

MEMORANDUM

TO: Board of Commissioners
Ann Arbor Housing Commission

FROM: Jennifer Hall, Executive Director

DATE: October 16, 2019

I. FEDERAL

A. Fiscal Year 2020: President Trump signed a stop-gap spending measure to keep the government open through November 21, 2020 at current funding levels. Negotiations on the FY20 budget continues.

II. STATE & LOCAL Partnerships:

A. City and County: I am continuing to spend a significant amount of time with both City and County staff to evaluate the financial feasibility of redeveloping City-owned properties as affordable housing.

B. First Congregation Church of Ann Arbor: I gave a presentation to the Church congregation about local affordable housing issues as a part of their speaker series on “Contemporary Issues”.

C. City Sustainability Department: I gave a presentation to City staff about local affordable housing issues and our partnership with the sustainability department as a part of their monthly lunch and learn series. The Sustainability Department will be adding our properties (that are suitable for solar panels) to their RFP for solar installation at other city sites. I am very excited to add more energy saving improvements to our properties to help manage our operating costs.

RAD REDEVELOPMENT

A. Swift Lane (Creekside Court and State Crossing): Foundations are complete at State and framing has started. Foundations are being poured at Creekside this week. Tenants who chose to relocate to State or Creekside under HUD’s relocation rules, were assigned apartments and notified of their new home.

B. Broadway: The top floor will be completed this week and the bottom floor by next week and tenants will be able to move-in by the end of the month.

IV. FINANCIAL REPORT AND UPDATE

September financial reports are included

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

No contracts to report.

VI. PERSONNEL

A. Staffing: Welcome to Brandon Charlebois, recently hired as a Facility and Maintenance Technician. Two Administrative Assistant positions were posted on the City’s website and over 300 applicants applied. HR is reviewing applications and we hope to start interviews by the end of the month.

VII. OPERATIONS

- A. **Family Unification Program:** The AAHC was awarded 32 new FUP vouchers and we have received 40 referrals from DHHS. 25 have leased-up (10 families & 15 youth), 7 are in process and 11 failed to lease-up who were approved.
- B. **Non-Elderly Disabled Voucher Program:** The AAHC was awarded 45 NED Vouchers and we have pulled 80 people from the waitlist. 44 households have leased-up, 1 household is in process and 35 households failed to lease-up who were approved.
- C. **Finance:** The AAHC purchased a new legal module for our Yardi software in order to track tenants who are in the legal process due to non-payment of rent or lease violations. About 30% of our tenants have past due rent at any given time. Our current tenant receivables is over \$60,000 from all properties. About \$23,000 is due from past tenants and it is unlikely that we will collect these past due amounts. We are required to report past due amounts to HUD when tenants move out, which prohibits tenants from accessing future HUD benefits until the past due amounts are paid. We try to resolve lease violations without evicting tenants but about 2% of our tenants are in the court process due to lease violations. We take legal action as a last resort when all other attempts to help a tenant stay in compliance with their lease have failed. Typically the end result is that a tenant signs a conditional order; approved by the judge, the AAHC and the tenant. The conditional order might require the tenant to get a payee to manage their finances so that rent gets paid and they do not lose their housing. Or the conditional order might require housekeeping inspections or guest prohibitions. The AAHC rarely needs to do a physical eviction - it only occurs about once a year.
- D. **Affordable:** Spectrum Management conducted a file monitoring of Maple Tower and River Run for Redstone, our tax credit investor. Maple Tower had 1 file in non-compliance that is being corrected related to the lease term. The dates were accidentally entered for a 15-day lease instead of a 1 year and 15-day lease. River Run had 5 files in non-compliance which are being corrected related to income documentation. All tenants were eligible but were missing a piece of income documentation. In addition, Redstone thought both Maple Tower and River Run had non-compliance issues related to the utility allowance but the file auditors did not realize that all utilities are included in the rent and therefore there is no utility allowance. This was corrected by sending a letter to that effect to Redstone.
- E. **Services:** Peace Neighborhood Center has agreed to provide on-site services to tenants at Baker Commons, to replace the services that were lost when WCCMH was unable to fulfill their contract due to a hiring freeze.
- F. **Facilities and Maintenance:** Redstone, our tax credit investor conducted a physical monitoring of River Run and Maple Tower in September and we have not received the results yet. Snow removal contracts were executed, all of which are under \$25,000.
- G. **Capital Expenditures:** New water mains were installed at each of the 3 properties at Oakwood.
- H. **Family Self Sufficiency:** Weneshia Brand and her staff have spent several months revising the program to ensure that the goals and steps to reach those goals are clearly articulated, make sense, and are achievable by participants. HUD gives Housing Commission's flexibility on how to manage the programs and we want to make sure that when participants graduate they have successfully made life achievements that will give them the tools to be economically self-sufficient.