



**ANN ARBOR HOUSING COMMISSION**

**Fiscal Year 2014  
July 1, 2014 – June 30, 2015  
One Year Annual Plan  
FINAL**

## **Table of Contents**

<b>Section 1.0: PHA Information .....</b>	<b>1</b>
<b>Section 2.0: Inventory .....</b>	<b>1</b>
<b>Section 3.0: Submission Type .....</b>	<b>1</b>
<b>Section 4.0: PHA Consortia.....</b>	<b>1</b>
<b>Section 5.0: 5-Year Plan.....</b>	<b>1</b>
5.1 Mission .....	1
5.2 Goals and Objectives.....	1
<b>Section 6.0(a) Revisions .....</b>	<b>2</b>
A. Public Housing Admissions and Continued Occupancy Policy Changes .....	2
B. Housing Choice Voucher Administrative Policy Changes .....	4
C. Proposed Policy Changes for FY 13/14 .....	8
<b>Section 6.0 (b): Plan Locations.....</b>	<b>11</b>
<b>Section 7.0: Programs .....</b>	<b>11</b>
A. Rental Assistance Demonstration (RAD) project .....	11
B. Project Based Voucher Program .....	18
C. Homeownership Programs .....	19
<b>Section 8.0: Capital Improvements .....</b>	<b>19</b>
Section 8.1: Capital Fund Program Annual Statement/Performance and Evaluation Report ..	19
Section 8.2: Capital Fund Program Five-Year Action Plan .....	19
Section 8.3: Capital Fund Financing Programs (CFFP).....	19
<b>Section 9.0: Housing Needs .....</b>	<b>19</b>
Section 9.1 Strategy for Addressing Housing Needs .....	20
A. Current Programs AAHC Administers .....	21
B. Financial Resources .....	21
<b>Section 10.0 (a): Additional Information .....</b>	<b>22</b>
<b>Section 10.0 (b): Additional Information .....</b>	<b>24</b>
<b>Section 11.0: Required Information to Submit to HUD .....</b>	<b>25</b>
<b>Challenged Elements.....</b>	<b>25</b>

**Resident Advisory Board and other Resident Comments..... 26**

**Acronyms and Definitions ..... 27**

**Ann Arbor Housing Commission Property List ..... 29**

**Appendices**

**Repayment Agreement Policy.....30**

**Form 50077**

Certifications of compliance with PHA Plans and Related Regulations

**Form 50077-CR**

Civil Rights Certification

**Form 50077-SL**

Certification by State or Local Official of PHA Plans Consistency with the Consolidated Plan

**Form 50070**

Certification for Drug Free Workplace

**Form 50071**

Certification of Payments to Influence Federal Transactions

**Form SF-LLL**

Disclosure of Lobbying Activities

**Form SF-LLL-A**

Disclosure of Lobbying Activities Continuation Sheet – not applicable

<b>PHA 5-Year and Annual Plan</b>	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Form 50075
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**Section 1.0: PHA Information**

PHA Name: Ann Arbor Housing Commission  
 PHA Code: MI-064  
 PHA Type:  Small  High Performing  Standard  HCV (Section 8)  
 PHA Fiscal Year Beginning: (MM/YYYY): 07/2014

**Section 2.0: Inventory** (based on ACC units at time of FY beginning in 1.0 above)

Number of PH units: 354 Number of HCV units: 1333 + 175 VASH

**Section 3.0: Submission Type**

5-Year and Annual Plan  Annual Plan Only  5-Year Plan Only

**Section 4.0: PHA Consortia (NOT APPLICABLE)**

PHA Consortia		<input type="checkbox"/> PHA Consortia: (Check box if submitting a joint Plan and complete table below.)			
Participating PHAs	PHA Code	Program(s) Included in the Consortia	Programs Not in the Consortia	No. of Units in Each Program	
				PH	HCV
PHA 1:					
PHA 2:					
PHA 3:					

**Section 5.0: 5-Year Plan.** Complete items 5.1 and 5.2 only at 5-Year Plan update.

(NOT APPLICABLE for 1-year plan)

**Section 5.1: Mission.**

State the PHA’s Mission for serving the needs of low-income, very low-income, and extremely low income families in the PHA’s jurisdiction for the next five years:

(NOT APPLICABLE for 1-year plan)

**Section 5.2: Goals and Objectives.**

Identify the PHA’s quantifiable goals and objectives that will enable the PHA to serve the needs of low-income and very low-income, and extremely low-income families for the next five years. Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan.

(NOT APPLICABLE for 1-year plan)

**Section 6.0 (a) Revisions** Identify all PHA Plan elements that have been revised by the PHA since its last Annual Plan submission:

A more thorough description of the PHA Plan Elements is included in the Agency's Five Year Plan, and when applicable, the relevant Chapter of the Public Housing Admissions and Continued Occupancy Policy (ACOP) or Section 8 Administrative Plan is referenced. This document is intended to provide information related to changes among the PHA Plan Elements that have occurred during the current FY13-14 or which are anticipated to occur in the coming FY14-15. The ACOP and Administrative Plans were reviewed and updated in their entirety in June 2012 to ensure that the AAHC's policies were compliant with HUD and to adopt policies to increase administrative efficiencies.

The Section 8 program and Housing Choice Voucher program are used interchangeably in this document. See Admissions and Continued Occupancy Policy (ACOP) and Administrative Policy on the AAHC website at [www.a2gov.org/housingcommission](http://www.a2gov.org/housingcommission) or at the Miller, Baker or Ashley Office to review the full policy

#### **A. Public Housing Admissions and Continued Occupancy Policy Changes**

##### **CHAPTER 4 - APPLICATIONS, WAITING LISTS AND TENANT SELECTION**

*The AAHC has been approved by HUD to do a portfolio conversion of all of its public housing units to project-based vouchers (PBV). Under the PBV program, the PHA may designate its existing public housing waitlist as the PBV waitlist. The AAHC has elected to do this to cause minimal impact. All of the same waitlist rules will apply for PBV that currently exist under public housing. The AAHC units will convert in phases over several years. As a household is pulled from the waitlist, the household is eligible for both the remaining public housing units and the newly converted PBV units as vacancies arise. Once all of the AAHC public housing units are converted to PBV, there will only be PBV units available to the waitlist.*

##### **CHAPTER 16 – PROGRAM ADMINISTRATION**

###### ***Section 16 II: Flat Rents & Ceiling Rents***

*HUD requires that no later than June 2014, PHAs must establish flat rents at no less than 80 percent of HUD's fair market rent (FMR) for the PHA's jurisdiction.*

- *Ceiling rents must be adjusted to the same level as flat rents.*
- *If the new flat rent amount will increase a family's rent payment by more than 35 percent, an exception will allow for the new flat rent amount to be phased in to ensure the family rent payment will not increase more than 35 percent annually.*
- *The AAHC is setting the flat rent at 80% of the FMR, which does not increase any families current flat rent more than 35%*
- *The AAHC is setting the ceiling rent at 80% of FMR*

*The following example, illustrates how the new flat rent would be calculated and phased in:*

	FMR	80% of FMR	Current Flat Rent
1 BR	803	642	548 -578
2 BR	952	762	650-707
3 BR	1301	1041	841-965
4 BR	1686	1349	1016-1047
5 BR	1939	1551	1169-1205

## **CHAPTER 8 – LEASING AND INSPECTIONS**

### ***Parking policy***

*All resident owned vehicles must be registered with the Ann Arbor Housing Commission.*

*Registration involves completing a Vehicle Registration (Exhibit 9-1) for each vehicle owned by a member of the public housing tenant household. A copy of the vehicle’s current registration and a document from the insurance provider which shows the family is insured, and which lists all family insured vehicles must be provided with the registration form.*

*One sticker will be provided for each household with a properly registered vehicle, identifying their status as resident and their right to park in the residential lot. Tenants may only park the registered vehicle with the parking sticker in a PHA parking spot. Unregistered vehicles and registered vehicles without a parking sticker are subject to being towed. Stickers are to be attached to the rear window, in a manner that’s easily visible to Housing Commission staff and/or their designees*

*If a tenant identifies an unregistered vehicle in a PHA parking lot and wishes to make a complaint, they may contact the PHA. The PHA may contact a local towing company and request the towing company to sweep the parking lot to identify and tow unregistered vehicles on PHA premises.*

## **CHAPTER 9 – REEXAMINATIONS**

*If the family transfers to a new unit, the PHA will perform a new annual reexamination, and the anniversary date will not be changed.*

*A family participating in the Family Self-Sufficiency program that reports an increase in income will have an interim reexamination conducted. If it results in an increase in rent, the rent increase will take effect on the first day of the month following the completed reexamination. The purpose is to allow the family to escrow any increase in rent.*

## **CHAPTER 14 – GRIEVANCES AND APPEALS**

The ACOP currently states that “The PHA is not located in a due process state, therefore it must grant opportunity for grievance hearings for all lease terminations, regardless of cause.”

