

MEMORANDUM

TO: Board of Commissioners
Ann Arbor Housing Commission

FROM: Jennifer Hall, Executive Director

DATE: January 20, 2016

I. FEDERAL

- A. FY 16 Budget:** The U.S. Congress approved the 2016 omnibus appropriations bill (H.R. 2029) and sent it to President Obama, who signed it into law. In brief, the bill provides the following amounts for the Department of Housing and Urban Development (HUD):
- a. Public housing operating fund: \$4.5 billion, \$60 million over the 2015 amount
 - b. Public housing capital fund: \$1.9 billion, \$25 million over the 2015 amount
 - c. Section 8 tenant-based vouchers: \$19.6 billion, \$324 million over the 2015 amount (This total includes funding for voucher renewals, tenant protection vouchers, administrative fees, and new vouchers for homeless veterans, nonelderly disabled families, and the family unification program.)
 - d. Based on the adopted budget, HUD announced that the Public Housing Operating January was funded at 86.53 percent but is subject to change throughout the year. The S8 program was funded at 81 percent in January 2016 but is also subject to change.

B. RAD REDEVELOPMENT

- A. River Run (Baker, GBC and Hikone) & Maple Tower (Miller and S. Maple) Renovations:** The Housing Commission and Norstar met its Tax Credit deadline of December 31, 2015 to have all its apartments renovated and occupied by a qualified tenant.
- B.** The following was published in the A2 News Notes and sent to all city employees in January: Ann Arbor Housing Commission Executive Director Jennifer Hall is extending thanks to all the Housing Commission staff who worked together to accomplish what she describes as the seemingly impossible task of relocating 251 families (many of them twice), renovating 251 apartments and income certifying and leasing up 251 families (many of them twice) under completely new regulations in a 15-month period. To understand how challenging this process was, in a typical year, the AAHC only turns over about 45 apartments. This means that 45 apartments are cleaned and fixed up for 45 new tenants, who are pulled from a waitlist and must go through a rigorous income-qualification process.

The AAHC had to process five times as many people in 2015 than in a typical year. In addition, AAHC staff had to pay for and physically move people from their apartments to either a temporary apartment (or hotel) until their apartment was renovated.

Hall also recognizes the management staff who made this transition possible, in addition to dealing with constant emergencies: **Betsy Cornellier**, fiscal manager, who had to administer all the new funds, set up new legal entities and bank accounts, set up new processes and train her staff and process all the rent subsidies and rent payments for tenants who were constantly moving; **Beth Yaroch** and **Reggie Dalton**, property managers, who had to learn the new regulations and create new policies and procedures, train their staff, help tenants who did not want to move, and coordinate notices and moves with construction, maintenance, waitlist staff

and service providers; **Lance Mitchell**, facility manager, who had to manage contractors, inspect apartments, deal with countless sewer backups, and problem-solve construction challenges; and **Weneshia Brand**, voucher manager, who oversaw implementation of new software, processed new admissions, created and trained her staff on new policies and procedures and managed the grievance process.

Hall sends a special thank you to **LaTonya Brown**, occupancy specialist, who took the initiative to become the go-to expert on all the new regulations and procedures and processed hundreds of tenant income certifications; **Greg Mitchell**, service coordinator, who managed all the tenant employees and learned to drive a 1-ton dump truck; **Dave Ehman, Alton Brown, Levi Clark and Randy Kapala**, maintenance technicians, who helped complete the renovation work when the construction budget decreased by \$1.5 million after asbestos was discovered in the drywall systems at four properties; **Melissa D'Angelo, Brookanne Maitland and Marilyn Watson**, occupancy specialists, who were all newly hired when the RAD conversion began, and they managed the relocation and waitlist process, including housing 75 new homeless households.

The rest of the staff who were not responsible for the RAD conversion process, but who all pitched in to help whenever needed, are being recognized as well: occupancy specialists **Monica Moore, Robin Hester, Maria Spencer, Monique Wright and Alissa Ellis**; Administrative Assistant **Terry Holman** and Service Coordinator **Wade Smith**.

Finally, Hall thanks everyone at the city who worked with the AAHC to get the projects funded, approved, inspected and occupied. AAHC could not have done this without their help. In particular, **William Duff** in information technology for his tireless efforts designing, ordering and setting up security cameras and badge readers; Building Official **Craig Strong**, Interim CSA Administrator **Larry Collins** and Building Official and Inspector **Peter Pace** for helping with the final push to meet the deadline; **Brandon Boggs and Brenda Acquaviva** in CSA for scheduling the inspections; and, finally, all the inspectors who made the hundreds of inspections: **Thomas Buczkowski, John Diefenbacher, Matthew Forster, Joe Hardin, James Baker, James Worthington, Marvin Shagena, Don Ratliff, Ryan Miller and John Lucht**.

