



TACOMA HOUSING AUTHORITY

RESOLUTION 2020-12-09 (3)

Date: December 9, 2020
To: THA Board of Commissioners
From: Michael Mirra
Executive Director
Re: 2021 Board Commitments

This resolution would update the Board's commitment of Tacoma Housing Authority's (THA) reserves. These reserves are essential for purposes vital to THA's mission and to cover important obligations.

Background

THA is a Moving to Work (MTW) agency, and therefore subject to Housing and Urban Development (HUD) Cash Management rules. At the moment, any eligible Housing Assistance Payment funds (HAP) not reported on the agency's month report as HAP expenditures remain at HUD until the agency submits a request based on expenditures to draw it down.

Furthermore, HUD is now requiring MTW agencies to report on the status of their commitments on their Voucher Management System (VMS) report annually.

Over the years, THA has built up reserves in both its MTW and Business Activity areas. In doing so, the agency plans for the future in both capital and operational areas and identifies areas where the Reserve funds will allow THA to move forward on accomplishing its goals.

Formally committing these funds with Board approval is a useful planning tool. It also helps HUD understand their purposes.

This Resolution updates the list of commitments.

Recommendation

Approve Resolution 2020-12-09 (3) committing THA reserves as identified in the attached Schedule of Board Reserve Commitments.



TACOMA HOUSING AUTHORITY

RESOLUTION 2020-12-09 (3) (Commitment of Agency and Moving to Work Reserves)

WHEREAS, For THA has to be effective in its mission it must plan its use of financial resources over multi-year periods and have assembled reserves for those purposes; and

WHEREAS, The Authority has assembled adequate reserves for those purposes through its responsible prudent, and patient management and budgeting; and

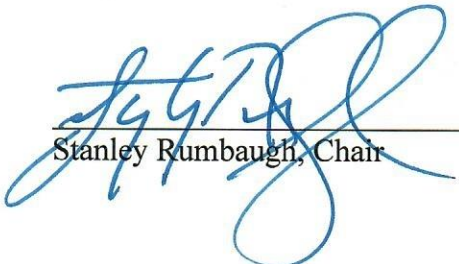
WHEREAS, The attached Schedule of MTW Reserve Commitments updates Resolution 2020-04-22 (2), and reflects the Authority's current plans for such capital and operational expenditures of THA' reserve's, both MTW and Non-MTW; and

WHEREAS, The Authority intends to include a Schedule of Board Commitments in the MTW annual report, including language that allows for shifting monies between the identified commitments; now, therefore, be it

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

1. The Board authorizes commitments of the Authority's Reserves as outlined in the attached Schedule of THA Reserve Commitments, subject to adjustment in future budgets and budget revisions.
2. The Board authorizes the Executive Director to include the latest THA Reserve Commitments in the annual MTW Report submitted to HUD.

Approved: December 9, 2020



Stanley Rumbaugh, Chair

2021 Schedule of Board Reserve Commitments

Board Future Commitments	2020 Commitments	2021 Forward Commitments	MTW or Non-MTW	Period
a. Business Process Improvement Project	\$1,500,000	\$1,260,000	MTW	2021-2024
b. Childrens Savings Account Cohort payments	\$300,000	\$0	MTW	
c. Development Projects	\$2,500,000	\$2,500,000	Non MTW	2021 Forward
d. Education Projects	\$1,200,000	\$2,400,000	MTW	2021-2025
e. Faircloth RAD units	\$1,500,000	\$1,500,000	MTW	2021-2024
f. James Center North Loan Payment	\$1,000,000	\$0	Non MTW	2021
g James Center North Loan Payment	\$3,000,000	\$3,000,000	Non MTW	2023
h. James Center North Loan Payment	\$2,000,000	\$2,000,000	Non MTW	2025
i. Key Bank Loan Payment	\$715,000	\$0	Non MTW	2024
j. Open Door Future Enhancements	\$1,000,000	\$2,000,000	MTW	2021-2024
k. Property Acquisitions	\$2,000,000	\$2,000,000	Non MTW	2021 -
l. Section 8 HOPP Increases	\$1,500,000	\$1,500,000	MTW	2021 -
m. Reserves				
1. Business Activity Reserves	\$6,750,000	\$8,000,000	Non MTW	In perpetuity
2. MTW Reserves	\$750,000	\$500,000	MTW	In perpetuity
3. THA Property Reserves	\$2,500,000	\$2,600,000	Non MTW	In perpetuity
Totals	\$28,215,000	\$29,260,000		