*However, Michigan is a due process state and therefore the AAHC is not required to and therefore will not provide grievances for any termination of tenancy or eviction that involves:*

- *Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises of other residents or employees of the PHA;*
- *Any violent or drug-related criminal activity on or off the premises.*
- *Any criminal activity that resulted in felony conviction of a household member.*

## **CHAPTER 16 – PROGRAM ADMINISTRATION**

*Please see the attached Repayment Agreement Policy in the Appendix*

## **CHAPTER 17 – PUBLIC HOUSING SELF SUFFICIENCY & ACTION PLAN**

*The entire 21 page chapter was updated to match the Housing Choice Voucher Family Self-Sufficiency program for consistency.*

*In addition, a family participating in the Family Self-Sufficiency program that reports an increase in income will have an interim reexamination conducted. If it results in an increase in rent, the rent increase will take effect on the first day of the month following the completed reexamination. The purpose is to allow the family to escrow any increase in rent.*

## **LEASE PROVISIONS**

- 1) **Non-Smoking Policy** adopted by the board July 2013: To insure the quality of air and the safety of residents in all housing owned and operated by the Ann Arbor Housing Commission, the Commission has declared that all residential buildings shall be smoke free. Smoking is not permitted in any area of the buildings, including apartments, effective July 1, 2014. Smoking is only permitted in specifically designated areas outside of the building except for buildings that have a designated indoor smoking room with a separate ventilation system to minimize degradation of the air quality in the rest of the building. All tenants, employees and guests must abide by these rules and regulations.
- 2) **Asbestos Disclosure:** An Operations and Maintenance Manual for Asbestos Containing Materials was adopted and an Asbestos Disclosure Form was mailed to every household to sign.
- 3) **Satellite Dishes:** As of July 1, 2014, Satellite dishes will be banned from all properties and the AAHC will begin removing them as we rehabilitate units through the RAD conversion process. Residents will be responsible for the cost of removing satellite dishes & repairs if any are installed after July 1, 2014.

### **B. Housing Choice Vouchers Administrative Policy Changes**

## **CHAPTER 4 – APPLICATIONS, WAITING LIST AND TENANT SELECTION**

**4-I.B. Applying for assistance** *Applications will only be received through the online application process unless the household is applying through the special waitlist for homeless households. An exception will be made in cases of the need for a reasonable accommodation. Applications must be complete in order to be accepted by the PHA for processing. If an application is incomplete, the PHA will notify the family of the additional information required.*

**4-II.B. Organization of the waiting list** *The AAHC will convert the existing public housing waitlist to a project-based voucher waitlist as part of the conversion of all of the AAHC housing units under RAD. The AAHC will maintain at least 5 waitlists:*

- *Housing Choice Voucher (Section 8) waitlist*
- *Project Based Voucher waitlist for the AAHC's RAD and any other AAHC project-based vouchers (including public housing units that will be converting to PBV under RAD)*
- *Existing RAD PBV tenants that are eligible for an HCV*
- *Project-based voucher waitlist for each PBV property not owned by the AAHC*
- *Open waitlist as a preference for homeless households that the AAHC has contracts with local service providers to provide services to these households*

*As HCV vouchers become available, the AAHC will first fill those voucher slots from any commitments to homeless households through the special waitlist, then the AAHC will pull an equal number of waitlist applicants from the HCV waitlist and the RAD tenants that are eligible for an HCV.*

*The VASH voucher waitlist is administered separately by the VA and VASH vouchers will be provided as they become available.*

**4-III.C. Selection method** *In the case of a Federally declared disaster, the PHA reserves the right for its Executive Director to suspend its preference system for whatever duration the Executive Director feels is appropriate and to admit victims of the disaster to the program instead of those who would be normally admitted.*

*Any other provisions of this policy can also be suspended during the emergency at the discretion of the Executive Director so long as the provision suspended does not violate a law. If regulatory waivers are necessary, they shall be promptly requested of the HUD Assistant Secretary for Public and Indian Housing.*

*Families that have been involuntarily displaced due to a fire, natural disaster or any other reason that are Washtenaw County residents, Public Housing residents or residents in any other affordable housing program administered by the Ann Arbor Housing Commission.*

## **CHAPTER 5 – BRIEFINGS AND VOUCHER ISSUANCE**

### **5-II.C. EXCEPTIONS TO SUBSIDY STANDARDS**

**Determining family unit voucher size:** *The PHA will consider granting an exception for any of the reasons specified in the regulation: the age, sex, health, handicap, or relationship of family members or other personal circumstances.*

*The family must request any exception to the subsidy standards in writing. The request must explain the need or justification for a larger family unit size, and must include appropriate*



documentation. Requests based on health-related reasons must be verified by a knowledgeable professional source (e.g., doctor or health professional), unless the disability and the disability-related request for accommodation is readily apparent or otherwise known. The family's continued need for an additional bedroom due to special medical equipment must be re-verified at annual reexamination.

The PHA will notify the family of its determination within 10 business days of receiving the family's request. If a participant family's request is denied, the notice will inform the family of their right to request an informal hearing.

**Payment Standard**

Bed Size	Monroe				Washtenaw				W. Wayne			
	2013 PS	2014 FMR	2014 % of FMR	2014 PS	2013 PS	2014 FMR	2014 % of FMR	2014 PS	2013 PS	2014 FMR	2014 % of FMR	2014 PS
0	\$494	\$502	98%	\$494	\$649	\$666	97%	\$649	\$446	\$508	92%	\$467
1	\$618	\$628	98%	\$618	\$728	\$803	93%	\$747	\$665	\$646	93%	\$600
2	\$766	\$843	95%	\$800	\$886	\$952	95%	\$904	\$796	\$843	95%	\$799
3	\$1000	\$1086	92%	\$1000	\$1115	\$1301	93%	\$1210	\$986	\$1124	92%	\$1034
4	\$1102	\$1285	92%	\$1182	\$1517	\$1686	94%	\$1579	\$1076	\$1228	92%	\$1130
Overall % Change			9%				9%				7%	

**CHAPTER 6 – INCOME AND SUBSIDY DETERMINATIONS**

**6-III.A. OVERVIEW OF RENT AND SUBSIDY CALCULATIONS**

**Utility Reimbursement [24 CFR 982.514(b)]**

When the PHA subsidy for a family exceeds the rent to owner, the family is due a utility reimbursement. HUD permits the PHA to pay the reimbursement to the family or directly to the utility provider.

PHA Policy

The PHA will make utility reimbursements to the family. The PHA is in the process of establishing a process to pay the reimbursement directly to the utility provider. Once this process is in place, families will be required to provide their utility account(s) information. An exception will be made in cases of the need for a reasonable accommodation.

**6-I.G. ASSETS [24 CFR 5.609(b)(3) and 24 CFR 5.603(b)]**

**Imputing Income from Assets [24 CFR 5.609(b)(3), Notice PIH 2012-29]**

PHA Policy

The PHA will initially set the imputed asset passbook rate at the national rate established by the Federal Deposit Insurance Corporation (FDIC).

*The PHA will review the passbook rate annually, in December of each year. The rate will not be adjusted unless the current PHA rate is no longer within 0.75 percent of the national rate. If it is no longer within 0.75 percent of the national rate, the passbook rate will be set at the national rate.*

*Changes to the passbook rate will take effect on February 1, following the December review.*

## **CHAPTER 7: VERIFICATION**

### **7-III.E. ASSETS AND INCOME FROM ASSETS**

#### **Assets Disposed of for Less than Fair Market Value**

##### PHA Policy

*The PHA will verify the value of assets disposed of only if:*

*Where the family has net family assets in excess of \$5,000, the PHA will obtain supporting documentation from the family to confirm the assets.*

*The PHA does not already have a reasonable estimation of its value from previously collected information, or*

*The amount reported by the family in the certification appears obviously in error.*

## **Chapter 11: REEXAMINATIONS**

### **11-I.C. CONDUCTING ANNUAL REEXAMINATIONS**

#### **Reexamination For Elderly And Disabled Families on Fixed Incomes**

*HUD allows PHAs to conduct a streamlined reexamination of income for elderly families and disabled families when 100 percent of the family's income consists of fixed income. In a streamlined reexamination, PHAs will recalculate family incomes by applying any published cost of living adjustments to the previously verified income amount.*

*The term "fixed income" includes income from:*

- *Social Security payments to include Supplemental Security Income (SSI) and Supplemental Security Disability Insurance (SSDI);*
- *Federal, State, local and private pension plans; and*

*Other periodic payments received from annuities, insurance policies, retirement funds, disability or death benefits, and other similar types of periodic receipts that are of substantially the same amounts from year to year.*

### **11-I.E. EFFECTIVE DATES**

The PHA must establish policies concerning the effective date of changes that result from an annual reexamination [24 CFR 982.516].

