

## MEMORANDUM

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

**FROM: Jennifer Hall, Executive Director**

**DATE: November 16, 2022**

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### I. FEDERAL

- A. The Federal Government is under a continuing resolution until the FY23 Budget is adopted.
- B. President Biden signed the Inflation Reduction Act into law on Tuesday, August 16, 2022. One of the many things this act accomplishes is the expansion of the Federal Tax Credit for Solar Photovoltaics, also known as the Investment Tax Credit (ITC). This credit can be claimed on federal income taxes for a percentage of the cost of a solar photovoltaic (PV) system. Nonprofits are eligible for an upfront cash payment to offset the cost of the PV system.

### II. STATE & LOCAL Partnerships:

- A. **Downtown Development Authority:** The DDA approved of \$591,614 for building upgrades at Baker Commons including replacing the chiller, repairing masonry walls, plumbing pipe replacement, constructing a trash room, repairing lintels around the west side community room windows, constructing a pavilion, and install drip pans and condensation pumps in the community room.
- B. **City of Ann Arbor Housing and Human Services Advisory Board:** Reviewed and recommended approval to City Council to modify the PILOT ordinance to allow a PILOT for projects that qualify with 60% AMI averaging and not just 60% AMI cap. In addition, they recommended allowing the PILOT to apply if the renter qualified at entrance to the program but whose income increased above 60% AMI after moving in, when it is allowed by the regulations. The State of Michigan is considering a modification to the PILOT ordinance to increase the qualifying income to 120% of AMI. Municipalities can adopt local ordinances defining the meaning of low-income, which is currently defined by HUD to be 80% AMI.

### III. DEVELOPMENT

- A. **121 E. Catherine:** A Resident Meeting, as required by the City Site Plan process, was held Wednesday, November 2<sup>nd</sup> from 6-8pm via zoom. The site plan will be submitted to the City before the end of the month.
- B. **350 S. 5<sup>th</sup>:** The team is working through complicated mechanical, electrical, plumbing, security, access, common area locations and design, waste management, fire suppression and alarms, exterior building material and design, and sustainability issues. The goal is to submit a site plan to the City by December 2022. An updated appraisal was ordered. A green consultant and a LIHTC financial advisor were hired. The AAHC was approved for an Environmental testing and due care grant of about

\$20,000 from the Downriver Community Conference, a southeast Michigan Regional Brownfield Authority.

- C. **415 W. Washington:** Environmental testing is completed and a remediation plan is being developed. We are working with SmithGroup and City staff to submit a PUD rezoning request and Supplemental regulations by December 2022.
- D. **2000 S. Industrial:** We are continuing to conduct environmental testing and ground penetrating radar to determine if there are any underground storage tanks that need to be removed. A staff committee was formed to help design the AAHC office and maintenance space.
- E. **1510 E. Stadium:** The appraisal was completed by the Gerald Alcock group for \$470,000.00.
- F. **721 N Main/123 W. Summit:** A survey was completed and 2 potential building footprint ideas were laid-out to understand the density and building style options for the site.

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

The October 2022 financials will be included in the next Board packet.

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

\$44,250 Protect Environmental for Radon Mitigation at Colonial Oaks Properties  
\$69,400 Vetcon Baker Commons LED lighting conversion  
\$69,130 Vetcon Miller Manor LED lighting conversion

#### **VI. PERSONNEL**

- A. **Staffing:** John Moje was hired as the Application Specialist and will start on December 4<sup>th</sup>. Barb Dufour, Administrative Assistant put in her resignation to work for the public-school system, and her position will be posted. The Facility and Maintenance Technician is still open and posted.
- B. **Training:** Nine staff completed a project-based voucher training.

#### **VII. OPERATIONS**

- A. **Non-Elderly Disabled Voucher Program:** All 45 NED vouchers are leased up from the 2018 award and 90 NED vouchers are leased up from the 2019 award. In addition, we have leased-up 41/41 new NED allocated through the CARES Act in 2020 and we started leasing up 5/75 NED vouchers allocated from the CARES Act in 2021 and with turnover in vouchers we are re-leasing vouchers and not making progress on leasing up the last 70 NED vouchers.
- B. **Emergency Housing Vouchers:** 25/29 vouchers are leased up.
- C. **Family Unification Program:** 24/32 vouchers leased up.

- D. **Voucher Program:** The market is getting harder and harder for our tenants to lease up and it is reflected in the reduction of vouchers leased up in our specialty voucher programs. Landlords are increasing their tenant screening requirements to attract higher income tenants. The solution is both increasing housing in the marketplace of all types, sizes and price points as well as developing new affordable housing.
- E. **Homeownership:** 12 families are currently participating in the homeownership program.
- C. **Moving To Work:** A Resident Advisory Board meeting was held on November 9, 2022 both in person and on Zoom to discuss the MTW Plan.
- F. **Affordable Program:** A tenant file review was completed for River Run and Maple Towers by Redstone, our investor. A physical site review was completed by MSHDA for West Arbor.
- G. **Maintenance:**
- a. Snow removal contracts were signed for all properties
  - b. Contracts were signed with Blessings Janitorial to conduct deep cleaning 3x year at Baker Commons and Miller Manor
  - c. Fire suppression system at Miller Manor is complete and ready for final inspection
  - d. The design for a fire suppression system is underway for Lurie Terrace.
  - e. Followed up on radon testing to do mitigation at the sites requiring mitigation
  - f. Purchased two new electric maintenance vehicles and in the process of installing electric charging stations.
  - g. Purchased a new dump truck