

MEMORANDUM

TO: Board of Commissioners
Ann Arbor Housing Commission

FROM: Jennifer Hall, Executive Director

DATE: July 2015

I. FEDERAL

- A. FY 16 Budget:** Attached is a budget analysis completed by NAHRO. Congress has not finalized the budget, but it looks like the Public Housing Operating Budget, HCV Voucher funding, HCV admin fee, and Continuum of Care funds will remain even or see a small increase.
- B. FY 15 HUD HCV Administrative Fee:** HUD conducted an admin fee study to determine whether the existing formula should be revised to reflect costs more accurately. Based on the study, the proposed new formula would provide additional funding to the AAHC for administering the HCV program. Attached is HUD's calculation on the impact if the new formula were in place in FY 13 and FY14. The AAHC would have realized a 17% increase of \$145,862 in FY13 and a 11% increase of \$101,606 in FY14 if the new formula were in place. The current formula is primarily based on FMR, under the theory that higher FMR's are in higher cost areas with higher wage rates, office rent etc. The new formula also takes into account actual costs such as wages, health insurance and overhead. The study also looked at the lease-up rate, size of the voucher program, distance of apartments from the office, and time spent to administer vouchers.

II. RAD REDEVELOPMENT

- A. River Run & Maple Tower Renovations:** The 1st through 5th floor of Baker and the 3rd through 7th floor of Miller are completely renovated and tenants have moved in. The common area of Baker and the 2nd and 1st floor of Miller are currently being renovated. Construction is continuing on the replacement building for the building that burned down at Green-Baxter. Norstar began renovations at Hikone, Green-Baxter, and Maple Meadows.
- B. N. Maple (West Arbor):** HUD approved the RAD Conversion Commitment and set a date of August 28th for the closing. Staff are working with tenants on their relocation plans.
- C. White/State/Henry:** The site plan was submitted and is expected to be on the July 21st Planning Commission meeting.
- D. Colonial Oaks (Main, Penn, Seventh, Colonial Platt):** HUD closed on the property conversion and renovations have started with the addition of A/C. Staff are working with tenants on relocation.

III. CITY/COUNTY/OTHER RELATIONS

- A. City Council:** The Joint AAHC/City policy committee met in June. Ron Woods, Tim Colenbeck and Jennifer Hall attended. The group discussed the federal budgetary events that led to the formation of the committee. The group agreed to an agenda and a meeting schedule. The agenda for the next meeting in July is: Historical overview, review Affordable Housing Needs Assessment, determine what the current and future funding needs of AAHC, including capital and supportive services, and finding out how other communities are dealing with these issues.
- B. City of Ann Arbor IT:** Additional security cameras are being added to Baker Commons and Hikone. City IT is getting bids and contracting out the work, which will be paid for with development funds.
- C. Zero 2016:** The AAHC has partnered with local non-profits to end chronic homelessness by 2016. Attached is a progress report for Washtenaw County. The AAHC has provided over half of the apartments or vouchers to reach this goal.
- D. Duet Development for Library Lane RFP:** Scott Munzel's proposal called Duet was selected as one of 5 semi-finalists for the City's RFP for the development of the area above the underground parking structure on 4th Avenue next to the Library. The proposal includes 2-3 floors of affordable housing that will be sold as a condominium unit. Mr. Munzel has proposed that the Ann Arbor Housing Development Corporation purchase the affordable units.
- E. Continuum of Care Housing Partners:** The Housing Commission was selected as the Community Partner of the Year for our work with the CoC in providing housing for homeless and chronically homeless in the community.

IV. FINANCIAL REPORT AND UPDATE

See attached Financial Statement

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

None to report

VI. PERSONNEL

- A. Training:** Fifteen staff signed up for unlimited Fred Pryor web-based and off-site training for a year. The cost was \$199/year which is about the cost of 1 class. Brookanne Maitland passed her Occupancy Specialist Training which is required within 6 months of hire. Congratulations to Brookanne.
- B. Non-Union Salary Increase:** The City Administrator has approved a salary increase of 2.75% for non-union employees. I have approved this increase for all non-union employees, however, only the AAHC Board can approve an increase for the Executive Director. I will leave that up to the Board's discretion.

VII. OPERATIONS

- A. Housing:** Staff are working hard to get annual recertifications done at all sites. Staff are

meeting with tenants from N. Maple Estates and Colonial Oaks sites to counsel tenants on their relocation options and to administer their relocation.

B. West Washington: Lance Mitchell is getting contractor bids for W. Washington. The construction market is booming in Ann Arbor and it has been very difficult getting bids on our small projects with the competition from U-M and other downtown projects.

C. Voucher: SEMAP, the voucher program annual monitoring, is underway and Taylor Housing Commission has been on-site to review files. Weneshia Brand is finalizing the due diligence for the Project-based voucher properties that were selected under the Request for Proposals. HUD gave approval to move forward with the properties that are not owned by the AAHC but have not provided direction for the AAHC properties.

VIII. FOLLOW UP TO MAY 2015 BOARD MEETING. Nothing to report