City of Westland
City of White Cloud	City of Whitehall
City of Williamston	City of Ypsilanti
City of Zeeland	Royal Oak Retiree Healthcare Invt. Board
The City of Plainwell	Village of Almont
Village of Baroda	Village of Benzonia
Village of Beulah	Village of Bingham Farms
Village of Brooklyn	Village of Caledonia
Village of Cassopolis	Village of Centreville
Village of Centreville DDA	Village of Clinton
Village of Dundee	Village of Elberta
Village of Elk Rapids	Village of Fowler
Village of Grass Lake	Village of Holly
Village of Kalkaska	Village of Kent City
Village of Lake Odessa	Village of Lake Orion
Village of Lawton	Village of Mackinaw City
Village of Maple Rapids	Village of Mendon
Village of Middleville	Village of Milford
Village of Muir	Village of Oxford
Village of Parma	Village of Pentwater
Village of Perrinton	Village of Pewamo
Village of Pinckney	Village of Quincy
Village of Romeo	Village of Saranac
Village of Shelby	Village of Shoreham
Village of Sparta	Village of Stevensville
Village of Suttons Bay	Village of Vanderbilt

Michigan CLASS Participant List May 2024

Village of Vermontville

Village of Webberville

Commissions

Barry County Road Commission
Clinton County Road Commission
Grand Traverse Cty Road Commission
Kalkaska County Road Commission
Livingston County Road Commission
Manistee County Road Commission
Monroe County Road Commission
Ogemaw County Road Commission
Ottawa County Road Commission
RH - RO Older Persons' Commission
St. Joseph County Road Commission
Tri-County Regional Planning Commission

Clare County Road Commission
Genesee County Road Commission
Iosco County Road Commission
Leelanau County Road Commission
Luce County Road Commission
Menominee County Road Commission
Oakland County Road Commission
Orion Community Cable Communications Commission
Presque Isle County Road Commission
Shiawassee County Road Commission
The Board of Newaygo County Road Commission
Ypsilanti Housing Commission

Counties

Alcona County
Antrim County
Baraga County
Bay County
Berrien County
Branch County
Cass County
Cheboygan County
Clinton County
Delta County
Eaton County Treasurer
Genesee County
Gogebic County
Grafton County
Ingham County Treasurer
Iosco County
Jackson County
Kalkaska County

Allegan County
Arenac County
Barry County
Benzie County Treasurer
Branch Conservation District
Calhoun County
Charlevoix County
Clare County
Crawford County
Dickinson County
Emmet County
Gladwin County
Grand Traverse County
Houghton County
Ionia County
Isabella County
Kalamazoo County
Kent County

Michigan CLASS Participant List May 2024

Lapeer County	Leelanau County
Lenawee County	Livingston County
Luce County	Mackinac County
Manistee County	Marquette County
Mason County Treasurer	Mecosta County
Menominee County	Midland County
Missaukee County	Monroe County
Montcalm County	Montmorency County
Muskegon County	Newaygo County
Oakland County	Oceana County
Ogemaw County	Osceola County
Oscoda County	Otsego County
Ottawa County	Roscommon County
Saginaw County	Sanilac County
Schoolcraft County	Shiawassee County
St. Clair County	St. Joseph County
Tuscola County	Van Buren County
Washtenaw County	Wayne County
Wexford County	

Emergency Services Districts

ABB Joint Fire Board	Coldsprings Excelsior Fire & Rescue Department
Copemish Cleon Township Fire Dept	Grand Haven 911
Gratiot Emergency Services Authority	Hart Area Fire Administrative Board
Howell Area Fire Authority	Litchfield Fire Department
Mason - Oceana 911	Otsego Lake Township Fire Department
Saugatuck Township Fire District	Southwest Enforcement Team
Sparta Fire Department	Walkerville Area Fire and Rescue
Western Mason Cty. Fire Dist. Authority	

Libraries

Adrian District Library	Benzonia Public Library
Boyer District Library	Cadillac Wexford Public Library
Charter Twp. of Harrison Public Library	Chesterfield Township Library
Chippewa River District Library	Clinton-Macomb Public Library

Michigan CLASS Participant List May 2024

Crooked Tree District Library	Darcy Library of Beulah
Dexter District Library	Dickinson County Library
Dowagiac District Library	EC Weber Fraser Public Library
Farmington Community Library	Garden City Public Library
Harbor Beach Area District Library	Hart Area Public Library
Herrick District Library	Highland Township Public Library
Howell Carnegie District Library	Indian River Area Library
Interlochen Public Library	Jordan Valley District Library
Kalkaska County Library	Lakeland Library Cooperative
Lenox Township Library	Litchfield District Library
Loutit District Library	Lyons Township District Library
MacDonald Public Library	Northland Library Cooperative
Pentwater Township Library	Plymouth District Library
Presque Isle District Library	Rawson Memorial Library
Romeo District Library	Salem - South Lyon District Library
Saugatuck - Douglas District Library	Spring Lake District Library
Suburban Library Cooperative	Superior District Library
Superiorland Library Cooperative	The Library Network
Traverse Area District Library	West Branch District Library
White Cloud Community Library	White Lake Community Library
White Pine Library Cooperative	Ypsilanti District Library

Other

Akron Columbia Wisner Ambulance	Chippewa Luce Mackinac Conservation District
Genesee County Drain Commissioner	Grand Rapids Community College
Grand Traverse Conservation District	Huron Shore Regional Utility Authority
Kalkaska Conservation District	Kirtland Community College
Lansing Board of Water and Light	Manistee Benzie Community Mental Health, dba Centra Wellness Network
Manistee Lake Improvement Board	Michigan CLASS EDGE
Michigan South Central Power Agency	Mid Michigan Area Cable Consortium
Midland County Water District No. 1	Montcalm Ctr. for Behavioral Health
Muskegon Conservation District	Oceana Conservation District
Ottawa Cty. Road Comm. - Public Utilities	SOCRRA
Southeastern Oakland County Water Authority	Southern Clinton County M.U.A.

