

MEMORANDUM

TO: Board of Commissioners
Ann Arbor Housing Commission

FROM: Jennifer Hall, Executive Director

DATE: August 17, 2016

I. FEDERAL

A. Congress approved the Housing Opportunity Through Modernization Act (H.R. 3700/S. 3083), which President Obama signed on Friday, July 29.

Here is a brief synopsis of major HOTMA changes as summarized by Nan McKay. Remember that HUD must complete the formal rulemaking process before changes take effect.

Revisions to the calculation of annual and adjusted income

- § After the initial year of assistance, prior-year income use is mandatory. Adjustments will be available to reflect current income
- § Exclusion of imputed asset income, unless net assets exceed \$50,000
- § Increase in the allowance for elderly and disabled families from \$400 to \$525
- § Deduction for medical expenses which exceed 10 percent of annual income (changed from 3 percent)
 - o Hardship exemptions required

Changes impacting the public housing and HCV programs

- § Revisions to inspection requirements for the HCV program, including authorization for permitting families to occupy a unit prior to inspection (where the unit has been inspected within the past 24 months and no life-threatening deficiencies were found)
- § Imposition of an asset cap of \$100,000
- § Optional termination of tenancy for public housing residents whose annual income exceeds 120 percent of fair market rent for two years
- § Changes to rules governing interim reexaminations
 - o Interim decreases required only if rent will decrease by 10 percent or more
 - o Interim increases required if rent will increase by 10 percent or more
- § Requirement to provide a preference or priority for financial assistance to US citizens or nationals before any alien who is otherwise eligible for assistance

Other changes

- § Options to increase the allowable percentage of project-based vouchers (PBVs) and to extend PBV contract terms
- § Requirements for HUD to provide PHAs with
 - o Data on local utility consumption for use in determining utility allowances
 - o Guidelines for minimum heating requirements in public housing

II. RAD REDEVELOPMENT

A. River Run (Baker, GBC and Hikone) & Maple Tower (Miller and S. Maple) Renovations: Final exterior construction underway.

B. West Arbor (N Maple): Construction underway.

C. Swift Lane (White/State/Henry and Lower Platt): New LIHTC application due October 1, 2016.

D. Colonial Oaks (Main, Penn, Seventh, Colonial Platt): Ten apartments are completely renovated and occupied by qualified tenants and 11 are under renovation.

III. CITY/COUNTY/OTHER RELATIONS

A. Nothing to report

IV. FINANCIAL REPORT AND UPDATE

See attached June 2016 financials updated with final end of year data

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

\$68,000 Solar Carpet

\$60,000 K & S Construction

VI. PERSONNEL

A. Staffing: Congratulations to Weneshia Brand who has accepted the position of Director of Operations. Her position of Voucher Manager will be posted this week.

B. Training: Melissa D'Angelo, Marilyn Watson, LaTonya Brown, and Brookanne Maitland completed a Housing Choice Voucher training and Melissa and Brookanne completed a Housing Quality Standards training.

VII. OPERATIONS

A. Housing Choice Voucher Program: Taylor Housing Commission completed the SEMAP Assessment and congratulations to the HCV staff because the AAHC is a high performer based on the SEMAP score.

B. Finance: The finance department is closing the books for FY16 in preparation for the audit. The finance and administrative department will be moving to 2000 S. Industrial temporarily while I work with the City Administrator to develop a permanent office for the Finance, Maintenance and Voucher programs. The Affordable Housing staff will continue to be located at scattered housing sites.