

MEMORANDUM

TO: Board of Commissioners
Ann Arbor Housing Commission

FROM: Jennifer Hall, Executive Director

DATE: September 19, 2018

I. FEDERAL

A. Fiscal Year 2019: No update

B. Fiscal Year 2018: HUD announced that the pro rata Administrative Fee payment is increasing from 76% to 80% retroactive to January 2018. The AAHC has not received a retroactive payment yet but it could be between \$40,000 - \$70,000. HUD did not indicate whether the pro rata Administrative Fee will remain at 80% through December 2018 or into 2019. It may be a one-time payment to spend HUD funds prior to the federal fiscal year which ends September 30, 2018.

II. STATE & LOCAL Partnerships:

A. Non-Elderly Disabled Vouchers: The AAHC was awarded 45 of the 275 vouchers we requested from HUD. The funding begins November 1, 2018 and all vouchers must be leased up by October 31, 2019. HUD allocated \$337,500 for these vouchers plus administrative fees. We are meeting with our 10 non-profit partners to strategize on how to lease-up.

B. Continuum of Care: Avalon partnered with the AAHC and the YHC to apply for a \$335,000 bonus grant from HUD through the local Continuum of Care application process. The application was selected by the local CoC to support for the federal CoC competition. If awarded, the grant will provide rent subsidies and service funding for 32 homeless families, some of whom will be housed by the AAHC.

C. U-M Ginsberg Center: Beth Yaroch, Reggie Dalton and I met with the Ginsberg Center and several U-M departments including the Pharmacy School and Health Departments to talk about how we can increase our collaboration with the U-M to provide services to tenants.

D. City of Ann Arbor Administration: I am working with Howard Lazarus, City Administrator, and other City staff to provide an analysis of whether the former Y site is a good location for affordable housing. Attached is the document sent to City Council for their review. Mr. Lazarus is requesting a Council Work Session in early 2019 to discuss the document and a proposal to conduct a public charrette to get community input.

III. RAD REDEVELOPMENT

A. Swift Lane (White/State/Henry and Lower Platt): Continuing due diligence with HUD; JP Morgan Chase, our construction lender; Cinnaire, our permanent debt lender; and Regions, our LIHTC investor. We have weekly meetings scheduled with each of these entities and all of our attorneys to go through all of the due diligence items. Due diligence includes items such as reviews of the survey, marketing study, legal descriptions,

environmental documents, financing etc. Our goal was to close in October, but it seems unlikely at this point. We are hoping to close in November.

- B. Oakwood/W Washington:** The bid for exterior work at Oakwood was awarded to Michigan Hardscapes and work has commenced.
- C. Broadway:** City Council approved a request for up to \$300,000 to repair and replace the sewer, water, and electric at Broadway as well as add insulation and other energy saving devices and repair all the drywall, flooring and cabinets that will be damaged while replacing the sewer, water and electric lines. Tim Olivier is putting a bid package together to be bid through the City of Ann Arbor's access to the Michigan Bid System, which is a state-wide procurement system for public agencies.

IV. FINANCIAL REPORT AND UPDATE

See Attached August 2018 Financial reports

V. PROCUREMENT ACTIVITIES BEYOND SMALL PURCHASES (\$25,000+)

None to report

VI. PERSONNEL

- A. Staffing:** Three new staff were hired, two of whom will be starting on October 1, 2018. Regina Allen was hired as an Administrative Assistant. She will be the primary back-up to the front desk at Miller and initially she will be assisting with the waitlist for the voucher program due to our need to lease-up quickly. In addition, Lisa Parkinson and Sharice Miller were hired as Occupancy Specialists for the Voucher program. Sharice will be replacing Evangelina Vassello, who is moving to the Affordable program.
- B. Training:** Angie Killom completed a 3-day training for HCV Rent Calculations and Eligibility. All of the Maintenance Technicians have completed their safety training for asbestos removal and are now able to remove and remediate asbestos containing materials of limited size. Wenesia Brand completed a refresher course on HCV homeownership.

VII. OPERATIONS

- A. HUD REAC Monitoring Public Housing:** HUD's REAC contractor did a physical inspection of the AAHC's remaining public housing properties. The inspector found 2 health and safety issues that we corrected within 4 hours. One was a missing light switch cover, which was replaced. The other was due to a tenant who has a hoarding issue and we needed to help her clear a path to her window to be able to use it as an emergency exit.
- B. HUD Continuum of Care Monitoring:** The HUD Detroit Office conducted a monitoring of two Continuum of Care grants. HUD found 4 issues which were all corrected. The first issue was resolved by adding certification language to the grant contracts between the AAHC and the non-profit agencies. The second issue was resolved by the AAHC conducting an on-site monitoring review of Ozone House. The AAHC had previously conducted a desk-top monitoring and HUD required a physical monitoring as well. The third issue was resolved by providing existing Continuum of

Care policy documents to HUD. The fourth issue was resolved by providing existing Housing Quality Standard inspections to HUD.

- C. **Cinnaire Monitoring:** Cinnaire provided debt financing at Maple Tower, River Run and West Arbor and were in town to conduct a physical inspection of the three properties as well as interviews with tenants.