

MEMORANDUM

TO: Board of Commissioners
Ann Arbor Housing Commission

FROM: Jennifer Hall, Executive Director

DATE: April 16, 2025

I. FEDERAL

- A. **On January 27, 2025**, the Office of Management and Budget (OMB) published a memorandum titled “[Temporary Pause of Agency Grant, Loan, and Other Financial Assistance Programs](#).” Although, the memo was unclear, subsidy for the HCV program was not impacted. February 3, 2025, the Office of Management and Budget (OMB) rescinded the [memorandum](#) it issued directing all federal departments and agencies to temporarily pause all federal financial assistance.
- B. **On February 12, 2025**, AAHC received notice the March and April 2025 HAP funding monthly advance amount was calculated using the January through October 2024 VMS data, extrapolating the October data to calculate November and December. The total was multiplied by the 2024 inflation factor of 1.04470 divided by 12 and prorated at 99.5%.

The administrative fees provided for March and April 2025 are an estimated amount based on the leasing data reported in the Voucher Management System (VMS) for January through September 2024. The amount was capped to the number of available units; prorated to 91% of eligibility; and calculated using the 2024 administrative fee rate.

- C. **On March 15, 2025**, President Trump signed into law the Full-Year Continuing Appropriations and Extensions Act, 2025 after it passed both the House and Senate, officially avoiding a government shutdown. The continuing resolution (CR) extends the government’s budget through the end of September, maintaining funding for HUD programs at FY 2024 levels; however, it includes additional spending for some key programs:
- \$32.048 billion for the Housing Choice Voucher program (an increase from \$28.491 billion in FY 2024)
 - The CR allows HUD to utilize unused funds from Tenant Protection Vouchers (TPVs), HCV administrative fees, and incremental special purpose vouchers to cover potential shortfalls.

The National Alliance to End Homeless created a Fact Sheet and the National Low-Income Housing Coalition created a Budget Chart, see attached.

- D. **On March 18, 2025**, received notice funding for the FSS program was available for draw down. AAHC was awarded renewal funding for existing Family Self-Sufficiency (FSS) programs on December 26, 2024, in the amount of \$241,584 for the fiscal year. The funding will enable AAHC to continue important work with HUD-assisted residents.

II. STATE & LOCAL Partnerships:

- A. **“The Road Home” Documentary: Breyko, Washtenaw County, Washtenaw Housing Alliance:** We are commissioning Breyko to create a documentary on housing and homelessness in Washtenaw County with the express purpose of bringing the community together to create more housing for low-income households. We are working with various departments at the County and the Washtenaw Housing Alliance. We need to raise about \$200,000 from philanthropic sources to pay for the film.
- B. **“121 E. Catherine Dunbar Tower” Affordable Housing News:** Affordable Housing News (AHN) covers the provision and implementation of affordable housing options across the United States of America. AAHC was featured in Volume 12 Issue 3 of their Fall 2024 edition. Dunbar was noted for its innovation and sustainability referencing the geothermal heating and cooling, solar panels, and commitment to the National Green Building Standards and Net-Zero Energy Standards.
- C. **Rising Hope:** The AAHC Rising Hope program continues to assist eligible families with support services offered by partnering agencies. During the last quarter 2024 the program assisted 31 families with various services ranging from certification and eligibility paperwork, housing search, security deposit, rent and utility arrears to case management. The program has proving successful for HCV participants who have been impacted by the criminal justice system.
- D. **City FY26 Budget:** The City Administrator will present his budget at the April 21, 2025 City Council meeting for City Council review. City Council will be approving the budget (with potential amendments) at the May 19, 2025 City Council meeting. The City Administrator is including 9 new FTE’s for the AAHC in his budget to ensure that we are able to hire staff as we develop new properties. The AAHC is responsible for securing funding to pay for these new positions.
- E. **Forth Electric Vehicle Program:** An electric vehicle was finally delivered to Baker Commons for a PILOT program for residents to use the vehicle for \$5/hour or \$50/day. The vehicle is provided through a federal EPA grant. The AAHC installed an electric charging station at Baker and Forth is providing a vehicle, insurance, training and rental software for this PILOT program. On April 9th a training was held for residents of Baker and 19 residents attended. Forth is applying for another grant from the State of Michigan and is interested in partnering with us at our Catherine site.
- F. **City Sustainability:** Partnering on an EPA grant to convert the community center to a resiliency hub. Held community meetings with residents to determine priorities.

III. DEVELOPMENT

- A. **121 E. Catherine:** The elevator and stairs are built and the framing of the rest of the building is underway. The CLC continues to work with InToto on the design and build-out. We are evaluating whether we can comply with the Build America Buy America ACT for \$479,325 in federal HOME funds awarded by the County. The funds were approved by HUD a few weeks after BABA took affect and the project was already under construction. We will need to ask HUD for a waiver if we are not able to comply, which will be very difficult, or we will have to give the funds back to HUD. We are

evaluating the balance of our contingency funds to determine what the impact will be if we have to comply with BABA (additional costs) or if we can afford to return the funds to HUD.

- B. **350 S. 5th:** We are working with the AAATA, SmithGroup, and the DDA to finalize the first floor, bus lane, bus loading areas, and sidewalks. A site plan will be submitted to the City in May, which requires a public meeting process.

- C. **2000 S. Industrial:** No update

D. **1510 E. Stadium:** Due to the uncertainty of ongoing HUD funding and the volatility of the financial markets, I decided it was too risky to commit \$5 million towards a permanent office/maintenance facility to acquire and renovate the Balas building at this time. However, we have run out of space for new staff in all departments and we are developing additional housing which will require us to hire additional staff. Consequently, we will be renovating Stadium as a temporary maintenance, finance and administration building until we are able to secure a permanent location. Dokes Design was hired to oversee the renovations.