##### PHA Policy

*In general, an increase in the family share of the rent that results from an annual reexamination will take effect on the family's anniversary date, and the family will be notified at least 35 days in advance.*

## **CHAPTER 12: TERMINATION OF ASSISTANCE AND TENANCY**

### **12-I.E. MANDATORY POLICIES AND OTHER AUTHORIZED TERMINATIONS**

#### ***Medical Marijuana Usage***

*Participants who use marijuana in compliance with the state Medical Marijuana Act will, as an accommodation of their disability, not be terminated from the HCV program, provided that they submit a request for a reasonable accommodation which is approved by the PHA in accordance with Ann Arbor Housing Commission HCV Administrative Plan.*

## **Chapter 15: SPECIAL HOUSING TYPES**

### **15-VII.K. HOMEOWNERSHIP ASSISTANCE PAYMENTS AND HOMEOWNERSHIP EXPENSES**

#### **PHA Policy**

*The family must provide a banking account for the PHA to deposit Housing Assistance Payments to. The family is responsible for making the full mortgage payment to the mortgage lender.*

## **CHAPTER 16: PROGRAM ADMINISTRATION**

*Please see the attached Repayment Agreement Policy in the Appendix*

### **16-III.C. INFORMAL HEARINGS FOR PARTICIPANTS**

#### **Decisions Subject to Informal Hearing**

#### **PHA Policy**

*The PHA will only offer participants the opportunity for an informal hearing when required to by the regulations.*

*Informal review (including file review) will not be offered to participants for disputes beyond one year of the reason for termination or any decision subject to formal hearing.*

### **16-IX.F. VAWA MOVES WITH CONTINUED ASSISTANCE**

- *The family must be current on rent or other obligations in the housing choice voucher program (including any tenant caused damage to the unit).*

#### **C. Proposed Policy Changes for FY 13/14**

**PUBLIC HOUSING & VOUCHER PROGRAM TEMPORARY COMPLIANCE ASSISTANCE DUE TO SEQUESTRATION**

HUD has issued guidelines on temporary compliance assistance for PHA’s to streamline administrative costs during this time of decreased resources. These temporary provisions are available until March 31, 2014 unless made permanent by HUD. These provisions apply to both the public housing ACOP and the voucher program Administrative Policy.

**CHAPTER 5: BRIEFINGS AND VOUCHER ISSUANCE**

**5-I.C. Family Obligations [24 CFR 982.551]**

*Escrow: a participant family may withhold rent for legitimate reasons. State law gives tenants the right to withhold rent if the landlord does not provide adequate maintenance. The rental unit must be kept in reasonable repair, and must comply with the conditions of all applicable health and safety codes. The tenant has a right to rent abatement (escrow) if a landlord:*

- Violated an agreement of the lease
- Failed to maintain the premises in reasonable repair, and/or
- Failed to comply with city or state housing codes

*An escrow account must be established and maintained by a third party, such as a savings account separate from the participant family current account, an "official" escrow account through a bank, or a Court Escrow Account.*

*The participant family must provide the PHA proof of escrow for any rent withheld, in accordance to state law, within 10 days of establishing the account.*

**Payment Standard**

HUD requires PHA’s to adopt policies that provide voucher recipients the opportunity for mobility and the ability to live in low-poverty neighborhoods in order to de-concentrate poverty and therefore the AAHC has adopted a payment standard just for the census tracts in the City of Ann Arbor that are at 110% of FMR.

	efficiency	1 bdr	2 bdr	3 bdr	4 bdr
<b>110% FMR (Ann Arbor)</b>	\$733	\$883	\$1,047	\$1,431	\$1,855

*Ann Arbor Census Tracts*

4001	4002	44003	4004	4005	4006	4007	4008
4021	4022	4023	4025	4026	4027	4031	4032
4033	4034	4035	4036	4038	4041	4042	4043
4044	4045	4046	4051	4052	4053	4054	4055
4056							

## **CHAPTER 8: HOUSING QUALITY STANDARDS AND RENT REASONABLENESS DETERMINATIONS**

### **8-II.A. OVERVIEW [24 CFR 982.405]**

#### **Types of Inspections**

*The PHA conducts the following types of inspections as needed. Each type of inspection is discussed in the paragraphs that follow.*

- *Biennial Inspections. HUD allows the PHA to inspect each unit under lease biennially to confirm that the unit still meets HQS. The PHA may accepted the findings of an alternative inspection (initial and existing voucher assisted units) including inspections conducted pursuant to requirements under the LIHTC and HOME or other Federal, State, or local housing assistance programs.*

## **CHAPTER 10: MOVING WITH CONTINUED ASSISTANCE AND PORTABILITY**

### **PART I: MOVING WITH CONTINUED ASSISTANCE**

#### **10-I.A. ALLOWABLE MOVES**

*The PHA will request verification that Serious and repeated lease violations will include, but not be limited to, nonpayment of rent, disturbance of neighbors, destruction of property, or living or housekeeping habits that cause damage to the unit or premises, and criminal activity. Generally, the criterion to be used will be whether or not the reason for the eviction was the fault of the tenant or guests.*

#### **10-I.B. RESTRICTIONS ON MOVES**

##### **Restrictions on Elective Moves [24 CFR 982.314(c)]**

###### PHA Policy

*The PHA will also deny a family permission to move if rent to owner is past due. This policy applies to all assisted families residing in the PHA's jurisdiction.*

## **Chapter 11: REEXAMINATIONS**

### **11-II.C. CHANGES AFFECTING INCOME OR EXPENSES**

#### **PHA-Initiated Interim Reexaminations**

###### PHA Policy

*The PHA will conduct interim reexaminations in each of the following instances:*

*The PHA will conduct an interim reexamination at any time for families participating in the Family Self-Sufficiency (FSS) program, in an effort to increase family's escrow accounts.*

## **CHAPTER 16: PROGRAM ADMINISTRATION**

### **16-IX.F. VAWA MOVES WITH CONTINUED ASSISTANCE**

- *The tenant remaining after bifurcation must be given an opportunity to establish program eligibility and, if that fails, a reasonable time to find new housing or establish eligibility in another program.*

**EXHIBIT 16-3: UTILITY ALLOWANCE SCHEDULE METHODOLOGY**

**UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS**

*The utility allowance is intended to help defray the cost of utilities not included in the rent and is subtracted from Total Tenant Payment to establish the family’s rent to the landlord. The allowances are based on actual rates and average consumption studies, not on a family’s actual consumption. The Housing Commission (HC) will review the utility allowance schedule on an annual basis and revise it if needed. The approved utility allowance schedule is given to families along with their Voucher. The utility allowance to be applied will be based on the actual voucher size (subsidy standard) issued to the family. By request of the family, the PHA must approve a utility allowance that is higher than the applicable utility schedule if a higher utility allowance is needed as a reasonable accommodation to make the HCV program accessible.*

**Section 6.0 (b) Plan Locations**

Identify the specific location(s) where the public may obtain copies of the 5-Year and Annual PHA Plan. For a complete list of PHA Plan elements, see Section 6.0 of the instructions.

- 406 N. Ashley St– AAHC administrative offices
- 727 Miller Ave – AAHC administrative offices
- 106 Packard Rd – AAHC administrative offices
- 100 N. Fifth Ave – City Clerk’s Office City Hall
- Resident Councils at Baker Commons, Hikone, Green-Baxter Court
- AAHC website <http://www.a2gov.org/housingcommission/>

**Section 7 Programs**

Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers. *Include statements related to these programs as applicable.*

**A. RENTAL ASSISTANCE DEMONSTRATION (RAD) PROJECT**

The Ann Arbor Housing Commission (AAHC) is amending its annual PHA Plan because it was a successful applicant in the Rental Assistance Demonstration (RAD). As a result, the AAHC will be converting to Project Based Vouchers under the guidelines of PIH Notice 2012-32, REV-1 and any successor Notices. Upon conversion to Project Based Vouchers the Commission will adopt the resident rights, participation, waiting list and grievance procedures listed in Section 1.6.C & 1.6.D of PIH Notice 2012-32, REV-1 as outlined below. Additionally, the AAHC is currently compliant with all fair housing and civil rights requirements and is not under a Voluntary Compliance Agreement.

RAD was designed by HUD to assist in addressing the capital needs of public housing by providing AAHC with access to private sources of capital to repair and preserve its affordable housing assets. Please be aware that upon conversion, the Commission's Capital Fund Budget will be reduced by the pro rata share of Public Housing Developments converted as part of the Demonstration, and that AAHC may also borrow funds to address their capital needs. The AAHC will also be contributing Operating Reserves in the approximate amount of \$300,000 and Capital Funds in the approximate amount of \$800,000 towards the conversion.