Michigan CLASS Participant List May 2024

Tuscola Behavior Health System
Van Buren Cass District Health Department
Washtenaw County Conservation District

UMB Bank Omnibus for Corporate Trust
Washtenaw Community College

School Districts

A-M-A ESD
Adrian Public Schools
Ann Arbor Public Schools
Birmingham Public Schools
Bloomfield Hills School District
Bridgman Public Schools
Buchanan Community Schools
Carman - Ainsworth Community Schools
Charlevoix - Emmet ISD
Coloma Community Schools
Coopersville Area Public Schools
East Lansing Public Schools
Eau Claire Public Schools
Flat Rock Community Schools
Fowlerville Community Schools
Fruitport Community Schools
Grand Haven Area Public Schools
Grand Rapids Public Schools
Grosse Pointe Public Schools
Haslett Public Schools
Holland Public Schools
Howell Public Schools
Huron Valley Schools
Ionia Public Schools
Jonesville Community Schools
Lake Fenton Community Schools
Lakeshore Public Schools
Lawton Community Schools
Lincoln Park Public Schools
Ludington Area School District

Addison Community Schools
Allendale Public Schools
Berrien Springs Public Schools
Blissfield Community Schools
Brandywine Community Schools
Brighton Area Schools
Bullock Creek Schools
Caseville Public Schools
Clinton Community Schools
Comstock Public Schools
Dowagiac Union Schools
Eaton RESA
Escanaba Area Public Schools
Fowler Public Schools
Fremont Public Schools
Gladwin Community Schools
Grand Ledge Public Schools
Greenville Public Schools
Hamilton Community Schools
Heritage Southwest ISD
Homer Community School District
Hudson Area Schools
Ingham Intermediate School District
Jackson Public Schools
Kenowa Hills Public Schools
Lake Orion Community Schools
Lakeview School District
Lenawee Intermediate School District
Livingston ESA
Madison School District

Michigan CLASS Participant List May 2024

Maple Valley Schools	Marshall Public Schools
Mason Public Schools	Milan Area Schools
Morenci Area Schools	Morley Stanwood Community Schools
New Buffalo Area Schools	New Haven Community Schools
Newaygo County RESA	Northville Public Schools
Northwest Education Services	Olivet Community Schools
Onsted Community Schools	Otsego Public Schools
Owosso Public Schools	Pinckney Community Schools
Plainwell Community Schools	Pottersville Public Schools
Redford Union Schools	River Valley School District
Romeo Community Schools	Romulus Community Schools
Sand Creek Community Schools	Saugatuck Public Schools
South Lyon Community Schools	St. Johns Public Schools
Swartz Creek Community Schools	Taylor School District
Traverse City Area Public Schools	Union City Community Schools
Van Buren Public Schools	Walled Lake Consolidated School Dist.
Washtenaw ISD	Watervliet Public Schools
Western School District	Whiteford Agricultural Schools
Whitmore Lake Public Schools	Williamston Community Schools

Townships

Ada Township	Adams Township
Addison Township	Akron Township
Alaiedon Township	Alcona Township
Allendale Charter Township	Almer Charter Township
Almira Township	Almont Township
Alpine Township	Ann Arbor Charter Township
Arcadia Township	Atlas Township
Augusta Charter Township	Aurelius Township
Bangor Charter Township	Banks Township
Bath Charter Township	Benton Township
Benzonia Township	Bethany Township
Blackman Charter Township	Blair Township
Blendon Township	Bois Blanc Township
Brandon Charter Township	Breen Township

Michigan CLASS Participant List May 2024

Breitung Charter Township	Bridgeport Charter Township
Brighton Charter Township	Brown Township
Bruce Township	Buchanan Township
Buena Vista Charter Township	Burns Township
Burt Township	Byron Township
Caledonia Charter Township	Cannon Township
Canton Charter Township	Carrollton Township
Cascade Charter Township	Casnovia Township
Cedar Creek Township	Central Lake Township
Chandler Township	Charter Township of Bloomfield, Michigan
Charter Township of Filer	Charter Township of Long Lake
Cherry Grove Township	Clay Township
Clayton Charter Township	Clearwater Township
Cleon Township	Clinton Charter Township
Coldsprings Township	Coldwater Township
Columbia Township	Commerce Charter Township
Comstock Charter Township	Concord Township
Cooper Charter Township	Courtland Township
Crystal Lake Township	Custer Township
Dallas Township	Dalton Township
Davison Township	Day Township
Decatur Township	Delhi Charter Township
Delta Charter Township	Denton Township
Denver Township	DeWitt Charter Township
Dexter Township	Dorr Township
Dorr Township Downtown Development Authority	Drummond Island Township
Dryden Township	Dundee Township
Eagle Township	East Bay Township
Eaton Rapids Township	Edenville Township
Egelston Township	Elk Rapids Township
Emerson Township	Erie Township
Eureka Township	Frankenlust Township
Fraser Township	Fruitport Charter Township
Gaines Charter Township	Garfield Charter Township
Garfield Township	Genoa Township

Michigan CLASS Participant List May 2024

Gerrish Township	Gilmore Township
Girard Township	Golden Township
Goodar Township	Goodland Township
Grand Blanc Charter Township	Grand Haven Charter Township
Grand Rapids Charter Township	Grant Township
Grant Township	Grant Township
Grass Lake Charter Township	Green Oak Township
Grosse Ile Township	Groveland Township
Hadley Township	Hamburg Township
Hampton Charter Township	Handy Township
Harrison Charter Township	Hartland Township
Hersey Township	Highland Charter Township
Holland Charter Township	Hope Township
Huron Charter Township	Ida Township
Imlay Township	Ingham Township
Inland Township Board	Joyfield Township
Kalamazoo Township	Koehler Township
Lafayette Township	Lake Charter Township
Lake Township	Laketon Township
Lansing Charter Township	Leavitt Township
Lee Township	Leighton Township
Leoni Township	Leslie Township
Lexington Township	Lincoln Charter Township
Lincoln Township	Livingston Township
Lowell Charter Township	Lyndon Township
Lyon Charter Township	Madison Charter Township
Manchester Township	Maple Grove Township
Markey Township	Mason Township
Meridian Charter Township	Metamora Township
Michigamme Township	Milford Charter Township
Moffatt Township	Monitor Charter Township
Monroe Charter Township	Montague Township
Muskegon Charter Township	Negaunee Township
New Buffalo Township	New Haven Township
Newton Township	Niles Charter Township

Michigan CLASS Participant List May 2024

Norman Township	Northfield Township
Northville Charter Township	Norvell Township
Norway Township	Norwich Township Newaygo County
Nottawa Township	Oakfield Township
Oakland Charter Township	Oceola Township
Olive Township	Oliver Township
Oliver Township	Oneida Charter Township
Onekama Township	Oregon Township
Orion Township	Oscoda Charter Township
Oshtemo Charter Township	Otsego Lake Township
Otto Township	Ovid Township
Ovid Township	Oxford Charter Township
Park Township	Parma Township
Pennfield Charter Township	Pentwater Township
Pere Marquette Charter Township	Pierson Township
Pittsfield Charter Township	Plainfield Charter Township
Plainfield Township	Plymouth Charter Township
Pokagon Township	Port Huron Charter Township
Port Sheldon Township	Prairieville Township
Pulaski Township	Putnam Township
Raisin Charter Township	Ray Township
Redford Township	Reno Township
Richmond Township	Riley Township
Robinson Township	Ronald Township
Rose Township	Saginaw Charter Township
Saginaw Charter Township Treasurer	Sagola Township
Salem Township	Sandstone Charter Township
Saugatuck Township	Scio Township
Selma Township	Shelby Charter Township
Sidney Township	Silver Creek Township
Solon Township	Somerset Township
Spring Lake Township	Springfield Township
Stockbridge Township	Summerfield Township, Clare County
Summit Township	Summit Township
Sumpter Township	Superior Charter Township

