

# MELVINDALE HOUSING COMMISSION

## ANNUAL REPORT

Fiscal Year 2016 (January 1, 2016 through December 31, 2016)



The Melvindale Housing Commission seeks to serve the needs of low income residents of Wayne County through innovative programs, partnership and effective stewardship. Primarily, the Melvindale Housing Commission provides affordable housing through its public housing and its tenant based assistance programs. Simultaneously, the housing commission looks for opportunities to create and preserve affordable housing within its jurisdiction.

As a “public housing commission”, we are governed by a Board of Officials generally called “Commissioners”. These public officials are appointed by the Mayor of the City of Melvindale in accordance with Michigan Public Act 18. To receive funding for its programs from the federal government, the public housing agency executes an Annual Contribution Contract with the Department of Housing and Urban Development which requires compliance with a host of laws.

As a public service agency, the Melvindale Housing Commission is committed to providing excellent service to all public housing applicants, residents, and the public.



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## Message from Board Chair

### C. Sue Herman

In 2016 the Housing Commission continued to improve on the high bar we have enjoyed the past few years. Some accomplishments this year:

- **High Performer** – We maintained a rating of “High Performer” from the Office of Public and Indian Housing again this year! This reflects continuing effort to comply with the strict rules HUD enforces to ensure housing authorities achieve Federal guidelines. The Executive Director and Staff devote a great deal of time to meeting those rules. This is valuable to us, partially because we were given an extra allowance from HUD as a high-performer award.
- **PILOT (Payment in Lieu of Taxes)** paid for the year to the City of Melvindale was **\$34,000**.
- **Vacancies** – continue to be filled almost immediately, resulting in very few lost rent days. We do generally have 35-40 applicants for housing at Coogan Terrace. Melvindale Residents and Veterans continue to receive priority in housing.
- **Homelessness** -We began an initiative to explore opportunities to improve service to the area homeless population. We passed a **Memo of Understanding** on October 7, 2016. We will be working with Wayne Metropolitan Community Action Agency for some future placements when we have vacancies.
- **Lighting** – We converted to low energy lighting in the public areas of the building. Things will be much brighter and we expect to save a lot of money. I'm particularly pleased about the stairwell lighting, with motion sensors, to dim or brighten the lights as needed.
- **Water** – We continue to be a high user of Water within the city. During the year we paid the City of Melvindale **\$106,071.22** for water and sewerage.
- **Cable** - We entered into a new agreement with Comcast. Our residents can now contract independently with any carrier they may wish to bring in, and are allowed to connect to existing wiring within Coogan Terrace. This will allow our residents to search for better rates.
- **Grounds** - This year we approved the removal of the dead or dying Australian Pines and Blue Spruce, and purchased Cleveland Pear Trees and two kinds of Maples. The pear trees should be beautiful in the spring particularly, and of course Maple trees are always lovely.
- **Cement** - We live in a difficult climate for cement; we seem always to be spending money to repair or replace it in our drives and parking areas. Again this year we had cement work done at a cost of **\$50,000**. This is particularly a concern due to the many residents vulnerable to falls on broken or raised cement.
- **Household Pests** – While this will be an ongoing maintenance issue, we believe ours is the most aggressive eradication program locally, and we have achieved some measure of success.

This does require constant vigilance, with tenants and visitors bringing re-infestations, but that appears to be a nationwide issue. We continue to combine animal patrols, heat treatment, chemical treatment, and visual inspection of incoming furnishings.

- **Guest services** – Staff continued to support gardening efforts by tenants, who were able to sign up for spaces in which they were able to grow their own vegetables. Some raised beds were provided for those unable to bend or stoop, greatly adding to the enjoyment of residents.
- We continue to provide significant enrichment programs, (Coogan Camp) such as walking club, parties, dances, art classes, as well as visits to various venues.
- We continue to support the Non-Profit to improve life quality for our tenants. “The Greatest of These is Love” includes:
  - The Ladle of Love Bistro. This provides a free meal for any interested tenants twice a month – generally the last two weeks of the month, when money starts to run out and many tenants run out of food. Food is cooked and served by staff and resident volunteers.
  - Nora’s Closet. This provides a small “Store”, where tenants may purchase necessities for a nominal amount. Clothing, household goods, personal hygiene are available. For those in dire need, items may be provided at no cost, but experience shows a greater dignity is felt when the individual is able to give some payment for items. Staff solicit donations, or themselves directly donate items for Nora’s Closet.
- **Mental Illness** - We sponsored programs to examine concerns related to mental illness. According to Community Care Services, 1 in 5 people suffer from a mental health condition.

