

## MEMORANDUM

**TO:** Board of Commissioners  
Ann Arbor Housing Commission

**FROM:** Jennifer Hall, Executive Director

**DATE:** July 28, 2020

---

### I. FEDERAL

- A. COVID-19 CARES Act:** HUD posted additional waivers related to the CARES Act (**PIH Notice 2020-13**). See resolution to adopt the additional waivers.
- B. Affirmatively Furthering Fair Housing:** HUD has terminated the 2015 Affirmatively Furthering Fair Housing rules, which required local governments to create and publish an AFFH Plan, which the AAHC did with Washtenaw County Office of Community and Economic Development.
- C. HUD FY21 Budget:** The federal House of Representatives Transportation, Housing and Urban Development Committee passed a FY21 spending bill for \$50.6 billion, which is \$13 billion more than the President's request and \$1.5 billion more than FY20 enacted budget. The Senate has not yet adopted a THUD budget yet.

### II. STATE & LOCAL Partnerships:

- A. City of Ann Arbor Affordable Housing Millage:** A 1 mill, 20-year millage request for affordable housing and services for residents was on the City Council agenda on July 20, 2020 and was moved to July 27, 2020 as a special meeting to enable City Council members to have further discussion before voting on the millage language.
- B. City of Ann Arbor Police Department and Avalon Housing:** We have had several meetings with AAPD and Avalon about emergency responses to Avalon and AAHC tenants, particularly related to mental health crises and medical emergencies. Attached is a joint letter signed by Aubrey Patino, Executive Director of Avalon Housing, and myself. We also held a Zoom meeting discussion with the AAPD, Avalon Staff and tenants to have a dialogue about how tenants interact with the AAPD.
- C. Emergency Eviction Prevention:** The Washtenaw County Office of Community and Economic Development is managing and coordinating the local eviction prevention response utilizing a variety of new and increased funding from the State of Michigan, federal government and local resources. Community members can contact Legal Services of SouthCentral Michigan or Housing Access of Washtenaw County to request assistance.

### DEVELOPMENT

- A. Swift Lane (Creekside Court and State Crossing):** The construction schedule has been pushed back several months and certificates of occupancy are expected to occur between Oct – Dec 2020 with tenant move-ins occurring between Oct 2020 and February 2021. The State of Michigan has extended the Low-Income Housing Tax Credit regulatory deadlines for the

project due to COVID-19. Norstar, our developers, are working with Regions, our tax credit investor, and Cinnaire, our permanent debt lender, to determine the financial impact on the development.

- B. City-owned properties:** The SmithGroup, DDA, AAATA, City planning staff and I are meeting regularly to discuss design issues at 350 S 5<sup>th</sup> Avenue. The first floor is very challenging because of the conflicting ground floor uses of AAATA buses, pedestrians, waste and recycling haulers, deliveries, moving vans, retail space, entranceways etc. We are also meeting regularly to develop public engagement strategies on 4 additional downtown properties.
- C. Request for Proposal 3400 block Platt Road and Springbrook:** The AAHC owns 4 contiguous parcels that run between the 3400 block of Platt Road through to the 3400 block of Springbrook. This property was included in the Feasibility Analysis of City-Owned Properties as an Affordable Housing Project site. The properties were originally purchased to develop Turnkey III lease to homeownership housing. However, HUD did not provide Turnkey III funding for this site and the properties were never developed. Attached is a draft Request for Proposal to redevelop the site. The type of development is open-ended to encourage creativity and the winning proposal must conduct community engagement with the adjacent property owners and renters.
- D. Request for Proposal Project-Based Vouchers:** HUD allows the AAHC to project-base up to 20% of its tenant-based vouchers currently in its Annual Contributions Contract. An additional 10% that meet certain criteria including housing for individuals and families who have experienced homelessness; housing for veterans; units providing supportive housing to persons with disabilities or to elderly persons; and units located in a census tract with a poverty rate of 20% or less. In addition, RAD PBV and VASH PBV units are not subject to this cap. The AAHC included this PBV RFP in it's 5 Year Plan to PBV up to 100 units. The goal is to issue the RFP in August 2020 and select projects by November 2020.

#### **IV. FINANCIAL REPORT AND UPDATE**

June end of year unaudited financial for the AAHC and its related business affiliates are included as well as mid-year LIHTC property financials

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

None to report

#### **VI. PERSONNEL**

- A. Staffing:** Congratulations to Beth Yaroch, who was promoted to Director of Operations for the Affordable Housing program. In her new role, Beth will be responsible for the overall management of the program including compliance, quality control, training, supervision, and operations related to property management of properties the AAHC owns.
- B. Union Progressions:** Congratulations to Katrisha Kelly and Evangelina Vassallo who completed their Level 3 progressions and Lisa Lavin who completed her Level 2 & 3 progressions.
- C. Training:** Katrisha Kelly completed the NAHRO Homeownership proficiency training and

passed the test. Marilyn Watson and Evangelina Vassallo completed “Property Management for Supportive Housing Providers”. LaTonya Brown, Reggie Dalton and Makia Slaughter completed training in “Addressing Common Property Management Issues in Supportive Housing” and “Supportive Housing Fundamentals for Property Managers: Working with Vulnerable People”. Weneshia Brand and Jennifer Hall completed training in “Foundations in Public Participation”, “Planning for Effective Public Participation” and “Techniques for Effective Public Participation”.

## VII. OPERATIONS

- A. **Family Unification Program:** All 32 FUP vouchers are leased up and several youth have graduated to regular Housing Choice Vouchers, which opens up these vouchers to new tenants. Avalon Housing is partnering with Ozone House to provide 10 units of supportive housing for homeless youth at their new project Veridian at County Farm North on Platt Road. Avalon requested 10 turnover FUP vouchers to be project-based at Veridian, which were approved. The project has received site plan and zoning approval and is applying for Low Income Housing Tax Credits December 2020.
- B. **Non-Elderly Disabled Voucher Program:** All 45 NED vouchers are leased up from the 2018 award. Shout-out to Lisa Lavan for all of her hard work leasing up new vouchers. 29/90 NED vouchers are leased up from the 2019 award.
- C. **Maintenance:** Bollards and handicap signs were installed at West Arbor. New larger capacity gutters were installed on one building at Hikone and the remaining 4 buildings will also have new gutters installed. The exterior staircases at all of the buildings at Mallett’s Creek and Hillside Manor were repaired and rebuilt.
- D. **COVID-19:** There are no known current cases of COVID-19 among staff or tenants.
- E. **Finances:** In 2017 the IRS changed the deadline for certain 1099’s to be submitted and the AAHC was not aware of the change and submitted all of our 1099’s prior to the old deadline. The IRS charged a \$51,600 penalty (\$100 x 516 1099 forms). Ulli Raak has been communicating with the IRS and submitted a waiver request because we believe that only 87/516 1099’s were actually late, so we should only owe \$8,700. The waiver request was denied and we are now talking to a tax attorney at Dykema to assist. See attached IRS letter.