

MEMORANDUM

TO: Board of Commissioners
Ann Arbor Housing Commission

FROM: Jennifer Hall, Executive Director

DATE: April 11, 2018

I. FEDERAL

- A. CY18 Budget:** The Federal budget was adopted and the HUD budget was increased not decreased. Our biggest program, the Housing Choice Voucher (HCV) program has increased by 8.5%. HUD has not released the percent increase specifically for the HCV Housing Assistance Payments (rent subsidies) and the HCV Administrative Fees yet, but HUD is currently paying 76% pro rata for the Admin fees and 98% pro rata for the rent subsidies.

The Public Housing Operating Fund increased by 3.4% and the Public Housing Capital Fund increased by 41.6%. This will be our last year we will receive Public Housing funds because all of our public housing units will have converted to Project-Based Vouchers under the Rental Assistance Demonstration project by next year. The RAD PBV funding is included in the HCV program funding.

Congress also adopted a 12.5% increase in the Low Income Housing Tax Credit allocations to states, which will be a great benefit for future tax credit applications.

II. STATE & LOCAL

- A. City Fire Department:** The fire department is utilizing the AAHC's vacant properties on Platt and White/State/Henry for training exercises.
- B. City Sustainability, Planning, Finance & County Office of Community & Economic Development:** Working together to recommend a variety of tools that Council can adopt to encourage more affordable housing development by both for-profit and non-profit developers. Tools can include public property, financial, planning & zoning, local building regulations and state legislation. We will be making a presentation to City Council in May at a work session.

III. RAD REDEVELOPMENT

- A. Swift Lane (White/State/Henry and Lower Platt):** Norstar is continuing due diligence to get to a closing by October 2018. This includes conducting Phase II Environmental Reviews, Site & Neighborhood Analysis, Relocation and Fair Housing plan submittals, and soliciting bids from tax credit investors.
- B. Colonial Oaks (Main, Penn, Seventh, Colonial Platt):** All apartment renovations are completed. The final exterior work is starting and then the project will be closed out.
- C. Oakwood/W Washington/Broadway:** Reggie Dalton, Tim Olivier and I are meeting with residents at Broadway, W. Washington and Oakwood to explain how the RAD

conversion for Swift Lane will impact them. These 3 properties will convert to non-RAD Project-based vouchers and the AAHC will no longer have any public housing properties. None of the tenants will be displaced or relocated and they will all continue to receive a rent subsidy based on 30% of their adjusted gross income. Therefore the impact will be that they will all need to complete a new income certification and a new lease because the properties will be added to our Colonial Oaks legal entity.

IV. FINANCIAL REPORT AND UPDATE

March financials will be included in the April financial report and distributed at the May meeting.

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

No procurement over \$25,000

VI. PERSONNEL

A. Staffing: The Family Self Sufficiency position was offered to Bonnie Miller who has been working for us in temporary positions for two years. Welcome Bonnie. The Maintenance Technician position was offered to Tim Irvine. Welcome Tim.

VII. OPERATIONS

A. Fire at Miller Manor: The Insurance company is providing \$135,000 to reimburse Maple Tower for the cost of clean-up, after a \$5,000 deductible