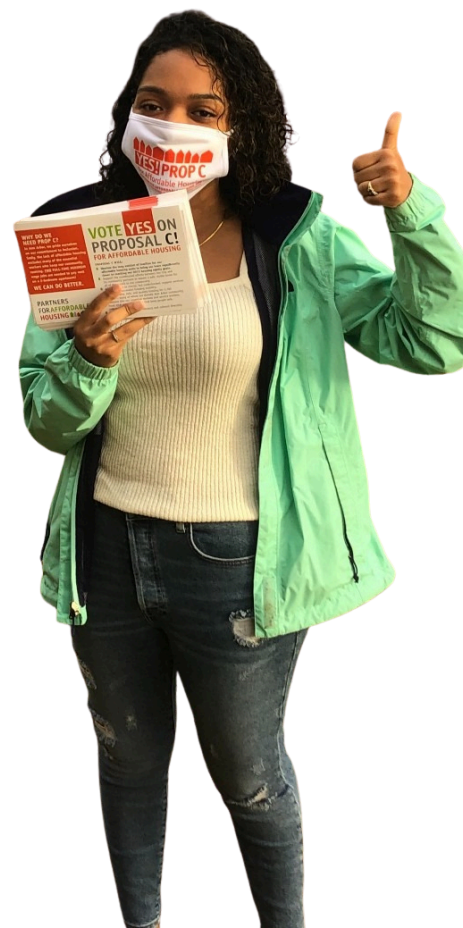




PARTNERS
FOR AFFORDABLE
HOUSING

5 Year
Affordable
Housing
Millage
Report
July 2026



SETTING A GOAL & PASSING A MILLAGE

Partners for Affordable Housing proposed a millage to fund construction, preservation, and acquisition of affordable housing, along with support services for low-income individuals and families at 60% of the Area Median Income (AMI) or less.

The proposal set forth a clear goal - add 1500 affordable homes in the City of Ann Arbor in 20 years. Passed in November 2020 with 73% of the vote, the goal and support for the direction was clear.



Ann Arbor Housing Commission staff sign the last steel beam used to construct Dunbar Tower



Concept design for Dunbar Tower

ON TRACK TO MEET OUR GOAL IN HALF THE TIME

GOAL: 1500 HOMES



Millage Implementation began in 2021
The above chart counts new housing
@ 60% AMI or less as of June 30, 2026

Counts show housing at these stages:

- **Completed** - projects include both acquisition of existing units and new construction
- **Under Construction** - site work and building construction is underway
- **Securing Financing** - local approvals have been granted, and the final step is financing
- **Initial Concept** - Sites are being tested with design concepts and financial feasibility
- **To Be Determined** - AAHC staff and partners will continue to look for opportunities for acquisition and development

The properties above also include another 305 income restricted units between 60-80% AMI.

“Ann Arbor is becoming more segregated every day.

It's not acceptable.

We need to build 1000s of units of new affordable housing if the reality of Ann Arbor is going to reflect our values.

We have the opportunity, resources, and momentum to build affordable housing in the downtown and elsewhere.

Let us be bold enough to say “Yes” to more housing.”

- Mayor Christopher Taylor



ANN ARBOR HOUSING COMMISSION LEADS THE WAY

Co-Developer & Co-Owner



Dunbar Tower, 121 E. Catherine St.
AAHC co-developed with Avalon Housing.
63 newly constructed; all 60% AMI or less

- 1 bedroom = 62 and 2 bedroom = 1
- Apartments at 30%, 50%, and 60% AMI

Co-Developer & Co-Owner



350 S. Fifth St., Estimated Completion 2028
AAHC co-developing with Related Midwest
330 apts. under construction; 165 at 60% AMI

- 1 bedroom = 220 and 2 bedroom = 110
- Apartments at 30%, 60%, and 80% AMI

Funded Development



Union @ A2, 2050 Commerce Drive
The Annex Group, completion estimate 2027
250 under construction; 118 at 60% AMI or less

- 1 bedroom = 151; 2 bedroom = 68
- 3 bedroom = 31
- Apartments at 30%, 50%, & 70% AMI

