

**AGENDA**  
**ANN ARBOR HOUSING DEVELOPMENT CORPORATION**  
**REGULAR ANNUAL BOARD MEETING**  
**August 27, 2014**

Meeting Time and Location: **6:00 pm**  
106 Packard, Baker Commons, Ann Arbor, MI

Call To Order/Roll Call

- I. APPROVAL OF AGENDA
- II. APPROVAL OF MINUTES
  - A. Regular Board Meeting Minutes of January 15, 2014
- III. NEW BUSINESS
  - A. Financial Statement
  - B. Resolution 14-2 Resolution to Replace the Ann Arbor Housing Commission with the Ann Arbor Housing Development Corporation as the sole member of the Limited Liability Corporations created to redevelop the Ann Arbor Housing Commission Properties under RAD as well as the owner of the non-LIHTC properties.
  - C. Resolution 14-3 Election of Officers – President, Vice President, Secretary-Treasurer
- IV. ADJOURNMENT

Other Handouts:

None

**MINUTES**  
**ANN ARBOR HOUSING DEVELOPMENT COMMISSION**  
**REGULAR BOARD MEETING**  
**January 15, 2014**

Meeting Time and Location: **6:00 p.m.**  
Baker Commons, 106 Packard, Ann Arbor, MI

President Woods convened the meeting at 7:52 p.m.

**ROLL CALL: Board Members present: Ronald Woods, Christopher Geer, Marta Manildi, Tim Colenback, Jennifer Hall; Board Member absent: Gloria Black**

Call to order/roll call

**I. Approval of Agenda**

*Geer* moved and *Colenback* seconded

Motion approved 5 – 0 (Manildi, Colenback, Hall, Geer, Woods- yes, 0 – no)

**II. Approval of Minutes**

**A. Regular Board Meeting Minutes of August 21, 2013**

*Geer* moved and *Manilidi* seconded

Motion approved 5 – 0 (Manildi, Colenback, Hall, Geer, Woods- yes, 0 – no)

**III. New Business**

**A. Financial Statement**

**B. Resolution 14-1: To Allocate up to \$9,000 to CAN for the cost of responding to the Green-Baxter Fire tenants who were displaced to assist them to find housing, deal with urgent losses, and to stabilize families.**

*Geer* moved and *Colenback* seconded

Motion approved 5 – 0 (Manildi, Colenback, Hall, Geer, Woods- yes, 0 – no)

**IV. Adjournment**

*Manildi* motions and *Colenback* seconded

Meeting adjourned at 7:56 PM

ANN ARBOR HOUSING DEVELOPMENT CORP  
FINANCIAL SUMMARY

Transaction	Date	Checks	Deposits Interest	Bank Balance
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**2012**

Jan 2012 - Dec 2012

from Comerica Securities

Interest Comerica Jan - Dec \$31.58

Revenue from Cranbrook: JAN-DEC 2012 \$24,000.00

CK#1001	State of MI-annl fee	9/11/12	\$20.00	
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CK#1002	PNC	10/10/12	\$25,000.00	
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**12/31/2012**

**\$55,421.78**

**2013**

Jan 2013 - Dec 2013

from Comerica Securities

\$0.39

Interest Comerica Jan - Dec \$32.28

Revenue from Cranbrook: JAN-DEC 2013 \$24,000.00

CK#1003	State of MI-annl fee	7/30/13	\$20.00	
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CK#1004	AAHC for FSS	8/19/13	\$4,000.00	
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CK#1005	IRS for 501c3 status	09/31/201	\$850.00	
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CK#1006	Dykema Gossett	10/29/13	\$6,704.60	
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CK#1007	Dykema Gossett	11/17/13	\$3,436.80	
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**TOTAL**

	12/31/13	<b>\$15,011.40</b>	<b>\$24,032.67</b>	<b>\$64,443.05</b>
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**2014**

