



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS

BOARD PACKET

October 24, 2018



Michael Mirra
Executive Director

TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS

Dr. Minh-Anh Hodge, Chair
Derek Young, Vice Chair
Dr. Arthur C. Banks
Stanley Rumbaugh
Shennetta Smith

REGULAR MEETING Board of Commissioners

WEDNESDAY, October 24, 2018

The Board of Commissioners of the Housing Authority of the City of Tacoma will hold its Regular Meeting on **Wednesday, October 24, 2018, at 4:45 pm.**

The meeting will take place at:

**Dixon Village
5420 S. Stevens
Tacoma, WA 98409**

The site is accessible to people with disabilities. Persons who require special accommodations should contact Sha Peterson (253) 207-4450, before 4:00 pm the day before the scheduled meeting.

I, Sha Peterson, certify that on or before October 24, 2018, I faxed / EMAILED, PUBLIC MEETING NOTICE before:

City of Tacoma	747 Market Street Tacoma, WA 98402	fax: 253-591-5123 email: CityClerk@cityoftacoma.com
Northwest Justice Project	715 Tacoma Avenue South Tacoma, WA 98402	fax: 253-272-8226
KCPQ-TV/Channel 13	1813 Westlake Avenue North Seattle, WA 98109	email: tips@q13fox.com
KSTW-TV/Channel 11	1000 Dexter Avenue N #205 Seattle, WA 98109	fax: 206-861-8865
Tacoma News Tribune	1950 South State Tacoma, WA 98405	fax: 253-597-8274
The Tacoma Weekly	PO Box 7185 Tacoma, WA 98406	fax: 253-759-5780

and other individuals and organizations with residents reporting applications on file.

Sha Peterson
Executive Assistant



TACOMA HOUSING AUTHORITY

AGENDA

REGULAR BOARD OF COMMISSIONERS MEETING

October 24, 2018, 4:45 PM

Dixon Village, 5420 S. Stevens, Tacoma, WA 98409

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **APPROVAL OF MINUTES**
 - 3.1 Minutes of September 26, 2018—Regular Meeting
4. **GUEST COMMENTS**
5. **COMMITTEE REPORTS**
6. **COMMENTS FROM THE EXECUTIVE DIRECTOR**
7. **ADMINISTRATION REPORTS**
 - 7.1 Finance
 - 7.2 Client Support & Empowerment
 - 7.3 Rental Assistance
 - 7.4 Property Management
 - 7.5 Real Estate Development
8. **OLD BUSINESS**
9. **NEW BUSINESS**
 - 9.1 2018-10-24 (1) Implementing Statutory Changes to the Micro-Purchase and Simplified Acquisition Thresholds
 - 9.2 2018-10-24 (2) Authorization to Forgive Debt in Certain THA-Controlled Entities
 - 9.3 2018-10-24 (3) Waiting List Management for the Portfolio
 - 9.4 2018-10-24 (4) Hilltop Parcels Use of Restricted Funds
 - 9.5 2018-10-24 (5) Hillside 1800 Use of Restricted Funds
10. **COMMENTS FROM THE COMMISSIONERS**
11. **EXECUTIVE SESSION, if any**
12. **ADJOURNMENT**



TACOMA HOUSING AUTHORITY

MINUTES



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, SEPTEMBER 26, 2018

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at Bergerson Terrace, 5303 S. Orchard Street, Tacoma, WA 98467 at 4:45 PM on Wednesday, September 26, 2018.

1. CALL TO ORDER

Chair Hodge called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:50 PM.

2. ROLL CALL

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

PRESENT	ABSENT
Commissioners	
Chair Minh-Anh Hodge (arrived late at 4:49 pm)	
Vice Chair Derek Young	
Commissioner Arthur Banks (arrived late at 4:52 pm)	
	Commissioner Stanley Rumbaugh
Commissioner Shennetta Smith	
Staff	
Michael Mirra, Executive Director	
Sha Peterson, Executive Administrator	
April Black, Deputy Executive Director	
	Ken Shalik, Finance Director
Toby Kaheiki, Human Resources Director	
	Frankie Johnson, Property Management Director
Kathy McCormick, Real Estate Development Director	
	Sandy Burgess, Administrative Services Director
Julie LaRocque, Rental Assistance Director	
Cacey Hanauer, Client Support & Empowerment Director	

Chair Hodge declared there was a quorum present @ 4:51 pm and proceeded.

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Chair Hodge asked for any corrections to, or discussion of minutes for the Annual Meeting of the Board of Commissioners on Wednesday, August 22, 2018. Commissioner Young moved to adopt the minutes, Commissioner Smith seconded.

Upon roll call, the vote was as follows:

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

Motion approved.

Chair Hodge asked for any corrections to or discussion of minutes for the Regular Session of the Board of Commissioners for Wednesday, August 22. Commissioner Young moved to adopt the minutes, Commissioner Smith seconded.

Upon roll call, the vote was as follows:

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

Motion approved.

4. GUEST COMMENTS

Jennie Hamby, Bergerson Terrace Tenant

Ms. Hamby has been a resident at Bergerson Terrace since December 2016. It took her seven years to get there, but she feels blessed to have the opportunity for affordable housing. She mentioned some drug activity and acts of violence at Bergerson. A few have been addressed by management, thanks to Denise, but incidents continue to occur. She asked if THA can provide tenant assistance including drug abuse counseling. She suggested that information about resources can be placed in tenant mailboxes. Deputy Executive Director (DED) Black will follow up with Director Johnson.

Mai Lam, Bergerson Terrace Tenant

Ms. Lam did not wish to address the board but provided two letters to Chair Hodge. DED Black read one of the letters that thanked Property Manager Denise Day-Joseph — because of her efforts, parking and smoking problems have been reduced.

5. COMMITTEE REPORTS

Real Estate Development Committee—Commissioner Rumbaugh

Commissioner Rumbaugh was not in attendance.

Finance Committee—Chair Hodge and Vice Chair Young

The Finance Committee had a meeting to discuss preliminary numbers for the 2019 budget.

Education Committee—Chair Hodge

Chair Hodge attended a meeting with the Medina Foundation where a proposal to support Arlington Youth Campus and Children's Savings Account was discussed.

Citizen Oversight Committee—Commissioner Banks

Nothing to report.

6. COMMENTS FROM THE EXECUTIVE DIRECTOR

Executive Director (ED) Michael Mirra was not yet in attendance. DED Black addressed the board on his behalf. The 2019 budget is a bit uncertain. If Congress passes a continuing resolution, it will continue past year's appropriation level into the new year. ED Mirra included in his report a THA and TCC press release information naming THA and TCC's College Housing Assistance Program (CHAP) as one of the nation's top 25 innovative governmental programs for 2018. He also included a draft waitlist management recommendation that staff will present to the board in October.

7. ADMINISTRATIVE REPORTS

Finance

Finance Department (FD) Director Ken Shalik was not in attendance. DED Black addressed the board on his behalf to answer questions from the board.

Commissioner Young moved to ratify the payment of cash disbursements totaling \$4,990,306 for the month of August, 2018. Commissioner Banks seconded.

Upon roll call, the vote was as follows:

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

Motion Approved.

Client Support and Empowerment

Client Support and Empowerment (CSE) Director Cacey Hanauer directed the board to her report. It will be announced tomorrow whether Pierce County has been selected as an Anchor Community. THA played a strong role in the application and interview processes to become an Anchor Community and would participate heavily as a member of the core team moving forward.

Director Hanauer attended the Interagency Workgroup on Youth Homelessness Kick Off meeting yesterday. The event was well attended and the group discussed how to put youth and families at the center of their planning work. The Arlington Drive Request for Proposals (RFPs) is due September 24. CSE received four applications. The finalist will be chosen in November.

Rental Assistance

Rental Assistance (RA) Director Julie LaRocque directed the board to her report. There is a landlord meeting scheduled tomorrow at the Family Investment Center (FIC), and 39 have RSVP'd so far. The event is open to all landlords who work with THA and its clients and will provide an opportunity for THA to communicate numerous items including policies/procedures and motivating factors for landlords to rent to THA clients.

Director LaRocque is excited about a voucher resolution that is being submitted to the board today and also excited about the little uptick in utilization reported at 94.3%. Commissioner Young asked if the recent uptick is due to the softening in the market. Director LaRocque responded that landlords are more open to vouchers and are considering THA clients mostly because of the recent tenant rules passed by the City Council. She added that families also tend to move before school starts.

Property Management

Property Management (PM) Director Frankie Johnson was not in attendance. DED Black presented on her behalf. The recent uptick in unit turn days is due to rollover from the previous month and two were due to multiple turn downs. Unit process and turn downs will be discussed during the waitlist management discussion at the October board meeting.

There have been a number of fires at THA properties and staff are excited to secure a grant to pay for fire suppression devices that staff will install above all stoves. Commissioner Young inquired about their cost. According to DED Black, they cost \$50-\$100 but are worth the investment. Commissioner Smith added that installing them is a good idea; she saw three fires just at Salishan. DED Black mentioned that staff will also educate tenants better on fire prevention.

PM is doing another round of recruitment for the maintenance manager position. In addition, PM received notice from Portfolio Manager Gretchen Sinkula that she will be retiring in December. PM will be looking for a replacement for her position.

Lastly, Director Johnson is still looking for different options and sites in the City for a temporary homeless encampment.

Real Estate Development

Real Estate Development (RED) Director Kathy McCormick directed the board to her report:

- THA finally closed on Bay Terrace II and is expecting to receive developer fee payment in mid October.
- Alberta Canada building is getting work done and has a new superintendent. Sound Outreach moved in last week and the office space looks beautiful.
- The RED team is doing a lot of 311 efforts in the City to help community development, specifically in Hilltop. THA had a pop-up rummage sale and shot videos; the video has been winning awards.
- The Korean Women's Association (KWA) heard that they received \$300K in CDBG funds for McKinley. THA wrote the grant with KWA Executive Director Troy Christensen. Community engagement will start next week.
- Work at Arlington Youth Campus is progressing well. The City finalized the agreement for the additional \$800K to finish the Crisis Residential Center (CRC). RED is talking with Tacoma Public Utilities for solar panels at the CRC. The solar panels will also be installed at the 902 building.

8. OLD BUSINESS

None.

9. NEW BUSINESS

9.1 RESOLUTION 2018-09-26 (1)

(Renewal of Project Based Voucher Contract: Pacific Courtyard)

WHEREAS, THA has provided project based voucher assistance to MDC's Pacific Courtyard since 2005; and

WHEREAS, THA provides PBV assistance to 23 units at Pacific Courtyard; and

WHEREAS, MDC has met the requirements set forth by THA to renew the PBV HAP contract; and

WHEREAS, MDC has succeeded in converting the 23 units at Pacific Courtyard to permanent housing as required by THA; now, therefore, be it

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

The Board authorizes the renewal of the PBV HAP Contract between THA and MDC for Pacific Courtyard for a period of ten (10) years.

Commissioner Young motioned to approve the resolution. Commissioner Banks seconded the motion.

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

Motion Approved: September 26, 2018

Dr. Minh-Anh Hodge, Chair

9.2 RESOLUTION 2018-09-26 (2)
(THA's Hilltop Parcels A&E Services)

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma

WHEREAS, On July 3, 2018, Tacoma Housing Authority (THA) staff issued a Request for Qualifications (RFQ) from firms interested in providing architectural and engineering services for the redevelopment of THA's Hilltop Parcels; and

WHEREAS, The RFQ was posted on the Washington Electronic Business Solutions and THA's websites; and

WHEREAS, Ten (10) firms submitted proposals by the deadline of August 3, 2018; all were deemed responsive and responsible; and

WHEREAS, An evaluation team, comprised of THA staff reviewed and scored the proposals according to evaluation criteria listed in the RFQ; and

WHEREAS, The evaluation team voted unanimously in favor of awarding a contract to the firm of Mithun Architects; now, therefore, be it

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

The Executive Director is authorized to negotiate, and if those negotiations are successful, to execute a contract with Mithun Architects for the architectural and engineering services for the redevelopment of THA's Hilltop Parcels in an amount not-to-exceed of \$250,000. If those negotiations are not successful he is authorized to negotiate and execute a contract with the second highest ranking firm of Schemata Workshop.

Commissioner Banks motioned to approve the resolution. Commissioner Young seconded the motion.

Upon roll call, the vote was as follows:

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

Motion Approved: September 26, 2018

Dr. Minh-Anh Hodge, Chair

9.3 RESOLUTION 2018-09-26 (3)

Certifications of Compliance

**Annual Moving to Work
Plan Certifications of
Compliance**

**U.S. Department of Housing and
Urban Development, Office of
Public and Indian Housing**

**Certifications of Compliance with Regulations:
Board Resolution to Accompany the Annual Moving to Work Plan***

Acting on behalf of the Board of Commissioners of the Moving to Work Public Housing Agency (MTW PHA) listed below, as its Chairman or other authorized MTW PHA official if there is no Board of Commissioners, I approve the submission of the Annual Moving to Work Plan for the MTW PHA Plan Year beginning (01/01/2019), hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

- (1) The MTW PHA published a notice that a hearing would be held, that the Plan and all information relevant to the public hearing was available for public

inspection for at least 30 days, that there were no less than 15 days between the public hearing and the approval of the Plan by the Board of Commissioners, and that the MTW PHA conducted a public hearing to discuss the Plan and invited public comment.

(2) The MTW PHA took into consideration public and resident comments (including those of its Resident Advisory Board or Boards) before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan.

(3) The MTW PHA certifies that the Board of Directors has reviewed and approved the budget for the Capital Fund Program grants contained in the Capital Fund Program Annual Statement/Performance and Evaluation Report, form HUD-50075.1 (or successor form as required by HUD).

(4) The MTW PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.

(5) The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.

(6) The Plan contains a certification by the appropriate state or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the MTW PHA's jurisdiction and a description of the manner in which the Plan is consistent with the applicable Consolidated Plan.

(7) The MTW PHA will affirmatively further fair housing by fulfilling the requirements at 24 CFR 903.7(o) and 24 CFR 903.15(d), which means that it will take meaningful actions to further the goals identified in the Assessment of Fair Housing (AFH) conducted in accordance with the requirements of 24 CFR 5.150 through 5.180, that it will take no action that is materially inconsistent with its obligation to affirmatively further fair housing, and that it will address fair housing issues and contributing factors in its programs, in accordance with 24 CFR 903.7(o)(3). Until such time as the MTW PHA is required to submit an AFH, and that AFH has been accepted by HUD, the MTW PHA will address impediments to fair housing choice identified in the Analysis of Impediments to fair housing choice associated with any applicable Consolidated or Annual Action Plan under 24 CFR Part 91.

(8) The MTW PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.

- (9) In accordance with 24 CFR 5.105(a)(2), HUD's Equal Access Rule, the MTW PHA will not make a determination of eligibility for housing based on sexual orientation, gender identify, or marital status and will make no inquiries concerning the gender identification or sexual orientation of an applicant for or occupant of HUD-assisted housing.
- (10) The MTW PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
- (11) The MTW PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
- (12) The MTW PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F.
- (13) The MTW PHA will comply with requirements with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment and implementing regulations at 49 CFR Part 24.
- (14) The MTW PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
- (15) The MTW PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
- (16) The MTW PHA will provide HUD or the responsible entity any documentation needed to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58. Regardless of who acts as the responsible entity, the MTW PHA will maintain documentation that verifies compliance with environmental requirements pursuant to 24 Part 58 and 24 CFR Part 50 and will make this documentation available to HUD upon its request.
- (17) With respect to public housing and applicable local, non-traditional development the MTW PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
- (18) The MTW PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.

(19) The MTW PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.

(20) The MTW PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 200.

(21) The MTW PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the Moving to Work Agreement and Statement of Authorizations and included in its Plan.