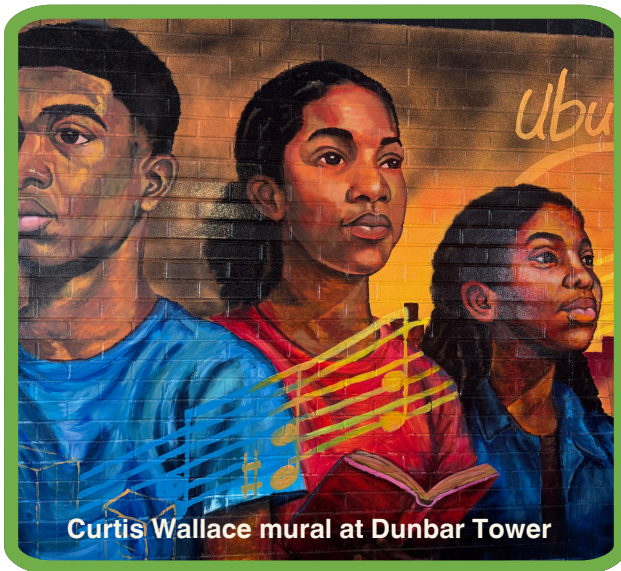


Ann Arbor Housing
Commission

The AAHC administers the Affordable Housing Millage for the City. The AAHC:

- leverages millage funds for AAHC-led affordable housing developments
- requests proposals from development partners to provide funding for affordable housing
- deploys funds for free and voluntary support services at millage-funded developments

CENTERING COMMUNITY HISTORY AT DUNBAR TOWER



Paul Laurence Dunbar, a famous Black poet born to former slaves.

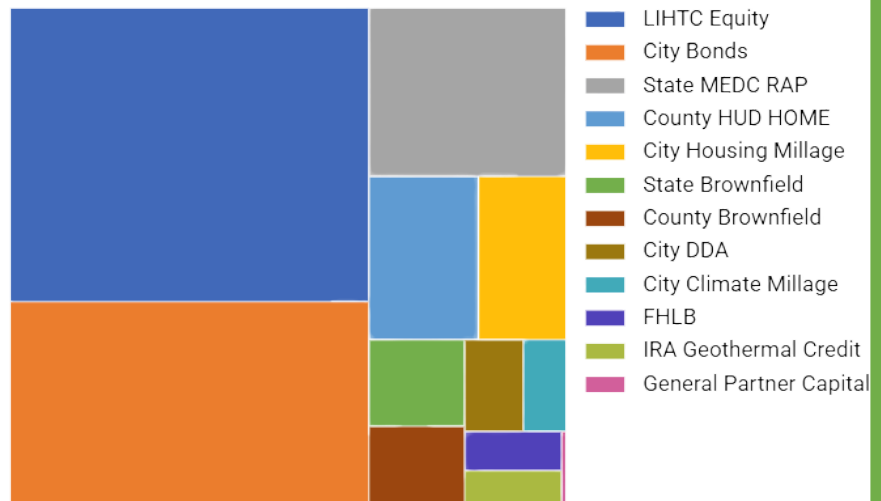
The CLC, a multi-generational board of Black former and current residents, entrepreneurs, and artists, drafted “Coming Home” a community vision for the first floor community space that honors the neighborhood legacy and affirms a future for Black residents in Ann Arbor. The CLC worked with an architect to design a welcoming community space to support a variety of activities.

Dunbar Tower is in the heart of the historic Black business district that served the predominantly Black neighborhood which formed due to discriminatory housing practices. Gentrification and the mobility provided by fair housing laws led to the loss of a rich cultural heritage as Black families moved out of the neighborhood. To honor the culture and history of the neighborhood, the Community Leadership Council (CLC) was created. The CLC spent 4+ years advising on the development of Dunbar Tower, 123 W. Summit, and 404 N. Ashley. Dunbar Tower was named after the Dunbar Community Center, an educational and cultural center for Black residents that honored the legacy of



LAYERS ON LAYERS - 12 FUNDERS ON 1 PROJECT

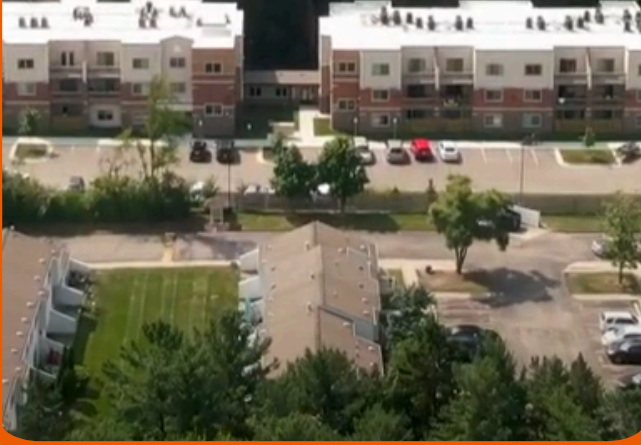
Housing Development is costly anywhere in the state. Costs increase when developers add deeper affordability, green features like geothermal and solar, on-site parking, community space, and other community benefits. Access to funding through the City’s affordable housing millage, climate millage, County brownfield funds, DDA funds, City bond financing and others, help community-focused and creative projects like Dunbar Tower become a reality.