Michigan CLASS Participant List May 2024

Sylvan Township	Tallmadge Charter Township
Texas Charter Township	Thetford Township
Thornapple Township	Tompkins Township
Torch Lake Township	Tyrone Township
Van Buren Charter Township	Vergennes Township
Vevay Township	Victory Township
Vienna Charter Township	Washington Township
Waterford Charter Township	Waterloo Township
Watertown Charter Township	Weare Township
West Bloomfield Charter Township	West Bloomfield Township Parks and Recreation
West Branch Township	White Lake Charter Township
Whitehall Township	Whitewater Township
Whitney Township	Woodbridge Township
Wright Township, Ottawa County	Yankee Springs Township
York Charter Township	Zeeland Charter Township

Total Participants: 824

***Disclaimer:** This participant list is being made public pursuant to state statute. The listed participants are active as of the end of the month.*

R-24-18
AUTHORIZING RESOLUTIONS
OF
ANN ARBOR HOUSING DEVELOPMENT CORPORATION

Re: 121 Catherine Street, Ann Arbor, Michigan

I, Dr. Lee Meadows, President of the **ANN ARBOR HOUSING DEVELOPMENT CORPORATION**, a Michigan nonprofit corporation (the "**Corporation**"), hereby certifies that the following is a true and correct copy of Resolutions duly adopted by consent at a meeting of the Board of Directors of the Corporation on July 17, 2024:

RECITALS

WHEREAS, the Corporation was formed by the initial filing of Articles of Incorporation with the Michigan Department of Commerce on October 15, 1979, which were amended by Restated Articles of Incorporation on June 10, 2013;

WHEREAS, the **ANN ARBOR HOUSING COMMISSION**, a commission established by the City of Ann Arbor (the "**Commission**"), is the sole member (the "**Sole Member**") of the Corporation; and

WHEREAS, **AAHDC CATHERINE MM LLC**, a Michigan limited liability company (the "**MM LLC**"), was formed by the filing of Articles of Organization with the Michigan Department of Licensing and Regulatory Affairs, Corporations, Securities and Commercial Licensing Bureau on February 24, 2023, with the Corporation as its sole member; and

WHEREAS, the Corporation has acquired land located at 121 Catherine in Ann Arbor, Michigan (the "**Property**") from the City of Ann Arbor, which will be developed into 63 affordable housing units, along with first floor community space (the "**Development**"); and

WHEREAS, the MM LLC will be the managing member of the **121 CATHERINE LIMITED DIVIDEND HOUSING ASSOCIATION LLC** (the "**LDHA**"), which will be the owner, developer and operator of the Development; and

WHEREAS, the Commission will be the property manager of the Development; and

WHEREAS, the Corporation, as a sponsor of the Development ("**Sponsor**"), was awarded Affordable Housing Program funds from **FHLBANK INDIANAPOLIS** ("**FHLBI**") in the amount of **\$458,872.00** (the "**FHLBI Sponsor Loan**"), which will be provided from the Corporation to the LDHA, evidenced by a Promissory Note (the "**FHLBI Note**") and secured by a Leasehold Mortgage on the Property (the "**FHLBI Mortgage**") at 0.00% interest for a 35-year term;

WHEREAS, the Corporation, as Sponsor of the Development, has received awards of various funds and/or grants identified below (collectively, the “**AAHDC Award Funding**”):

- A. City Millage Funds in the amount of **\$1,925,669**;
- B. Ann Arbor DDA Grant Funds in the amount of **\$350,000.00**;
- C. Local Brownfield Revolving Fund Grant in the amount of **\$959,406.00**;
- D. EGLE Grant in the amount of **\$1,000,000.00**;
- E. RAP Funds in the amount of **\$4,018,915.00**; and
- F. City Climate Action Funds in the amount of **\$475,000.00**.

WHEREAS, the Corporation, as lender (the “**Lender**”), shall enter into a Loan Agreement with LDHA (the “**Borrower**”), for the AAHDC Award Funding in the amount of **[Eight Million Seven Hundred Twenty-Eight Thousand Nine Hundred Ninety and 00/100 Dollars (\$8,728,990.00)]** (the “**AAHDC Award Loan**”) to finance the Development, which will be evidenced by a Promissory Note and a Mortgage on the Property (“**AAHDC Award Loan**”) at 0.00% interest for a 35-year term; and

WHEREAS, the Commission has approved a proposal for the LDHA to enter into a First Amended and Restated Operating Agreement (the “**A&R Operating Agreement**”) with the **NATIONAL EQUITY FUND, INC.** through its affiliate, **NEF ASSIGNMENT CORPORATION**, an Illinois not-for-profit corporation, as nominee, and its successors and assigns (“**NEF**” or “**Investor**”), who will acquire a 99.99% membership interest in the LDHA which qualifies for federal low income housing tax credits (“**LIHTCs**”) in exchange for NEF’s capital contributions to the Company in the amount of **[\$13,003,700]** (the “**Investor Capital Contribution**”), at a price of \$0.85 for LIHTCs, and the Investor will receive annual tax credit payments of \$1,500,000.00 for a period of ten years; and

WHEREAS, the Corporation, as a co-Guarantor (“**Co-Guarantor**”), shall be required to enter into, execute and deliver a Guaranty Agreement to NEF (the “**NEF Guaranty**”) guaranteeing faithful and timely performance of all of its Guaranteed Obligations identified in the A&R Operating Agreement; and

WHEREAS, the Company, as a co-Developer for the Development (“**Co-Developer**”) will enter into a Development Fee Agreement with the LDHA to identify the scope of development services to be performed and the Development Fee to be paid.