AAHC has applied for and been awarded authority to convert all of its public housing properties under the RAD program. The following chart displays the RAD conversion plan for AAHC's entire public housing portfolio.

<b>RAD Project</b>	<b>Public Housing Property Name</b>	<b>Property Type</b>	<b>Current Public Housing Units</b>	<b>Proposed Total Units</b>	<b>Proposed RAD Units</b>	<b>Proposed Non-RAD Units</b>	<b>Net Change (from Public Housing to RAD)</b>
Phase 1	S. Seventh	Family	8	8	8	-	-
	Hillside	Family	6	6	6	-	-
	Mallet's Creek	Family	6	6	6	-	-
	Upper Platt	Family	5	5	5	-	-
	Oakwood	Family	3	3	-	3	(3)
Phase 2	S. Maple	Family	29	29	29	-	-
	Miller	Senior/Disabled	103	106	86	20	(17)
Phase 3	N. Maple Estates	Family	19	42	29	13	10
	N. Maple Duplexes	Family	4	4	4	-	-
	Lower Platt	Family	4	24	20	4	16
Phase 4	Broadway	Senior/Disabled	20	16	4	12	(16)
	White/State/Henry	Family	28	33	23	10	(5)
Scattered Sites	Green Baxter	Family	23	23	23	-	-
	Baker	Senior/Disabled	64	64	64	-	-
	Hikone	Family	29	29	29	-	-
De Minimis Disposition	W. Washington	Senior/Disabled	2	-	-	-	(2)
	Evelyn Court	Family	1	-	-	-	(1)
<b>Total Units</b>			<b>354</b>	<b>398</b>	<b>336</b>	<b>62</b>	<b>(18)</b>

The conversion of public housing units under RAD to Section 8 units, either under the project-based voucher (PBV) Section 8 program will shift the converted units into a different regulatory program. As a result, the RAD converted units will no longer be subject to public housing portions of our agency's annual plans. They will, however, become subject to the rules of the applicable Section 8 program, as modified by a few rules specific to RAD converted units. These specific RAD-related rules are intended to apply a few important provisions of the public housing rules to the RAD converted units, even though they would not normally be applicable in the Section 8 context.

The following five transactions have been approved for a RAD conversion by HUD, subject to compliance with the requirements of the RAD notice, including the resident consultation requirements.

**Phase 1 – South Seventh, Hillside, Mallet’s Creek, Upper Platt, Oakwood Properties – Family Developments**

Under the RAD conversion of the Phase I properties, 25 of the current public housing units will be converted to RAD Section 8 units and three (3) units will be converted to non-RAD affordable units through a de minimis reduction. There will be no change in the bedroom distribution of units and there will be no change in the type of units. The current and post conversion unit information is:

<u>Unit Type</u>	<u>Number of Bedrooms</u>	<u>Current PH Units</u>	<u>Proposed RAD Units</u>	<u>Proposed Non-RAD Units</u>
Family	1 BR	9	9	0
Family	2 BR	2	2	0
Family	3 BR	13	13	0
Family	4 BR	1	1	0
Family	5 BR	3	0	3
<b>Total</b>		<b>28</b>	<b>25</b>	<b>3</b>

**Phase 2 – South Maple, Miller Properties – Family and Elderly/Disabled Developments**

Under the RAD conversion of the Phase 2-properties, three new units will be created, 115 of the current public housing units will be converted to RAD Section 8 units, and 20 units will be converted to non-RAD project-based VASH units. The conversion will result in a de minimis reduction of (10) units, the addition of 3 units and replacement of 7 units at North Maple Estates. The current and post conversion unit information is:

<u>Unit Type</u>	<u>Number of Bedrooms</u>	<u>Current PH Units</u>	<u>Proposed RAD Units</u>	<u>Proposed Non-RAD Units</u>
Family	1 BR	98	81	20
Family	2 BR	5	5	0
Family	2 BR	10	10	0
Family	3 BR	14	14	0
Family	4 BR	5	5	0
<b>Total</b>		<b>132</b>	<b>115</b>	<b>20</b>

**Phase 3 – North Maple Estates, North Maple Duplexes, Lower Platt Properties, Family Developments**

Under the RAD conversion of the Phase 3-properties, 23 current public housing units will be demolished and 66 units will be newly constructed and 4 units will be rehabilitated. The new development will consist of 53 RAD Section 8 units and 17 non-RAD



affordable units. The conversion will result in (2) de minimus units. The current and post conversion unit information is:

<u>Unit Type</u>	<u>Number of Bedrooms</u>	<u>Current PH Units</u>	<u>Proposed RAD Units</u>	<u>Proposed Non-RAD Units</u>
Family	1 BR	0	16	0
Family	2 BR	0	12	0
Family	3 BR	4	4	10
Family	4 BR	10	10	4
Family	5 BR	13	11	3
<b>Total</b>		<b>27</b>	<b>53</b>	<b>17</b>

**Phase 4 – Broadway, White/State/Henry Properties, Family and Elderly/Disabled Developments**

Under the RAD conversion of the Phase 3-properties, 48 current public housing units will be demolished or substantially rehabbed for a total of 49 units. The new development will consist of 27 RAD Section 8 units and 22 affordable units. The current and post conversion unit information is:

<u>Unit Type</u>	<u>Number of Bedrooms</u>	<u>Current PH Units</u>	<u>Proposed RAD Units</u>	<u>Proposed Non-RAD Units</u>
Family	1 BR	34	25	15
Family	2 BR	14	2	7
<b>Total</b>		<b>48</b>	<b>27</b>	<b>22</b>

**Scattered Sites (East) – Green Baxter, Baker, Hikone Properties, Family and Elderly/Disabled Developments**

Under the RAD conversion of the Scattered Site (East) properties, there will be no change in the number of units; there will be no change in the bedroom distribution of units and there will be no change in the type of units. The current and post conversion unit information is:

<u>Unit Type</u>	<u>Number of Bedrooms</u>	<u>Current PH Units</u>	<u>Proposed RAD Units</u>	<u>Proposed Non-RAD Units</u>
Family	1 BR	16	16	16
Family	2 BR	12	12	12
Family	3 BR	4	4	4
Family	4 BR	10	10	10
Family	5 BR	11	11	11
<b>Total</b>		<b>116</b>	<b>116</b>	<b>116</b>

**Resident Rights, Participation, Waiting List and Grievance Procedures**

Any public housing units converting to assistance under long-term project based vouchers shall be subject to the program rules applicable to project based vouchers as of the effective date of conversion and shall no longer be subject to the program rules applicable to public housing. They shall be subject to the regulatory and statutory requirements of the RAD PBV program as set forth in the following:

- Section 1.6 of HUD Notice PIH-2012-32 (HA), Subject: Rental Assistance Demonstration – Final Implementation, Issued July 26, 2012 which sets forth alternative requirements imposed upon RAD PBV units, and
- All other regulatory and statutory requirements of the PBV program in 24 CFR Part 983 and Section 8(o)(13) of the United States Housing Act of 1937.

Any public housing units converting to assistance under long-term project based rental assistance shall be subject to the program rules applicable to project based rental assistance as of the effective date of conversion and shall no longer be subject to the program rules applicable to public housing. They shall be subject to the regulatory and statutory requirements of the RAD PBRA program as set forth in the following:

- Section 1.7 of HUD Notice PIH-2012-32 (HA), Subject: Rental Assistance Demonstration – Final Implementation, Issued July 26, 2012 which sets forth alternative requirements imposed upon RAD PBRA units, and
- All other regulatory and statutory requirements of the PBRA program in 24 CFR Part 880.

In general, the properties converted under RAD will be operated consistent with the Agency’s project based voucher program rules to the extent not specifically required to operate in a different manner by the applicable regulations and notices referenced above.

The following table lists out each of the provisions affecting residents’ rights and participation, waiting list and grievance procedures for both PBV and PBRA.

<b>Project Based Voucher (PBV) Requirements (Section 1.6.C of PIH Notice 2012-32)</b>
1. No re-screening of tenants upon conversion;
2. Resident right to return if relocated as a result of conversion;
3. Phase-in of tenant rent increase:  If the rent increase is the greater of 10% or \$25, the increase will be phased in over 3 years or up to five years, as determined by the PHA;
4. Continued eligibility for PH-FSS and ROSS-SC programs;

**5. Resident Participation and Funding.**

Residents will have the right to establish and operate a resident organization and be eligible for resident participation funding. See Attachment 1B of PIH Notice 2012-032.

