



U.S. Department of Housing and Urban Development

Detroit Field Office  
 Office of Public Housing  
 Patrick V. McNamara Federal Building  
 477 Michigan Avenue, Room 1710  
 Detroit, MI 48226-2592  
 Tel. (313) 226-7900 FAX (313) 226-6160

September 20, 2022

The Honorable Christopher Taylor  
 Mayor of Ann Arbor  
 301 E. Huron Street  
 Ann Arbor, MI 48104

Dear Mayor Taylor:

The foremost objective of the U.S. Department of Housing and Urban Development’s (HUD) Office of Indian and Public Housing is to provide opportunities for affordable housing to as many low-income families as possible. To achieve this objective, HUD assesses the strength of program utilization under the Housing Choice Voucher (HCV) program. Further, HUD flags programs that are currently, or projected to be, under-utilizing funding or vouchers. When a program is flagged for under-utilization, the local Field Office of Public Housing engages stakeholders to discuss strategies being utilized to realize the opportunity to house an even greater number of families. You received a letter on February 15, 2022, because your public housing authority’s HCV program(s) was/were under-leased. The purpose of this letter is to provide an update to the February 15, 2022, correspondence to your office regarding your public housing authority’s HCV program utilization rate (See Table 1 & 2).

Table 1: Housing Choice Voucher Program – Utilization

Data Date	HCV Vouchers Awarded	HCV Budget Authority (includes reserves)	HCV Voucher Utilization Percentage	HCV Budget Utilization Percentage	HCV Leasing Potential Percentage	HCV Leasing Potential Vouchers
1/1/2022	1938	\$18,373,298	90.5%	93.7%	6%	124
7/1/2022	1938	\$18,765,473	92.1%	104.46%	0%	0

Leasing potential is a metric that’s tracked by HUD as an indicator as to the health of an HCV program. For a public housing authority (PHA) of Ann Arbor Housing Commission’s (AAHC) size, a leasing potential of 4% or below is desired. On January 1, 2022, HUD estimates AAHC had a 6% leasing potential and 124 units of leasing potential. Currently, AAHC has a 0% leasing potential percentage, with 0 units of leasing potential. This is a complete reduction in leasing potential units from the time of our last correspondence, showing a great improvement.

HUD encourages PHAs to optimize their annual budget utilization each year. In the case of PHAs ending the calendar year with excess reserves, Congress may direct HUD to rescind or offset those funds. This action reduces a PHA’s opportunity to provide affordable housing. Currently, AAHC is utilizing 104.46% of their \$16,907,450 annual budget authority, up from the 93.70% utilization rate on January 1, 2022.

Congress has also appropriated funds for vouchers – collectively referred to as “special purpose vouchers” – targeted to specific populations, including veterans, families reunifying, people with disabilities, and those eligible for an emergency voucher. For these vouchers, achieving a leasing percentage of 80% or greater in each category is desired.

Please see the below table for AAHC Special Purpose Voucher utilization.

Table 2: Special Purpose Voucher Programs – Utilization

Program	Data Date	Vouchers Awarded	Vouchers Leased	Leasing Percentage	Vouchers Available to Lease
Family Unification Program	1/1/2022	32	30	93.8%	2
	7/1/2022	32	29	90.6%	3
Mainstream Program	1/1/2022	251	144	57.4%	107
	7/1/2022	251	173	68.9%	78
Emergency Voucher Program	1/1/2022	29	22	75.9%	7
	7/1/2022	29	22	75.9%	7
Veterans Affairs Supportive Housing	1/1/2022	237	204	86.1%	33
	7/1/2022	237	176	74.3%	61
Non-Elderly Disabled Program	1/1/2022	100	99	99.0%	1
	7/1/2022	100	98	98.0%	2

Throughout the year, AAHC has worked in partnership with HUD. We want to recognize and commend the actions that AAHC has taken to achieve the HCV program’s greatly improved results. HUD looks forward to collaborating with AAHC to continue to improve some of the Special Purpose Voucher program utilization in the coming year.

Respectfully,



Douglas C. Gordon, Director  
Office of Public Housing  
Detroit HUD Field Office



Michael Polsinelli, Director  
Michigan HUD Field Office

Cc: Dr. Lee Meadows  
President, Board of Commissioners  
Ann Arbor Housing Commission  
727 Miller Avenue  
Ann Arbor, MI 48103

Jennifer Hall  
Executive Director  
Ann Arbor Housing Commission  
727 Miller Avenue  
Ann Arbor, MI 48103