RESOLUTIONS

NOW, THEREFORE, BE IT RESOLVED, that the foregoing Recitals are incorporated in these Resolutions by reference, and the same are hereby approved and confirmed; and

FURTHER RESOLVED, that the Commission, as the Sole Member of the Corporation, authorizes the formation of the MM LLC and the LDHA, and the same are hereby affirmed and ratified;

FURTHER RESOLVED, that the Commission, as the Sole Member of the Corporation, authorizes Jennifer Hall, the Executive Director of Commission (the "Authorized Signatory"), to execute mortgage(s) or grant other security interests in the assets of the Corporation, and any prior action in furtherance thereof taken by any officer or director, on behalf of the Corporation, prior to these Resolutions, is hereby ratified and affirmed; and

FURTHER RESOLVED, that the Authorized Signatory is hereby authorized and directed, on behalf of the Corporation, at any time after adoption of these Resolutions and without further action by or authority or direction from the Corporation or its Sole Member, to provide the FHLBI Sponsor Loan to the LDHA, which shall be evidenced by a Promissory Note and Leasehold Mortgage on the Property, and the same is hereby ratified, approved and affirmed;

FURTHER RESOLVED, that the Authorized Signatory is hereby authorized and directed, on behalf of the Corporation, at any time after adoption of these Resolutions and without further action by or authority or direction from the Corporation or its Sole Member, to provide the AAHDC Award Loan to the LDHA in exchange for a Loan Agreement with the LDHA, and evidenced by a Promissory Note and Leasehold Mortgage on the Property, and the same is hereby ratified, approved and affirmed;

FURTHER RESOLVED, that the Authorized Signatory is hereby authorized and directed, on behalf of the Corporation, at any time after adoption of these Resolutions and without further action by or authority or direction from the Corporation or its Sole Member, to enter into and execute the NEF Guaranty and deliver the NEF Guaranty to NEF, and the same is hereby ratified, approved and affirmed;

FURTHER RESOLVED, that the Authorized Signatory is hereby authorized and directed, on behalf of the Corporation, at any time after adoption of these Resolutions and without further action by or authority or direction from the Corporation or its Sole Member, to enter into and execute the Development Fee Agreement with the LDHA, and the same is hereby ratified, approved and affirmed;

FURTHER RESOLVED, that the Authorized Signatory is hereby authorized and directed, on behalf of the Corporation, at any time after adoption of these Resolutions and without further action by or authority or direction from the Corporation or its Sole Member, to execute and deliver, or cause to be executed and delivered, and take any additional action and enter into any additional agreements, documents, instruments, affidavits or certificates as may be required as a Sponsor, Co-Guarantor or Co-Developer of the Development, the delivery of which shall constitute conclusive evidence that the terms

and conditions contained therein have been determined to be appropriate by the Corporation;

FURTHER RESOLVED, that the above-described transactions are hereby approved by the Board of Directors of the Commission, the Sole Member of the Corporation, on behalf of the Corporation, and further that the Corporation is hereby authorized to enter into the transactions described herein; and

FURTHER RESOLVED, these Resolution shall have continuing force and effect until receipt of written notice from the Corporation or the Commission of any amendments or alterations to these Resolutions.

[SIGNATURE ON NEXT PAGE]

ANN ARBOR HOUSING DEVELOPMENT CORPORATION,
a Michigan nonprofit corporation

By: _____
Dr. Lee Meadows
Its: President

R-24-19

ANN ARBOR HOUSING DEVELOPMENT CORPORATION

**Resolution Appropriating \$1,925,669 in Affordable Housing Millage Funds to the
121 Catherine Street Development**

121 E Catherine, AKA Dunbar Tower, is a 63-unit affordable housing development in downtown Ann Arbor. The Ann Arbor Housing Commission, through the Ann Arbor Housing Development Corporation is co-developing the property with Avalon Housing. The construction costs & soft costs have been finalized at a total of \$33,765,787. A total of \$31,840,118 has been secured leaving a total of \$1,925,669 in affordable housing millage funds to cover the final gap in funding. See attached Development Sources and Uses.

RESOLVED, The Ann Arbor Housing Development Corporation Board appropriates \$1,925,669 in Affordable Housing Millage Funds to the Ann Arbor Housing Development Corporation for the development of 63 units of housing at 121 Catherine Street as affordable housing.

ANN ARBOR HOUSING DEVELOPMENT CORPORATION,
a Michigan nonprofit corporation

By: _____
Dr. Lee Meadows
Its: President

R-24-20

Resolution to Commit a \$3 million Loan to UNION AT A2 Limited Dividend Housing Association Limited Partnership, for the Development of Union at A2 at 2050 Commerce Drive

The Annex Group® (TAG) is an Indiana based multi-family housing developer, general contractor, and owner with a portfolio of communities valued at more than \$500 million. Combining the career experience of its entire leadership team, The Annex Group has overseen more than \$1 billion in single family, multi-family, mixed-use and other commercial projects including redevelopment and ground-up construction.

TAG is proposing to develop 250 high quality affordable housing multifamily units on Commerce Drive in Ann Arbor. This site will be redeveloped into a new construction low-income housing development called Union at A2 which will provide the City of Ann Arbor with a significant number of new affordable housing units to meet its production goal of 140 units/year. The incomes in this development will target 30, 60, and 70% of Area Median Income for Washtenaw County. Please see the current affordability mix below:

- 45 units at the 30% Area Median Income Level
 - 1-3 bedrooms offered at \$649 - \$886
- 73 units at the 60% Area Median Income Level
 - 1 bedrooms offered at \$1,347
- 132 units at the 70% Area Median Income Level
 - 1-3 bedrooms offered at \$1,579 - \$2,176

The unit mix will be a variety of 1-, 2-, and 3-bedroom units. The site plan for this development features a single 5-story building (floors are at grade level) urban style apartment building. The various amenities that this project has to offer will be located withing the building. These amenities include a community room with a kitchen/coffee station, bike storage facility, fitness room, leasing/management office, a mailroom, picnic/grilling area, a playground, and storage spaces.

This location is suitable for an affordable housing development given its proximity to various amenities and transportation services. Ann Arbor City Council has approved a site plan (November 23rd, 2022) and a PILOT. The primary funding source is a 4% LIHTC & bond financing through MSHDA, which has also approved over \$15 million in soft funding to support the project. TAG formed UNION AT A2 limited dividend housing association limited partnership, a Michigan limited partnership, a single-purpose entity to be controlled by Union of A2 GP LLC, an Indiana limited liability corporation and NDC Corporate Equity Fund 21, LP, a Delaware limited partnership.

TAG is requesting up to \$3 million from the Affordable Housing Millage, subject to the final repayment terms and structure that is acceptable to MSHDA. MSHDA has agreed to a pro-rated shared cash-flow loan with the AAHDC loan. The AAHDC's loan will be in last position behind MSHDA's loans..

Staff recommend approval of \$3 million to fill the final financing gap to enable this project to be built. The Secretary/Treasurer hired Dykema to work with TAG and MSHDA to determine the final terms of the loan, which will be in a subordinate position. Attached is a Letter of Intent with the terms of the loan as negotiated. The \$3 million loan will have a 1% interest, 30-year affordability commitment, to be repaid through cash-flow as agreed upon with MSHDA. The loan will have a balloon payment at the time of any future recapitalization or change in ownership. The owner has agreed to a 30-year affordability period on all of the 30% and 60% AMI units as floating units.