- E. **721 N Main/123 W. Summit:** No update

- F. **404 N Ashley:** No update

G. **Arbor South:** City Council passed a resolution directing the City Administrator to continue negotiations with the developer. A work session will be held on April 17, 2025, in Council Chambers. We have been working on the design of the affordable housing component, which currently includes 200 apartments.

IV. FINANCIAL REPORT AND UPDATE

March AAHC 2025 Financial Statement highlights attached

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

- \$101,000 contract with Diamond Consulting for HCV and Affordable File Review and Program Compliance.

VI. PERSONNEL

- A. **Staffing:** We have posted five (5) vacant positions: Two Administrative Assistants, Occupancy Specialist - Waitlist, Housing and Economic Development Director, and Facility and Maintenance Technician
- B. **Progressions:** Terrance Heiligh completed progression level 3, Travis Ransom completed progression level 2
- C. **Training:** Tierra Clark-Moon completed Blended Occupancy and Housing Choice Voucher Specialist training. Weneshia Brand and John Moje attended a Yardi Conference. Fair Housing, Angie Killom, Lisa Lavan, and Katrisha Kelly are attending a year-long Leadership Training for new and aspiring managers. LaTonya Brown, Makia Slaughter, Marilyn Watson-White and Lisa Lavan are attending the Ann Arbor Ypsilanti Chamber of Commerce year-long Leadership Training.

- D. **Manager's Retreat:** Was held on April 9th to continue strategic planning started in 2024. The focus is on internal processes to ensure that the organization has a stable base from which to grow, which included: hiring, orientation, employee development and feedback, documenting processes, digitalization, off-boarding, succession planning, on-call, and space planning.

VII. OPERATIONS

- A. **Mainstream Non-Elderly Disabled Voucher Program:** 237/251 (94%) vouchers are leased. HUD's goal is to have at least 82% leased up.
- B. **Family Unification Vouchers:** 27/32 vouchers are leased-up. AAHC works directly with DHHS for referrals.
- C. **Emergency Housing Vouchers:** 26/26 vouchers are leased-up. EHV vouchers are not eligible for reallocation therefore, as participants leave the program the voucher will not be reissued and therefore only 26 of the original 29 vouchers are available moving forward.
- D. **VASH:** 196/278 vouchers are leased-up. AAHC works directly with the Ann Arbor VAMC for referrals. The AAHC received 41 new VASH vouchers in December 2024.
- E. **Foster Youth Initiative:** 0/6 vouchers are leased up. On October 8, 2024, we were awarded six (6) vouchers. HCV staff have begun to work with DHHS and Ozone House for referrals of eligible youth.
- F. **Voucher Program:** The waitlist staff continued to pull several hundred people from the waitlist over the last several months to lease 100% of Mainstream Vouchers. AAHC is exempt from completing the annual SEMAP report due to our new designation as a MTW agency.
- D. **Homeownership:** In April, AAHC in partnership with several local banks held the 2nd Homebuyer Summit at the Morris Lawrence Building with over 100 attendees.
- E. **Family Self-Sufficiency:** 104 families currently participate in the FSS program. AAHC partners with Bank of Ann Arbor to offer Financial and Money Management workshops. Workshops are held in six-week sessions. This is our 2nd workshop
- F. **Moving To Work:** In March, University Lending with AAHC held it 2nd Real Estate Investment workshop. Workshops are held quarterly to current and potential landlords to discuss wealth management, property and commercial investing, estate planning, and financial advice to retain and recruit landlords for the HCV program.
- G. **Affordable Program:** The occupancy rate target is 95% or higher for LIHTC properties. For calendar year ending 2024, the occupancy rate for each project is as follows; 95% Maple Tower, 99% River Run, 97% West Arbor, and 100% Swift Lane. Although occupancy was lower than our goal for most of the year due to several factors through attrition. Occupancy Specialist Tierra Clark-Moon with assistance from Terrance Heiligh, and Marchelle Freeman tirelessly worked to process applicants from the waiting list to increase occupancy for all properties, especially Miller Manor.

H. Maintenance:

- a. Broadway renovations underway: insulation, windows, plumbing. A contract was signed to level out a concrete pad next to building 1506 to ensure water is flowing away from the building.
- b. Baker Fire Suppression installation is complete, including vapor shield. Adding insulation to the attic, which was disturbed by the fire suppression installation.
- c. Miller - A Request for Proposal was issued to replace the roof, add solar panels, make wall repairs and complete additional radon mitigation.
- d. Lurie - A Request for Proposal was issued to replace the elevators and 2 bids received.
- e. Lurie – received final site plan design for the front lawn of Lurie Terrace to create a fully accessible path to the sidewalk on Huron from the main door.
- f. Lurie – DTE is engineering the fuse design upgrade to support the fire suppression equipment.
- g. West Arbor - Contracts were executed for consolidated electric meters and solar panels. The contracts were temporarily on hold until we received confirmation from HUD that our federal EDI grant was still available to draw down.
- h. West Arbor's slab on grade for some of the apartment buildings have settled, causing a change in elevations for the first floor. We consulted with several companies and determined that 7 apartments will require
- i. TJ Irvine, Beth Yaroach, and Tom Pierce are working on a capital needs assessment of all properties to determine the FY26 priorities for capital improvements.
- j. Maintenance Technician are working daily to keep up with daily operations, preventative maintenance and unit turns.
- k. Oakwood – getting a bid to replace all the porches
- l. All properties – getting bids for concrete grinding and seal and striping of parking lots.
- m. State – getting a quote to fix sagging internal stairs and to add a concrete pad for a exterior bike rack.
- n. Creekside – fixing a couple patios with a negative grade