



# **TACOMA HOUSING AUTHORITY**

## **BOARD OF COMMISSIONERS**

### **BOARD PACKET**

**September 25, 2019**



Michael Mirra  
*Executive Director*

# TACOMA HOUSING AUTHORITY

## BOARD OF COMMISSIONERS

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

## REGULAR MEETING Board of Commissioners

**WEDNESDAY, SEPTEMBER 25, 2019**

The Board of Commissioners of the Housing Authority of the City of Tacoma will hold its Regular Meeting on **Wednesday, September 25, 2019, at 4:45 pm.**

The meeting will take place at:

**Bergerson Terrace  
5303 S. Orchard Street  
Tacoma, WA 98467**

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.

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I, Sha Peterson, certify that on or before September 20, 2019, I FAXED/EMAILED, the preceding PUBLIC MEETING NOTICE before:

|                           |   |  |
|---------------------------|---|--|
| City of Tacoma            | 747 Market Street<br>Tacoma, WA 98402           | fax: 253-591-5300<br>email: <a href="mailto:CityClerk@cityoftacoma.com">CityClerk@cityoftacoma.com</a> |
| Northwest Justice Project | 715 Tacoma Avenue South<br>Tacoma, WA 98402     | fax: 253-272-8226  |
| KCPQ-TV/Channel 13        | 1813 Westlake Avenue North<br>Seattle, WA 98109 | email: <a href="mailto:tips@q13fox.com">tips@q13fox.com</a>  |
| KSTW-TV/Channel 11        | 1000 Dexter Avenue N #205<br>Seattle, WA 98109  | fax: 206-861-8865  |
| Tacoma News Tribune       | 1950 South State<br>Tacoma, WA 98405            |  |
| The Tacoma Weekly         | PO Box 7185<br>Tacoma, WA 98406                 |  |

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

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Sha Peterson  
Executive Administrator



# TACOMA HOUSING AUTHORITY

## AGENDA

### REGULAR BOARD OF COMMISSIONERS MEETING

September 25, 2019, 4:45 PM

Bergerson Terrace, 5303 S. Orchard Street, Tacoma, WA 98467

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1. **CALL TO ORDER**
2. **ROLL CALL**
3. **APPROVAL OF MINUTES**
  - 3.1 Minutes of August 28, 2019—Annual Meeting
  - 3.2 Minutes of August 28, 2019—Regular Meeting
4. **GUEST COMMENTS**
5. **COMMITTEE REPORTS**
6. **COMMENTS FROM THE EXECUTIVE DIRECTOR**
7. **ADMINISTRATION REPORTS**
  - 7.1 Finance
  - 7.2 Policy, Innovation & Evaluation
  - 7.3 Client Support & Empowerment
  - 7.4 Rental Assistance
  - 7.5 Property Management
  - 7.6 Real Estate Development
8. **NEW BUSINESS**
  - 8.1 2019-09-25 (1) Approval of THA's 2020 Moving to Work Plan
  - 8.2 2019-09-25 (2) Changes to THA Procurement Policy Regarding Emergency Procurements
9. **COMMENTS FROM THE COMMISSIONERS**
10. **EXECUTIVE SESSION, if any**
11. **ADJOURNMENT**



# **TACOMA HOUSING AUTHORITY**

## **MINUTES**





# TACOMA HOUSING AUTHORITY

## BOARD OF COMMISSIONERS MEETING MINUTES ANNUAL SESSION WEDNESDAY, AUGUST 28, 2019

The Commissioners of the Housing Authority of the City of Tacoma met in Annual Session at Salishan FIC, 1724 East 44<sup>th</sup> Street, Tacoma, WA 98404 at 4:45 PM on Wednesday, August 28, 2019.

### 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 4:53 pm.

### 2. ROLL CALL

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

| PRESENT  | ABSENT  |
|--|---|
| <b>Commissioners</b>                                       |   |
| Chair Minh-Anh Hodge                                       |   |
| Vice Chair Derek Young                                     |   |
| Commissioner Arthur Banks                                  |   |
| Commissioner Stanley Rumbaugh<br>(arrived late at 5:02 pm) |   |
| Commissioner Shennetta Smith                               |   |
| <b>Staff</b>   |   |
| 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 and Empowerment Director     |   |

Chair Hodge declared there was a quorum present @ 4:54 pm and proceeded.

### 3. DESIGNATED EXECUTIVE DIRECTOR TO BE TEMPORARY CHAIR

Chair Hodge called for a motion to designate Executive Director Michael Mirra to be temporary Chair for the nomination of Chair.

Upon roll call, the vote was as follows:

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

**Motion approved.**

### 4. NOMINATION OF CHAIR

Temporary Chair Mirra called for nominations for the office of Chair of the Board of Commissioners. Commissioner Hodge nominated Commissioner Young to serve as Chair. Commissioner Banks seconded the motion.

Upon roll call, the vote was as follows:

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

**Motion approved.**

### 5. EXECUTIVE DIRECTOR MIRRA RETURNS CHAIR TO CHAIR

Executive Director Mirra turned the chair over to Chair Young.

### 6. NOMINATIONS AND VOTE FOR VICE CHAIR

Chair Young called for nominations for the office of Vice Chair for the coming year. Commissioner Banks nominated Commissioner Rumbaugh to serve as Vice Chair. Commissioner Hodge seconded the motion.

Upon roll call, the vote was as follows:

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

**Motion Approved.**

## **7. APPOINTMENT TO STANDING COMMITTEES**

Discussion ensued about the membership in the various Board Committees and the interests of each Commissioner to serve on Committees. Commissioner Banks moved to adopt the membership of each committee as follows. Commissioner Hodge seconded.

### **Real Estate Development Committee**

Commissioner Rumbaugh

Chair Young

### **Finance Committee**

**Chair Young**

**Commissioner Hodge**

### **Education Committee**

Commissioner Hodge

Commissioner Smith

### **Citizen Oversight Committee**

Commissioner Banks

Commissioner Smith

Upon roll call, the vote was as follows:

|          |      |
|----------|------|
| AYES:    | 5    |
| NAYS:    | None |
| Abstain: | None |
| Absent:  | None |

|                         |
|-------------------------|
| <b>Motion Approved.</b> |
|-------------------------|

## **8. BY-LAWS REVIEW AND RECOMMENDATION**

No changes proposed to the By-Laws. Board found the By-laws satisfactory.

## **9. COMMISSIONER ANNUAL CERTIFICATION**

In accordance with section 5.4 of the By-Laws, Board Secretary and Executive Director Mirra acknowledged receipt of Conflict of Interest certification from all commissioners in attendance. No conflicts existed in the reported year 2018-2019.

## **10. ADJOURNMENT**

There being no further business to conduct at the Board of Commissioners Annual Meeting, Chair Young moved to adjourn. All votes were in favor of adjournment.

The Board of Commissioners Annual Reorganization meeting adjourned at 4:58 pm.

**APPROVED AS CORRECT**

**Adopted:** September 25, 2019

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Derek Young, Chair



# TACOMA HOUSING AUTHORITY

## BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, AUGUST 28, 2019

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at Salishan FIC, 1724 East 44<sup>th</sup> Street, Tacoma, WA 98404, at 4:45 PM on Wednesday, August 28, 2019.

### 1. CALL TO ORDER

Chair Young called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:59 pm.

### 2. ROLL CALL

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

| PRESENT  | ABSENT  |
|--|---|
| <b>Commissioners</b>                                     |   |
| Chair Derek Young  |   |
| Vice Chair Stanley Rumbaugh<br>(arrived late at 5:02 pm) |   |
| Commissioner Minh-Anh Hodge                              |   |
| Commissioner Arthur Banks                                |   |
| Commissioner Shennetta Smith                             |   |
| <b>Staff</b>   |   |
| 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 Young declared there was a quorum present @ 5:00 pm and proceeded.

### 3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Chair Young asked for any corrections to, or discussion of, the minutes for the Regular Session of the Board of Commissioners on Wednesday, July 24, 2019. Commissioner Banks moved to adopt the minutes; Commissioner Smith seconded.

Upon roll call, the vote was as follows:

|          |      |
|----------|------|
| AYES:    | 5    |
| NAYS:    | None |
| Abstain: | None |
| Absent:  | None |

|                         |
|-------------------------|
| <b>Motion approved.</b> |
|-------------------------|

### 4. GUEST COMMENTS

#### **Janis Flauding, Salishan FIC Resident (and former THA Commissioner)**

Janis Flauding thanked THA and the Salishan Association for the Eastside Community Health Center and for allowing residents to utilize the center at no cost. She added that it is the most wonderful thing that has happened to Salishan in a long time; it brought the community together and is an important part of community growth.

### 5. COMMITTEE REPORTS

#### ***Real Estate Development Committee—Vice Chair Rumbaugh***

The committee met and discussed plans to develop community outreach for Hilltop and James Center North. Vice Chair Rumbaugh had a meeting with Tacoma Community College President Harrell, who is anxious to see student housing around James Center.

#### ***Finance Committee—Commissioner Hodge and Chair Young***

Nothing to report.

#### ***Education Committee—Commissioner Hodge***

Nothing to report.

#### ***Citizen Oversight Committee—Commissioner Banks***

Nothing to report.

### 6. COMMENTS FROM THE EXECUTIVE DIRECTOR

Executive Director (ED) Michael Mirra directed the board to his report. ED Mirra's report shows the progress of THA's Strategic Planning, which was approved by the board in 2016. The project stalled primarily due to the software conversion project to OpenDoor. ED Mirra offered his view that the Board's strategic direction thus far is clear and that THA staff adequately understand it and are making choices aligned with the Board's direction. He asked if the Board feels the same confidence to allow us to continue to

delay resumption of the strategic discussions, which staff do not have time to do. Vice Chair Rumbaugh stated that staff has risen to the occasion time after time and repeated what he has said before, “We have the most efficient agency in the city and the best housing authority in the country.” He believes staff share the board’s world view. Chair Young noted that everyone is looking at what is being done based on THA’s mission, vision and values and strategic objectives. Further planning would just add the less important detail. Commissioner Banks agreed that staff has risen to the occasion every time. The rest of the board concurred. On behalf of the staff, ED Mirra thanked the board for their vote of confidence, which he said is very meaningful.

ED Mirra mentioned the pending HUD rule on assisted households with members who are not documented to live in the country. If the rule becomes final, it will require every PHA in the nation to require every member of every household they serve to prove that they are legal residents of the country; if a household has a member that cannot prove this, the PHA must do one of two things: (i) remove that member from the household; (ii) evict or terminate the assistance of the entire family. The most likely family that will be affected by this rule is a household with a citizen child and an undocumented parent. This rule may take effect before the board’s next meeting. ED Mirra will stay in touch with the board.

## **7. ADMINISTRATIVE REPORTS**

### **Finance**

Finance Department (FD) Director Ken Shalik directed the board to the finance report. THA budget is in good shape. He answered Vice Chair Rumbaugh question about the Moving to Work (MTW) cash that HUD holds for THA and how it is calculated. Director Shalik is projecting \$2.4M surplus at the end of the year, which is good news. He also confirmed that in 2020 THA will receive \$2.4M as part of the RAD development fee

THA has adequate funds with \$22M in total cash balance. Unencumbered cash is at \$5.6M. Finance started the budget process for 2020 and department budgets have been provided to the directors. Finance is trying to learn the new budget software recently purchased. There will be a good budget for this year and Finance will ensure it is as seamless as possible for staff and the board.

Vice Chair Rumbaugh moved to ratify the payment of cash disbursements totaling \$4,941,596 for the month of July 2019. Commissioner Banks seconded.

Upon roll call, the vote was as follows:

|          |      |
|----------|------|
| AYES:    | 5    |
| NAYS:    | None |
| Abstain: | None |
| Absent:  | None |

|                         |
|-------------------------|
| <b>Motion Approved.</b> |
|-------------------------|

Director Shalik reported that the auditors finished the 2019 financial statements and single audit. THA will meet the September 30 deadline for REAC, but the single audit will have a finding and a topic for discussion at the exit interview. (1) The finding arose when THA purchased furniture for the FIC. It cost \$40,000. HUD's rules require THA, for all purchasers over \$25,000 to check that the proposed vendor is not on HUD's "debarment" list. THA could not show that it checked with purchase. The vendor was not on the debarment list and the contract for purchase contained the vendor's certification that it was not. But the auditors say it is enough that THA could not prove that it checked; (2) The exit interview discussion concerns a lift genie THA sold in 2016 for \$5,900. Under HUD's rules, THA should have informed HUD of the sale because HUD has the right to claim the proceeds or alternatively gotten Board approval to ask HUD for permission to keep the money as HUD's rules allow "for good cause". Director Shalik will draft a letter to Harland Stewart to see if THA can keep the money for good cause.

Commissioner Banks moved to approve the sale of the lift genie and for THA to ask HUD for permission to keep the funds for good cause to be used in THA's Education Project. Vice Chair Rumbaugh seconded.

Upon roll call, the vote was as follows:

|          |      |
|----------|------|
| AYES:    | 5    |
| NAYS:    | None |
| Abstain: | None |
| Absent:  | None |

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|-------------------------|
| <b>Motion Approved.</b> |
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## **Policy, Innovation and Evaluation**

Policy, Innovation and Evaluation (PIE) Director April Black was not in attendance. PIE Department Manager Karen Bunce addressed the board on her behalf. She acknowledged Amy Van for her work on the education project. PIE is still working on Tacoma Schools Housing Assistance Program (TSHAP) and puzzling through how to provide supportive services. Staff had a discussion with the City and County and will continue conversations with other service organizations, including Catholic Community Services. Twenty-nine current Elementary Schools Housing Assistance Program (ESHAP) participants have successfully transitioned to Housing Opportunity Program (HOP) vouchers. Two-thirds were able to attain education goals and other positive outcomes. They plan to participate in services post ESHAP.

The Children's Savings Account evaluation is underway by BERK Consulting. Staff have spoken with participants, stakeholders and staff, and will review the report with the board next month. The program will be shifting to a whole family approach including financial



instruction for the whole family together. Staff will also be partnering with Foundation for Tacoma Students and Tacoma Family Library to sort books stored at James Center North.

PIE just hired their Post-Secondary Education Manager Jess Thompson, who comes from the Washington State Board for Community and Technical Colleges.

## **Client Support and Empowerment**

Client Support and Empowerment (CSE) Director Cacey Hanauer directed the board to her report. Staff are continuing to adjust and amend the board report to provide more clarity on human services work. Staff will continue to add education material to reports. Pages 2 and 3 show new graphics, one showing linear depiction on what happens when staff receives a referral, and page 3 is a cyclical depiction. The chart on page 5 shows how the services benefit families. Last week, in collaboration with PM, CSE did a back-to-school event and gave away 150 backpacks. By preventing evictions, CSE has saved THA \$660K. Vice Chair Rumbaugh likes the design of the CSE report. Director Hanauer noted that this is a testament to Program Manager Kendra Pesichel's work. Commissioner Smith likes seeing the breakdown on how CSE helps families.

## **Rental Assistance**

Rental Assistance (RA) Director Julie LaRocque directed the board to her report. She noted that THA is about to open its waitlist. This is a lot of work. Director LaRocque thanked PIE and Property Management and all departments for their help. The plan is to open the waitlist October 7-18. RA is also continuing to work with Property Based Subsidies, and hoping for a second audit with Highland Flats to help them improve compliance. Utilization is at 98.5%. There will be a more accurate count after the summer moves and people have settled down. Vice Chair Rumbaugh heard rumblings of continued management problems with the owners at Highland Flats. These are not clearly defined concerns, but there are apparently ongoing evictions contrary to THA's expectations. Director LaRocque said that no CHAP person has been evicted. She stated that THA was only able to audit a few files, but confirmed that there are indeed problems. The owners assure THA that things will get better. RA staff are also seeing a real change with property management generally in the market. Staff of property management firms are turning over and THA must train new people on THA's programs.

## **Property Management**

Property Management (PM) Director Frankie Johnson was not in attendance. Director Burgess addressed the board on her behalf. Debra Pohlenz will be retiring and her position has been posted. Maintenance is working on bringing turn days down, which is down to 21 days with a goal of 20. Staff are also developing an in-house maintenance training facility at James Center North to help staff improve their skills and develop new areas of learning. The back-to-school event at Bay Terrace was a success; PM and CSE worked closely together to pull it off. Occupancy is close to 99%. There are only 15

vacancies throughout the entire portfolio. ED Mirra noted how impressive and important this metric is. It denotes positive other metrics: efficiency, rent collection, and resident satisfaction. There were eight unit turns in June and four in July. There were 602 work orders in July. Director Johnson attributed the spikes in August to preventative maintenance, with 100% of emergency work orders completed in 24 hours. PM is working with life safety, particularly fire alarms and training maintenance on their tablets.

Director Burgess updated the Board on the continuing discussion with the Foundation of Healthy Generations and the Management Trust company about the diversion of funds by a few Community Health Advocates.

There was a fatal shooting at Salishan. Neither the shooter nor the victim was a resident, but both were associated with a family at Salishan. Staff are working with the family.

## **Real Estate Development**

Real Estate Development (RED) Director Kathy McCormick directed the board to her report. THA and CBK came to a settlement agreement regarding the work at the Alberta Canada Building. CBK will pay THA \$150K, which THA will withhold from the final payment.

Bob Fredrickson did an analysis of James Center located at 12<sup>th</sup> and 19<sup>th</sup>, across from Tacoma Community College (TCC). He advised THA to phase its redevelopment in part because the property is making THA money. Director McCormick reviewed the details of the phases. Vice Chair Rumbaugh is okay with the phasing. Staff are talking to TCC about student housing options and the new TCC president is open to these conversations. RED staff also recently did a tour with Everett College to discuss student housing. Chair Young stated that the THA purchase of James Center North is getting positive community attention.

Construction is underway at both Arlington Drive and the Rise on 19<sup>th</sup>. Both are going well.

RED has an idea for developing Hilltop and will ask the board to consider via resolution.

ED Mirra noted that Director McCormick just recounted impressive progress on hard projects that denotes a lot of very good work. He and the Board thanked Director McCormick. Director McCormick responded that it was a team effort and she felt supported by the board and ED Mirra.

## **Human Resources**

Human Resources (HR) Director Toby Kaheiki directed the board to his report. HR staff have been very productive. For the remainder of 2019, HR will be focusing on compliance and staff trainings, including Equity, Diversity and Inclusion; Sexual

Harassment Awareness and Prevention. Trainings will be semi-annual and in-house with consultants. There will also be a mechanism for new hires until they can take part in the training. Director Kaheiki will be working with resident experts on visualization to improve the demographics portion of his report. Commissioner Banks wants to know how THA's staff demographics compare with demographics of its clients. Director Kaheiki said the data for staff and clients are captured differently, but he plans to incorporate the client demographics into his report.

## **8. NEW BUSINESS**

### **8.1 RESOLUTION 2019-08-28 (1) (Authorized Signers for Financial Institution Accounts)**

**WHEREAS**, The Board selects its chair and vice chair at its annual meeting. When these Board officers change, THA needs a resolution changing the authorized signatures for its accounts at its various financial institutions; and

**WHEREAS**, This resolution does that and replaces Resolution 2018-08-22(2), which had authorized previous offices as signers; and

**WHEREAS**, The Board of Commissioners needs to formally authorize the financial institutions and the authorized signers on the accounts; now, therefore, be it

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

The funds of THA are hereby authorized by the laws of the State of Washington and the regulations of the Department of Housing and Urban Development to be utilized, held and invested and that said funds may be deposited with any or all of the following institutions:

BANK OF AMERICA  
HERITAGE BANK  
KEY BANK  
J.P. MORGAN CHASE BANK  
U.S. BANK  
THE BANK OF NEW YORK MELLON TRUST CO.  
WASHINGTON STATE INVESTMENT POOL

Or such other institutions as may be found to provide the highest interest rate and/or are beneficial to THA's operational goals.

***Be it further resolved*** that any of the below designated individuals are authorized to enter into any and all transactions relating to the above mentioned institutions

as they exist now or may be created in the future upon signature of any two (2) of the following designated individuals:

|                  |                           |
|------------------|---------------------------|
| Derek Young      | Chair _____               |
| Stanley Rumbaugh | Vice Chair _____          |
| Michael Mirra    | Executive Director _____  |
| Kenneth Shalik   | Director of Finance _____ |
| Duane Strom      | Comptroller _____         |

***Be it further resolved*** that this resolution replaces any and all previous resolutions designating authorized financial institutions and signers.

***Be it further resolved*** that the authorized signers acknowledge and accept Heritage Bank's policy of accepting any check with one authorized signature.

Vice Chair Rumbaugh motioned to approve the resolution. Commissioner Banks seconded the motion.

AYES: 5  
NAYS: None  
Abstain: None  
Absent: None

**Motion Approved:** August 28, 2019

\_\_\_\_\_  
Derek Young, Chair

## **8.2 RESOLUTION 2019-08-28 (2)** **(Changes to Procurement Policy)**

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

**WHEREAS**, THA's Procurement Policy has a Micro-Purchase Threshold of \$3,000 and a Simplified Acquisition Threshold of \$150,000, a Small Works Threshold of \$150,000 for federally funded projects and \$300,000 for non-federally funded projects and a Limited Works Threshold of \$35,000 and addresses responsible bidder criteria; and

**WHEREAS**, Office of Management and Budget issued a Memorandum implementing Statutory changes to the Micro-Purchase and the Simplified Acquisition Thresholds; and

**WHEREAS**, RCW 39.04.350 requires additional to responsible bidder criteria; and

**WHEREAS**, The Washington State Legislature passed Bill ESSB 5418 increasing thresholds to the Small Works Roster and the Limited Works Roster; and

**WHEREAS**, Guidance from the U.S. Department of Housing and Urban Development permits all grant recipients to use these higher thresholds; now, therefore, be it

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

THA’s Executive Director is authorized to update appropriate documents to update THA’s Procurement Policy with a Micro-Threshold of \$10,000; the Simplified Acquisition Threshold to \$250,000; the Small Works Roster to \$250,000 for federally funded projects and to \$350,000 for non-federally funded projects; and the Limited Public Works to \$50,000; and to include the updated requirements to the bidder responsibility criteria.

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

Upon roll call, the vote was as follows:

AYES: 5  
NAYS: None  
Abstain: None  
Absent: None

**Motion Approved:** August 28, 2019

\_\_\_\_\_  
Derek Young, Chair

**8.3 THA BOC Resolution 2019-08-28 (3)  
(1500 Court F Hillside Terrace Authorizing Resolution)**

A **RESOLUTION** of the Housing Authority of the City of Tacoma authorizing (i) submission of applications for funding from sources to include but not limited to, Pierce County, City of Tacoma, Housing Trust Fund and Washington State Housing Finance Commission for an affordable rental housing project located at the 1500 Block of Court F in the City of Tacoma WA; (ii) expend such funds as may be necessary to be paid by the Authority in connection with filing fees, application fees, registration fees and other costs relating to the actions authorized by this resolution; (iii) the formation of a limited liability limited partnership of which the Authority will be the general partner; and (iv) the disposition by sale or lease of all or portions of the project site to the partnership, 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 within the City of Tacoma, Washington; and

**WHEREAS**, RCW 35.82.070(5) provides that a housing authority may, among other things and if certain conditions are met, “lease or rent any dwellings . . . buildings, structures or facilities embraced in any housing project”; and

**WHEREAS**, RCW 35.82.020 defines “housing project” to include, among other things, “any work or undertaking . . . to provide decent, safe and sanitary urban or rural dwellings, apartments, mobile home parks or other living accommodations for persons of low income”; and

**WHEREAS**, RCW 35.82.070(18) provides that a housing authority may, among other things and if certain conditions are met, “make . . . loans for the acquisition, construction, reconstruction, rehabilitation, improvement, leasing or refinancing of land, buildings, or developments for housing for persons of low income”; and

**WHEREAS**, The Authority expects to develop an affordable multifamily rental housing project consisting of up to 53 dwelling units, to be located at the 1500 Block of Court F in the City of Tacoma (the “Project”). The total financing for this project will require the use of various funding sources, which may include low income housing tax credits, HOME, CDBG, Housing Trust Fund, and 2060 funds and loans from public and private lenders and/or grants. Certain of those sources will require the creation of a limited partnership or limited liability company to maximize the benefits and minimize the risks to the Authority; and

**WHEREAS**, The Board finds and determines that both the Partnership and the Project will provide for the necessary support of the poor within the City, and that any financing provided by the Authority for the Project is important for project feasibility and is necessary to enable the Authority to carry out its powers and purposes under chapter 35.82 RCW; and

**WHEREAS**, Based on the consideration of funding sources available for the Project, the need for affordable housing in the City, and other matters, it is necessary that the Authority proceed with the transactions described in this resolution; now, therefore, be it

**RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF TACOMA, as follows:**

1. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority (in its individual capacity and/or in its capacity as the Partnership’s general partner) to: (i) apply for, and enter into contracts relating to, such funding for the Project as they deem necessary or desirable, including without limitation public and/or private sector financing, an allocation of low income housing tax credits from the Washington State Housing Finance Commission, Washington State Housing Trust Fund grant and /or loan, Pierce County, the City of Tacoma and other federal, state and local funds (ii) seek and approve investors to serve as subsequent limited partners in the Partnership in connections with the

receipt of low income housing tax credits for the Project (iii) negotiate with potential investors regarding their acquisition of limited partnership interest in the Partnership and (iv) prepare all appropriate resolutions for Board review

2. The Authority is authorized to expend such funds as may be necessary to be paid by the Authority in connection with filing fees, application fees, registration fees and other costs relating to the actions authorized by this resolution.

3. The Authority is authorized to participate in the formation of, and become a partner in, a Washington limited liability limited partnership (the “Partnership”). The Board intends that the Partnership will acquire, construct, equip, operate and maintain the Project and receive low-income housing tax credits in connection therewith. The Authority’s Executive Director, The Authority’s Deputy Executive Director and their respective designees (each, an “Authorized Officer” and, collectively, the “Authorized Officers”), and each of them acting alone, are authorized on behalf of the Authority to; (i) execute, deliver and file (or cause to be executed, delivered and filed), to the extent required by law, a partnership agreement, a certificate of limited partnership and all such forms, certificates, applications and other documents that are necessary to form the Partnership; (ii) determine the name of the Partnership; and (iii) take any other action that they deem necessary and advisable to give effect to this resolution and the transactions contemplated herein. The Authority’s Executive Director is delegated as the authority to cause, in his discretion, the Partnership to be created as a Washington limited liability company, in which case all references in this resolution to limited liability limited partnership, partnership agreement, general partner, limited partner, chapter 25.10 RCW, and certificate of limited partnership shall be deemed to be references to limited liability company, operating agreement, managing member, investor member, chapter 25.15 RCW and certificate of formation, respectively.

4. Any action required by this resolution to be taken by the Executive Director of the Authority may, in his absence, be taken by the duly authorized acting Executive Director of the Authority.

5. Ratification and Confirmation. 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.

6. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

#### CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Executive Director of the Housing Authority of the City of Tacoma (the “Authority”) and keeper of the records of the Authority, CERTIFY:

1. That the attached Resolution No. 2019-08-28 (3) (the “Resolution”) is a true and correct copy of the resolution of the Board of Commissioners of the Authority as adopted at a meeting of the Authority held on August 28, 2019, and duly recorded in the minute books of the Authority.

2. That such meeting was duly convened and held in all respects in accordance with law, and, to the extent required by law, due and proper notice of such meeting was given; that a quorum was present throughout the meeting and a majority of the

members of the Board of Commissioners of the Authority present at the meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand on August 28, 2019.

HOUSING AUTHORITY OF THE CITY OF  
TACOMA

By: \_\_\_\_\_  
Michael Mirra, Executive Director

Vice Chair Rumbaugh motioned to approve the resolution. Commissioner Smith seconded the motion.

Upon roll call, the vote was as follows:

|          |      |
|----------|------|
| AYES:    | 5    |
| NAYS:    | None |
| Abstain: | None |
| Absent:  | None |

**Motion Approved:** August 28, 2019

\_\_\_\_\_  
Derek Young, Chair

**8.4 RESOLUTION 2019-08-28 (4)**  
**(Renew Tacoma LLLP**  
**Revision to Cascade Radon, Inc. Contract and NTE Budget Amounts**  
**602 Wright Street and 911 North K Street)**

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

**WHEREAS**, On March 15, 2019, the Board approved Resolution 2019-03-15 (1) authorizing the Executive Director to negotiate and execute a contract with Cascade Radon, Inc. for \$264,500 for construction services and authorized a budget contingency in the amount of \$54,500 for NTE budget authority of \$319,000; and

**WHEREAS**, On July 25, 2019, THA entered into a contract with Cascade Radon, Inc. in the amount of \$285,000. The contract amount had to be revised from \$264,500 to \$285,000 because Cascade Radon, Inc. estimated their labor costs on incorrect labor determination rates. The \$285,000 remains within the board authorized budget; and

**WHEREAS**, Cascade Radon, Inc. identified unforeseen conditions on the property which will require alternative mitigation techniques; and



**WHEREAS,** Time is of the essences as the remediation work is critical to resolving outstanding requirements from the Department of Ecology and to meet the agreed upon timeline with lenders and investors for the release of the remaining funds for New Tacoma; and

**WHEREAS,** A change order was executed in the amount of \$71,010.00; increasing the contract to \$356,010 and exceeding the board authorized NTE budget by \$37,010; and

**WHEREAS,** THA staff recommends affirming the increase to the Cascade Radon, Inc. contract amount and authorize a revised NTE budget; now, therefore, be it

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

1. Affirm staff's decision to execute Change Order No. 1; increasing Cascade Radon, Inc.'s contract by \$70,010 for a revised contract amount of \$356,010.
2. Authorize an increase of \$137,010 to the not-to-exceed budget amount of \$319,000 for a revised not-to-exceed budget amount of \$456,000.

#### CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Executive Director of the Housing Authority of the City of Tacoma (the "Authority") and keeper of the records of the Authority, CERTIFY:

1. That the attached Resolution No. 2019-08-28 (4) (the "Resolution") is a true and correct copy of the resolution of the Board of Commissioners of the Authority as adopted at a meeting of the Authority held on the 28<sup>th</sup> day of August 2019, and duly recorded in the minute books of the Authority.

2. That such meeting was duly convened and held in all respects in accordance with law, and, to the extent required by law, due and proper notice of such meeting was given; that a quorum was present throughout the meeting and a majority of the members of the Board of Commissioners of the Authority present at the meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 28<sup>th</sup> day of August 2019.

\_\_\_\_\_  
Michael Mirra, Executive Director of the Authority

Commissioner Smith motioned to approve the resolution. Vice Chair Rumbaugh seconded the motion.