- C. **West Arbor (N Maple):** All of the families have been relocated either permanently or temporarily until N. Maple is ready to be re-occupied. The FHLB of Pittsburgh awarded \$500,000 to the AAHC for West Arbor.
- D. **Swift Lane (White/State/Henry and Lower Platt):** The project was not funded with LIHTC but we will apply again in April 2016
- E. **Colonial Oaks (Main, Penn, Seventh, Colonial Platt):** Apartment renovations are continuing at S. Seventh and Main street.
- F. **West Washington:** Renovations are complete, we are waiting on final inspections from the City before we can move residents in.
- G. **Evelyn:** Exterior renovations are completed. Once the tenant is relocated, interior renovations will begin. This property is no longer a public housing unit and it can be rented at market rates to a family with a housing choice voucher or as a project-based voucher unit.

II. CITY/COUNTY/OTHER RELATIONS

- A. **City Council:** The Joint AAHC/City policy committee approved a council memo with recommendations to city council (separate resolution). The City's Housing and Human

Services Advisory Board (HHSAB) as well as the Housing Commission Board have the opportunity to make comments prior to sending it to City Council. The subcommittee confirmed the city's commitment to the AAHC through the RAD conversion process and ongoing support for support services and staff pay equity.

- B. U-M Ginsberg Center:** Weneshia Brand attended a focus group for the Ginsberg Center to help the Ginsberg Center with their community strategic planning.
- C. Housing Access Washtenaw County (HAWC):** Beth Yaroch continues to attend the HAWC meetings to coordinate with shelters and service providers to provide housing for homeless individuals and families in AAHC properties.

IV. FINANCIAL REPORT AND UPDATE

See attached Financial Statement. The financial statement does not yet include Colonial Oaks, West Arbor and the Continuum of Care Program. Betsy Cornellier is working on a new format for February that will include all the AAHC cost centers.

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

\$55,568 Haley Mechanical for furnaces and air conditioning at Colonial Oaks properties. C& S Lawn Care and Ann Arbor Lawn Care each signed several contracts for less than \$25,000 for different properties, but each company's contracts totaled more than \$25,000.

VI. PERSONNEL

- A. Staffing:** The city has posted both temporary and permanent positions for an administrative assistant and a maintenance technician.
- B. Training:** Maintenance staff attended Safety Trainings conducted by the City's Safety Department.

VII. OPERATIONS

- A. Family Self Sufficiency:** The AAHC was awarded \$138,000 in FSS funding which is enough to increase from 1.5 FTE's to 2 FTE's. The FSS program was awarded \$3500 from the Ann Arbor Thrift Shop to support tenants to reach their goals. Wade Smith, Greg Mitchell and Weneshia Brand are developing a strategy to best utilize the funds.
- B. Project Based Vouchers:** Maria Spencer, Alissa Ellis and Weneshia Brand successfully leased up over 70 Avalon and MAP project-based voucher tenants in December 2015 and are continuing to lease-up our commitment to project-base close to 200 vouchers with our non-profit partners.
- C. Maintenance:** Maintenance staff continue to deal with emergency water and sewer problems at multiple locations. Maple Meadows experience a water main break that required the City to perform an emergency pipe replacement. Tenants were able to continue using their water until the break was fixed. The vacant duplex at New Platt had a frozen water pipe crack which required the temporary relocation of the tenants in the occupied unit at New Platt. We continue to have problems with tenants flushing wet wipes into toilets which has caused sewer back-ups at S. Maple, Hikone, Miller and Baker.

Residency Managers have been educating tenants about items that should not be flushed in the toilet but it is a constant struggle. Unfortunately, the sewer pipes backed up where many apartments flow together so it is impossible to determine which tenants are causing the problems. There was 1 slip and fall reported at Pennsylvania. The AAHC contracts with outside snow removal companies who have been notified of the problem and Lance Mitchell has sent our contractors back out to several sites to do a better job at removing the snow from apartment steps.

There are ongoing technical problems with the camera security system due to a software upgrade implemented by the City which is impacting Miller, Maple Meadows, and Baker Commons. Cameras are also being installed at Hikone.

D. Housing Choice Voucher: The AAHC utilized over 100% of its voucher funding in CY2015 and HUD issued an additional \$9000 in HAP to cover the total HAP expenditures for the year.

E. Affordable Housing: Diamond Consulting has been hired to continue providing reviews of all tax credit and PBV tenant income certifications to ensure ongoing compliance.

1508 Broadway, which has 8 units, is no longer public housing as of Jan 1, 2016 through the RAD de minimis process. There were 3 vacant units at the time of conversion, which were rented to chronically homeless tenants who are frequent users of emergency medical services through the FUSE program. The FUSE program is a partnership with Avalon, U-M Medical Center and many other community partners. The 5 existing tenants have a choice to either continue living at 1508 Broadway with a voucher or they can move to North Maple Estates after it is constructed.