AVALON HOUSING SHARES THE MISSION



Funded Development & Services



Hickory Way I & II, 1120-1130 S. Maple Rd
70 newly constructed units in 2021

- 1 bedroom = 70
- Apts. at 30%, 50%, and 60% AMI
- 70 PSH apartments

Half of the 70 units were set aside as Permanent Supportive Housing (PSH) for individuals exiting homelessness. In practice, all 70 units are filled through the Community Housing Prioritization list of individuals experiencing homelessness.

- 21% Veterans
- 46% over 55
- 29% 45-54
- 54% white
- 28% black
- 68% male
- 28% female
- 82% report a disability

Permanent Supportive Housing (PSH) is a type of affordable housing for populations up to 30% AMI, and in need of more intensive services. At Hickory Way those services include a food pantry, community center, clinic, and on-site behavioral health including therapy.

Funded Development & Services



The Grove at Veridian, 2260 Platt Road
50 newly constructed units in 2025

- 1 bedroom = 14; 2-bedroom = 10;
- 3 bedroom = 21 and 4-bedroom = 5
- Apts. at 30% AMI and 60% AMI
- 30 apartments are set aside as PSH

Erica B. was one of the first group of residents at The Grove at Veridian. She has five kids, and left her previous home after it was robbed and damaged by fire. The family spent 8 months in various shelters.

“This place is definitely a blessing. We had an exit day from the shelter; we had an exit day from the house we were living in. Now, we don’t have an exit day, so we can basically put our feet on the ground, be comfortable, and just blossom from here.”



PROJECTS UNDERWAY

Funding Development



Hickory Way III, 1146 S. Maple
Avalon Housing developer
Estimated completion 2028

- 1 bedroom = 39
- 39 total apts all at 60% AMI
- 20 PSH apartments

Owner & Co-Developer



The Blondeen (Arbor South)
2810 Boardwalk
AAHC developing with ESLDC
Estimated completion 2028

- 1 bedroom = 103
- 2 bedroom = 79
- 3 bedroom = 18
- 200 total apts at 60% AMI

Funding Development



3695 State Street
Lockwood developer
Estimated completion 2028

- 1 bedroom = 44
- 2 bedroom = 22
- 66 total apartments at 30%, 50% and 60% AMI

Affordable Housing Development requires lots of flexibility and creativity. Just as one hurdle is reached, such as zoning and site plan review or initial financial approval has been granted, another change occurs. It could be a building code requirement, a shift in income level requirements from a funder, or a change in timeline from the general contractor. **Things constantly change.**

The projects featured above have received local zoning and site plan approval, and are in the process of securing financing. All are moving ahead and are expected to start construction in the next year. Keep an eye on the details listed above. It is likely some will change prior to the final construction and lease up. Such is the ever-shifting world of affordable housing development.

ACQUISITION & INITIAL CONCEPTS

New construction, especially when using Low Income Housing Tax Credits, can take 4-6 years from concept to lease up. Acquisition can be faster to develop, but the purchase price is not the only expense. Other costs include environmental remediation, code compliance, relocation of existing over-income residents, accessibility and sustainability.



Patterson Place, 800 Victors Way

Proposed 2026 AAHC acquisition of 114 apts.