Upon roll call, the vote was as follows:

AYES: 5  
NAYS: None  
Abstain: None  
Absent: None

**Motion Approved:** August 28, 2019

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Derek Young, Chair

**8.5 RESOLUTION 2019-08-28 (5)**  
**(Authorizing the Executive Director to Negotiate a Letter of Intent with Inland/Horizon for the redevelopment of THA's Hilltop parcels)**

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

**WHEREAS**, THA desires to redevelop its four parcels on the Hilltop to create approximately 250 units of affordable housing; and

**WHEREAS**, THA has conducted a robust community engagement process and desires to honor the outcomes of that process; and

**WHEREAS**, THA would be a special limited partner in each of the partnerships, at minimum; and

**WHEREAS**, One reason THA is considering entering into the public private partnership is to address the substantial gap in the project budget if THA were to develop the project alone; and

**WHEREAS**, THA received an unsolicited offer from Inland/Horizon to enter into a public private partnership to redevelop the parcels; 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 non-binding Letter of Intent (LOI) with Inland/Horizon to develop THA's four Hilltop properties (1124 Martin Luther King, 1120 S 11<sup>th</sup>, AJC parking lot & "bullpen"). The elements of the LOI will conform those set forth in the memorandum supporting this resolution. The Executive Director will also continue with the community consultation about this proposals.

Commissioner Banks motioned to approve the resolution. Vice Chair Rumbaugh seconded the motion.

Upon roll call, the vote was as follows:

AYES: 5  
NAYS: None  
Abstain: None  
Absent: None

**Motion Approved:** August 28, 2019

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Derek Young, Chair

## **9. COMMENTS FROM COMMISSIONERS**

Commissioner Hodge thanked the board and ED Mirra for their outstanding work. According to ED Mirra, Commissioner Hodge was reappointed by the Mayor for another five years. Vice Chair Rumbaugh stated that Commissioner Hodge has served with distinction. The board thanked Commissioner Hodge.

## **10. EXECUTIVE SESSION**

None.

## **11. ADJOURNMENT**

There being no further business to conduct the meeting ended at 6:38 pm.

**APPROVED AS CORRECT**

**Adopted:** September 25, 2019

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Derek Young, Chair



## **TACOMA HOUSING AUTHORITY**

### **Real Estate Development Committee**

Chair Derek Young  
Vice Chair Stanley Rumbaugh

### **Finance Committee**

Chair Derek Young  
Commissioner Minh-Anh Hodge

### **Citizen Oversight Committee**

Commissioner Arthur C. Banks  
Commissioner Shennetta Smith

### **Education Committee**

Commissioner Minh-Anh Hodge  
Commissioner Shennetta Smith



**TACOMA HOUSING AUTHORITY**

**COMMENTS FROM THE  
EXECUTIVE DIRECTOR**



# TACOMA HOUSING AUTHORITY

**To:** THA Board of Commissioners  
**From:** Michael Mirra, Executive Director  
**Date:** September 19, 2019  
**Re:** Executive Director's Monthly Report

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This is my monthly report for September 2019. It supplements the departments' reports.

## 1. CONGRESSIONAL BUDGET NEWS: UPDATE

Today Congress provided two bits of hopeful news about its effort to write a HUD budget for 2020. The **first** good news is that the Senate Appropriations Committee is at work. It issued its proposal for HUD with a unanimous vote. That indicates that a governmental shut down seems unlikely. However, it does not seem likely that Congress will pass and the president will sign a final budget by the deadline of October 1<sup>st</sup>. They will need more time. For that purpose, the House is preparing a continuing resolution to keep the government functioning while Congress continues its budget work.

The **second** bit of good news shows in the content of the Senate Appropriations Committee's proposal for HUD. I attach CLPHA's comparison chart. The chart compares the Senate Appropriations Committee proposal with the proposal that the full House has already approved. It then compares those two proposals with the final appropriations of 2018 and 2019. The line items of most importance to THA are the ones for Housing Choice Vouchers (HCV) and the HCV Administrative Fee.

The proposals from the House and the Senate Appropriations Committee would preserve the increase Congress provided to HUD in 2019 over 2018. The Board may recall that, as a result of that increase, THA in 2019 received \$2.9 million more than it budgeted to receive. For 2020, the House would provide an additional increase of about twice the increase that HUD received in 2019 over 2018. The Senate's proposal would provide even a bit more. At that rate, this means for 2020 THA would receive in 2020 an increase about twice what it received in 2019. That would solve the budget deficits we project to begin in 2021. We must remember, however, that HUD uses complicated formulas to translate appropriation levels into funding levels for individual PHAs. Even with that precaution, this news from the Senate Appropriations Committee is very encouraging.

## 2. CITY OF TACOMA HOMELESS POLICY: THA's COMMENTS

The Tacoma City Council will be considering a proposal to ban tent camping from city parks. The MetroParks Board of Commissioner, by a vote of 4 – 1, approved the proposal for recommendation to the City Council. I conveyed THA's conditional support for the proposal in my September 8<sup>th</sup> letter to the Board of Commissioners and the City Council. I attach a copy. I appreciate the advice and views from THA Commissioners that helped me write the letter. I also consulted widely with THA staff, advocates, and community partners. The letter tried to account for the various and conflicting interests and values that THA brings to the question.

**3. THA ALL STAFF MEETING: STAYING STAFF**

The safety of THA staff, clients and visitors is the prime interest that THA brings to the question of homeless encampments in the parks. Their safety is also at issue with the spate of shootings the City has experienced. One of them occurred in Salishan and another near Salishan. On September 18<sup>th</sup>, THA staff assembled at Salishan's Family Investment Center.

The purpose of the meeting was to allow staff a chance to discuss what they were experiencing. Staff heard from a counselor with our Employee Assistance Program who discussed how to recognize stress and manage it. The Tacoma Police Department also sent senior officers. I attach my communication with Chief Ramsdell in advance of the meeting explaining what we needed to hear from the police department. The officers at the meeting were very helpful. They demonstrated by their presence and what they said what a valuable partnership THA enjoys with Tacoma Police Department. They explained when THA staff and residents should call 911 and what to expect if they did call. They offered valuable reassurance that the police department takes all such calls very seriously. We also heard from a manager of THA's private security firm, Pierce County Security.

It was a good meeting. I am impressed of how THA staff are coping and staying calm despite the threats and the uneasiness. At the same time, I like that we are not prepared to concede that the threats and uneasiness are a new normal that we must somehow accommodate.

The whole discussion makes me appreciate anew how THA staff, while doing hard work, remain focused on the clients and the mission and how they show such impressive measures of poise and thought. THA is very lucky with its staff!

Thank you!

# Comparative Funding Chart for FY20

September 19, 2019

|   | FY 2018<br>Final   | FY 2019<br>Final  | FY 2020<br>CLPHA Request   | FY 2020<br>HUD Request<br>(3-11-19)   | FY 2020<br>HR 3055 - House Passed<br>(6-25-19)   | FY 2020<br>S XXXX – Sen Appro Cmte<br>(9-19-19)   |
|---|--|---|--|---|--|---|
| <b>Operating Fund</b>   | \$4.55 billion   | \$4.653 billion   | <b>\$5.40 billion</b>  | <b>\$2.863 billion</b>  | <b>\$4.753 billion</b>   | <b>\$4.65 billion</b>   |
| <b>Capital Fund</b><br>[Emergency Capital Needs]<br>[ROSS Grants]<br>[Jobs Plus]<br>[Demolition Grants]                                     | \$2.75 billion<br>[\$21.5 million]<br>[\$35 million]<br>[\$15 million] | \$2.775 billion<br>[\$30 million]<br>[\$35 million]<br>[\$15 million] | <b>\$5.0 billion</b><br>[\$30 million]<br>[\$35 million]<br>[\$15 million] | <b>\$0<sup>6</sup></b><br>[\$10 million]<br>[\$0]<br>[\$15 million]<br>[\$30 million] | <b>\$2.855 billion</b><br>[\$30 million]   | <b>\$2.855 billion</b><br>[\$50 million]  |
| <b>Housing Choice Voucher (HCV)</b>   | \$22.015 billion   | \$22.598 billion  | <b>\$24.154 billion</b>  | <b>\$22.244 billion</b>   | <b>\$23.810 billion</b>  | <b>\$23.833 billion</b>   |
| <b>HCV Renewals</b>   | \$19.6 billion   | \$20.313 billion  | <b>\$21.20 billion</b>   | <b>\$20.116 billion</b>   | <b>\$21.40 billion</b>   | <b>\$21.502 billion</b>   |
| <b>HCV Administrative Fees</b>  | \$1.76 billion   | \$1.886 billion   | <b>\$2.5 billion</b>   | <b>\$1.738 billion</b>  | <b>\$1.925 billion</b>   | <b>\$1.977 billion</b>  |
| <b>HUD-VASH Vouchers</b>  | \$40 million   | \$40 million  | <b>\$75 million</b>  | <b>\$0</b>  | <b>\$40 million</b>  | <b>\$40 million</b>   |
| <b>Tenant Protection Vouchers (TPV)</b>   | \$85 million   | \$85 million  | <b>\$130 million</b>   | <b>\$130 million</b>  | <b>\$150 million</b>   | <b>\$75 million</b>   |
| <b>Self Sufficiency Account<sup>7</sup>:</b><br>Family Self Sufficiency Program (FSS)<br>ROSS Grants <sup>7</sup><br>Jobs Plus <sup>7</sup> | \$75 million   | \$80 million  | <b>\$110 million</b>   | <b>\$75 million</b>   | <b>\$150 million</b><br>[\$100 million] <sup>7</sup><br>[\$35 million] <sup>7</sup><br>[\$15 million] <sup>7</sup> | <b>\$130 million</b><br>[\$80 million] <sup>7</sup><br>[\$35 million] <sup>7</sup><br>[\$15 million] <sup>7</sup> |
| <b>Choice Neighborhoods Initiative (CNI)</b>  | \$150 million<br>[\$75 million] <sup>1</sup>                           | \$150 million<br>[\$75 million] <sup>1</sup>                          | <b>\$300 million</b><br>[\$0.0 million] <sup>1</sup>                       | <b>\$0</b>  | <b>\$300 million</b><br>[\$150 million] <sup>1</sup>   | <b>\$100 million</b><br>[\$50 million] <sup>1</sup>   |
| <b>Rental Assistance Demonstration (RAD)</b>  | \$0 <sup>2</sup>   | \$0   | <b>\$100 million<sup>5</sup></b>   | <b>\$100 million<sup>5</sup></b>  | <b>\$0</b>   | <b>\$0</b>  |
| <b>Project-Based Rental Assistance</b><br>[Contract Administration]   | \$11.515 billion<br>[\$285 million]                                    | \$11.747 billion<br>[\$245 million]                                   | <b>\$12.1 billion</b><br>[\$250 million]                                   | <b>\$12.021 billion</b><br>[\$345 million]  | <b>\$12.590 billion</b><br>[\$345 million]   | <b>\$12.560 billion</b><br>[\$345 million]  |
| <b>Section 811 Mainstream Vouchers</b>  | \$505 million  | \$225 million   |  | <b>\$259.5 million</b>  | <b>\$225 million</b>   | <b>\$218 million</b>  |
| <b>Homeless Assistance Grants</b>   | \$2.513 billion  | \$2.636 billion   |  | <b>\$2.599 billion</b>  | <b>\$2.8 billion</b>   | <b>\$2.761 billion</b>  |
| <b>Family Unification Program (FUP)</b>   | \$20 million   | \$20 million  | <b>\$20 million</b>  | <b>\$0</b>  | <b>\$40 million</b>  | <b>\$20 million</b>   |
| <b>CDBG</b>   | \$3.3 billion  | \$3.3 billion   | <b>\$3.8 billion</b>   | <b>\$0</b>  | <b>\$3.6 billion</b>   | <b>\$3.325 billion</b>  |
| <b>HOME</b>   | \$1.362 billion  | \$1.25 billion  | <b>\$1.5 billion</b>   | <b>\$0</b>  | <b>\$1.75 billion</b>  | <b>\$1.25 billion</b>   |
| <b>Mobility Demonstration</b>   |  | \$25 million <sup>3</sup>   | <b>\$25 million</b>  | <b>\$0</b>  | <b>\$25 million</b>  | <b>\$0</b>  |

<sup>1</sup> Not less than this amount shall be awarded to public housing authorities.

<sup>2</sup> Increased the cap to 455,000 units.

<sup>3</sup> New HCV mobility demonstration program

<sup>4</sup> New funding for incremental FUP vouchers.

<sup>5</sup> Eliminates the RAD cap

<sup>6</sup> Account transferred to Operating Fund

<sup>7</sup> New Self Sufficiency Program account



Council of Large Public Housing Authorities  
455 Massachusetts Avenue, NW, Suite 425  
Washington, DC 20001-2621  
T: 202.638.1300 | F: 202.638.2364 | www.clpha.org





**Tacoma  
Housing  
Authority**

**Executive Director**  
Michael Mirra

**Board of Commissioners**  
Derek Young, Chair | Stanley Rumbaugh, Vice Chair  
Dr. Minh-Anh Hodge | Dr. Arthur C. Banks | Shennetta Smith

September 8, 2019

By email:

By email: shons@tacomaparks.com

City Council Members  
City of Tacoma  
747 Market Street, 12th Floor  
Tacoma, WA 98402

Board of Commissioners  
MetroParks of Tacoma  
4702 S. 19th Street  
Tacoma, WA 98405-1175

Re: Proposed Revisions to TMC 8.27 re Structures in Parks and Homeless  
Encampments

Dear City Councilmembers and Park Board Commissioners:

The MetroParks Board of Commissioners will shortly consider, for possible recommendation to the City Council, changes to the part of the Tacoma Municipal Code governing uses in the city's parks. The proposed changes cover a range of uses. I write to convey THA's comment on only that proposal that would govern "structures in parks". See Proposed T.M.C. 8.27.210. I comment on it for its pertinence to persons who camp in the parks because they are experiencing homelessness and because of the effect that camping has on the parks, on other users of the parks, and on the businesses and neighborhoods surrounding the parks.

The proposal affects a range of interests and values. Some of them clash. THA knows that there will be differing views of the question. Yet each view can arise from the same honorable impulses – concern for the campers, a regard for the law, a respect for the parks and their unique value, the city's responsibility for their proper stewardship, a concern for the health of businesses and neighborhoods, and a love of city. The question has no easy answer. And it is now your responsibility to puzzle it out. I hope that THA's comments and suggestions in this letter help you do that.

In summary, THA favors the proposed change to T.M.C. 8.27.210, but with some important conditions derived from THA's understanding of the law. THA favors the proposal because it appears necessary to end the troublesome behavior associated with the encampments in the parks. THA in particular has struggled with the behavior in the encampment at People's Park across the street from our main building. However, THA conditions its support upon the assumption that the city will provide alternate places for people who are homeless to live, shelter, or camp. Toward this end the city is already dedicating a lot of resources and a lot of thought that is innovative, careful and caring. In this letter, THA also suggests some additional initiatives for the city to consider. In these ways, perhaps the narrow proposal about parks usage can spur those initiatives and the broader discussion of homelessness in Tacoma.

## **1. SOME INTERESTS AND VALUES TO CONSIDER**

Homeless encampments in city parks affect various and important interests and values. Similarly, THA brings its own various interests and values to the question. Some of these values and interests clash. A reasonable solution will adequately account for all of them, and for their clash.

Here are four notable interests and values to consider in search of a reasonable solution:

### **1.1 Concern for the Campers**

THA joins with MetroParks and the city in a deep concern for the campers and their welfare. THA feels this concern particularly. It has a social justice mission to house people who need housing. We do that with a focus on the neediest. THA is the city's largest source of housing dollars for that purpose. We house people whose low income would not be enough to rent a studio apartment in Tacoma. But for our assistance, many of them would be camping in People's Park or other places. Although we are not a direct source of emergency help, we are also a major funder of other organizations in Tacoma that provide emergency support and shelter.

Yet, as I explain in the next section, THA must also be concerned about the troublesome effects of the encampment in People's Park. We keenly feel the irony of being a social justice housing organization that is also the source of such complaints. Yet the irony does not resolve or diminish the range of our concerns, or their seriousness.

### **1.2 Troublesome Behavior of Campers in People's Park and the Effect on THA Staff, Clients and Visitors and on Neighboring Businesses and Residents**

This summer and last summer, People's Park on the Hilltop has hosted sizeable encampments of persons experiencing homelessness. THA's main administrative office is across the street from People's Park. This proximity has given THA's staff, clients, and visitors, and our neighboring businesses and residents, a detailed experience that none of us can recommend.

THA's primary concern is not the presence of the campers. Everyone has to be somewhere. Instead, we object to the behavior we have experienced.

We also distinguish among the types of behavior. Even troublesome behavior is not necessarily misbehavior. Persons experiencing homelessness behave in ways that other people do. All persons defecate and urinate. Other people also have sex. Other people also lose their temper, and in conditions less trying than living in a tent. Other people also use illegal drugs or drink alcohol. Most people engaging in these behaviors, however, can do so in private. But persons who are homeless must do so in public view. We try to remember that.

Instead, THA is concerned about misbehavior that defeats efforts to control the harmful effects of these activities and of the encampments, or misbehavior that is

itself a serious problem.

Also, we acknowledge that only a minority of campers misbehave. THA cannot judge whether it is possible to tease out the troublemakers for enforcement. On that question, we defer to the greater expertise and experience of the excellent police officers who know who struggle as well with the encampments. But we know the police have tried, and the results are not encouraging. This invites some generalizations about the effects of the encampment itself. This allows us to conclude that restricting camping in the parks may be the only way to control the problems associated with it.

In emails and memos to the city and others of last summer and this summer, I described the experience of THA staff, clients and visitors with those misbehaviors and our efforts to address them. I attach a sampling of those communications. These experiences include the following:

- Verbal abuse, cat calling, or aggressive begging of people entering or leaving our building. As a result, staff, clients and visitors feel uneasy or unsafe. Our female staff, clients and visitors can feel this particularly. Staff have requested to adjust their working hours so they do not arrive early or leave late. We have hired private security guards for day and evening as a precaution. This is very expensive.
- We occasionally see fights and hear threats among the campers. Last week, one of these fights spilled across to our side of the street. One of the persons involved in the fight declared his intention to get a gun. We had no way to know if he was serious about his threat. As a precaution, we locked down our building, and locked all staff and guests inside, until we could judge the situation to be safe.

On September 5<sup>th</sup>, one person murdered another person with a knife in front of our building. It appears to have been the tragic result of a confrontation that began across the street in People's Park.

- THA staff have spent a lot of time cleaning up each morning – trash, feces, debris.
- THA is not budgeted for the extra security or staff time this has required of us.
- THA is also a member of the Hilltop neighborhood, which we cherish. We have a natural concern for the welfare of our neighboring businesses and residents. They experienced similar effects. This summer someone broke the glass doors on Centro Latino across 10<sup>th</sup> Street from our building. We notice that the child care provider on that same block no longer brings its children to People's Park.

- Last summer, in consultation with the campers, THA tried to accommodate them on THA property around our building. We made our building bathroom available to them. We asked MetroParks to install port-a-potties. We asked the apparent leaders of the campers to exercise a measure of self-governance. To give this a chance to work, we initially declined the request from our neighbors and the police that we sign a trespass authorization that would have allowed the police to remove campers from our property. The forbearance did not work.

Enough of the campers could not or would not use our building's bathroom or the port-a-potty without fouling them or damaging them. The police reported that bullies among the campers would take control of the port-a-potty to extort compliance of one sort or another from weaker people among the campers. The encampment grew in size, outgrowing our space. It also attracted a rougher group of residents that overmatched the leaders we had relied upon.

### **1.3 The Law of Gravity and the Constitution**

Two types of laws bear on the issue of camping in the parks. The first is the law of gravity. It tells us that everyone has to be somewhere. And if a person does not have an indoor place, they will be out of doors.

The second law is the United States Constitution. Developing case law from some federal courts offers a constitutional version of the law of gravity. *See Martin v. City of Boise*, 902 F.3<sup>rd</sup> 1031 (9<sup>th</sup> Cir. 2018). THA does not presume to substitute for the excellent legal advice we know is available to MetroParks and the city. However, in order to offer our view of the proposed change to T.M.C. 8.27.210 we have to account for *Martin v. City of Boise* as best we can with our own understanding of its meaning. If our understanding of that case is incorrect, you should discount our view accordingly.

In *Martin v. City of Boise*, the court reviewed a challenge to two city ordinances prohibiting sleeping outside throughout the city. In its initial decision, the court ruled that the criminal enforcement of such ordinances against homeless persons with no access to alternative shelter constituted cruel and unusual punishment in violation of the 8<sup>th</sup> Amendment to the U.S. Constitution. The court then amended its decision. *Id.* at 920 F.3<sup>rd</sup> 584 (9<sup>th</sup> Cir. 2019)(amending decision and denying petition for rehearing by the full court).

The court's amended decision in *Martin v. City of Boise* has important nuances. And it seeks to interpret case law that itself is nuanced. The City of Boise has filed a petition seeking Supreme Court review. (August 22, 2019). THA does not offer any view about the merits of the decision or the likely outcome from the Supreme Court. Instead, we assume the 9<sup>th</sup> Circuit's decision as amended is valid case law with some binding authority for the City of Tacoma. For this reason, the decision must count as an important factor in considering the proposed amend-

ment to the park's ordinance. The decision imposes some important limitations on what a city can do. It also allows the city some important flexibilities.

The **first** flexibility seems less useful to the discussion. The decision precludes only criminal prosecutions. It does not preclude civil remedies:

We consider whether the Eighth Amendment's prohibition on cruel and unusual punishment bars a city from **prosecuting people criminally** for sleeping outside on public property when those people have no home or other shelter to go to. We conclude that it does. *Id.* at 603 (emphasis added).

This limitation may not be too meaningful. The non-criminal enforcement of rules can quickly acquire criminal consequences from related acts of non-compliance, such as trespass violations or interfering with police officers. Also, we should not regret the inability to criminalize homelessness. Doing that does not reduce homelessness. Instead, it makes hard lives harder. And it is expensive for everyone.

The **second** flexibility is more pertinent to the proposal to restrict camping in city parks. The court's preclusion of even criminal processes applies only when the criminal ordinance outlaws sleeping, sitting or lying in "**all**" public spaces, when no alternative is available. The court emphasized the "narrow" scope of its ruling:

Our holding is a narrow one. Like the *Jones* panel, "we in no way dictate to the City that it must provide sufficient shelter for the homeless, or allow anyone who wishes to sit, lie, or sleep on the streets ... at any time and at any place." *Id.* at 1138. We hold only that "so long as there is a greater number of homeless individuals in [a jurisdiction] than the number of available beds [in shelters]," the jurisdiction cannot prosecute homeless individuals for "involuntarily sitting, lying, and sleeping in public." *Id.* That is, as long as there is no option of sleeping indoors, the government cannot criminalize indigent, homeless people for sleeping outdoors, on public property, on the false premise they had a choice in the matter. *Id.* at 617.

Judge Berzon is the author of the opinion. She also authored an opinion concurring in the denial of rehearing by the full Circuit Court. In that concurring opinion, she further emphasized the limited scope of the Court's ruling:

The City is quite right about the limited nature of the opinion. On the merits, the opinion holds only that municipal ordinances that criminalize sleeping, sitting, or lying in *all* public spaces, when *no* alternative sleeping space is available, violate the Eighth Amendment. *Martin*, 902 F.3d at 1035. Nothing in the opinion reaches

beyond criminalizing the biologically essential need to sleep when there is no available shelter. *Id.* at 589 (emphasis in original).

Judge Berzon also referred to initial decision and emphasized its limitations in ways pertinent to the proposal about tents in parks:

The opinion clearly states that it is not outlawing ordinances “barring the obstruction of public rights of way or the erection of certain structures,” such as tents, *id.* at 1048 n.8, and that the holding “in no way dictate[s] to the City that it must provide sufficient shelter for the homeless, or allow anyone who wishes to sit, lie, or sleep on the streets ... at any time and at any place,” *id.* at 1048 (quoting *Jones v. City of Los Angeles*, 444 F.3d 1118, 1138 (9th Cir. 2006)). *Id.* at 589.

This second flexibility appears to mean that the City may prohibit camping in parks in either of two instances:

- if alternative housing or shelter is available; or,
- the City does not outlaw camping in **all** public places.

This may allow a City to declare some places, like parks, off-limits to camping as long as it allows camping in other places.

This flexibility to distinguish among public spaces would allow the City to treat parks differently from other public spaces. Doing that serves the last value or interest in the discussion, which I describe in the next section.

#### **1.4 Concern for the Parks and Their Unique Value**

THA joins with MetroParks and the City in valuing city parks. We count parks, especially urban parks, as essential to community welfare. They are unique spaces. They are important especially for the people and families THA houses and serves. Because of low-incomes, these people and families rely on parks for their recreation and to provide them with relieving spaces that all people need in their lives, especially city residents. We think this is true especially for children. For this reason, we are sorry to notice that since the People’s Park encampments began in earnest last summer and again this summer, children have largely been absent.

We also note that persons who are experiencing homelessness can value parks for these same reasons. That fortifies the need to protect the parks for everyone.

**2. THA’S CONDITIONAL SUPPORT FOR PROPOSED CHANGE TO T.M.C. 8.27.210, WITH SOME FUTHER SUGGESTIONS**

THA’s recommendation comes in three parts:

**2.1 Prohibit Tents in Parks**

THA supports the proposed changes to T.M.C. 8.27.210 that would prohibit tent camping in city parks. THA’s support is conditional in ways the next section describes.

**2.2 Provide Alternative Shelter or Camping Places**

THA’s understanding of *Martin v. City of Boise* necessarily conditions its support for the proposal upon the city simultaneously making available adequate alternative housing, shelter or camping locations. Our understanding of that decision also means that the city has considerable flexibility on how to do that. The more alternatives that the city can show to be available, the stronger its case, as a matter of law and public policy, for the proposed restriction on camping.

We regard the types of alternatives in the following order of preference, effectiveness and cost effectiveness. All of them would seem to fit the flexibility available under *Martin v. City of Boise*. The city is already pursuing some of these strategies. For each one I mention some additional suggestions.

*(1) Permanent Supportive Housing and More Affordable Housing*

The city needs more permanent supportive housing and more affordable housing. The city has recognized this in authoritative ways. It is doing very good work toward this goal with its Affordable Housing Action Strategy. More of this housing is on the way. Partially with city financing, THA has its newest projects of both types under construction: Arlington Drive Campus for Homeless Youth and Young Adults; The Rise on 19<sup>th</sup>. with units set aside for households exiting homelessness and people with disabilities. We are planning permanent supportive housing as part of our new housing planned for the Hilltop. Other nonprofit partners are also building more. This new construction is valuable. Yet it will not be enough. Where more such housing will come from is beyond the scope of the ordinance changing the rules on park usage.

*(2) Indoor Shelter with Professional Management and Supportive Services*

Without adequate amounts of supportive or affordable housing, the City will need shelter space. The best type of shelter is indoors with professional management and supportive services to help people into stable housing. Tacoma is lucky to have talented organizations that do this hard work. The city supports that work in impressive ways. THA is also a funder.

Part of the challenge in providing this shelter and these services shows in two different and clashing narratives about their availability. One

narrative reports that shelter is not available to all because the shelter programs are always full or have onerous rules that unreasonably exclude people. The other narrative is that shelter space and drop-in day space are generally available, that the rules are reasonable and flexible, but that campers decline the offer for reasons that should disqualify them from consideration.

I expect that the actual picture is likely a combination of these two narratives. The two narratives suggest some strategies worth trying:

- Perhaps we need a better way for campers, police, and service providers to know in real time when and where spaces and services are available.
- Campers need some transportation help to get to the available shelter and services.
- Campers who decline an available offer would not trigger any city obligation under any understanding of *Martin v. City of Boise*.
- We also note that a person in the stress of homelessness is more likely to accept an offer of services if it comes from someone the person trusts. In these sorts of encounters, a relationship is important. This is not easy to achieve. It requires patience and real time acquaintance. In THA's experience, Tacoma police officers are impressive in this part of their hard work, in two ways: they show a detailed acquaintance with the campers at People's Park, starting with learning people's name; they treat people with impressive respect. That is the start of the type of relationship that can make an offer of services appealing to someone who probably has reasons to mistrust.

(3) *Tent Encampments with Professional Management and Services*

The city can also provide or allow permitted tent encampments in other locations, with professional management and services. It has an ordinance for this purpose. The city's Stability Site is a good and successful example. We know the city has been disappointed in its hopes to elicit the willingness of other landowners to be a temporary host for additional permitted encampments. I also know the city is reviewing its ordinance governing such encampments to make the rules more flexible and, therefore, more practical for other landowners. This will help. For example, the present rule restricts such permitted encampments to only one per sector until all sectors have at least one. We understand and support the need to disperse these uses. But the rule precluded THA's



offer last summer to use our parking lot as a permitted encampment. The site was not eligible because it was in the same sector as the Stability Site, even though they would have been miles apart. We encourage the city to continue this review.

(4) *Temporary Tiny Homes, with Professional Services and Structure*

The city can arrange temporary communities of tiny homes (from a few to several dozen) in congregate settings with communal portable toilets, communal portable showers, and professional management and services. The city is considering an offer of tiny homes from the Low Income Housing Institute (LIHI). About 10 tiny home villages are in use in the Puget Sound area. Here is a picture of one near Lake Union in Seattle:



I also attach a March 15, 2019 article about their use. It describes the advantages of tiny homes villages. These advantages include:

- they are more humane than tents;
- they make it easier to provide supportive services;
- people in them rather than tents are more apt to engage services;
- they show a higher rates of successful exits to permanent housing;
- they are less expensive than other forms of indoor shelter.

Another advantage is worth separate mention. If the city can supply tiny homes, it may be more successful than it has been in finding land owners, like churches, willing to host them for a limited period of time. Unlike tents, tiny homes are neither unsightly nor disorderly. A surrounding, movable fence can screen them further. And the homes are movable. When the time is up, the city can move them to the next location.

I expect that the tiny homes proposal requires a careful examination of many details beyond THA's knowledge or expertise. The proposal does seem worth serious consideration.

- (5) *Unstructured But Legal Camping Spots in Places Other than Parks*  
If the city cannot provide the above alternatives, the principles of *Martin v. City of Boise*, while imposing some important restrictions, also seem to allow some important flexibilities for the city's options. As I note above, that ruling does not allow the city to prohibit camping from "all public spaces, when *no* alternative sleeping space is available". *Id.* at 589. This means what the ruling states expressly: the ruling does not give people a right to camp "at any time and at any place". *Id.* This seems to mean that the city may choose its spots for unstructured outdoor camping. And it can outlaw camping in prohibited spots.

