

MEMORANDUM

TO: Board of Commissioners
Ann Arbor Housing Commission

FROM: Jennifer Hall, Executive Director

DATE: September 27, 2017

I. FEDERAL

- A. FY18 Budget:** I received the following message from HUD: “The purpose of this communication is to clarify to Public Housing Agencies, Industry Groups and PIH staff the impact of the short-term Continuing Appropriations, 2018 (H.R.601), on the Housing Choice Voucher (HCV) Program, where an across the board rescission of .6791 is imposed.

Subject to OMB guidance, and based on precedents with across the board rescissions, the Department intends to apply the November and December 2017 rescission to the January 2018 HAP and AF payments, to avoid affecting disbursements at the end of CY 2017. Additionally, should there be a full-year Continuing Appropriation enacted for FY 2018, after expiration of the H.R.601, and the .6791% rescission is still applicable, the rescission will impact the entire CY 2018 HCV Program HAP and AF funding.

The Office of Housing Voucher Programs will continue to follow up on this situation, and will issue a 2018 Get Ready Letter closer to CYE 2017, providing additional information regarding funding and potential HAP and AF pro-rations for CY2018. You can read the full language of the H.R.601 Bill using the following link: <https://www.congress.gov/bill/115th-congress/house-bill/601/text?format=txt>”

- B. FY17 HCV Administrative Fee:** HUD retroactively increased the Voucher Administrative Fee, which pays for AAHC program expenses, to 77% pro rata from 74% pro rata, resulting in a \$10,016 retroactive payment for Jan – June 2017.
- C. FY17 Public Housing Operating Fund:** HUD released the FY17 operating funds for public housing. The West AMP will receive \$18,552 for 2 apartments, which is \$733/month/unit (less than budgeted). The East AMP will receive \$134,520 for 47 apartments, which is \$239/month/unit (higher than budgeted). The East side includes 44 apartments, which will be redeveloped as the Swift Lane Project that we are re-applying for tax credits for. Due to the condition of the properties and the lack of funding to renovate them, we are leaving the apartments vacant as families move to other locations.
- D. CY17 HAP shortfall:** Weneshia Brand, Ulli Raak, Misty Hendershot and I continue to meet monthly with HUD to provide a status update on the projected shortfall. Misty is working with other housing authorities on past-due bills owed to the housing commission for tenant’s who have ported to the AAHC.
- E. Family Self-Sufficiency Grant (FSS):** The AAHC is eligible to apply for 3 FTE’s instead of 2 FTE’s this year, based on the number of tenants who have signed up to participate in the FSS program. The maximum award is \$72,000/FTE, which includes

salary and benefits. The grant does not pay for administrative costs like training or travel. This grant covers about 95% of all FSS program expenses.

II. RAD REDEVELOPMENT

- A. **West Arbor (N Maple):** The final CofO and Cost Certification was issued and the project is scheduled to close on its permanent financing (to pay off the construction loan) on September 28th.
- B. **Swift Lane (White/State/Henry and Lower Platt):** The tax credit application is due October 2nd.
- C. **Colonial Oaks (Main, Penn, Seventh, Colonial Platt):** The exterior landscaping and driveway renovations at 7th are underway and the unit renovations at Pennsylvania and Platt are underway.
- D. **Broadway:** No update.

III. CITY/COUNTY/OTHER RELATIONS

- A. **City of Ann Arbor Economic Development Forum:** I participated in the Economic Development Forum along with about 60 people from the government, business, education, non-profit sectors and the public. The issue of affordable housing was one of the topics of discussion and how the lack of housing is impacting the community's ability to find employees in many sectors. The next step is for the City to determine the best method to continue these discussions and come up with solutions.
- B. **City of Ann Arbor Bloomberg Challenge:** Howard Lazarus requested ideas from city staff on a big challenge/idea to apply for up to \$5 million in funding to address a problem. Matt Naud, Environmental Coordinator was charged with leading the process and it was agreed that the problem we would tackle would be affordable housing. Bloomberg paid for a facilitator to work with the city to strategize and develop a realistic and innovative problem/solution.

Weneshia Brand and I joined other city staff and community members to work with the facilitator and the problem was narrowed down to the significant amount (over 40%) of untaxed public land in the city. We focused on underutilized properties that could be developed with housing, whether a 100% affordable or mixed-income, mixed-use development. The group is developing a plan on how to address this specific issue, which will include the decision-makers of publicly-owned property (city, county, educational institutions, federal, state, etc.) and the folks who work at those institutions but cannot afford to live here.

- C. **University of Affordability.** Jason Bing, Ecology Center, and I presented at the Cinnaire University of Affordability Conference in Lansing. We presented 2 case studies on how to include green and energy efficiency strategies into redevelopment projects. We used Miller Manor as our rehab case study and West Arbor as our new construction case study.
- D. **Baker Food Program:** The County has extended our food program through December 31, 2017 and then it will be discontinued. There are not enough elderly tenants at Baker Commons to meet the minimum requirement for on-site hot food service at Baker. Reggie

Dalton and I will be meeting with the County, the Shelter and Food Gatherers to see if there is an alternative food program that we can create to continue to serve both the elderly tenants at Baker and other tenants who need the food program.

IV. FINANCIAL REPORT AND UPDATE

August 2017 financials are attached.

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

No activities to report

VI. PERSONNEL

A. Staffing: Melissa D'Angelo, Voucher Program Occupancy Specialist, is moving to Indianapolis and her position will be filled by Evangelina Vassallo, who is currently a Waitlist Occupancy Specialist. Weneshia Brand and Voucher Program staff are filling in until the Waitlist position can be filled. Stephen Veals, Facility and Maintenance Technician, is taking a position as a City Housing Inspector, and his position has been posted. Stephen and Melissa will be missed.

B. Training: The Affordable, FSS, and Voucher Program staff all received Barrier Buster training from the County so that we can learn about resources available to help our tenants. Reggie Dalton is already a trained Barrier Buster, who can directly request funding for tenants and Beth Yaroch and Weneshia Brand will be added as Barrier Busters.

Cyndi Stempien of Diamond Consulting provided an all-day refresher training for Affordable and Voucher program staff on completing income certifications. The training was focused on the most complicated issue that cause the most common mistakes.

VII. OPERATIONS

A. Veterans Assistance Supportive Housing (VASH): Robin Hester, Voucher Program Occupancy Specialist, is working with the VA to lease-up all of the outstanding VASH vouchers. The VA's focus has changed on a national level, which has impacted the way the VA can do business locally. The VA staff who were previously working directly with us and homeless vets to provide income documentation, find housing and lease-up will be taking on additional responsibilities at the VA and they will have less time to spend providing this direct case management activity, which is critical for successfully housing homeless vets.

B. Administration and Finance: Smith and Klaczkiewicz were on-site to conduct the AAHC and AAHDC FY17 audits (July 1, 2016 – June 30, 2017). They will be presenting the audits to the board in November 2017. The tax credit audits will be conducted in early 2018, since the fiscal year for the tax credit properties is a calendar year.