



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, June 25, 2008

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at Main Office located at 902 S L Street, Tacoma, Washington at 4 PM on Wednesday, June 25, 2008.

1. CALL TO ORDER

Chairman Mowat called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:15 PM.

2. ROLL CALL

Upon roll call, those present and absent were as follows:

PRESENT

ABSENT

Commissioners

Greg Mowat, Chair

Arthur Banks, Vice Chair

Ken Miller, Commissioner

Stanley Rumbaugh, Commissioner

Janis Flauding, Commissioner

Staff

Michael Mirra, Executive Director

Lorrie Pierson, Executive Assistant

Finance and Administration Director

Roy Sowerby, Real Estate Management and
Housing Services

Janet Rice, Real Estate Development Director

Mike Fait, Community Services Director

Barbara Tanbara, Human Resources Director

Chairman Mowat declared there was a quorum present at 4:15 pm, and proceeded.

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Chairman Mowat asked for any corrections to or discussion of minutes for the Meeting of Wednesday, May 28, 2008. Chairman Mowat called for a motion to approve the minutes as presented. Chairman Mowat moved the adoption.

Upon roll call, the vote was as follows:

AYES: 4
NAYS: None
Abstain: None
Absent: 1

Motion approved.

4. COMMUNICATIONS

None.

5. GUEST COMMENTS

None

6. COMMITTEE REPORTS

HOPE VI Community Task Force – Commissioner Banks

None.

Finance Committee – Commissioner Miller

None.

7. ADMINISTRATION REPORTS

Finance and Administration

Director Rice referred to some notable items in her department report. She first mentioned that Salishan 4 is nearly complete and ahead of schedule. Commissioner Miller asked what we learned from this success. Director Rice replied that THA has learned quite a bit about what best practices require.

The discussion then focused on the upcoming congressional budget and how THA should proceed in the coming year. The discussion noted the various predictions that Congress will not pass a HUD budget until the new Congress takes office in January 2009. In that event, Congress will pass a Continuing Budget Resolution that would continue our funding at present levels. This would include funding our public housing operations at 83% of need. One option is to presume this level for purposes of our next funding. A more conservative option is to assume that President Bush's budget will prevail at his proposed 80% of need. We could also presume upon the budget passed by the congressional budget committees at 85% of need.

Executive Director Mirra thanked Director Rice for all her hard work regarding the PHAS outcome. Director Rice said it was a collaborative effort between Real Estate Development and Real Estate Management and Housing Services.

Commissioner Miller asked how the search for the new CFO is coming. Executive Director Mirra stated that our search firm reports the pickings to be slim. It mentioned some candidates but the pool is not as big as we hoped it would be. We still hope to have a new Finance Director in place by Oct. 1, 2008. It is possible that it could run considerably longer.

Commissioner Rumbaugh moved to ratify the payment of cash disbursements totaling \$6,065,619 for the month of May 2008. Commissioner Miller seconded the motion.

Upon roll call, the vote was as follows:

AYES:	4
NAYS:	None
Abstain:	None
Absent:	1

Motion carried.

Real Estate Management and Housing Services

Director Sowerby invited questions about his Board Report. Director Sowerby then began clarification on the new PHAS report stating that HUD is amending the way that they score PHAS. HUD used to score an agency as a whole. It is moving to a new system that will rate each AMP. The discussion revolved around how funds would be allocated. Director Sowerby stated that each AMP would be funded individually to coincide with the greater emphasis on accountability for each property. At this time HUD has not written the rules for this new system.

He reported that HUD is going to use THA as a test subject for its new system. Its staff will be visiting THA in July to review our AMP system. Director Rice said this will be an opportunity for THA to prepare for future performance evaluations, challenge findings and add valuable input that could steer the PHAS review process. There was discussion on how this would affect THA AMPs and how critical it is to manage these assets properly.

Real Estate Development

Director Rice noted the many projects underway. THA closed on Salishan 5 and recording of the financial instrument was imminent.

Director Rice briefly mentioned Harvey Adams, who will replace Bob Paulson while Bob is in Iraq serving our country. Mr. Adams comes to us with many years as a business man.

Commissioner Miller recalled the previous board discussion of disposition of current THA scattered sites. Director Rice said they were moving forward with the request to HUD in regards to getting a change of status for those properties. She noted that THA does have to tell HUD what the ultimate disposition of the units, i.e. whether THA will sell them or not. We will tell HUD of the plan presented to the Board previously, but we do not have to commit to a particular schedule for any sale.

Commissioner Rumbaugh asked about the environmental goals of Guerdon Homes, who will be the manufacturer of the Hillsdale Heights modular homes. Director Rice stated that Guerdon Homes adheres to the Evergreen Standard, which is a green standard for housing funded by the Washington State Housing Trust fund. There was a brief discussion on what could be done to maximize green building techniques.