(22) All attachments to the Plan have been, and will continue to be available at all times and all locations that the Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the MTW PHA in its Plan and will continue to be made available at least at the primary business office of the MTW PHA.

Housing Authority of the City of Tacoma
PHA Name

WA005
PHA Number/HA Code

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Dr. Minh-Anh Hodge
Name of Authorized Official

Chair
Title

Signature

Date

*Must be signed by either the Chairman or Secretary of the Board of the PHA's legislative body. This certification cannot be signed by an employee unless authorized by the PHA Board to do so. If this document is not signed by the Chairman or Secretary, documentation such as the by-laws or authorizing board resolution must accompany this certification.

Commissioner Young motioned to approve the resolution. Commissioner Banks seconded the motion.

Upon roll call, the vote was as follows:

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

Motion Approved: September 26, 2018

Dr. Minh-Anh Hodge, Chair

**9.4 RESOLUTION 2018-09-26 (4)
(Approval of Project Based Voucher Contracts)**

WHEREAS, Tacoma Housing Authority (THA) has held a competitive process for project based vouchers; and

WHEREAS, Pioneer Human Services was the highest scoring respondent and will be awarded thirteen (13) project based vouchers; and

WHEREAS, Korean Women's Association was the second highest scoring respondent and will be awarded forty-nine (49) project based vouchers; and

WHEREAS, The effective date of each contract will be up to the discretion of the Executive Director; and

WHEREAS, Each contract will be negotiated with the property and will be in effect for up to fifteen years (15); now, therefore, be it

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

THA's Executive Director is authorized to execute Project Based Voucher (PBV) Housing Assistance Payment (HAP) contracts with Pioneer Human Services and Korean Women's Association.

Comments

Pioneer Human Services and Korean Women's Association (KWA) were both awarded project based vouchers. According to DED Black, the two proposals would allow affordable housing units to be even more affordable. Commissioner Smith asked if the individuals with criminal backgrounds have felonies. Yes, according to DED Black, but they have no sexual offenses. This is a population that Commissioner Rumbaugh has been encouraging THA to serve. Pioneer is a partner already serving people with criminal backgrounds, and KWA serves people earning below 60% of Area Median Income (AMI).

KWA Executive Director Troy Christensen thanked THA and the board for the opportunity, and for considering the award. It means a great deal to KWA and the

people they serve, particularly for the Olympus tenants. It will allow lower-income people to move out of the shelter system.

Program Supervisor for Housing South Amanda Johnston was present on behalf of Pioneer Human Services. Pioneer provides permanent supportive housing for low-income people. They have been looking forward to working with community partners in Tacoma and 25% (13 vouchers) is what they have been looking for.

Commissioner Banks motioned to approve the resolution. Commissioner Young seconded the motion.

Upon roll call, the vote was as follows:

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

Motion Approved: September 26, 2018

Dr. Minh-Anh Hodge, Chair

9.5 RESOLUTION 2018-09-26 (5)
(Approval of Property Based Subsidy Contract)

WHEREAS, Tacoma Housing Authority (THA) has held a competitive process for property-based subsidies; and

WHEREAS, CWD Investments was the highest scoring respondent and will be awarded subsidies for sixty-two (62) units; and

WHEREAS, the effective date of each contract will be up to the discretion of the Executive Director; and

WHEREAS, each contract will be negotiated with the property and will be in effect for up to seven (7); now, therefore, be it

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

THA's Executive Director is authorized to negotiate, and if those negotiations are successful, to execute a Property Based Subsidy payment contract with CWD Investments for the Highland Flats Apartments (formerly known as the Tiki Apartments).

Comments

According to DED Black, Property Based Subsidy is similar to Project Based Vouchers, but rent will be predictable for both tenants and landlords. The proposal is from an apartment with 62 units. The relationship will only be between tenants and landlords. The commissioners are excited about this, and according to ED Mirra, it can potentially elicit more interest from other landlords.

Commissioner Banks motioned to approve the resolution. Commissioner Smith seconded the motion.

Upon roll call, the vote was as follows:

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

Motion Approved: September 26, 2018

Dr. Minh-Anh Hodge, Chair

9.6 RESOLUTION 2018-09-26 (6) (1800 Hillside Terrace GC/CM Contractor)

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma

WHEREAS, The Housing Authority of the City of Tacoma (THA) is committed to developing new affordable housing in the City of Tacoma; and

WHEREAS, THA is seeking to redevelop the site known as the 1800 Hillside Terrace with up to 70 new affordable housing units; and

WHEREAS, On June 21, 2018, THA solicited proposals for a GC/CM contractor to provide pre-construction and construction services; and

WHEREAS, On August 28, 2018, THA received three (3) qualified and responsive Proposals; and

WHEREAS, An evaluation team, comprised of three (3) THA staff, reviewed and scored the proposals according to the evaluation criteria listed in the RFP; and

WHEREAS, The evaluation team recommends Marpac Construction to provide preconstruction and construction services with a negotiated Guaranteed Maximum Price (GMP); now, therefore, be it

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

The Executive Director is authorized to negotiate, and if those negotiations are successful, execute a contract with Marpac Construction not-to-exceed \$100,000 for pre-construction services of the 1800 Hillside Terrace project, and a Guaranteed Maximum Price (GMP) for the construction at the conclusion of the bidding phase in the early summer of 2019

Comments

Staff from Marpac (Pre-construction Services Manager Russ Williams, Project Manager Pat Nakamura, and Principal Sai Chaleunphonh) were in attendance. They provided background about their company, which has been around for 25 years providing work to numerous non-profit companies. They thanked THA for selecting their company to provide preconstruction and construction services.

Commissioner Young motioned to approve the resolution. Commissioner Banks seconded the motion.

Upon roll call, the vote was as follows:

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

Motion Approved: September 26, 2018

Dr. Minh-Anh Hodge, Chair

9. COMMENTS FROM COMMISSIONERS

ED Mirra reported on some of the topics mentioned on his board report:

- According to Senator Murray's staff, there will be no budget passed by September 30. Congress will pass a "continuing resolution" (CR), which will keep HUD at the same appropriations levels as in 2018. This CR will go until December 7th. Mirra said that we can hope that Congress passes a real 2019 budget because both the House and Senate versions will be better for THA than the CR.
- There will be a ribbon cutting for New Look either in November or December. There will also be a ground breaking ceremony for Arlington Drive in early January.
- There will be a press release naming THA and TCC's College Housing Assistance Program (CHAP) as one of the nation's top 25 innovative

governmental programs for 2018. The City Council approved the Affordability Housing Strategy last night, which will probably show up in that coverage.

- THA, in collaboration with the auditor's office, launched a voter registration drive among tenants and voucher holders. THA is placing information on door knobs and sending emails where available. THA is also hiring residents to go door to door to provide information.
- THA is in good shape financially; the State auditor concluded their audit with no findings.

Commissioner Banks thanked staff for their hard work and thanked DED Black for presenting on behalf of the other departments. ED Mirra thanked the board for its nice mix of caution and willingness to take risks.

10. EXECUTIVE SESSION

None.

11. ADJOURNMENT

There being no further business to conduct, the meeting ended at 5:59 PM.

APPROVED AS CORRECT

Adopted: October 24, 2018

Dr. Minh-Anh Hodge, Chair



TACOMA HOUSING AUTHORITY

Real Estate Development Committee

Commissioner Stanley Rumbaugh

Finance Committee

Chair Minh-Anh Hodge

Vice Chair Derek Young

Citizen Oversight Committee

Commissioner Arthur C. Banks

Education Committee

Chair Minh-Anh Hodge



TACOMA HOUSING AUTHORITY

**COMMENTS FROM THE
EXECUTIVE DIRECTOR**



TACOMA HOUSING AUTHORITY

To: THA Board of Commissioners
From: Michael Mirra, Executive Director
Date: October 19, 2018
Re: Executive Director's Monthly Report

This is my monthly report for October 2018. It supplements the departments' reports.

1. CONGRESSIONAL BUDGET NEWS AND ITS PERTINENCE TO THA's BUDGET

In my reports of the last two months I reported on what we knew about Congress's effort to pass a 2019 budget. This is important to THA because we need to pass our own 2019 budget in December. Since my last report, we learned that Congress was not able to pass a budget for HUD. But the government did not shut down, even in parts. Instead, HUD and other parts of the government are operating on a Continuing Resolution (CR). That keeps HUD at the 2018 funding levels. That CR expires at midnight on December 7th. That becomes Congress's new deadline.

We hope that Congress will pass a real budget rather than another CR and certainly rather than a governmental shutdown. A real budget would be good news for THA. The Houses and the Senate versions of a real HUD budget would give us an increase over 2018.

I am writing this report from Washington, D.C.. Commissioners Rumbaugh and Smith and April and I are here attending the CLPHA conference. The possible budget for 2019 will be featured in the discussions at this conference. We will also meet with the staff of Senate Murray and Congressman Denny Heck. At the Board meeting we will share what we learned about budget prospects.

2. STATE LEGISLATIVE SESSION IN 2019

At the Board meeting, I would like to take some time to review the discussions we are having in advance of the Washington State legislative session about our request for the state funding we will need for Arlington Drive services. I would also like to discuss how the Commissioners can help with those discussions.

3. TIKI APARTMENTS: UPDATE

In September, the Board approved a THA contract to subsidize the privately owned Highland Flats apartments for homeless TCC students. This property used to be called the Tiki Apartments. Under the contract, if TCC could not fill a vacancy, the owner would have to rent the vacancy to other extremely low-income persons. These other persons could include former Tiki residents.

The arrangement is a notable expansion of the THA-TCC College Housing Assistance Program. The arrangement received considerable news media coverage, most of it quite positive.

The news also reported that the arrangement had nothing to offer the former residents of the Tiki who were displaced by the reconstruction. I attach a copy of a press release that the Tacoma Tenants Organizing Committee (TTOC) issued. While this was not quite true, it is true that we failed to consult the former residents.

The release was timely because we are still negotiating the details of the deal with the property owners and TCC. Since then, we have expanded the discussions to include a representative of the TTOC. We learned that about 7 former Tiki residents remain homeless or near homeless. In discussions with TCC, the owner and TTOC, we are close to an agreement to reserve up to 7 of the initial vacancies in the property for eligible and qualified Tiki residents who are presently homeless or near homeless. TCC supports this arrangement even though it will mean serving fewer homeless TCC students. It seems a reasonable balance between preserving our main purpose of housing homeless students and their children and accommodating former Tiki residents who are homeless or near homeless. Other former Tiki residents would be able to apply for other vacancies that TCC students do not fill. This had always been true under the original deal.

A lingering uncertainty arises from the requirement that former Tiki residents, like any applicant, must have an income to pay the \$420 monthly rent and must pass the screening criteria.

At its last meeting, the Board also approved a contract with KWA to project based vouchers into the Olympus Hotels' 41 units. KWA has also welcomed discussions that would reserve vacancies at the Olympus for persons displaced from the Tiki and the Merkel.

At the Board meeting, I hope to report that we have finalized the contract.

Media Release from Tacoma Tenants Organizing Committee
tacomatenants@gmail.com
10.11.18

Displaced Tiki tenants should be central to any decisions about their longtime homes

A [deal has been struck between](#) Tacoma Housing Authority, Tacoma Community College, and CWD Investments over the fate of the Tiki Apartments. This agreement provides affordable housing to TCC students who are experiencing (or at risk of) homelessness. While of course it is good news that the units would be affordable for low income students, the Tacoma Tenants Organizing Committee—which includes many Tiki tenants—is deeply troubled that those most directly impacted have been completely left out of this process.

People in positions of power are making plans and decisions without directly consulting or following the leadership of the people who have been most marginalized and most impacted. The Tiki tenants have gone through the trauma and expense of being forced out of their homes (which some had lived in for 30 years), and many still do not have adequate housing, or they are living far away, or sleeping on friends' couches. They came together amidst their pain to challenge what was happening to them, bringing this issue into the spotlight. The original Tiki tenants, in addition to the public, deserve more transparency over how this deal was made. Who was at the table? Public money is subsidizing this redevelopment, so the public must be central to the decisions that are being made. Why is the developer being characterized as benevolent when he is still getting \$1185 per unit, which is market rate?

Six months ago, Tiki tenants included the “Right of Return” in their original request to City Council. “We understand students need housing too,” says Donna Seay, former Tiki tenant. “But the Tiki residents who were forced out should get the option to return to the building. Many of us do not have good living situations. I’m floored right now that no Tiki residents were part of this process. I’m disgusted, actually.”

Sarah Howe shared similar concerns: “I’m happy for the students, but what about the Tiki tenants? After a painful and stressful ordeal moving to a place that was not accessible, I have finally found a good apartment in Tacoma, but I know many Tiki tenants who aren’t in a great place and they should have the opportunity to move back to the renovated apartments.”

TCC student Cathy Pick agrees: “TCC students definitely need affordable housing, but we also want Tiki tenants to be able to return to their homes if they so choose. We shouldn’t have to be in competition for affordable housing resources.”

Disabled folks and seniors and students all need housing to survive, and we all should be at the table to make decisions about the development in our community. We should not feel pitted against each other, competing for resources, while developers line their pockets with public subsidies. We need more public housing and stronger protections to ensure that we can stay in our homes, and if renovation is needed, we should be able to move back through right of first return. Housing is a human right and Tacoma is our home. Chad Duncan claims to have done “a lot of listening” since he uprooted our community in April, but he should actually start listening to us.



TACOMA HOUSING AUTHORITY

**ADMINISTRATION
REPORTS**



TACOMA HOUSING AUTHORITY

FINANCE



TACOMA HOUSING AUTHORITY

Motion

Adopt a consent motion ratifying the payment of cash disbursements totaling \$4,487,117 for the month of September, 2018.

