

MEMORANDUM

TO: Board of Commissioners
Ann Arbor Housing Commission

FROM: Jennifer Hall, Executive Director

DATE: May 16, 2019

I. FEDERAL

A. Fiscal Year 2020: No updates

II. STATE & LOCAL Partnerships:

- A. City Council** will be approving the budget on May 20, 2019. The Administrator included \$380,000 in the AAHC's operating budget (\$160,000 for AAHC operations and \$220,000 non-profit service support). In addition, the Administrator included \$330,000 for mental health services provided by our non-profit partners.
- B. Ann Arbor Downtown Development Authority** approved \$256,568 from the DDA's affordable housing fund to match the AAHC's capital funds for Baker Commons to repair the roof & roof vents, add LED lighting, replace flooring, repair plumbing problems and add a monument sign in front of the building. The sign will say "Baker Commons supported by the Downtown Development Authority" to thank the DDA for the \$1.3 million in financial support they have provided over the last 6 years.
- C. Washtenaw Housing Alliance, Ecology Center, the Washtenaw Walking and Bicycling Coalition and Ann Arbor Safe Transport Reception:** These groups held a reception at City Hall prior to the May 6th Council Meeting to have discussions about building coalitions around safe, sustainable, and affordable Ann Arbor.
- D. Federal Home Loan Bank (FHLB) Tour of Ann Arbor and Washtenaw County:** The FHLB of Indianapolis held their annual meeting in Ann Arbor and requested a tour of the community for their board and staff. Avalon, Washtenaw County, the City of Ann Arbor, Ypsilanti Housing Commission and the AAHC all worked together to develop and narrate a bus tour of Ann Arbor and Ypsilanti to highlight the housing and economic development successes and challenges in the community. FHLB of Indianapolis provided \$420,000 to the AAHC for our Colonial Oaks development project and the FHLB of Pittsburgh provided \$2.25 million in funding for River Run, Maple Tower, West Arbor and Swift Lane. The FHLB is an important source of gap financing for affordable housing projects.

III. RAD REDEVELOPMENT

- A. Swift Lane (Creekside Court and State Crossing):** Asbestos remediation is finished at Creekside Court and has started at State Crossing. After remediation, the buildings can be demolished.
- B. Broadway:** Renovations are underway at 1508 Broadway and the laundry room at 1506 Broadway.

IV. FINANCIAL REPORT AND UPDATE

March financial reports are included

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

No contracts to report

VI. PERSONNEL

- A. **Staffing:** The AAHC has posted a Maintenance Technician position to replace Kenyatta Campbell who resigned. The AAHC has posted a temporary Occupancy Specialist position due to the expected relocation of an Occupancy Specialist who is moving out of state in June.
- B. **Training:** Yardi, which is our property management, data management and financial software; provide on-site training and process mapping to all our staff. The purpose was to make sure we were set-up correctly, following the correct process steps for all activities and to learn new process steps. Yardi provided an analysis and recommended changes. Weneshia Brand will be leading the implementation process with staff over the next 6-8 months.

VII. OPERATIONS

- A. **Housing Choice Voucher:** We are expected to have a shortfall in HAP (rent subsidy) payments from HUD based on our current utilization & expenditures. This means that if we continue to lease-up the same number of vouchers each month through December 2019 then we will run out of rent subsidies. Consequently we are having monthly meetings with HUD to plan for this shortfall. The AAHC has been in shortfall 3 of the last 5 years.

When a shortfall is expected, the AAHC cannot pull any new families from the HCV waitlist. The only tenants we can lease-up are for special programs including VASH, FUP, NED, VAWA, and PBV. Due to natural attrition, this will lower the number of households we serve each month until December 2019, which will decrease monthly rent subsidy expenses. If we are still in shortfall in December, then we can request additional rent subsidy (HAP) funds from HUD. The biggest contributing factors are 1) the housing market rents continue to increase and our average monthly

Average HAP		HAP increased by \$70/month in just one year. When you multiply that by 1675 vouchers that is an additional \$117,000/month without adding any new families to the program. 2) Another contributing factor to the increased average monthly rent subsidy is the increase in the number of homeless and extremely low-income households we are serving, who usually have higher rent subsidies.
Jan-14	\$535	In the meantime, we are eligible to apply for additional HCV funds for ports, unforeseen circumstances, VASH, and PBV expenses. Weneshia and Ulli are working on the application to HUD.
Jul-14	\$531	
Jan-15	\$556	B. Family Unification Program: The AAHC was awarded 32 new FUP vouchers. Misty Hendershot, Lisa Parkinson and Weneshia Brand have been meeting with Ozone House and DHHS to figure out the logistics to set-up the FUP program. We were awarded 32 vouchers and we have received 23 referrals from DHHS, 4 have leased-up and the other 11 are in process.
Jul-15	\$599	
Jan-16	\$600	C. Non-Elderly Disabled Voucher Program: Lisa Parkinson and Misty Hendershot are actively leasing up the 45 NED Vouchers we were recently awarded. 24 households have leased-up, and 21 households are in process.
Jul-16	\$595	
Jan-17	\$614	
Jul-17	\$613	
Jan-18	\$612	
Jul-18	\$633	
Jan-19	\$682	