Commissioner Miller wanted to know if THA was incorporating real estate sales functions in house in order to capture commissions. Director Rice stated that she and Director Fait are looking into that possibility.

Community Services

Director Fait opened with an overview of the projects that are currently in process in Community Services. The TAAG software implementation is going well and will be utilized for several quarterly reports. There are also new programs being offered by Bates such as office management and parenting classes. Summer camp is also about to commence at Salishan. There is a meeting scheduled with Homesight to finalize the Mortgage Broker Business Plan.

The discussion then turned to employment related funds for promoting employment activities for both youth and adults. Director Fait said he was meeting with his staff to see what the specific needs are and how to satisfy those needs. Chairman Mowat suggested that THA look at ANEW. ANEW is a pre-apprentichship program at Clover Park Technical College. Commissioner Miller also suggested that Director Fait look toward entrepreneurial techniques to fulfil employment needs. Commissioner Miller requested that Director Fait's report reflect not only the number of clients that are employed but how long they are staying in positions. Director Fait said that would not be a problem.

Human Resources

There was no Human Resources Report.

8. New Business

8.1 **RESOLUTION 2008-6-25 (1)**
CONSTRUCTION MANAGER/GENERAL CONTRACTOR SERVICES
SALISHA HOPE VI REDEVELOPMENT PHASE II AND PHASE III
CHANGE ORDERS TO MODIFICATION 6 PHASE II SALISHAN 5
VERTICAL

Whereas, Resolution 2006-08-23 (1) authorized the Executive Director the authority to negotiate and execute the contract for the Construction

Manager/General Contractor for Salishan HOPE VI Redevelopment Phase II & III with Walsh Construction;

Whereas, The resolution authorized the Executive Director to award the contract in phases through modifications to the Predevelopment Services Agreement;**Whereas**, The Authority has developed a preliminary budget of \$58 Million for Phase II of the project, and;

Whereas, The project will be funded through a mix of financing strategies including Capital Funds, HOPE VI, Equity contributions, Construction Loans;

Resolved by the Board of Commissioners of the Housing Authority of the City of Tacoma, Washington,

1. The Executive Director has the authority to negotiate and execute change orders to the sixth modification to the Modification (6) for Salishan 5 Vertical construction of Phase II in the amount not to exceed of \$14,109,568.

Approved: June 25, 2008

Greg Mowat, Chairman

8.2 **RESOLUTION 2008-6-25 (2)**
CONSTRUCTION MANAGER/GENERAL CONTRACTOR SERVICES
SALISHAN HOPE VI REDEVELOPMENT PHASE II AND PHASE III
MODIFICATION 7 PHASE III AREA 2B DEMOLITION

Whereas, Resolution 2006-08-23 (1) authorized the Executive Director the authority to negotiate and execute the contract for the Construction Manager/General Contractor for Salishan HOPE VI Redevelopment Phase II & III with Walsh Construction;

Whereas, The resolution authorized the Executive Director to award the contract in phases through modifications to the Predevelopment Services Agreement;

Whereas, The Authority has developed a preliminary budget of \$58 Million for Phase II of the project, and;

Whereas, The project will be funded through a mix of financing strategies including Capital Funds, HOPE VI, Equity contributions, Construction Loans;

Resolved by the Board of Commissioners of the Housing Authority of the City of Tacoma, Washington,

2. The Executive Director has the authority to negotiate and execute Modification (7) for Phase II, Area 2B Demolition in the amount not to exceed of \$954,105.

Approved: June 25, 2008

Greg Mowat, Chairman

8.3 RESOLUTION 2008-6-25 (3)
Please see attached.

9. COMMENTS FROM THE COMMISSIONERS

No Comments from the Commissioners

10. COMMENTS FROM THE EXECUTIVE DIRECTOR

Executive Director Mirra began his comments by noting his recent visits with City Council members. He updated them on THA and its various activities, including Salishan. A discussion with the Board followed about the Education, Training and Retail Center at Salishan. Executive Director Mirra noted that THA needs further grant funding to lower our financing costs in order to make the rents more affordable to the tenants we seek. A brief discussion ensued.

Executive Director Mirra further described his efforts to create a revolving loan fund for small contractors. The Construction Oversight Committee has convened a small subcommittee to examine the establishment of the loan fund. This would be a valuable asset in assisting small contractors in obtaining licensure, bonding and insurance.

11. REMARKS FROM COUNSEL

None.

12. EXECUTIVE SESSION

Time in 5:45
Time out 6:08

13. ACTION SUBSEQUENT TO EXECUTIVE SESSION

None.