Approved: October 24, 2018

Dr. Minh-Anh Hodge, Chair

TACOMA HOUSING AUTHORITY
Cash Disbursements for the month of September 2018

		Check Numbers					
		From	To		Amount		Totals
A/P Checking Account							
Accounts Payable Checks	Check #'s	92,391	-	92,520			
Accounts Payable EFTs	EFTs	28	-	31			
Business Support Center					494,664		Program Support
Moving To Work Support Center					66,610		
Moving To Work Buildings (used by Support Center)					8,357		
Tax Credit Program Support Center					13,931		
Section 8 Programs					129,153		Section 8 Operations
Arlington Crisis Residential Center					1,006		Properties
Hillsdale Heights					600		
KeyBank Building					146		
Outrigger					108		
Salishan 7					11,236		
Salishan Common Areas					547		
Court F (HT 1800 Block)					79		
Education Program - THDG					1,218		THDG
James Center					33,066		Development
Bay Terrace II					1,075		
Salishan Developer Fee					275		
Hilltop Redevelopment					354		
Program Income					426		
Bus Development Activity					1,684		
CS General Business Activities					771		
CSA Program - Business Activities					577		Client Support
Community Services MTW Fund					9,433		
Education Private Grants (Gates, etc.)					1,817		
Education-Local Gov't Grants (County, City)					24,800		
COT-Landlord Incentives					8,080		
AMP 6 - Scattered Sites					5,392		Public Housing
AMP 7 - HT 1 - Subsidy					18,933		
AMP 8 - HT 2 - Subsidy					13,570		
AMP 9 - HT 1500 - Subsidy					1,063		
AMP 10 - SAL 1 - Subsidy					13,661		
AMP 11 - SAL 2 - Subsidy					14,703		
AMP 12 - SAL 3 - Subsidy					12,344		
AMP 13 - SAL 4 - Subsidy					13,013		
AMP 14 - SAL 5 - Subsidy					158		
AMP 15 - SAL 6 - Subsidy					14,392		
THA SUBTOTAL					917,241		
Hillside Terrace 1 through 1500					5,116		Tax Credit Projects - Reimbursable
Bay Terrace I & II & Community Facility					2,237		
Alberta J Canada Bldg					18,348		
Arlington Youth Campus					54,481		
Court F (HT 1800 Block)					2,669		
Renew Tacoma Housing					7,961		
Salishan 1 - Salishan 6					10,118		
TAX CREDIT SUBTOTAL (Operations & Development - billable)					100,931		1,018,172
Section 8 Checking Account (HAP Payments)							
SRO/HCV/VASH/FUP/NED	Check #'s	482,523	-	482,556	24,334		
	EFTs	118		125	2,770,683	\$	2,795,017
Payroll & Payroll Fees - ADP						\$	673,928
TOTAL DISBURSEMENTS							
						\$	4,487,117

TACOMA HOUSING AUTHORITY

CASH POSITION - September 2018

Account Name	Current Balance	Interest
HERITAGE BANK		
Accounts Payable	1,243,104	0.45%
Section 8 Checking	2,359,768	0.45%
THA Affordable Housing Proceeds-Salishan	3,442,949	0.45%
THA Scattered Sites Proceeds	4,454,002	0.45%
FSS Escrows	146,129	0.45%
CSA Escrows	100	0.45%
Note Fund Account	101	0.45%
Credit Card Receipts	131	0.45%
Key Bank Security Deposits	4,014	0.45%
THA Investment Pool	333	0.45%
THDG - Tacoma Housing Development Group	767,998	0.45%
Salishan 7 Operations	1,388,617	0.45%
Salishan 7 Security Deposit	27,603	0.45%
Salishan 7 Replacement Reserve	266,138	0.45%
Salishan 7 Operating Reserve	201,276	0.45%
Highland Crest Operations	429,130	0.45%
Highland Crest Replacement Reserve	200,457	0.45%
Highland Crest Security Deposit	39,387	0.45%
Outrigger Operations	168,310	0.45%
Outrigger Replacement Reserve	106,436	0.45%
Outrigger Security Deposit	27,452	0.45%
Prairie Oaks Operations	94,833	0.45%
Prairie Oaks Replacement Reserve	19,178	0.45%
Prairie Oaks Security Deposit	3,207	0.45%
Payroll Account	9,877	0.45%
HOME STREET BANK		
James Center North Operations	287,040	0.00%
James Center North Security Deposit	55,953	0.00%
WASHINGTON STATE		
Investment Pool	\$ 100	2.06%
1. TOTAL THA CASH BALANCE	\$ 15,743,622	
Less:		
2. Total MTW Cash Balance	\$ 726,000	
<i>Less Minimum Operating Reserves</i>		
2.01 Public Housing AMP Reserves (4 months Operating Exp.)		
2.02 S8 Admin Reserves (3 months Operating Exp.)	726,000	
2.09 Less Total Minimum Operating Reserves	\$ 726,000	
2.1. MTW Cash Available (Lines 2-2.09)	\$ -	
3. MTW Cash Held By HUD	\$ 623,254	

TACOMA HOUSING AUTHORITY

CASH POSITION - September 2018

4. Non MTW Cash Restrictions/Obligations			
<i>4.1 Non MTW Operational Restrictions</i>			
4.10 HUD Restricted - Lot and Property Sales		\$	7,896,951
4.101 Area 2B Sales Proceeds (Afford Hsg)	3,442,949		
4.102 Scattered Sites Proceeds (Afford Hsg)	4,454,002		
4.20 THA Property Accounts Reserved		\$	2,105,127
4.201 Security Deposit Accounts	157,617		
4.202 Highland Crest Operations Reserves	332,000		
4.203 Highland Crest Replacement Reserves	200,457		
4.204 James Center North Operations Reserves	194,000		
4.205 James Center North Capital	213,077		
4.206 Outrigger Operations Reserve	171,600		
4.207 Outrigger Replacement Reserves	106,436		
4.208 Prairie Oaks Operations Reserves	64,250		
4.209 Prairie Oaks Replacement Reserves	59,178		
4.210 Salishan 7 Operations Reserves	340,375		
4.211 Salishan 7 Replacement Reserves	266,138		
4.30 Rental Assistance Reserves		\$	444,646
4.301 Mod Rehab Operating Reserves	102,547		
4.302 VASH, FUP & NED HAP Reserves	180,251		
4.303 FSS Escrows	161,848		
4.40 Prepaid Grants		\$	963,334
4.401 Gates Foundation	195,336		
4.402 THDG	767,998		
4.50 BFIM Buyout LOC Collateral-Potential Tax Credit Loss		\$	2,500,000
4.60 Total - Non MTW Cash Restrictions (4.10+4.20+4.30+4.40+4.50)		\$	13,910,059
4.70 Agency Contracted or Budgeted Commitments Remaining		\$	127,715
4.701 Salishan/Maintenance Shop remodel	51,041		
4.702 Alberta J. Canada Tenant Improvements	45,074		
4.703 BFIM Buyout	31,601		
4.99 Total Non MTW Cash Restrictions/Obligations (Lines 4.60+4.70)		\$	14,037,774
5. THA UNENCUMBERED (Non-MTW) CASH (Lines 1-2-4.99)		\$	979,848
6. Development Payments - Project Reimbursement upon closing		\$	326,649
6.01 Arlington Heights	318,049		
6.02 Court F LLLP (1800 Block)	8,601		



TACOMA HOUSING AUTHORITY

**CLIENT SUPPORT
& EMPOWERMENT**



TACOMA HOUSING AUTHORITY

DATE: October 24, 2018

TO: THA Board of Commissioners

FROM: Cacey Hanauer
Director of Client Support & Empowerment

RE: Client Support & Empowerment Department Monthly Board Report

1. STRATEGIC OBJECTIVE: HOUSING AND SUPPORTIVE SERVICES

Tacoma Housing Authority (THA) will provide high quality housing, rental assistance and supportive services. Its supportive services will help people succeed as tenants, parents, students, wage earners and builders of assets who can live without assistance. It will focus this assistance to meet the greatest need.

2. DIRECTOR'S COMMENT:

On September 27th A Way Home Washington, along with the first lady Trudi Inslee and Stone Gossard and Mike McCready of Pearl Jam, announced Pierce County as one of four initial Anchor Communities in Washington State. The Anchor Communities Initiative is an effort to end youth and young adult homelessness by 2022, coordinating services and advocating for more resources. The goal is to ensure that when a young person says "yes, I want to get off the street" Pierce County will have the resources and coordination to house that young person in a developmentally and culturally appropriate place. This creates a "yes to yes" system.

THA has been a prominent voice throughout the Anchor Communities Initiative, providing assistance with the request for proposal, leading at stakeholder meetings with service providers, attending the publicized Anchor Community launch on September 27th, and participating as a core team member on Pierce County's team at a kick-off event in Chelan. While Anchor Communities does not initially come with any funding, the Office of Homeless Youth has asked for four million dollars over the biennium in their decision package submitted to the governor. This ask is strongly supported by legislative advocacy coalitions across the state.

THA has also worked with A Way Home Washington to align Pierce County's Anchor Community launch event with the ground breaking at Arlington Drive that is scheduled to take place in December. This is an exciting opportunity to show the community, both

local and statewide, what THA is doing to address and end youth homelessness in this region.

3. CLIENT SUPPORT & EMPOWERMENT

3.1 NUMBER OF PEOPLE AND HOUSEHOLDS SERVED

Program Entries, Exits, and Unduplicated Number of Households Served

September 2018	Program/ Caseload Entries this Month	Program/ Caseload Exits this Month	Number Served (Month)	Unduplicated Number Served (YTD)
Case Staffing (Eviction Prevention Services)	5	4	38	56
Family Self Sufficiency (FSS)	5	3	194	229
General Services	6	3	85	127
Hardship	0	0	0	0
Housing Opportunity Program (HOP) Case Management	24	16	48	86
Children's Savings Account (CSA) K-5th Grade	5	0	81	81
Children's Savings Account (CSA) 6th - 12th Grade	5	0	71	71
Elementary School Housing Assistance Program (ESHAP)	0	1	35	35
Senior & Disabled	3	12	55	138
DEPARTMENT TOTAL	53	39	607	823

3.2 PROGRAM UPDATES

On September 21st and again on the 28th, the Tacoma Housing Authority partnered with KBTC to bring two family engagement workshops to the Hillside/Bay Terrace communities as part of the Community Collaborative Early Learning and Media (CC-ELM) program, part of the nationally funded Ready to Learn Initiative. Working in conjunction with Alyssa Torrez from KBTC, who facilitated the activities, THA families enjoyed a communal meal while engaging with staff and each other in a fun and energetic digital and hands-on educational content. Additionally, KBTC was able to provide each family with an educational tablet to take home for further and continued engagement, as well a number of new books, targeting the same educational concepts explored during the workshops. We had a great turn out for each event with a number of families asking for additional workshops or similar creative activities to attend.

With the onset of fall it is typical to see an increase in self-harm, domestic violence and other crises, and this fall has been no different. Staff throughout the department have been working diligently to know and see the signs of crisis and to help manage and mitigate those crises. Robert, who works at the family properties, has been working with three families to help them avoid eviction. Kye has been working with a few clients presenting with a high level of acuity, assisting them in finding appropriate resources and advocating for them and their best interests.

Nicole and Trish attended a conference in Yakima and presented to a large group of more than 100 folks about the Child Savings Account Program. Trish has also enrolled several new families into the program and will be participating in an event at Lister Elementary to engage and enroll others.



TACOMA HOUSING AUTHORITY

RENTAL ASSISTANCE



TACOMA HOUSING AUTHORITY

DATE: October 24, 2018

TO: THA Board of Commissioners

FROM: Julie LaRocque
Director of Rental Assistance

RE: Department Monthly Board Report

1. STRATEGIC OBJECTIVE: HOUSING AND SUPPORTIVE SERVICES

Tacoma Housing Authority (THA) will provide high quality housing, rental assistance and supportive services. Its supportive services will help people succeed as tenants, parents, students, wage earners and builders of assets who can live without assistance. It will focus this assistance to meet the greatest need.

2. DIRECTOR'S COMMENT

During the month of September, the Rental Assistance department held its quarterly landlord meeting at the Family Investment Center (FIC). We initially had 39 RSVP's for the meeting and ended up with 19 landlords attending and 8 on the webinar service. Landlord Engagement Specialist (LES) Eric Lane led the meeting. It was a great opportunity for property owners to meet face to face with Eric as well and several of the Housing Specialists and Program Managers.

This meeting provided a plethora of knowledge for future meetings and possible improvements to our procedures. There were also a variety of property owners and managers in attendance from an owner with a duplex to larger Property Management companies.

Training seems to be the ongoing interest of this group. Many questions involved problem residents and how to handle them. They were happy we were able to give them advice as to how we can help and when we couldn't we were able to refer them for help.

Eric also discussed the new Property Based Subsidy program available. He had some interests as well as questions. They seemed interested to find out how others worked out.

In addition, we awarded two Project Based Voucher contracts that were approved by the Board last month. Staff has already completed inspections and lease up paperwork for over half of the clients. Briefings have been scheduled and will be completed before the October board meeting.

3. RENTAL ASSISTANCE AND LEASING

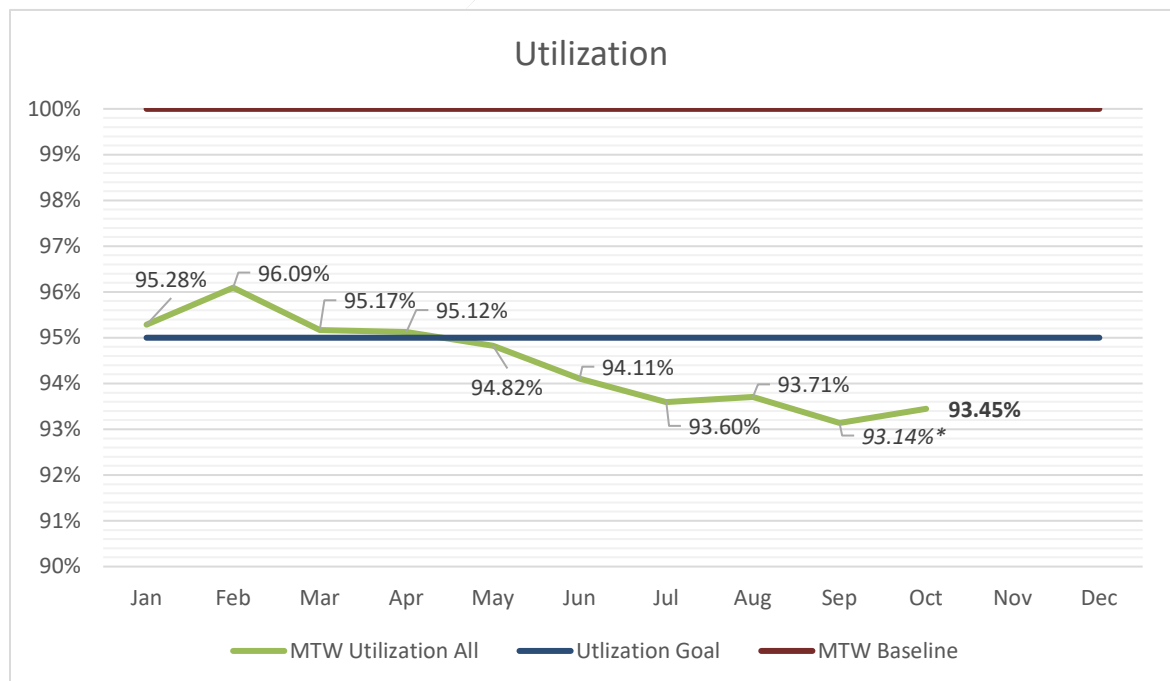
3.1 Utilization Report

Housing Choice Voucher utilization is reported at **93.45%** for the month of September 2018. This number now includes projected data for Rapid Rehousing funds based off the most recent report from the County.

Utilization continues to be a struggle. You will notice the utilization has gone down during September. We have discovered a problem with last month's report so this report will show corrections. We have reviewed the report with IT and they are confident in the numbers we are reporting and have ensured the problem will not continue.

The Rental Assistance department has made utilization its priority with supporting LES, our landlords, as well as our shoppers. RA and Client Support and Empowerment continue scheduling one-on-one meetings with shoppers starting with those who have been shopping the longest. Staff discusses the market, makes referrals and gives them advice based on the barriers they have.

Rental Assistance continues to work on discovering ways to improve utilization. We are reviewing payment standards and subsidy amounts for the Housing Opportunity Program (HOP). This will help with the 2019 budget.



3.1.1 Special Program Utilization

Below is a breakdown of the utilization of THA's special programs and project based vouchers.

The Veterans Administration Supportive Housing (VASH) program continues to be underutilized. We have met with the Veterans Affairs (VA), as well as neighboring Housing Authorities (HA) to discuss this problem. The problem remains the same. The VA is unable to make referrals due to staffing issues. The VA also states that areas such as Tacoma and King County also have to deal with the tough market. The VA staff we work with on a regular basis feel the frustration as well. Recently Housing and Urban Development (HUD) contacted THA to ask about these problems and shared the problem is wide spread with the VA.

The Rental Assistance Department staff are in contact with our partners to work on ways to increase utilization regarding the special programs. The VA and the Department of Social and Health Services (DSHS) both have new staff committed to providing referrals for these programs. Staffing issues from these departments are the concern but should be resolved soon. We will continue to monitor.

