

MEMORANDUM

TO: Board of Commissioners
Ann Arbor Housing Commission

FROM: Jennifer Hall, Executive Director

DATE: March 17, 2021

I. FEDERAL

A. The American Rescue Plan Act of 2021: The Act includes several programs for eviction prevention, including one program to increase voucher funding directly to PHA's. HUD was awarded \$5 billion to increase the voucher capacity to PHA's to serve households who are homeless, at-risk of being homeless and households fleeing domestic violence. The funds will be awarded by May 3, 2021 based on PHA capacity and geographic diversity. The funding can be used for rental assistance and administrative costs including security deposits and other eligible uses as determined by HUD. If the voucher turnover after September 30, 2023, they will not be renewed.

In addition, \$21.55 billion will be awarded by HUD to state and local governments to provide emergency rent and utility assistance to existing renters. It is not yet clear who will be administering these funds locally. If it is similar to previous COVID relief funds, it will be through the County Office of Community and Economic Development, Housing Access of Washtenaw County and Legal Services of South-Central Michigan. The funds can pay for up to 18 months of arrears and future rent and utilities and must be expended by September 30, 2025.

HUD will also award \$5 billion in additional funding for the Continuum of Care to provide housing and services to homeless individuals and families. The AAHC currently partners with Avalon and Ozone House to provide housing and services at several AAHC properties and the services are funded through the Continuum of Care, including Miller Manor, West Arbor and State Crossing.

Finally, State and Local governments will be receiving \$219.8 billion, and eligible uses include water, sewer and broadband upgrades. I have already spoken to City administration about potentially using these funds to provide water, sewer and broadband to city-owned development sites that are in the planning stages of development.

B. FY21 PHA Operating Funds: The only eligible property is a single-family home on Garden Circle. The application was submitted for \$6,622 for the annual operating subsidy.

II. STATE & LOCAL Partnerships:

A. Washtenaw County Continuum of Care Diversity Equity and Inclusion Initiative: The County is partnering with the Michigan Nonprofit Association to conduct agency DEI Assessments for local nonprofits working to address homelessness. *Please complete the assessment.* The assessment is intended to assess our capacity and progress in demonstrating best practices in diversity, equity and inclusion.

- B. City of Ann Arbor Affordable Housing Millage:** I was invited to make presentations about the millage to the City of Ann Arbor Housing and Human Services Advisory Board, the Ann Arbor/Ypsilanti Regional Chamber of Commerce and the Washtenaw County Democratic Party.
- C. City of Ann Arbor of Office of Innovation & Sustainability:** The OIS was approached by Elevate Energy, who was approached by a philanthropic organization, to identify shovel-ready affordable housing projects with energy efficient and solar funding needs. The AAHC submitted both State Crossing and Creekside Court for funding for solar panels, as both sites were built with solar-ready electric installation. We should find out in April/May if these projects were selected.
- D. Ann Arbor Summer Festival, City Sustainability Dept, PNC and CAN:** We are partnering to provide outdoor pop-up concerts at our housing sites this summer.
- E. City of Ann Arbor and St. Joseph Hospital:** The City of Ann Arbor approved a resolution in February to purchase the property to convert to an active park. Peace Neighborhood Center is meeting with residents, especially youth, at West Arbor to talk to them about the types of activities they would like to do at the park.
- F. Washtenaw County Health Department:** We have worked with the Health Department to get AAHC and Lurie Terrace staff vaccinated as well as Lurie tenants, and Baker & Miller residents over age 62 vaccinated. The second vaccination is scheduled for March 26, 2021.