THA recommends that, in the city's search for locations to allow unstructured camping, that the city remove city parks from the list of potential sites. Above I noted that parks have a special community value, especially for children. Instead, the city should use other types of property that may be available without the same clash of uses. Some possibilities include land we know is vacant and owned by the following: Tacoma Public Utilities; city; Port of Tacoma; school district.

In all these ways, the issue is hard. It requires you to find a reasonable balance of important and conflicting values and interests. We hope this letter helps you do that. If THA can help further, please call on us.

Thank you.

Cordially,

TACOMA HOUSING AUTHORITY



Michael Mirra  
Executive Director

**From:** [Michael Mirra](#)  
**To:** [Ramsdell, Don](#)  
**Cc:** ["Stewart, Linda"](#); [Pauli, Elizabeth](#); [shons@tacomaparks.com](mailto:shons@tacomaparks.com); [April Black](#); [Ginger Peck](#); [Julie LaRocque](#); [Frankie Johnson](#); ["Keith Blocker - City of Tacoma \(keith.blocker@cityoftacoma.org\)"](mailto:keith.blocker@cityoftacoma.org); ["Gretchen Aguirre"](#)  
**Subject:** Homeless Encampment on the Hilltop - Request from THA for help  
**Date:** Sunday, August 11, 2019 5:54:33 PM  
**Attachments:** [THA Memo to TPD re Homeless Encampments 2019-8-8.pdf](#)  
[image002.png](#)

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Dear Don:

Thank you for our brief chat last Tuesday after the City Council meeting. We discussed the homeless encampment at People's Park. I note that you were already well aware of the situation. I appreciate that very much. I explained my wish to visit with you to discuss it further, and to review with you what can be done. Please let me know when I can do that. I hope we can meet shortly.

When we meet, I will have four specific requests of TPS. I list them at the end of this email. I acknowledge that our City's extent of homelessness far exceeds the mission or capacity of the TPD to solve. I also know that your officers have a very hard job. I so appreciate how they try to enforce the rules and do so in a way that is imaginative and that is respectful to people who may have few choices and whose lives are hard enough. We are especially grateful for the efforts and partnership we have with Lieut. Gretchen Aguirre. I send her a copy of this email so she knows of our gratitude. Because the challenge does extend beyond what TPD can do, I also send a copy of this email to Linda Stewart and Elizabeth Pauli at the City and Shon Sylvia of MetroParks. I list below two suggestions for the City and MetroParks to consider. If you would like to invite them and others to our meeting, please do so.

When we meet, I would like to review what I know of the matter and to hear what you can share and suggest. To give us a head start on THA's contribution to that discussion I attach a memo from THA staff. It describes how the encampment is affecting THA, our staff, our clients and our other visitors. I wish to stress that the problem presently of most concern to us is not the presence of the campers. We appreciate that everyone has to be somewhere. Instead, we are concerned about the behavior of enough of the campers, and the behavior of others who seem to congregate around the encampment. This behavior and its effects include the following:

- physical fights among the campers

- selling of drugs, open drinking and apparent prostitution in the tents
- harassing THA staff and guests, including catcalls, name calling, threats, hustling or begging for cigarettes, cash and food; the catcalling and threats seem directed mainly against females; it is very upsetting and disruptive
- following THA staff into our fenced parking lot and not leaving
- accumulation of garbage and feces
- urination against THA's building
- prowling the cars in our parking lot checking for unlocked doors
- Centro Latino next door found its front glass doors smashed
- clients and other visitors, especially those with children, are uneasy about coming to our building
- People's Park is not serving families with children, and others, who are staying away.

This encampment resembles in some ways the encampment of last summer. Last summer THA tried to accommodate an encampment on our property along our buildings and our parking lot. We did that after consultation with campers, your officers, neighbors and others. We asked Metroparks to put in a port-o-potty and we allowed the use of our restrooms. It did not work for reasons that your officers had the foresight and experience to tell us to expect. The number of campers quickly outgrew the space we provided. The encampment then attracted a rougher and less disciplined crowd. The port-o-potty was regularly vandalized and had to be removed. For the same reason, we had to stop allowing people to use our restrooms. We also saw then the troublesome behavior we see now. As a result, last summer, at the request of your officers and surrounding neighbors, I signed the trespass papers authorizing TPD to remove campers from our property.

The encampment is back, and on a larger scale, with the same troublesome behavior, on a larger scale. (I also note that in the last two days the size of the encampment seems notably smaller. We do not know why.)

As a result of this behavior THA has responded in the following ways:

- THA has hired private security guards who must patrol the area. In the morning they ask campers to honor the no trespass order, sometimes to no effect. They remove campers from inside our building. They escort staff and others to and from their vehicles.

- THA has shortened working hours of staff who do not wish to walk to and from our building in the morning or evening or even be in the building without a lot of other staff present
- THA staff daily spend the time it takes to pick up a significant amount of trash and feces
- We report criminal behavior to the TPD when we see it.

I believe we have four requests of TPD, I list them below. I also list below two suggestions that might be useful to the City and MetroParks.

1. Presently, we get mixed messages when we call TPD to report criminal activity. On some occasions TPD officers has told THA and our security staff not to call. We would like TPD to respond to our calls reporting criminal behavior.
2. Last summer, TPD asked me to sign the trespass order authorizing you to remove campers from our property. We have called for enforcement of that order. Yet, on some occasions, TPD officers tell us that they cannot enforce the order. We would like you to enforce it.
3. We would like TPD to increase its visual presence at People's Park, for the deterrence and reassurance it would provide.
4. We would like the TPS HOT team to increase their focus on People's Park. We understand from the Tacoma Rescue Mission that it usually has space, at least for adults without children. Perhaps it would help to make this clearer to the campers and perhaps TRM or the City can provide them with transportation from People's Park to the shelter.
5. MetroParks may have some options worth considering:
  - install lights and cameras at the Park at night
  - strengthened the rules on behavior allowed or prohibited in parks in order to fortify TPD enforcement authority
6. I know that the City Council is considering changing the rules on

what sort of structures will be permissible in parks during the day. We look forward to learning more about that. The City may also wish to consider:

- establish more stabilization sites in the City
- reviewing whether there are ways to improve the availability of the nonprofit services in the City for campers.

We here at THA appreciate the irony that with my email to you the City's public housing authority seeks this help to address homelessness. THA is the City's largest source of housing dollars for the City's neediest residents. We house over 5,000 households many of whom would be homeless otherwise and perhaps living in People's Park. We also are one of the largest funders of the County's coordinated entry system. Yet we are not otherwise a source of emergency services. And we are not set up to enforce the law. For that we need this help.

I look forward to meeting with you and hearing your views and ideas.

Thank you!

Michael

**Michael Mirra**

Executive Director

Tacoma Housing Authority

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***"Housing Tacoma Forward"***



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To: Michael Mirra  
From: Ginger Peck, Julie LaRocque, Adam Ydstie and the Emergency Team  
Date: August 8, 2019  
Subject: Our Requests to Tacoma Police Department Related to Encampments

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The current homeless encampments near and in People's Park are growing in size. Problems associated with this growth are escalating. We need support from the Tacoma Police Department as well as other community partners because we find ourselves unable to maintain a reasonably safe business environment for our clients, staff and guests.

We have been taking it upon ourselves and assisting some of our neighbors with mitigating some of the challenges that come with having encampments at People's Park and the surrounding blocks. Our costs to maintain a safe neighborhood around the Tacoma Housing Authority (THA) and People's Park is nearly six figures.

**Here are the ways THA is working to maintain safety and cleanliness in our neighborhood:**

- We have found it necessary to add day security at 902 South L St. to ensure the safety of staff, visitors, and physical property. Our security spends most of their time managing the challenges from campers. Here is what they do:
  - Remove camps from our property and doorways before business hours begin
  - Maintain visibility inside the lobby and exterior perimeters to stop issues early
  - Stop transients from coming in for restrooms and intervene when panhandlers are working staff and clients
  - Escort staff who have been targeted or feel as though their safety is threatened by campers
  - Remove transients from inside the building and lobby
  - Watch the vehicles, doors, and the alley around THA and Centro Latino during business hours.
- On a daily basis, our maintenance staff removes human waste, garbage and debris, as well as needles from our property.
- We continue to support the local housing and shelter services as we have for many years.
- We have shortened staff working hours in some cases to avoid staff being alone when leaving the building for the day.

**Here are some examples of the recent challenges THA and its neighbors have faced:**

- The volume of campers is large and continues to grow. At times, 4 or 5 blocks are lined with campers and about a third of People's Park is regularly filled with campers.

- Parking surrounding the park is taken up by campers' vehicles as well as RVs used by the campers.
- Multiple physical fights have occurred in People's Park, in the street and in front of THA's building.
- THA recently hosted an event at People's Park. Campers asked for food. We had to hire extra security to guard the rental furniture before and after the event.
- We consistently hear that others are not using the park because of the camps. Children who visit our office with their parents want to play in the park before they leave but parents won't let them due to the encampments.
- Obvious criminal activity happens in full view of staff, guests, and clients every day; assaults, selling of drugs, openly drinking in front of our business entrance, and prostitution.
- Harassing behaviors to staff and guests has increased. Examples include cursing and name calling at guests and staff from the park; threatening staff and watching for them to leave to continue harassing them; hustling on-duty staff, guests, and security for cigarettes, cash, and food in front of the office; following staff into fenced vehicle pen and not leaving.
- The daily amount of garbage and human waste is significant.
- Campers line the entrances of several nearby businesses including ours. Security attempts to remove camps and campers from the building property before 6:45am staff arrivals. Sometimes they do so in early hours.

**Here are the ways we would like to request Tacoma Police Department's (TPD) assistance:**

- TPD often doesn't respond to our 911 calls about threats to our staff, criminal behaviors, fights, campers who won't move, etc. We don't know whether or not to expect it or, even rely on it. This causes our staff concerns and fear. We would like TPD to communicate with us when they can't respond and why. We'd also like TPD to show up later and tell campers to move because of the reports of disruptive behaviors. We believe loitering, nuisance, and other laws could support this.
- Clarify protocols about handling campers. We get mixed messages from TPD about how to deal with campers and transients. Some officers tell our staff and security that we should always call 911 to remove campers. On several occasions though staff and security officers have called 911 to ask TPD to remove campers who were threatening or wouldn't leave. At least twice, TPD has told security not to call 911 for camper removals. Another time, TPD officers arrived and said they couldn't do anything even though trespass orders are posted and in place.



- Break up big camps as well as post a regular presence around bigger encampments to encourage movement and deter criminal activity.
- Enforce trespass violations in the no-trespass zones at People's Park and all around Hilltop. At minimum, issue a violation and make the trespassers move right away.
- Request that Metro Parks install cameras and bright night lights at People's Park.
- Join us in advocating for solutions at the city, parks, and state level to:
  - Prohibit camping in parks, public spaces, and sidewalks
  - Establish a second stabilization site in Sector 1 as well as advocate for additional indoor, overnight shelter beds
  - Fund additional supportive housing for homeless families and individuals.
  - Establish a model for behavioral health and addiction recovery designed for the recovery of chronically or situationally homeless people.
- What advice do you have for us? We welcome your feedback.

All of this work cannot be accomplished alone. Part of THA's vision and mission is to work toward a future where neighborhoods are attractive places to live, work, attend school, shop and play. We work on a daily basis to help our communities become safe, vibrant, prosperous, attractive and just. Part of TPD's mission is to create a safe and secure environment in which to live, work, and visit by working together with the community, enforcing the law in a fair and impartial manner, and preserving the peace and order in our neighborhoods. There is significant and important overlap in our combined work. We look forward to a continued and concerted effort in this very work and the reestablishment of the safety and enjoyment of the only large park for the Hilltop community, People's Park. Thank you for your help to achieve success in this work.

# Tiny House Villages in Seattle: An Efficient Response to Our Homelessness Crisis

By **Sharon Lee** - March 15, 2019



*Six tiny houses share a common deck in Lake Union Village. Photo courtesy of LIHI.*

In 2017, I wrote [a piece for Shelterforce on Seattle's then-emerging effort to build tiny houses](#) to shelter homeless families, couples, and singles. Over the past three years, Seattle has led the country in piloting this response to the homelessness crisis. There are now 10 tiny house villages located throughout Seattle on government, private, nonprofit, and church-owned properties.

The villages are sponsored by the Low Income Housing Institute (LIHI), where I am executive director, and nine tiny house villages receive financial support from the City of Seattle.

We've come to see that [tiny house villages](#) are an effective crisis response to homelessness, and have proven to be a rapid, cost-effective response with better outcomes than traditional shelters.

## Quick Set Up

Seattle's mayor and city council have been tasked with addressing the needs of unsheltered homeless people. Last January, the Seattle/King County [Point-In-Time Count](#) tallied 12,112 homeless men, women, and children, with over half of them living in unsheltered situations. The unsheltered population in the city of Seattle makes up 71 percent of the county total.

When Mayor Jenny Durkan took office in January 2018, she authorized the first tiny house village exclusively for homeless women. The Whittier Heights Village is located on property owned by Seattle public utility City Light and shelters single women, same-sex couples, seniors, pregnant women, and women with pets. The mayor also funded two additional villages: True Hope Village, which is church-sponsored and focuses on people of color including families with children; and Lake Union Village (LUV), for singles and couples, located on a city-owned parking lot. All three villages were planned, constructed, and opened in 2018, and together shelter 155 homeless people.

How did this happen so quickly? The mayor prioritized the need. She'd campaigned on the need for 1,000 tiny houses, and once in office, directed her staff in the Department of Finance and Administrative Services (FAS) to compile an inventory and identify vacant city-owned sites, including those owned by city utilities that could be prepared quickly for the villages.

A village requires anywhere from 6,000 to 30,000 square feet of vacant land, depending on the number of tiny houses and common facilities to be placed there. There are suitable urban infill sites zoned for residential and mixed use, as well as larger commercial and industrial sites. It takes careful research and help from local government to identify good sites, and we were quite surprised to find a large inventory of publicly owned underutilized and surplus sites held by the city, county, state and even the Port of Seattle. We also found multiple nonprofit, private, and church-owned properties that could be used. Nonprofit housing organizations own land that they hope to develop in the future, and these can be used on an interim basis, from two to four years, for a tiny house village.

Each village needed only four to six months' lead time to be constructed. Staff at FAS partnered with our organization, the Low Income Housing Institute, and coordinated with other city departments to bring in water, sewer, and electrical connections to the sites. There are 15 to 34 tiny houses at each

An effective partnership between multiple departments in the city and LIHI was key in setting up the villages. Staff at LIHI worked closely with the city and our architects to plan each village. LIHI staff led the effort to raise funds to construct the tiny houses, reaching out to hundreds of donors and volunteers. We applied for permits, led work parties to build the houses, and developed the management and staffing plans. We undertook extensive community outreach to neighbors, businesses, and the public, working alongside city staff, including the Seattle Police Department and the Human Services Department, which funds LIHI for operations and services. While not everyone was supportive, they were all provided detailed information on the management plan and code of conduct, and were invited to submit their names to serve on a community advisory committee. Each village, staffed 24/7, has Village Organizers and dedicated case managers to assist people in obtaining long-term housing, employment and services.

*A volunteer paint party at True Hope Village. Photo courtesy of LIHI.*

## Tiny House Villages vs. Other Options

Unlike developing and building a new emergency shelter—which could take many years for siting, permitting, and construction, plus millions of dollars in construction costs—creating a tiny house village can be done in less than six months and costs between \$100,000 and \$500,000. (A large variable is the cost of connections for water, sewer and electricity.) Each village can serve 20 to 70 people on an annual budget of \$60,000 to \$500,000, depending on staffing and services. We also partner with homeless resident organizations to operate six self-managed villages where residents are organized to manage day-to-day operations and employ democratic decision-making. This model reduces overall operating costs.

The Seattle Human Services Department has documented the village's cost effectiveness: "Spaces in tiny home villages represent approximately 12.5% of all shelter beds and safe places the City supports and make up less than 3% of all homelessness response investments made by the City of Seattle."

Among other local options to shelter homeless people, many are more expensive and take more time to set up than a tiny house village. The City of Bellevue's effort to identify a site for a new shelter for single men has taken six years because of community opposition. Financing, permitting and construction will take another two years, for a total of eight years before the shelter *might* open. King County just announced a plan to open and renovate an unused portion of the county's jail to shelter 100 people. It is budgeted to cost \$2 million to convert the space plus \$4 million to fund the next two years of operations. Concerns include not only the optics of putting homeless people in a jail facility, but the cost per person is more than double that of a tiny house village.

Compared with other options, tiny house villages have presented a quicker, more humane, and cost-effective solution.

## What About Shelters or Tents?

According to Seattle Police Sgt. Eric Zerr of the city's Navigation Team, tiny houses are the preferred option for people who are removed from the street by law enforcement, as well as those living in RVs and cars. In situations of forced removal, people will gather their tents and belongings and relocate to

Due to the sheer number of homeless people and the city's inability to meet that need, Seattle's shelters are often full. Men and women are usually sheltered separately, meaning couples, teenaged sons, and pets are often turned away. Many homeless people who are camping on the street or under bridges will refuse to move into a shelter, but will agree to move into a tiny house.

"Tiny house villages play a crucial role in helping the City move unsheltered people from dangerous conditions on the streets and into a more safe and supportive environment... and on a path to stable housing," states the Seattle Human Services Department.

Living in a tiny house is much more comfortable and healthy than trying to survive in a sleeping bag or a cold, wet tent. Each tiny house is 8 by 12 feet, the size of a small bedroom, and is insulated and heated. A small family can live in a tiny house, and a large family can live in two tiny houses side by side. Each furnished house has a locking door, windows, electric light, electrical outlet, and smoke detector.

*A tiny house at True Hope Village.  
Photo courtesy of LIHI.*

Hundreds of dedicated students, volunteers, churches, and businesses have built and donated over 325 tiny houses at an average cost of \$2,500 each for construction materials. Volunteers make the houses comfortable and home-like by adding flower boxes, porches, curtains, artwork, and furniture. The tiny house built by a local Girl Scout troop included a bed, comforter, dresser, rug, art, and even boxes of cookies. Last year at Seattle's CenturyLink Event Center, over 400 Vulcan employee volunteers, along with pre-apprentices and contractors led by Associated General Contractors of Washington, built 30 tiny houses in one day.

Tiny houses are changing people's lives for the better. People living in a tiny house can keep themselves, their family, and belongings safely indoors and not worry about frequent moves between shelters. Having a secure place to live day and night, with access to showers, laundry, and a kitchen enables homeless people to find work, maintain a job, attend school, improve their health, and access services.

The average length of stay in a tiny home village is four to five months, and there is no time limit. An important factor has been people's engagement with case managers in order to get "housing ready" with proper ID, Social Security cards, completed housing applications, and steadier income support or employment. A number of the villages are now requiring that residents agree to meet with the case manager, as this increases the likelihood that they will obtain permanent housing.

According to the King County Medical Examiner, 191 homeless men and women died in 2018 from exposure, chronic health conditions, violence, accidents, and suicide. The stability of tiny houses helps to alleviate these conditions.

## Successful Outcomes

An important feature in the operation of the villages is the presence of dedicated case managers and social workers who link residents to services. The rate of successful housing placements in 2017 was 39 percent. LIHI worked closely with the Human Services department to bring more case management capacity to the villages in 2018, which is paying off.

During 2018, the villages served 879 homeless men, women, and children. Of the 491 who exited the villages, a total of 166 people, or 34 percent, were successful in obtaining permanent housing. If we

Section 8 subsidies and help in moving to permanent housing), the percentage who obtained housing is 42 percent. In comparison, data provided by the Seattle Human Service Department (third quarter 2018) shows the rate of exits to permanent housing from city-funded shelters at only 4 percent, and enhanced around-the-clock shelters at 20 percent.

## What We Have Learned

Tiny houses are a *bridge* to permanent housing. Our case managers have been very successful in finding subsidized housing, permanent supportive housing, and private housing for families and individuals who engage with them.

But what about those who refuse to cooperate or meet with our case managers? At the start of the program, a “low barrier” or housing-first approach was employed, where it was optional to meet with the case manager. Some people ended up living in a tiny house for over a year, refusing to obtain identification, get a Social Security card, or sign up for public assistance, Social Security, VA benefits, or TANF. The newer villages now require that people meet with a case manager to get on a path to secure housing.

Having people live long-term in a tiny house is not our goal, and so we quickly found out that it made sense to clearly define the target population for each village. In Seattle, we offer villages for women only, three for single adults and couples, five for a mix of families with children, and singles. Three villages are operated on a harm reduction, low-barrier model, and seven prohibit alcohol and drugs in or around the villages.

The Human Services Department completed an evaluation of the effectiveness of tiny house villages and said, “The City-permitted encampments have met and exceeded the contracted performance measure. The model is successfully serving people who have been living outside in greenbelts, on the streets, in cars and in hazardous situations.”

Our 11th village, Plum Street Village, opened in February 2019 in the city of Olympia on city-owned land. It will serve 40-45 people referred through Coordinated Entry. The Olympia City Council agreed to fund Plum Street Village and the City issued a challenge to local faith-based organizations to establish tiny houses on their property. Three churches and temples are participating, and will receive funding from the city. LIHI will help establish the three new villages and will provide case management support.

We believe that LIHI’s successful partnership with the City of Seattle to provide its homeless residents shelter in tiny houses can translate well to other municipalities that lack sufficient affordable housing and shelters. We invite homeless service providers, housing nonprofits and local government officials to come to Seattle and visit these villages.

*Sharon Lee is the executive director of the Low Income Housing Institute. LIHI owns and manages over 2,200 units of affordable housing. For more information on Tiny House Villages visit: [LIHI.org](https://www.lihi.org) or [www.seattle.gov/homelessness/city-permitted-villages](https://www.seattle.gov/homelessness/city-permitted-villages)*

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Sharon Lee





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To: Michael Mirra  
From: Ginger Peck, Julie LaRocque, Adam Ydstie and the Emergency Team  
Date: August 8, 2019  
Subject: Our Requests to Tacoma Police Department Related to Encampments

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The current homeless encampments near and in People's Park are growing in size. Problems associated with this growth are escalating. We need support from the Tacoma Police Department as well as other community partners because we find ourselves unable to maintain a reasonably safe business environment for our clients, staff and guests.

We have been taking it upon ourselves and assisting some of our neighbors with mitigating some of the challenges that come with having encampments at People's Park and the surrounding blocks. Our costs to maintain a safe neighborhood around the Tacoma Housing Authority (THA) and People's Park is nearly six figures.

**Here are the ways THA is working to maintain safety and cleanliness in our neighborhood:**

- We have found it necessary to add day security at 902 South L St. to ensure the safety of staff, visitors, and physical property. Our security spends most of their time managing the challenges from campers. Here is what they do:
  - Remove camps from our property and doorways before business hours begin
  - Maintain visibility inside the lobby and exterior perimeters to stop issues early
  - Stop transients from coming in for restrooms and intervene when panhandlers are working staff and clients
  - Escort staff who have been targeted or feel as though their safety is threatened by campers
  - Remove transients from inside the building and lobby
  - Watch the vehicles, doors, and the alley around THA and Centro Latino during business hours.
- On a daily basis, our maintenance staff removes human waste, garbage and debris, as well as needles from our property.
- We continue to support the local housing and shelter services as we have for many years.
- We have shortened staff working hours in some cases to avoid staff being alone when leaving the building for the day.

**Here are some examples of the recent challenges THA and its neighbors have faced:**

- The volume of campers is large and continues to grow. At times, 4 or 5 blocks are lined with campers and about a third of People's Park is regularly filled with campers.

- Parking surrounding the park is taken up by campers' vehicles as well as RVs used by the campers.
- Multiple physical fights have occurred in People's Park, in the street and in front of THA's building.
- THA recently hosted an event at People's Park. Campers asked for food. We had to hire extra security to guard the rental furniture before and after the event.
- We consistently hear that others are not using the park because of the camps. Children who visit our office with their parents want to play in the park before they leave but parents won't let them due to the encampments.
- Obvious criminal activity happens in full view of staff, guests, and clients every day; assaults, selling of drugs, openly drinking in front of our business entrance, and prostitution.
- Harassing behaviors to staff and guests has increased. Examples include cursing and name calling at guests and staff from the park; threatening staff and watching for them to leave to continue harassing them; hustling on-duty staff, guests, and security for cigarettes, cash, and food in front of the office; following staff into fenced vehicle pen and not leaving.
- The daily amount of garbage and human waste is significant.
- Campers line the entrances of several nearby businesses including ours. Security attempts to remove camps and campers from the building property before 6:45am staff arrivals. Sometimes they do so in early hours.

**Here are the ways we would like to request Tacoma Police Department's (TPD) assistance:**

- TPD often doesn't respond to our 911 calls about threats to our staff, criminal behaviors, fights, campers who won't move, etc. We don't know whether or not to expect it or, even rely on it. This causes our staff concerns and fear. We would like TPD to communicate with us when they can't respond and why. We'd also like TPD to show up later and tell campers to move because of the reports of disruptive behaviors. We believe loitering, nuisance, and other laws could support this.
- Clarify protocols about handling campers. We get mixed messages from TPD about how to deal with campers and transients. Some officers tell our staff and security that we should always call 911 to remove campers. On several occasions though staff and security officers have called 911 to ask TPD to remove campers who were threatening or wouldn't leave. At least twice, TPD has told security not to call 911 for camper removals. Another time, TPD officers arrived and said they couldn't do anything even though trespass orders are posted and in place.



- Break up big camps as well as post a regular presence around bigger encampments to encourage movement and deter criminal activity.
- Enforce trespass violations in the no-trespass zones at People's Park and all around Hilltop. At minimum, issue a violation and make the trespassers move right away.
- Request that Metro Parks install cameras and bright night lights at People's Park.
- Join us in advocating for solutions at the city, parks, and state level to:
  - Prohibit camping in parks, public spaces, and sidewalks
  - Establish a second stabilization site in Sector 1 as well as advocate for additional indoor, overnight shelter beds
  - Fund additional supportive housing for homeless families and individuals.
  - Establish a model for behavioral health and addiction recovery designed for the recovery of chronically or situationally homeless people.
- What advice do you have for us? We welcome your feedback.

All of this work cannot be accomplished alone. Part of THA's vision and mission is to work toward a future where neighborhoods are attractive places to live, work, attend school, shop and play. We work on a daily basis to help our communities become safe, vibrant, prosperous, attractive and just. Part of TPD's mission is to create a safe and secure environment in which to live, work, and visit by working together with the community, enforcing the law in a fair and impartial manner, and preserving the peace and order in our neighborhoods. There is significant and important overlap in our combined work. We look forward to a continued and concerted effort in this very work and the reestablishment of the safety and enjoyment of the only large park for the Hilltop community, People's Park. Thank you for your help to achieve success in this work.

**From:** [Michael Mirra](#)  
**To:** [Ramsdell, Don](#)  
**Cc:** ["Stewart, Linda"](#); [Pauli, Elizabeth](#); [shons@tacomaparks.com](mailto:shons@tacomaparks.com); [April Black](#); [Ginger Peck](#); [Julie LaRocque](#); [Frankie Johnson](#); ["Keith Blocker - City of Tacoma \(keith.blocker@cityoftacoma.org\)"](mailto:keith.blocker@cityoftacoma.org); ["Gretchen Aguirre"](#)  
**Subject:** Homeless Encampment on the Hilltop - Request from THA for help  
**Date:** Sunday, August 11, 2019 5:54:33 PM  
**Attachments:** [THA Memo to TPD re Homeless Encampments 2019-8-8.pdf](#)  
[image002.png](#)

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Dear Don:

Thank you for our brief chat last Tuesday after the City Council meeting. We discussed the homeless encampment at People's Park. I note that you were already well aware of the situation. I appreciate that very much. I explained my wish to visit with you to discuss it further, and to review with you what can be done. Please let me know when I can do that. I hope we can meet shortly.

When we meet, I will have four specific requests of TPS. I list them at the end of this email. I acknowledge that our City's extent of homelessness far exceeds the mission or capacity of the TPD to solve. I also know that your officers have a very hard job. I so appreciate how they try to enforce the rules and do so in a way that is imaginative and that is respectful to people who may have few choices and whose lives are hard enough. We are especially grateful for the efforts and partnership we have with Lieut. Gretchen Aguirre. I send her a copy of this email so she knows of our gratitude. Because the challenge does extend beyond what TPD can do, I also send a copy of this email to Linda Stewart and Elizabeth Pauli at the City and Shon Sylvia of MetroParks. I list below two suggestions for the City and MetroParks to consider. If you would like to invite them and others to our meeting, please do so.

When we meet, I would like to review what I know of the matter and to hear what you can share and suggest. To give us a head start on THA's contribution to that discussion I attach a memo from THA staff. It describes how the encampment is affecting THA, our staff, our clients and our other visitors. I wish to stress that the problem presently of most concern to us is not the presence of the campers. We appreciate that everyone has to be somewhere. Instead, we are concerned about the behavior of enough of the campers, and the behavior of others who seem to congregate around the encampment. This behavior and its effects include the following:

- physical fights among the campers

- selling of drugs, open drinking and apparent prostitution in the tents
- harassing THA staff and guests, including catcalls, name calling, threats, hustling or begging for cigarettes, cash and food; the catcalling and threats seem directed mainly against females; it is very upsetting and disruptive
- following THA staff into our fenced parking lot and not leaving
- accumulation of garbage and feces
- urination against THA's building
- prowling the cars in our parking lot checking for unlocked doors
- Centro Latino next door found its front glass doors smashed
- clients and other visitors, especially those with children, are uneasy about coming to our building
- People's Park is not serving families with children, and others, who are staying away.

This encampment resembles in some ways the encampment of last summer. Last summer THA tried to accommodate an encampment on our property along our buildings and our parking lot. We did that after consultation with campers, your officers, neighbors and others. We asked Metroparks to put in a port-o-potty and we allowed the use of our restrooms. It did not work for reasons that your officers had the foresight and experience to tell us to expect. The number of campers quickly outgrew the space we provided. The encampment then attracted a rougher and less disciplined crowd. The port-o-potty was regularly vandalized and had to be removed. For the same reason, we had to stop allowing people to use our restrooms. We also saw then the troublesome behavior we see now. As a result, last summer, at the request of your officers and surrounding neighbors, I signed the trespass papers authorizing TPD to remove campers from our property.

The encampment is back, and on a larger scale, with the same troublesome behavior, on a larger scale. (I also note that in the last two days the size of the encampment seems notably smaller. We do not know why.)

As a result of this behavior THA has responded in the following ways:

- THA has hired private security guards who must patrol the area. In the morning they ask campers to honor the no trespass order, sometimes to no effect. They remove campers from inside our building. They escort staff and others to and from their vehicles.

- THA has shortened working hours of staff who do not wish to walk to and from our building in the morning or evening or even be in the building without a lot of other staff present
- THA staff daily spend the time it takes to pick up a significant amount of trash and feces
- We report criminal behavior to the TPD when we see it.