The Commission Board congratulates and thanks the Coogan Terrace Executive Director and Staff for another extraordinarily successful year. We look forward to even greater success for the coming year.



## Message from Executive Director

Cynthia C. Telfer

Fiscal Year 2016 was indeed a busy and productive year. A definite highlight includes the Internal Revenue Service determination that our subsidiary non-profit, “Greatest of These Is Love” qualified for 501c3 status. GOTLE, as it is frequently referred to, continues to serve between seventy and eighty very low income residents each month in its food program. GOTLE also agreed to provide partner services in conjunction with a Resident Self-Sufficiency (ROSS) grant we applied for. What a thrill when we learned December 24, 2016 that we had indeed been awarded a three year ROSS grant for programing at Coogan Terrace.

To assist our community’s most vulnerable, we partnered with Wayne Metropolitan Community Action Agency for a pilot project to occupy up to five apartments at Coogan Terrace with qualified homeless individuals. All five slots were filled and residents are doing very well in their new safe environment.

Happily we again received a clean audit by the Independent Auditing firm of Smith & Klaczkiwicz, PC for fiscal year 2016. This qualifies our agency as a “low risk auditee” which translates into less rigorous auditing procedures for future audits.

Our net financial position has been in decline for the past four years as federal funding to public housing programs have also been diminished. In 2016 we were eligible for \$385,407 in federal subsidies, however due to a proration of 90.2% we only received \$347,676. Unfortunately, under-funding public housing has been a trend for the past ten years. Contributing to the challenges of operating consistently with less money than needed, replacement projects have been deferred until Capital Funds are approved for expenditure. Maintaining an aging building without adequate funding is becoming a challenge.

## Financial Reports

The accounting policies adopted by the **Melvindale Housing Commission** (the “*Housing Commission*”) conform to accounting principles generally accepted in the United States of America (U.S. GAAP) as applied to governmental entities.

The Housing Commission reports as a business-type activity, as defined by the Governmental Accounting Standards Board Statement No. 34, with programs and projects.

The **Melvindale Housing Commission** was formed in 1977 by the City of Melvindale, Michigan under Public Act 18 (of 1933) of the State of Michigan. The Housing Commission operates under a Board of Commissioners appointed by the Mayor. Members of the Housing Commission Board may be removed by the City only for cause. The Housing Commission determines its own budget (subject to federal approval), sets rental rates and may issue debt in its own name. The City is not responsible for deficits or liabilities of the Housing Commission. However, the Housing Commission makes annual payments “in lieu of taxes” to the City. Therefore, a financial benefit exists for the City, thereby requiring that the **Melvindale Housing Commission** be reported as a discrete component unit of the City of Melvindale, Michigan.

The Housing Commission’s financial reporting entity is comprised of the special purpose government. In determining the financial reporting entity, the Housing Commission complies with the provisions of GASB Statement No. 14, as amended by GASB Statement No. 39, “*The Financial Reporting Entity*” and includes all component units, if any, of which the Housing Commission appoints a voting majority of the units’ board; the Housing Commission is either able to impose its will on the unit or a financial benefit or burden relationship exists. There are no agencies, organizations or activities that meet the criteria.

These financial statements include all activities of the Housing Commission, which include a Low Income Housing Program (199 units) and Section 8 Vouchers (134 units). These programs receive subsidies and annual contributions from the U.S. Department of Housing and Urban Development (“HUD”).