14. ADJOURNMENT

There being no further business to conduct, the Board of Commissioners meeting adjourned at 6:08 PM.

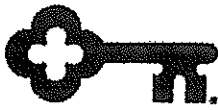
APPROVED AS CORRECT

Adopted: June 25, 2008



Greg Mowat, Chairman

2008-6-25(3)



Business/Non-Personal Signature Card

Legal Title of Account: SALISHAN FIVE, LLC CONSTRUCTION OPERATING ACCOUNT			KeyCenter #: 968 - Commercial Banking	Account #: [REDACTED]	
Statement Mailing Address: 902 S L STREET			Product Code: DDA	Sub Product Code: 09	Package Code:
City: TACOMA			State: WA	Zip Code: 98405	Business Phone: 253-207-4400
Open Date: 06/25/2008		Opening Deposit:		Opened By: Albert Nogare	
Officer Code: KRP01		SIC Code:			
Source Of Funds: Other					
Signer's Name		Title		Social Security #	Signature
Michael J Mirra		Exec. Director		[REDACTED]	Michael Mirra
Janet L Rice		Dir. of Finance & Adm.		[REDACTED]	JRice

KeyBank National Association, hereafter the "Bank", is authorized to recognize any of the signatures subscribed above for the transaction of any business for this Account in connection with funds belonging to the Entity to whom this Account is titled (the "Entity"). The undersigned acknowledges receipt of a copy of the Deposit Account Agreement and Disclosures governing this Account.

It is agreed that all transactions on this Account shall be subject to the Deposit Account Agreement and Disclosures as well as any amendments thereto hereafter made. By executing this signature card, each signer shall be bound by the terms and conditions of said Deposit Account Agreement and Disclosures. It is further agreed that the Bank may conclusively assume that the authority of each signer shall continue as such until receipt by the Bank of written notice to the contrary, consistent with the authority designated by the corporate or non-corporate depository certificate or resolution on file, such notice to be given to each office of the Bank in which this Account is maintained. Until such notice is actually received, the authority conferred herein to the above noted signatories shall remain in full force and effect and the Bank shall be indemnified and saved harmless from any loss suffered or liability incurred by it in continuing to act in pursuance of this signature card.

I certify that the above are the true and genuine signatures of authorized signer(s) with their respective title, authorized to sign for the Entity.

Under penalties of perjury, the undersigned certifies that 1) the number shown on this form is the Entity's correct taxpayer or employer identification number (or the Entity is waiting for a number to be issued), and 2) the Entity is not subject to backup withholding because:

(a) the Entity is exempt from backup withholding, or (b) the Entity has not been notified by the Internal Revenue Service that it is subject to backup withholding as a result of failure to report all interest or dividends, or (c) the IRS has notified the Entity that it is no longer subject to backup withholding, and 3) I am a U.S. citizen or other U.S. person (defined below):

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or a U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).


The undersigned must cross out item (2) above if the Entity has been notified by the IRS that it is currently subject to backup withholding because of under-reporting interest or dividends on its tax return. Tax Identification Number: 208221391

Refer to the list of payees exempt from backup withholding and for which no information reporting is required. If this entity is exempt from backup withholding and information reporting under IRS regulations, enter your correct TIN in the previous section and check here:

If you are a foreign person, cross out above certification section and U.S. Person on the line under your signature below. Complete the appropriate Form W-8.

The Internal Revenue Service does not require your consent to any provisions of this document other than the certifications required to avoid backup withholding.

IN WITNESS WHEREOF, I have set my hand at

Tacoma City, Washington State this 26th day of June, 20 08
BY  Signature of U.S. Person FINANCE MANAGER Title

For Bank Use Only

Business ID Type: choose...		Business ID Details:	
Business ID State/Country of Issuance:			
New Account Verification:		Type of Account	Status
ChexSystems	Verified By _____	<input type="checkbox"/> Checking Account	<input type="checkbox"/> Corporation
Phone No.	Waived By _____	<input type="checkbox"/> Statement Savings	<input type="checkbox"/> Corporation Non-Profit
Other	_____	<input type="checkbox"/> Money Market Account	<input type="checkbox"/> Sole Proprietorship
		<input type="checkbox"/> Money Market Savings	<input type="checkbox"/> Organization/Association
		<input type="checkbox"/> Certificate of Deposit	<input type="checkbox"/> Partnership Public Funds
			<input type="checkbox"/> Limited Liability Company
			<input type="checkbox"/> Formal Trust
			<input type="checkbox"/> Estate
			<input type="checkbox"/> Other
Certificate or Resolution Filed		Check One	
Date: _____	Location: _____	<input checked="" type="checkbox"/> New	
Sig. Req.: _____		<input type="checkbox"/> Change of Signers	
		Effective Date:	06/25/2008

Payees and Payments Exempt from Backup Withholding. - The following is a list of payees exempt from backup withholding and for which no information is required. For interest and dividends, all listed payees are exempt except item 9. For broker transactions, payees listed in 1 through 13, and a partner under the Investment Advisers Act of 1940 who regularly acts as a broker are exempt.