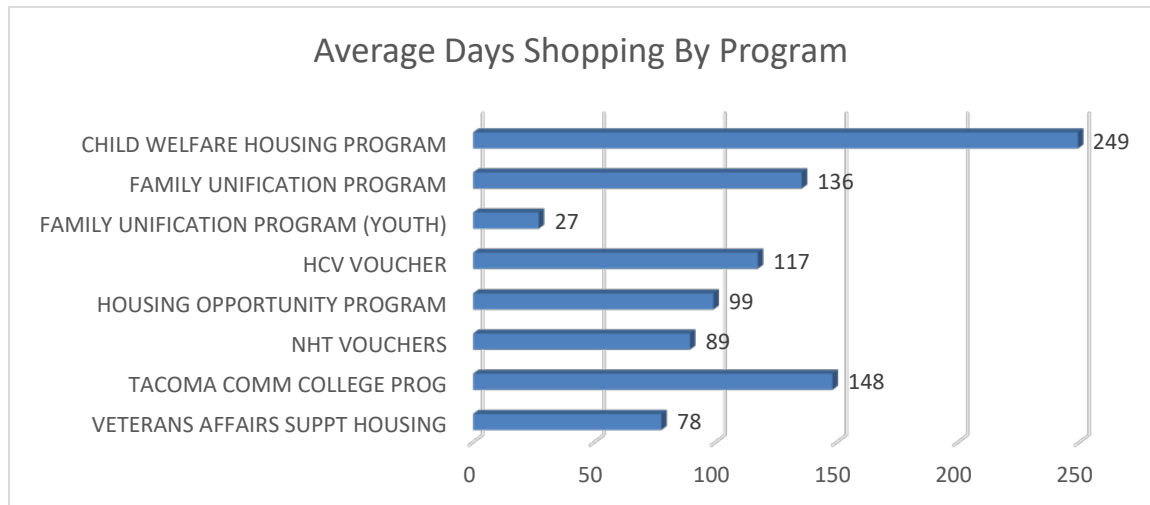
Program Name	Units Allocated	Units Leased	Shoppers	Percentage Leased
VASH (Veterans Administration Supportive Housing)	177	141	36	80%
NED (Non Elderly Disabled) Vouchers	100	87	13	87%
FUP (Family Unification Program)	50	42	8	84%
CHOP (Child Welfare Housing Opportunity Program)	20	15	5	75%
McCarver Program	50	35	15	70%
CHAP (College Housing Assistance Program)	150	48	102	32%
TOTAL	547	368	179	67%

3.1.2 Project Based Voucher Utilization

Project-Based Properties	Units Allocated	Units Leased	Percentage Leased	Vacancy Comments
Bay Terrace 1 & 2	72	71	99%	Property Management Department
Eliza McCabe Townhomes	10	9	90%	Vacancy One – Pending Application
Flett Meadows	13	13	100%	
Guadalupe Vista	38	34	89%	Vacancy One – Pending briefing Vacancy Two – Waiting on referral from Coordinated Entry Vacancy Three – Waiting on referral from Coordinated Entry Vacancy Four - Waiting on referral from Coordinated Entry
Harborview Manor	145	143	99%	Vacancy One – Pending HAP Contract Vacancy Two – Pending HAP Contract
Hillside Gardens	8	8	100%	
Hillside Terrace 1500	12	12	100%	
Hillside 2	13	13	100%	
Nativity House	50	48	96%	Vacancy One –Waiting on referral from Coordinated Entry Vacancy Two – Waiting on referral from Coordinated Entry
Pacific Courtyard	23	21	91%	Vacancy One – Pending HAP Contract Vacancy Two – Waiting for referral
New Tacoma Phase II	8	8	100%	
Salishan 1-7	340	337	99%	Property Management Department
Tyler Square	15	15	100%	
TOTAL	747	732	98%	

3.2 Shoppers Report

Below is a breakdown of the average number of days shopping by voucher program:



*NHT is a program for non-elderly disabled households.

3.3 Leasing Report

As of October 3, 2018, we are doubling the number of applicants contact with “name up” letter to 500 applicants per month. We will adjust our mailing volume based on response and final numbers being issued. The concern with this will be the possibility of exhausting the waitlist for HOP by March 2019. We will closely monitor the need to explore other options if this happens. This could mean up to and including a waitlist opening for HOP even though the applicant portal may not be ready.

	Calendar YTD as of 9/30/2018
Total "Name Up" Mailed Out	831
Total Expressing Interest in HOP	332
Total Vouchers Issued	101
Total Active on Waitlist	2563



TACOMA HOUSING AUTHORITY

PROPERTY MANAGEMENT



TACOMA HOUSING AUTHORITY

Date: October 24, 2018

To: THA Board of Commissioners

From: Frankie Johnson
Director of Property Management

Re: Property Management Monthly Board Report

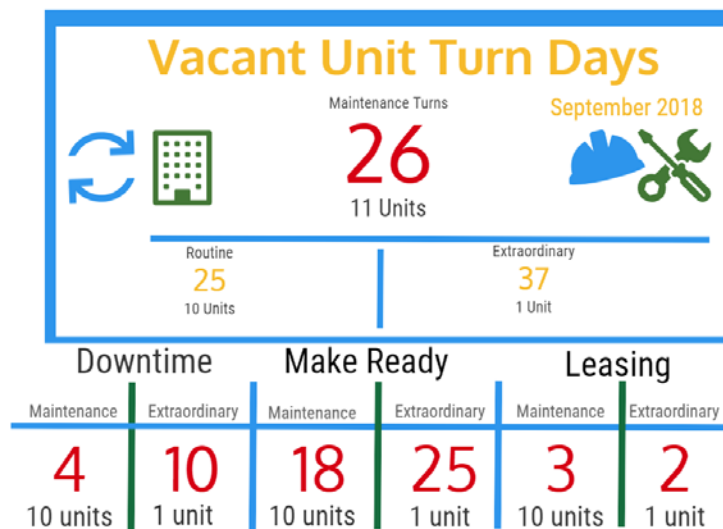
1. OCCUPANCY OVERVIEW

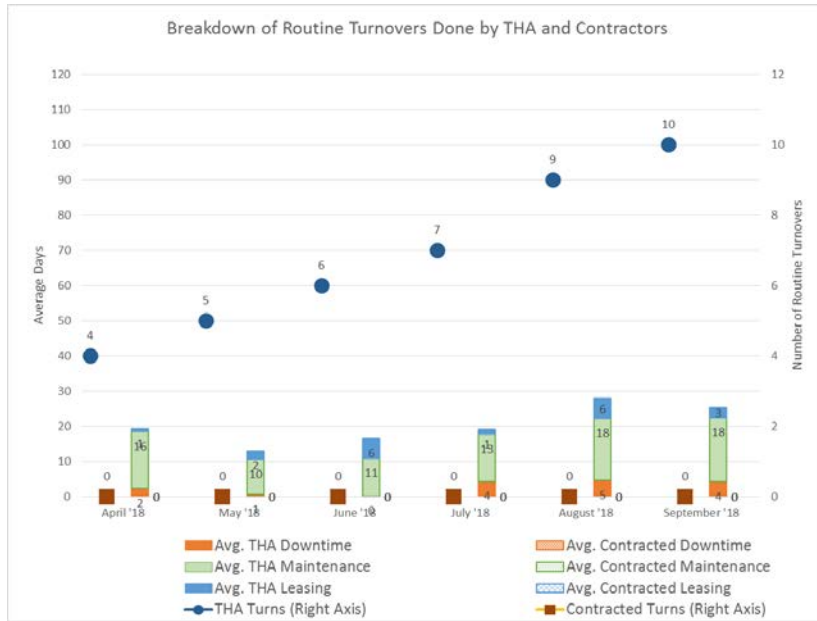
1.1 Occupancy

PROPERTY	UNITS AVAILABLE	UNITS VACANT	UNITS OFFLINE	UNITS OCCUPIED	% MONTH OCCUPIED	% YTD OCCUPIED
All Hillside/Bay Terrace	206	1	0	205	99%	99%
Family Properties	118	2	0	116	98%	99%
Salishan	631	3	0	628	99%	99%
Senior/Disabled	353	4		349	99%	99%
All Total	1,308	10	0	1,298	99%	99%

Unit Occupancy is reported for the first day of the month. This data is for the month of September 2018. The chart above reflects THA's current portfolio of 1,308.

1.2 Vacant Unit Turn Status





All Turns - Performed by THA and Contractors
Today's Date 10/10/2018

Select End Month & Year	September	9	2018
	August	8	2018
	July	7	2018
	June	6	2018
	May	5	2018
Beginning Month	April	4	2018

6-months - based on month and year selected from orange cell

		All THA Turnover Information						
Year	Month	Total Number of Turns	Total THA Turns	Total Meth Turns	Avg. Total Days	Avg. Downtime Days	Avg. Maintenance Days	Avg. Leasing Days
2018	September	11	11	0	26.4	4.7	18.8	2.8
2018	August	9	9	0	27.9	4.7	17.6	5.7
2018	July	7	7	0	19.0	4.3	13.4	1.3
2018	June	6	6	0	16.5	0.2	10.7	5.7
2018	May	5	5	0	13.0	0.6	10.0	2.4
2018	April	4	4	0	19.3	2.3	16.3	0.8

		All Contracted Turnover Information						
Year	Month	Total Number of Turns	Total Contracted Turns	Total Meth Turns	Avg. Total Days	Avg. Downtime Days	Avg. Maintenance Days	Avg. Leasing Days
2018	September	11	0	0	0.0	0.0	0.0	0.0
2018	August	9	0	0	0.0	0.0	0.0	0.0
2018	July	7	0	0	0.0	0.0	0.0	0.0
2018	June	6	0	0	0.0	0.0	0.0	0.0
2018	May	5	0	0	0.0	0.0	0.0	0.0
2018	April	4	0	0	0.0	0.0	0.0	0.0

The average unit turn time for the month of September was 26 days for ten (10) routine unit turns and thirty seven (37) days for one (1) extraordinary unit turned, by Tacoma Housing Authority (THA) staff.

Routine - units with repairs that fall under the category of normal wear and tear that can be repaired within 5-15 days.

Exempt - units with special circumstances, such as transfers, pest control, temporary hotel holds or moves relating to a Reasonable Accommodation.

Extraordinary- units with heavy damage as a result of the tenancy, including meth, extensive damage and casualty loss that cannot be repaired in less than 30 days.

Routine Unit Turns extending beyond 25 days:

Proposed Changes for Improvement in Unit Turn Times:

- **Downtime** - Start the unit turn process within 1 day of vacancy. Reduce downtime to 1 day.
- **Repair make ready**
 - ✓ Identify appropriate staffing levels needed to complete maintenance work during the move-out inspection.
 - ✓ Procure contractors who will respond to request for service if needed that have the appropriate staff to assign multiple units.
 - ✓ Increase inspections to deter heavy damage at move out.
 - ✓ Unit work every working day. Unit is the sole priority by assigned staff.
 - ✓ Use of tracking charts to monitor projected progress.
- **Leasing**
 - ✓ Prescreen to identify ready applicants.
 - ✓ Site-based leasing. Concentrated efforts on units. Each property staff will be responsible for the leasing efforts to fill their units.
 - ✓ THA staff will undergo training to better lease out units that are not subsidized. THA is competing with the open market in some cases. Having better tools and tactics will be helpful to attract applicants that will accept the units in a timelier manner.

Proposed

Downtime	Repair Make ready	Vacant	Total days
1	17	2	20

1.3 THA Meth Data Trends

Per July 2017 Board discussion, Meth information will be included only when there are updates to report.

1.4 Work Orders

Completed WO's by Priority For the Month of September 2018

Property Name	Priority			
	Routine	Urgent	Emergency	Grand Total
6th Ave Apartments	21	1		22
Bay Terrace Phase One	15			15
Bay Terrace Phase Two	15			15
Bergerson Terrace	18	4		22
Dixon Village	9	9	2	20
E.B. Wilson	33	2		35
Fawcett Apartments	12			12
Hillside Terrace 1500 Block	4			4
Hillside Terrace Ph II	7	1		8
Ludwig Apartments	11	2		14
North G St	11	3	2	15
North K St	14	1		15
Salishan Five	6			6
Salishan Four	22			22
Salishan One	11			11
Salishan Seven	18	1	1	20
Salishan Six	23			23
Salishan Three	30			30
Salishan Two	22			22
Wright Ave	23			23
Grand Total	325	24	5	354

**Open Work Orders by Priority
For Month Ending September 2018**

Property Name	Priority			
	Routine	Urgent	Emergency	Grand Total
6th Ave Apartments	47	1	1	49
Bay Terrace Phase One	8	0	0	8
Bay Terrace Phase Two	31	1	0	32
Bergerson Terrace	73	0	0	73
Dixon Village	3	0	0	3
E.B. Wilson	4	0	0	4
Fawcett Apartments	2	0	0	2
Hillside Terrace 1500 Block	33	0	0	33
Hillside Terrace Ph 1	5	0	0	5
Hillside Terrace Ph II	6	1	0	7
North G St	25	2	0	27
North K St	20	0	0	20
Salishan Five	44	0	0	44
Salishan Four	33	2	0	35
Salishan One	107	0	0	107
Salishan Seven	18	0	0	18
Salishan Six	11	0	2	13
Salishan Three	78	0	2	80
Salishan Two	44	0	0	44
Wright Ave	10	2	0	12
Grand Total	602	9	5	616

In the month of September, 100% of emergency work orders were completed within 24 hours; maintenance staff completed 325 non-emergency work orders with a total of 3,433

for the calendar year. The year-to-date average number of days to complete a non-emergency work order is 13 days. Property Management (PM) continues to bring down the number of outstanding work orders and improve customer service.

Processes that PM has implemented to improve customer service are as follows:

- Make every attempt to address routine work orders within five (5) days. When this is not possible, contact the tenant and provide them an alternate date that they may expect service;
- Improve communication with the tenants when services will be delayed and/or when procurement is needed to service the request; and
- Close work orders within 48 hours of completion.

For six of the previous seven months, Property Management has maintained less than twenty (20) days from key-to-key. The twenty-six (26) day average for September was impacted heavily by refusals and/or denials and a number of transfers, both of which automatically add additional time to the turn process.



TACOMA HOUSING AUTHORITY

REAL ESTATE DEVELOPMENT



TACOMA HOUSING AUTHORITY

DATE: October 24, 2018

TO: THA Board of Commissioners

FROM: Kathy McCormick
Director of Real Estate Development

RE: Real Estate Development Department Monthly Board Report

1. SALISHAN/HOPE VI

1.1 Phase II Construction

Area 2A, Community Core Development

Staff continue to explore options and partnerships to complete the Salishan Core. While Bates is interested in an eastside presence, they are undertaking several large capital projects at this time. Because their funding is linked to the State, Bates doesn't believe it would be able to raise the capital dollars needed to pay for building.

1.2 Sale of Salishan Lots

Tacoma Housing Authority (THA) received an offer from TAC Build LLC to purchase the 7 lots designated for rate rental units. TAC Build is owned by Michael Hopkins, local Minority Business Enterprise (MBE) firm. THA and TAC Build have signed a Purchase and Sale Agreement. Closing is anticipated by the end of January 2019 pending disposition approval from Housing and Urban Development (HUD).

2. NEW DEVELOPMENT

2.1 1800 Hillside Terrace Redevelopment

Scope

The redevelopment of 1800 Hillside Terrace will incorporate a single building with 4-stories of affordable housing. The housing units are programmed as one and two bedroom units serving individuals and small families earning less than 60% of Area Median Income (AMI) with 50% of the units @ 30% AMI, 25% of the units @ 40% AMI and 25% of the units @ 60% AMI.

The number of units will be reduced from 70 to 64. This measure is proposed to limit the financing gap which will increase as construction costs continue to climb.

Revised Distribution by BR and Set Aside

	1-BR	2-BR	TOTAL
Low Income	24	14	38
Homeless	8	5	13
Disabled	8	5	13
TOTAL	40	24	64

A set-a-side of 20% of the units will serve individuals with disabilities and an additional 20% set-a-side will serve individuals and small families experiencing homelessness.

Financing

The total development cost is currently budgeted at \$18,657,241 and is fully funded. The 2018 tax credit allocation of \$1,424,413 is projected to generate an estimated \$11,992,241 in equity. An award of \$1,850,000 from the Washington State Department of Commerce Housing Trust Fund has also been made. The below table reflects all projected development sources. The sponsor financing for this project will come from the proceeds of the sale of the public housing, single family homes.

