



TACOMA HOUSING AUTHORITY

RESOLUTION 2015-9-23 (6)

DATE: September 23, 2015
TO: Board of Commissioners
FROM: Michael Mirra, Executive Director
RE: Third Amendment to the Moving to Work Agreement

Background

This resolution would allow THA to executive an amendment with HUD to THA's Moving to Work contract to allow for the RAD conversion of THA's public housing portfolio.

The Rental Assistance Demonstration (RAD) was designed by the department of Housing and Urban Development (HUD) to assist in addressing the capital needs of public housing by providing THA with access to private sources of capital to repair and preserve its affordable housing assets. Through RAD, THA will convert its Public Housing to Project Based Vouchers (PBV) under the guidelines of PIH Notice 2012-32, REV-1 and any successor Notices which detail components of RAD.

Attachment A of THA's Moving to Work (MTW) Standard Agreement outlines THA's annual calculation of subsidies. Upon full RAD conversion, THA will no longer receive funding through the Operating Subsidy or the Capital Funds Program. Rather, THA will receive funding solely through the Housing Choice Voucher Program (HCVP) subsidy. THA's MTW contract needs an amendment allowing for that.

Amendment to Agreement

Outlined below are the three additions to the HCVP subsidy calculation that will be effective upon final execution of the amended Agreement and RAD conversion:

- 1) Section C.3.a. is added as follows:

Any vouchers received as a part of a RAD conversion shall be added to the ACC via funding of \$1 for the remainder of the CY in which they are awarded. HUD will issue a new increment of voucher funding in the first full Calendar Year following a RAD conversion. These amounts will be renewed in subsequent years based on the per unit funding of the increment award, adjusted via the renewal inflation factor and the applicable proration factor.

2) Section C.4.a. is added as follows:

Administrative fees for RAD vouchers will be earned per each year's posted administrative fee rates and RAD vouchers under lease each month. Fees for RAD vouchers will be prorated at the same level that applies to all non-MTW agencies.

3) Section C.11 is added as follows:

RAD Conversion to PBV—Voucher Utilization

MTW funds used to establish initial RAD PBV rents pursuant to Notice PIH 2012-32(HA), REV-2 shall be considered obligated voucher funding for purposes of counting towards the agency's voucher utilization percentage.

Recommendation

Approve Resolution 2015-9-23 (6) authorizing THA Executive Director to execute the third amendment to the Moving to Work (MTW) Standard Agreement.



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WHEREAS, Amendments to the Moving to Work Agreement must be approved by THA Board of Commissioners;

WHEREAS, A Moving to Work Agreement Amendment addressing Rental Assistance Demonstration Project Based Voucher funding must be approved by HUD prior to RAD conversion; and

WHEREAS, THA received a portfolio RAD conversion award from HUD in February, 2015 and subsequently intends to convert all Public Housing units to Project Based Vouchers.

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

Authorize THA to execute the third amendment to its Moving to Work Standard Agreement.

Approved: September 23, 2015


Stanley Rumbaugh, Chair