

MEMORANDUM

TO: Board of Commissioners, Ann Arbor Housing Commission

FROM: Jennifer Hall, Executive Director

DATE: September 17, 2025

I. FEDERAL

- A. **Federal FY26 Budget:** Congress is in recess and will be discussing and adopting a budget when they are back in session. Proposals ranged from significant cuts in the Presidents budget, to level rent subsidy funding and moderate cuts in administrative fees and the FSS program in the House budget, to increases in voucher funding in the Senate's budget.
- B. **Federal:** Due to ongoing challenges faced by PHAs and feedback from the industry, HUD is extending the NSPIRE-V compliance deadline from October 1, 2025, to February 1, 2027. This extension is intended to give PHAs additional time to implement the requirements effectively. A PIH Notice with updated administrative requirements will be issued soon, along with a Federal Register notice finalizing the extension. A revised NSPIRE HCV Administrative Procedures notice was also published on August 9, 2024.
- C. **Affordable Housing Properties:** AAHC has requested a waiver for RAD PBV Covered Projects, in accordance with HUD regulations. This waiver seeks to admit otherwise eligible families whose Total Tenant Payment (TTP) exceeds the gross rent and to allow the units those families occupy to remain under the Housing Assistance Payment (HAP) contract even if the PHA has not paid HAP for the family in 180 days. We are currently awaiting approval from HUD.

II. STATE & LOCAL Partnerships:

- A. **Continuum of Care:** The Continuum of Care is the local collaboration to address homelessness in the community, which includes local non-profits, units of government, schools and others who work with the unhoused. The CoC is required to receive federal funds dedicated to the local homeless response through HUD. Washtenaw County is the planning body and they hired an outside consultant to work with the CoC Board to strategize and plan for expected federal changes in eligible activities, priorities and prohibitions.
- B. **Ann Arbor Area Community Foundation:** (AAACF) is looking to address the following priorities in Washtenaw County related to the needs of older adults. AAACF is looking to support programs that provide eviction prevention programs to keep older adults in their homes and home modification programs that address key issues that will allow older adults to age in place in their own homes. Also, AAACF is looking to support programs that address food security, access to health care, and transportation.

III. DEVELOPMENT

- A. **121 E. Catherine:** Construction is on schedule. A Request for Qualification for Artists was issued and 16 responses were received. The Community Leadership Council is

reviewing the responses, selecting the artists and selecting the themes and locations of the art for the artists.

B. **350 S. 5th:** Site Plan has been submitted to the City and we are responding to City staff comments.

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

D. **1510 E. Stadium:** Determined it is infeasible to temporarily occupy the building as it will cost \$1.3M to \$1.5M to bring it up to code. Looking for alternative locations for an office/maintenance space. This site will still be redeveloped as affordable housing.

E. **721 N Main/123 W. Summit:** Demolition is complete. The City will now sell the property to the AAHC (pre-approved).

F. **404 N Ashley:** No Update.

G. **Arbor South:** Finalizing the financing and design with the development team. Working with Dykema to create a Development Agreement.

H. **Lurie Terrace:** Hired an architect, engineering firm and general contractor to prepare a scope of work for a full renovation of the building, in order to apply for a LIHTC application in 2026.

IV. FINANCIAL REPORT AND UPDATE

- Monthly financial report

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

- No Update

VI. PERSONNEL

A. **Staffing:** No staffing changes. The Occupancy Specialist – Waitlist position is posted for Lurie Terrace and the Accounting position is posted.

B. **Progressions:** No update

C. **Training:** Marchelle Freeman is completing her training for Blended Occupancy Specialist. Tierra Clark-Moon has received certification as a Certified Occupancy Specialist and Blended Occupancy Specialist. Jennifer Hall attended the joint NAHRO and MCDA conference.

VII. OPERATIONS

A. **Mainstream Non-Elderly Disabled Voucher Program:** 231/251 (92%) vouchers are leased. HUD's goal is to have at least 82% leased up. It appears that this program will be in shortfall in 2025 and AAHC staff are working with HUD to request approximately \$150,000 in additional funds. No new applicants from the waitlist can be pulled while

the program is in shortfall.

- B. **Family Unification Vouchers:** 28/32 (86%) vouchers are leased-up. AAHC works directly with DHHS for referrals.
- C. **Emergency Housing Vouchers:** 24/24 vouchers are leased-up. HUD approved the AAHC's request to transfer EHV participants to the regular HCV voucher program when the EHV funding runs out, currently estimated to be in 2026.
- D. **VASH:** 204/278 (73%) 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:** 2/6 (33%) 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:** All waitlists are closed except specialty vouchers FYI, FUP and VASH. Staff are working with Avalon, MHT, J29:7, Related, and Lockwood to complete the due diligence for the PBV's awarded, including Environmental reviews, Subsidy Layering review, and Rent Reasonable analysis.
- D. **Homeownership:** We are looking to close two homeownership participants at Dorsey Estates this month. An additional participant is looking to purchase his current rental unit.
- E. **Family Self-Sufficiency:** 103 families currently participate in the FSS program. AAHC partners with the Bank of Ann Arbor to offer Financial and Money Management workshops. Workshops are held in six-week sessions. In addition, we have partnered with Chase Bank to offer Homeownership workshops, every other month. The first workshop was held in August.
- F. **Moving To Work:** As of July 7, 2025, the MTW Supplement Plan has been finalized and accepted by HUD.

As part of our landlord incentive initiatives, AAHC partners with University Lending Group to provide landlord workshops. The next workshop is scheduled for October 23rd. Landlords will discuss how to use their investment properties to leverage funding, expand their portfolio, protect their investment, and transition their investment in preparation for retirement.

- G. **Affordable Program:** The occupancy rate target is 95% or higher for LIHTC properties. For July 2025, the occupancy rate for each project is as follows; 97% Maple Tower, 97% River Run, 98% West Arbor, and 100% Swift Lane.
- H. **Digitalization:** A cross-departmental committee was formed to continue to push for increased utilization of technology internally and externally. The group is working with program participants to utilize Yardi to make payments online, upload income certification information, and request work orders. Internally, efforts are focused on uploading documents to Yardi in lieu of keeping hard copies in long-term storage, using memo fields to document conversations and actions with program participants, cleaning

up old data so that more accurate reports can be run in real time.

- I. **Procurement:** A new software program, Housing Agency Marketplace, was purchased to manage large procurement projects, particularly major capital improvements. The software integrates federal procurement regulations and was designed specifically for PHA's.

J. **Maintenance:**

- i. Maintenance Technician are working daily to keep up with daily operations, preventative maintenance and unit turns.
- ii. Creekside – a basketball hoop and fence will be installed in the parking lot for the youth
- iii. Bid solicitation for Snow removal contracts for all sites are underway
- iv. Broadway renovations underway: 1504 building is complete and residents are moving in, 1506 building will be complete this month and residents can move in after Certificates of Occupancy are issued.
- v. Lurie – DTE is engineering the fuse design upgrade to support the fire suppression equipment. DTE scheduled to remove pole and upgrade, new generator is being assembled. Site plan process is underway with MCI. Elevator equipment delivery is delayed and is expected to start in December instead of October.
- vi. West Arbor – Solar installation started, meter consolidation started and mud jacking is complete
- vii. Oakwood – Deck construction started
- viii. GBC solar and meter consolidation is out to bid
- ix. State – bike rack installed and restriping of parking lot complete
- x. Siller Terrace – gables repatched and ECT is completing soil remediation
- xi. Concrete projects wrapping up on all sites
- xii. Stadium roof leak fixed
- xiii. Hikone parking lot seal and stripe completed