Jan 2014 - Dec 2014

from Comerica Securities

\$16.42

Interest Comerica Jan - August \$16.42

Revenue from Cranbrook: JAN-AUG 2014 \$12,000.00

CK#1008	CAN - Fire GBC	3/22/14	\$1,819.68	
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CK#1009	VOID	4/10/14	\$0.00	
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CK#1010	VOID	4/16/14	\$0.00	
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CK#1011	CAN - Fire GBC	4/16/14	\$2,769.49	
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CK#1012	CAN - Fire GBC	6/13/14	\$1,054.43	
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CK#1013	CAN - Fire GBC	7/10/14	\$1,066.71	
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CK#1014	Dykema Gossett	7/29/14	\$2,472.07	
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CK#1015	CAN - Fire GBC	8/25/14	\$590.08	
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**TOTAL**

	12/31/14	<b>\$9,772.46</b>	<b>\$12,016.42</b>	<b>\$66,687.01</b>
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## **RESOLUTION FY14-2 AAHDC**

### **..Title**

Resolution to Replace the Ann Arbor Housing Commission with the Ann Arbor Housing Development Corporation as the sole member of the Limited Liability Corporations created to redevelop the Ann Arbor Housing Commission Properties under RAD as well as the owner of the non-LIHTC properties.

### **..Memorandum**

The City of Ann Arbor is currently the owner of the Ann Arbor Housing Commission properties. The City of Ann Arbor has agreed to transfer ownership to the Ann Arbor Housing Commission when the units are converted under RAD to project-based vouchers. The AAHC created a non-profit subsidiary called the Ann Arbor Housing Development Corporation (AAHDC) for the purpose of future development. In order to redevelop the properties using Low-Income Housing Tax Credits (LIHTC), the AAHC's subsidiary AAHDC forms an LLC which will become the general partner with a limited equity partner in a separate Limited Dividend Housing Association, LLC as required to establish an ownership interest in the property under the IRS Code.

The Ann Arbor Housing Commission is the administrator of the RAD project-based vouchers. Under HUD regulations, the AAHC can administer project-based vouchers on properties that it also owns and manages. However, under RAD, HUD has determined that the ownership entity and the voucher administrator must be two different organizations.

In order to make a clean division between the AAHC as the project-based voucher administrator and the properties that are being developed, it is recommended that the AAHDC become the sole member of the LLC that will be the general partner with the equity partner. For example, the AAHC is the sole member of Maple Tower Ann Arbor LLC. Maple Tower Ann Arbor LLC is the general partner of the Maple Tower Ann Arbor Limited Dividend Housing Association, LLC along with its limited partner, Redstone Equity Partners. The AAHC will be replaced by the AAHDC as the sole member of Maple Tower Ann Arbor LLC. The AAHC will also be executing a ground lease with the Limited Dividend Housing Association as required by RAD and LIHTC to establish an ownership interest in the property.

Similarly, for properties that will not be utilizing LIHTC, the AAHC will be the project-based voucher administrator and the AAHDC will become the owner of the property, subject to City Council approval, in order to meet the HUD requirements under RAD.

The City will continue to contract with the AAHC for its employees. The AAHC will then track contract employees time related to each of the properties and charge those properties for the contract employees working there. All other charges such as maintenance supplies, utilities, and other contract work will be charged to the appropriate property. Each project (which can have multiple properties) will have its own bank account and will be separately audited from the AAHC.

The AAHC will continue to receive funding from the City, County, DDA, and other public or private sources and then loan those funds to the appropriate LDHA, LLC or the AAHDC for

non-LIHTC properties. The AAHDC will receive the developer fee from the transactions. The AAHC will receive a management fee from the projects to pay for AAHC administrative costs.

**..Body**

WHEREAS, HUD requires the administrator of the RAD voucher program to be a separate entity from the property ownership entity; and

WHEREAS, the Ann Arbor Housing Commission has created a subsidiary nonprofit called the Ann Arbor Housing Development Corporation (AAHDC).