I believe we have four requests of TPD, I list them below. I also list below two suggestions that might be useful to the City and MetroParks.

1. Presently, we get mixed messages when we call TPD to report criminal activity. On some occasions TPD officers has told THA and our security staff not to call. We would like TPD to respond to our calls reporting criminal behavior.
2. Last summer, TPD asked me to sign the trespass order authorizing you to remove campers from our property. We have called for enforcement of that order. Yet, on some occasions, TPD officers tell us that they cannot enforce the order. We would like you to enforce it.
3. We would like TPD to increase its visual presence at People's Park, for the deterrence and reassurance it would provide.
4. We would like the TPS HOT team to increase their focus on People's Park. We understand from the Tacoma Rescue Mission that it usually has space, at least for adults without children. Perhaps it would help to make this clearer to the campers and perhaps TRM or the City can provide them with transportation from People's Park to the shelter.
5. MetroParks may have some options worth considering:
  - install lights and cameras at the Park at night
  - strengthened the rules on behavior allowed or prohibited in parks in order to fortify TPD enforcement authority
6. I know that the City Council is considering changing the rules on

what sort of structures will be permissible in parks during the day. We look forward to learning more about that. The City may also wish to consider:

- establish more stabilization sites in the City
- reviewing whether there are ways to improve the availability of the nonprofit services in the City for campers.

We here at THA appreciate the irony that with my email to you the City's public housing authority seeks this help to address homelessness. THA is the City's largest source of housing dollars for the City's neediest residents. We house over 5,000 households many of whom would be homeless otherwise and perhaps living in People's Park. We also are one of the largest funders of the County's coordinated entry system. Yet we are not otherwise a source of emergency services. And we are not set up to enforce the law. For that we need this help.

I look forward to meeting with you and hearing your views and ideas.

Thank you!

Michael

**Michael Mirra**

Executive Director

Tacoma Housing Authority

902 South L Street, Tacoma, WA 98405

(253) 207-4429

[mmirra@tacomahousing.org](mailto:mmirra@tacomahousing.org)

[www.tacomahousing.org](http://www.tacomahousing.org)



***"Housing Tacoma Forward"***



**TACOMA HOUSING AUTHORITY**

**ADMINISTRATION  
REPORTS**



**TACOMA HOUSING AUTHORITY**

**FINANCE**



# TACOMA HOUSING AUTHORITY

## **Motion**

Adopt a consent motion ratifying the payment of cash disbursements totaling \$5,269,704 for the month of August, 2019.

**Approved: September 25, 2019**

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Derek Young, Chair



**TACOMA HOUSING AUTHORITY**  
**Cash Disbursements for the month of August 2019**

|   |           | Check Numbers |    |         |                                    |
|---|-----------|---------------|----|---------|------------------------------------|
|   |           | From          | To | Amount  | Totals                             |
| A/P Checking Account                                      |           |               |    |         |                                    |
| Accounts Payable Checks                                   | Check #'s | 93,590        | -  | 93,682  |                                    |
| Accounts Payable EFTs                                     | EFTs      | 187           | -  | 227     |                                    |
| Business Support Center                                   |           |               |    | 348,572 | Program Support                    |
| Moving To Work Support Center                             |           |               |    | 42,659  |                                    |
| Moving To Work Buildings (used by Support Center)         |           |               |    | 21,800  |                                    |
| Tax Credit Program Support Center                         |           |               |    | 93,557  |                                    |
| Section 8 Programs  |           |               |    | 121,110 | Section 8 Operations               |
| Hillsdale Heights   |           |               |    | 1,499   | Properties                         |
| KeyBank Building  |           |               |    | 36      |                                    |
| Mr Mac Building   |           |               |    | 75      |                                    |
| Salishan 7  |           |               |    | 128,217 |                                    |
| Salishan Common Areas                                     |           |               |    | 306     |                                    |
| THDG - General  |           |               |    | 100     | THDG                               |
| Arlington Crisis Residential Center                       |           |               |    | 29,125  | Development                        |
| New Look/Alberta J Canada-Development                     |           |               |    | 290     |                                    |
| Arlington Youth Campus-THA Costs                          |           |               |    | 1,128   |                                    |
| Court F (HT 1800 Block)                                   |           |               |    | 3,540   |                                    |
| Hilltop Redevelopment                                     |           |               |    | 4,433   |                                    |
| Bus Development Activity                                  |           |               |    | 5,569   |                                    |
| CSA Program - Business Activities                         |           |               |    | 21,149  | Client Support                     |
| Community Services MTW Fund                               |           |               |    | 31,190  |                                    |
| Education-Local Gov't Grants (County, City)               |           |               |    | 4,000   |                                    |
| COT-Community Wellness Program                            |           |               |    | 116     |                                    |
| FEMA - Fire Safety Grant                                  |           |               |    | 4,484   |                                    |
| AMP 6 - Scattered Sites                                   |           |               |    | 10,516  | Public Housing                     |
| AMP 7 - HT 1 - Subsidy                                    |           |               |    | 5,537   |                                    |
| AMP 8 - HT 2 - Subsidy                                    |           |               |    | 12,905  |                                    |
| AMP 9 - HT 1500 - Subsidy                                 |           |               |    | 2,532   |                                    |
| AMP 10 - SAL 1 - Subsidy                                  |           |               |    | 13,374  |                                    |
| AMP 11 - SAL 2 - Subsidy                                  |           |               |    | 14,527  |                                    |
| AMP 12 - SAL 3 - Subsidy                                  |           |               |    | 11,184  |                                    |
| AMP 13 - SAL 4 - Subsidy                                  |           |               |    | 11,185  |                                    |
| AMP 14 - SAL 5 - Subsidy                                  |           |               |    | 16,936  |                                    |
| AMP 15 - SAL 6 - Subsidy                                  |           |               |    | 14,476  |                                    |
| THA SUBTOTAL  |           |               |    | 976,127 |                                    |
| Hillside Terrace 1 through 1500                           |           |               |    | 6,549   | Tax Credit Projects - Reimbursable |
| Bay Terrace I & II & Community Facility                   |           |               |    | 6,174   |                                    |
| Alberta J Canada Bldg                                     |           |               |    | -       |                                    |
| Arlington Youth Campus                                    |           |               |    | 104,285 |                                    |
| Court F (HT 1800 Block)                                   |           |               |    | 344     |                                    |
| Renew Tacoma Housing                                      |           |               |    | 15,160  |                                    |
| Salishan 1 - Salishan 6                                   |           |               |    | 33,535  |                                    |
|   |           |               |    |         |                                    |
| TAX CREDIT SUBTOTAL (Operations & Development - billable) |           |               |    | 166,048 | 1,142,175                          |
| Section 8 Checking Account (HAP Payments)                 |           |               |    |         |                                    |
| SRO/HCV/VASH/FUP/NED                                      | Check #'s | 482,902       | -  | 482,939 | 36,030                             |
|   | EFTs      | 172           | -  | 207     | 3,055,102                          |
| Payroll & Payroll Fees - ADP                              |           |               |    |         |                                    |
| TOTAL DISBURSEMENTS                                       |           |               |    |         |                                    |
|   |           |               |    | \$      | 5,269,704                          |



Exit Recommendations  
Tacoma Housing Authority  
Audit Period Ending: 12/31/2018

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**1. Housing Quality Standards –**

We tested 40 case files and noted one household in which no inspection was performed as expected. This resulted in a 2.5% non-compliance rate.

**We recommend** that the Housing Authority ensure that procedures and processes are in place to ensure that all required inspections are performed.

**2. Other Post Employment Benefits Other than Pensions (OPEB)**

During our review of reported Required Supplementary Information relating to OPEB, an error was noticed with employee payroll used to calculate the percentage of total OPEB liability over covered payroll. The covered payroll for the employee was entered in as \$750,639.25 instead of the correct amount of \$75,069.25. The error occurred due to a typo while the payroll data was manually entered in the spreadsheet used to prepare the RSI note. The error caused the total covered payroll to be \$7,189,658.80 and the reported total OPEB liability as a % of covered payroll to be 26.44%. The correct amounts are \$6,514,088.80 and 29.19% respectively. The error was discovered subsequent to preparation of the financial statements and also after the Actuarial report was released. The error did not have any effect on the actuarial valuation on the beginning and ending balances of OPEB Liability.

**We recommend** THA review the payroll data for reasonableness before sending it to their Actuary for actuarial valuation.

**3. Equipment Inventory purchased with Federal funds**

- During our review of equipment inventory, we noted that Tacoma Housing Authority (THA) has a process for the tracking of equipment purchased with Federal program funds which consists of \_\_\_\_\_ vehicles and IT equipment. However, this process does not include other types of equipment that may be capitalized by other departments. Through the end of 2018, there was no equipment inventory other than vehicles and IT.

**We recommend** that THA establish a procedure for tracking all capitalized equipment, in all departments, purchased with Federal funds.

- A physical inventory is required of equipment on a bi-annual basis. We identified seven building improvements that were incorrectly included as equipment additions, and thereby subject to physical inventory.

**We recommend** THA re-classify those items as building improvements.



Exit Recommendations  
Tacoma Housing Authority  
Audit Period Ending: 12/31/2018

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**4. MTW Equipment Disposals**

The Housing Authority had one disposal of an asset purchased with MTW funds, with proceeds over \$5,000. THA was unable to provide evidence of whether the fair market determination was done prior to sale, or if they had an exemption from HUD with regards to retaining sale proceeds.

**We recommend** THA develop policies and procedures over disposal of equipment purchased with Federal funds.



# Office of the Washington State Auditor

**Pat McCarthy**

## **Exit Conference: Tacoma Housing Authority**

The Office of the Washington State Auditor's vision is increased trust in government. Our mission is to provide citizens with independence and transparent examinations of how state and local governments use public funds, and develop strategies that make government more efficient and effective.

The purpose of this meeting is to share the results of your audit and our draft reporting. We value and appreciate your participation.

### **Audit Reports**

We will publish the following reports:

- Accountability audit for January 1, 2018 through December 31, 2018 - see draft report.
- Financial statement and federal grant compliance audit for January 1, 2018 through December 31, 2018 - see draft report.

### **Audit Highlights**

- We would like to thank Duane Strom and Authority staff for their cooperation and timely response to our requests during the audit.
- We would like to thank Authority staff for their support during the federal grant compliance audit.
- We thank the Authority's commitment to fiscal accountability and accurate financial reporting.

### **Recommendations not included in the Audit Reports**

#### **Exit Items**

We have provided exit recommendations for management's consideration. Exit items address control deficiencies or non-compliance with laws or regulation that have an insignificant or immaterial effect on the entity, or errors with an immaterial effect on the financial statements. Exit items are not referenced in the audit report.

### **Communications required by audit standards**

In relation to our financial statement audit report, we would like to bring to your attention:

- Uncorrected misstatements in the audited financial statements - We agree with management's representation that these misstatements are immaterial to the fair presentation of the financial statements.

### **Work of Other Auditors**



A financial statement audit was performed by Loveridge Hunt & Co, PLLC of THA's discretely presented component units: Renew Tacoma Housing LLLP, Hillside Terrace 1500 Block LP, and Albertal J Canada LLLP. In addition a financial statement audit was performed by Finney Neill & Company, P.S of THA's discretely presented component units: Salishan Four, LLC; Salishan Five, LLC; Salishan Six, LLC; 2500 Yakima, LLLP; and 2500 Court G, LLLP. Professional audit standards require us to evaluate relevant work done by other auditors and communicate certain matters to the governing body.

- We performed procedures to ensure we could rely on the work of the external auditors and reference their audit in our audit report. These procedures included consideration of attendance at key meetings, evaluation of the firm's last peer review report, review of the other auditor's work, review of the other auditor's results and communications with the other auditor.
- We did not become aware of any instance in which the work of the other auditors gave rise to concern about the quality of their work.
- There were no limitations that restricted our analysis of the other audit(s).
- We did not become aware of any instance in which a material misstatement of the financial statements has or may have resulted from fraud or suspected fraud.

## **Finalizing Your Audit**

### **Report Publication**

Audit reports are published on our website and distributed via e-mail in an electronic .pdf file. We also offer a subscription service that allows you to be notified by email when audit reports are released or posted to our website. You can sign up for this convenient service at: <https://portal.sao.wa.gov/SAOPortal/>

### **Management Representation Letter**

We have included a copy of representations requested of management.

### **Audit Cost**

At the entrance conference, we estimated the cost of the audit to be \$72,000 and actual audit costs will approximate that amount.

### **Your Next Scheduled Audit**

Your next audit is scheduled to be conducted in summer of 2020 and will cover the following general areas:

- Accountability for Public Resources
- Financial Statement
- Federal Programs
- REAC Attestation

The estimated cost for the next audit based on current rates is \$81,000 plus travel expenses. This preliminary estimate is provided as a budgeting tool and not a guarantee of final cost.

## **Audit Survey**

When your report is released you will receive an audit survey from us. We value your opinions on our audit services and hope you provide feedback.

## **Local Government Support Team**

This team provides support services to local governments through technical assistance, comparative statistics, training, and tools to help prevent and detect a loss of public funds. Our website and client portal offers many resources, including a client Help Desk that answers auditing and accounting questions. Additionally this team assists with the online filing of your financial statements.

## **The Center for Government Innovation**

The Center is a resource for local governments that want to solve problems, innovate, and improve the value of their services to citizens. The Center is available by phone, online, or in person to offer assistance, programs, and tools – at no additional charge. You can contact the Center for more information at [center@sao.wa.gov](mailto:center@sao.wa.gov).

## **Questions?**

Please contact us with any questions about information in this document or related audit reports.

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**Office of the Washington State Auditor**  
**Pat McCarthy**

## **Financial Statements and Federal Single Audit Report**

# **Housing Authority of the City of Tacoma**

**For the period January 1, 2018 through December 31, 2018**

Published (Inserted by OS)

Report No. 1024662





**Office of the Washington State Auditor  
Pat McCarthy**

Issue Date – (Inserted by OS)

Board of Commissioners

Housing Authority of the City of Tacoma

Tacoma, Washington

**Report on Financial Statements and Federal Single Audit**

Please find attached our report on the Housing Authority of the City of Tacoma's financial statements and compliance with federal laws and regulations.

We are issuing this report in order to provide information on the Housing Authority's financial condition.

Sincerely,

Pat McCarthy

State Auditor

Olympia, WA

**PRELIMINARY DRAFT - Please do not duplicate, distribute or disclose**



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## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

### Housing Authority of the City of Tacoma January 1, 2018 through December 31, 2018

#### SECTION I – SUMMARY OF AUDITOR’S RESULTS

The results of our audit of the Housing Authority of the City of Tacoma are summarized below in accordance with Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

##### Financial Statements

We issued an unmodified opinion on the fair presentation of the financial statements of the business-type activities and the aggregate discretely presented component units in accordance with accounting principles generally accepted in the United States of America (GAAP).

##### Internal Control over Financial Reporting:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over financial reporting that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We noted no instances of noncompliance that were material to the financial statements of the Housing Authority.

##### Federal Awards

##### Internal Control over Major Programs:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over major federal programs that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified deficiencies that we consider to be material weaknesses.

We issued an unmodified opinion on the Housing Authority's compliance with requirements applicable to its major federal programs.

We reported a finding that is required to be disclosed in accordance with 2 CFR 200.516(a).

### Identification of Major Federal Programs

The following programs were selected as major programs in our audit of compliance in accordance with the Uniform Guidance.

| <u>CFDA No.</u> | <u>Program or Cluster Title</u>      |
|-----------------|--------------------------------------|
| 14.258          | Tax Credit Assistance Program (TCAP) |
| 14.881          | Moving to Work Demonstration Program |

The dollar threshold used to distinguish between Type A and Type B programs, as prescribed by the Uniform Guidance, was \$1,753,312.

The Housing Authority qualified as a low-risk auditee under the Uniform Guidance.

### SECTION II – FINANCIAL STATEMENT FINDINGS

None reported.

### SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

See finding 2018-001.

**SCHEDULE OF FEDERAL AWARD FINDINGS  
AND QUESTIONED COSTS**

**Housing Authority of the City of Tacoma  
January 1, 2018 through December 31, 2018**

**2018-001    The Authority did not maintain adequate internal controls to ensure compliance with suspension and debarment requirements.**

|  |   |
|--|---|
| <b>CFDA Number and Title:</b>                  | <b>14.881-Moving to Work<br/>Demonstration Program</b>  |
| <b>Federal Grantor Name:</b>                   | U.S. Department of Housing and<br>Urban Development   |
| <b>Federal Award/Contract Number:</b>          | 14.HCV-WA005VO<br>14.HCV-WA005AF (VO)<br>14.OPS - WA005-00000618D -<br>WA005-00001518D<br>14.CFP-WA01P005501-17 |
| <b>Pass-through Entity Name:</b>               |   |
| <b>Pass-through Award/Contract<br/>Number:</b> | N/A   |
| <b>Questioned Cost Amount:</b>                 | \$0   |

***Background***

The Authority participates in the Moving to Work Demonstration program (MTW). The U.S. Department of Housing and Urban Development provides funding from the program to help Public Housing Authorities (PHCs) design and test innovative, locally-designed housing and self-sufficiency strategies for low, very-low, and extremely low-income families by allowing exemptions from existing public housing and tenant-based Housing Choice Voucher rules. During fiscal year 2018, the Authority spent \$43,621,003 in program funds.

Federal regulations prohibit entities from contracting with or making subawards to parties suspended or debarred from doing business with the federal government. For contracts of \$25,000 or more and all subawards, the Authority must verify the party is not suspended or debarred. This verification may be accomplished by checking the federal Excluded Parties List System maintained by the U.S. General Services Administration to verify the party’s status, obtaining a written certification from the party, or insert a clause into the contract where the party states it is not

suspended or debarred. The Authority must perform one of these activities to meet this requirement before entering into a contracts.

The Authority did not ensure that one of three contractors it paid more than \$25,000 with MTW funds during fiscal year 2018 was not suspended or debarred before entering into the contract.

### ***Description of Condition***

The Authority had procedures in place but did not ensure it followed its controls to ensure one of the parties was not suspended or debarred before entering into a contract.

We consider this control deficiency to be a material weakness.

This issue was not reported as a finding in the prior audit.

### ***Cause of Condition***

Authority staff were not aware of the requirements to comply with the suspension and debarment requirements for all covered transactions over \$25,000.

### ***Effect of Condition and Questioned Costs***

As a result of not having verified suspension and debarment status via written certification, clause insertion, or checking the EPLS before entering into the contract, the Authority could have paid parties that were suspended or debarred and would have been responsible to repay the granting agency. The Authority paid the contractor \$40,177 with federal funds in 2018.

Without adequate controls, the Authority cannot ensure federal funds are paid only to parties that are eligible to participate in federal programs. Any payments to ineligible parties would be unallowed and subject to recovery by the funding agency. We determined the contractor was not suspended or debarred; therefore, we are not questioning the related costs.

### ***Recommendation***

We recommend the Authority improve internal controls to ensure staff administering federal programs properly identify and verify all parties paid over \$25,000 or more from federal funding are not suspended or debarred from participating in federal programs before entering into a contract or a purchase order for goods and services.



### ***Authority's Response***

*The Tacoma Housing Authority (Authority) has a procurement policy which includes instructions that bidders must be qualified and not be suspended or debarred from doing business with the federal government. The Authority has predefined contract clauses for all contracts, including a suspension and debarment certification but does not routinely include these for equipment purchases where we instead rely on using the federal Excluded Parties List System to ensure compliance. The Authority agrees that due to an increase in ongoing development projects and the addition of new staff tasked with procurements for these projects a single purchase of equipment valued in excess of \$25,000 was completed by the new staff member without checking the federal Excluded Parties List System for suspension or debarment of the vendor. The Authority agrees to take the following corrective actions in response to this audit finding:*

- 1. The Authority is updating its procurement policy to include clearer instructions on checking the Excluded Parties List System for all equipment purchases made with federal funds.*
- 2. The Authority is requiring staff involved in procurements to be familiar with the Authority's updated procurement policy.*

### ***Auditor's Remarks***

We thank the Authority of its cooperation and assistance during the audit. We look forward to reviewing the Authority's corrective action during our next audit.

### ***Applicable Laws and Regulations***

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its Codification of Statements on Auditing Standards, section 935, Compliance Audits, paragraph 11.

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303 Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 2 CFR Part 200, Uniform Guidance, section 213 – Suspension and debarment, establishes suspension and debarment requirements.

Title 2 CFR Part 180, OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement), establishes non-procurement debarment and suspension regulations implementing Executive Orders 12549 and 12689.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

**Housing Authority of the City of Tacoma  
January 1, 2018 through December 31, 2018**

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate discretely presented component units of the Housing Authority of the City of Tacoma, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Housing Authority's basic financial statements, and have issued our report thereon dated September 16, 2019. As discussed in Note 2 to the financial statements, during the year ended January 31, 2018, the Housing Authority implemented Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Our report includes a reference to other auditors who audited the financial statements of the Hillside Terrace 1500 LP, Salishan Four LLC, Salishan Five LLC, Salishan Six LLC, 2500 Yakima LLLP, 2500 Court G, LLLP, Renew Tacoma LLLP, and Alberta J Canada LLLP (the partnerships), as described in our report on the Housing Authority's financial statements. This report includes our consideration of the results of the other auditor's testing of internal control over financial reporting and compliance and other matters that are reported on separately by those other auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors.

The financial statements of the partnerships were not audited in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with these partnerships.



## INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the Housing Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Housing Authority's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the Housing Authority's financial statements are free from material misstatement, we performed tests of the Housing Authority's compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the

Housing Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



Pat McCarthy

State Auditor

Olympia, WA

September 16, 2019

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR  
EACH MAJOR FEDERAL PROGRAM AND REPORT ON  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH THE UNIFORM GUIDANCE**

**Housing Authority of the City of Tacoma  
January 1, 2018 through December 31, 2018**

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

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL  
PROGRAM**

We have audited the compliance of the Housing Authority of the City of Tacoma, with the types of compliance requirements described in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the Housing Authority's major federal programs for the year ended December 31, 2018. The Housing Authority's major federal programs are identified in the accompanying Schedule of Findings and Questioned Costs.

**Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the Housing Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain



reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Housing Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination on the Housing Authority's compliance.

### **Opinion on Each Major Federal Program**

In our opinion, the Housing Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2018.

## **REPORT ON INTERNAL CONTROL OVER COMPLIANCE**

Management of the Housing Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Housing Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program in order to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

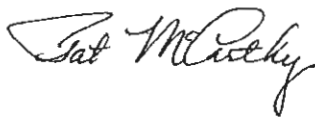
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified deficiencies in internal control over compliance that we consider to be a material weakness, as described in the accompanying Schedule of Federal Award Findings and Questioned Costs as Finding 2018-001.

### **Housing Authority's Response to Findings**

The Housing Authority's response to the internal control over compliance findings identified in our audit is described in the accompanying Schedule of Federal Award Findings and Questioned Costs. The Housing Authority's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Purpose of this Report**

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



Pat McCarthy  
State Auditor  
Olympia, WA

September 16, 2019

## INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

### Housing Authority of the City of Tacoma January 1, 2018 through December 31, 2018

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

### REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of the Housing Authority of the City of Tacoma, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Housing Authority's basic financial statements as listed on page 20.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Hillside Terrace 1500 LP, Salishan Four LLC, Salishan Five LLC, Salishan Six LLC, 2500 Yakima LLLP, 2500 Court G, LLLP, Renew Tacoma LLLP, and Alberta J Canada LLLP (the partnerships) which represent 100% of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the partnerships, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards



require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the partnerships were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Housing Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinion**

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the Housing Authority of the City of Tacoma, as of December 31, 2018, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Matters of Emphasis**

As discussed in Note 2 to the financial statements, in 2018, the Housing Authority adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

### **Other Matters**

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed on page 20 be presented to supplement the basic financial statements. Such information, although not a part

of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary and Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Housing Authority's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). This schedule is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

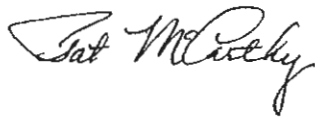
### ***Supplementary and Other Information***

The Financial Data Schedule and Cost Certificates are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.



## OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated September 16, 2019 on our consideration of the Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority's internal control over financial reporting and compliance.



Pat McCarthy

State Auditor

Olympia, WA

September 16, 2019

## **FINANCIAL SECTION**

### **Housing Authority of the City of Tacoma January 1, 2018 through December 31, 2018**

#### **REQUIRED SUPPLEMENTARY INFORMATION**

Management's Discussion and Analysis – 2018

#### **BASIC FINANCIAL STATEMENTS**

Statement of Net Position – 2018

Statement of Revenues, Expenses and Changes in Net Position – 2018

Statement of Cash Flows – 2018

Notes to Financial Statements – 2018

#### **REQUIRED SUPPLEMENTARY INFORMATION**

Schedule of Proportionate Share of Net Pension Liability – PERS Plan 1 – 2018

Schedule of Proportionate Share of Net Pension Liability – PERS Plan 2/3 – 2018

Schedule of Employer Contributions – PERS Plan 1 – 2018

Schedule of Employer Contributions – PERS Plan 2/3 – 2018

Schedule of Changes in Total OPEB Liability and Related Ratios- 2018

#### **SUPPLEMENTARY AND OTHER INFORMATION**

Schedule of Expenditures of Federal Awards – 2018

Notes to the Schedule of Expenditures of Federal Awards – 2018

Financial Data Schedule – 2018

Actual Modernization Cost Certificate, form HUD-53001 – 2018



**Tacoma  
Housing  
Authority**

**Executive Director**

Michael Mirra

**Board of Commissioners**

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

## CORRECTIVE ACTION PLAN FOR FINDINGS REPORTED UNDER UNIFORM GUIDANCE

### Housing Authority of the City of Tacoma January 1, 2018 through December 31, 2018

This schedule presents the corrective action planned by the Housing Authority for findings reported in this report in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

|   |  |
|---|--|
| <b>Finding ref number:</b><br>2018-001  | <b>Finding caption:</b><br>The Authority did not maintain adequate internal controls to ensure compliance with suspension and debarment requirements |
| <b>Name, address, and telephone of Housing Authority contact person:</b><br>Ken Shalik, Finance Director<br>902 South L Street<br>Tacoma, WA 98405  |  |
| <b>Corrective action the auditee plans to take in response to the finding:</b><br><i>The Tacoma Housing Authority (Authority) has a procurement policy which includes instructions that bidders must be qualified and not be suspended or debarred from doing business with the federal government. The Authority has predefined contract clauses for all contracts, including a suspension and debarment certification but does not routinely include these for equipment purchases where we instead rely on using the federal Excluded Parties List System to ensure compliance. The Authority agrees that due to an increase in ongoing development projects and the addition of new staff tasked with procurements for these projects a single purchase of equipment valued in excess of \$25,000 was completed by the new staff member without checking the federal Excluded Parties List System for suspension or debarment of the vendor. The Authority agrees to take the following corrective actions in response to this audit finding:</i> <ol style="list-style-type: none"> <li><i>1. The Authority is updating its procurement policy to include clearer instructions on checking the Excluded Parties List System for all equipment purchases made with federal funds.</i></li> <li><i>2. The Authority is requiring staff involved in procurements to be familiar with the Authority's updated procurement policy.</i></li> </ol> |  |
| <b>Anticipated date to complete the corrective action:</b> October 31, 2019   |  |

## ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the state's Constitution and is part of the executive branch of state government. The State Auditor is elected by the citizens of Washington and serves four-year terms.

We work with our audit clients and citizens to achieve our vision of government that works for citizens, by helping governments work better, cost less, deliver higher value, and earn greater public trust.

In fulfilling our mission to hold state and local governments accountable for the use of public resources, we also hold ourselves accountable by continually improving our audit quality and operational efficiency and developing highly engaged and committed employees.

As an elected agency, the State Auditor's Office has the independence necessary to objectively perform audits and investigations. Our audits are designed to comply with professional standards as well as to satisfy the requirements of federal, state, and local laws.

Our audits look at financial information and compliance with state, federal and local laws on the part of all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits of state agencies and local governments as well as fraud, state whistleblower and citizen hotline investigations.

The results of our work are widely distributed through a variety of reports, which are available on our website and through our free, electronic subscription service.

We take our role as partners in accountability seriously, and provide training and technical assistance to governments, and have an extensive quality assurance program.