- Studio = 60; 1 bedroom = 18; 2 bedroom = 36
- 68 apartments at 60% AMI



Siller Terrace, Liberty & Siller Terrace

AAHC acquired in 2023

- 2 bedroom = 14 and 3 bedroom = 2
- 16 apartments at 60% AMI



1510 E. Stadium

City sold to AAHC

Former fire station

- estimated 12 apartments

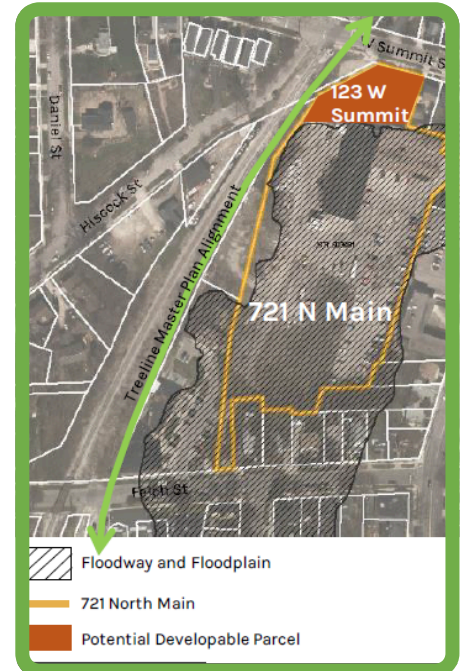


404-406 Ashley

City sold to AAHC

Office building

- estimated 50 apartments



123 W Summit

City sold to AAHC

Buildable portion of the site

- Estimated 8 apartments

THE LONG GAME

Building new units is exciting. It brings the promise of new homes, new opportunities, and a new community for family and friends. Once an apartment is built or acquired, it needs to be sustained through reinvestment and preservation. AAHC properties are affordable in perpetuity. Other millage-funded projects commit to 99 years of affordability.

Affordable Housing Millage Funds are also utilized to update and maintain existing apartments and retrofit them with sustainable and safety improvements. In the first 5 years of the millage, major renovations and improvements have occurred at four AAHC properties. Details below.



Miller Manor

Fire Suppression, roof repair, generator, structural improvements, solar, and elevator modernization



Lurie Terrace

Fire Suppression, accessibility, roof repair, lighting improvements, windows, air source heat pumps, and elevator replacement



Broadway Terrace

Full Renovations, solar panels, air source heat pumps, and other green improvements



Baker Commons

Fire suppression, energy efficiency improvements, parking lot repair, structural repairs, lighting, renovated community space

“Decades ago, the City of Ann Arbor had created a policy that any City supported housing must maintain affordability for 99 years. The same term continues for properties funded with the Affordable Housing millage.

But 99 years is a long time, so it’s important that millage funds can be used to support ongoing renovation, energy efficiency, and modernization.

It’s also no coincidence that reinvestment supports the City’s sustainability goals.”

- Chuck Warpehoski, former 5th Ward Council Member & Campaign Director, Partners for Affordable Housing



Open House West Arbor - Ribbon Running

AFFORDABILITY AND INCOME

The Affordable Housing Millage is directed to units for households earning up to **60% of the area median income (AMI)**. The rent or purchase price is restricted for these units.

What is 60% AMI?

- 1 person - \$58,100
- 2 people - \$66,400
- 3 people - \$68,040
- 4 people - \$83,000

Average local household size is 2.2 people.

The circles show the median wage for the top 5 County occupations (BLS 2025) and the amount of monthly rent considered affordable. Only one of the 5 provides enough income to afford the average rent for a 1 bedroom apartment. Combined these 5 sectors account for 38k jobs or 18% of total jobs.

Nurse
\$103,450 can
afford \$2,500+
a month

Income of
\$66,000 needed
to afford Avg. rent
for 1 BR - **\$1,650**
(rentcafe)

Office Clerk
\$38,350
Can afford
\$959 a month

**Teaching Asst
post-secondary**
\$39,990
Can afford
\$975 a month

Retail Sales
\$35,040
Can afford
\$876 a month

**Fast Food
Worker**
\$33,220
Can afford
\$830 a month

Housing is considered affordable if it costs 30% or less of the household's income. Development subsidy does not guarantee that families will pay 30% of their income on rent. Only a rent subsidy can guarantee that. Many working households or those on fixed incomes aren't able to afford rent for units at 60% AMI. In fact, only 1 out of 5 households who qualify for a rental subsidy receive a subsidy through the federal government.

Project Based Vouchers (PBV) or Project Based Rental Assistance (PBRA)

AAHC utilizes PBVs on their developments and makes them available competitively to development partners. Affixing PBVs to affordable housing developments allows for both deeper affordability for tenants, and steady income to sustain the development. Those living in a community with PBVs, pay 30% of their household income on rent. The remaining rent is paid through the project-based voucher, and the rent subsidy stays with the apartment for future occupants.

Tenant Based Vouchers (TBV)

These vouchers are issued to a household, and move with the household when they move. Tenants with a TBV pay 30% of their income on rent with the remaining is paid through the voucher.