Residential Source Name	Residential Source Type	Committed Amount
Permanent Tax-Exempt Loan	Private	\$2,625,000
Tax Credit Equity	Private	\$11,992,241
UDAG Grant	TCRA	\$300,000
HTF	State – Housing Trust Fund	\$1,800,000
Sponsor Financing	Sponsor	\$1,850,000
	Total	\$18,567,241

Procurement

The Architectural and Engineering (A&E) procurement has been completed. SMR Architects entered into an agreement with THA in the amount of \$895,926 which is within the amount approved by the board in May 2018.

Marpac will provide the General Contractor/Construction Management (GC/CM) services for this project.

3. OTHER PROJECTS

3.1 James Center North

3.1.1 Background

THA purchased James Center North because it offers a unique opportunity to acquire a property that is attractive for public and private developers. It is positioned to be redeveloped to provide both market rate and affordable rental

housing in a mixed-use setting that is adjacent to a transit center and within walking distance of grocery stores, parks and Tacoma Community College (TCC).

3.1.2 Capital Improvements

Minor capital repairs will be completed on an as needed basis in order to keep the property functioning. The goal is to limit the capital investment into the buildings prior to redevelopment.

3.1.3 Leasing

CB Danforth continues to market the available property and provide tours to prospective tenants. A Sylvan Learning Centers has completed their improvements and opened in August 2018. Month-to-month leases are being renegotiated with tenants to extend for two to three years at market rents to stabilize cash flow and allow for THA flexibility to redevelop. Listing Brokers are generating interest for the remaining vacant spaces and numerous prospective tenants have toured the space. The empty store front along Mildred is being used as a field office for outreach and planning meetings for this project.

3.1.4 Predevelopment

Ankrom Moisan Architects has compiled a draft existing conditions report. This report outlines the current surrounding land uses, traffic pattern, and businesses in the area.

Community outreach includes targeted stakeholder interviews, maintaining an advisory group and conducting open house meetings for those interested in the project. The Ankrom Moisan team is meeting and surveying potential redevelopment partners.

The next Advisory Committee meeting is being planned for mid-November. A community open house will follow the meeting. The open house is being planned in conjunction with an arts-based event that is focused on attracting attendees in a meaningful and entertaining way.

The Urban Land Institute (ULI) report has been finalized. Hard copies have been mailed to the Board and a link to the document is on THA's James Center North web page. The ULI recommendations have been reviewed by THA staff and are being incorporated into planning as applicable.

Enterprise Community Partners chose James Center North as one of the projects to be included in the 2018 Affordable Housing Design Leadership Institute. In addition to educational webinars the Institute convening provided feedback from designers across the country regarding design options related to the James Center North redevelopment master plan. THA Real Estate Development (RED) staff have completed this institute training and have

applied for a grant from Enterprise that will partially fund some of the outreach activities that are aimed at activating the property and gathering additional community insights.

Representatives from Fircrest and University Place are participating in the Advisory Committee. Their participation is important as both of these communities are within one-mile of James Center. These communities are evaluating redevelopment options and want to be sure planning efforts are coordinated.

Planning will continue over the next 7 months and will conclude with development phasing recommendations, financial analysis, and a summary of community input and design options.

3.1.5 Operating Performance

Property cash flow is steady and work orders are minimal. Previously identified capital improvement repair items are being addressed regularly. Repair costs are consistent with feasibility estimates. A 2018 budget has been approved and Common Area Maintenance (CAM) costs have been calculated and will be charged to tenants.

3.2 Public Housing Scattered Sites

Former Public Housing Scattered Site homes are being rehabilitated and sold at market value. To achieve affordability for households earning 50% to 80% of the Area Median Income (AMI), THA will place a restriction for the difference between market value and the effective sales price on the property. The effective sales price is what a buyer earning 50% to 80% of the AMI can afford. The value of the difference between the market value and effective sales price will be captured in the restrictive covenant in the form of a forgivable loan of which 20% of the loan value will be forgiven every year.

3.2.1 Two homes have been purchased by residents of public housing. One of these buyers was a priority 1 buyer.

3.2.2 The following chart shows the number of units sold, listed, sold price and net proceeds.

Units Sold	Combined Market Value	Combined Sold Price	Combined Rehab Costs	Total Sales Costs	Net Proceeds
26	\$5,417,848	\$5,417,848	\$683,560	\$1,023,059	\$3,711,228
Units Listed	Market Value	List Price	Rehab Costs	Sales Costs Estimated	Projected Proceeds
7	\$1,895,000	\$1,895,000	\$315,340	\$170,550	\$1,409,109
Units in Construction	Scope Preparation	Occupied			
0	0	1			



5814 Swan Creek – Sold



3.2.3 Rehabilitation Work on Scattered Site Units and Sold:

- The work on the last 3 remaining scattered sites is now complete. All available houses (a total of 7) have been listed and are on the market. 6750 East B Street has sold for \$219,000.00 and is now occupied by the new home owner. Twenty- six houses sold, 7 houses remain. Sales have slowed down considerably and we have lowered the price on two units. We have received and accepted offers on 3 of the remaining 7 houses. 1420 S Madison, 6438 S Puget Sound and 3413 S 12th Street should all close from late October to early November.
- Community Youth Services (CYS) is occupying 120 Bismark to temporarily house homeless youth. They are consistently at capacity. Staff have been asked to research selling this house to CYS for a permanent Crisis Residential Center.

3.3 Consulting and Community Engagement

Staff is working with the Korean Women's Association (KWA) and its proposal for the Portland Community Center. KWA plans to relocate their senior programs to the Center and update the facility to support this work. KWA will also offer a host of community-based services and continued programming at the property. Metro Parks has indicated that they will work directly with KWA on the building lease. This means that THA will not need to enter into an Intergovernmental Agreement with Metro Parks.

3.4 New Look (aka Alberta J. Canada) Capital Planning and Resyndication

Rehabilitation work is underway, construction is currently 86% complete. The contractor has been focusing on exterior cladding, Americans with Disabilities Act (ADA) unit conversions and community space construction. The contractor has also been wrapping up the installation of new windows and store fronts. This project is behind schedule.

3.5 Arlington Drive Youth Campus

The City of Tacoma allocated \$700,000 to the Tacoma Community Redevelopment Authority (TCRA) and \$300,000 in Community Development Block Grant (CDBG) funds for the development of the Crisis Residential Center (CRC). The COT's 2019-2020 budget includes a request for \$800,000 additional funding for Arlington. The vote for formal confirmation of the intended funding will occur in November, 2018. Pierce County is contributing \$250,000 from 2163 funds and another \$435,945 in CDBG funds is coming from Pierce County.

The state legislature allocated \$4.29M to support the development of the Arlington Drive Youth Campus. At this time, staff expects to devote a majority of these funds to the rental housing component of the project.

SMR Architects has completed the master site planning and related preliminary work. A portion of the SMR work will be reimbursed as part of the City of Tacoma/Pierce County agreement for building the CRC and THA will fund the balance associated with the larger master planning process. THA will also develop a portion of the site for rental housing for homeless young adults ages 18-24. THA will fund this development with equity from a 9% Low-Income Housing Tax Credit allocation (LIHTC) and related sources. The design development is complete and an initial cost estimate for the CRC has been completed. The cost estimate is significantly higher than anticipated because this project has to meet commercial codes and specific licensing requirements. Staff continue engaging in conversations with the City of Tacoma, Pierce County and others about covering these additional costs, as necessary.

The firm of BDS Planning and Urban design was selected as the consultant for the community engagement and consultation effort. The sixth Community Advisory Committee meeting was held September 13th at the Family Investment Center (FIC).

3.6 Colored Women's Club

THA and the Colored Women's Club (CWC) have resumed conversations regarding the redevelopment of CWC's property located at 2316 Yakima. CWC would like to create a mixed use building that has new office space for them plus a social hall with a commercial kitchen and office space for other African American organizations on the first floor and residential units for seniors on floors 2-6. The parcel next to the

CWC was recently sold. THA and CWC met with the new owner and he was receptive to a collaboration. His architect has done a draft massing study to give an idea of what a jointly developed project might look like. Conversations among the three parties continue. CWC has asked THA to be its development consultant. THA and CWC are negotiating a Memorandum of Understanding (MOU) which will outline roles and responsibilities.

4. DEVELOPMENT PIPELINE PROJECTS

4.1 Intergenerational Housing at Hillsdale Heights

KWA is supportive of an inter-generational housing community and has agreed to use THA as its developer for the senior housing project. The option to sell the land to KWA has been executed. Staff are working with KWA to prepare for a 202 application and have completed funding applications for Housing Trust Fund, as well as City and County CDBG funds on behalf of KWA. Pierce County has approved \$300,000 of 2060 funds to KWA. Results for the City CDBG are expected mid-October.

4.2 Hilltop Lofts and THA Owned Properties' Master Development Plan

THA and the City extended the timeline by two years for THA to develop the Hilltop Lofts project. The Council approved the extension request at its November 3, 2015, meeting. The Quit Claim deed was recorded January 18, 2018. According to the covenants recorded the same day, financial feasibility needs to be determined by April 30, 2018, and permanent financing needs to be in place by June 1, 2020. Staff are reviewing financing options for this site and need to confer with the City regarding the timetable. Mithun Architects was selected to lead the design work for the four (4) THA owned undeveloped parcels. The Board approved this at the September board meeting. A signed contract between THA and Mithun is anticipated by the end of October. THA is now managing the lease for the Mr. Mac store. Effective October 1, 2018, the new owner of the business is the Tacoma Ministerial Alliance (TMA), and THA staff is working with TMA on a lease.

4.2.1 City of Tacoma 311 Mobilization

RED, in partnership with the Hilltop Action Coalition, will facilitate the outreach and mobilization so that residents of the Hilltop understand and use the City's 311 customer service line. This will be completed through a series of workshops, events, canvassing and literature creation. The agreement with the City has been executed and planning work initiated. One of the deliverables is a short documentary. The film was submitted to the Hilltop Street Fair's Short Film contest and won the Best Overall Film award!

THA partnered with Latino Arts Mercado and the Urban Market for the 3rd Annual Hilltop Pop Up Street Sale that took place on September 8th and 10th

at People's Park where 40 vendors participated. In addition, the first design was selected for the Design the Sign contest. Submissions are still being accepted on a rolling basis.

4.2.2 Housing Hilltop

THA has begun conversations with external partners for development of the THA parcels on the Hilltop. The Greater Tacoma Community Foundation (GTCF) is interested in locating on the Hilltop. GTCF is working with Forterra and THA to determine feasibility. The group will be meeting monthly.

THA has also commenced conversations with external partners to develop a homeownership program to help those displaced, or at risk of being displaced to purchase homes at an affordable price and address some of the homes in need of rehabilitation. This group will also be meeting monthly.

THA has held two workshops on developing a Community Land Trust. This conversation has grown out of the monthly meetings discussed in the previous paragraph. Executive Director of Homestead Community Land Trust Kathleen Hosfeld and Julie Brunner of OPAL Community Land Trust/Grounded Solutions have conducted the workshops. Attendees have included Habitat for Humanity, Rebuilding South Sound, Pierce County Housing Authority, Homeownership Center of Tacoma, Korean Women's Association, Sound Outreach, Hilltop Urban Gardens, Affordable Housing Consortium, Hilltop Action Coalition, Forterra, City of Tacoma staff and THA staff. Next steps are likely to include doing public meetings in the community, both in Tacoma and around the County, to educate people and gauge interest.

THA staff is looking into establishing an Eco-District for the Hilltop. Eco-Districts provide a framework for realizing advanced sustainability through behavior change, building design and infrastructure improvements, as well as create goals for equity, resilience and climate protection. It would create a framework and measurement tool for community development work on the Hilltop. Staff attended the EcoDistrict Summit in Minneapolis in October to learn more about EcoDistricts.

5. Renew Tacoma Housing, LLLP

Staff continue to work through the tasks associated with closing out this project. It is now anticipated that all the close-out requirements and approvals necessary to release the second equity installment will be completed in the fall of 2018. The key variable that impacts the timeframe is resolution/close-out of the environmental escrow. However, staff were able to work with the investor to defer the environmental "*No Further Action*" letter requirement to the next pay equity condition of release.

Watch list

Environmental

K Street:

We continue to wait for Department of Ecology (DOE) to issue the *No Further Action* (NFA) letter for K Street. DOE required some additional soil vapor intrusion testing. The testing is complete and results are being analyzed and evaluated to determine whether physical alterations to the building are required to increase air circulation. We have reinforced the critical nature of getting the No Further Action letter issued as soon as possible and work with our consultant to get DOE to get this done. There is the possibility that the original long-term monitoring requirements for K Street may be waived.

Wright Street:

DOE staff stated that removal of contaminated dirt is not required because of the cost. DOE anticipates requiring an Environmental Restrictive Covenant to be filed, issuing of a *No Further Action* letter and long-term monitoring. As stated above, we continue to wait for DOE to issue the *No Further Action* letter for Wright Street. We received notification that DOE required additional soil vapor intrusion testing. The testing is complete and results are being analyzed and evaluated to determine whether physical alterations to the building are required to increase air circulation. We have reinforced the critical nature of getting the NFA letter issued as soon as possible and work with our consultant to get DOE to get this done. DOE is considering lengthening the testing intervals of the required long-term monitoring.

Wright Street Neighboring Property:

The environmental condition exists only on the edge adjoining THA property. Of two test bores, one tested clean and the other dirty. The toxic dirt is so far below the surface that no risks for gardening exist right now.

Depending on the DOE's final requirements, THA may buy the neighbor's entire property versus encumbering a portion of the property by filing an Environmental Restrictive Covenant on the contaminated portion of the property. Most likely, the property owner and/or lender will object to the encumbrance.

THA staff made the decision that it will not pursue further legal action against Superior Linen. THA will continue to pursue grants that may reimburse some of the environmental cost.



TACOMA HOUSING AUTHORITY

NEW BUSINESS

Resolution 1



TACOMA HOUSING AUTHORITY

RESOLUTION 2018-10-24 (1)

Date: October 24, 2018

To: THA Board of Commissioners

From: Michael Mirra
Executive Director

Re: Implementing Statutory Changes to the Micro-Purchase and the Simplified Acquisition Thresholds

This resolution would authorize an update to Tacoma Housing Authority's (THA) Procurement Policy that implements Statutory Changes to the Micro-Purchase and the Simplified Acquisition Threshold.

Background

On June 20, 2018, the Office of Federal Financial Management released a memorandum in accordance with statutory changes set forth in the National Defense Authorization Acts (NDAA) for Fiscal years 2017 & 2018. This memorandum raises the threshold for micro-purchases under Federal financial assistance awards from \$3,000 to \$10,000, and raises the threshold for simplified acquisitions from \$150,000 to \$250,000 for all recipients.

Attached to this resolution is the full text of the Memorandum, M-18-18.

This resolution would change THA's procurement policy to conform to this change in the law.

Recommendation

Approve Resolution No. 2018-10-24 (1).



TACOMA HOUSING AUTHORITY

RESOLUTION 2018-10-24 (1) **(Implementing Statutory changes to the Micro-purchases and Simplified Acquisition Thresholds)**

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma

WHEREAS, The Housing Authority of the City of Tacoma (the “Authority”) approved the update of THA’s Procurement Policy (Resolution 2018-06-27 (2); and

WHEREAS, In the course of revision of THA’s Procurement Policy, the National Defense Authorization Acts raised the Micro-purchase and Simple Acquisition thresholds; and

WHEREAS, A revision to THA’s Procurement Policy will implement the increases in the Micro-purchase and Simple Acquisition thresholds; now, therefore, be it

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

1. Revision to THA’s Procurement Policy that increases the Micro-purchase threshold from \$3,000 to \$10,000 and raises the Simplified Acquisition threshold from \$150,000 to \$250,000.
2. This resolution shall be in full force and effective from and after its adoption and approval.