### Contact information for the State Auditor's Office

|                           |  |
|---------------------------|--|
| Public Records requests   | <a href="mailto:PublicRecords@sao.wa.gov">PublicRecords@sao.wa.gov</a> |
| Main telephone            | (360) 902-0370   |
| Toll-free Citizen Hotline | (866) 902-3900   |
| Website                   | <a href="http://www.sao.wa.gov">www.sao.wa.gov</a>                     |



| TACOMA HOUSING AUTHORITY                                   |  |                      |          |
|--|--|----------------------|----------|
| CASH POSITION - August 2019                                |  |                      |          |
| Account Name   |  | Current Balance      | Interest |
| HERITAGE BANK  |  |                      |          |
| Accounts Payable   |  | 3,506,143            | 0.55%    |
| Section 8 Checking   |  | 4,337,601            | 0.55%    |
| THA Affordable Housing Proceeds-Salishan                   |  | 3,458,970            | 0.55%    |
| THA Scattered Sites Proceeds                               |  | 5,844,784            | 0.55%    |
| FSS Escrows  |  | 160,291              | 0.55%    |
| CSA Escrows  |  | 44,176               | 0.55%    |
| Note Fund Account  |  | 102                  | 0.55%    |
| Credit Card Receipts                                       |  | 443                  | 0.55%    |
| Key Bank Security Deposits                                 |  | 3,228                | 0.55%    |
| Relocation Account   |  | 19,528               | 0.55%    |
| THA Investment Pool  |  | 335                  | 0.55%    |
| THDG - Tacoma Housing Development Group                    |  | 758,312              | 0.55%    |
| Salishan 7 Operations                                      |  | 1,710,817            | 0.55%    |
| Salishan 7 Security Deposit                                |  | 27,788               | 0.55%    |
| Salishan 7 Replacement Reserve                             |  | 325,188              | 0.55%    |
| Salishan 7 Operating Reserve                               |  | 202,212              | 0.55%    |
| Highland Crest Operations                                  |  | 625,567              | 0.55%    |
| Highland Crest Replacement Reserve                         |  | 231,924              | 0.55%    |
| Highland Crest Security Deposit                            |  | 40,960               | 0.55%    |
| Outrigger Operations                                       |  | 287,690              | 0.55%    |
| Outrigger Replacement Reserve                              |  | 147,463              | 0.55%    |
| Outrigger Security Deposit                                 |  | 25,651               | 0.55%    |
| Prairie Oaks Operations                                    |  | 92,520               | 0.55%    |
| Prairie Oaks Replacement Reserve                           |  | 24,661               | 0.55%    |
| Prairie Oaks Security Deposit                              |  | 4,342                | 0.55%    |
| Payroll Account  |  | 18,275               | 0.55%    |
| HOME STREET BANK   |  |                      |          |
| James Center North Operations                              |  | 604,776              | 0.00%    |
| James Center North Security Deposit                        |  | 55,801               | 0.00%    |
| WASHINGTON STATE   |  |                      |          |
| Investment Pool  |  | \$ 1,505,158         | 2.29%    |
| <b>1. TOTAL THA CASH BALANCE</b>                           |  | <b>\$ 24,064,707</b> |          |
| Less:  |  |                      |          |
| <b>2. Total MTW Cash Balance</b>                           |  | <b>\$ 726,000</b>    |          |
| <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           |          |
| <b>2.1. MTW Cash Available (Lines 2-2.09)</b>              |  | <b>\$ -</b>          |          |
| <b>3. MTW Cash Held By HUD</b>                             |  | <b>\$ 2,776,376</b>  |          |

# TACOMA HOUSING AUTHORITY

## CASH POSITION - August 2019

|   |  |           |  |           |                   |
|---|--|-----------|--|-----------|-------------------|
| <b>4. Non MTW Cash Restrictions/Obligations</b>                           |  |           |  |           |                   |
| <i>4.1 Non MTW Operational Restrictions</i>                               |  |           |  |           |                   |
| 4.10 HUD Restricted - Lot and Property Sales                              |  |           |  | \$        | 9,303,754         |
| 4.101 Area 2B Sales Proceeds (Afford Hsg)                                 |  | 3,458,970 |  |           |                   |
| 4.102 Scattered Sites Proceeds (Afford Hsg)                               |  | 5,844,784 |  |           |                   |
| 4.20 THA Property Accounts Reserved                                       |  |           |  | \$        | 2,332,886         |
| 4.201 Security Deposit Accounts   |  | 157,770   |  |           |                   |
| 4.202 Highland Crest Operations Reserves                                  |  | 320,000   |  |           |                   |
| 4.203 Highland Crest Replacement Reserves                                 |  | 231,924   |  |           |                   |
| 4.204 James Center North Operations Reserves                              |  | 230,000   |  |           |                   |
| 4.205 James Center North Capital  |  | 274,880   |  |           |                   |
| 4.206 Outrigger Operations Reserve  |  | 150,000   |  |           |                   |
| 4.207 Outrigger Replacement Reserves                                      |  | 147,463   |  |           |                   |
| 4.208 Prairie Oaks Operations Reserves                                    |  | 77,000    |  |           |                   |
| 4.209 Prairie Oaks Replacement Reserves                                   |  | 64,661    |  |           |                   |
| 4.210 Salishan 7 Operations Reserves                                      |  | 354,000   |  |           |                   |
| 4.211 Salishan 7 Replacement Reserves                                     |  | 325,188   |  |           |                   |
| 4.30 Rental Assistance Reserves   |  |           |  | \$        | 655,927           |
| 4.301 Mod Rehab Operating Reserves  |  | 116,325   |  |           |                   |
| 4.302 VASH, FUP & NED HAP Reserves  |  | 345,211   |  |           |                   |
| 4.303 FSS Escrows   |  | 194,391   |  |           |                   |
| 4.40 Prepaid Grants   |  |           |  | \$        | 982,127           |
| 4.401 Gates Foundation  |  | 223,815   |  |           |                   |
| 4.402 THDG  |  | 758,312   |  |           |                   |
| 4.50 BFIM Buyout LOC Collateral-Potential Tax Credit Loss                 |  |           |  | \$        | 2,500,000         |
| <b>4.60 Total - Non MTW Cash Restrictions (4.10+4.20+4.30+4.40+4.50)</b>  |  |           |  | <b>\$</b> | <b>15,774,694</b> |
| <b>4.70 Agency Contracted or Budgeted Commitments Remaining</b>           |  |           |  | <b>\$</b> | <b>-</b>          |
|   |  | -         |  |           |                   |
|   |  | -         |  |           |                   |
| <b>4.99 Total Non MTW Cash Restrictions/Obligations (Lines 4.60+4.70)</b> |  |           |  | <b>\$</b> | <b>15,774,694</b> |
| <b>5. THA UNENCUMBERED (Non-MTW) CASH (Lines 1-2-4.99)</b>                |  |           |  | <b>\$</b> | <b>7,564,012</b>  |
| <b>6. Development Advances - Project Reimbursement upon closing/draw</b>  |  |           |  | <b>\$</b> | <b>420,833</b>    |
| 6.01 Arlington Crisis Residential Center                                  |  | 193,818   |  |           |                   |
| 6.02 Arlington Youth Housing  |  | 56,899    |  |           |                   |
| 6.03 Court F LLLP (1800 Block)  |  | 170,116   |  |           |                   |
|   |  |           |  |           |                   |
|   |  |           |  |           |                   |
|   |  |           |  |           |                   |



**TACOMA HOUSING AUTHORITY**

**POLICY, INNOVATION, AND  
EVALUATION**



# TACOMA HOUSING AUTHORITY

**DATE:** September 25, 2019

**TO:** THA Board of Commissioners

**FROM:** April Black  
Deputy Executive Director

**RE:** Policy, Innovation and Evaluation Department Board Report

## 1. INTRODUCTION

In May 2019, the Tacoma Housing Authority (THA) contracted with BERK Consulting, Inc. to conduct a third party evaluation for its Children's Savings Account (CSA) program. As part of its deliverables, THA requested BERK to produce an interim report after initial survey of CSA and THA families, CSA community partners, as well as preliminary evaluation of data and literature on the topic of CSAs. The completed interim report can be viewed in Appendix A.

The purpose of this memo is to discuss the following:

- 1.1. Initial outcomes from family and partner interviews, as well as early findings of existing data and literature available on CSA models, data management systems, and the results of a light-feasibility study of program integration with existing financial programs. BERK has also provided recommendations for each of the areas evaluated, which will also be mentioned in this document.
- 1.2. Tentative assumptions THA can make on the redesign needs of the CSA based on the results of BERK's interim report. These needs will highlight remaining tasks and research to be completed before final decisions can be made about the redesigned model.
- 1.3. Staff recommendations for near term areas of focus for the evaluator, CSA and PIE staff until spring 2020 when the annual third-party evaluation report is due.

## 2. BACKGROUND

The Tacoma Housing Authority (THA) operates a Children's Savings Account (CSA) program in partnership with Heritage Bank and Tacoma Public Schools (TPS). This program is part of THA's Education Project, which seeks to use the housing dollar not only to house people, but to help the parents and children we house succeed in school and promote the success of the schools serving low-income students.



The CSA program was launched in 2015 in the New Salishan community for both THA clients and Salishan homeowners. The CSA program sought to create a college-going culture and community where children are expected to attend and complete college. The program was designed with two stages, an elementary school stage and a middle through high school stage (secondary grades). The elementary school stage encourages families to save for their children's future. When a Salishan student enrolls in kindergarten, THA opens a savings account in that student's name and deposits a \$50 dollar seed into the account to get it started. THA is the account custodian and manages account withdrawals. Families are then encouraged to make deposits, which THA will match dollar for dollar up to \$400 per year. This match will last through the student's fifth grade year. The secondary grade stage incentivizes students to meet certain milestones related to academic achievement and steps made toward college readiness. Students who participate fully with their families from kindergarten through high school will accumulate a balance of \$9,700. Disbursements of funds to the student will only be available only if a student graduates from high school and enrolls into a qualified post-secondary educational program.

Since its launch, THA has made changes to the program to increase enrollment, improve near-term outcomes of account accumulation, and improve family engagement in financial education and activities. Further, THA hopes to expand the CSA program so that more families we assist with housing within Tacoma Public Schools can access ways to save and plan for college and beyond.

THA contracted with BERK Consulting in late spring 2019 to provide third party evaluation services for the redesign and expansion of the CSA program. BERK has provided THA with an interim report of their preliminary findings, including focus group responses from CSA program and THA families, as well as interviews from current and potential future program partners (see Appendix A for the interim report).

The goal of this early work is to help inform the options THA has to redesign the CSA program so that the program can be sustainable, administratively efficient and would increase family access and engagement upon expansion. Using the report's findings, PIE is making recommendations to leadership for approval to continue deeper analysis and exploration into targeted areas of program elements. THA will work with BERK to deepen research and literature review for evidence that will help us derive the final design recommendations in early spring of 2020.

### **3. BERK INTERIM REPORT FINDINGS:**

BERK's report centered on evaluating three main components: 1) the CSA model, particularly the impact of design elements like seed, match, incentives and scholarships on program participation, program outcomes and program administrative costs; 2) the feasibility of integrating the CSA program into existing financial programs or financial infrastructure, such as the Washington State's 529 GET program and THA's Family Self-Sufficiency (FSS) program;

3) data and reporting, with focus on method improvement and aligning metrics to support short and long term outcomes.

### *3.1. Literature Review and Interviews:*

Data and research is limited when it comes to measuring the long-term impact of CSA programs. BERK relied on existing literature of CSAs, survey responses of 68 THA/CSA households, the outcomes of 10 in-person interviews with families, the interviews of 13 partner organizations to inform us of the following:

- 3.1.1. There is no known “best” model for a CSA program: Evidence is lacking overall in this field and existing CSA programs have different goals. In the absence of a known ideal model, programs should be centered on local context and the desires of families’ aspirations, capacities and savings behavior, as well as the consideration of available resources.
  - 3.1.1.1. Limited evidence shows that there are positive correlations between certain program designs with CSA successes. These design elements include opt-out enrollment models that demonstrate overall increased participation rates; initial seed deposit models that correlate with the participants’ increased asset accumulation; bank visits and family workshops with increased families’ usage of CSA; time limits and reminders with increased program engagement.
  - 3.1.1.2. Community partners expressed that the model specifics may be less important than the overall quality of outreach and engagement that surrounds the family. Should THA continue the use of any program milestones as a form of asset accumulation for participants, the milestones should be measurable, equitable and inclusive of families from different cultures, learning styles, abilities, objectives, lifestyles and home responsibilities.
  - 3.1.1.3. THA families expressed aspirations for their children to complete higher education and described their children as intrinsically motivated. Many parents were recently or currently pursuing higher education themselves. Families expressed their preference for a CSA model to be whichever resulted in the highest total dollar amount from THA regardless of the family’s ability to save.
  - 3.1.1.4. There is little evidence of correlation between CSA successes to metrics like school attendance, change in student discipline and change in participants’ financial behavior. Further, the outcomes of these measures may be affected by external factors outside of the program’s control, such as school district policies and participants’ personal home-life.
- 3.1.2. Partners see THA’s greatest advantage as having access to low-income families and being a conduit through which partners and providers can reach target communities.

They do not see THA as a content creator or deliverer of curriculum related to educational or financial systems.

- 3.1.2.1. The most important learning and behavior change happens at home. THA can leverage intra-household dynamics to create a program that encompasses a multi-generational approach to financial empowerment and college and career readiness.
  - 3.1.2.2. Partners like Tacoma Public Schools and the Tacoma College Support Network expressed interest to share their financial literacy and college-and-career-planning curriculum.
  - 3.1.2.3. Successful engagement with diverse families often take place outside of conventional business settings and hours, examples include workshops taking place at faith-based institutions and community organizations during mornings, evenings and weekends.
- 3.1.3. Maintaining robust data management system is a best practice of administering a CSA. While there is limited research available on the topic of CSA program data management, having systematic tools for tracking all client information on a single, integrated and secure database environment ensures consistency for program data collection, monitoring and reporting.
- 3.1.3.1. BERK's interim report cites Prosperity Now's identification of key components that a robust CSA program data management system should include: 1) an administrative interface which helps track program needs and client data; 2) a user interface that allows the CSA participant to view account information and communicate with program administrators; 3) a method for the program administrator to open, close and monitor accounts; tools and processes to manage, enter or import data; and 4) a reporting method that displays individual or aggregated data in customizable formats. THA's Salesforce platform allows it to perform most of these features, however a user interface for CSA program clients is not available
  - 3.1.3.2. THA's data needs and management practices include monitoring academic outcomes for incentive earnings, monitoring account activities and program finances; surveying program and non-program families; collecting, analyzing and reporting on program impacts associated with the CSA program expected outcomes. THA's greatest challenge arises from integrating across partner data platforms, particularly with TPS' student data records and Heritage Bank's savings account records. TPS is actively working to configure enhanced THA staff access to student data. Heritage Bank suggested that more investments may be necessary for more scalable data management and products that are low-income friendly.<sup>1</sup>

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<sup>1</sup> BERK Consulting, THA CSA Evaluation 2019 Preliminary Assessment Report, page 28.

3.1.4. Integrating the CSA program with existing financial programs like the state's 529 program or the Family Self-Sufficiency (FSS) program is feasible. Further research and interview with potential financial partners will help inform THA of best options for future expansion.

3.1.4.1. Over half of nationwide CSA programs use 529 plans to hold CSA funds. A 529 plan is an investment account that offers tax-free earnings growth and tax-free withdrawals when the funds are used to pay for qualified education expenses. There are advantages to integrating a CSA program with a statewide 529 plan including greater savings benefit from market growth, and a centralized platform for program administration. Families that are low-income and depend on public benefits, such as the Supplemental Nutrition Assistance Program (SNAP) and the Temporary Assistance for Needy Families (TANF), will remain eligible to utilize public benefits while enrolled in a 529 account. However, these operational advantages are met with the challenges of its slightly more complex financial structure and a general lack of awareness or knowledge among low-income families about 529s.

3.1.4.2. THA's FSS program provides financial incentives in the form of escrow to the head of household for completing self-sufficiency milestones. Most families surveyed or interviewed expressed familiarity with the FSS program. Leveraging the FSS program to integrate along with the CSA would help THA achieve its two-generational approach toward its goals for client services. However, eligibility for the FSS is limited to THA families who are work-able, and therefore exclude households who are non, work-able. There are also limited examples of CSA programs that have integrated with FSS programs, although the report did site one example from the Missouri-based Preservation of Affordable Housing.<sup>2</sup>

### 3.2. *BERK Analysis of Academic Outcomes for THA CSA Middle School Participants*

The data exchange process between THA and TPS has been a work in progress since 2015. Beginning in the spring of the 2017-2018 school year, TPS sends a report card to THA at the end of every semester. The report card aggregates the outcomes of student academic performance based on the lists of students THA serves in its educational initiatives (e.g. the CSA Program and Elementary School Housing Assistance Program). The BERK report specifically summarizes the outcomes of CSA middle school students as it pertains to the academic outcome indicators requested by the funder of the evaluation, College Spark. BERK will analyze and report more inclusively of CSA students at the elementary, middle and high school levels at the annual report for year one in spring 2020.

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<sup>2</sup> BERK Consulting, THA CSA Evaluation 2019 Preliminary Assessment Report, page 16.

- 3.2.1. Attendance rates: Between the 2018 and 2019 school year, the attendance rates across middle school students declined (from 92% to 86%) as did the total number of CSA participants at the middle school level.
- 3.2.2. Disciplinary actions: Only aggregate level reporting for middle school students is available for the 2017-2018 school year. 27% of CSA students received disciplinary action. The report notes that discipline rates can vary based on school and district policies and national data shows disparities in student discipline exist based on race, disability and gender.
- 3.2.3. Grade 8 English Language Arts (ELA) assessment: Only aggregate level reporting for middle school students is available for the 2018-2019 school year. 31% of CSA students in Grade 8 met grade-level standards (students who scored a level 3 or 4) on the ELA Smarter Balance Assessment. The report notes that this measure alone does not consider the context of instruction received during the school year, amount of time participating in the CSA, supports received or academic growth that occurred during the school year.
- 3.2.4. Grade 8 Math assessment: Only aggregate level reporting for middle school students is available for the 2018-2019 school year. 10% of CSA students in Grade 8 scored a level 3 or 4 on the Math Smarter Balance Assessment. The report notes that this measure alone does not consider the context of instruction received during the school year, amount of time participating in the CSA, supports received or academic growth that occurred during the school year.

### 3.3. *BERK preliminary recommendations:*

- 3.3.1. Simplify the design of the program to be more universal:
  - 3.3.1.1. *Simplify eligibility requirements* so that it is easily understood by families and partners, defined by easily accessible data for the program administrator to confirm eligibility.
  - 3.3.1.2. *Consider a more administratively simpler program model*, such as opt-out, seed and/or scholarship. Families confirmed these elements would be equally attractive to the current seed, match and incentive model. Community partners believe the scholarship approach to be more equitable for students with diverse learning backgrounds and abilities.
- 3.3.2. *Restructure approach of financial literacy*. THA should eliminate the financial literacy component and/or take a supporting role by deepening its partnerships to increase family access to multi-generational education and engagement with financial education and college and career planning.

- 3.3.3. Explore opportunities to integrate the CSA program into existing programs or organizational business processes.
- 3.3.3.1. *Integrate the CSA program with existing savings programs.* Consider further exploration and evaluation of integrating the CSA with existing public college tuition programs and financial savings programs like the FSS or Washington State’s 529 GET program.
- 3.3.3.2. *Leverage client interactions to promote savings.* Consider leveraging interactions clients have with THA or their financial institutions to promote college savings. Examples of this includes allowing THA’s portion of the match to be in the form of a “rent discount” so the participant pays the same amount but accrues savings; or prompting households to add a dollar amount to their savings account at the time of their monthly rent payment.
- 3.3.4. Data management and program evaluation:
- 3.3.4.1. *Continue investment in Salesforce and updating partner data sharing agreements to improve client data management.* Work towards automating workflows, particularly around student academic tracking, account escrow management, account statements and data retention practices to allow for future evaluation studies.
- 3.3.4.2. *Consider changes to data collection and outcomes measurement* in conjunction with broader decisions about the CSA program model design and integration. Focus on tracking performance measures that looks at student growth over grade performance such as iReady assessment outcomes. Re-evaluate metrics that are subjective to school or district policies, or have otherwise demonstrated to have inequitable patterns based on race, class and gender, such as student discipline, and attendance.

#### **4. TENTATIVE ASSUMPTIONS**

The BERK interim report informs THA that the CSA program will need to undergo significant redesign in order to achieve the goals THA has for program sustainability and expansion. As it currently operates, the program is heavily administratively burdensome for THA and an expansion will only weaken capacity of existing program staff. Further, the program struggles to accomplish its near and long term goals due to the complex program design and inadequate technical abilities with data management across partner institutions. There are also gaps in accessibility to subject experts in the field of financial empowerment, as well as college and career planning and navigation.

This interim report also informs us that more research and analysis is needed to understand how to leverage existing programs and resources to support college and career readiness and persistence. Local initiatives like Tacoma Completes and the Washington College Promise

Scholarship, have emerged recently that may enhance the supports available to help low-income students prepare for, and complete a post-secondary degree. Any changes to the CSA should consider these external factors.

Lastly, while the CSA program sees strong investments to support student and family savings, the program struggles to fundraise to sustain program staffing. The CSA evaluation and final program proposal will need to consider strategies to sustain program operations, particularly one that avoids the need to fundraise for staffing.

## **5. PIE Proposal for Near-Term Goal of Completing Year 1 of Third Party Evaluation**

The interim report submitted by BERK provides THA a general understanding of stakeholder interest and areas where structural program change is feasible with further research. The full first-year report is due spring 2020.

With the provided recommendation based on early stakeholder feedback and existing data, PIE staff propose the following to take place between fall 2019 through spring 2020:

- 5.1. Direct BERK to continue with third party evaluation centered on the following:
  - 5.1.1. Pursue in-depth feasibility research on the integration of the CSA program with financial programs administered through the Washington Student Achievement Council (WSAC), including the 529 GET program, the College Bound Scholarship, and the Washington College Promise Scholarship, to examine the client, administrative and fiscal impact of program integration.
  - 5.1.2. Investigate strategies that would allow the CSA program to feed into the FSS two-generational model for financial empowerment.
  - 5.1.3. Pursue interviews with funders of the CSA program to understand the expectations investors have of the program and explore their perception on appealing program design and staffing model that would garner ongoing interest and investment.
  - 5.1.4. Identify methods with program partners to improve data collection and reporting. This includes defining metrics that applies to the future CSA program model that simultaneously aligns with educational and financial partners' measurements of success.
  - 5.1.5. Complete extensive interviews with CSA program families to retrieve greater representation of client experience and thoughts on the CSA program potential model changes from seed, match and incentives to a model that is simpler to administer such as a seed and scholarship.

5.2. In tandem with BERK's evaluation, PIE and CSA program staff will work towards the following:

- 5.2.1. Develop financial modeling that compares the assumptions and predictive costs of the change and expansion of the CSA model. The financial modeling will consider design element changes (for example, shifting from a seed, match and incentive, to seed and scholarship), the program capacity to serve THA children, and costs to administer the program.
- 5.2.2. Develop a legacy model that will apply to current program participants to ensure that their dollars earned and potential to earn for future escrow is secured.
- 5.2.3. Continue working with community partners to bring in opportunities for family financial literacy, college and career planning events and activities. CSA program staff will play the role in developing partnerships, coordinating with existing efforts and experts, and providing support with community outreach.
- 5.2.4. Continue to serve existing program clients under the current CSA program model with program administration, data collection and reporting.

## **6. Research & Evaluation Proposed Timeline:**

Pending leadership approval for further investigation into the potential impacts of the CSA program redesign, staff anticipates the following timeline:

- October 1, 2019: Approval by THA leadership to pursue the research phase of this proposed redesign and expansion.
- October 2019 – February 2020: Feasibility study regarding CSA program integration with the available financial programs including the Washington State 529 GET program, the FSS, and other scholarship programs available through local institutions.
- December 2019 - March 1, 2020: Complete interviews and feedback from funders and investors of the CSA program.
- March – May 2020: Family and Community survey and focus groups for feedback of direction of redesign model
- June 1, 2020: Completion of BERK's year-one evaluation and proposal of CSA program redesign available for leadership review and consideration.



**Appendix A:**  
Children's Savings Account Evaluation 2019  
Preliminary Assessment and Recommendation  
Prepared by BERK Consulting for the Tacoma Housing Authority

# Children's Savings Account Evaluation

## 2019 Preliminary Assessment and Recommendations

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# Executive Summary

The Tacoma Housing Authority (THA) Children's Savings Account (CSA) program is a way for THA to invest alongside families in their children's future postsecondary plans. Having operated the program since 2015, THA seeks a sustainable model for continuing the CSA program and operating at a scale that extends participation and benefits beyond the Salishan community. Through a literature review, data management and outcomes measurement assessment, 67 THA family surveys, 10 parent interviews, and 13 informant interviews, BERK investigated improvements to the CSA model, two potential paths for integration, and the state of data management and reporting.

## KEY FINDINGS AND RECOMMENDATIONS

### CSA model

There is no known “best” model for a CSA program. Overall, rigorous evidence is lacking and limited to context-specific cases because programs are so varied. In the absence of a known ideal model, decisions should be guided by understanding of THA families' aspirations, capacities, and savings behaviors; THA's comparative advantage in the college access community; and consideration of available resources.

THA parents have high aspirations for their children. Roughly 80% responded they expected their children to attend a 4-year college. Interviewees indicated they were already or would have already been shopping for a college savings account and described investing in extracurricular activities and academic enrichment opportunities. Many parents had recently or were currently pursuing higher education themselves. Parents also indicated their children were intrinsically motivated and often were the ones pushing their parents to save for them. We also heard from stakeholders with significant experience with this population that the model specifics may be less important than the quality of the outreach and engagement that surrounds the program. Recommendations are to:

- Think of the CSA as one piece of a families' overall financial strategy, not as a “silver bullet.” Financial benefits of the CSA alone are not enough to promote college access and success. Students must also be academically, socially, and emotionally prepared.

- Leverage the intrahousehold dynamics to create a program that is engaging to all generations. The conversations between parents and children can be where the most important learning and behavior change happens.

- Give families and children more visibility, power, and control over their own progress.

- Consider integrating college savings in a typical participant's interactions with THA, school, or their other financial institutions.

Partner interviewees stressed THA's unique advantage as a housing agency with access to families. They do not see THA as a content creator or deliverer, but as an essential conduit through which other providers can reach target communities. Many of the following recommendations follow a theme of right-sizing THA's role and bringing in more or deeper partnerships with partners in the areas of financial literacy, college and career, and K-12 academic outcomes. Recommendations are to:

- Use the simplest known-to-be effective design (seed, outreach, community events and reminders).

- Simplify and expand eligibility requirements, take a “supporting role” with financial literacy, and seek deeper partnership with a financial institution partner.

Work with other community efforts such as the Tacoma College Support Network (TCSN) to be part of a more holistic approach to financial education and college planning.

## Integration

We explored two potential paths for CSA integration:

Integration with the THA Family Self-Sufficiency (FSS) Program

Integration with Washington Student Achievement Council (WSAC) Guaranteed Education Tuition (GET) program

The feasibility of Family Self-Sufficiency integration was assessed through interviews, review of program documentation, and a review of data on the target populations. This partnership is highly feasible in one direction (bringing many FSS families onto CSA). However, the existing program would need to be maintained to remain accessible to families not eligible, not willing to engage, or having exited FSS.

The GET program allows purchasers to pre-pay for the cost of college in units equal to the cost of 1/100<sup>th</sup> of one year of resident, undergraduate tuition and state-mandated fees at Washington's most expensive public university (typically the University of Washington or Washington State University). The feasibility of WSAC GET integration was assessed through interviews and review of program documentation. The partnership is feasible in that some of the basic infrastructure is in place and the leadership is enthusiastic. We recommend additional information gathering from other state 529/CSA partnerships, and further discussion with WSAC given the significant upfront investment in outreach and software development that would be required. A grandfather or transition policy for existing account holders is another major consideration.

## Data management and reporting

While there is limited research on the topic of CSA data management, it is best practice to maintain a robust system for tracking all client information in a single, integrated, and secure database environment. Tacoma Housing Authority uses Salesforce as its client management database, and it is in the process of integrating as many aspects of the CSA program into this platform as possible. However, legacy records and limited options for integrating information from partner data systems have resulted in some manual and inefficient procedures for data management and reporting that are neither sustainable nor scalable. These practices also increase risks of data entry error, insufficient documentation (particularly in the event of staffing changes), and accidental exposure of private information. Fortunately, there are technical solutions to these challenges and THA has staff expertise and capacity to support implementation.

As THA continues to move forward with modernizing its data management activity in the Salesforce platform, we recommend the following:

Continue to invest in Salesforce to improve efficiency and data management by automating or streamlining workflows, such as incentive tracking or providing families with account statements.

Work with partners to update data sharing agreements and protocols to improve administrative efficiency, reduce burdens on partners for technical support, and improve data security.

Consider changes to data collection and outcomes measurement in conjunction with broader decisions about CSA model design and integration.

Collect academic outcomes data in a format that enables flexibility for future evaluation studies.

Consider new performance measures that focus on student growth over grade performance.

# Program Background

The Tacoma Housing Authority (THA) Children's Savings Account (CSA) is a program that seeds and matches family contributions to savings accounts to support college going and success. For elementary school students THA provides the initial seed of \$50 and matches family deposits up to \$400 per year. During middle school years, an incentive scheme links student academic, college and career readiness milestones and actions with THA deposits of up to \$700 per year. Participants are also offered financial literacy classes and resources. The THA portion of funds is made available after high school graduation for continuing education and training purposes. Students who do not continue forfeit the THA portion of funds. THA partners with Heritage Bank for banking the CSA and since launch in 2015, the program is available to Salishan residents with children in Tacoma Public Schools (Lister Elementary and First Creek Middle School), and other families at those schools. No participating students have yet reached the point of fund disbursement.

## Program goals

THA has identified several short- and long-term goals, or "expected outcomes", which it hopes to promote and measure through the CSA program. These outcomes are listed in Exhibit 1.

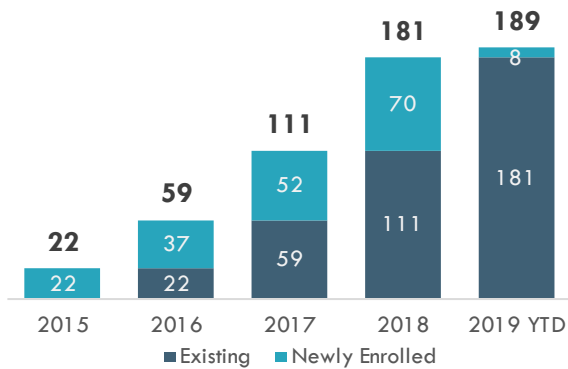
**Exhibit 1. Expected Outcomes of the CSA Program**

| FOR STUDENTS  | FOR FAMILIES  |
|---|---|
| <b>Short-term Expected Outcomes (1-3 years)</b>   |   |
| Students are meeting or exceeding the district benchmark of a 92% attendance rate (all)                 | Families are making deposits into students' accounts with some regularity.                          |
| Students avoid serious disciplinary actions like long-term suspension or expulsion (all)                | Families are taking advantage of opportunities to participate in a financial literacy program       |
| Students participate in a financial literacy program at least once every school year (all)              | Unbanked, but bankable families get banked.   |
| Students make progress toward meeting Scholar Incentive Program Milestones (secondary)                  | Eligible THA households engage with THA Community Services for the first time or at a higher level. |
|   | Eligible heads of household enroll in the Family Self-Sufficiency Program                           |
| <b>Intermediate Expected Outcomes (4-5 years)</b>   |   |
| Students' account balances are growing.   | Families are making deposits into students' accounts with some regularity                           |
| Students are reading at grade-level   | Unbanked, but bankable families get banked  |
| Student avoid serious disciplinary actions  |   |
| Students make successful transitions to high school   |   |
| <b>End Expected Outcomes</b>  |   |
| Students graduate from high school or equivalent  | Families remain banked  |
| Students enroll in a postsecondary program within one year of graduating from high school or equivalent |   |
| Students earn a postsecondary degree or credential  |   |
| Students are employed or continuing their education within one year of earning a postsecondary degree   |   |
| Students are achieving economic self-sufficiency  |   |

## Program outcomes

**THA has enrolled 189 students in a CSA since the program launch in 2015**, increasing the number of participants added each year through the end of 2018. Outreach and recruitment activity were heaviest in 2015-2018.