Permanent Supportive Housing (PSH)

Is available to those exiting homelessness and includes support services and rent subsidies, sometimes for special populations such as Veterans (VASH).

THE ROLE OF SUPPORT SERVICES

Partners for Affordable Housing wrote the language of the Millage proposal to allow for up to 20% of the millage to be used for support services. Support services are a key element for many low-income or formerly homeless individuals and families to stay housed in affordable, healthier environments.

Support services are always free and voluntary and are wide ranging. They can include:

- Client-centered case management
- Mental health services and crisis services
- Community building events and programs
- Financial literacy and job support
- Youth programs and quality of life services
- Support groups and art therapy
- Eviction prevention and medical services
- Resident council

Some Housing Services Providers include:

- Shelter Assoc. of Washtenaw County
- Peace Neighborhood Center
- Washtenaw Housing Alliance
- Housing Bureau for Seniors
- Michigan Ability Partners
- Community Action Network
- Washtenaw County OCED
- Packard Health Clinic
- A Brighter Way
- Avalon Housing
- Food Gatherers
- Michigan Works!
- IHN Alpha House
- Ozone House
- Safe House Center
- WCCMH
- SOS



Hikone gardening program

“At Avalon Housing, our dual mission is to build deeply affordable housing and to provide support services to residents coming out of homelessness. Combining affordable housing with wraparound services gives people the support they need to not only stay housed, but to truly thrive in their new communities.

The Affordable Housing Millage is a key ingredient to reaching both of those goals. Millage resources have been vital in funding the construction and support services at new affordable housing communities like The Grove at Veridian, Hickory Way, and Dunbar Tower.”

- Wendy Carty-Saxon, Avalon Director of Real Estate

INVESTMENT THAT CHANGES LIVES

Between 2021 and 2026, the affordable housing millage provided \$30.7 million for those 5 years for affordable housing development, preservation, acquisition and support services.

The Affordable Housing Millage funding has been leveraged to the point where millage contributions represent just 15% of more than \$526 million in development and acquisition project costs. To track progress visit: www.a2gov.org/housingcommission

“We have years of data and evaluation, and more importantly, years of listening to people and their families about what’s needed and what works.

We know if the community provides safe, affordable, quality housing and services that individuals and families need, they are more likely to stay housed, and have the stability needed to pursue education, employment, and other opportunities.

That’s our ultimate goal, and we are proud of this progress. Seeing the impact on residents’ lives motivates us to build on this momentum and fuels our commitment to house and support as many people as possible.”

- Amanda Carlisle, Executive Director,
Washtenaw Housing Alliance



“This move is one of the most important moves I have ever made in my life. It’s a sense of security and relief that I have never felt before.

I’m of the opinion that poverty is a crime against poor people. I grew up in poverty and foster care. All along the way I have ran into incredible people who are now my family by choice.”

-Paquetta Palmer



Resident Art Room at Miller Manor

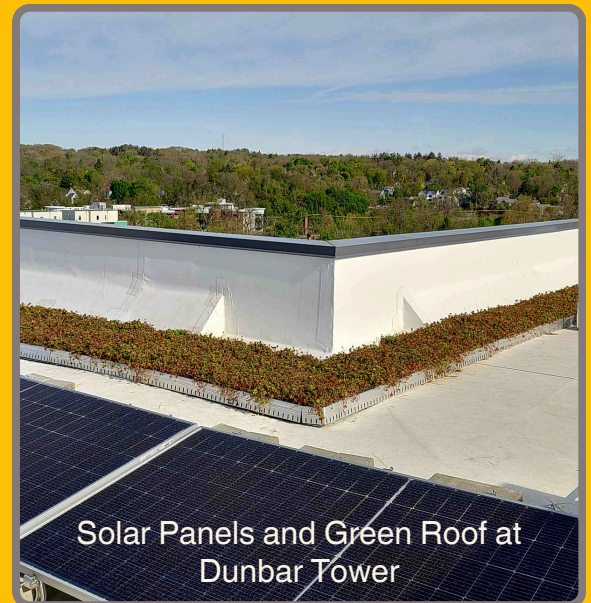
ALL THE TOOLS IN THE TOOLBOX

Development is extremely complicated, and requires the technical expertise of private sector professionals, trades people, and mission-oriented non-profits to reach our affordable housing goals. **The City is doing its part by utilizing a variety of tools to support affordable housing development**, including zoning, reduced property taxes, and brownfield tax increment financing (TIF).