Approved: October 24, 2018

Dr. Minh-Anh Hodge, Chair



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

OFFICE OF FEDERAL
FINANCIAL MANAGEMENT

June 20, 2018

M-18-18

MEMORANDUM FOR CHIEF FINANCIAL OFFICERS AND HEADS OF SMALL EXECUTIVE AGENCIES

FROM:

Tim Soltis

Deputy Controller, Office of Federal Financial Management

SUBJECT:

Implementing Statutory Changes to the Micro-Purchase and the Simplified Acquisition Thresholds for Financial Assistance

In accordance with recent statutory changes set forth in the National Defense Authorization Acts (NDAA) for Fiscal Years 2017 and 2018, this memorandum raises the threshold for micro-purchases under Federal financial assistance awards to \$10,000, and raises the threshold for simplified acquisitions to \$250,000 for all recipients. Further, it implements an approval process for certain institutions that want to request micro-purchase thresholds higher than \$10,000. Agencies are required to implement these changes in the terms and conditions of their awards, and recipients of existing Federal financial assistance awards may implement them in their internal controls.

Background

This memorandum applies to all Federal agencies, as defined at 5 U.S.C. § 551(1), that award grants or cooperative agreements. It implements changes to the micro-purchase and simplified acquisition thresholds for financial assistance under the NDAA for Fiscal Year (FY) 2017 and FY2018. The micro-purchase threshold refers to purchases of supplies or services using simplified acquisition procedures, not to exceed an established amount pursuant to the Office of Management and Budget (OMB) Governmentwide Guidance for Grants and Agreements ("Uniform Guidance") at 2 C.F.R. § 200.67 (Micro-purchase). The simplified acquisition threshold refers to purchases of property or services using small purchase methods not to exceed an established amount pursuant to 2 C.F.R. § 200.88 (Simplified acquisition threshold). For Federal financial assistance awards, these purchases are acquired for use by a Federal program. The NDAA for FY2017 increased the micro-purchase threshold from \$3,500 to \$10,000 for institutions of higher education, or related or affiliated nonprofit entities, nonprofit research organizations or independent research institutes (41 U.S.C. § 1908). The NDAA for FY2018 increases the micro-purchase threshold to \$10,000 for all recipients and also increases the simplified acquisition threshold from \$100,000 to \$250,000 for all recipients.

Implementing the NDAA for FY2017

Section 217(b) of the NDAA for FY2017 raises the micro-purchase threshold to \$10,000 for procurements under grants and cooperative agreements for institutions of higher education, or related or affiliated nonprofit entities, nonprofit research organizations or independent research institutes.¹

¹ Pub. L. No. 114-328 (codified at 41 U.S.C. § 1902(a)(2)).

The NDAA for FY2017 also establishes an interim uniform process by which these recipients can request and Federal agencies can approve requests to apply a higher micro-purchase threshold. Specifically, the 2017 NDAA allows a threshold above \$10,000 if approved by the head of the relevant executive agency. For purposes of this approval, the institution's cognizant Federal agency for indirect cost rates will be the relevant executive agency as defined in 2 C.F.R. § 200.19 (Cognizant agency for indirect costs). To receive a higher threshold, the institution must either have "clean single audit findings" (*i.e.*, in accordance with 2 C.F.R. § 200.520 - Criteria for a low-risk auditee), have an acceptable internal institutional risk assessment, or the higher threshold must be consistent with State law for public institutions.

Agencies should reflect this change through policy or terms and conditions in awards for those institutions. The effective date for this change was when the NDAA for FY2017 was signed into law on December 23, 2016. OMB intends to revise the Uniform Guidance to conform with the law.²

Process for Requesting a Higher Threshold Under the NDAA for FY2017

Requests for approval should be submitted to the institution's cognizant Federal agency for indirect cost rates; however, institutions should contact the agency before sending the request to determine the correct point of contact. The cognizant Federal agency will assign review of the request to the appropriate office within the agency to determine whether to approve, and will maintain records and justification of all approvals. The request should include the threshold level being requested and the justification(s) for it based on the criteria above per Section 217(b) of the NDAA for FY2017.

Implementing the NDAA for FY2018

This memorandum also implements provisions of the NDAA for FY 2018, Pub. L. No. 115-91, which became law on December 12, 2017. Specifically, section 806 raised the micro-purchase threshold from \$3,500 to \$10,000, and section 805 raised the simplified acquisition threshold from \$100,000 to \$250,000. Pursuant to 2 C.F.R. § 200.67 (Micro-purchase) and 2 C.F.R. § 200.88 (Simplified acquisition threshold), these higher thresholds are not effective until implemented in the Federal Acquisition Regulation (FAR) at 48 C.F.R. Subpart 2.1 (Definitions).³

In order to allow maximum flexibility for grant recipients in light of the changes to the NDAA for FY2018, OMB is granting an exception allowing recipients to use the higher threshold of \$10,000 for micro-purchases and \$250,000 for simplified acquisitions in advance of revisions to the FAR at 48 C.F.R. Subpart 2.1 and the Uniform Guidance. Pursuant to 2 C.F.R. § 200.102 (Exceptions), OMB may allow exceptions to the Uniform Guidance when exceptions are not prohibited by statute. The exception takes effect upon the date of issuance of this memo. Agencies should apply this exception to all recipients. Recipients should document any change based on this exception in accordance with 2 C.F.R. § 200.318 (General procurement standards).

If you have any questions regarding this memorandum, please contact Mary Tutman at Mary.E.Tutman@omb.eop.gov or Gil Tran at Hai_M._Tran@omb.eop.gov.

² The American Innovation and Competitiveness Act, Pub. L. No. 114-329, § 207(b) (2017) states that the Uniform Guidance shall be revised to conform with the requirements concerning the micro-purchase threshold.

³ Codified at 41 U.S.C. § 1902(f).

Resolution 2



TACOMA HOUSING AUTHORITY

RESOLUTION 2018-10-24 (2)

DATE: October 24, 2018

TO: THA Board of Commissioners

FROM: Michael Mirra
Executive Director

RE: Authorization to Forgive Debt of Certain Existing THA-Controlled Entities

This resolution would authorize THA to forgive certain loans it made to Hillside Terrace Phase I Limited Partnership, Hillside Terrace Phase II Limited Partnership, Salishan One LLC, Salishan Two LLC, and Salishan Three LLC (the "LIHTC Entities").

Background

Between 2002 and 2005, THA participated in the formation of the LIHTC Entities, each of which was formed to develop and operate a low-income housing property that would qualify for federal low-income housing tax credits ("LIHTCs"). THA is the general partner or managing member of each LIHTC Entity. Effective September 1, 2018, the investor in each of the LIHTC Entities identified transferred its member or limited partner interests, as applicable, to THA and Tacoma Housing Development Group ("THDG").

THA has outstanding loans to the LIHTC Entities of \$2,069,212 (Hillside Terrace Phase I), \$442,994 (Hillside Terrace Phase II), \$2,381,557 (Salishan One-Loan A), \$750,000 (Salishan One-Loan B), \$629,910 (Salishan One-AHP Loan), \$1,328,845 (Salishan Two-Loan A), \$400,000 (Salishan Two-Loan B), \$629,910 (Salishan Two-AHP Loan), \$3,868,514 (Salishan Three-Loan A), and \$629,910 (Salishan Three-AHP) (collectively, the "THA Loans"). Now that THA and THDG are the only members and partners of the LIHTC Entities, THA essentially owes this money to itself.

Staff believe it is desirable to forgive the THA Loans to reduce the administrative burden on THA of administering such loans. Generally accepted accounting principles, as applicable to THA, require that each of the LIHTC Entities be financially consolidated with THA and that each of the THA Loans be disregarded for financial reporting purposes since a reporting entity cannot have loans with itself. Any pass through loans from other entities (CTED, HTF) will remain. The forgiveness of these loans will also have the effect of lessening the debt burden and reduce any amount of debt needed to be repaid upon re-syndication of these properties.

Recommendation

Approve Resolution No. 2018-10-24 (2).



TACOMA HOUSING AUTHORITY

Tacoma Housing Authority 2018-10-24 (2) **(Authorization to Forgive Debt of Certain Existing THA-Controlled Entities)**

A **RESOLUTION** authorizing the Authority to forgive certain loans made by the Authority to Hillside Terrace Phase I Limited Partnership, Hillside Terrace Phase II Limited Partnership, Salishan One LLC, Salishan Two LLC, and Salishan Three, LLC; and providing for other matters properly related thereto.

WHEREAS, The Housing Authority of the City of Tacoma (the “Authority”) seeks to encourage the provision of long-term housing for low-income persons residing within the City of Tacoma, Washington (the “City”); and

WHEREAS, RCW 35.82.070 authorizes the Authority, among other things, to “prepare, carry out, acquire, lease and operate housing projects,” to “provide for the construction, reconstruction, improvement, alteration or repair of any housing project or any part thereof,” to “lease or rent any dwellings . . . buildings, structures or facilities embraced in any housing project,” and to lend money to aid in the development of housing projects; and

WHEREAS, The Authority is the sole general partner or managing member of, Hillside Terrace Phase I Limited Partnership, Hillside Terrace Phase II Limited Partnership, Salishan One LLC, Salishan Two LLC and Salishan Three LLC (each, a “LIHTC Entity”), and Tacoma Housing Development Group (“THDG”) is the sole limited partner or investor member of each LIHTC Entity; and

WHEREAS, The LIHTC Entities developed and operate the affordable rental housing properties in the City commonly known as Hillside I, Hillside II, Salishan One, Salishan Two and Salishan Three (collectively, the “Properties”); and

WHEREAS, The Authority has loans to the LIHTC Entities outstanding in the amounts of \$2,069,212 (Hillside Terrace Phase I), \$442,994 (Hillside Terrace Phase II), \$2,381,557 (Salishan One-Loan A), \$750,000 (Salishan One-Loan B), \$629,910 (Salishan One-AHP Loan), \$1,328,845 (Salishan Two-Loan A), \$400,000 (Salishan Two-Loan B), \$629,910 (Salishan Two-AHP Loan), \$3,868,514 (Salishan Three-Loan A), and \$629,910 (Salishan Three-AHP) (collectively, the “THA Loans”); and

WHEREAS, The sources of funds for the THA Loans were grants and/or program income received by the Authority that was required to be used to fund improvements at the Properties; and

WHEREAS, The Authority has outstanding “operating” or “partner” loans that it made to Hillside Terrace Phase I Limited Partnership and Hillside Terrace Phase II Limited Partnership pursuant to the terms of the partnership agreements for such LIHTC Entities (the “Operating Loans”); and

WHEREAS, Generally accepted accounting principles, as applicable to the Authority, require that each of the LIHTC Entities be financially consolidated with the Authority and that each of the THA Loans, Operating Loans and related interest be disregarded for financial reporting purposes; and

WHEREAS, To reduce the costs of operating the Properties, and aid the poor and infirm, the Authority finds and determines that it is desirable to forgive the THA Loans and the Operating Loans, including the related interest; now, therefore, be it

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

1. The Authority is authorized to forgive each of the THA Loans and the Operating Loans, as well as any unpaid interest to such loans. The Authority's Executive Director and Deputy Executive Director (each, an "Authorized Officer" and, collectively, the "Authorized Officers"), and each of them acting alone, are authorized on behalf of the Authority and each LIHTC Entity to (i) execute, deliver and file (or cause to be executed, delivered and filed), to the extent required by law, such agreements, certificates, documents and instruments as are necessary or appropriate in each Authorized Officer's discretion to give effect to this resolution and to consummate such acquisition; and (ii) take any other action that each Authorized Officer deems necessary and advisable to give effect to this resolution and consummate the transactions contemplated herein; *provided, however*, no regulatory agreement between THA and an LIHTC Entity shall be released in connection with the forgiveness of the THA Loans.
2. The Authority is authorized to amend and restate the partnership agreement or operating agreement, as applicable, for each LIHTC Entity. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority to determine the form of any such amended and restated partnership agreement or operating agreement, and to execute and deliver such agreements.
3. The Authority's Executive Director and his designees are authorized to cause each LIHTC Entity to liquidate any reserves that the Executive Director or his designees determine are not required by the U.S. Department of Housing and Urban Development or by a lender.
4. Any actions of the Authority or its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.
5. This resolution shall be in full force and effect from and after its adoption and approval.

Approved: October 24, 2018

Dr. Minh-Anh Hodge, Chair

Resolution 3



TACOMA HOUSING AUTHORITY

RESOLUTION 2018-10-24 (3)

Date: October 15, 2018
To: THA Board of Commissioners
From: Michael Mirra
Executive Director
Re: Waiting List Management for the Portfolio

This resolution would approve revisions to Tacoma Housing Authority's Administrative Plan and Continued Occupancy Plan (ACOP) to improve THA's management of the waiting list for THA's managed portfolio and for the Housing Opportunity Program (HOP). These recommendations do not pertain to THA properties that THA does not manage directly.

Background

This resolution seeks approval to adopt nine (9) recommendations for changes to the Tacoma Housing Authority (THA) waiting list policies and practices.

THA has reviewed management of its waiting lists for both the housing portfolio that it manages and for its Housing Opportunity Program of rental assistance. It undertook this review to address serious challenges related to those waiting lists. The first challenge was the long time THA took to turn a vacant unit. Part of the problem was the "leasing time" necessary to find the next tenant. In 2017, that leasing time hit an all-time high of 65 days. It took this long even though Tacoma's rental market has become very competitive and the region has a crisis shortage of affordable housing. THA should have no shortage of customers from its waiting lists willing to rent.

The administration of the waiting lists is also complicated, confusing, and burdensome for both applicants and THA. THA closed its Property Waiting Lists 2 years ago. Some applicants have been waiting for more than 8 years for an offer of a housing unit. THA allows applicants to apply to one or more properties when the waiting lists are open. This can be hard on THA to track. Leasing staff usually must contact several names on the list until they hear back from an applicant. Often applicants are not ready to lease a unit. For example, they may be in the middle of a fixed-term lease. Or their eligibility status has changed since they applied several years previously. Just as often THA cannot contact an applicant who may have moved several times in the years since applying.

THA has made earlier efforts to address these challenges, with some notable successes. In 2014 and again in 2016, THA engaged outside consultants. We also convened a working group of THA staff to map the waiting list process to prepare for our new enterprise software system, Open Door. These efforts resulted in several waiting list improvement recommendations. However, THA did not implement all recommendations. The work clearly remained unfinished.

In December 2017 THA's Board of Commissioners approved Resolution 2017-12-13. This consolidated the Property Waiting Lists and the Housing Opportunity Program (HOP) Waiting List into one combined list, sorted by bedroom size. THA exhausted its HOP Waiting List at the time. Instead of opening the separate HOP waiting list and accepting more separate HOP applications the board allowed THA to offer a HOP subsidy to applicants already on the Consolidated Property Waiting List. That helped to simplify administration and to offer a HOP voucher to people who had been waiting years for a unit and would wait years more. That also helped improve THA's voucher utilization rate.

More significantly, Property Management led a thorough review of its unit turn and lease processes. THA now takes less than 20 days, key to key, to turn a vacant unit. Leasing time accounts for only 6 of those days.

Further work is necessary to sustain and improve this progress and to make the wait list management easier for THA staff and for applicants. To do this, THA convened a Waiting List Mapping Team of THA staff. This team had representatives from Asset Management, Property Management, Rental Assistance, and Policy Innovation and Evaluation. THA asked the Team to recommend ways to improve the wait list management. The team reviewed all the previous work, including recommendations from consultants. It assessed the advantages and disadvantages of having waiting lists. It consulted over 50 market rate property managers and landlords, nonprofit subsidized housing providers, and Moving to Work and Non-Moving to Work housing authorities. These consultations included one-on-one interviews, emails, phone calls, electronic surveys and web site research.