**6. Termination notification:**

PHA must provide written notification of lease termination within a reasonable time:

- i. not to exceed 30 days if health or safety of other tenants, PHA employees or persons residing in the vicinity are threatened or in the event of drug-related or violent criminal activity or any felony conviction;
- ii. 14 days for non-payment of rent;
- iii. 30 days in any other case unless State or local law provide for a shorter time period.

**7. Grievance process**

See PIH Notice 2012-32 Section 1.6.C.7

**8. Establishment of Waiting List**

See PIH Notice 2012-32 Section 1.6D

**9. Resident Participation and Funding**

See PIH Notice 2012-32 Attachment 1B.2

**10. Renewal of Lease**

PHA's are required to renew the lease at expiration unless good cause exists for non-renewal.

**Site Selection and Neighborhood Standards Review**

While AAHC does not currently contemplate a Transfer of Assistance under the RAD conversion plan, the following table lists out each of the required elements a Site and Neighborhood Standards Review in the event of a Transfer of Assistance. A Site and Neighborhood Standards review will be conducted in conjunction with the Financing Plan stage in the event of a proposed transfer.

1. For All Transfers:	<p>Description of the new site and how it is adequate for the needs of the tenants and is consistent with or furthers the goal of deconcentrating poverty.</p> <p>Various methods for demonstrating furthering the goals of deconcentrating poverty include:</p> <ul style="list-style-type: none"> <li>• Mixed income developments;</li> </ul>
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	<ul style="list-style-type: none"> <li>• Development in a HUD Enterprise Zone, Economic Community, Renewal Community or a Revitalization Zone, including any areas where current or future HOPE VI or Choice Neighborhoods Initiative developments exist.</li> </ul>
2. If transferring assistance to an area of concentrated poverty:	Examination of whether the poverty rate has declined in the area, and whether your development will lead to an increase or decrease in poverty in the census tract.
3. If transferring assistance to a development qualifying as new construction in an area of minority concentration:	<ol style="list-style-type: none"> <li>1) Sufficiency of comparable opportunities for minority families in the income range to be served by the project outside areas of minority concentration; <ul style="list-style-type: none"> <li>○ Please examine 24 CFR §983.57(e)(3)(iv) &amp; (v) to see more on comparable opportunities.</li> </ul> </li> <li>2) If there is an overriding housing need, which includes whether this is an integral part of an overall redevelopment strategy in a revitalizing area; <ul style="list-style-type: none"> <li>○ Please see 24 CFR §983.57(e)(3)(vi) for more information on overriding housing needs.</li> </ul> </li> </ol>

**Relocation Plans**

AAHC will be required to temporary relocate residents during the renovation process at all of the properties undergoing a RAD conversion. As detailed relocation plans are developed, they are added to the AAHC website. AAHC will complete the required RAD Accessibility and Relocation Checklist and submit them with the Financing Plan as each conversion transaction moves forward.

**Impact on Capital Fund Grants, CFFP, and RHF**

For each public housing property converted from public housing to Section 8 under the RAD program, a pro-rata portion of AAHC’s current and future Capital Fund Budget grants will be reduced, as this budget amount will be transferred to the Section 8 property contract rent amount.

The RAD conversions described above will not impact any existing Capital Fund Financing Program (CFFP) and will not utilize Replacement Housing Factor (RHF) funds to facilitate the conversions.

## **CHANGES IN ELIGIBILITY, ADMISSION, SELECTION AND OCCUPANCY**

There are very few expected changes in eligibility, admission, selection, and occupancy of units policies as a result of the RAD conversion other than those required by the project-based voucher program under 24 CFR Part 983. The AAHC's Administration Plan includes a chapter on Project Based Vouchers in Chapter 17. The following changes are known based on the difference between HUD public housing regulations and HUD project-based voucher regulations:

- 1) **Earned Income Disability** – public housing residents are eligible even if they are not disabled. A public housing resident that is utilizing the EID, will continue to be eligible after conversion, even if they are not disabled. However, new residents in PBV units will only be eligible if they are disabled.
- 2) **Public Housing Income limits** are 80% AMI and PBV income limits are 50% AMI. At the time of conversion, an over-income tenant is allowed to stay in a RAD PBV unit and the unit will remain assisted until the tenant moves. However, if the unit also has Low Income Housing Tax Credit Financing, the tenant must meet the LIHTC income limits. The AAHC will offer public housing residents who are over-income and living in a unit that will be receiving LIHTC, an opportunity to move into a RAD PBV unit that does not have LIHTC restrictions.
- 3) **Lease Terminations for Public Housing units** allow 14-day notice for nonpayment, up to 30-days notice for activities that threaten others or for drug or other violent crimes. PBV units are required to follow state and local laws
- 4) **Over or under-housed tenants** will be relocated to an appropriate sized unit after rehabilitation is completed as a result of the conversion from public housing to PBV.

## **B. PROJECT BASED VOUCHER PROGRAM**

The AAHC may commit up to 20% of its Housing Choice Vouchers to Project-Based Vouchers (not including the PBVs in the RAD program).

1. **Non-Profit Housing Providers** – The AAHC anticipates providing PBVs for local nonprofit housing providers that are providing permanent supportive housing for extremely low-income households, households with special needs, and homeless households. Project based vouchers must be financially necessary to ensure operating viability of the units.
2. **AAHC de minimis RAD units.** Under RAD, up to 5% of the units can be removed from public housing and disposed of or converted as the AAHC deems appropriate. The AAHC will utilize the de minimis opportunity to convert up to 5% of its public housing units to project-based vouchers using the AAHC's existing Housing Choice Voucher allocation. The AAHC will make this conversion when it is necessary to make the project financially feasible.

3. **Existing Project Based Voucher Programs:** The AAHC has 2 Project Based Voucher programs. The first is a 20-unit project owned and managed by Avalon Housing at 1440 Pear Street in Ann Arbor. All of the units are 1-bedroom. The AAHC is also partnering with the VA and Avalon to complete a 5-unit VASH Project Based Voucher program.

## **C. HOMEOWNERSHIP PROGRAMS**

The AAHC has one remaining PH Turnkey III Homeownership unit. We do not anticipate the sale of this unit in 2014. The AAHC does have a Housing Choice Voucher Homeownership program that currently has 5 participants. The AAHC is working with a coalition of nonprofits called the Washtenaw Housing Education Partners to encourage voucher holders to convert their vouchers to ownership.

### **Section 8 Capital Improvements**

Please complete Parts 8.1 through 8.3, as applicable.

#### **Section 8.1 Capital Fund Program Annual Statement/Performance and Evaluation Report**

As part of the PHA 5-Year and Annual Plan, annually complete and submit the Capital Fund Program Annual Statement/Performance and Evaluation Report, form HUD-50075.1, for each current and open CFP grant and CFFP financing.

*See attached forms 50075.1 for CFP501-10 (revised), CFP501-11 (revised), CFP501-12 (revised), CFR501-13 (revised) and CFR501-14 (initial)*

#### **Section 8.2 Capital Fund Program Five-Year Action Plan**

As part of the submission of the Annual Plan, PHAs must complete and submit the *Capital Fund Program Five-Year Action Plan*, form HUD-50075.2, and subsequent annual updates (on a rolling basis, e.g., drop current year, and add latest year for a five year period). Large capital items must be included in the Five-Year Action Plan.

*See attached HUD 50075.2*

#### **Section 8.3 Capital Fund Financing Program (CFFP)**

Check if the PHA proposes to use any portion of its Capital Fund Program (CFP)/Replacement Housing Factor (RHF) to repay debt incurred to finance capital improvements.

*Not Applicable*

### **Section 9.0 Housing Needs**

Based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data, make a reasonable effort to identify the housing needs of the low-income, very low-income, and extremely low-income families who reside in the jurisdiction served by the PHA, including elderly families, families with disabilities, and households of various races and ethnic groups, and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location.

Family Type	# in Washtenaw County	# with housing problems	% with housing problems	# with over crowding	# & % on AAHC PH wait list	# & % on AAHC S8 HCV wait list	Total # & % on AAHC wait lists
TOTAL	132,860	48,675	35%	1,920	311	252	563
ELI <30% AMI	22,195	18,610	84%	670	173/56%	93/37%	266/47%
VLI 30-50% AMI	15,510	10,880	70%	460	14/5%	15/6%	29/5%
LI 50-80% AMI	21,805	8,720	40%	460	1/0%	0	1/0%
Unknown income						144/57%	144/26%
Families with children	19,765				191/61%	194/77%	385/68%
Elderly families	26,104	7,745	30%		4/1%		4/1%
Disabled families	9,929	4,650	47%		70/23%	15/6%	85/15%
Race/Black	15,410	8,165	53%		235/76%	212/84%	447/79%
Race/White	101,700	33,760	33%		70/23%	35/14%	105/19%
Race/Asian	10,095	4,060	40%		2/0%	2/0%	4/1%
Race/Am Ind	300	110	37%		1/0%	1/0%	2/0%
Race/Pac Islander	30	30	100%		0/0%	0	0
Race/Other	1,930	890	46%		3/1%	2/0%	5/1%
Ethnicity/Hispanic	3,414	1,690	50%		10/3%	7/3%	17/6%

HUD CHAS DATA 2005-2009

The PH waitlist does not include the applicants from 2010, because those household's data has not been entered into the database yet.