Multiple City departments are involved in housing development including but not limited to: planning, building, fire, engineering, solid waste, transportation, stormwater management, finance, economic development and the attorneys office. **The millage is leveraging cross-departmental funding collaboration** with the Downtown Development Authority and the Office of Sustainability and Innovation and Washtenaw County's Brownfield Redevelopment Authority and the Office of Community and Economic Development.

The success of the Affordable Housing Millage has been further magnified by **developing underutilized public sites**, which reduces the cost of land, and the challenge of competing with the private sector for property.

Bond financing provides another creative tool. The millage currently provides about \$8 Million a year in revenue, which will total over \$160 million over 20 years. The City has the ability to leverage future millage revenue to pay for current development projects through revenue bond financing. The bonds are paid back with future millage dollars instead of rent. **This enables affordable housing to be built faster, rather than waiting to develop a new project every 3-5 years.** This powerful tool can also be used by the AAHC to issue 501c3 revenue bonds to acquire existing properties to preserve them as affordable housing. Those bonds are paid back with rents, combined with millage funds to ensure the long-term affordability of the apartments.



Solar Panels and Green Roof at Dunbar Tower

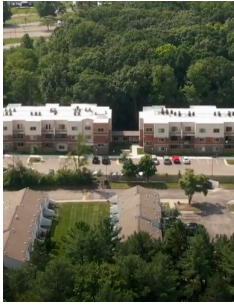


Community Leadership Council



House N2 Home volunteer furniture delivery

LISTING OF PROPERTIES

					
Name	Dunbar Tower	350 S. 5th	Union @ A2	Hickory Way I & II	Grove at Veridian
Address	121 E. Catherine	350 S. 5th	2050 Commerce	1120-1130 S. Maple	2260 Platt Road
Council Ward	1	5	5	5	3
Total Units	63	330	250	70	50
Units up to 60% AMI	63	165	118	70	50
Units up to 30% AMI; PSH units (incl in 60% AMI #)	32	110	45	35	30
Unit sizes	62 1-bdr; 1 2-bdr	220 1 bdr; 110 2bdr	151 1-bdr, 68 2-bdr, 31 3-bdr	70 1-bdr	14-1bdr; 10-1bdr; 21-3bdr; 5-4bdr
Owner	AAHC & Avalon Housing	AAHC & Related Midwest	The Annex Group	Avalon Housing	Avalon Housing
Completion date	Opened 2026	December 2028	Estimated 2027	Opened 2021	Opened 2025
Services? And provider?	Yes, Avalon	Yes, TBD	Yes, TBD	Yes, Avalon	Yes, Avalon and Ozone House
How to apply*	Waitlist for artists' units closed. Referrals through HAWC*	Waitlist to open approximately 6 months prior to completion	More info available in Jan. 2027	HAWC*	Waitlist closed. HAWC*

*Units that are set aside for individuals and families experiencing homelessness are available to those who are seeking support through Housing Access of Washtenaw County. HAWC is Washtenaw County's central intake for individuals and families who are homeless or at-risk of homelessness. Call HAWC at (734) 961-1999. To learn more about the Community Prioritization list and intake process, visit www.housingaccess.net.

Individual owners and their property managers will have their own application processes. To find affordable rental units in general, look to <https://affordablehousing.com> for more information on how to apply to programs and apartments.

Ann Arbor Housing Commission shares open waitlists on their website here: <https://www.a2gov.org/housing-commission/>
Avalon Housing shares open waitlists on their website here: <https://avalonhousing.org/apply/>

