

## MEMORANDUM

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

**FROM:** Jennifer Hall, Executive Director

**DATE:** November 2015

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### I. FEDERAL

- A. FY 16 Budget:** According to NAHRO “Congress reached an agreement and quickly passed a budget deal, avoiding a default on the nation’s debt obligations and paving the way for a potential omnibus spending package before the expiration of the current spending bill. The budget deal, formally known as the “Bipartisan Budget Act of 2015” (H.R. 1314) does the following:
- a. Increases spending caps for defense and non-defense discretionary (NDD) spending in FY 2016 and FY 2017 by a total of \$80 billion;
  - b. Evenly divides the increase in spending between defense and NDD spending, allocating \$50 billion in FY 2016 and \$30 billion in FY 2017.
  - c. Provides an additional \$25 billion in NDD funding for FY 2016 and \$15 billion in FY 2017
  - d. Suspends the debt ceiling limit until March 2017, avoiding a default on November 3;
  - e. Offsets all spending increases through a variety of mechanisms, including changes to Medicare, Social Security Disability Insurance, crop subsidies, employer pensions, and oil leasing; and
  - f. Avoids sequestration in FY 2016 and FY 2017.

The budget deal does NOT include any appropriations language (future government spending beyond December 11). This still needs to be addressed. And it does not include any language specific to housing or community development programs. This will be addressed through the appropriations process.”

- B. Federal Rules issued on Smoking Ban in Public Housing:** HUD has issued a new rule to ban smoking in public housing and within 25 feet of public entrances, which is in a 60 day comment period. The ban is only for public housing and not project-based voucher housing. The AAHC has already adopted a smoking ban in all of its public housing and project-based voucher housing units. HUD is encouraging PHA’s to use alternative means than evictions to enforce the non-smoking policy.

### II. RAD REDEVELOPMENT

- A. River Run (Baker, GBC and Hikone) & Maple Tower (Miller and S. Maple) Renovations:** All of the apartments at Miller and Baker are renovated except 1 apartment at Miller that was being used as a temporary storage room. The file cabinets are being temporarily stored off-site until the new file storage area is completed. The common area of Baker and the 1st floor of Miller are currently being renovated. Additional cameras have been added at Baker, Miller S. Maple and Hikone. Exterior concrete work at all the family sites and Miller is underway and will be completed by Thanksgiving. Hikone is complete except for the Community Center. S. Maple has 1 of 5 buildings completed and

Green-Baxter has 1 of 4 buildings completed. All of the apartments in Maple Tower and River Run must be completely renovated and occupied by December 31, 2015 to stay in compliance with our tax credit funding. Community space can continue to be renovated after December 31, 2015. All of the remaining one bedroom apartments are reserved for chronically homeless households, with services provided by Avalon and CSTS. Six 3 and 4 bedroom apartments are reserved for 6 chronically homeless families with services provided by Avalon. The remaining 2, 3, and 4 bedroom apartments will be occupied by households temporarily relocating from N. Maple and the existing waiting list.

- B. West Arbor (N Maple):** The remaining families will be relocated as soon as their apartments are available at Green-Baxter and S. Maple. Selective deconstruction has started on the apartments that have been vacated such as removing items that can be re-used. Norstar is working with the city of Ann Arbor on permitting and inspections as well as setting up a schedule for DTE and the City to terminate utilities so that demolition can begin.
- C. Swift Lane (White/State/Henry and Lower Platt):** Avalon, Norstar and I attended a meeting with MSHDA to discuss the LIHTC application and answer questions. MSHDA is not expected to announce the LIHTC awards until late December or early January.
- D. Colonial Oaks (Main, Penn, Seventh, Colonial Platt):** Apartment renovations have started at S. Seventh and Main street. High efficiency furnaces will be installed as well as on-demand hot water, where it is physically feasible (it requires special venting).
- E. West Washington:** Siding, windows and doors are completed. Interior apartment work is about ½ way completed. Reconstruction of the driveway has started in order to replace pavement with permeable pavers and a rain garden. Neighbors are very excited to see this work progress because this will decrease the amount of rainwater that flows off our property onto the neighboring condo association property.

### III. CITY/COUNTY/OTHER RELATIONS

- A. City Council:** The Joint AAHC/City policy committee met in October. Ron Woods, Tim Colenback and Jennifer Hall attended from the AAHC along with Julie Grand. The group discussed recommendations to City Council for the FY17 budget. Brett Lenart from the County office of Community and Economic Development offered to increase the funding they provide to Peace and CAN for the tenants at N. Maple and Hikone to offset the AAHC's request for service funding from City Council. Peace and CAN receive Community Based Development Organization (CBDO) funding from the county currently. However, the CBDO funding does not cover services at S. Maple and GBC and I have started discussions with Peace and CAN about the impact that would have on their budgets.
- B. OCED:** I was invited to speak as a panelist for the County's Equity Summit held at WCC last week. The event was attended by over 300 people. The purpose was to "bring together national, regional, and local speakers along with community leaders and residents to start a conversation about what we can do to address inequity in our community". The focus of my discussion was the unintended policy impacts on low-income and minority households in the County when decisions are made that do not consider social equity.
- C. Zero 2016 Initiative:** Washtenaw County was selected along with 68 other communities

to receive federal technical assistance and training to end veteran's homelessness by December 31, 2015 and to end chronic homelessness by December 31, 2016. Please see the attached chart for the progress in Washtenaw County. The AAHC has provided housing for approximately 90 of the households in the report and we will be housing an additional 25 by the end of the calendar year. Housing has been provided in both AAHC owned properties and through vouchers. The goal is to reach functional zero, which means that if a veteran becomes homeless, then there is a place for the veteran to live in the community. Washtenaw County is expected to reach the goal of ending Veterans' homeless by December 31, 2015 through our strong partnership with the Ann Arbor Veterans Hospital and VA staff. The AAHC and the VA currently manage 218 VASH vouchers for homeless veterans.