RESOLVED, That the Ann Arbor Housing Development Corporation Board approves the terms in the attached Letter of Intent for \$3 million loan to UNION AT A2 limited dividend housing association limited partnership;

RESOLVED, That the Secretary-Treasurer be authorized to take any necessary action to implement this resolution.

July __, 2024

Re: CONSTRUCTION AND PERMANENT LOAN FINANCING IN THE AMOUNT OF UP TO \$3,000,000.00

This Letter of Intent is a non-binding summary of the principal terms relating to the proposed loan financing (the “Loan”). If the terms and conditions contained herein are mutually acceptable, they will be used as the basis for the preparation of the loan documents which will contain additional customary terms and conditions.

LOAN TERMS

1. **Loan** \$3,000,000.00
2. **Lender** Ann Arbor Housing Development Corporation.
3. **Borrower** **UNION AT A2 LIMITED DIVIDEND HOUSING ASSOCIATION LIMITED PARTNERSHIP** a Michigan limited partnership, a single-purpose entity to be controlled by Union of A2 GP LLC, an Indiana limited liability corporation and NDC Corporate Equity Fund 21, LP, a Delaware limited partnership.
4. **Guarantors** _____ and _____ who shall jointly and severally (i) guaranty the payment and performance of all obligations of the Borrower under the Loan documents and (ii) guaranty the timely and lien-free completion of development of the Project (hereinafter defined) thereon (“Guaranty”).
5. **Subject Property** Approximately 3.84 acres of land in Ann Arbor, Michigan (“Land”) on which 250 new multifamily apartment units (collectively, the “Project”) will be constructed. The Project will consist of 43 units at the 30% Area Median Income Level (the “30% AMI Units”), 73 units at the 60% Area Median Income Level (the “60% AMI Units”) and 132 Units at the 70% Area Median Income Level (the “70% AMI Units”). The term “Subject Property” shall mean, collectively, the Land together with all improvements presently situated thereon and all improvements to be constructed thereon.

Legal Description: See Exhibit “A” attached hereto.
6. **Purpose & Use** The Loan will fund (i) a portion of the amount required for the payment of costs relating to the construction of the 30% AMI Units

and the 60% AMI Units within the Project on the Land and (ii) the operation and maintenance of the 30% AMI Units and 60% AMI Units after construction.

7. **Loan Amount** Up to \$3,000,000.00.
8. **Term** The Loan will be due and payable on the fifteen (15) year anniversary of the construction completion date (as defined in the loan agreement) or such earlier date the Loan is accelerated as provided in the Loan Documents.
9. **Investment Fund – Public Act 20:** Any funding and disbursements of the loan proceeds by any title company or other third party must comply with Public Act 20.
10. **Interest Rate** One percent (1%) per annum.
11. **Principal Payments** All unpaid principal and accrued and unpaid interest on the Loan will be due and payable in full on the Maturity Date. During the term of the Loan, Borrower shall not be required to pay any principal or interests payments. Upon the earlier of (i) the Maturity Date, (ii) the occurrence of an event of default under the loan documents or the transfer of Project, Borrower shall make a balloon payment to Lender which payment shall constitute the entire indebtedness due and owing to Lender.
12. **Due Diligence Deposit** A nonrefundable deposit in the amount of \$15,000.00 (the “**Due Diligence Deposit**”) will be delivered concurrently with the execution of this letter and shall be used for Lender’s underwriting of the Loan.
13. **Prepayment** The Loan may be prepaid at any time.
14. **Security** The Loan shall be secured by the following in a form satisfactory to the Lender (collectively, the “**Security**”):
 - a) A mortgage creating a second priority lien over the Subject Property and containing a security agreement, an assignment of leases and rents and contracts relating to the Subject Property subject only to MSHDA’s first priority lien over the Subject Property.
 - b) A promissory note signed by the Borrower, evidencing the indebtedness to the Lender.
 - d) A Loan Policy of Title Insurance in the amount of the Loan issued by the Title Company with respect to the Subject Property

with endorsements required by the Lender containing no exceptions to title other than those approved by Lender in its sole and unfettered absolute discretion.

e) An Environmental Indemnity Agreement.

f) The execution by the Guarantors of the Guaranty.

m) Such other security as the Lender may reasonably deem necessary.

15. **Conditions Precedent to the Disbursement of Funds** Lender shall include conditions precedents to disbursement of funds that are typical in a lending transaction of this nature.
16. **Further Documents** Notwithstanding anything contained in this Letter, the Lender may request other documents containing such other assurances, information and covenants as our attorney may require with regard to the Loan and Security.
17. **Funding** Funding shall occur at intervals reasonably acceptable to Lender and subject to conditions precedents contained in the Loan Agreement.
18. **Deed Restriction** At closing, Borrower shall place a deed restriction on the Subject Property restricting the 30% AMI Units and the 60% AMI Units to be used to house families falling at or below the 60% Area Median Income levels indefinitely.
19. **Floodplain** Borrower must provide evidence satisfactory to Lender that the Subject Property is not within a floodplain.

GENERAL CONDITIONS

20. **Costs & Expenses** Whether or not the Loan is disbursed, all of the Lender's (and any administrative or collateral agent's) reasonable costs and expenses relating to the Loan, including reasonable legal costs and reasonable travel costs, shall be borne in full by you. If not paid by you, such costs and expenses may be added to the then outstanding principal balance of the Loan and shall bear interest at the Interest Rate under the Note.
21. **Counterparts & Facsimile** This agreement may be executed in any number of counterparts, including by email (via PDF) or by facsimile, each of which when so executed is deemed to be an original and all of which together shall constitute one and the same agreement.

22. Disclaimer

The parties intend that neither shall have any contractual obligations to the other with respect to the matters referred herein unless and until a definitive agreement has been fully executed and delivered by the parties. The parties agree that this letter is not intended to create any agreement or obligation by either party to negotiate a definitive loan agreement and imposes no duty whatsoever on either party to continue negotiations, including without limitation any obligation to negotiate in good faith or in any way other than at arm's length.

ACCEPTANCE

This Letter shall not become effective until you and Lender have signed it and a copy is returned to the Lender by no later than 5:00 p.m. Eastern time on _____, 2024. You hereby acknowledge and agree to the terms and conditions of this Letter and authorize Lender to instruct its attorney to prepare the security documentation.