**Exhibit 2. Tacoma Housing Authority CSA Enrollment**



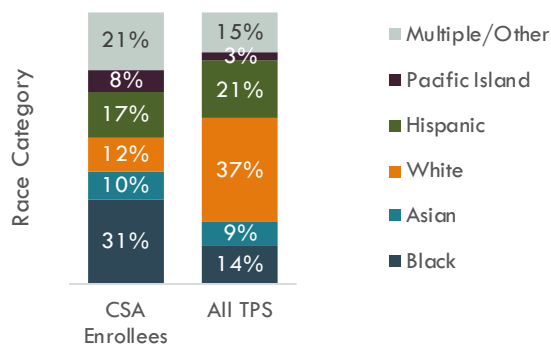
**136** participants (72%) are housed through a THA program

**95** are in elementary school

**94** are in middle/high school

Sources: Tacoma Housing Authority, 2019; BERK Consulting, 2019.

**Exhibit 3. CSA Enrolled Student Demographics (n=189), All TPS Student Demographics (n=33,582)**



**88%** of CSA enrolled students in Spring 2019 were a race other than white

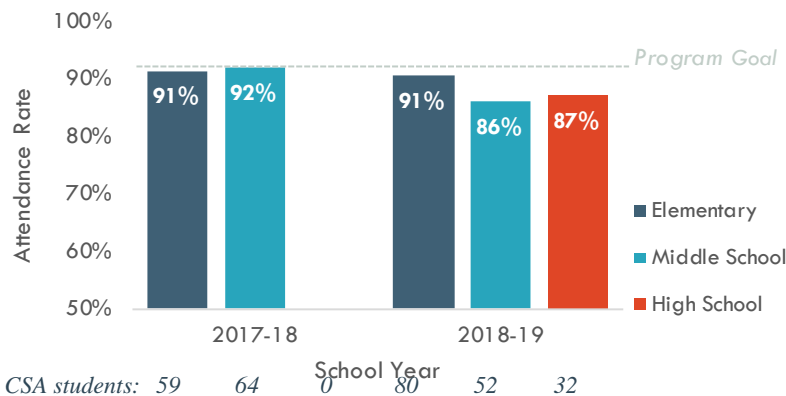
**63%** of all Tacoma Public School students in Spring 2019 were a race other than white

Sources: Tacoma Housing Authority, 2019; Tacoma Public Schools, 2019; BERK Consulting, 2019.

Note: Students in the Hispanic race category were assumed to be non-white and not included in any other category. The U.S. Census Bureau considers race and ethnicity (such as Hispanic heritage) to be separate and distinct concepts.

## Student attendance

**Goal:** Students are meeting or exceeding the district benchmark of a 92% attendance rate (elementary & secondary).



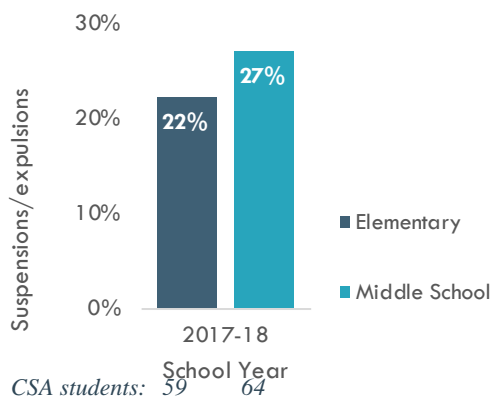
Attendance goals were mostly met for the 2017-18 school year.

As the program expanded in the 2018-19 school year, middle school attendance rates fell below program goals. The first high school participants had below goal attendance.

Sources: Tacoma Public Schools, 2019; BERK Consulting, 2019.

## Student discipline

**Goal:** Students avoid serious disciplinary actions like long-term suspension or expulsion (elementary & secondary).



22% of elementary CSA participants and 27% of middle school CSA participants faced school discipline. The CSA program provides a financial incentive to students who receive zero days of suspensions or expulsion.

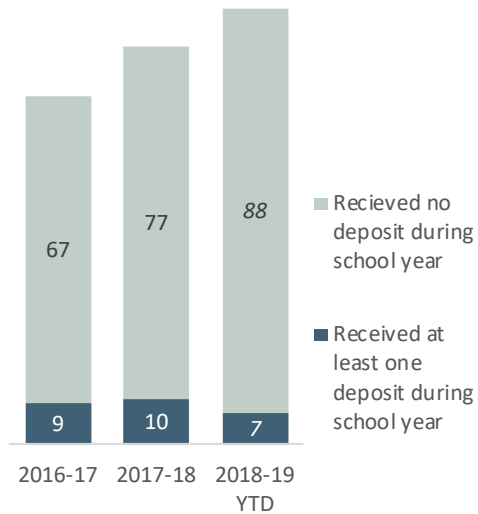
Discipline rates can vary based on school and district policies, and national data shows disparities in student discipline exist based on race, disability, and gender.

Sources: Tacoma Public Schools, 2019; BERK Consulting, 2019.



## Family account deposits

Goal: Families are making deposits into students' accounts with some regularity.



A total of 62 family deposits across 16 unique elementary students were recorded in last three school years. One family accounts for 30 of those deposits. The chart shows for each school year the number of students receiving any deposits compared those eligible for deposits but who did not receive any. Students who received deposits in multiple years show up for all years they received them.

The regularity of deposits is not measured due to the lack of data and no definition of regularity. However, among the 16 unique students who received any deposits, half have received only one deposit and half have received multiple.

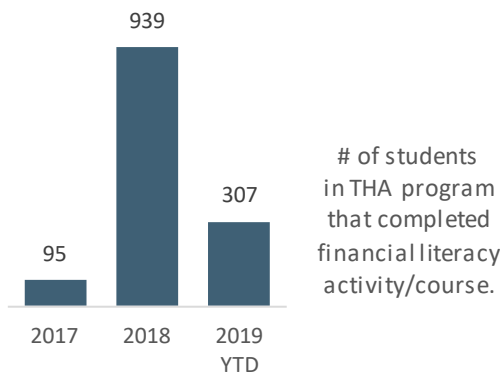
Sources: Tacoma Housing Authority, 2019; BERK Consulting, 2019.

Note: The school year was generalized as September 1 through August 31 of the next calendar year; the 2018-19 school year figure is year-to-date, and the final number may increase.

## Student and family financial literacy program participation

Goal: Families are taking advantage of opportunities to participate in a financial literacy program

Goal: Students participate in a financial literacy program at least once every school year (elementary & secondary).



The CSA program began conducting financial literacy in the 2016-2017 school year. Financial literacy programming takes place in the school and is available for all students. The data shown reflects all students, and disaggregation by CSA participation is not possible at the time of this report. 2018-19 enrollment at Lister Elementary was 486 students and 791 at First Creek for a total of 1,277 possible participants (74% participation).

Family participation is not consistently tracked at this time except for those also participating in FSS.

Sources: Tacoma Housing Authority, 2019; BERK Consulting, 2019.

### *Currently unmeasured program goals*

Not all program expected outcomes listed in Exhibit 1 are currently measured, which are noted below. Additional details about data reporting and program manual goals are shown in Exhibit 5 for students and Exhibit 6 for families. Some of the indicators are less readily available because of limited access to academic and banking information. Some limitations are due to current THA data and reporting that is based on aggregations that limit longitudinal assessments of program effectiveness.

|   |   |
|---|---|
| <b><i>Student scholarship incentive milestones</i></b><br><br>Goal: Students make progress toward meeting Scholar Incentive Program Milestones (secondary)                    | Current incentives include: GPA, attendance, academic preparation, extracurricular activities, financial literacy, exploring careers, discipline, and engagement in summer CSA opportunities.<br><br>Some limitations to tracking and measuring progress towards milestones are due to challenges in accessing academic data and data limitations to confirm individual students' progress over time. Tracking individual student scholarship over time will help measure possible goal progress based on the length of time students were enrolled in the CSA. |
| <b><i>Family banking status</i></b><br><br>Goal: Unbanked, but bankable families get banked.  | Staff are not currently collecting. There is no definition of bankable. With a definition THA case managers could potentially gather this information for new enrollees and survey existing participants.   |
| <b><i>THA household community services participation</i></b><br><br>Goal: Eligible THA households engage with THA Community Services for the first time or at a higher level. | Staff are not currently collecting. There is no defined set of community services or definition of "levels" of participation. If defined, THA could use Salesforce to build and track this information. Participation data would need to be entered by staff and/or collected from partners service providers. THA may consider measuring this qualitatively.   |
| <b><i>Family enrollment in self-sufficiency program</i></b><br><br>Goal: Eligible heads of household enroll in the Family Self-Sufficiency Program                            | It is currently possible to run reports in Salesforce identifying heads of household associated with both programs for reporting. However, this has not been integrated into reporting available during this program evaluation.  |

# Evaluation Objectives and Approach

THA currently seeks a sustainable model for continuing the CSA program and operating at a scale that extends participation and benefits beyond the Salishan community. The evaluation objectives in 2019 are to explore the:

- **CSA Model.** Compare seed and scholarship model to the current seed, match, and incentive model in terms of participation outcomes and costs (including administrative burden)
- **CSA Integration.** Understand the feasibility (infrastructure and resources required, administrative model) of integrating the CSA with other programs including:
  - Guaranteed Education Tuition 529 Program (GET) administered by the Washington Student Achievement Council (WSAC)
  - Family Self-Sufficiency (FSS) Program administered by THA
- **Data and Reporting.** Establish streamlined data collection and reporting methods that can support measurement of short- and long-term program outcomes

This report addresses the above topics drawing from data and analysis four streams of work:

1. **Literature review.** BERK conducted a targeted review of research literature and best practice documentation using sources provided by THA and an online search for additional relevant resources.
2. **Data management and outcomes measurement.** BERK reviewed data products provided by THA against funder requirements and other reporting needs and interviewed data administrators at THA and other partners.
3. **Community consultations.** BERK surveyed and interviewed THA families. Sixty-seven families participated in the survey and 10 participated in an in-depth interview in-person or on the phone. Detailed survey results are in the appendix.
  - 20% of survey respondents were CSA participants.
  - Most who attended the in-person interviews were saving or prioritizing getting started on savings accounts for their kids.
  - The top identified race categories were (note respondents could select more than one to identify with):
    - 52% Black or African American
    - 30% Non-Hispanic White

## INFORMANT INTERVIEWS

- Alyssa Torres, KBTC
- Amanda Figueroa, University of Washington
- Amanda Kinder, Heritage Bank
- Amanda Scott-Thomas, Tacoma Public Schools
- Betsy Hagen, Washington Student Achievement Council
- Cindy Atwood, Heritage Bank
- Elvin Bucu, Foundation for Tacoma Students
- Luke Minor, Washington Student Achievement Council
- Nicole Meshesha, Family Self-Sufficiency
- Sharon Fletcher-Jackson, Family Self-Sufficiency
- Shaun Carson, Heritage Bank
- Stephanie Christy, Salishan Association
- Thu Ament, Tacoma Public Schools

- 16% Hispanic/Latino
- 13% American Indian/Alaska Native
- 11% Asian

The outreach for the community consultation relied on THA-wide events hoping to get a cross-sampling of eligible families. However, participation from CSA families was lower than expected. We also experienced lower than expected turnout at pre-scheduled focus group discussions. Based on this experience, we intend future outreach to target CSA families specifically, to rely on phone interviews instead of in-person discussions, and to further leverage the over 60 families who provided contact information in the survey indicating they would be willing to be interviewed.

4. **Informant interviews.** BERK interviewed current and potential future program partners. Thirteen individuals participated in an interview. Names and organizations are listed in the sidebar on the previous page.

We conclude with some preliminary recommendations on scale and sustainability. These recommendations will be further refined through reflection with the THA Board and Staff to be finalized in our 2019 evaluation report. Attached to this report is a data brief intended to support THA's report for College Spark and detailed survey results.

## CSA Model

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### SUMMARY FINDINGS

The CSA Model design should be based in available research and in a solid understanding of the local context of THA families' desires and behaviors. Overall, rigorous evidence is lacking and tends to be limited to context-specific cases because CSA programs are so varied. Based on our review, the only program elements with evidence of positive correlative outcomes are:

Opt-out model with overall *participation rates*

Initial seed deposit with increased *asset accumulation*

- No further evidence on the seed amount

Classroom bank field trips and a workshop for families with increased *families' usage of CSA*

Time limits and reminders with increased *engagement* (more so than incentives)

Available evidence on two features of the current THA model, a savings match and an incentive structure, has been inconclusive.

When asked about their preferences between the current match model, and a simpler scholarship model, families indicated their criteria to be:

Whichever model resulted in the highest total dollar amount from THA

Whichever model rewarded families for non-monetary behaviors (i.e., it is easier to go to a PTA meeting or write a personal statement than to find money to put away)

Overall, interviewed parents indicated they were already or would have already been shopping for a college savings account. The potential to draw down additional money was the key advantage of this

account over others available. In other words, the availability of THA CSA influenced the choice of *which* account, not *whether* to open an account.

### What motivates families to participate in THA support programs? What attracts them to the CSA program?

Children's interest in their own potential and educational goals. Parents reported their children were hopeful and encouraging their parents to help them prepare for college and initial career investments.

Parents' personal experience with higher education or the lack of. Families knew how expensive education was for them and lack of access to resources, and savings promotes urgency in saving and planning among their kids. Several parents interviewed were currently, or had recently, pursued their own education plans such as high school completion or nursing degrees.

Parents' own financial literacy (other THA program requirements) or professional backgrounds has them investigating savings and potentially interested in the CSA. A few parents interviewed indicated working for a credit union.

Visibility. Parents reported hearing about the program and then getting interested in saving for college after hearing about it in Salishan or handouts and promotion from their kid's school or a THA caseworker or staff member they are already involved with.

- A few parents mentioned staying current on what is happening at the FIC and learning about the CSA program that way.

### What are THA parent and family expectations around college-going? What are families doing to prepare for college? What more do they need?

Most families express desires for their children to pursue higher education. About 80% of survey respondents expected their children to attend 4-year colleges. Families were sure to mention that they wanted their children to pursue their personal goals and follow their passions and interests but felt that that was important to align that with professional certification of some sort. During interviews, 4-year college and advanced degrees were the most common answer. Technical school programs were also mentioned for some kids both for their lower costs and the more limited time needed to complete the program, and for families who were considering their children's learning disabilities.

Parents with very young children were less focused on what their child might be when they grow up and viewed them more directly in the context of their own education pathway. Parents with more creative and artistic children mentioned interest in understanding ways in which they could help set goals and nurture parallel professional interests.

Families talked about taking education initiative at home especially in STEM subjects beyond school requirements. Many of the families who engaged had self-motivated kids who were interested in learning on their own and were happy to engage in college prep and working towards their CSA incentives. Based on comments some families might like support for:

Mentorship for education and career choices for creative professions

Educational goal setting for children with learning disabilities, those who are differently abled or behind on milestones

Assistance and education on scholarships, Financial Aid options beyond what parents can save. Many parents were concerned about loans so they might want to better understand alternatives as well as ways to responsibly navigate loans.

### How do families think the current model could be improved?

Families mentioned ways that information and knowledge sharing could improve, administrative changes that would help the program better fit their needs and the needs of the broader THA community. Two of the concerns that came up most often centered around parents wanting their kids to receive all the THA funds that were available to them without relying on the family to be able to match or save at a prescribed pace. This was especially true of parents of siblings who had to split their individual investments among their kids. The second big concern was around accessibility and consistency, in sum they largely believe all THA clients should be able to enroll in the program. For example, some families found that some of their kids qualified while others did not or families needed to transport their kids to schools out of the current system to mesh with their work or childcare needs, among others.

Administrative suggestions included:

- More regular bank statements and online access to account activity and balances

- Access to the bankers and “local” customer service (versus automated or non-local) representatives.

  - Preferences for a bank they could otherwise comfortably bank at based on their perceptions, credit history, limits on fees and hours of operation.

- Measurable milestones for students to track and work towards as they move through school. Measures and incentives should be equitable and inclusive so that they are still accessible to students with different cultures, learning styles/abilities/objectives as well as differing lifestyles and home responsibilities.

Ways for children to directly participate in the saving and depositing process.

Some limitations of the focus groups centered around the amount of families reached and the diversity of the participants. For future focus groups more advanced notification and a consistent RSVP process would be helpful. We did not clearly hear from fathers, two-parent households, or double-income families in the focus groups which may or may not lead to a different set of questions and concerns. These families seemed eager and comfortable sharing but because it is a dialog around finances some families might benefit from both written and conversational engagement in the groups in case there are topics or questions, they may not be comfortable bringing up to the group or wish to keep that item dissociated from their identity. Moving forward it would help if there was something either written about saving or information about other allied programs so that families that do not currently qualify do not feel discouraged and continue to communicate with THA for future involvement or knowledge sharing with other parents. Some mothers at the focus groups also mentioned limited involvement with mothers’ groups, local groups like this (gendered and non-gendered alike) could be a helpful trusted resource in dispersing information about the CSA and how it could benefit their child.

### What is the relative effectiveness and impact of various CSA program design elements, such as incentives for attendance, behavior, and academic success, financial literacy

## classes, scholarships, and creating a culture of college-and-career focus among program participants?

To date, research on the relative effectiveness of CSA program design elements is limited. Many features are untested, and no study exists that directly compares the effectiveness of different design elements.

One of the roadblocks to collecting this evidence is that existing CSAs have different goals, and the effectiveness of a given design feature depends on a program's goals. For example, according to a 2018 Prosperity Now report (Markoff, Loya, & Santos, 2018), an initial deposit by a CSA program into a child's account has a strong positive correlation with the total balance of a child's account, but no correlation with family contributions to a child's account. Therefore, seed deposits are an effective design element if a program's goal is to maximize the dollar amount of a child's college savings, but ineffective if a program's goal is to maximize family contributions to a child's college savings.

Further, comparison between existing CSA programs is unviable because programs have different target populations, partners, and resources. As a result, many CSA programs rely on a trial-and-error approach to select the program features that are most effective for their own goals.

While trial-and-error is imprecise, this practice enables us to use the proportions of programs that use particular design elements as a proxy for the effectiveness of these elements. According to a 2019 Prosperity Now study of 61 CSA programs (Quezada, Markoff, & Copeland):

74% of programs provide an initial deposit.

64% of programs provide a savings match.

46% of programs provide benchmark incentives.

28% of programs provide prize-linked savings.

Given that over half of CSA programs include initial deposits and savings matches, we can conclude that these design programs are relatively effective for existing CSA programs.

While research is overall limited, there is some preliminary evidence that certain design features are more effective than others.

Evidence from San Francisco's Kindergarten to College program indicates that time limits (e.g., "Challenge" campaigns for families to contribute by a given date) and reminders to contribute can increase engagement more than incentives.

Additional evidence from San Francisco's Kindergarten to College program indicates that a classroom bank field trip combined with a family CSA workshop is positively correlated with families' usage of the city's CSA program, but other outreach activities are not.

Research also indicates that some design features are likely ineffective.

1. There is no evidence that attendance incentives in CSAs impact rates student absences. This is likely because student absences are often due to family challenges and other barriers that CSA programs cannot influence through incentives.
2. Findings from a 2013 meta-analysis of 201 studies of the effectiveness of financial literacy (not necessarily within the context of CSAs) show that financial literacy education impacts only 0.1% of variance in participants' financial behavior (Fernandes, Lynch, Jr., & Netemeyer, 2013). Despite this significant finding, the consensus in academic literature is that financial education is effective.



Overall, research is lacking. Not only is there a need for additional research, but there is also a need for an effective way for CSA programs to better compare findings and successes.

### What was parent feedback on specific CSA model elements? Did parents prefer seed, match and incentive versus seed and scholarship?

Parents preferred seed and scholarship as their kids were able to receive the full amount offered regardless of their ability to save to prompt the matching. They did hope that a scholarship model would be accompanied with great transparency and visibility into the account activity, and milestones or markers to help students stay motivated until graduation.

There were also comments that they hope the scholarship model would help them prepare in applying for other scholarships and funding.

### What work has been done in other CSA programs to address or evaluate the role of racial, cultural, or ethnic barriers and inequalities that can impact program effectiveness?

Programs are working to identify the specific needs of the communities they aim to reach, and to target outreach and design programs in a way that is culturally informed. Research and experience suggest incorporating the following tactics to overcome racial, cultural, and ethnic barriers to CSA effectiveness:

#### *Conduct outreach outside of traditional institutions.*

Staff at the SoarMA program in Massachusetts and at San Francisco's Kindergarten to College (K2C) program have found that some of their target groups, including immigrants and communities of color, often mistrust government institutions and the banking system. SoarMA responded by conducting educational programs at religious institutions and community organizations instead of at government buildings and schools. K2C responded by partnering with trusted community institutions that lend their credibility with target populations to the CSA program.

#### *Offer workshops outside standard work hours.*

Staff at the Inversant program in Massachusetts found that families of their target populations were largely unavailable to participate in CSA outreach and education programs during standard work hours. Inversant responded by offering workshops in the morning and evening.

#### *Consider the needs of participants with limited English proficiency or residents without documentation if a CSA program connects with a 529 plan.*

A participant with limited English proficiency, such as a recent immigrant, may struggle to understand the legal terms and conditions of opening a 529 account. Programs can provide multilingual assistance to support these participants. Additionally, programs can incorporate designs that allow a participant without a Social Security Number (SSN), such as an immigrant without documentation, to participate. For example, account custodianship by the CSA program sidesteps any legal requirements for account beneficiaries to have SSNs.

#### *Design a program to be universal (i.e., available to all students), automatic (i.e., opt-out instead of opt-in), and progressive (i.e., offers more subsidies for children with fewer assets or advantages).*

Universal, automatic, and progressive CSA design addresses several racial, cultural, and ethnic barriers.



A 2018 modeling study by Prosperity Now shows that a CSA program with a large initial deposit and a universal, progressive design could close the black/white wealth gap by 23% and the Latino/white wealth gap by 28% (Markoff, Loya, & Santos, 2018).

Children of color are more likely to have low institutional efficacy. Progressive designs may help overcome this barrier.

Automatic enrollment helps overcome language barriers to parents with limited English proficiency, such as recently arrived immigrants.

Opt-in programs favor parents with more education and financial assets. Automatic (opt-out) enrollment helps address this inequity. The Harold Alfond College Challenge is an example of a program that switched from opt-out to opt-in enrollment as a result of this finding.

### *Offer outreach in multiple languages.*

To reach populations with limited English proficiency, several programs offer workshops and materials in multiple languages. Nevada College Kick Start conducts outreach and provides materials in Spanish and English. K2C conducts outreach in three languages. Inversant hires local facilitators fluent in languages common to local populations, including Spanish and Khmer.

### *Offer in-person deposits.*

Prosperity Now has found that the ability to deposit funds in person at financial institution branches is especially important for low- and moderate-income communities of color.

## CSA Integration

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### SUMMARY FINDINGS

We explored two potential paths for CSA integration:

Integration with the THA Family Self-Sufficiency (FSS) Program

Integration with Washington Student Achievement Council (WSAC) Guaranteed Education Tuition (GET) program

### FSS Program

The feasibility of Family Self-Sufficiency (FSS) integration was assessed through interviews, review of program documentation, and a review of data on the target populations. This partnership is highly feasible in one direction (bringing many FSS families onto CSA). However, the existing program would need to be maintained to remain accessible to families not eligible, not willing to engage, or having exited FSS.

There are many factors in favor of integrating the CSA with FSS. The average FSS participant is a woman with two school age children who could benefit from the CSA program. An early analysis demonstrated that FSS families who were also on the CSA program were the most active depositors. The current FSS pay point structure could easily accommodate a set of pay points related to college savings and preparation.

Integration of the CSA with the FSS would give participating families access to other FSS resources such as financial coaching on-site at Salishan. These coaches can work with families' individual situations and importantly for the CSA, locate college savings in the context of their other goals. The prospect of integration is attractive to both CSA and FSS administrators because of the potential for a dual-generation approach where parents and children can support each other. This is further supported by the fact that several of the parents interviewed about the CSA had recently or were currently pursuing their own higher education goals. FSS has the resources to help families consider all those things together, and to create a "path the family can walk together" rather than separating parent and children's needs.

FSS also has a separate HUD funding stream that recently celebrated 25 years and is likely more sustainable than the grant funds currently supporting the CSA program. Many of the limits of the program are HUD-defined, so while potentially more sustainable, the funding is also more restricted.

FSS is a higher barrier time-limited program available only to work-able heads of household. Families sign a five-year contract with high standards of participation. If the CSA administration and data sharing processes are sufficiently streamlined, simply adding CSA related pay points would require slightly more effort to support each family. FSS caseloads are currently at 60-65 per caseworker. THA would need to consider FSS and CSA resources together to re-design for an integrated reality.

## GET Program

The GET program allows purchasers to pre-pay for the cost of college in units equal to the cost of 1/100<sup>th</sup> of one year of resident, undergraduate tuition and state-mandated fees at Washington's most expensive public university (typically UW or WSU). The feasibility of WSAC GET integration was assessed through interviews and review of program documentation. The partnership is feasible but would likely require significant upfront investment in outreach and software development.

WSAC has a clearly aligned mission to "advance educational opportunities and attainment in Washington." They are enthusiastic about the opportunity to advance their mission through partnership with the THA CSA Program, including the support of the Executive Director. There are several other national examples of CSA programs using their state 529 as the account holder.

WSAC currently operates a master scholarship product for several philanthropic organizations that run their own scholarship programs using GET funds. This entails an omnibus account held by the organization that can either be linked to subaccounts for students (run like a savings program) or disbursed to students at a given date (run like a scholarship program). This existing infrastructure would be a good basis for a THA CSA account. They have a clear disbursement process already in place for students going on to postsecondary plans.

WSAC also has a dedicated team of six software developers available to customize the GET product to this specific use case. They would be able to import and export data at scale and customize the Master Scholarship program to track and link matches between the omnibus and subaccounts.

The larger WSAC organization also administers several other programs, such as the College Bound Scholarship, and has dedicated outreach resources for college planning. Partnership between the two organizations could potentially bring more of these resources to the THA community.

Most families interviewed had not heard of the GET Program, however the concept of pre-paid tuition is intuitive and attractive to families as they were well familiar with the narrative around rising costs of college. However, the calculation of the GET units and the nuances of fees charged for the units are less well-understood. This is further complicated by the temporary suspension of the GET program when the

cost of tuition unexpectedly dropped in 2015. The program may be seen as complicated and risky.

Some costs for the GET program administration are embedded in the price of GET units. Further, for the use of the Master Scholarship account, there is a \$100 set-up fee and a \$25 fee per student account. There are no management fees as in the DreamAhead program. While the program administration fees are not large and are likely offset by the growth of the units as compared to a retail savings account, the idea of paying those fees may be a psychological barrier to some families.

Families are not aware of WSAC and its role and mission are less easily understood than that of a bank or credit union, for example. A few families expressed a preference for banking with “local” people and the comfort of knowing your money is somewhere close with human interaction.

One of the biggest barriers to working together would be the inability for GET to accept cash deposits. Creating other ways to deposit money that are designed for THA families (via rent payment screens, direct deposit etc.) will be crucial. With appropriate tracking, there may be a way for THA to accept cash deposits on behalf of families and transfer funds via their omnibus account.

While not anticipated to be a direct barrier, WSAC is a cabinet-level state agency with statutory bounds on its activities. Partnership with THA is fully expected to be within those bounds, with a caution that this partnership has exposure to the legislative process.

### Are there other examples of local CSAs integrating with statewide 529 programs or FSS programs? Have these been successful and what are the lessons learned?

Just over half (52%) of CSA programs use 529 plans to hold CSA funds. The programs that incorporate with statewide 529 plans serve a larger number of participants than those that do not, so these programs include 84% of CSA participants (Quezada, Markoff, & Copeland, 2019). The following table shows some of the characteristics of four of the nation’s most prominent CSA programs that integrate with statewide 529 plans.

| Program name                   | Who administers the 529 plan?   | Who holds the 529 account? | Other entities involved in outreach and education | Who funds?  |
|--------------------------------|---|----------------------------|---|---|
| Promise Indiana                | CollegeChoice Direct 529 (Indiana’s state 529 plan, offered by Ascensus College Savings)                                  | Participant.               | Schools.  | Initial deposit: economic development, local gov’t, and community foundation interests. Subsequent matches: participant’s employer. |
| Rhode Island CollegeBound Baby | CollegeBound Saver and CollegeBound 529 (Rhode Island’s state 529 plans, offered by Ascensus College Savings and Invesco) | Participant.               | None.   | Donations and fees from Ascensus College Savings and Invesco Advisers.  |

| Program name             | Who administers the 529 plan?  | Who holds the 529 account?                               | Other entities involved in outreach and education | Who funds?  |
|--------------------------|--|--|---|---|
|                          | Advisers respectively).  |  |   |   |
| Nevada College KickStart | SSGA Upromise 529 Plan (Nevada's state 529 plan, offered by Ascensus College Savings). | Ascensus College Savings.                                | Schools.  | Grants, private sponsorships, and program management fees. No taxpayer dollars. |
| San Francisco K2C        | Citibank.  | City and County of San Francisco under its tax ID number | Volunteer school staff and community members.     | Initial seed: city of San Francisco. Subsequent matches: private philanthropy.  |

*There are several advantages to integrating a CSA with a statewide 529 plan.*

529 plans offer participants the opportunity to have their savings benefit from market growth, rather than stagnating in savings accounts.

A 529 plan's centralized platform makes CSA program administration more efficient.

Savings in 529 accounts are not included in federal SNAP calculations and are not included in some state public benefit calculations.

Omnibus 529 accounts allow larger, more profitable accounts (in terms of fees paid to providers as percentage of market profits) to subsidize smaller accounts

*There are also challenges to integrating a CSA program with a statewide 529 plan.*

Complex forms and agreements associated with opening a 529 plan can be challenging for participants, especially those with limited financial education or limited English proficiency.

The financial benefits to 529 plans are often in the form of tax deductions and exclusions, rather than refundable credits, which is less advantageous for lower-income families with less taxes.

Many 529 plans have high minimum deposits and required fees, limiting access to lower-income participants.

Some states don't allow cash deposits to 529 accounts, an option that can be especially important for people of color and people of different abilities, who are more likely to be unbanked.

Although 529 savings can grow with the market, they are also susceptible to market losses, which can be particularly tough for low-income families.

While the above list is significant, some programs have worked with 529 providers to mitigate disadvantages. For example, Promise Indiana lowered the minimum initial deposit in a 529 account from \$25 to \$10, and have partnered with local banks to enable CSA participants to make in-person deposits

into their 529 account at a bank. Additionally, VistaShare and Ascensus College Savings announced a joint project in 2015 that simplifies process of CSAs using an omnibus 529 account.

Fewer CSA programs integrate with Family Self Sufficiency programs than with state 529 plans. However, one example is the Amy S. Anthony CSA, hosted by Missouri-based Preservation of Affordable Housing (POAH). POAH opens a CSA for every child between the ages of 5 and 19 whose family participates in the FSS program and lives in POAH's Hawthorne Place housing. POAH offers financial coaches, workshops, incentives, and more to support these participants.