## Section 9.1 Strategy for Addressing Housing Needs

Provide a brief description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. Note: Small, Section 8 only, and High Performing PHAs complete only for Annual Plan submission with the 5-Year Plan.

- A) Maximize the availability of units by reducing the vacancy rate and turnaround time in Public Housing and maximizing the lease-up rates in Section 8, subject to budget authority.
- B) Explore development of additional affordable housing units with project based vouchers.
- C) Allocate funding from the Section 8 New Construction fund for Cranbrook Towers toward acquisition of property to develop as affordable housing or rehabilitation of existing housing.
- D) Use HUD Community Challenge Planning Grant to develop affordable housing.
- E) Increase density on existing sites through demolition and new construction where the units are deteriorated to the point where demolition and new construction is more feasible than rehabilitation.

**A. CURRENT HUD PROGRAMS UNDER MANAGEMENT**

<b>Program Name</b>	<b>Units or Families Served</b>
Public Housing	360
Housing Choice Vouchers	1,333
Special Purpose Section 8 Vouchers	
-Mainstream/Non-Elderly Disabled	100*
-Project Based Vouchers/Pear St	20*
-VASH (Veterans Affairs Supportive Housing)	165
-Project Based VASH Vouchers	5
*included in 1,333 HCV figure	
- Shelter Plus Care (Administrator)	110

**B. FINANCIAL RESOURCES**

<b>Financial Resources: Planned Sources and Uses</b>		
<b>Sources-as indicated</b>	<b>Planned (Est.)</b>	<b>Planned Uses</b>
<b>Federal Sources:</b>		
Public Housing Operating Funds-based on FY2013 Actual	\$1,157,844	PH Operations
Public Housing Rental Income-based on FY2013 Actual	\$857,557	PH Operations
Public Housing Capital Fund CFP501-10-Actual Grant	\$555,590	Capital Expenditures
Public Housing Capital Fund CFP501-11 Actual Grant	\$486,874	Capital Expenditures
Public Housing Capital Fund CFP501-12 Actual Grant	\$440,778	Capital Expenditures
Public Housing Capital Fund CFP501-13 Actual Grant	\$449,356	Capital Expenditures
Public Housing Capital Fund CFP501-14 Actual Grant	\$476,920	Capital Expenditures
Housing Choice Voucher/S8 HAP Grant-Based on CY2013 Actual	\$8,716,764	HAP Expenses
Housing Choice Voucher/S8 Admin Fees Based on CY2013 Actual	\$867,028	S8/HCV Admin Expenses
VASH HAP Grant-Based on CY2013 Actual	\$32,661	VASH HAP Expenses
Shelter Plus Care Based on FY2013 Actual	\$784,604	HAP for Homeless
Management Fees generated by COCC Based on FY2013Actual	\$347,586	Central Office Expenses



<b>Financial Resources: Planned Sources and Uses</b>		
<b>Sources-as indicated</b>	<b>Planned (Est.)</b>	<b>Planned Uses</b>
Other (Interest Income, Fraud Recovery) Based on FY2013 Actual	\$35,600	Restricted
<b>Non-federal sources</b> (list below)		
City of Ann Arbor General Fund Based on Current Budget	\$269,000	Operations and Services
<b>Total resources</b>	\$15,477,806	

### **Section 10.0 Additional Information (a)**

Describe the following, as well as any additional information HUD has requested. Progress in Meeting Mission and Goals. Provide a brief statement of the PHA's progress in meeting the mission and goals described in the 5-Year Plan.

The Following recommendations were in the 5-year plan:

1. Utilize the completed capital needs assessments for public housing sites to assist with the following plans and decision-making:

- i) target capital improvements in 5-year CFP Plan;
- ii) asset disposition or retention; and/or
- iii) voluntary conversion of Public Housing to Project-Based Vouchers.

*The AAHC will be utilizing the CFP funds to rehabilitate units that are converting under RAD. The rehabilitation is based on the RPCA or RAD Physical Condition Assessment. The AAHC issued an Request for Proposal and hired Norstar Developers to assist with the redevelopment of the AAHC's portfolio under RAD. The AAHC has secured Low Income Housing Tax Credits, DDA funds, CDBG funds, Ann Arbor Housing Trust Funds, and Community Challenge Planning Grant funds for this redevelopment. The total estimated development costs will be approximately \$55 million.*

2. Review with the Board and begin implementing the Operational Needs Assessment which included assessments of:

- i) the pros/cons of asset management model for PHA of 360 units;
- ii) operational practices for improved efficiencies and effectiveness of service delivery;
- iii) compensation and employee staffing configuration.

*1. Asset Management still does not provide property level data; it merely splits the AAHC's properties into two components. The AAHC could better manage its properties if it were able to track revenues and expenses on a property by property basis.*

*2. AAHC is utilizing Yardi software to increase digitalization of documents, data, and work flow. AAHC purchased an on-line waitlist module in 2012, the Housing Quality*

*Standards module in 2014 and the inventory module in 2013 The AAHC will be purchasing the multi-family module in 2014.*

3. *HR is conducting a salary survey.*

3. Continue to analyze the relationship of the AAHC and the City, to determine the on-going beneficial relationship for the Commission. The Operational Needs Assessment considered possibilities of total separation; modification of existing relationship but within current framework; development of closer relationship with city – and concluded that the Commission benefits from a close relationship with the City of Ann Arbor and given that the City has made a strong commitment to affordable housing and that the Commission is the largest provider of affordable housing in Ann Arbor, the City should continue to support the Commission as a tangible element of its policy commitment.

*The City of Ann Arbor continues to be very supportive of the Commission during the past three fiscal years. The City provided \$482,000 in general fund support to the AAHC to cover the federal HUD operating reductions due to sequestration. The City provides the Commission with Human Resources and IT support. The City's IT Department took a lead role in assisting the Commission with the purchase and installation of security cameras at its public housing sites and took an active role in helping the AAHC staff fully utilize its property management software (Yardi). The Ann Arbor Police Department acts as an authorized agent of the Commission and provides on-going support as needed. The AAPD has a sub-station at Maple Meadows. The City's Fire Department offers fire safety training and assisted in the development of fire evacuation plans at the Commission's two high-rise facilities. The Community Services Area of the City has embraced the Commission as one of its components, including the Commission in its monthly departmental meetings. This has helped to develop strong relationships between the Commission and City staff in the Building, Planning, Community Development and Parks/Rec Departments. The City also provides Human Resource and Payroll support. The Commission is a participant at the City's bi-weekly agenda meetings and is therefore able to stay abreast of broader city issues and concerns.*

4) The AAHC will work with its Board to develop a plan and strategy to stabilize and strengthen the organization, and effectively carry out its mission to provide continued affordable and desirable housing to the highest risk, very-low to extremely low income individuals and families in our community.

*The AAHC applied for and was approved by HUD to convert its public housing units to project based vouchers under the Rental Assistance Demonstration (RAD) program.*

5. Throughout the 5-year period, AAHC will work to leverage community support for improved scope and scale of supportive services for all populations served by the Commission, to improve the quality of life and economic self-sufficiency.