[REMAINDER OF PAGE LEFT BLANK]

Yours Truly,

LENDER:

ANN ARBOR HOUSING DEVELOPMENT CORPORATION

By: _____

Name: _____

Title: _____

Accepted and Acknowledged by Borrower

BORROWER:

[_____],

a [_____]

By: _____

Name: _____

Title: _____

EXHIBIT "A"

Legal Description

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

Lots 6, 7, 8, 9, 10, 11, 16, 17, 18 and 19, BEDFORD-BUTTNER COMMERCIAL SUBDIVISION, as recorded in Liber 16 of Plats, Pages 8 and 9, Washtenaw County Records, also, the Southerly 33 feet of vacated Federal Boulevard adjacent to Lots 6, 7, 8, 9, 10, and 11, BEDFORD-BUTTNER COMMERCIAL SUBDIVISION, as recorded in Liber 16 of Plats, Pages 8 and 9, Washtenaw County Records, together with vacated Pennsylvania Ave. adjacent to Lots 6, 19 and vacated Federal Blvd., BEDFORD-BUTTNER COMMERCIAL SUBDIVISION, as recorded in Liber 16 of Plats, Pages 8 and 9, Washtenaw County Records.

ALSO BEING KNOWN AND DESCRIBED AS FOLLOWS:

Beginning at the Southeast corner of Lot 16 of BEDFORD-BUTTNER COMMERCIAL SUBDIVISION, as recorded in Liber 16 of Plats, Pages 8 and 9, Washtenaw County Records; thence S89°45'00"W 412.75 feet along the South line of Lots 16 through 19 of said BEDFORD-BUTTNER COMMERCIAL SUBDIVISION and the extension thereof, also being the North right-of-way line of Commerce Drive (66' wide); thence along the Westerly right-of-way line of vacated Pennsylvania Avenue in the following three (3) courses: N03°49'00"W 43.02 feet; Northerly 122.10 feet along a curve to the right, radius 1748.86 feet, central angle 04°00'00", long chord N01°49'00" W 122.07 feet; and N00°11'00"E 235.96 feet; thence S89°51'00"E 60.00 feet along the North right-of-way line of said vacated Pennsylvania Avenue to the Southwest corner of Lot 5 of said BEDFORD-BUTTNER COMMERCIAL SUBDIVISION; thence S00°11'00"W 33.00 feet to the centerline of vacated Federal Blvd.; thence along said centerline of vacated Federal Blvd. in the following two (2) courses: S89°51'00"E 431.62 feet; and Southeasterly 157.50 feet along a curve to the right, radius 171.89 feet, central angle 52°30'00", long chord S63°36'00"E 152.05 feet; thence S52°39'00"W 33.00 feet; thence S37°21'00"E 45.19 feet along the Southeasterly right-of-way line of Federal Blvd. (66' wide); thence S48°23'30"W 119.88 feet along the Southeasterly line of Lot 11 of said BEDFORD-BUTTNER COMMERCIAL SUBDIVISION; thence N89°51'00"W 120.00 feet along the South line of Lots 10 and 11 of said BEDFORD-BUTTNER COMMERCIAL SUBDIVISION; thence S00°11'00"W 161.96 feet along the East line of said Lot 16 of BEDFORD-BUTTNER COMMERCIAL SUBDIVISION to the POINT OF BEGINNING. Being a part of BEDFORD-BUTTNER COMMERCIAL SUBDIVISION and the Northwest 1/4 of Section 31, Town 2 South, Range 6 East, City of Ann Arbor, Washtenaw County, Michigan.

Parcel ID: 09-09-31-209-026

Property Address: 2050 Commerce Boulevard, Ann Arbor, MI 48103

CHECKLIST

A. LOAN DOCUMENTS

	<u>Responsible Party</u>	<u>Draft</u>	<u>Approved</u>	<u>Comments</u>
1. Commitment Letter/Term Sheet	LC	_____	_____	_____
2. Promissory Note	LC	_____	_____	_____
3. Loan Agreement	LC	_____	_____	_____
4. Mortgage	LC	_____	_____	_____
5. Guaranty Agreement(s)	LC	_____	_____	_____
(a) [Guarantor Name]	LC	_____	_____	_____
(b) [Guarantor Name]	LC	_____	_____	_____
6. Environmental Indemnity	LC	_____	_____	_____
7. UCC-1 Financing Statement	LC	_____	_____	_____
(a) State Filing		_____	_____	_____
(b) County/City Real Estate Records		_____	_____	_____
8. Loan Closing Statement	LC/TC	_____	_____	_____
9. Interparty Agreement	LC	_____	_____	_____

B. AUTHORIZATION DOCUMENTS

	<u>Responsible Party</u>	<u>Draft</u>	<u>Approved</u>	<u>Comments</u>
1. Borrower's Certificate & Authority	BC	_____	_____	<i>Organizational Chart to be provided.</i>

	<u>Responsible Party</u>	<u>Draft</u>	<u>Approved</u>	<u>Comments</u>
Documents (including authorization to do business in MI)				
2. Managing Partners' or Members' Certificate(s) & Authority Documents	BC	_____	_____	_____
3. Guarantor's(s') Certificate(s) & Authority Documents	BC	_____	_____	_____
4. Legal Opinion of Borrower's and Guarantors' Counsel	BC	_____	_____	_____

C. ACQUISITION AND TITLE RELATED DOCUMENTS

	<u>Responsible Party</u>	<u>Draft</u>	<u>Approved</u>	<u>Comments</u>
1. Title Commitment	TC/BC	_____	_____	_____
2. Litigation, Judgment, Bankruptcy and Patriot Searches, as applicable	TC/BC/LC	_____	_____	_____
3. Title Policy	TC/BC	_____	_____	_____
4. Closing Instructions Letter	TC/LC	_____	_____	_____
5. Survey	B	_____	_____	The Survey must include evidence that the Project is not located in a special flood hazard area or within any wetlands

D. LEASES AND RELATED DOCUMENTS

	<u>Responsible Party</u>	<u>Draft</u>	<u>Approved</u>	<u>Comments</u>
1. Standard Form of Leases	B	_____	_____	_____

E. INSURANCE DOCUMENTATION

	<u>Responsible Party</u>	<u>Draft</u>	<u>Approved</u>	<u>Comments</u>
1. Evidence of Insurance	B	_____	_____	_____

F. ENGINEERING/ENVIRONMENTAL REPORTS

	<u>Responsible Party</u>	<u>Draft</u>	<u>Approved</u>	<u>Comments</u>
1. Environmental Site Assessment and any additional environmental	B	_____	_____	_____

G. CONSTRUCTION RELATED DOCUMENTS

	<u>Responsible Party</u>	<u>Draft</u>	<u>Approved</u>	<u>Comments</u>
1. Engineer's Contract	B	_____	_____	_____
2. Architect's Contract	B	_____	_____	_____
3. Civil Plans & Specs	B	_____	_____	_____
4. Architectural Plans & Specs	B	_____	_____	_____
5. Construction Inspector's Report	L	_____	_____	_____
6. Approved Site Plan	B	_____	_____	_____
7. Construction Contract	B	_____	_____	_____