**Melvindale Housing Commission**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**For the Year End December 31, 2016**

**Operating revenues**

Tenant revenue	\$ 529,455
Program grants – subsidies	1,266,343
Other revenue	<u>45,935</u>

Total operating revenues 1,841,733

**Operating expenses**

Administration	448,870
Tenant services	72,549
Utilities	179,822
Maintenance	292,527
Protective services	26,598
Insurance	82,658
General	42,715
Housing assistance payments	755,256
Depreciation	<u>413,606</u>

Total operating expenses 2,314,601

Operating income (loss) (472,868)

**Nonoperating revenues and (expenses)**

Gain / (loss) on sale of capital assets	(1,054)
Fraud recovery	<u>4,199</u>

Total nonoperating revenues and (expenses) 3,145

Income (loss) before contributions (469,723)

**Capital contribution** 175,465

Change in net position (294,258)

**Net position** - Beginning of year 5,109,054

Prior period adjustment (5,977)

**Net position** - Beginning of year, as restated 5,103,077

**Net position** - End of year \$ 4,808,819



# PROGRAM HIGHLIGHTS And ACCOMPLISHMENTS

## *Occupancy – Coogan Terrace*

Occupancy and prompt unit turn are key performance indicators in leasing. The following paints a historical picture that shows continued improvement.

**Annual Occupancy Rate**

2014	2015	2016
98.95%	99.46%	99.41%

**Average Days Vacant**

2014	2015	2016
18.75	17.54	12.95

In fiscal year 2016, program staff housed thirty seven new residents with an average annual income of \$11,349.

- Four applicants income was categorized as Very Low Income and thirty three fell into the Extremely Low Income segment.
- Fourteen applicants were 62 years of age or older
- Twenty-three applicants were 61 years of age or younger (and disabled)

Demographics of Coogan Terrace as of December 31, 2016 are as follows:

Average Annual Income	\$12,087
Average Rent Charged	\$223
U. S. Veteran	2
Number of Elderly (62 or older)	84
Number of Disabled (61 or younger)	115

During 2016 Melvindale Housing Commission partnered with Wayne Metropolitan Community Action Agency for a pilot project to provide housing to homeless persons located at the over-night shelter administered by Christnet. Five apartments were set aside with preference status. All applicants were required to qualify as either elderly or disabled. All pilot units are currently occupied.

# Greatest of These Is Love (501c3)

Financial Statement - January 2016 through December 2016

	Unclassified	TOTAL
Ordinary Income/Expense		
10000 -SALES	9,091.12	9,091.12
43400 -Direct Public Support		
10001 -Cash Donation	4,952.22	4,952.22
43440 -Gifts in Kind - Goods	416.58	416.58
Total 43400 -Direct Public Support	5,368.80	5,368.80
46000 -Merchandise Sales	2,545.97	2,545.97
Total Income	17,005.89	17,005.89
Cost of Goods Sold		
10200 -PURCHASES	2,602.00	2,602.00
50000 • Cost of Goods Sold	4,183.58	4,183.58
Total Cost of Goods Sold	6,785.58	6,785.58
Gross Profit	10,220.31	10,220.31
Expense		
50900 • Food Purchases	968.53	968.53
60000 -Advertising and Promotion	545.33	545.33
60100 -Administration	194.20	194.20
60400 -Bank Service Charges	56.78	56.78
60900 • Business Expenses		
60940 -Taxes - Not UBIT	345.10	345.10
Total 60900 -Business Expenses	345.10	345.10
61700 -Computer and Internet Expenses	188.62	188.62
62100 -Contract Services		
62140 -Legal Fees	1,550.00	1,550.00
62100 -Contract Services- Other	250.00	250.00
Total 62100 -Contract Services	1,800.00	1,800.00
64000 -Activities	2,177.66	2,177.66
64900 -Office Supplies	24.55	24.55
65060 • STIPEND	110.00	110.00
65100 -Other Types of Expenses		
65110 -Advertising Expenses	66.45	66.45
Total 65100 -Other Types of Expenses	66.45	66.45
Total Expense	6,477.22	6,477.22
Net Ordinary Income	3,743.09	3,743.09
NET INCOME	3,743.09	3,743.09

**Nora's Closet** is registered as a “doing business as” entity under Greatest of These Is Love. Nora's functions as a thrift shop providing furniture, clothing, small household appliances, paper and cleaning products and personal hygiene items for sale. Items for sale are donated, purchased retail and/or purchased from other non-profits and made available for Coogan Terrace residents. On average 32 residents per month were served by Nora's Closet in 2016.

