

PARADISE APARTMENTS UPDATE

OCTOBER 12, 2009

PARADISE APARTMENTS

- Current Status of Property
 - Property is vacant
 - Many units in disrepair
 - City signed agreement to buy property \$1
 - City has ~45 days to agree on terms
 - Full redevelopment plan due 90 days from closing
 - City desires to buy then sell to a third party to redevelop and manage

PARADISE APARTMENTS

- Property Specifics
 - 50 units total
 - 14 - 3 bedroom units (~1200 sq ft)
 - 36 - 2 bedroom units (~800 sq ft)
 - Office Building (~2300 sq ft)
 - Approx 4.5 acres
 - No longer Section 8 Housing Project

PARADISE APARTMENTS

- Firm Requirements
 - Must be affordable housing
 - Maintained affordable for 20 years
 - Previous tenants have right to return
 - Must be rehabbed to HUD standards or better
 - Ownership

PARADISE APARTMENTS

- Affordability Maximums (Rounded)
 - Low Income
 - $(\text{AMI} * 80\%) * 30\% = \$1350/\text{mo rent}$
 - Very Low Income
 - $(\text{AMI} * 50\%) * 30\% = \$840/\text{mo rent}$
 - Voucher Holder Rents
 - \$910/mo - 3 Bedroom
 - \$665/mo - 2 Bedroom

PARADISE APARTMENTS

- Still Being Defined
 - Actual number of units to rehab (~36)
 - What can be done with the remainder of the property
 - Demolition and rebuild
 - Redevelopment timeframe (24 months)

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- Next Steps
 - Possible Site Visit to Property
 - Draft Contract Made Available
 - Solicit Redevelopment Proposals

PARADISE APARTMENTS

- City desires ...
 - Improve the quality of life for the residents
 - Cornerstone for revitalization in the area
 - Make it safe for residents and surrounding properties
 - “Green” materials and processes during rehab and operation

PARADISE APARTMENTS

- Redevelopment Proposals
 - Due in 2 weeks (COB Oct. 26th)
 - Email: taylor.edge@madisonal.gov
 - Mail:

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