	<u>Responsible Party</u>	<u>Draft</u>	<u>Approved</u>	<u>Comments</u>
8. Evidence of Utilities	B	_____	_____	_____
9. Permits	B	_____	_____	_____
10. Budget	L	_____	_____	_____

H. APPRAISALS

	<u>Responsible Party</u>	<u>Draft</u>	<u>Approved</u>	<u>Comments</u>
1. Appraisal	L	_____	_____	_____

I. MISCELLANEOUS

	<u>Responsible Party</u>	<u>Draft</u>	<u>Approved</u>	<u>Comments</u>
1. Financial Statements	B	_____	_____	_____
(a) Borrower		_____	_____	_____
(b) Guarantor		_____	_____	_____
(c) General Contractor		_____	_____	_____
2. Evidence of Borrower's Equity	B	_____	_____	_____
3. Lender's Legal Fees	L/B	_____	_____	_____

**Ann Arbor Affordable Housing Development Corporation
July 17, 2024**

**Resolution 24-21 to Approve \$198,000 in Affordable Housing Millage funds for
Tenant Services at Hickory Way Apartments Phase III**

The Ann Arbor Housing Development Corporation (AAHDC) Board previously approved \$250,000 in City Housing Millage Funds for Hickory Way III development funding, which makes it eligible for tenant services funding. Avalon is requesting \$198,000 in millage funds for its first year of tenant services estimated to be in 2027, and Avalon will be requesting additional services funding annually thereafter.

Avalon is in the process of securing entitlements and funding to construct thirty-nine (39) units of housing for Hickory Way Apartments Phase III (HWA III), a one (1) acre parcel at 1146 S. Maple Road, directly adjacent to Avalon’s existing Hickory Way I and II developments.

HWA III will consist of a single, four-story building with 39 one-bedroom units, along with an elevator and community space. Fifteen (15) units will be targeted to households at or below 60% of area median income. Twenty-four (24) units will be targeted to households at or below 50% of area median income. Twenty of these 50% units will be supportive housing and further targeted to households who have incomes below 30% of AMI. Referrals for the supportive housing units will come directly from the County's central intake and assessment process for homeless households, Housing Access of Washtenaw County (HAWC).

HWA III Rent Schedule

AMI	Total Units	Bedroom Size	Rent
50%/30% AMI Supportive Housing PBVs	20	1 br	\$1480
50% AMI units	4	1 br	\$600
60% AMI units	15	1 br	\$600
Total	39		

If Avalon’s current and anticipated funding applications are approved, they anticipate HWA III receiving Certificates of Occupancy and begin lease up in early 2027.

Hickory Way III includes \$250,000 in City Housing Millage Funds for development funding. Other projected development funding includes County HOME funds (\$197,765 approved); Low Income Housing Tax Credits (\$14,188,581 to be requested 10/2024); Federal Home Loan Bank Affordable Housing Program funds (\$750,000 requested 6/2024); and Congressionally Directed Funding (\$845,000 requested March 2024).

The \$198,000 in tenant services funding allows Avalon to hire support coordinators fully focused on serving these households, along with peer support, community builder and resident support staff, and the necessary professional and back-office supports.

Supportive housing services are grounded in a housing first philosophy, and focus on maintaining housing stability as well as enhancing tenants' quality of life. Eviction prevention efforts for high-risk tenants are prioritized and coordinated with property managers.

The supportive housing services are voluntary, highly individualized and flexible based on tenant need. Services include outreach and engagement, referral and advocacy, community building, and a range of direct supports designed to address tenant behaviors that may threaten their housing. Common services provided include support for mental health management, relapse prevention, independent living skills, advocacy around benefits and health care, conflict resolution, and assistance with basic needs such as food. Support services for Hickory Way Apartments Phase III tenants are not time limited and will vary in frequency and intensity as needed throughout their tenancy.

HWA III's community space will provide a range of programs and activities designed to help tenants build skills, develop tenant organizations, foster peer support and connect with volunteers and community services.

RESOLVED, That the Ann Arbor Housing Development Corporation Board approves \$198,000 in Affordable Housing Millage Funds to Avalon Housing for the first year of tenant services at Hickory Way Apartments, Phase III estimated to be in early 2027;

RESOLVED, That the Secretary-Treasurer be authorized to take any necessary action to implement this resolution.

R-24-22

Ann Arbor Housing Development Corporation

July 17, 2024

Resolution to Approve a \$2,153,533 Contract with O'Neal Construction for the Renovation of Broadway Terrace

The Ann Arbor Housing Development Corporation through the Ann Arbor Housing Commission issued a Request for Proposal to complete extensive renovations at Broadway Terrace including but not exclusively new flooring, cabinets, lighting, electrical upgrades, HVAC, doors, windows and solar panels. The total estimated development cost is \$2,874,496. The AAHDC has secured an \$800,000 MSHDA Enhancement Grant, \$725,000 HUD Economic Development Initiative Grant, applied for a FHLB grant and will be applying for IRA credits for the solar as well as funding from DTE for energy efficiency improvements. The balance of the funding will come from the Affordable Housing Millage or a construction loan from Chelsea State Bank.

O'Neal Construction responded to a Request for Proposal for Phase I of the work to 1504 and 1506 Broadway. O'Neal was the only bidder and the bid response was complete. Therefore, staff recommend approval of a contract for \$2,153,533 with O'Neal Construction.

RESOLVED, That the Ann Arbor Housing Development Corporation approves a contract for \$2,153,533 with O'Neal Construction for renovations at Broadway Terrace;

RESOLVED, That the Secretary-Treasurer be authorized to take any necessary action to implement this resolution.

R-24-23

Ann Arbor Housing Development Corporation

July 17, 2024

Resolution to Approve a \$899,897 Contract with Jackson Automatic Sprinkler for the installation of Fire Suppression in Units at Baker Commos

The Ann Arbor Housing Development Corporation through the Ann Arbor Housing Commission issued a Request for Proposal to install fire suppression in the 64 units at Baker Commons. The common areas already have a sprinkler system. Baker Commons experienced a fire in January 2024 that caused a fatality. Adding sprinklers to the apartments will help reduce the risk of serious injury or death if there is another fire.

The AAHC issued an RFP to install sprinkler, upgrade the fire alarm, drywall repair and patch, and painting. and received 3 bids. Jackson Automatic Sprinkler is the only bidder that included the full scope of work in their response in the amount of \$892,647.00. The other 2 bidders had a lower (\$559,250) and a higher (\$977,000) bid amount but did not include the full scope of work, so they were not considered. After talking to JAS, they recommended a Vapor Shield to add a layer of corrosion resistance in the attic for an extra \$7,250.00, which was not part of the original RFP. The total amount for JAS's contract is \$899,897.

