01 Affordable Housing Properties
17 properties in the City of Ann Arbor
548 apartments

02 Voucher Programs
2,212 Vouchers

03 Family Self-Sufficiency & Homeownership Programs
99 – 130 FSS participants
10 Homeowners

04 Finance and Administration
$31 Million Annual Operating Budget
41 Staff
TREMENDOUS GROWTH IN PROGRAMS

<table>
<thead>
<tr>
<th>APARTMENTS/VOUCHERS</th>
<th>2011/12</th>
<th>2022/23</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAHC apartments own &amp; manage</td>
<td>355</td>
<td>548</td>
</tr>
<tr>
<td>Housing Choice Vouchers</td>
<td>1333</td>
<td>1333</td>
</tr>
<tr>
<td>Family Unification Program Vouchers</td>
<td>0</td>
<td>32</td>
</tr>
<tr>
<td>Non-Elderly Disabled Vouchers</td>
<td>0</td>
<td>251</td>
</tr>
<tr>
<td>Veterans Affairs Supportive Housing Vouchers</td>
<td>136</td>
<td>231</td>
</tr>
<tr>
<td>Emergency Housing Vouchers</td>
<td>0</td>
<td>29</td>
</tr>
<tr>
<td>RAD Project Based Vouchers</td>
<td>0</td>
<td>336</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>1824</strong></td>
<td><strong>2760</strong></td>
</tr>
</tbody>
</table>
## GROWTH IN OPERATING BUDGET

<table>
<thead>
<tr>
<th>FUNDING SOURCES/PROGRAMS</th>
<th>2011/12</th>
<th>2022/23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Voucher Rent Subsidies (Administered to Landlords)</td>
<td>$9,463,173</td>
<td>$21,290,000</td>
</tr>
<tr>
<td>Voucher Administrative Fees (to AAHC)</td>
<td>$827,382</td>
<td>$1,669,499</td>
</tr>
<tr>
<td>Rent Subsidies (for AAHC Housing)</td>
<td>$1,543,262</td>
<td>$3,367,363</td>
</tr>
<tr>
<td>Management Fees (to AAHC)</td>
<td>$265,775</td>
<td>$903,014</td>
</tr>
<tr>
<td>Family Self-Sufficiency Program (to AAHC)</td>
<td>$0</td>
<td>$180,000</td>
</tr>
<tr>
<td>Tenant Rent &amp; Other Tenant Income (to AAHC)</td>
<td>$733,861</td>
<td>$2,539,426</td>
</tr>
<tr>
<td>City of A2 for Tenant Services (to Nonprofit Partners)</td>
<td>$60,000</td>
<td>$591,008</td>
</tr>
<tr>
<td>City of A2 (for AAHC Operations)</td>
<td>$154,000</td>
<td>$160,000</td>
</tr>
<tr>
<td>Other (to AAHC)</td>
<td>$54,000</td>
<td>$193,222</td>
</tr>
<tr>
<td><strong>Total Annual Operating Budget</strong></td>
<td><strong>$13,101,453</strong></td>
<td><strong>$30,893,532</strong></td>
</tr>
</tbody>
</table>
GROWTH IN ORGANIZATIONAL COMPLEXITY AND TECHNICAL KNOWLEDGE

<table>
<thead>
<tr>
<th>STAFF</th>
<th>2011/12</th>
<th>2022/23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Finance</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>Voucher Program</td>
<td>8</td>
<td>12</td>
</tr>
<tr>
<td>Housing Property Management</td>
<td>5</td>
<td>9</td>
</tr>
<tr>
<td>Maintenance</td>
<td>4</td>
<td>7</td>
</tr>
<tr>
<td>Family Self Sufficiency Program</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Real Estate Development</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>21</strong></td>
<td><strong>41</strong></td>
</tr>
</tbody>
</table>
## DEVELOPMENT/CAPITAL IMPROVEMENTS

<table>
<thead>
<tr>
<th>FUNDING SOURCES BETWEEN 2013 – 2021</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Income Housing Tax Credits (LIHTC) Equity</td>
<td>$44,104,698</td>
</tr>
<tr>
<td>Loans (Financial Institutions)</td>
<td>$11,523,100</td>
</tr>
<tr>
<td>City Funds (Ann Arbor Housing Fund, General Fund, Sustainability)</td>
<td>$4,388,765</td>
</tr>
<tr>
<td>AAHC (Capital Reserves &amp; Other Smaller Grants)</td>
<td>$3,105,996</td>
</tr>
<tr>
<td>Federal Home Loan Bank (FHLB)</td>
<td>$2,670,000</td>
</tr>
<tr>
<td>DDA Grants</td>
<td>$2,440,330</td>
</tr>
<tr>
<td>HUD Grants</td>
<td>$1,905,483</td>
</tr>
<tr>
<td>Community Development Block Grant (CDBG)</td>
<td>$1,628,669</td>
</tr>
<tr>
<td>Insurance Proceeds</td>
<td>$807,278</td>
</tr>
<tr>
<td>Washtenaw County Brownfield Redevelopment Authority (WCBRA)</td>
<td>$615,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$73,189,319</strong></td>
</tr>
</tbody>
</table>
2022 AAHC
NEW HUD DESIGNATION: LANDLORD INCENTIVES COHORT #4 MOVING TO WORK

Competitive Process
- 29 Public Housing Authorities Designated under Cohort #4
- 139 PHA’s total approved for MTW Designation

Benefits
- Regulatory flexibility
- Funding fungibility & flexibility

5-year Study
- Increase landlord participation in voucher program
- Increase lease-up success for participants
MTW Implementation