- D. Michigan Ability Partners (MAP):** MAP is providing relocation services to our tenants at all of our locations and have been a great resource to provide additional assistance to tenants as they go through these traumatic moves. Thank you to Rob Coley and Misty Hendershot who have been working with us since the beginning. Rob has had to increase his caseload due to staff turnover at MAP and he has done an excellent job working with our tenants.

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

See attached Financial Statement

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

\$55,568 Haley Mechanical for furnaces and hot water tanks at S. Seventh.

#### **VI. PERSONNEL**

- A. Hiring and Promotions:** Congratulations to Marilyn Watson, (she was previously working as a temporary relocation specialist), who was hired as our new Occupancy Specialist reporting to Beth Yaroch. Marilyn is both a wonderful person and a conscientious and skilled employee and we are lucky to have her. The position of Receptionist was promoted to Administrative Assistant which increased the starting AFSCME level to a Range 10. The position of Accounting Clerk was also promoted to a starting AFSCME level of Range 10. Terry Holman, the receptionist and Kim Kachur, the Accounting Clerk, are both excellent employees. Terry's has great customer service skills and his positive and supportive attitude has an enormous impact on our external and internal customer relations. Kim's excellent accounting skills and intelligent problem solving skills have greatly improved the accounting functions in the office. Congratulations to Terry and Kim.

- B. Training:** Beth Yaroch and Weneshia Brand attended a training on intergenerational employees in the work place.

#### **VII. OPERATIONS**

- A. Housing:** Relocation continues to be an enormous undertaking, particularly as we transition from primarily single adults to families, which are far more complicated to gather appropriate documents for and complete eligibility and rent certifications for. Thank you to Reggie Dalton, LaTonya Brown, Beth Yaroch, Weneshia Brand, Melissa

D'Angelo, Marilyn Watson and Brookanne Maitland who are doing a stellar job efficiently and accurately completing new tenant applications and move-ins which will exceed 100 new tenants in AAHC owned housing by the end of this year.

This work requires constant problem solving and adjusting to regulatory changes and tenant crisis. Its really unimaginable how difficult this process has been this past year and all of our staff truly deserve credit for tackling one problem after another.

- B. Maintenance:** The Maintenance Technicians, Randy Kapala, Alton Brown, Dave Ehman and Levi Clark and their Supervisor Lance Mitchell also need to be commended for adjusting to all of these changes as well. They have had to navigate their role in maintenance while construction is going on and following behind the construction team to respond to work orders and supplement the construction budget by doing renovations too. Maintenance staff have also been challenged by an increase in the level of intensity of the needs of our tenants. For example, there have been more tenants who have lost their keys in the middle of the night, requiring maintenance to complete an emergency lock change. Avalon has agreed to provide in-service training to our staff so that we can better coordinate our responses to tenants and fully utilize Avalon's staff to help resolve problems with our tenants, particularly at Miller, where Avalon staff are housed 24/7.

**REAC** – Lance and his team completed REAC inspections with an outside contractor for our east side public housing properties. All of the health and safety violations were corrected within 24 hours (primarily expired fire extinguishers and fire escape windows that tenants had blocked with furniture). All of the apartments that were inspected are scheduled for demolition in 2016 or 2017.

- C. Voucher:** HUD indicated that the AAHC is very close to utilizing 100% of its voucher funding based on end of year projections. As a result, the AAHC will not be able to lease up the project-based vouchers for Avalon and MAP until January 2016, when the new voucher year begins. The voucher budget is on a calendar year and therefore when the new year starts in January, we can begin PBV lease up and through natural attrition, we can monitor and adjust additional new lease-ups throughout the year so that we maximize our voucher budget utilization without exceeding the allocation. It is tricky to do.

**SEMAP** – HUD confirmed the SEMAP scores and the AAHC is a High Performer this year. Congratulations and thank you to Weneshia Brand and her team – Maria Spencer, Robin Hester, Monica Moore, Alissa Ellis, and Monique Wright.

- D. Yardi Database:** Yardi and Rightsource have continued working with the AAHC to launch the landlord portal which allows landlords to have real time access to their tenant accounts on-line so that they do not have to contact the AAHC for information. It will also enable the AAHC to communicate and provide resources for landlords. Yardi has also implemented several upgrades that have impacted our voucher financial reporting system (VMS), porting tenants, tracking RAD tenants, and getting 3rd party verifications. Thank you to Teresa Calvert for taking the lead on the landlord portal and Betsy Cornellier and Weneshia Brand for taking the lead on all of the other Yardi changes.