*During the November 2010 strategic planning session, enhanced and broadened supportive services to our customers were identified as a priority, including both public housing and section 8 participants. The Commission desires to expand supportive services that help keep people housed in assisted housing, but which also help move people out of assisted housing to*

*independent living. The AAHC will continue this effort in FY 13/14. The AAHC partnered with Community Action Network as the lead applicant, and received a three-year Resident Opportunity and Self-Sufficiency (ROSS) grant. The AAHC also has a Family Self Sufficiency program for public housing and for the voucher program.*

*The Commission is partnering with CSTS for mental health assistance for its public housing residents, Food Gatherers for food delivery and sign-up for food stamps, local pharmacies for medicine delivery, and two local nonprofits for supportive services for the Commission's family sites. The AAHC has contracts with Peace Neighborhood Center (PNC, CAN and CSTS (via the Washtenaw County Health Organization) to provide on-site family services for residents. The AAHC also has an Memorandum of Understanding (MOU) with Catholic Social Services, Interfaith Housing Network, and Ozone House to provide services to their clients residing in public housing.*

*The AAHC partnered with Avalon Housing, Legal Services, Child Care Network and Ozone House to apply for supportive services funding for homeless households through the Continuum of Care process.*

6. Throughout the 5-year period, the AAHC will strive to improve its Customer Service to all participants of its programs

*The Section 8 Department held several Housing Choice Voucher landlord informational sessions to market to new landlords and to ensure that existing landlords understand the program. The Commission has worked in the past year to improve its website to be more user-friendly and informative to both existing and potential residents and the community at large. AAHC staff attended continuing education courses and customer service training.*

## **Section 10.0 Additional Information (b)**

Provide the PHA's definition of "significant amendment" and "substantial deviation/modification"

*"Significant Amendment" is defined to mean a change in policy that redirects the Ann Arbor Housing Commission's course and/or revises its mission, goals and objectives.*

*"Substantial deviation or modification" is defined as a change to the Ann Arbor Housing Commission's policies that reflect a directional shift from the published mission and policies included in the Annual Agency Plan.*

*Changes in the following areas may qualify as a "significant amendment or substantial deviation/modification":*

- 1) changes to rent, i.e. increasing or decreasing the minimum rent;*
- 2) changes to Admission's policies or organization of the waiting list;*
- 3) additions of non-emergency work items (Items not included in the current Annual Statement or 5-Year Capital Action Plan), or change in use of replacement reserve funds under CFP;*

- 4) *any change with regard to demolition or disposition, designation, home-ownership programs or conversion activities.*

*Changes in the following areas do not qualify as a “significant amendment or substantial deviation/modification”:*

- 1) *Changes to Ann Arbor Housing Commission internal policies that regulate administrative function, such as Check Signing Policy, Travel Policy, Vehicle Use Policy and the like*
- 2) *Changes to Occupancy Policies (Public Housing and Section 8) that clarify or expound on existing policies included in the Agency Plan*
- 3) *Changes to policies included in the Annual Agency Plan that are a result of regulatory requirement are also not considered by the Ann Arbor Housing Commission or the Department of Housing and Urban Development*
- 4) *Changes to the Capital Fund Budget produced as a result of each approved RAD Conversion, regardless of whether the proposed conversion will include the use of additional Capital Funds;*
- 5) *Changes to the construction and rehabilitation plan for each approved RAD conversion; and*
- 6) *Changes to the financing structure for each approved RAD conversion.*

## **Section 11.0 Required Submission for HUD Field Office Review.**

In addition to the PHA Plan template (HUD-50075), PHAs must submit the following documents. Items (a) through (g) may be submitted with signature by mail or electronically with scanned signatures, but electronic submission is encouraged. Items (h) through (i) must be attached electronically with the PHA Plan. **Note:** Faxed copies of these documents will not be accepted by the Field Office.

- (a) Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulations* (which includes all certifications relating to Civil Rights)
- (b) Form HUD-50070, *Certification for a Drug-Free Workplace* (PHAs receiving CFP grants only)
- (c) Form HUD-50071, *Certification of Payments to Influence Federal Transactions* (PHAs receiving CFP grants only)
- (d) Form SF-LLL, *Disclosure of Lobbying Activities* (PHAs receiving CFP grants only)
- (e) Form SF-LLL-A, *Disclosure of Lobbying Activities Continuation Sheet* (PHAs receiving CFP grants only)
- (f) Resident Advisory Board (RAB) comments. Comments received from the RAB must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the recommendations and the decisions made on these recommendations.
- (g) Challenged Elements
- (h) Form HUD-50075.1, *Capital Fund Program Annual Statement/Performance and Evaluation Report* (PHAs receiving CFP grants only)

- (i) Form HUD-50075.2, *Capital Fund Program Five-Year Action Plan* (PHAs receiving CFP grants only)

## **Challenged Elements**

*No elements of the Ann Arbor Housing commission's Agency Plan for FY 14/15 have been challenged.*

## **Resident Comments**

*A Resident Advisory Board meeting was held on February 13, 2014 and 17 residents attended the meeting*

*Tenants asked questions for clarification on the policies discussed to better understand them but did not make any suggested changes to the policies.*

- *One tenant currently smokes e-cigarettes and wondered if the non-smoking policy applied to e-cigarettes, which it does.*
- *One tenant thought that doing annual inspections was not a bad idea, in reference to HUD now allowing bi-annual inspections.*
- *Several tenants wondered if they would be required to use Comcast if the AAHC bans satellite dishes. The AAHC will not be prescribing the type of tv services a tenant uses, however, the AAHC is working with Comcast and the City IT department to see if they will offer a reduced cost services for tenants, since Comcast has already pre-wired the buildings.*
- *A resident asked about why they could get evicted for criminal activity that is not on the premises. The AAHC may evict tenants for criminal activity off the premises, if the AAHC learns about those activities.*
- *Many tenants had a lot of questions on how the relocation would work during rehabilitation due to the RAD conversion.*
  - *A tenant indicated how difficult it would be for elderly people to move during rehabilitation and wanted to make sure there would be assistance to help her move, which will be provided.*
    - *There will be 6 meetings with residents on March 5th and 6th just to discuss relocation and the rehabilitation process for the first 5 buildings being converted under RAD.*
    - *The AAHC will provide counseling, assistance finding units, movers, packing materials, and storage if needed.*
  - *A tenant wanted to know if they could keep their same mailbox while they are temporarily out of their unit?*
    - *The AAHC will work with each individual tenant on a plan for that tenant.*
  - *Would a tenant be moved into a unit with bed bugs?*
    - *No, all units will be inspected and treated for bed bugs as needed. The AAHC is considering hiring a trained dog to inspect all of the units before anyone moves out and before anyone moves in.*

- *A tenant asked about an incomplete work order and the AAHC agreed to send someone out the next day to finish the work order. The tenant wondered if the dust that came out from the exhaust fan was asbestos dust? The AAHC maintenance techs are trained not to disturb asbestos-containing materials and it is natural for the exhaust fan to accumulate dust.*
- *A tenant requested a copy of all of the sites where asbestos was found. The tenant was a section 8 tenant and was directed to the AAHC website for information about the AAHC properties only.*
- *A tenant asked how they could participate in the FSS program? They were directed to contact the main office line during business hours to get connected to the FSS program coordinator.*

## Definitions and Acronyms

**AAA IB:** Ann Arbor Area Agency on Aging.

**ACOP:** Admissions and Continued Occupancy Policy. The policies and procedures that the Housing Commission has adopted, based on HUD and local regulations, that govern public housing units.

**Administrative Plan:** The policies and procedures that the Housing Commission has adopted, based on HUD and local regulations, that govern voucher programs.

**AMP:** Asset Management Project. In 2007, HUD required Housing Authorities with more than 250 units, to organize and manage those units into multiple AMPS. Ann Arbor divided its units into an East and a West AMP.

**CAN:** Community Action Network. A nonprofit service provider located at the Northside Community Center. The AAHC contracts with CAN to directly serve public housing residents at Hikone and Green Baxter Courts. CAN also received a ROSS grant to serve all public housing residents become self-sufficient.

**CSTS:** Community Support and Treatment Services. Formerly Community Mental Health. The AAHC contracts with CSTS to provide services to residents primarily at Miller and Baker.

**FMR:** Fair Market Rent. HUD determines the Fair Market Rent by doing a rental market study and uses the 40<sup>th</sup> percentile of rental rates by unit size from the previous 2 years (not including new units and subsidized units).

**FSS:** Family Self Sufficiency program. A HUD program that encourages communities to develop local strategies to help voucher families obtain employment that will lead to economic independence and self-sufficiency.

**HAP:** Housing Assistance Payment. A HAP contract is executed between the AAHC and a private landlord that has signed a lease with a Section 8 tenant so that the AAHC can pay the landlord a rent subsidy.

**HCV:** Housing Choice Vouchers. Formerly known as Section 8 vouchers. These vouchers are tenant based vouchers unless they are specially designated as project-based vouchers. Tenant vouchers are attached to the tenant and provide a rent subsidy at whatever qualified unit a tenant moves to. Project based vouchers are attached to the unit so that any qualified tenant who lives in that unit, receives a rent subsidy.

**HQS:** Housing Quality Standard. A unit must be inspected to make sure that it meets the HQS standard before a unit is approved for a tenant with a Voucher.

**PEACE:** Peace Neighborhood Center. A nonprofit service provider located on North Maple Road. The AAHC contracts with Peace to directly serve public housing residents at Maple Meadows and North Maple Estates.

**PIC:** HUD's inventory management system that the AAHC must report to HUD the inventory, condition, and occupancy of the public housing units.

**PHA:** Public Housing Authority. i.e Ann Arbor Housing Commission

**PHAS:** Public Housing Assessment System. HUD uses 10 indicators (such as occupancy rate, and accounts receivable from tenants) to monitor and rate Public Housing Authorities across the nation for their public housing properties.

