

MEMORANDUM

TO: Board of Commissioners
Ann Arbor Housing Commission

FROM: Jennifer Hall, Executive Director

DATE: February 2015

I. FEDERAL

- A. **FY 15 HUD funding:** The HUD Capital Fund Program (CFP) for CY15 is \$152,244 for the remaining public housing properties. These funds are designated for RAD conversion costs.

II. RAD REDEVELOPMENT

- A. **River Run & Maple Tower Renovations:** The 5th and 4th floor of Baker and the 7th floor of Miller are completely renovated and tenants have moved in. The 2nd and 3rd floor of Baker and the 5th and 6th floor of Miller are currently being renovated. Construction is continuing on the replacement building for the building that burned down at Green-Baxter. Property Management staff are finalizing the initial acquisition income certifications for LIHTC compliance. The initial acquisition certifications must be completed within 120 days of conversion. The AAHC did not meet the 120 day requirement and will have a tax credit finding, however, the finding will be remediated at the same time by having complete certifications. Staff must also complete post-rehab new move-in income certifications. It is critical that these certifications are 100% correct by November 2015. Our consultant is working with our staff to ensure that we have systems in place to meet that requirement. The investor requested an audit of the September 2014 to December 2014 Maple Tower and River Run finances. The finance has provided the financial documentation to Plante and Moran to conduct the audit.
- B. **N. Maple (West Arbor):** See Norstar Update
- C. **Lower Platt:** 3401-3405 Platt was acquired for the redevelopment of the site. The current tenants will remain in their apartments and will rent from the AAHC as a private landlord. The properties do not fall under public housing or the voucher program. They are essentially market-rate units.
- D. **White/State/Henry:** The architect has provided a 32-unit proposal with an on-site office to Norstar and the AAHC. I have requested initial feedback from the Planning staff.
- E. **Colonial Oaks (Main, Penn, Seventh, Colonial Platt):** The County has allocated \$181,038 in CDBG funds to redevelop these properties. In addition, Avalon is working with us to apply for \$420,000 in FHLB funds, which is due March 18th. Chelsea Bank is sponsoring our FHLB application. HUD has reviewed the RAD conversion package and has suggested that the AAHC re-look at the rehab scope of work to make more improvements up front rather than at the estimated end of life schedule. For example, if a furnace is expected to need replacing in 2017, the furnace would be replaced as part of the RAD rehab scope of work in 2015 instead. This would ensure that the apartments are renovated at a higher level, and the AAHC would not have to set aside as much funding

in capital reserves.

- F. Resident Meetings:** The Resident Advisory Board met on February 5, 2015 to discuss the 5-year and annual Plan. The N. Maple Relocation meeting was cancelled due to the weather and rescheduled for February 19, 2015 at Peace Neighborhood Center at 6:30pm.

II. FINANCIAL REPORT AND UPDATE

See attached Financial Statement

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

None to report

IV. PERSONNEL

- A. Staff Salary Surveys** – The HR department has completed its external salary survey comparing AAHC staff with other housing commissions. HR is now working on a salary survey of other city staff compared to AAHC staff. I will be requesting additional funding from City Council to cover expected salary increases.

V. OPERATIONS

- A. Maintenance:** Maintenance staff have completed all the unit turns needed for relocation. Lance Mitchell has requested quotes to replace the storefront windows at Baker. These were not completed when the apartment windows were replaced.
- B. Housing:** Completing acquisition income certifications and then will be concentrating on post renovation new move-in income certifications. Several other staff are assisting and staff are putting in many over-time hours to get it done.
- C. Partnerships:** all of the new homeless tenants will be screened first by the Salvation Army, as the single-point of entry homeless housing access provider. A committee of local shelters and homeless service providers will complete an assessment of each homeless household to best determine what housing to refer them to. This team will assist tenants to complete their AAHC intake paperwork when they are referred to AAHC properties. The AAHC currently has 66 apartments set aside for chronically homeless households.
- D. Housing Choice Voucher:** Weneshia Brand is executing a contract to complete the SEMAP report. She is also working closely with the new HQS vendor to get all of the HQS inspections completed in a timely manner.

VI. FOLLOW UP TO JANUARY 2015 BOARD MEETING.

Nothing to report