This effort produced a report with recommendations. The Board received then current versions of that report during the summer and last month. This resolution conveys the final version of staff recommendations.

The report conveys 13 recommendations. Nine are interim recommendations that THA should implement immediately and are the topic of this resolution. Later, THA should implement four long term recommendations.

The interim and long term recommendations account for the following:

- The needs and conveniences of the property waiting list applicants.
- The capacity and availability of staff. THA's need to turn units under 20 days, preferably fewer days.
- The capacity and limitations of THA's new software, OpenDoor.

- The recommendations on the topic from outside consultants, TCAM and HDC.
- The practices of other high performing PHAs, affordable housing providers and market rate property managers.
- Making THA Portfolio Management more consistent with other THA programs.

1. Summary of Recommendations

This section outlines the recommendations contained within this resolution. THA's duty to offer a reasonable accommodation to disabled persons may allow or require an exception to the recommended policies or procedures.

1.1. Continue to use THA's Waiting Lists for the Portfolio.

Some recommend that THA do without waiting lists for its portfolio. THA would then manage as market rate portfolio's do. They advertise and consider applicants, first come, first served. This report recommends that THA keep a waiting lists, for two reasons. **First**, doing so aligns with THA's mission to serve the neediest in our community. Many of them do not have the means or the savvy to monitor unit availability or to respond to an advertisement quickly enough. A waiting list gives them an equitable chance.

Second, the experience of other housers does not show that lease up times reduce without waiting lists. The only advantage we can expect from eliminating waiting lists is a greater ease of administration and some possible cost reduction. Yet THA will get those benefits plus lower lease up times by implementing the recommendation on Pre-Resident Orientation process (7.1.8) and an Online Property Portal (7.2.2) for virtual tours. These will better prepare potential tenants in advance for lease up, address issues or barriers they may have early in the process and decrease the likelihood that they will decline a unit based on property type or location. *See* Section 6 for the Advantages and Disadvantages of Property Waiting Lists.

1.2. Remove separate waiting lists for separate properties.

THA should not have separate waiting lists of its separate properties. Instead, THA will place applicants on one waiting list for the bedroom size they qualify for based on household size. THA will offer applicants the first available unit of that size at any property. If when a household comes to the top of the waiting list two or more units of the appropriate bedroom size are available at different properties, THA will offer the household a choice from among those two or more units.

THA should apply this recommendation to those applicants on the current Consolidated Waiting List as well as new applicants.

1.3. Continue consolidated (combined) waiting list for the portfolio and the HOP Program.

THA should continue to have one consolidated waiting list for its managed properties and the HOP Program. A Consolidated Waiting list is easier to manage. It gives applicants a chance to get housing assistance sooner and a choice between a unit and a voucher. It speeds the pace of voucher issuance and in that way helps utilization.

THA would offer an applicant who comes to the top of the waiting list a choice of an apartment or a voucher. If the applicant chooses a HOP voucher but cannot use it, he or she would resume his or her original place on the waiting list for an apartment. THA would not offer them another voucher. If an applicant is offered a unit but declines the unit, the applicant can request a HOP voucher if the applicant has not previously declined the offer of a HOP voucher.

1.4. Require applicants to check in quarterly.

In order to further decrease lease up time on THA units, THA should begin requiring waiting list applicants to check in every 3 months. THA should allow them to check in at an office or by telephone. THA is also developing an on-line portal to allow for remote check-ins. THA should begin this requirement only after: (i) it can send them a reminder at appropriate intervals, and (ii) the portal is working and staff have decided it is ready for client use.

This check-in will help ensure that THA always has the current contact information and that the client is still interested in and eligible for the same bedroom size based on household size and income. It is also an opportunity to engage with a potential tenant and measure their interest and preparedness when a suitable unit does become available. THA will remove applicants from the waiting list if they fail to check-in. THA will continue a liberal reinstatement policy to allow applicants to appeal if they have been removed from the waiting list.

1.5. Refine the definition of “housed” and remove “housed” households from THA waiting lists.

THA should refine its definition of which applicants on the waiting list are “housed”. It should remove “housed” applicants from the waiting list.

Currently, THA keeps a person on its waiting lists even when THA gives them a HOP voucher, or rents him or her, an apartment, including an apartment in a property that they chose. In these cases, THA allows them to remain on the list waiting for other properties that they also choose.

Staff recommends that THA consider as “housed” all persons using a THA subsidy, either through a rental assistance voucher or an apartment or home. THA should consider them ineligible for another type of assistance and remove them from all waiting lists. The only exception that would have THA offer them an alternative type of assistance would be when necessary and reasonable as an accommodation to a disability or through another qualified transfer request.

THA should apply this change to applicants on the current Consolidated Waiting List as well as new applicants.

1.6. Change reinstatement policy from 12 months to 6 months.

Every now and then THA writes to applicants on the waiting list to confirm their continued interest in the housing they have applied to get. If a household does not respond THA removes them from all THA waiting lists. Under current policies, removed applicants can ask THA to reinstate them if they contact THA within twelve months of being removed from the list(s). In those cases, THA will reinstate them without any further inquiry. THA should reduce this grace period of 12 months to six (6) months.

This change leaves applicants a reasonable time to request reinstatement. It eases the administrative burden of wait list management. THA should apply this change to current and future applicants on the list.

1.7. Limit and redefine “Good Cause” to decline a Unit.

Presently THA allows applicants to decline an apartment for “good cause.” Under the current policy “good cause” includes housing locations that will cause undue hardship related to employment, education, training, health needs, or day care. Presently, “good cause” does not include being in a lease that the applicant cannot get out of without penalty.

The present policy imposes no limit on the number of times an applicant may decline a unit for “good cause”. Many applicants turn down a unit that would suit their needs because they know they will have a chance at another unit that they prefer. Applicants also turn down a unit because they are in a lease and would incur penalties if they move.

Tacoma is in a housing crisis with no end in sight. Homelessness is at an all-time high. The City has declared a state of emergency. THA is doing everything within its means to provide affordable, safe and stable housing to as many households as possible.

To account for this, staff recommend revising the “good cause” policy to allow for only one turn down and then only for “good cause”. Staff proposes to add as “good cause” being in a lease that the applicant cannot leave without penalty.

Under this recommendation, if an applicant turns down a unit the first time for a “good cause” they can, (1) Wait for another unit and have one more chance to accept it, or (2) request a HOP voucher (even if they declined one previously) or (3) ask to be moved to the bottom of the waiting list. THA would remove an applicant from the waiting who without good cause declines an offered unit or the voucher.

This proposal will apply to those applicants on the current Consolidated Waiting List as well as new applicants.

1.8. Refine pre-resident orientations – “Renter Ready”

To help improve lease up time, Property Management began developing a program in January 2018 to assist applicants to prepare to rent. THA is still developing this program.

Its basic feature will have THA require an applicant to attend a Pre-Resident Orientation. THA will do this as the applicant approaches the top of the waiting list. The orientation will include the following:

- THA will verify the household's eligibility.
- THA will determine the bedroom size the household is eligible to receive.
- They are shown all available buildings with their approved bedroom size. The applicant can request an in-person tour of the building and / or view the Online Property Virtual Tour when it becomes available.

1.9. Adopt the HOP occupancy standards for property waiting list applicants and future THA property residents.

THA uses occupancy standards to determine how many bedrooms a family is eligible to receive in both its portfolio of apartments and in its rental assistance programs. THA uses different occupancy standards for the rental assistance programs versus our portfolio. The rental assistance program assigns two persons per bedroom regardless of age, familial status, and sex. THA's property occupancy standard is more complex. It allows separate bedrooms for adults and children or children of opposite sex. This makes administration and determination of bedroom size confusing for both staff and clients. This is especially the case when we offer rental assistance to a Property Waiting List applicant who may qualify for a bigger bedroom sizes if he or she waited for an apartment. Also, THA's landlord partners who accept our rental assistance object that we impose on them and their tenants a less generous occupancy standard that we apply to ourselves and our own tenants.

Staff recommends that THA adopt the HOP Occupancy Standards for Property Waiting List applicants. This action will also reduce administrative burden and provide consistency by adopting one Occupancy Standard across our portfolio and programs. Perhaps most importantly, this change will allow THA to house more people.

This proposed policy will apply to those applicants on the current Consolidated Waiting List as well as new applicants. It would not apply to current tenants.

2. Consultation

Staff consulted widely about these matters with community members, waiting list applicants, landlords, other housers, both market rated and affordable housers, advocates, and THA staff who do the actual work. The report that the Board has received recounted these efforts and what THA learned from them. The recommendations account for this learning. Here is a summary of those efforts and what THA learned.

2.1. Public and Community Consultation

THA posted public meeting notices in buildings, social media, THA's web site and sent out 3,500 postcard invitations. Staff hosted two public meetings. 75 waiting list applicants

attended. THA also provided a survey link for public responses to the proposed waiting list changes with 21 responses.

Staff provided participants with a summary of the proposals, a matrix with each proposal and its anticipated impact, and the results of the survey of Moving-to-Work Housing Authorities waiting list practices.

Here is a summary of the responses, concerns and suggestions from the public and community consultation:

2.1.1. Continue to use waiting lists.

Responses were overwhelmingly in favor of THA continuing to use waiting lists for THA owned and managed properties. There were a few inquiries from the public meeting attendees asking if we would consider preferences for veterans, seniors and disabled.

2.1.2. Refine the definition of “housed” and remove “housed” households from THA waiting lists.

Most participants were supportive of the proposed change on how we would define being “housed,” including removing someone that is already housed by THA from the waiting list. Community partners and waiting list applicants requested that we allow anyone to apply when the list is open and only remove them once they come to the top of the list, if already housed by THA. Pierce County expressed concern that this included people housed through project based vouchers that are ready to exit permanent supportive housing and no longer need services.

The Fair Housing Center said, “There is merit to allowing a family that may already have been assisted to remain on a waitlist for another property they expressed interest in before being placed in their current housing. The other property could be in an area with greater access to opportunity/public accommodations, etc., and applying the lens of equity that is being applied in the umbrella decision to maintain the waitlists, it makes sense to give these families the opportunity to “upgrade” considering you should be able to turn their old unit around in 20 days and offer that to the next family.”

In response to these comments we will allow anyone to apply and only remove them once they come to the top of the list if they are housed by THA at that time.

In response to Pierce County, we will engage in a separate conversation about “move on vouchers” for permanent supportive housing tenants. This has been a pending conversation anyway.

In response to the Fair Housing Center, we are recommending to leave the proposal as-is even with these comments because HOP has tenant choice as its basic tenet. We recommend leaving the portfolio option as is and asking the customer to take their first offer in order to move quickly through the applicants and house people in greatest need of immediate housing.

2.1.3. Continue consolidated (combined) waiting list for the portfolio and the HOP program.

Responses were overwhelmingly in favor of THA continuing to use a consolidated waiting list for THA owned and managed properties and offer a HOP subsidy to applicants as appropriate. THA staff members, Continuum of Care members, Service Providers and waiting list applicants like the idea that we offer a voucher to those that are still waiting for a unit and are in desperate need of assistance now, or because they can stay in place if their landlord will accept a voucher.

2.1.4. Continue consolidated (combined) waiting list and remove property selection option.

The proposal to remove the property selection option posed concern for a Continuum of Care member and the Fair Housing Center. There was a concern about removing the property selection for families with students in Tacoma Public Schools and allowing families the option to choose between available units when multiple become available at the same time.

We are recommending to leave the proposal as-is even with these comments because with HOP the tenant has choice as its basic tenet. We recommend leaving the portfolio option based on bedroom size as is and asking the customer to take their first offer in order to move quickly through the applicants and house people in greatest need of immediate housing.

2.1.5. Limit and redefine “Good Cause” to decline a unit.

This proposal received the most discussion and comments. NW Justice Project is concerned with limiting one unit turn down for good cause. “What if someone is offered a unit in the same building as the last offer within just a few months – daycare, job, lease issues and could not take it?” While they like that we also offer a HOP subsidy – it is time limited. Continuum of Care members and the Service Provider Network were concerned about school location and special needs for families.

Waiting list applicants wanted to know if they could ask for a voucher if they turned down a unit without a good cause. Applicants were supportive of limiting the reasons for turn downs so people who need housing can move more quickly up the list. They were most concerned about people in need being housed quickly.

All groups agreed that being in a lease that had a financial obligation should be included in “good cause”. There were no comments about limiting to zero turn downs for not having a “good cause”.

Staff are recommending limiting “good cause” to being a lease that an applicant cannot get out of and offering the applicant the option of being placed at the bottom of the waiting list to give them time to prepare for a unit offer. Staff do not recommend adding in additional reasons for unit turn downs because applicants will also have the opportunity to accept a HOP voucher that would allow them to lease near a job, school or daycare of their choice.

2.1.6. Adopt the HOP occupancy standards for property waiting list applicants and future THA property residents.

For the most part, everyone was support of this proposal however the survey results were split. This may be attributed to the limitation of an online survey without the ability to have a further discussion. NW Justice Project did ask, “How will we handle neighbors complaining if we change OCC Standards for new residents while there are those that are under old policy?”

We will need to consider our messaging as this policy is implemented in order to account for the comments from Northwest Justice Project.

2.1.7. Change reinstatement policy from 12 months to 6 months

Most were in favor of this proposal other than those that had concerns about seniors and disabled applicants having access. Commenters were not aware of the specifics of our reasonable accommodations policy that includes provisions for these concerns. Some commenters were glad to hear that we have a reinstatement policy, as some housing authorities do not. The survey results were split almost evenly.

2.1.8. Refine pre-resident orientations – “Renter Ready”

The proposal for “Renter Ready” classes or orientations was well received. There were suggestions on how to make this successful including having providers on site at the classes. The waiting list applicants especially appreciated this proposal and asked about additional services to assist them with leasing up and moving.

2.1.9. Applicants must check in quarterly using an online portal

The proposal for an online portal was well received. Everyone liked the idea of THA providing a way to check their waiting list status, update their information and see tips on how to prepare to be a renter. Many asked about methods for access for those less technology savvy or needing assistance. NW Justice Project inquired about email reminders and verification method when the applicant has submitted changes. They asked if we would consider waiving the check-in requirement for seniors and disabled, such as a mirror policy to DSHS’s supplemental accommodations. THA Rental Assistance staff members said they would appreciate a portal and we may need to consider a longer check-in time frame, such as semi-annual, if too many folks are missing the quarterly requirement. Members of the provider network felt it was important to place the responsibility on the applicant but also appreciated email reminders. Waiting list applicants asked if we send a letter when they are being removed from the waiting list. They liked the idea of reminders and that they can access a portal from their phone. They said they would appreciate a way to know what number / date we are working on to get a sense of when they are coming to the top of the list. The survey results slightly favored not removing folks from the waiting list if they don’t check in quarterly.

2.2. Staff Views

Staff members from Property Management, Rental Assistance, and Policy, Innovation and Evaluation were reconvened to evaluate the responses to each proposal after the community consultation. Each response was considered before staff made a decision on the proposed waiting list change.

All proposed changes to the waiting list were kept in the recommendations. Some of the proposed changes were adjusted based on community feedback. Some of the recommendations will require follow up with community partners if the Board adopts all the proposed changes. The three recommendations that were changed based on public comment include:

2.2.1. Refine the definition of “housed” and remove “housed” households from THA waiting lists.

This recommendation was adjusted to allow anyone to apply to the waiting list when it is open and only removed when their name comes to the top if they are already considered housed by THA. We acknowledged the concerns expressed by Pierce County for those in Permanent Supportive Housing. The Deputy Executive Director will follow up to discuss Move-On voucher opportunities. The Director of Rental Assistance will follow up with the Fair Housing Center about exit vouchers.

