Legislation Details (With Text)

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Title: Ann Arbor Housing Commission Recommendations for Supportive Services and Operating Support for AAHC Programs and Properties FY20 Millage Funding

Sponsors:

Indexes:

Code sections:

Attachments: 1. Millage chart of projects. and recommendations.pdf

Date	Ver.	Action By	Action	Result
9/19/2018	1	Housing Commission	Approved by the Commission	Pass

Ann Arbor Housing Commission Recommendations for Supportive Services and Operating Support for AAHC Programs and Properties FY20 Millage Funding

On July 3, 2017 City Council adopted a resolution (R-17-261) regarding the expenditure of millage funding in order to notify the public about how the City of Ann Arbor intended to use the millage rebate funds from the Community Mental Health and Public Safety Preservation Millage, as required by law. Specifically, the resolution included the following language regarding how the City planned to spend the millage funds:

> 40% to effect the goals of the Affordable Housing Needs Assessment (a/k/a Washtenaw County Housing Affordability and Economic Equity Analysis) and to increase Workforce Housing (operating & capital) with guidance by the Housing and Human Services Advisory Board.

On February 8, 2018, the Housing and Human Services Advisory Board (HHSAB) recommended that City Council adopt the following:

- 75% to the Affordable Housing Fund for development of affordable housing per existing Affordable Housing Fund policy; and
- 25% to the Ann Arbor Housing Commission (AAHC) to contract with local non-profits to provide supportive services for residents of AAHC properties and AAHC administered voucher programs
- The allocation above continues for the 8 year duration of the millage

The City of Ann Arbor budget process for FY20 begins in October 2018. The City Administrator requested that the AAHC provide funding recommendations for City Council to consider for the 25%

of the millage funding that is for supportive services for non-profits as well as AAHC operations.

The City's FY20 budget is expected to include $160,000 in recurring general funds to the AAHC in addition to the millage funds. These recurring funds include $60,000 in pass-through funds to Washtenaw County Community Mental Health, Peace Neighborhood Center and Community Action Network to provide on-site tenant services at AAHC properties. In addition, these recurring funds include $100,000 to support the AAHC Housing Choice Voucher program administration due to the chronic underfunding of the HCV administrative fee, which was pro-rated at 80% of projected expenses for FY18. Congress and the President have not adopted the budget yet for FY19 or FY20.

AAHC Staff asked our non-profit service providers to provide audits, annual budgets, services descriptions and accomplishments. In addition, the non-profits were asked whether additional funding was needed to provide the level of supportive services needed for AAHC housing and programs. Misty Hendershot, Reggie Dalton, Beth Yaroch and Jennifer Hall reviewed this documentation and made the attached recommendations to the board to recommend to the Ann Arbor City Council.

These funding recommendations are based on the assumption that HUD funding to administer the Voucher program will not be cut in FY20 below FY18 levels. Unfortunately, the HUD budget has not yet been approved for FY19 by Congress and the President and the HUD FY20 budget is highly unlikely to be adopted by the time City Council approves the FY20 budget in May 2019. These recommendations are contingent on the AAHC receiving at least level funding from HUD in FY20. The millage funding recommendations are in order of priority so that if there is more or less funding available, then the agencies and programs can be funded in the order of priority.

Prepared and Approved by: Jennifer Hall, Executive Director

WHEREAS, on July 3, 2017 City Council adopted a resolution (R-17-261) regarding the expenditure of millage funding in order to notify the public about how the City of Ann Arbor intended to use the millage rebate funds from the Community Mental Health and Public Safety Preservation Millage, as required by law; and

WHEREAS, the resolution included the following language regarding how the City planned to spend the millage funds: 40% to effect the goals of the Affordable Housing Needs Assessment (a/k/a Washtenaw County Housing Affordability and Economic Equity Analysis) and to increase Workforce Housing (operating & capital) with guidance by the Housing and Human Services Advisory Board; and

WHEREAS, on February 8, 2018, the Housing and Human Services Advisory Board (HHSAB) recommended that City Council adopt the following:

- 75% to the Affordable Housing Fund for development of affordable housing per existing Affordable Housing Fund policy; and
- 25% to the Ann Arbor Housing Commission (AAHC) to contract with local non-profits to provide supportive services for residents of AAHC properties and AAHC administered voucher programs

- The allocation above continues for the 8 year duration of the millage

WHEREAS, the City Administrator requested that the AAHC provide funding recommendations for City Council to consider for the 25% of the millage funding that is for supportive services for non-profits as well as AAHC operations.

WHEREAS, these recommendations are based on the assumption that HUD funding will be at least level in FY20 as in FY18; and

WHEREAS, the City of Ann Arbor will continue to provide $160,000 in recurring funding to the AAHC from the General fund in FY20 to be spent on the following programs:

$40,000	Washtenaw County Community Mental Health at Baker Commons and other AAHC program sites
$10,000	Peace Neighborhood Center at Maple Meadows and West Arbor
$10,000	Community Action Network at Green-Baxter Court
$100,000	Ann Arbor Housing Commission Housing Choice Voucher Program Administration

WHEREAS, if HUD funding is cut or if the millage revenue is higher than the estimated $230,000 for FY20 then the recommendations for funding will be increased or decreased in the order of the priorities below; and

NOW THEREFORE BE IT RESOLVED THAT, the Ann Arbor Housing Commission Board approves the following recommendation to City Council for the FY20 millage funding dedicated to the Ann Arbor Housing Commission for operations and supportive services in the order of priority:

Millage Funding for services provided at AAHC housing sites & programs - IN ORDER OF PRIORITY

After any operating deficits in the AAHC budget are covered. $230,000 projected for fir affordable housing)

AGENCY	**PROGRAM/LO**	
Avalon	West Arbor	$56,719
Avalon	Swift Lane - W	$32,000
SOS	Voucher Progr	$22,000
Food Gatherer	Baker	$25,000

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CAN	Green Baxter/H	$10,000
Avalon	West Arbor	$24,900
PNC	West Arbor/M	$14,000
SOS	Voucher Progr	$10,000
Avalon	Swift Lane - W	$25,000
CAN	Swift Lane - Pl	$10,000
		$229,619

Millage funding recommendations if millage funding exceeds projections - IN ORDER OF PRIORITY

AGENCY	**PROGRAM/LO**	
Avalon	Miller Manor	$52,500
Avalon	Miller Manor	$53,800
CAN	GBC/Hikone	$36,500
SOS	Voucher Progr	$22,000
CAN	Swift Lane - Pl	$60,000
		$224,800

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