### How familiar are CSA target families with the GET 529 and other savings and planning programs; or the FSS program? What would it take to get them to enroll?

None of the THA families interviewed had heard of the GET 529 plan. One said it sounded familiar when provided with a program description.

Families who had shopped around for college savings plans had checked retail bank and credit union offerings.

Several families were familiar with FSS. FSS staff indicated a large majority of their clients would be eligible and interested. THA's own analysis shows that the most active CSA accounts come from those on FSS.

While unfamiliar with the specific program, parents found the concept of "pre-paid tuition" very attractive.

# Data Management and Reporting

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## SUMMARY FINDINGS

Our review of data management and reporting practices at THA included four key elements:

1. Best practices for data collection, management, and reporting
2. Current data collection tools, systems, and procedures
3. Types of data needed to issue incentive payments and comply with reporting requirements
4. Types of data needed to effectively evaluate program impacts

While there is limited research on the topic of CSA data management, it is best practice to maintain a robust system for tracking all client information in a single, integrated, and secure database environment. THA's own data management practices have evolved in the years since the program began. During the early stage of the program development, many of their data management practices were impromptu and scaled to the immediate needs of a small program. However, two years ago THA began developing a robust client data management system using the Salesforce platform. They have since been in the process of integrating as many aspects of the CSA program into this platform as possible. While they have made large strides towards data management modernization for the CSA program, legacy records and limited options for integrating information from partner data systems have resulted in the continuation of some manual and inefficient procedures for data management and reporting. These practices are neither sustainable nor scalable. They also increase risks of data entry error, insufficient documentation (particularly in the event of staffing changes), and accidental exposure of private information.

Fortunately, there are technical solutions to these challenges and THA has staff expertise and capacity to support implementation. Additionally, the TPS liaison appears willing to assist in providing more efficient and direct access to academic outcomes data. These changes could have a significant positive impact on THA's administrative efficiency. They can also enable other ways of collecting and managing academic outcome data to provide additional flexibility for future outcomes evaluation. Similar support from the financial institution partner would be necessary to streamline how THA manages account activity data, and how it provides access to account information for CSA participants.

**What are best practices for streamlined participant data collection, management, and analysis that promote/balance administrative efficiency, data reliability, participant privacy, and the ability of program administrators to effectively evaluate program impacts?**

A report on CSA information management developed by Prosperity Now identifies the key components that a robust CSA data management system should include. These components are summarized in Exhibit 4. It also reviews four online platforms that have been designed specifically for CSA account and data management. Each platform has benefits and limitations with regards to each of these data management components. Some of the platforms require the CSA to be associated with a particular financial institution or 529 program as a prerequisite to use.

#### Exhibit 4. CSA Data Management Components

| SYSTEM COMPONENT         | SELECT FEATURES OR CHARACTERISTICS   |
|--------------------------|--|
| Administrative Interface | The administrative interface helps track program needs and client data.  |
| User Interface           | The user interface allows the CSA participant to view account information and communicate with the program administrators/contacts.  |
| Account Management       | The student or guardian account is opened, closed, and maintained by program administrators. Accounts may have unique identifiers that help them be associated across programs or organizations. |
| Data Management          | The process/tools used to enter or import data.  |
| Reporting                | Displaying individual or aggregated data in customizable formats.  |

Sources: Prosperity Now, 2019 (adapted); BERK Consulting, 2019.

Program design is an opportunity to lay the groundwork for effective practices for data collection and analysis. CSA programs can incorporate into their design data sharing agreements with other parties that are involved in the program, including financial institutions, school districts, and data analysis contractors. Before launching, CSA programs can also work with supporting financial institutions to identify any special needs of the program.

At enrollment, CSA programs have a uniquely focused opportunity to collect data from participants and their parents. This is an opportune time to ask parents to give the program permission to share their children's data with third parties to allow the program to evaluate and research its effectiveness with the support of a third-party evaluator.

Throughout the program's lifetime, there are several practices that help a CSA program to maximize efficiency and reliability in data collection.

Program administrators should use unique identifiers for participants in each dataset to more easily link information among datasets. This can help overcome accuracy challenges that arise when CSA programs collect participant data from multiple sources.

In large programs, CSA programs may want to contract with a data management firm to outsource data collection and analysis. As the size of a program increases, so does the role of supporting technology for data collection and analysis.

Some third-party data that CSA programs need to collect may be confidential. Programs should proactively build relationships with participants and stakeholders to facilitate data collection and should plan to negotiate with third parties to determine ethical and secure ways to access necessary data.

#### What are THA's current data needs and data management practices?

Data collection and management is a core activity for a CSA program. These activities include, but are not limited to:

Tracking which students and families are enrolled in the CSA

Monitoring academic outcomes for individual CSA students to determine eligibility for incentive payments

Monitoring other participant outcomes associated with incentive payments

Tracking incentive payments made to CSA family accounts

Monitoring savings account activity

Monitoring program finances

Surveying participating and non-participating families

Collecting data about, analyzing, and reporting on program impacts associated with the CSA's  
Expected Outcomes

THA has several expected program outcomes that are not currently measured such as getting unbanked families banked, behavioral change towards savings, and family positive perceptions toward financial institutions. Measuring these would require additional effort as described in Exhibit 4.

The Tacoma Housing Authority uses Salesforce as its primary client management and reporting database platform. Salesforce is a flexible data management and reporting environment that can offer many of the key components described as best practices in Exhibit 4. THA uses Salesforce for much of its work as a housing authority, including tracking information about individual clients including personal information, housing ledgers and payments, case management notes, CSA participant data, dashboards, and reporting. Staff are experienced with the program and are continually working to integrate additional aspects of the CSA program into the platform to improve administrative efficiency and reporting capability.

THA's greatest challenges with regards to data management arise from integrating across partner data platforms. Limited access to student data records from TPS and savings account records from Heritage Bank has resulted in manual and inefficient practices that are not scalable nor sustainable. Additionally, inconsistencies in data management practices at TPS as well as the level of aggregation in TPS reporting undermines the ability of THA staff to effectively monitor and measure academic outcomes associated with program goals and incentives. The TPS liaison noted the school district maintains many external partnerships that support students and receive academic data. Existing data limitations to THA are likely the result of default account configuration for TPS external partners, not policy. The liaison stated a willingness to assist with providing improved access to CSA student academic data to overcome system inefficiencies.



### *Student academic outcomes performance measures*

THA envisions the CSA supporting the mission of helping “the children it houses succeed in school.” The financial benefits of the CSA alone are not enough to promote college access and success to participants of the program. Students must also be academically, socially, and emotionally prepared.

THA currently collects data to monitor if children enrolled in the CSA are succeeding academically using short and long-term performance measures (at right). THA is also interested in academic performance across comparison groups. These comparison groups include non-CSA participants, other THA served children, students receiving free and reduced meals, and children experiencing homelessness or housing insecurity.

THA has considered evaluating how effective these academic measures are for indicating student success and may update them if more meaningful data is found and available.

#### **Reporting Academic Performance to External Partners**

The Tacoma Housing Authority has entered into formal agreements with external partners that support the CSA. Current partners include Tacoma Public Schools and the College Spark foundation. Each partner has their own interests in academic achievement influencing what data is available to THA and what data THA is asked to provide.

#### ***Tacoma Public Schools***

The Tacoma Public School District 2015-2020 Strategic Plan sets academic excellence goals for all students, with the goal of at or above grade level achievement and the elimination of disparities among all groups.

The District’s academic benchmarks include, but are not limited to, the following:

The percentage of high school students graduated on time, dropped out or are continuing.

The percentage of high school students taking at least one rigorous course.

The percentage of students scoring at each level of the English/Language Arts (ELA) assessment.

The percentage of students scoring at each level of the math assessment.

The percentage of students earning a ‘C’ or better in Algebra or Geometry, and ELA.

## **ACADEMIC OUTCOMES**

### **Short-term academic measures**

- School attendance
- School discipline
- Number and percent of middle school student plans that are signed
- Number and percent of milestones met in the middle school plans

### **Long-term academic measures**

- School reading/math test results
- (5th & 10th grades)
- School grade point average
- School attendance
- School disciplines
- Rate of student meeting milestones during the middle school and high school stage
- Rates of high school graduation
- Rates of enrollment in Qualified Post-Secondary Education or Training Program
- Rates of graduation from Qualified Post-Secondary Education or Training Program

The percentage of students failing one or more courses.

The percentage of students participating in extracurricular activities.

The percentage of high school seniors accepted to college or other post-secondary education.

The percentage of students who have earned industry certifications.

### **College Spark**

The College Spark foundation provided [2018 Outcomes Acceleration](#) grant funding to the THA. College Spark has requested THA prepare a memo on academic outcomes that is responsive to the foundation's academic performance indicators. To the extent possible, these data are summarized in Appendix A of this report.



College Spark's academic outcome indicators include, but are not limited to, the following:

The percentage of low-income high school students who trigger Early Warning Indicators – attendance under 90%, course failure, and/or suspension/expulsion.

The percentage of low-income high school students who complete Algebra II with a grade of C or higher.

The rate of high school graduates who directly enroll in postsecondary education.

## Current academic data management practices

The Tacoma Housing Authority and Tacoma Public Schools have agreed to a memorandum of understanding (MoU) to exchange and release student information within standards set by the federal **Family Education Rights and Privacy Act (FERPA)**. Guardians of CSA participants have also signed waivers to allow for the release of student academic data to THA and third-party evaluators.

Under the agreement in practice, TPS produces an aggregated **academic scorecard** for CSA participants at the end of each academic semester (in January and June). The scorecard summarizes performance measures for CSA participants that include but are not limited to state assessment results, discipline, extracurricular activities. These scorecards provide a useful snapshot of academic performance by school level (elementary, middle and high school) but does not include individual academic records that could be used for more detailed analysis.

In addition to the scorecard, THA staff members have received FERPA exemption to receive access to individual student data through a **student information database**, eSchoolPlus, used by Tacoma Public Schools. The THA database account has restricted account settings, with only 'read-only' access to CSA participating students. An exception to the account read-only permissions is the ability to add and remove students from the CSA participant grouping.

The TPS student information database, eSchoolPlus, features multiple account types: administrator, teacher, and family. THA uses an administrator account that can view aggregated student information and individual student records of CSA participating children. THA uses eSchoolPlus to access courses taken, grades, attendance, assessment scores, extracurricular activities, and discipline (suspensions and expulsions). Additional database features are available from eSchoolPlus but are not currently used by THA. These include writing and saving data reports, notification messages when set conditions are met, configuring dashboards, and more. According to the TPS liaison, TPS is open to expanding the level of access to CSA student data by THA staff to enable more efficient data collection and analysis.

## Data needs for outcomes measurement and evaluation

Here we summarize current data collection and management related to each of the Expected Outcomes THA has defined for the CSA program. We also provide some preliminary recommendations for enhancing these practices in the future, if THA continues to want this data. However, THA should consider revisiting the list of outcomes once it answers broader questions about the CSA model and integration, and its areas of focus.

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### Limitations in TPS academic outcomes data

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Data on student academic outcomes and activities are tracked by TPS staff in a system called eSchoolPlus. Interviews revealed that there are often inconsistencies in how different TPS staff members use the platform, including differences between schools and teachers. These inconsistencies are particularly notable with regards to topics like extracurricular activities.

There is also evidence of ad hoc usage of existing fields in eSchoolPlus to track new data. For instance, to tag students who participate in the CSA, TPS notes this in an "activity code", which are typically used for tracking participation in sports or other extracurriculars. These codes are not linked to start and end dates, so TPS regularly deletes all activities as a way to keep the information up to date. This recently resulted in the loss of data about CSA students in eSchoolPlus.

THA should consider these issues and limitations as it develops its strategy for improving data management.

## Exhibit 5. Data Needs for Student Outcomes Performance Measurement

| GOAL  | CURRENT DATA COLLECTION PRACTICE   | PRELIMINARY RECOMMENDATIONS  |
|---|--|--|
| <b>Short-term Measures</b>  |  |  |
| Students participate in a financial literacy program at least once every school year (all)              | THA needs data about the date of each financial literacy program attended by individual CSA student. This information is currently collected manually by THA staff and input into Salesforce for analysis.   | The current collection protocol would be difficult to scale. Address how financial literacy fits into the broader program design before exploring new approaches to data collection.   |
| Students' account balances are growing.   | THA does not currently report on this outcome. However, it does collect data necessary to report on this outcome. THA receives monthly account statements from Heritage Bank which include deposit activity. THA staff manually input this information into Salesforce for tracking.   | A more efficient process for pulling data from the bank into Salesforce is essential for monitoring this performance measure in a sustainable and scalable manner.   |
| <b>Long-term Measures</b>   |  |  |
| Students make successful transitions to high school   | THA has not defined a way to measure this outcome. THA has access to individual student records through eSchoolPlus, and it would be possible to develop metrics using this data.  | Explore metrics that would provide meaningful information about high school transition. OSPI provides some ideas on monitoring <a href="#">Freshman success</a> .  |
| Students graduate from high school or equivalent  | To date, no CSA participants have been eligible to graduate. So, no data has been collected by THA.<br>TPS uses the following metrics to track graduation rates:<br><ul style="list-style-type: none"> <li>% of students graduating on time</li> <li>% of students graduating —extended time</li> <li>% of students dropping out</li> <li>% of students re-enrolled from drop out</li> </ul> | We recommend THA reach out to TPS to ensure consistency with measurement of these outcomes, and to confirm whether special cases such as dropping out and later earning a GED are effectively tracked.   |
| Students enroll in a postsecondary program within one year of graduating from high school or equivalent | To date, no CSA participants have been eligible to graduate or ready to enroll in postsecondary. So, no data has been collected by THA.<br>TPS measures " <a href="#">Students with Acceptance to Next Institution</a> ".  | THA should reach out to TPS to ensure they measure this outcome in a consistent manner.<br><br>It may be that THA has access to more reliable information about postsecondary activity than TPS based on withdrawal of CSA funds to pay for postsecondary education. |

| GOAL  | CURRENT DATA COLLECTION PRACTICE  | PRELIMINARY RECOMMENDATIONS   |
|---|---|---|
| Students earn a postsecondary degree or credential  | To date, no CSA participants have been eligible to graduate or ready to enroll in postsecondary. So, no data has been collected by THA. | Reach out to TPS to determine if they district collects this information about TPS graduates. Otherwise THA may need to collect this information via surveys of program participants. |
| Students are employed or continuing their education within one year of earning a postsecondary degree | Not yet relevant to CSA participant population.   | This information will likely only be available via regular surveys of past program participants.  |
| Students are achieving economic self-sufficiency  | Not yet relevant to CSA participant population.   | This information will likely only be available via regular surveys of past program participants.  |

#### Exhibit 6. Data Needs for Family Outcomes Performance Measurement

| GOAL  | CURRENT DATA COLLECTION PRACTICE  | PRELIMINARY RECOMMENDATIONS  |
|---|---|--|
| <b>Short- and Long-term Measures</b>  |   |  |
| Families are making deposits into students' accounts with some regularity                     | THA receives account statements from Heritage Bank. This data is then manually input into Salesforce by THA staff for tracking and reporting. | <p>A more efficient process for pulling data from the bank into Salesforce is essential for monitoring this performance measure in a sustainable and scalable manner.</p> <p>Consider limitations in the ease of making deposits when interpreting this measure.</p> |
| Families are taking advantage of opportunities to participate in a financial literacy program | This information is currently collected manually by THA staff and input into Salesforce for analysis.   | The current collection protocol would be difficult to scale. Address how financial literacy fits into the broader program design before exploring new approaches to data collection.   |
| Unbanked, but bankable families get banked  | Not measured. Intake forms do not ask if families are banked or what institution they use.  | THA case managers could gather this information for new enrollees and survey existing participants whose banking status is not known.  |

| GOAL   | CURRENT DATA COLLECTION PRACTICE   | PRELIMINARY RECOMMENDATIONS  |
|--|--|--|
| Eligible THA households engage with THA Community Services for the first time or at a higher level | Additional information is needed from THA to determine current practices.                                  | THA could use connections to make referrals to community services. Individual student indicators could trigger eSchoolPlus notifications to identify students in need and alert case managers of families/students with potential needs. THA should consider how it integrates programs from a service delivery perspective and data management perspective. |
| Eligible heads of household enroll in the Family Self-Sufficiency Program                          | THA currently tracks in Salesforce enrollment in both CSA and FSS. But it does not report on this outcome. | It is currently possible to run reports in Salesforce identifying heads of household associated with both programs for reporting.  |

# Preliminary Recommendations

## OVERALL CSA PROGRAM REDESIGN

We recommend some underlying principles to the redesign of the CSA, regardless of whether the program is integrated with another.

Use the simplest known-to-be effective design (seed, outreach, community events and reminders). More complex features should be added and tested on top of this.

- Simplify and expand eligibility requirements. Eligibility requirements need to be (1) easily understood by families and partners and (2) defined by easily accessible data for the program administrator to confirm eligibility. An example could be “All families with at least one child under 12 on a THA program”
- In the absence of strong evidence preferring a match and incentive model, a scholarship would be administratively simpler. Families confirmed it would be equally attractive and partners and families felt it would be more equitable. The same children (those with learning disabilities, high family obligations) who struggle in school will struggle with the incentive scheme and lose out on money and opportunity.
- Loosen or remove financial literacy component. The current model for delivering financial literacy is administratively and logistically challenging for THA and school building partners without demonstrating impact or clear ties to CSA outcomes. We also heard feedback that the current curriculum is not age- or culturally- appropriate for the middle school population.
  - There are many other organizations and individuals who provide financial literacy, some more closely aligned with the target population. Available providers can vary by school building as does needs. Amanda-Scott Thomas offered support in identifying these.
  - Rather than insist on a given financial literacy curriculum or model, we recommend THA take a “supporting role” with buildings. This could mean introducing the CSA in any existing financial literacy programming or offering a “menu” of known financial literacy providers and the opportunity to co-design an approach that works with their teaching plans.

Recognize a CSA as one piece of a families’ overall financial strategy, not as a “silver bullet” in itself.

Parents recognize the importance of college savings but are also juggling current needs, the costs of their own education, and more immediate savings goals. Financial skill-building, coaching, and planning support that places colleges savings in context of these other goals is needed.

Seek deeper partnership with a financial institution partner. Prosperity Now/CFED’s Regional Approach to Children’s Savings Accounts notes that the “primary consideration is [sic] choosing a partner financial institution is that it already has, or is willing to develop, an account product that is user-friendly for low-income families and can be easily managed at scale.” The current Heritage Bank product does not meet these criteria. The report lists several essential account features not met by the current product used for the THA CSA accounts, such as no or very low fees, low minimum balance and low minimum deposit features, quarterly or monthly provision of periodic account



activity reports, and the ability to open large numbers of accounts at a time. Further,

- A few families mentioned preference for a credit union (non-profit) and local staff.
- THA staff mentioned people of color staffing the branch might encourage deposit activity.
- THA's relationship with Heritage Bank extends beyond the CSA program. At the regional level they expressed some interest in deeper partnership around community engagement, however the branch representative suggested more resources would be required to do so. The possibility of more scalable data management and low-income friendly accounts may require more investment.

Give families and children more power and control over their own progress. The Family Self-Sufficiency program, for example, asks families to bring their own proof of meeting milestones. While the CSA was designed to remove that barrier through data sharing on academic milestones without family involvement, it does make THA lose a potential touchpoint with families and makes it easier for families to disengage.

Create opportunities for families to support each other. This includes learning and sharing across families (family to family) and within families (parents and children). Interviewees encouraged any learning program components such as financial skill-building to be designed to be fun and multi-generational. For low-income parents, quality time with their children is just as precious and scarce as money.

Consider the right role and approach for TPS given their many community partnerships and limited capacity (especially after budget cuts).

- Connection through the Tacoma College Support Network (TCSN). The [TCSN](#) is a network of community stakeholders organized by the Foundation for Tacoma Students committed to increasing enrollment in a "right-fit" college, technical school, or post-secondary opportunity and boosting completion rates for TPS graduates, especially students of color and those impacted by poverty.
- Director of Community Partnerships at TPS (also co-chair of TCSN) would like to be more involved in coordinating partnerships

Work with other community efforts for a more holistic approach to financial education and college planning. THA can bring a lot to the table in a supporting role simply by facilitating access to families at the right time in their children's career.

Continue to invest in technology to significantly improve administrative efficiency and data management.

- Automating or streamlining workflows, such as incentive tracking or providing families with account statement, will free up significant amounts of time for THA staff to focus on other aspects of program operations. THA has developed their data management system around Salesforce and can continue to do so. Staff are knowledgeable and experienced within their own system, but inefficiencies are primarily caused due to a lack of integration with external partners and the inability for systems to easily exchange information.
- The goals should be to:

- Integrate as many aspects of the program as possible into a single, secure, database platform.
- Automate data import from external partner data systems such as the financial institution or eSchoolPlus, using data transfer protocols like APIs.
- Provide a dashboard display of standard reporting charts that update automatically with newest available data.
- Collect and store data needed for future program evaluation.
- Provide CSA participants with online access to manage account and see transaction history.
- Include controls to appropriate protect CSA participant privacy.

Consider integrating college savings in a typical participant's interactions with THA, school, or their other financial institutions.

- THA portion of the match comes in the form of a "rent discount" so the participant pays the same amount but accrues savings.
- THA online payment system has a pop-up or prompt to add a dollar amount to their savings account in the same transaction.
- Automatic transfer and/or direct deposit options.

## INTEGRATION RECOMMENDATIONS

Given the findings on potential integration, the following steps are recommended should THA choose to explore either or both paths further. The paths are not mutually exclusive, i.e., THA could both integrate with FSS and offer the GET as an account option. Offering GET also does not conflict with the current arrangement with Heritage Bank, i.e., THA could potentially offer both options to interested families. The main concern would be staff capacity to manage these intricacies without significant improvement in the technology.

### *FSS path*

FSS integration could mean automatic enrollment for FSS families with school-age children into the CSA program, but not vice-versa. FSS should be viewed as an on-ramp to CSA participation as 5-year limit in most cases would end before students pursue postsecondary plans.

The CSA program would need to remain open to families who are not eligible or interested in the FSS program and need to continue engaging with families who have exited the FSS program. THA may want to consider aligning or expanding FSS financial coach access to these families. THA may need to re-balance education specialist and caseworker resources given this new arrangement.

To explore some of the administrative details, we recommend engaging the Program Coordinating Committee and THA's FSS staff more broadly. THA should also interview POAH to understand how their FSS/CSA integrated program works.

### *WSAC GET path*

For further information gathering, THA should connect with other CSA programs using their state 529 as

the account holder as well as master account holders who currently work with WSAC.

THA residents are unfamiliar with both WSAC and the GET program. Working with the WSAC GET program would require heavy investment in outreach to ensure the product would work for residents. This also involves investment in software development. If interested in moving forward, the two organizations should plan a kick-off meeting to discuss cost sharing, data sharing, commitments to outreach, and more details about necessary infrastructure investments.

THA would need to discuss internally whether to offer one or either of the savings options to families (GET and Heritage Bank) and a grandfathering or transition plan for current CSA families.

## CSA OUTCOMES EVALUATION AND REPORTING

Focus the list of intended outcomes, or at least clearly delineate which are priority indicators and will be measured. Priorities may be shaped by which outcomes a CSA has the most influence over and which outcomes are shown to most impact low-income students' college access and success.

Collect academic outcomes data in a format that enables flexibility for future evaluation studies

- If THA wishes to conduct a robust and meaningful evaluation of academic outcomes, it needs to collect data in a format that will allow for more sophisticated data analysis. This includes developing a longitudinal (time-series) data model for storing academic outcomes data by individual student in a database environment that includes other student characteristics such as race, income, housing and family situation, disability, when they joined the CSA, etc. Having the data in this format will allow researchers to analyze how outcomes differ for different kinds of students and explore why those differences may occur.
- Investments in technology can enable the automated import of individual student data from eSchoolPlus to develop and grow this valuable dataset.
- Having data at the individual level will enable assessment of Early Warning Indicators such as those promoted by [College Spark](#).
- Automating collection of THA student data through eSchoolPlus reduces THA's reliance on TPS for accurate reporting.

Consider new performance measures that focus on student growth over grade performance

- iReady is designed to measure individual progress, students are assessed three times annually. Track iReady scores for three scores per year, measure how many students show growth over academic year.
- Aggregate metrics can focus on average growth by individual students, such as how many students achieved expected reading comprehension growth in a school year.
- Disciplinary outcomes measures, such as suspensions or expulsions, can present significant challenges for interpretation. They can be affected by school or district policies which may change over time, and national data shows inequitable patterns of student discipline based on race, class, and gender. The impact of teacher biases should also be considered.



# TACOMA HOUSING AUTHORITY

## Appendix A: Analytic brief on middle school academic trends related to attendance, reading & math outcomes and discipline (College Spark)

College Spark, as a funder of the Tacoma Housing Authority's Children's Saving Account (CSA) Program, has requested academic outcome measures for middle school students taking part in the program. There were 52 total CSA participants enrolled in middle school during the 2018-19 school year, and 29 8<sup>th</sup> grade students who completed the Smarter Balanced Assessment. A summary of data requested for 2019 with discussion notes about current availability and subject considerations is shown in Exhibit 7.

### Exhibit 7. Academic Outcome Data Requested by College Spark for 2019

| DATA REQUESTED  | INCLUDED? | DISCUSSION  |
|---|-----------|---|
| Attendance  | Yes       | Attendance data is currently available at a summarized level for all CSA students. Access to individual attendance data would enable alternative metrics, such as number of students who trigger an Early Warning Indicator.  |
| Grades  | No        | This data is currently not accessible, it is expected to be reported later. Grades may not be fully indicative of student success, and does not account for factors of instruction quality, course selection, or life events. Student growth over an academic year may also be considered – this is discussed more in the SBA scores row below.   |
| Disciplinary actions  | Yes       | <p>This data is currently available for 2017-2019 school year only at a summarized level for all CSA students. Access to individual disciplinary data would enable alternative metrics, such as number of students who trigger an Early Warning Indicator.</p> <p>Inequities in discipline actions have been found based on race, disability status, and gender.</p>  |
| SBA ELA scores 3 and above for Grade 8<br>and:<br>SBA Math scores 3 and above for Grade 8 | Yes       | <p>Comparison between years is difficult because the population of students tested will change each year.</p> <p>To complement the reported state assessment scores, iReady Diagnostic measures are recommended for future reports. iReady is an adaptive assessment taken three times per school year. It benchmarks student performance to then measure the amount of growth a student shows in a year.</p> |

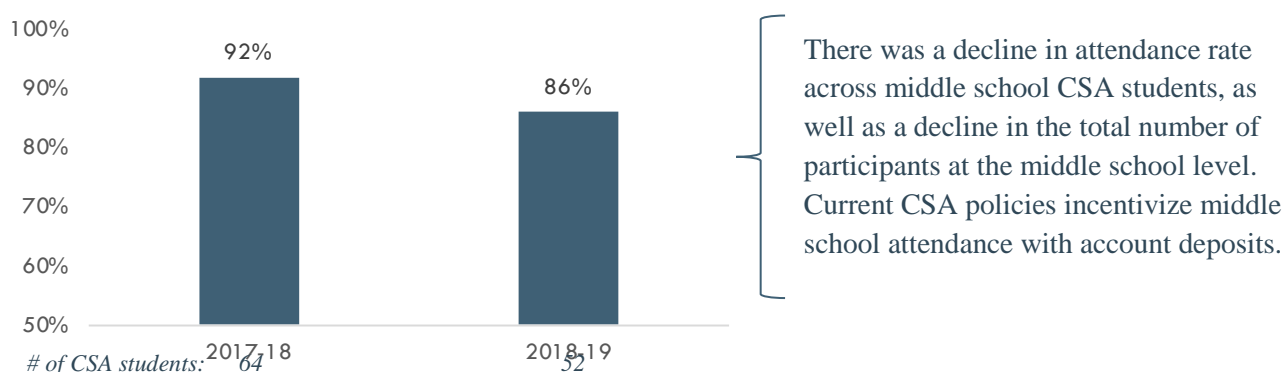
## ACADEMIC OUTCOME INDICATORS

Note: Race, gender, and disability breakdowns categories on the academic scorecard produced by TPS are largely not available due to data suppression.

### Attendance rates

Middle school attendance rates for CSA participants are shown in Exhibit 8. Under the current data sharing agreement with Tacoma Public Schools, only aggregate annual school level reporting is available. BERK is exploring options to obtain individual level data to enable alternative metrics, such as number of students who have five or more absences during a single school semester. A reporting tool is being considered to simplify reporting attendance data over time.

**Exhibit 8. Middle School Attendance Rates for CSA Participants**

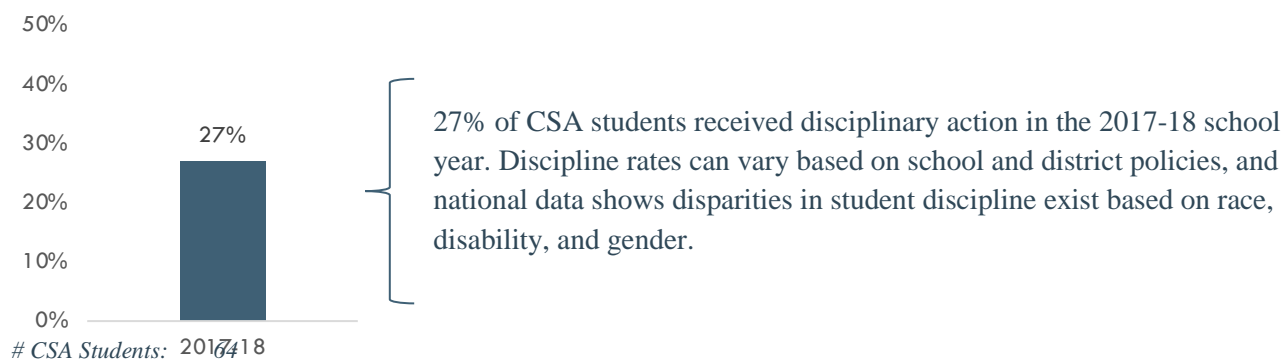


Sources: Tacoma Public Schools, 2019; BERK Consulting, 2019.

### Disciplinary actions

Middle school suspensions and expulsion rates for CSA participants are shown in Exhibit 9. Under the current data sharing agreement with Tacoma Public Schools, only aggregate annual school level reporting is available for the 2017-18 school year. BERK is exploring options to obtain individual level data to enable alternative metrics, such as number of students who trigger Early Warning Indicators.