This proposal is to clarify our policy on when someone is considered “housed.” Currently, when someone is housed by THA, either with a HOP subsidy or at one of our properties, including residents housed at a building of their preference, they stay on the property waiting list because they signed up for more than one property.

The report proposes that all clients and residents housed using a THA subsidy, either through a voucher, a unit, or THA project based, will be changed to a status as “housed” and not offered other THA housing assistance. Households that are currently “housed” with any THA assistance can still apply to the waiting list when it is open but they will be removed from the waiting list when they come to the top if they are currently “housed” by THA. They will not be offered other housing from a THA waiting list or offered the option to move to another property unless it is through a reasonable accommodation request.

This proposal will apply to those applicants on the current Consolidated Waiting List as well as new applicants.

2.2.2. Continue consolidated (combined) waiting list for the portfolio and the HOP Program.

Clarification was added that if a waiting list applicant has previously declined a HOP voucher offer and also declines a unit for no good cause, they will not have another opportunity for a voucher offer.

THA should continue to have one consolidated waiting list for its managed properties and the HOP Program. A Consolidated Waiting list is easier to manage. It gives applicants a chance to get housing assistance sooner. It speeds the pace of voucher issuance and in that way helps utilization.

THA would offer an applicant who comes to the top of the waiting list a choice of an apartment or a voucher. If the applicant chooses a HOP voucher but cannot use it, he or she would resume his or her place on the waiting list. If an applicant is offered a unit but declines the unit, the applicant can request a HOP voucher if the applicant has not previously declined the offer of a HOP voucher.

2.2.3. Limit and redefine “Good Cause” to decline a unit.

Based on community and applicant feedback we are adding additional choices when it is the first “good cause” turn down. We acknowledge the concerns from community partners and one of our Board members about families with school age children and their desire to stay in their school catchment area. THA units help serve those with most urgent need, while a voucher give more choice and those wanting other opportunities.

Current policies allow applicants to have unlimited opportunities to turn down for “good cause.” Staff members find that many applicants turn down a unit that would suit their needs because they know they will have a chance at another unit. They also find that applicants turn down a unit because they are in a lease and would be penalized if they move, but this is not currently considered a “good cause”.

Tacoma is in a housing crisis with no end in sight. Homelessness is at an all-time high and the City has declared a state of emergency. THA is doing everything within its means to provide affordable, safe and stable housing to as many households as possible. We recommend revising the “good cause” policy to allow for one “good cause” turn down and no addition turn down opportunities if it is not considered a “good cause”.

Being in a lease with a financial obligation will now be considered a “good cause” to turn down the offer of a unit, including non-disabled / elderly households. If an applicant turns down a unit the first time for a “good cause” they can, (1) wait for another unit, or (2) request a HOP voucher (even if they declined one previously) or (3) ask to be moved to the bottom of the waiting list. A client’s need for reasonable accommodation will not count as a unit turn down.

This proposal will apply to those applicants on the current Consolidated Waiting List as well as new applicants.

Recommendation

Approve Resolution 2018-10-24 (3) to adopt revisions to THA’s Administrative Plan and Admissions and Continued Occupancy policy. The full list of policy changes necessary to implement the recommendations outlined in this cover memo are included in the resolution itself.



TACOMA HOUSING AUTHORITY

RESOLUTION 2018-10-24 (3)

(Proposed Revisions to Tacoma Housing Authority's Administrative Plan and Continued Occupancy Plan re: Waiting List Management)

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma

WHEREAS, The Administrative Plan relates to the administration of the Housing Choice Voucher program and is required by HUD; and

WHEREAS, The Admissions and Continued Occupancy Plan (ACOP) relates to the administration of the Public Housing program and is required by HUD; and

WHEREAS, The Administrative Plan and ACOP establish policies for carrying out programs in a manner consistent with HUD requirements and local goals and objectives contained in THA's Moving to Work plan; and

WHEREAS, Changes to the Administrative Plan and ACOP must be approved by THA Board of Commissioners; now, therefore, be it

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

Staff is authorized to adopt the following updates to the Administrative Plan to reflect the proposed policy changes.

Policy / Process Proposal	Applicable THA Policy Requiring Revision
Continue to use THA's property waiting lists	No changes to Administrative Plan or ACOP
Remove property selection option	No changes to Administrative Plan or ACOP
Continue consolidated (combined) waiting list for the portfolio and the HOP Program	No changes to Administrative Plan or ACOP
Require applicants to check in quarterly (This requirement will begin when THA can send them reminders at appropriate intervals and	<u>Admin Plan</u> 4-II.F. "Updating the Waiting List" "Remove from Waiting List"

when the online portal is active and staff have decided it is ready for client use)	<p>Remove if household fails to check in once a quarter according to the calendar year.</p> <p><u>ACOP</u></p> <p>4-II.F. “Updating the Waiting List”</p> <p>“Purging the Waiting List”</p> <p>Remove if household fails to check in once a quarter according to the calendar year.</p>
Refine the definition of “housed” and remove THA “housed” households from THA waiting list when their name comes to the top.	<p><u>Admin Plan</u></p> <p>4.II.F. “Removal from the Waiting List”</p> <p>Remove if already housed by THA through a housing subsidy or in a unit subsidized by THA at the time they are eligible for an offer (even if housed in a property they did not originally apply for).</p> <p><u>ACOP</u></p> <p>4.II.F. “Removal from the Waiting List”</p> <p>Remove if already housed by THA through a housing subsidy or in a unit subsidized by THA at the time they are eligible for an offer (even if housed in a property they did not originally apply for).</p> <p>5-II.A. “Overview”</p> <p>PHA will offer the first available unit(s) based on eligible bedroom size only if the household is not already housed by THA in a unit or through a housing subsidy.</p>
Limit and redefine “Good Cause” to decline a unit	<p><u>ACOP</u></p> <p>5-II.A. “Overview”</p> <p>PHA will offer the first available unit based on eligible bedroom size.</p> <p>5-II.B. “Number of Offers”</p> <p>PHA will remove an applicant from the wait list who without good cause declines an offer or a unit or the voucher. If the applicant declines the first offered unit offer for “good cause”, they can stay on the waiting list, request a voucher (if one has not already been</p>

	<p>offered and declined) or they can request to be moved to the bottom of the waiting list.</p> <p>5-II.D. “Refusal of Unit Offers”</p> <p>“Good Cause for Unit Refusal”</p> <p>Include an example of being in a fixed term lease that the applicant cannot escape without penalty. This good cause and all others related to employment, training, education and daycare will also extend to non-elderly and non-disabled households. (Clarification)</p> <p>5-II.D. “Refusal of Unit Offers”</p> <p>“Unit Refusal Without a Good Cause”</p> <p>When an applicant rejects the one and only unit offer without a good cause, the PHA will remove the applicant name from the waiting list and send notice to the family of such removal.</p>
Adopt the HOP occupancy standards for property waiting list applicants and future THA property residents	<p><u>ACOP</u></p> <p>5-I.B. “Determining Unit Size”</p> <p>Adopt HOP standards from 18-X.A. of the Admin Plan for eligible bedroom size.</p>
Change reinstatement policy from 12 months to 6 months	<p><u>Admin Plan</u></p> <p>4-II.F. “Updating the Waiting List”</p> <p>Request in writing to be placed back on the waiting list within 6 months</p> <p><u>ACOP</u></p> <p>4-II.F. “Updating the Waiting List”</p> <p>“Purging the Waiting List”</p> <p>Request in writing to be placed back on the waiting list within 6 months</p>
Refine pre-resident orientations – “Renter Ready”	No changes to Administrative Plan or ACOP

Note: Additional minor revisions to the Administrative Plan and ACOP may be necessary to provide clarity.

Approved: October 24, 2018

Dr. Minh-Anh Hodge, Chair

Resolution 4



TACOMA HOUSING AUTHORITY

RESOLUTION 2018-10-24 (4)

Date: October 24, 2018

To: THA Board of Commissioners

From: Michael Mirra
Executive Director

Re: Hilltop Parcels Use of Restricted Funds

This resolution would authorize Tacoma Housing Authority's (THA) Executive Director to submit a request to the U.S. Department of Housing and Urban Development (HUD) to use \$1.44 million of restricted funds for predevelopment and development expenses associated with THA's Hilltop Parcels.

Background

On November 1, 2014, THA received a letter from HUD approving the sale of 7.489 acres in Salishan to DR Horton for the price of \$3,268,000. On June 8, 2016, THA received a letter from HUD approving the sale of 16.19 acres to Metro Parks for the amount of \$295,000. The resulting net proceeds from these sales including bank interest totals \$3,441,676. This money is "HUD restricted funds". We need HUD's approval to use them. THA had previously applied to HUD to use them for the acquisition of Allenmore Brownstone Apartments.

THA determined not to proceed with the Allenmore Brownstone Apartments transaction. By letter of June 7, 2018, HUD approved a rescission of its approval for THA to buy the property with HUD restricted money.

On July 3, 2018, THA staff issued a Request for Qualifications (RFQ) from firms interested in providing Architectural and Engineering Services (A & E) for the redevelopment of THA's Hilltop parcels. THA staff would like to pay for the resulting A & E services as well as the development costs for this project with these same HUD Restricted Funds.

THA's vision for this project is to efficiently develop a cohesive community economic plan to include housing, access to employment, access to home ownership, arts, culture and equitable inclusion that primarily serves families and individuals unable to find the affordable and supportive services they need. The properties involved in this project include, Mr. Mac's, its adjacent parking lot, 1120 S. L (Former Key Bank) and its parking lot, the Alberta Canada Building parking lot, and THA's fenced parking lot.

Current Request

This resolution would allow THA to ask HUD to use \$1.44 million of the HUD restricted funds for the development of the Hilltop parcels. HUD will require that a minimum portion of the resulting units that THA will build with this money must be affordable to low-income households. That requirement easily fits with THA's plans for the parcels. THA plans at least seven (7) units to be built with this money will have Project Based Vouchers (PBV), either traditional or Rental Assistance Demonstration (RAD). That is more than the number of units \$1.44 million will pay to build.

Recommendation

THA staff recommends applying to HUD for permission to use these funds and commit to providing at least seven (7) units of affordable housing on these parcels.



TACOMA HOUSING AUTHORITY

RESOLUTION 2018-10-24 (4) (THA's Hilltop Parcels Use of Restricted Funds)

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma

WHEREAS, On November 1, 2014, THA received a letter from HUD approving the sale of 7.489 acres in Salishan Area 2B to DR Horton for the price of \$3268,000; and

WHEREAS, On June 8, 2016, THA received a letter from HUD approving the sale of 16.19 acres in Salishan to DR Horton for the price of \$295,000; and

WHEREAS, The total net proceeds and bank interest for these funds currently equals \$3,441,676; and

WHEREAS, On July 3, 2018, Tacoma Housing Authority (THA) staff issued a Request for Qualifications (RFQ) from firms interested in providing architectural and engineering services for the redevelopment of THA's Hilltop Parcels; and

WHEREAS, THA staff expect to use \$1,440,000 for predevelopment and development costs associated with the Hilltop; and

WHEREAS, HUD restricts the use of these funds to increase affordable housing through Project Based Vouchers and requires HUD approval to use the funds; and

WHEREAS, At least seven (7) of the resulting units must be dedicated to the creation of affordable housing with Project Based Vouchers and/or Public Housing units; and

WHEREAS, THA staff expect to be able to meet this requirement with the resulting development; now, therefore, be it

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

Apply to HUD for permission to use \$1,440,000 of restricted funds for the use of predevelopment and development of THA's Hilltop Parcels for at least seven (7) units dedicated to affordable housing.

Approved: October 24, 2018

Dr. Minh-Anh Hodge, Chair

Resolution 5



TACOMA HOUSING AUTHORITY

RESOLUTION 2018-010-24 (5)

Date: October 24, 2018
To: THA Board of Commissioners
From: Michael Mirra
Executive Director
Re: 1800 Hillside Terrace Use of Restricted Funds

This resolution would authorize Tacoma Housing Authority's (THA) Executive Director to submit a request to the U.S. Housing and Urban Development (HUD) to use \$2 million of restricted funds for predevelopment and development expenses associated with THA's 1800 Hillside Terrace Development.

Background

On November 1, 2014, THA received a letter from HUD approving the sale of 7.489 acres in Salishan to DR Horton for the price of \$3,268,000. On June 8, 2016, THA received a letter from HUD approving the sale of 16.19 acres to Metro Parks for the amount of \$295,000. The resulting net proceeds from these sales including bank interest totals \$3,441,676. This money is "HUD restricted funds". We need HUD's approval to use them. THA had previously applied to HUD to use them for the acquisition of Allenmore Brownstone Apartments.

THA determined not to proceed with the Allenmore Brownstone Apartments transaction. By letter of June 7, 2018, HUD approved a rescission of its approval for THA to buy the property with HUD restricted money.

On March 22, 2018, THA staff issued a Request for Qualifications (RFQ) from firms interested in providing Architectural and Engineering Services (A & E) for the redevelopment of THA's 1800 Hillside. THA staff would like to pay for the resulting A & E services as well as the development costs for this project with these same HUD Restricted Funds.

THA is in the process of finalizing its development plan for the 1800 block of Hillside Terrace. This project successfully received an allocation of Low Income Housing Tax Credits (9%), \$1.8 Million in Housing Trust Fund and \$300,000 from the City of Tacoma. The balance of the project will be financed with long term debt and a sponsor loan. The use of the restricted funds constitute the source of funds for the sponsor loan. Financial options are being considered to develop new affordable units.

Current Request

This resolution will allow THA to ask HUD to use \$2 million of HUD restricted funds for the development of 1800 Hillside Terrace. HUD will require that a minimum portion of the resulting units that THA will build with this money must be affordable to low-income households. THA proposed to commit to providing at least nine (9) units of affordable housing. That commitment easily fits with THA's plans for the property. The new units will be affordable to households with incomes between 30% and 60% of area median income. The development will offer one and two bedroom units in a single mid-rise elevator building. Of the 64 units, 20% will be set-a-side for individuals with disabilities and another 20% will be available for homeless persons and families.

Recommendation

THA staff recommends applying to HUD for permission to use these funds and commit to providing at least nine (9) units of affordable housing on these parcels.



TACOMA HOUSING AUTHORITY

RESOLUTION 2018-10-24 (5) (THA's 1800 Hillside Terrace Use of Restricted Funds)

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma

WHEREAS, On November 1, 2014, THA received a letter from HUD approving the sale of 7.489 acres in Salishan to DR Horton for the price of \$3268,000; and

WHEREAS, On June 8, 2016, THA received a letter from HUD approving the sale of 16.19 acres in Salishan to DR Horton for the price of \$295,000; and

WHEREAS, The total net proceeds and bank interest for these funds currently equals \$3,441,676; and

WHEREAS, On March 22, 2018, Tacoma Housing Authority (THA) Staff issued a Request for Qualifications (RFQ) from firms interested in providing architectural and engineering services for the redevelopment of THA's 1800 Hillside Terrace project; and

WHEREAS, THA staff expect to use \$2,000,000 for predevelopment and development costs associated with the Hilltop; and

WHEREAS, HUD restricts the use of these funds to increase affordable housing through Project Based Vouchers and requires HUD approval to use the funds; and

WHEREAS, At least nine (9) of the resulting units must be dedicated to the creation of affordable housing with Project Based Vouchers and/or Public Housing units; and

WHEREAS, THA staff expect to be able to meet this requirement with the resulting development; now, therefore, be it

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

Apply to HUD for permission to use \$2,000,000 of restricted funds for the use of predevelopment and development of THA's 1800 Hillside Terrace project for at least nine (9) units dedicated to affordable housing.

Approved: October 24, 2018

Dr. Minh-Anh Hodge, Chair