The Ann Arbor Downtown Development Authority approved a \$650,000 grant on July 9th. The AAHC will pay for the balance of the contract amount of \$249,897.00 with affordable housing millage funds. Attached is the bid response.

RESOLVED, That the Ann Arbor Housing Development Corporation approves a contract for \$899,897 with Jackson Automatic Sprinkler;

RESOLVED, That the Secretary-Treasurer be authorized to take any necessary action to implement this resolution.

	Public Housing Conversions - multiple sites	Catherine - Dunbar Towers	350 S 5th - Former YMCA	Arbor South corner of State & Eisenhower	REVISED Arbor South corner of State & Eisenhower	Union of A2 Commerce Drive
Number of Units	18 properties, 365 units all afford	63 afford	250-300 total, minmum 100 afford	200 afford. ~1,000 total	215 afford. ~1,000 total	250 afford
Income Target (AMI)	30%, 50% and 60%	30%, 50% and 60%	30% PSH, 60% up to 120%	60% & Market	60% & Market	30%, 60% and 70%
Affordability Period	permanent	permanent	permanent?	30 years	99 years	30 years
Land Owner	AAHC	AAHDC	AAHDC	Developer	Developer	The Annex Group
Improvement Owner	LIHTC sites AAHDC .01% & non-LIHTC AAHDC 100%	AAHDC .051%, Avalon .049%, NEF 99%	10% AAHDC, 90% Related	AAHDC, Oxford, Crawford Hoying, CIG	AAHDC, Oxford, Crawford Hoying, CIG	Annex Group
Developer	Norstar	AAHDC & Avalon	Related Midwest depends on whether a PSH tower & marekt tower or just a single affordable tower	Crawford Hoying	Crawford Hoying	Annex Group
AAHDC Role	Owner, HUD regs, Prop Mgr, local funds	Owner, HUD regs, Prop Mgr, local funds	AAHC and/or Related	equity investor, assist with PILOT	equity investor, assist with PILOT	Lender
Property Manager	AAHC	AAHC	AAHC and Related	Oxford	Oxford	The Annex Group
Entitlement Responsibility	AAHC & Norstar	AAHC & Avalon	AAHC and Related	Oxford	Oxford	The Annex Group
Financial & Construction				Oxford and Crawford	Oxford and Crawford	
Guarantees	Norstar	Avalon	Related Midwest	Hoying	Hoying	The Annex Group
Lease Up & Regulatory			If PSH, AAHC; non-PSH			
Guarantees	AAHC	AAHDC	Related	Oxford	Oxford	The Annex Group
Other Uses on Site	None	1st floor public space	2 floors retail or commercial	1st floor retail & public parking garages	1st floor retail & public parking garages	none
Construction Management	Norstar	Avalon	Related Midwest	Crawford Hoying	Crawford Hoying	The Annex Group
AAHDC/AAHC Rights to Own	After LIHTC compliance period, 100%	After LIHTC compliance period, jointly with Avalon	TBD	can purchase at any time for 2x value of Oxford contribution + CPI = approx \$6M + CPI	purchase if buy out equity of partners	N/A
FINANCIAL- who pays?						
Land Acquisition	AAHC	AAHDC	AAHDC w/ city funds	already owned	already owned	The Annex Group
Land Cost	\$0 AAHC already owned	\$1	\$6,200,000	already owned	already owned	\$6,000,000
Estimated Land Value	\$50 million	\$3,000,000	\$6,200,000 - \$10,000,000	~\$3,000,000 per Oxford	~\$3,000,000 per Oxford	\$6,000,000
pre-development	AAHC & Norstar	AAHDC	AAHDC \$1,200,000 thusfar, Related balance ~ \$500,000	Oxford and Crawford Hoying	Oxford and Crawford Hoying	The Annex Group
entitlement	AAHC & Norstar	AAHDC	AAHDC PUD zoning, AAHDC & Related site plan	Oxford and Crawford Hoying	Oxford and Crawford Hoying	The Annex Group
Development	AAHC & Norstar	AAHDC & Avalon	AAHDC & Related	city bond and debt and possibly developer equity	city bond and debt and possibly developer equity	The Annex Group

FUNDING SOURCES

Total Development Costs	\$74,000,000	\$33,765,787	\$200,000,000	\$30,508,504	\$45,000,000	76,462,000
AAHC Cash Equity	\$3,100,000	\$1,925,669	\$1,200,000	\$0	\$0	\$0
Developer Cash Equity	\$0	\$0	\$0	\$0 unless cost overruns	\$0 unless cost overruns	\$100 + \$525,000 deferred dev fee
AAHDC Land Value Equity	\$50,000,000	\$3,000,000	\$6,200,000	N/a	N/a	N/a
Developer Land Value Equity	\$0	\$0	\$0	\$3,000,000	\$3,000,000	N/a
Loan	\$11,500,000	\$0	TBD	TBD	TBD	\$52,400,000
Grants	\$17,700,000	\$8,290,118	TBD	NO	NO	\$0
LIHTC	\$44,000,000	\$12,750,000	TBD	NO	NO	\$21,000,000
AAHDC Loan Millage	\$0	\$1,800,000	TBD	\$0	\$0	\$3,000,000
City Bond	\$0	\$9,000,000	TBD	10,500,000	10,500,000	\$0
PILOT \$1/unit/year	YES	YES	TBD	YES	YES	YES
Brownfield Tax Increment Financing	NO	No	TBD	YES for rest of site	YES for rest of site	NO
AAHC/AAHDC/City % of financing	4%	32%	unknown	34%	23%	4%

FINANCIAL - who benefits?

Developer Fee AAHDC	25%	25%	% of local funding after pay Related minimum of 2% TDC. ~10% - 20%	\$0	23%	\$0
Developer Fee Developer	75%	75%	Min 2% of TDC plus % of other funds secured.	\$1,525,420	\$1,525,420	\$2,100,000
Cash-Flow AAHDC	100%	25%	~20%	first to AAHDC for \$10.5 interest tied to bond yield then developer paid land value, then 50/50 developer and AAHDC \$10.5 million, then 90% developer/10% AAHDC	23%	n/a
Cash-Flow Developer	0%	75%	~80%	cash-flow to repay value of bonds plus interest	77%	TBD, most going to pay off debt, but approx \$371K/year
Repayment of AAHDC Loans to AAHDC	cash-flow	cash-flow	pre-development at closing 3.5% interest, land through ground lease, other through cash-flow	cash-flow to repay value of bonds plus interest	cash-flow	to pay back \$3M loan plus low-interest