LISTING OF PROPERTIES

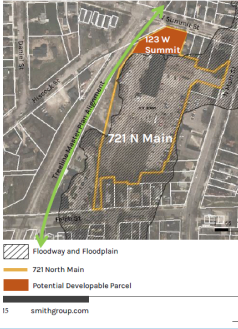
					
Name	Hickory Way III	The Blondeen (Arbor South)	3695 State St	Patterson Place	Siller Terrace
Address	1146 S. Maple Rd.	2810 Boardwalk	3695 State St	800 Victors' Way	Liberty & Siller Terrace
Council Ward	5	4	4	4	5
Total Units	39	200	66	114	16
Units up to 60% AMI	39	200	59	68	16
Units up to 30% AMI; PSH units (incl in 60% AMI #)	20	0	6	0	0
Unit sizes	39-1bdr	103 1 bdr; 79 2 bdr; 18 3bdr	44 1-bdr & 22 2-bdr	60 studio, 18 1 br, 36 2 br	14 2-bdr; 2 3-bdr
Owner	Avalon Housing	AAHC	Lockwood	AAHC	AAHC
Completion date	Estimated 2028	Estimated 2028	Estimated 2028	Acquisition 2026	Acquired in 2023
Services? And provider?	Yes, Avalon	Yes, TBD	Yes, TBD	Yes, TBD	Yes, Peace Neighborhood
How to apply*	Waitlist to open approximately 6 months prior to completion	Waitlist to open approximately 6 months prior to completion	Managed by Lockwood. Visit www.lockwoodcommunities.com/	www.a2gov.org/housing-commission	www.a2gov.org/housing-commission

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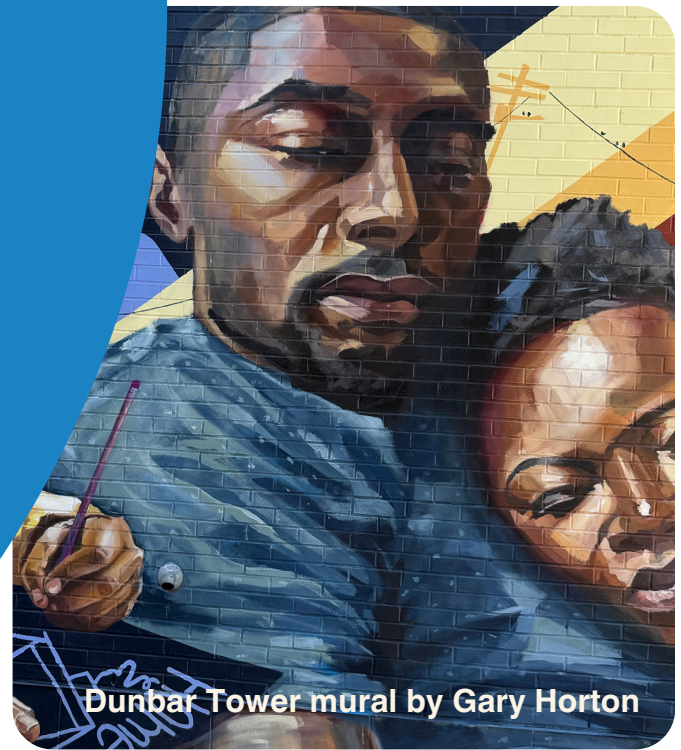
					
Name	Former Fire Station	Former office / dental clinic	123 W. Summit	353 S. Main parking lot	Platt & Springbrook
Address	1510 E. Stadium	404-406 N. Ashley	123 W. Summit	353 S. Main	3400 Platt
Council Ward	3	1	1	5	3
Total Units	8 - 22	40 - 80	5 - 22	30-50	12-14
Units up to 60% AMI	8 - 22	40 - 80	5 - 22	30-50	12-14
Units up to 30% AMI; PSH units	TBD	TBD	TBD	TBD	TBD
Unit sizes	TBD	TBD	TBD	TBD	TBD
Owner	AAHC	AAHC	AAHC	City of Ann Arbor	AAHC
Status	Initial Concept Phase	Initial Concept Phase	Initial Concept Phase	Initial Concept Phase	Initial Concept Phase
Services? And provider?	TBD	TBD	TBD	TBD	TBD
How to apply*	TBD	TBD	TBD	TBD	TBD

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quarter of the way & more than half done



Dunbar Tower mural by Gary Horton

“In five years, 537 apartments have been added or are under construction. Another 900+ are queuing up to either finalize financing, finish entitlement, or work through design and financial feasibility. With 15 years left on the millage, it’s more than likely that we will not just meet the goal of 1500 units, but exceed it.

What’s more, we’ve strengthened partnerships with other developers and service providers to provide safe, quality affordable housing communities for Ann Arbor families. That includes another 305 income-restricted units for households at 60-80% AMI.

We are grateful for all those who voted for the millage, partnered with us on development, helped support our families, and remain committed to our goals. You inspire us and we’re committed to achieving this together.”

- Jennifer Hall, Executive Director,
Ann Arbor Housing Commission



Groundbreaking at Dunbar Tower



Stay connected: www.a2gov.org/housing-commission/affordable-housing-millage