Tenants
• Address barriers such as credit score or lack of credit
• Security deposit assistance
• Utility deposit assistance or utility arrears payments
• Housing search assistance
• Renter’s insurance
• Initial move-in essential household items like beds, towels, kitchen supplies
• On-line tenant portal: rent payments, income certifications, waitlist, communications
MTW
Implementation

Landlord Recruitment & Retention
- Pre-inspection of units
- Incentives for new landlords
- Incentives to retain landlords
- Assist with repairs to apartments
- Unpaid rent mitigation fund
- Vacancy payments between tenants
- Holding fees
- On-line landlord portal: payments, inspection status, communications
AAHC Budget Request
General Funds

$160,000 Recurring Operational Support

$40,855 Increased IT Support
## AAHC Budget Request

### County Mental Health Millage Rebate

**FY23 $1,080,000**

<table>
<thead>
<tr>
<th>Mental Health and Tenant Support Services $605,480</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Community Action Network @ Hikone, Creekside, Green-Baxter $135,228</td>
</tr>
<tr>
<td>• Peace Neighborhood Center @ West Arbor, Maple Meadows, Baker $112,968</td>
</tr>
<tr>
<td>• Avalon Housing @ Miller Manor, West Arbor, State Crossing $280,428</td>
</tr>
<tr>
<td>• SOS Voucher Program Eviction Prevention $56,856</td>
</tr>
<tr>
<td>• Ozone House Family Unification Program $20,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capital Projects $474,520</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Miller Manor, Baker, Lurie Sprinkler Systems and related Asbestos Remediation</td>
</tr>
<tr>
<td>• 1504 – 1508 Broadway Renovations</td>
</tr>
</tbody>
</table>
Community Partners

Mental Health and Supportive Services

Client-centered Case Management, Mental Health, Community Building, Crisis Services, Financial Literacy, Jobs, Youth Programs, Support Groups, Eviction Prevention, Quality of Life Services, Resident Council, Art Therapy, Medical Services

Peace Neighborhood Center
Community Mental Health
Avalon Housing
University of Michigan School of Pharmacy

Ozone House
SOS
Food Gatherers
Michigan Works
Community Mental Health
PACE
VA
Community Action Network
Packard Community Clinic

Resident Art Room at Miller
Affordable Housing Millage FY23 $6,539,006

Guidelines Adopted by City Council July 27, 2020

- 20-years 1 mil
- Zero income up to 60% of Area Median Income
- Affordable Housing Development (hard and soft costs)
- Up to 20% for resident supportive services for millage-developed units
- Sustainability prioritized
- Permanent affordability prioritized
- Goal of socio-economic diversity throughout the City
- Maximize leverage of other resources
Affordable Housing Millage Strategy

- Develop budget that includes AAHC projects in pipeline, including city-owned properties
- Build in flexibility for properties unexpectedly on the market
- Develop application process with HHSAB for non-AAHC projects
  - Based on City Council adopted millage guidelines
  - Ensure investment in feasible projects with qualified developers
- Capital Funds/Resident Services Funds
  - Capital funds drawn down first and one time
  - Services funds drawn down second and will require annual budget approval
  - Need to track ongoing annual service requests tied to capital projects
Housing & Human Services Educational Series

JANUARY 13 | HISTORY OF PUBLIC AND AFFORDABLE HOUSING: RACIST HISTORY AND ONGOING IMPACTS

FEBRUARY 10 | LOCAL MARKET DISCUSSION - U OF M’S IMPACT ON HOUSING MARKET AND CHALLENGES FOR BUSINESSES

MARCH 10 | AFFORDABLE HOMEOWNERSHIP MODELS

APRIL 14 | SUSTAINABILITY, DENSITY, PLANNING, AND ZONING

MAY 12 | AFFORDABLE HOUSING DEVELOPMENT AND SUPPORTIVE HOUSING

JUNE 9 | AFFORDABLE HOUSING FINANCING (PART I)

JULY 14 | AFFORDABLE HOUSING FINANCING (PART II)

For more information, visit the Affordable Housing Education Series webpage at http://bit.ly/AA-housing-ed
AAHC FY23
Budget Request
Affordable Housing
Millage Recurring Operational

- $329,574 3 FTE’s Housing Development
- $33,323 IT charges for 3 FTE’s
- $400,000 Pre-development activities
Affordable Housing Millage FY23 Projects

- 350 S. 5th
  - $3,195,882 capital

- 353 S. Main
  - $1,274,584 capital
  - $200,000 services

- 121 E Catherine
  - $300,000 services

- Hickory Way
  - $250,000 capital
  - $182,430 services

- Grove at Veridian
  - $304,118 services
Horizon Issues

• 350 S 5th
  • March & April 2022: City Council PUD & Supplemental Regulations
  • 2022: Request for Proposal Co-Developer
  • 2023: Site Plan Approval, Final Design, Secure Financing

• 415 W Washington
  • Continue PUD & Supplemental Regulations Process

• 121 E Catherine
  • RFP Co-Developers: Avalon & ArtSpace selected

• 353 S. Main
  • RFP Co-Developer
Horizon Issues Continued

• 721 N Main/123 Summit
  • Zoning and Lot Split

• Platt/Springbrook
  • Community Engagement

• 2000 S. Industrial
  • Continue Site Analysis

• Temporarily On Hold
  • 1510 E Stadium
  • 404 – 406 N Ashley
FY23 CITY COUNCIL BUDGET QUESTIONS PROCESS

Please send any FY23 budget questions to Sara Higgins, copying Milton Dohoney, Marti Praschan, and Kim Buselmeier. Responses will be organized by topic and responded to throughout the budget season.