

MEMORANDUM

TO: Board of Commissioners
Ann Arbor Housing Commission

FROM: Jennifer Hall, Executive Director

DATE: May 17, 2023

I. FEDERAL

- A. Congress is in negotiation related to the federal debt ceiling, which could impact funding availability if there is a government shut-down. The FY24 budget has not been adopted.

II. STATE & LOCAL Partnerships:

- A. City of Ann Arbor Budget:** City Council is voting on the FY24 budget May 15, 2023. The budget includes 5 additional FTE's for the AAHC. These positions will be filled as revenue is secured. We are applying for multiple multi-million grants and we need an additional accountant to administer these grants. As properties are acquired or constructed we will need to add property management and maintenance staff. City Council are also proposing several budget amendments to spend about \$1 million in Marijuana state tax rebate funding. One resolution includes \$250,000 to continue the Eviction Prevention program and \$250,000 to support youth programming for low-income households. A second resolution includes \$400,000 to fund case management services for residents leaving the carceral system based on harm reduction principles and training. The AAHC's budget presentation is here:
<https://www.youtube.com/watch?v=ljqgZ7vtAKs>
- B. Washtenaw Housing Alliance:** We are working with other housing and shelter providers to strategize on how to respond to the anticipated increase in homelessness during the next winter.
- C. City of Ann Arbor Office of Sustainability:** Provided \$150,000.00 toward an energy efficient replacement chiller at Baker Commons. These funds will leverage the DDA's \$591,000.00 in funding to add items to the scope of work including replacement of the parking lot asphalt, first floor offices and community room renovations, and wi-fi upgrades for tenants.
- D. Pontiac Housing Commission:** I will be presenting on a panel of other regional housing experts to talk about housing development strategies we have used for affordable housing development. The event is an all-day conference on May 25th.

I. DEVELOPMENT

- A. Siller Terrace:** We closed on the acquisition of the Siller Terrace properties in April 6, 2023. The primary source of funding is federal American Rescue Plan Act (ARPA) funds. Thank you to Arin and Beth for working with tenants to collect income information for the Uniform Relocation Act. Immediate health and safety issues were addressed and we are assessing the building to determine the highest

priority renovation items.

- B. 121 E. Catherine:** The 9% Low Income Housing Tax Credit application was the highest self-score in the permanent supportive housing round, so we do expect to be funded. We are also applying for \$1 million from EGLE in brownfield funds as well as \$800,000 from the Washtenaw County Brownfield Authority. We are also applying for a grant from the Federal Home Loan Bank – either from the Chicago or the Indianapolis branch. We are working with a new development consultant, J29:7 to apply for a MEDC RAP grant for either \$5 million for the Catherine site, or \$20 million for multiple properties, depending on which application scores the highest.
- C. 350 S. 5th:** The team is working through the cost analysis and value engineering the project to reduce expenses as well as explore large grant opportunities at the federal level. The City would like the AAHDC to acquire the property with millage funds at the start of the next fiscal year in July 2023.
- D. 415 W. Washington:** On February 7, 2023, the Planning Commission unanimously approved the PUD and Supplemental regulations. City staff are leading the Request for Proposal for a developer process.
- E. 2000 S. Industrial:** No update
- F. 1510 E. Stadium:** Staff have walked the building to assess the condition to determine whether it is suitable to temporarily reuse the site for an office/maintenance space while 2000 S. Industrial is under development. The next step is to conduct additional environmental testing.
- G. 721 N Main/123 W. Summit:** MCI and DMC have started the lot split process, which must be approved by the City.
- H. 353 S. Main:** No update

II. FINANCIAL REPORT AND UPDATE

The March 2023 financials are included, April financials will be included in the next board meeting

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

\$74,000 J29:7 Development Consultant 350 S. 5th Ave
\$61,943 O’Neal Construction – Baker Commons renovations
\$36,730 Ann Arbor Lawn Care – Colonial Oaks
\$26,980 Ann Arbor Lawn Care – River Run

VI. PERSONNEL

- A. Staffing:** Welcome to Arin Yu, to fill the Planning Specialist position on the development team. Welcome to Rich Wilson, Administrative Assistant at Lurie Terrace. The Residency Manager position was recently vacated and has been

posted.