NOW THEREFORE BE IT RESOLVED THAT, the Ann Arbor Housing Development Corporation Board approves the replacement of the Ann Arbor Housing Commission with the Ann Arbor Housing Development Corporation as the sole member of the Limited Liability Corporations created to redevelop the Ann Arbor Housing Commission Properties under RAD as well as the owner of the non-LIHTC properties.

Motion by Member \_\_\_\_\_, seconded by Member \_\_\_\_\_ to approve Resolution FY14-2, this August 27, 2014.

AYES:\_\_\_\_\_

\_\_\_\_\_  
Ronald Woods, President

NAYS:\_\_\_\_\_

\_\_\_\_\_  
Jennifer Hall, Secretary/Treasurer

## RESOLUTION FY14-3 AAHDC

### ..Title

Resolution to Elect the Board Officers of President, Vice President and Secretary-Treasurer

### ..Memorandum

The Ann Arbor Housing Development Corporation will hold a regular annual meeting of the Board in May or as soon as feasible thereafter, for the purpose of electing officers, passing upon reports of the previous fiscal year, and transacting such other business as may be properly brought before the meeting. The Board must elect 3 officers: President, Vice President, and Secretary-Treasurer. The President and Vice President must be members of the Board but the Secretary-Treasurer does not.

#### **Section 6. President.** The President:

- (a) Shall be the principal executive officer of the Corporation, shall supervise and control all of the business and affairs of the Corporation, and unless otherwise determined by the Board, shall preside at all meetings of the Board;
- (b) May sign any deeds, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the Board to be executed on behalf of the Corporation, except in cases in which the signing and execution thereof shall be expressly delegated by the Board, or by these Bylaws, to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed; and
- (c) Shall in general perform all duties incident to the office of the president and such other duties as may be prescribed by the Board from time to time.

**Section 7. Vice President.** In the absence of the President or in the event of his inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall also perform such other duties as from time to time may be assigned to him or her by the Board.

#### **Section 8. Secretary-Treasurer.** The Secretary-Treasurer shall:

- (a) Keep the minutes of the meetings of the Member and the Board in one or more books provided for that purpose;
- (b) See that all notices are duly given in accordance with these Bylaws or as required by law;
- (c) Be custodian of the corporate records and have general charge of the books of the Corporation;
- (d) Keep a register of the names and mailing addresses of all directors and officers;
- (e) Keep on file at all times a complete copy of the Articles of Incorporation and Bylaws of the Corporation containing all amendments thereto (which copies shall always be open to the inspection of the Member and any director), and at the expense of the Corporation, forward a copy of the Bylaws and of all amendments thereto to each director;
- (f) Have charge and custody of and be responsible for all funds of the Corporation;
- (g) Be responsible for the receipt of and the issuance of receipts for all monies due and payable to the Corporation and for the deposit of all such monies in the name of the Corporation in such bank or banks, trust companies or other depositories, as shall be selected in accordance with the provisions of these Bylaws; and
- (h) In general, perform all the duties incident to the office of Secretary and the office of Treasurer, and such other duties as from time to time may be assigned to him or her by the Board.

**..Body**

WHEREAS, The Ann Arbor Housing Development Corporation at its annual meeting must elect the positions of President, Vice President and Secretary-Treasurer; and

NOW THEREFORE BE IT RESOLVED THAT, the Ann Arbor Housing Development Corporation Board appoints the following Board member positions.

Motion by Member \_\_\_\_\_, seconded by Member \_\_\_\_\_ to  
Appoint \_\_\_\_\_ as Board President.

Motion by Member \_\_\_\_\_, seconded by Member \_\_\_\_\_ to  
Appoint \_\_\_\_\_ as Board Vice President.

Motion by Member \_\_\_\_\_, seconded by Member \_\_\_\_\_ to  
Appoint \_\_\_\_\_ as Board Secretary-Treasurer.

AYES: \_\_\_\_\_

\_\_\_\_\_  
Ronald Woods, President

NAYS: \_\_\_\_\_

\_\_\_\_\_  
Jennifer Hall, Secretary/Treasurer