DEVELOPMENT

- A. Swift Lane (Creekside Court and State Crossing):** Norstar is continuing to work with our investor, Regions, to determine the amount of the penalty for not meeting our construction and occupancy targets due to COVID. We are also working with Norstar and Regions on the cost certification, draw-down of the balance of our developer fee, and closing on our permanent financing with Cinnaire to take-out our construction loan.
- B. Lurie Terrace:** We closed on Friday March 12, 2021!! We had to work through several large and small issues with HUD, which delayed the closing. One issue was agreeing to an escrow agreement to ensure completion of renovations of 3 apartments at Lurie due to a fire in January 2021; as well as language in the City's Licensing Agreement to allow Lurie's carports to continue to encroach on city property. We have hired 1 staff person, Joel Barson, as the Residency Manager. We are in the process of hiring 4 additional permanent staff: Occupancy Specialist – Waitlist, Administrative Assistant, and 2 Facility and Maintenance Technicians. During the transition, we have entered into a staffing agreement with Senior Citizens Housing of Ann Arbor, the previous non-profit owners, who will continue as the employer and lease their staff to us in 2-week increments.
- C. City-owned properties:** I continue to work with the DDA, City staff and the AAATA to design 350 S 5th in harmony with the Blake Transit Center. The DDA held community meetings last week to get feedback from the community on complete street designs, including 4th avenue adjacent to 350 S 5th as well as Catherine next to 121 E Catherine. The DDA staff are requesting that their board budget \$2.1 million for infrastructure support for

121 E. Catherine and \$2.6 million in infrastructure support for 350 S 5th. Infrastructure can include upsizing and adding water and sewer lines, stormwater detention, sidewalks, streetscape, and other related infrastructure.

The community engagement process for 121 E Catherine, 353 S. Main, 721 N Main, and 309 S. Ashley will be reported to the City Council with our recommendations at the April 6, 2021 City Council meeting.

IV. FINANCIAL REPORT AND UPDATE

February 2021 financial reports are included

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

The generator at Miller Manor failed. Because it provides power to the fire panel and emergency back-up we cannot continue operations without an immediate plan. We executed an emergency, no-bid contract to rent a temporary generator while we work with an engineer to design a permanent replacement with expanded capacity to also provide power to the elevators during an emergency. The cost is \$11,472 for the first month, and a monthly rental cost of \$4,121. Tim Olivier estimates that it will take 4-6 months to install a new permanent generator, because we need an engineer to determine the capacity needed and we will need to expand the mechanical room in order to fit a larger generator on the property.

VI. PERSONNEL

A. **Staffing:** Welcome to Glenn Walker, Facility and Maintenance Technician, who was hired to replace Dave Kirk who retired in 2020. Welcome to Joel Barson, Residency Manager, hired to manage Lurie Terrace.

Congratulations to Tom-Meka Baskins who passed her level 2 progressions.

VII. OPERATIONS

A. **Non-Elderly Disabled Voucher Program:** All 45 NED vouchers are leased up from the 2018 award and 67/90 NED vouchers are leased up from the 2019 award. In addition, we have to lease-up 41 new NED allocated through the CARES Act in 2020 and another 75 NED vouchers allocated from the CARES Act in 2021.

B. **Affordable Housing:** We have increased our canine quarterly bed bug inspections to include State Crossing, Creekside Court, West Arbor, Maple Meadows, Green-Baxter and Hikone Apartments as well as our scattered site smaller sites that are a part of Colonial Oaks.

Peace has taken over managing of the hot meal and food pantry at Baker Commons.

C. **Fire at Miller Manor:** The fire caused extensive damage not just to the unit that the fire was started in, but the entire stack of apartments above and below it as well as adjacent apartments below due to water damage. Tim Olivier is working closely with City Inspectors, the Insurance Adjuster and Belfor, the Reclamation company. The fire unit was released by the police and fire department last week which allowed Belfor to

start removing the burnt materials so that the smell will stop permeating the rest of the building. The electrical wiring and panels are getting replaced in the stack the fire occurred in. We have been able to move some displaced tenants back to vacant Miller apartments and one household moved to Broadway temporarily to a unit with accessible features.

- D. **Maintenance:** Staff are providing spring preventative maintenance at all sites. The large plumbing bracket replacement project at Baker Commons was finally completed. Janitorial and pest control contracts were renewed, and Swift Lane was added. Another vacant unit at 1504 Broadway will have the kitchen and bathroom renovated with new cabinets, counters, vanities, lights, range hood, appliances etc.
- E. **Homeownership:** Another family purchased a home in Chelsea through the voucher homeownership program and 5 families are looking for a home.