- B. **Progressions:** Multiple staff are working on their progressions.
- C. **Training:** We hosted a meeting on how to port a voucher to another housing commission and/or port a voucher from another housing commission to the AAHC. The training was attended by: Weneshia Brand, Misty Hendershot, Patricia Butler, Hillary Vandenberg, Curtis Morris, Katrisha Kelly, Zhe’Ahnte Johnson, Sharice Miller, Lisa Lavan, Robin Hester, and Angela Killom. Ulli Raak and Weneshia Brand attended a conference for MTW agencies in Washington D.C. Heather Seyfarth and Jennifer Hall attended the annual Michigan State Housing Development Authority Conference and I lead a panel session on our community engagement process on City-owned properties and local financial tools including our affordable housing millage.

VII. OPERATIONS

- A. **Mainstream Non-Elderly Disabled Voucher Program:** 218/251 vouchers are leased. 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 41/75 NED vouchers allocated from the CARES Act in 2021 and with turnover in vouchers we are re-leasing vouchers and not making very fast progress on leasing up the last 33 NED vouchers.
- B. **Emergency Housing Vouchers:** 28/29 vouchers are leased-up. 4 households ported to other housing authorities which enabled 3 additional households on the waitlist to lease-up, and the 4th one is in-process.
- C. **Voucher Program:** The waitlist staff continued to pull several hundred people from the waitlist over the last several months.
- D. **Homeownership:** Weneshia is working with multiple lenders and Renovare to figure out how to successfully assist our voucher tenants to convert their vouchers to homeownership vouchers.
- E. **Moving To Work:** The MTW Plan was submitted to HUD with the Annual Plan in April 2023.
- D. **Affordable Program:** The annual OCAF (cost of living adjustment) was 5.5% this year and all new leases affected by OCAF will see a 5.5% increase.
- E. **Maintenance:**
 - a. MSHDA is conducting site inspections of our LIHTC properties in May and maintenance staff are conducting pre-inspections in anticipation.
 - b. The City of Ann Arbor will also be conducting rental inspections this summer.
 - c. Broadway office and laundry conversion is underway
 - d. The new dump truck was delivered

- e. Baker Commons chiller installation, plumbing upgrades and basement modifications are underway
- f. Seal Baker roof and replace exhaust fans underway
- g. Momus Architect is finalizing designs to add 4 units at Broadway Terrace.
- h. Rathburn Contracting is completing concrete repairs across all properties which is mainly grinding down uneven sidewalks and some sidewalk section replacements.
- i. All of the lawncare contracts were executed for all properties
- j. Excavation of the sewer line at S. Maple led to the discovery that some sections lie essentially flat, which can make it difficult for items that should not go into the sewer (like baby wipes and toys) to get through the line to the city's main sewer line. The lines will receive regular jetting to reduce the likelihood of sewer back-ups.

F. Garden Circle: The RAD conversion application was submitted to HUD.

G. Lurie Terrace:

- a. ASTI Environmental is conducting asbestos testing
- b. Change Works LLC, has completed staff and resident interviews and will be creating a long-term communications and property management plan based on their findings.
- c. A private water line on Parkview Place (our 4-unit property that is part of Lurie Terrace) and we need to agree with the 5 neighbors on Parkview Place on how the water main will be fixed and how it will be paid for. This led to many meetings and discussions about the private sewer line and road as well that need to be maintained.

H. Finance:

- a. Finance set up new bank accounts and other related financial systems for Siller Terrace
- b. The Yardi module for project management, such as our development projects and major renovation projects is now set up in Yardi. Thank you John Moje, our new Application Specialist
- c. Finance is exploring purchasing the Yardi pay to procure module which will allow more automated invoice paying.