**Ladle of Love Bistro** provides two meals per month free of charge to residents of Coogan Terrace. Volunteers and GOTLE board members donate food and labor to prepare meals. Residents benefit from a wide array of nutritious meals including spaghetti, baked chicken, tilapia, sloppy-joes, hamburgers/hot dogs, taco salad and other main entrees accompanied by vegetables, a beverage and deserts.

Volunteers Demetrius Simmons and Frank Mazzie, both residents of Coogan Terrace have been faithful volunteers at the Bistro, providing cleaning and set up services as well performing “wait staff” activities. Guests of the Bistro are personally served meals and beverages directly to their table. Seconds are usually available after all interested guests have been served.

On average 1,200 people have been served at the Bistro during 2016.



## *Resident Services – Coogan Terrace*

To assist residents of Coogan Terrace, Melvindale Housing Commission employ's a “resident services coordinator” who coordinates a wide array of services including: food distribution, securing presentations for services such as health care or self-phone, mediation between residents and assistance in completing government forms for food stamps, Medicaid/Medicare, Social Security. Resident Services also coordinated special events such as “field trips”, Leap into Spring Celebrations, and the Kiwanis St. Patrick's Day and Halloween parties. To promote communication between residents and administrative staff, Melvindale Housing Commission hosts a bi-weekly “coffee hour” where concerns, suggestions and information can be shared. Coffee hour is an excellent opportunity to resolve potential concerns informally.

## Arts 'N Crafts at Coogan



## Track ‘N Field Event



Coogan Terrace – 3<sup>rd</sup> Annual Track ‘N Field Event was held August , 2016. Jerry Williams at the “water balloon” game.



## *Field Trips*

GOTLE was given tickets by the Tiger's Association to the September 15, 2016 Tiger's baseball game at Comerica Park.

Keith Martin enjoying the game.



### Diamond Jack River Cruise



## TOLEDO ZOO



Front Row (left to right: Bonita Kelly, Edythe Wright, Demetrius Simmons, Ella Johnson and Lloyd Davis  
Back row (left to right): Mary Bell, Donald Whartley and Carla Kelly





Wayne County Executive, Warren Evans visiting the county funded luncheon program at Coogan Terrace.

## Gardening





## Kiwanis March 2016 – St. Patrick Day Party



## *Housing Choice Voucher Program*

In addition to the public housing program, Melvindale Housing Commission also administers a tenant based rental assistance program called Housing Choice Vouchers. Since housing assistance is provided on behalf of the family or individual, participants are able to find their own housing, including single-family homes, townhouses and apartments.

A family that is issued a housing voucher is responsible to locate a suitable housing unit of the family's choice where the owner agrees to rent under the program. This unit may include the family's present residence. Rental units must meet minimum standards of health and safety, as determined by a federal standard called Housing Quality Standards.

Housing subsidy is paid to the landlord directly by the Melvindale Housing Commission on behalf of the participating family. The family then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program.

During the 2016 program year, twenty-nine vouchers were issued to applicants off the waiting list, with fifteen families being able to locate and utilize their voucher under the program. The Quality Housing & Work Responsibility Act of 1998 requires that seventy-five percent or greater of those who are assisted off the waiting list must come from the Extremely Low Income (ELI) Segment of the population. For the fifteen new participants, ninety-three percent were categorized as ELI and seven percent were very low-income.

Update requests were sent to 3,000 applicants in 2016 resulting in over 1,000 applicants removed from the waiting list due to lack of response.

Fourteen families left the voucher program during 2016.

### *Where people are using their voucher:*

<b>Unit location</b>	<b># of HCV Assisted Households</b>	<b>Unit location</b>	<b># of HCV Assisted Households</b>
Brownstown	2	Redford	1
Dearborn / Dearborn Heights	4	River Rouge	1
Detroit	29	Riverview	3
Ecorse	6	Romulus	4
Flat Rock	3	Southfield	1
Garden City	1	Southgate	1
Inkster	8	Taylor	17
Lincoln Park	18	Wayne	2
Melvindale	14	Westland	3
Northville	1	Wyandotte	1

**Upcoming events:**

In 2017 the Melvindale Housing Commission's voucher program will be rolling out a Homeownership opportunity for its voucher participants. Housing counseling will be performed through staff of Wayne Metropolitan Community Action Agency.

