

MEMORANDUM

TO: Board of Commissioners
Ann Arbor Housing Commission

FROM: Jennifer Hall, Executive Director

DATE: March 20, 2019

I. FEDERAL

A. Fiscal Year 2019: The FY2019 Federal Budget was adopted for HUD. The Federal Voucher Program increased by 3.6% overall and the AAHC's Housing Assistance Payment (rent subsidy) budget increased by 4.9% from \$12,383,877 to \$12,989,656. The Administrative Fees are estimated to only increase by .6% from \$1,164,821 to \$1,172,114. This is partially due to how HUD distributes the Voucher Program funds between HAP and Administrative Fees and partially because the AAHC is paid based on how many tenants are leased up each month. As the market continues to tighten and rents increase, the average HAP has increased from \$612/month to \$670/month between January 2018 and January 2019. As the average HAP increases it takes more funding to house the same number of people.

The AAHC was awarded a Family Self Sufficiency Program Grant for FY19 to cover the cost of 2 FTE's to work with tenants to increase their economic self-sufficiency.

B. Fiscal Year 2020: The President proposed a \$9 billion cut (19.73% cut) in HUD's FY20 budget with the support of HUD Secretary Ben Carson. The proposal includes a small decrease of 1.6% to the Voucher program. However, the budget also completely eliminates the CDBG and HOME programs administered by the County which are critical gap financing sources for development projects and CDBG funds provide service funds to our partners at CAN and Peace Neighborhood Center. The proposal completely eliminates the public housing capital fund and decreases the public housing operating fund by 38.5%. The AAHC no longer has public housing so there is no impact on our budget directly but that is a devastating cut for other public housing agencies. This is just the president's initial budget proposal and it will be negotiated with Congress again until a budget is passed.

II. STATE & LOCAL Partnerships:

A. City of Ann Arbor Community Services and Administration: The City issued a Request for Proposal (RFP) to hire a consultant to lead a community engagement process to learn from the community what type of development the community would like to see on the former Y lot on 5th Avenue. I am reviewing proposals with the DDA, AAATA, County and City staff. The goal is to develop a mixed-income, mixed-use project that is driven by multiple public purposes.

B. Family Self Sufficiency Program: The AAHC partners with the following public and private agencies on the FSS program: Michigan Works, Veteran's Affairs, Excel, Works Skills Corporation, WSC Academy, Center for Independent Living, Parkridge Community Center, Housing Bureau for Seniors, Michigan Rehabilitation Partners, Catholic Social Services, Jewish Family Services, Washtenaw Intermediate School District and Ypsilanti Community Schools.

III. RAD REDEVELOPMENT

A. Swift Lane (White/State/Henry and Lower Platt): The project closed on February 25, 2019 and demolition has started. It has been a long ride.

B. Broadway: All of the tenants have been relocated. Renovations have started.

IV. FINANCIAL REPORT AND UPDATE

See Attached February 2019 Financial reports

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

No contracts to report

VI. PERSONNEL

A. Staffing: Rita Laurence was re-hired as seasonal maintenance staff to do landscaping.

B. Training: Jim Fink, our excellent attorney, conducted a landlord/tenant training for all staff. Kenny Campbell is undergoing training in asbestos remediation.

VII. OPERATIONS

A. Family Unification Program: Misty Hendershot, Lisa Parkinson and Weneshia Brand have been meeting with Ozone House and DHHS to figure out the logistics and to conduct cross-training for staff for the FUP program. We were awarded 32 vouchers and we have received 5 applications so far that we are processing.

B. Non-Elderly Disabled Voucher Program: Lisa Parkinson and Misty Hendershot are actively leasing up the 45 NED Vouchers we were recently awarded. 15 households have leased-up, and 21 households have submitted applications that are getting processed.

C. Maintenance: We are completing spring preventative maintenance of all buildings which includes checking smoke detectors, carbon monoxide detectors, GFCI outlets, drains, screens, furnace filters, fire extinguishers, looking for water leaks, cleaning dryer vents and caulking where needed. A duct cleaning service was hired to clean all the ducts at Miller and Baker.

D. Capital Improvement Plan: Tim Olivier, Beth Yaroch and Reggie Dalton are working with me on a CY19 Capital Improvement Plan. Once we get cost estimates, we will prioritize our capital projects based on the capital funding available for each property.

E. Family Self Sufficiency Program: There are currently 129 families enrolled in FSS and 72 families escrowing. Two families graduated in March, one family with a \$4,918 escrow pay-out from the AAHC and the second family with a \$2,768 escrow pay-out.

F. Veteran's Administration Supportive Housing (VASH): Angie Killom, Misty Hendershot, and Weneshia Brand are working with the VA to lease up all 226 VASH vouchers allocated to the AAHC. We have been hovering around 200 leased-up and 15 for project-based vouchers at Avalon's Hickory project (12) and the AAHC's Creekside Court project (3). This population is the hardest to house and the hardest to keep housed. We have a constant turn-over of vouchers