Payments subject to reporting under sections 6041 and 6041A are generally exempt from backup withholding only if made to payees described in 7, except a corporation that provides medical and health care services or bills and collects payments for such services in not exempt from backup information reporting. Only payees described in items 2 through 6 are exempt from backup withholding for barter exchange transactions, patronage payments by certain fishing boat operators.

1. A corporation.
2. An organization exempt from tax under section 501(a), or an IRA, or a custodial account under section 403(b)(7).
3. The United States or any of its agencies or instrumentalities.
4. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities.
5. A foreign government or any of its political subdivisions, agencies or instrumentalities.
6. An international organization or any of its agencies or instrumentalities.
7. A foreign central bank of issue.
8. A dealer in securities or commodities required to register in the United States or a possession of the United States.
9. A futures commission merchant registered with the Commodity Futures Trading Commission.
10. A real estate investment trust.
11. An entity registered at all times during the tax year under the Investment Company Act of 1940.
12. A common trust fund operated by a bank under section 584(a).
13. A financial institution.
14. A middleman known in the investment community as a nominee or listed in the most recent publication of the American Society of Corporate Nominee List.
15. A trust exempt from tax under section 664 or described in section 4947.

endorsement appearing thereon; and that Bank may pay to any Authorized Officer or any other officer, employee, member, manager or agent of Corporation the proceeds, in cash or otherwise, of any instrument heretofore referred to in the foregoing Resolutions, signed or endorsed in the manner above indicated, whether the same be drawn on Bank, on another bank, or otherwise, and whether payable or endorsed to Corporation, bearer, Bank or otherwise.

RESOLVED: That all present and future rules and regulations of Bank governing accounts are hereby assented to and shall be binding upon Corporation; that any statements, unpaid items, canceled vouchers or checks may be delivered to Corporation by mailing the same to the last known address of the Corporation as shown by the records of the Bank or by delivering the same to any Authorized Officer or any officer, employee, member, manager or agent of Corporation, and any and all such deliveries by Bank shall constitute good and valid deliveries to Corporation.

RESOLVED: That any Authorized Officer is authorized and empowered to apply to Bank for the use of its Night Depository Facilities, including automated teller machines, and in connection with such use to execute and deliver to Bank such agreements containing such terms and provisions as Bank may require, and in the event any such agreement contemplates that bags of Corporation found by Bank in any of its night depository receptacles are to be received and receipted for by Corporation, then any Authorized Officer is authorized and empowered to receive and receipt for any such bags and to (i) designate any additional person or persons who shall each be authorized to receive and receipt for any such bags; (ii) in writing revoke the authority of any persons so designated; and (iii) certify the name of each such designated person to Bank together with a specimen signature of such person.

RESOLVED: That any Authorized Officer is hereby authorized to open safekeeping accounts, or give any instructions to the Bank for the transfer of funds and for the purchase, receipt, sale, delivery, exchange, or other disposition of any stocks, bonds, acceptances, certificates of deposit, or other securities and foreign exchange or the proceeds thereof, or purchase services to be performed or made available by Bank, and may execute and deliver to the Bank in connection therewith any appropriate agreement, contract, instrument, indemnity agreement, assignment, or endorsement in the name of the Corporation.

RESOLVED: That the Bank shall be promptly notified in writing by the Corporation of any amendments, modification or rescission of this Resolution, such notice to be given to each office of the Bank in which any account of this Corporation may be maintained and until such notice is actually received this Resolution and the authority conferred hereby shall remain in full force and effect and the Bank shall be indemnified and saved harmless from any loss suffered or liability incurred by it in continuing to act in pursuance of this Resolution,

RESOLVED: That all controversies and questions concerning the intent and legal effect of any provisions of this Resolution shall be governed by and construed under and in accordance with the laws of the State in which the Bank maintains its principal place of business.

RESOLVED: That the Secretary, and any Assistant Secretary, Authorized Officer, member or manager of the Corporation are hereby authorized and instructed to furnish to the Bank a certified copy of this Resolution and signature cards with all authorized signatures, and whenever any change in authorized signatures is made, certify the Resolution effecting such change to the Bank, and furnish any new signature cards necessary.

IN WITNESS WHEREOF, I have set my hand at

Tacoma, Washington this 25 day of June, 2008
City State

BY Greg Mowat Board Chair
Signature of U.S. Person Title