The Melvindale Housing Commission will be holding landlord workshops in 2017 to help familiarize landlords with the idiosyncrasies of the voucher program. Topics to be covered will be a review of the Housing Assistance Payment contract, screening voucher participants, commonly failed inspection items and the process used to lease up a participant.

Updated voucher briefing presentations may also be offered to program participants who need a refresher on their obligations as a participant.



## PARTNERS / VOLUNTEERS

- **Kiwanis**

Kiwanis is so very much valued for the events they host throughout the year including, St. Patrick's Day and Halloween. Residents enjoy the wonderful food and fellowship at these events.



- **Resident Volunteers**

At every event residents volunteer to assist others less mobile than themselves. They help cook, serve food and generally fill in wherever the need. How wonderful it is when residents assist staff with decorations, setting up the event and assisting with the cleaning. Flower Day planting would never be accomplished so well without the nimble hands and horticultural skills of our residents.



### MSU Extension Services

MSU Extension provided helps people improve their lives by bringing the vast knowledge resources of MSU directly to individuals, communities and businesses. For more than 100 years, MSU Extension has helped grow Michigan's economy by equipping Michigan residents with the information that they need to do their jobs better, raise healthy and safe families, build their communities and empower our children to dream of a successful future.

## Additional Partners

- City of Taylor Farmer's Market
- Pentiuk, Couvreur & Kobiljak P.C
- Super Wal-Mart of South Gate
- Dollar Tree of Melvindale
- Melvindale Pharmacy
- Champagne Pharmacy
- On Que, LLC – Transportation
- McDonald's Allen Rd (Melvindale)
- White Castle Dix Road
- Domino's Pizza - Lincoln Park
- Zukins Rib Shack – Lincoln Park
- Chicken Shack – Lincoln Park
- Leo 'Coney Island –Detroit MI
- Mc Donald's - Detroit West Jefferson
- Wendy 's – Dix Rd Melvindale
- Oakwood Food Store - Melvindale
- Tim Horton coffee – Melvindale
- Detroit Zoo
- Banker's Life
- Computer-Tek.com
- Michigan State University Extension  
Health and Nutrition Institute
- Motown Museum - Detroit
- Side Track Restaurant - Ypsilanti MI
- Crescent Senior Service
- IHHC –Farmington Hills
- VN Home Health Care
- Heart to Heart Ministries
- Will Funeral Homes
- Season-all Outdoor Service Inc.
- INIJ Home Health Care ,Inc.
- Melvindale Police Dept.
- Cathy J. Malone- Dearborn Dental Prosthetics
- Wings of Prayer Ministry
- Walgreen's of Wyandotte MI
- MJZ Consulting and Educational, LLC
- First Financial Insurance Group – Carleton MI
- Fellowship of Love church - Melvindale
- Gleno's Market
- D Brown Music
- Comcast- Garden City
- Adrian's Computer Service
- Detroit Tiger Foundation
- MHC Board Members and Staff
- Fire House Museums – Ypsilanti MI
- Mc Donald – Huron Dr - Ypsilanti MI

## LEADERSHIP TEAM

### *Board Members:*

C. Sue Herman - Chair  
Jerry L. Williams – Vice Chair  
Mary Suiter – Commissioner  
Jeanette DeCaire - Commissioner  
Carmen Cotto - Commissioner

### *Resident Advisory Board (2016)*

- Jerry L. Williams
- Raymond Rivers
- Angela Kessey
- Louis Hornok
- Sandra Hornok
- Lloyd Davis

### *Melvindale Housing Commission Staff:*

- × Cynthia C. Telfer, Executive Director
- × Luz Guzman, Property Manager
- × Julian Emerson, Assistant Property Manager
- × Elizabeth Dionisi, Financial Assistant
- × Gregory Roy, Maintenance
- × Craig Nizyborski, Maintenance
- × Mary Steward, Janitor
- × Wendy Brunswick, HCV Occupancy Specialist
- × Eric Temple, Resource Coordinator