**PNA:** Physical Needs Assessment. Conducted by an outside contractor to provide a guide to the AAHC on the physical condition of the buildings, the life expectancy of building features such as the roof or boiler, as well as the replacement cost.

**ROSS-SC:** Resident Opportunity and Self Sufficiency Service Coordinators. This three-year HUD grant will support the AAHC's tenants to earn skills, find employment and become self-sufficient.

**SEMAP:** Section Eight Management Assessment Program. HUD uses 15 indicators (such as HQS inspections, occupancy rate, and rent reasonableness) to monitor and rate Public Housing Authorities across the nation for their voucher programs (previously Section 8).

**City of Ann Arbor Housing Commission**

<b>TOTALS</b>			
<b>Location</b>	<b>Yr Built</b>	<b># of Units</b>	<b>Addresses</b>
Baker Commons	1980	64	106 Packard
Broadway Terrace	1956	20	1504 - 1506 Broadway
Evelyn Court	1995	1	909 Evelyn Court
Garden Circle (not pub hsg)	1971	1	2072 Garden Circle
Green Baxter Court	1970	23	1701 - 1747 Green Road
Hikone	1970	29	2702 - 2760 Hikone
Hillside Manor	1996	6	1020 - 1042 Pennsylvania
Lower Platt	1970	4	3451 - 3457 Platt
Mallett's Creek	1996	6	2670 -2680 South Main St
Maple Meadows	1970	29	800 - 890 South Maple
Miller Manor	1971	103	727 Miller
North Maple Estates	1969	19	701 - 739 North Maple
North Maple Duplexes	1998	4	743 - 749 North Maple
Oakwood	1969	3	3565 - 3685 Oakwood
South Seventh	1969	8	221 - 253 S. Seventh
Upper Platt (Colonial Square)	1964	5	3681 -3689 Platt
West Washington	1969	2	805 - 807 W. Washington
White/State/Henry	1948	28	1514 & 1520 White, 1521 State, 701 - 719 Henry
<b>Summation</b>		<b>355</b>	



**APPENDIX  
16-IV.B. REPAYMENT POLICY**

**Owner Debts to the PHA**

PHA Policy

Any amount due to the PHA by an owner must be repaid by the owner within 30 days of the PHA determination of the debt.

If the owner fails to repay the debt within the required time frame and is entitled to future HAP payments, the PHA will reduce the future HAP payments by the amount owed until the debt is paid in full.

If the owner is not entitled to future HAP payments the PHA may, in its sole discretion, offer to enter into a repayment agreement on terms prescribed by the PHA.

If the owner refuses to repay the debt, does not enter into a repayment agreement, or breaches a repayment agreement, the PHA will ban the owner from future participation in the program and pursue other modes of collection.

**Family Debts to the PHA**

PHA Policy

Any amount owed to the PHA by an HCV family must be repaid by the family within 30 days; however the PHA will offer to enter into a repayment agreement in accordance with the policies below.

If the family refuses to repay the debt, does not enter into a repayment agreement, or breaches a repayment agreement, the PHA will terminate assistance in accordance with the policies in Chapter 12 and pursue other modes of collection.

**Repayment Agreement [24 CFR 792.103]**

The term *repayment agreement* refers to a formal written document signed by a tenant or owner and provided to the PHA in which a tenant or owner acknowledges a debt in a specific amount and agrees to repay the amount due at specific time periods.

When a family falls behind in rent, owes for damages, or other charges and is unable to pay the balance by the due date, the family may request a repayment agreement be executed. The PHA has the sole discretion of whether to accept such an agreement.

PHA Policy

All repayment agreements must assure that the delinquent amount is paid within a period not to exceed 12 months or the term of the current lease, whichever is less. The repayment agreement form clearly states a schedule of payments, and due dates for payments should not be later than the 5<sup>th</sup> of the month.

Legal fees are eligible for repayment agreement

## **General Repayment Agreement Guidelines for Families**

### ***Cause for a Repayment Agreement***

#### PHA Policy

The PHA has established for following criteria for eligibility of a repayment agreement:

- Loss of job in the past 30 days, family must provide TPV;
- An unexpected medical emergency in the past 30 days,
- Damages caused by misuse or neglect, family must provide TPV;
- An approved agency, such as DHS, Salvation Army, etc., with verification that the full payment will be paid within 60 days, family must provide TPV;
- Documentation that income such as VA, SSI, or Retirement benefits will be late, family must provide TPV;

### ***Down Payment Requirement***

#### PHA Policy

Before executing a repayment agreement with a family, the PHA will generally require a down payment.

If the amount owed is greater than \$3,000, the required down payment will be the amount needed to bring the amount owed down to \$3,000.

If the family can provide evidence satisfactory to the PHA that a down payment would impose an undue hardship, the PHA may, in its sole discretion, waive the requirement or extend the length of the time allowed to repay the debt. No such waiver will be put into place if the amount owed is less than \$3,000.

Failure to pay the down payment will result in termination or eviction procedures.

### ***Payment Thresholds***

Notice PIH 2010-19 recommends that the total amount that a family must pay each month—the family’s monthly share of rent plus the monthly debt repayment amount—should not exceed 40 percent of the family’s monthly adjusted income. However, a family may already be paying 40 per cent or more of its monthly adjusted income in rent. Moreover, Notice PIH 2010-19 acknowledges that PHAs have the discretion to establish “thresholds and policies” for repayment agreements with families [24 CFR 982.552(c)(1)(vii)].

#### PHA Policy

The PHA has established the following thresholds for repayment of debts:

- Amounts between \$2,000 and \$3,000 must be repaid within 12 months.
- Amounts between \$1,000 and \$1,999 must be repaid within 8 months.
- Amounts under \$1,000 must be repaid within 6 months.
- Amounts under \$500 must be repaid within 3 months.

Amounts under \$250 must be repaid within 2 months.

Amounts under \$50 within 30 days.

If a family can provide evidence satisfactory to the PHA that the threshold applicable to the family's debt would impose an undue hardship, the PHA may, in its sole discretion, determine that a lower monthly payment amount is reasonable. In making its determination, the PHA will consider all relevant information, including the following:

The amount owed by the family to the PHA

The reason for the debt, including whether the debt was the result of family action/inaction or circumstances beyond the family's control

The family's current and potential income and expenses

The family's current family share, as calculated under 24 CFR 982.515

The family's history of meeting its financial responsibilities

### ***Execution of the Agreement***

#### **PHA Policy**

Any repayment agreement between the PHA and a family must be signed and dated by the PHA and by the head of household and spouse/cohead and all adult signers of the lease (if applicable) prior to the adverse action of the PHA

### ***Due Dates***

#### **PHA Policy**

All payments are due by the close of business on the 5<sup>th</sup> day of the month. If the 5<sup>th</sup> does not fall on a business day, the due date is the close of business on the first business day after the 5<sup>th</sup>.

The repayment agreement will accelerate and become due immediately upon move out.

### ***Late or Missed Payments***

#### **PHA Policy**

Late fees will be assessed for the first month of the repayment agreement only and will be waived while the terms of the repayment agreement are being met.

If a payment is not received by the end of the business day on the date due, and prior approval for the missed payment has not been given by the PHA, the PHA will send the family a delinquency notice giving the family 10 business days to make the late payment.

If the payment is not received by the due date of the delinquency notice, it will be considered a breach of the agreement and the PHA will terminate assistance in accordance with the policies in Chapter 12.

For PHA owned units, all future rent must be paid on time or the repayment agreement becomes invalid.

### ***No Offer of Repayment Agreement***

#### **PHA Policy**

The PHA will not enter into a repayment agreement with a family if there is already a repayment agreement in place with the family or if the amount owed by the family exceeds the federal or state threshold for criminal prosecution.

Repayment agreements will be limited to two per family for the life of the voucher assistance. Exceptions will be considered on a case by case basis and must be determined by the Executive Director within 10 days from the family's request.

The PHA will not enter into repayment agreement for: Security Deposit, Pet Deposit, 1<sup>st</sup> month rent, utilities, late fees, or once a notice to quit has been executed.

### **Repayment Agreements Involving Improper Payments**

Notice PIH 2010-19 requires certain provisions to be included in any repayment agreement involving amounts owed by a family because it underreported or failed to report income:

- A reference to the items in the family briefing packet that state the family's obligation to provide true and complete information at every reexamination and the grounds on which the PHA may terminate assistance because of a family's action or failure to act
- A statement clarifying that each month the family not only must pay to the PHA the monthly payment amount specified in the agreement but must also pay to the owner the family's monthly share of the rent to owner
- A statement that the terms of the repayment agreement may be renegotiated if the family's income decreases or increases
- A statement that late or missed payments constitute default of the repayment agreement and may result in termination of assistance