**Exhibit 9. Percentage of Middle School that were Suspended/Expelled**

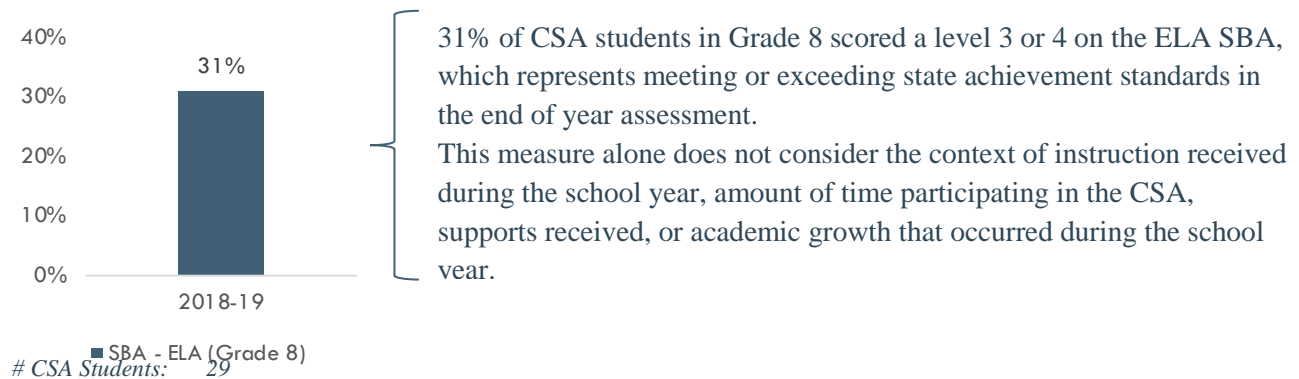


Sources: Tacoma Public Schools, 2019; BERK Consulting, 2019.

## English Language Arts assessment

English Language Arts (ELA) assessment data is shown in Exhibit 10. The SBA results show 31% of CSA students are meeting or exceeding the state standards.

**Exhibit 10. Grade 8 Smarter Balance Assessment, English Language Arts Scores of Level 3 and Above**

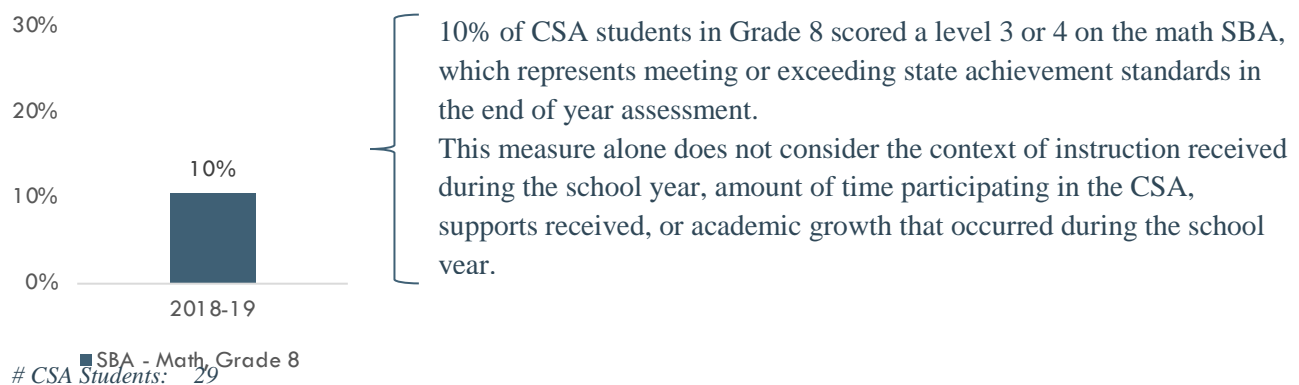


Sources: Tacoma Public Schools, 2019; BERK Consulting, 2019.

## Math assessment

Math assessment data is shown in Exhibit 11. The SBA results show 10% of CSA students are meeting or exceeding the state standards.

**Exhibit 11. Grade 8 Smarter Balance Assessment, Math Scores of Level 3 and Above**



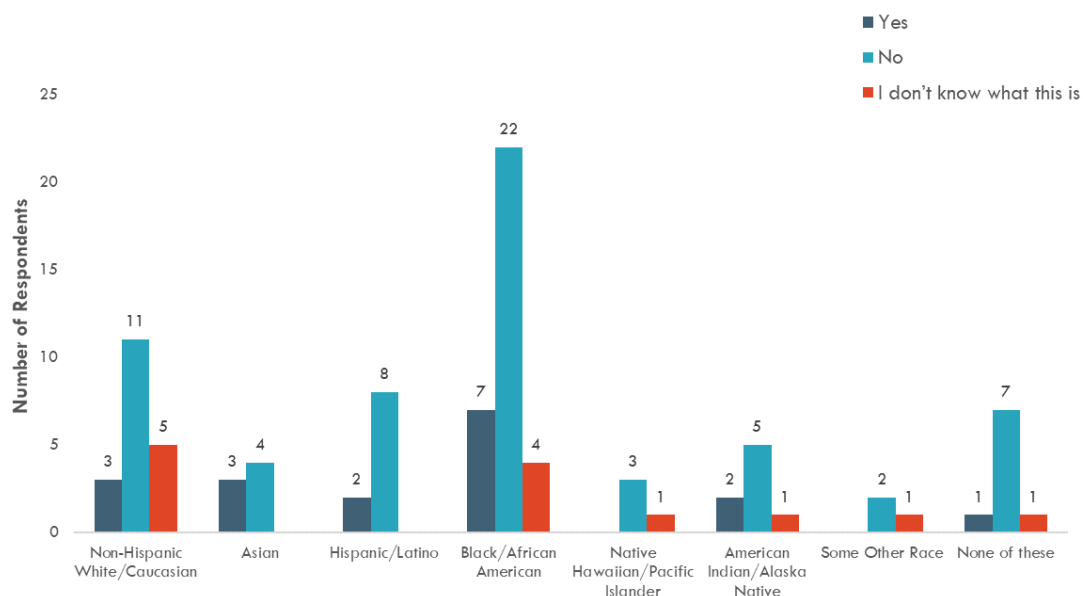
Sources: Tacoma Public Schools, 2019; BERK Consulting, 2019.

## Appendix B: Full survey results disaggregated by race/CSA participation

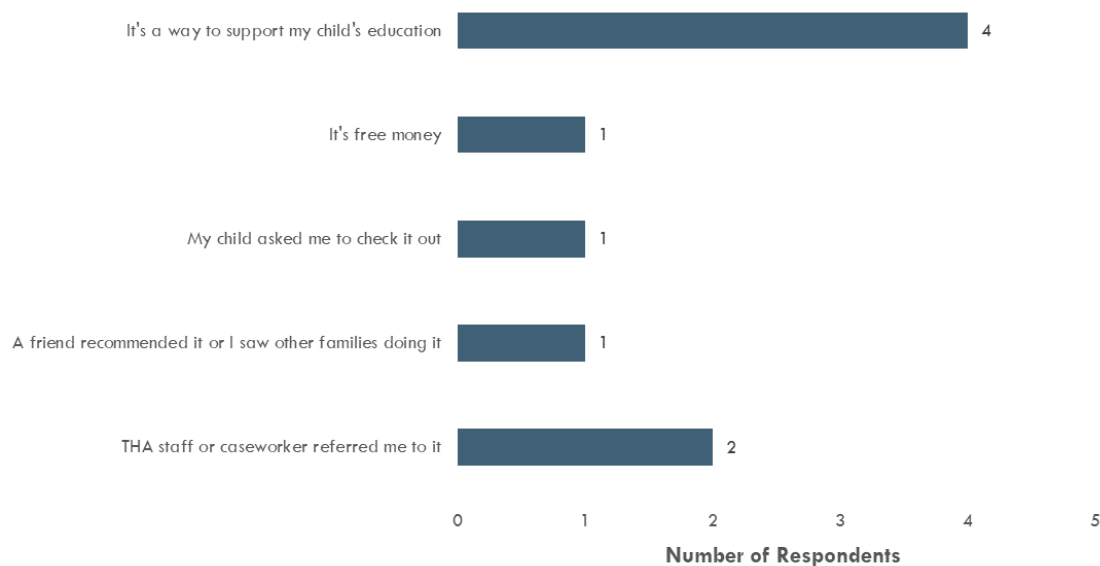
Note: Questions were added to the survey in two rounds. At the time of this survey, questions added in the second round only had a few respondents. The total number of respondents is noted in the header for each question.

**Q1: Do you currently participate in the Children's Savings Account program? (66 respondents)**

### By Race

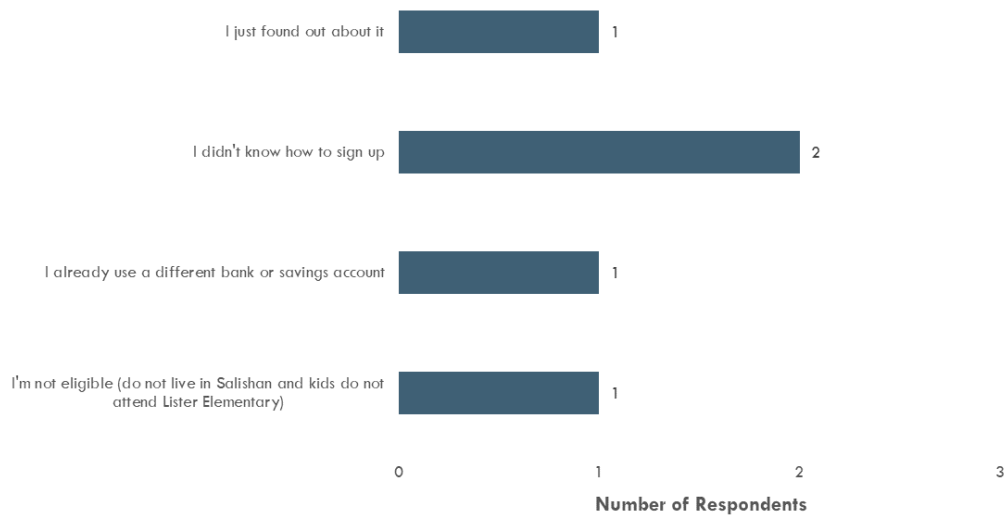


**Q2: Why do you participate? (4 respondents)**



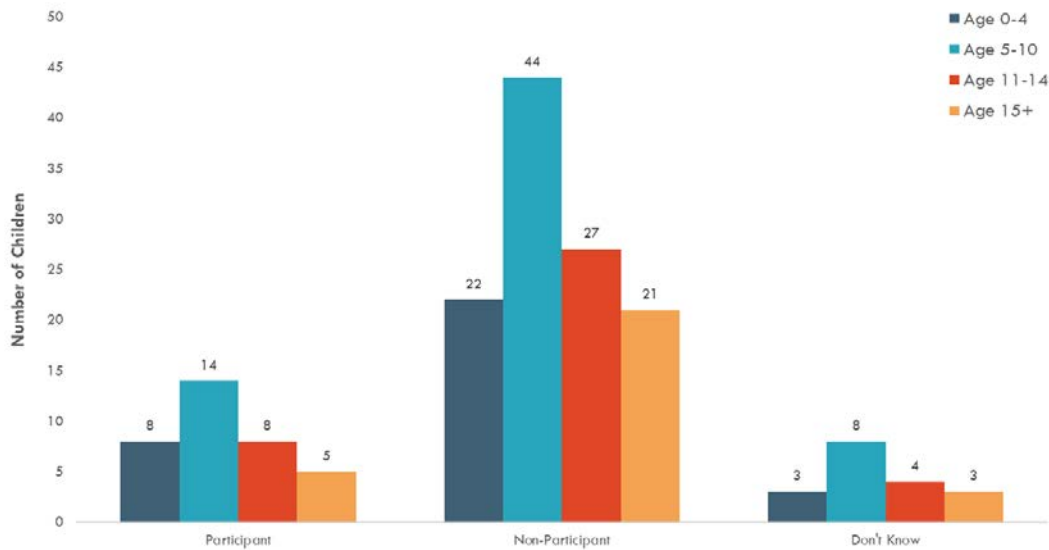


### Q3: Why do you not participate? (5 respondents)

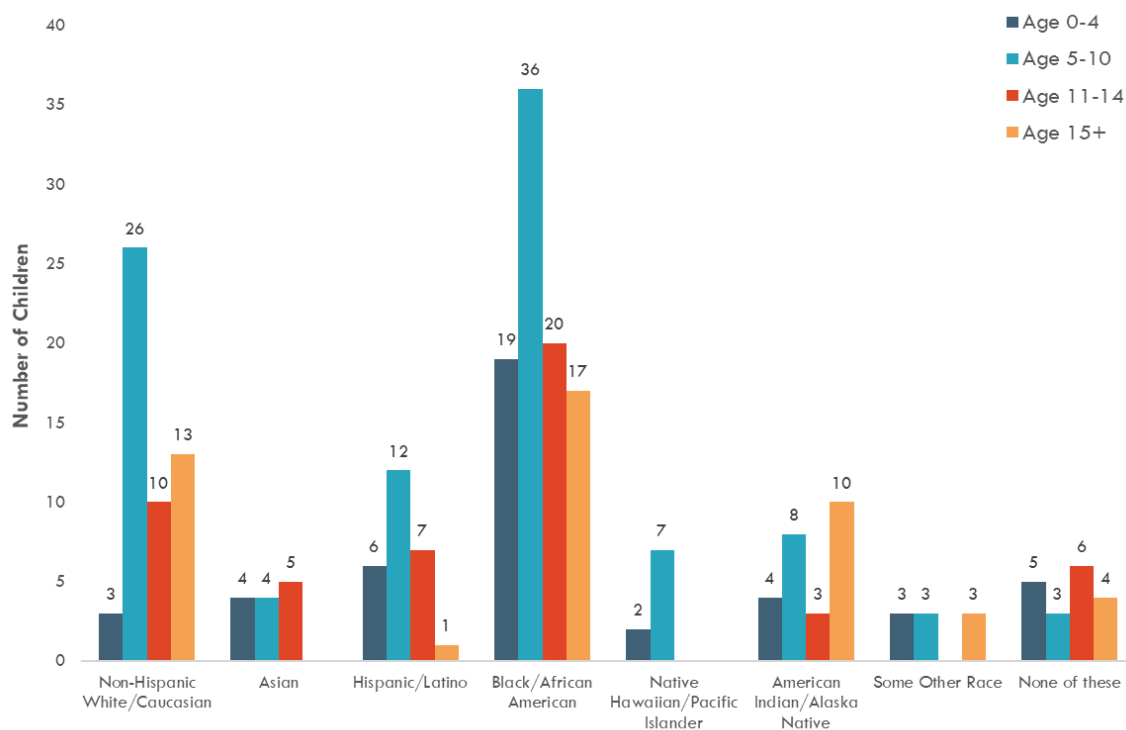


### Q4: How many children do you have in the following age ranges? (66 respondents)

#### By CSA Participation

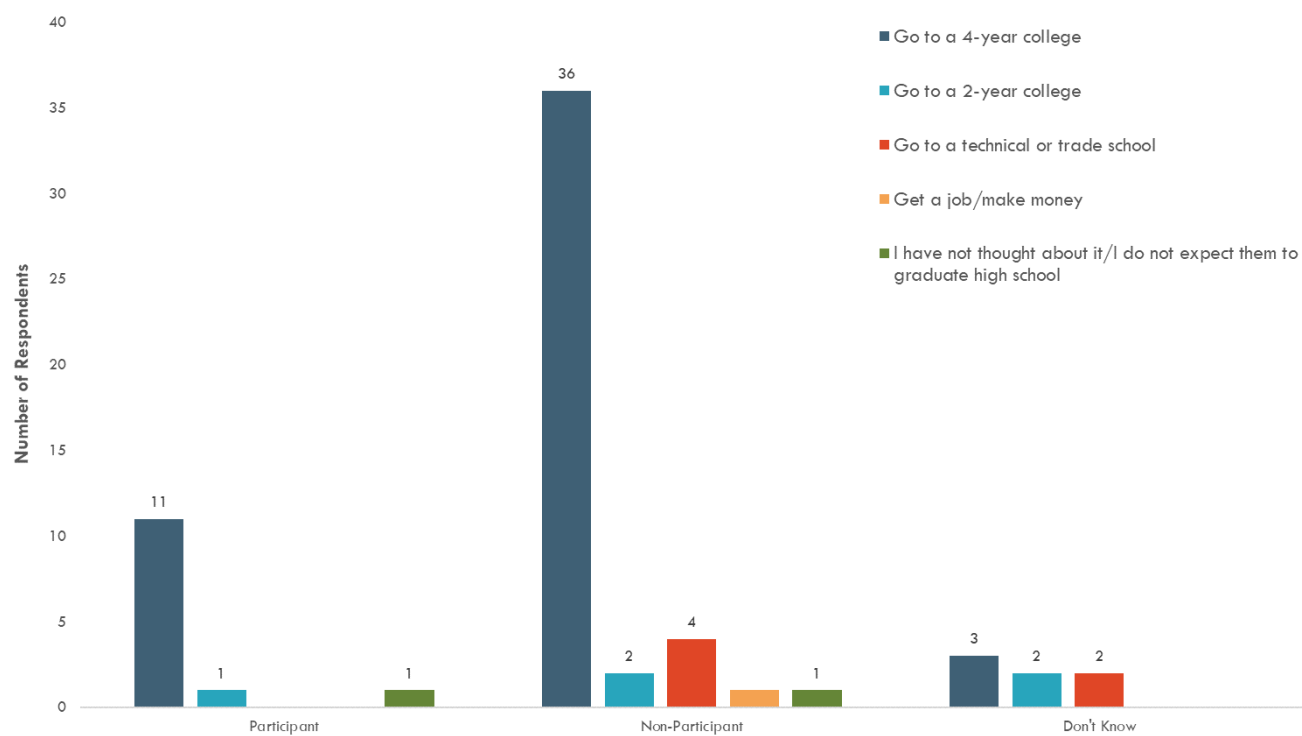


## By Race

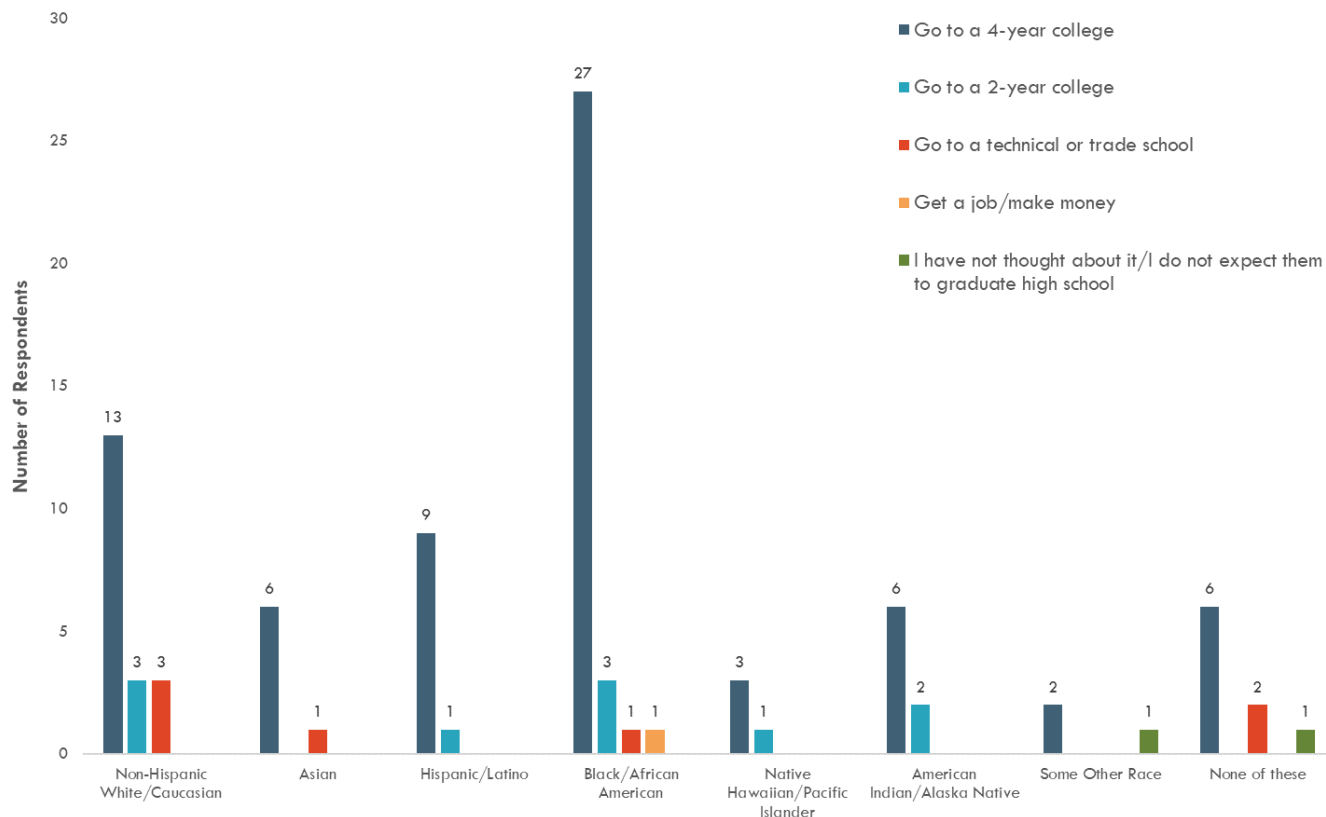


Q5: What do you expect your children to do after high school (check one)? (65 respondents)

## By CSA Participation



## By Race



*Q6: The Children's Savings Account is a way for THA to invest alongside parents in their children's educational plans. There are different ways THA can invest. Which of these do you prefer? (8 respondents)*

Students get a one-time amount from THA to open a savings account when they are young. The student and parents then save on their own until graduation.



THA students earn dollars for doing well in school and graduating high school. Dollar amounts earned might be different for every student.

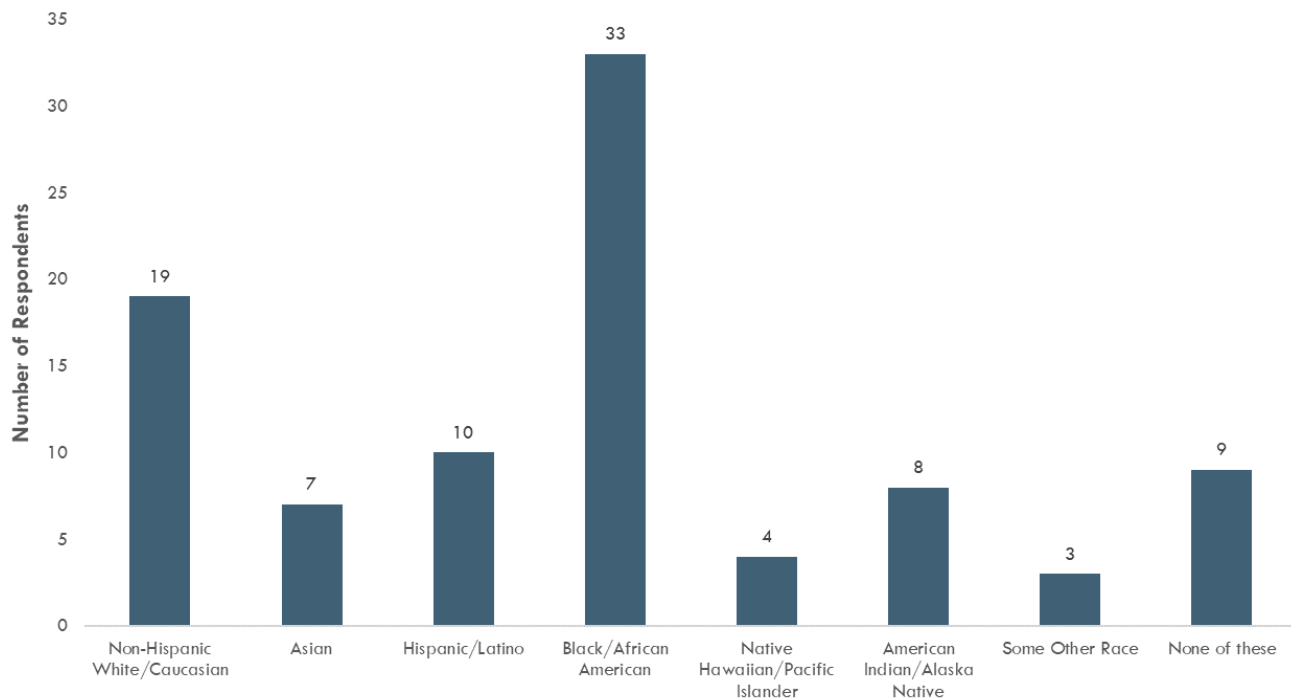


All THA students who graduate high school will receive a scholarship. The scholarship amount will be the same for all students.



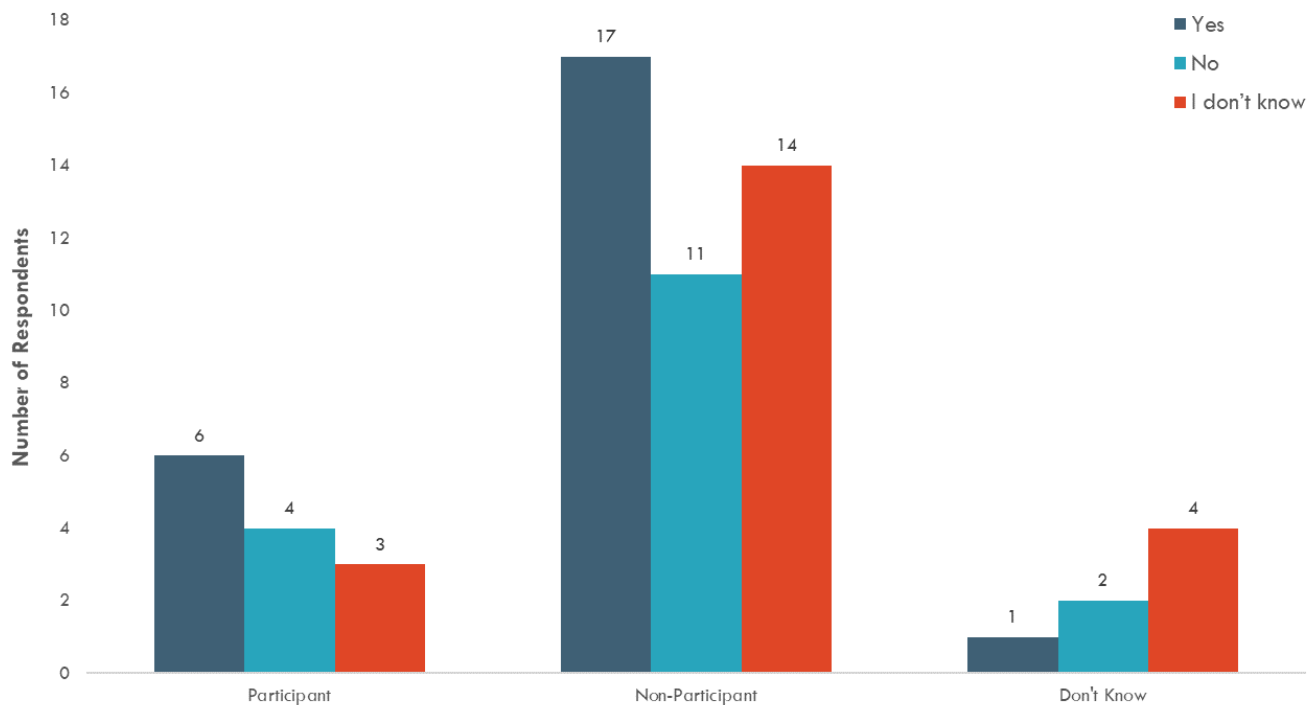
0 1 2 3 4 5  
Number of Respondents

Q7: Do you identify with any of these groups (check all that apply)? (63 respondents)

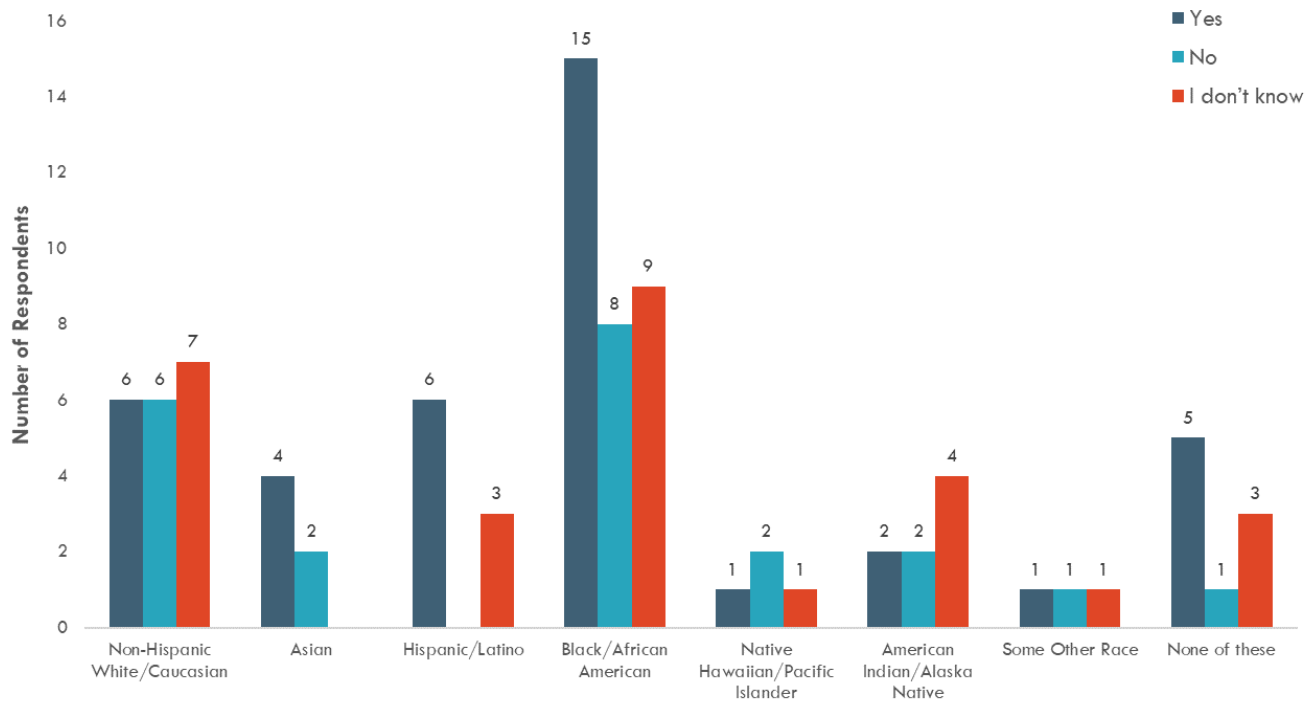


Q8: Do you have a THA case worker? (63 respondents)

#### By CSA Participation

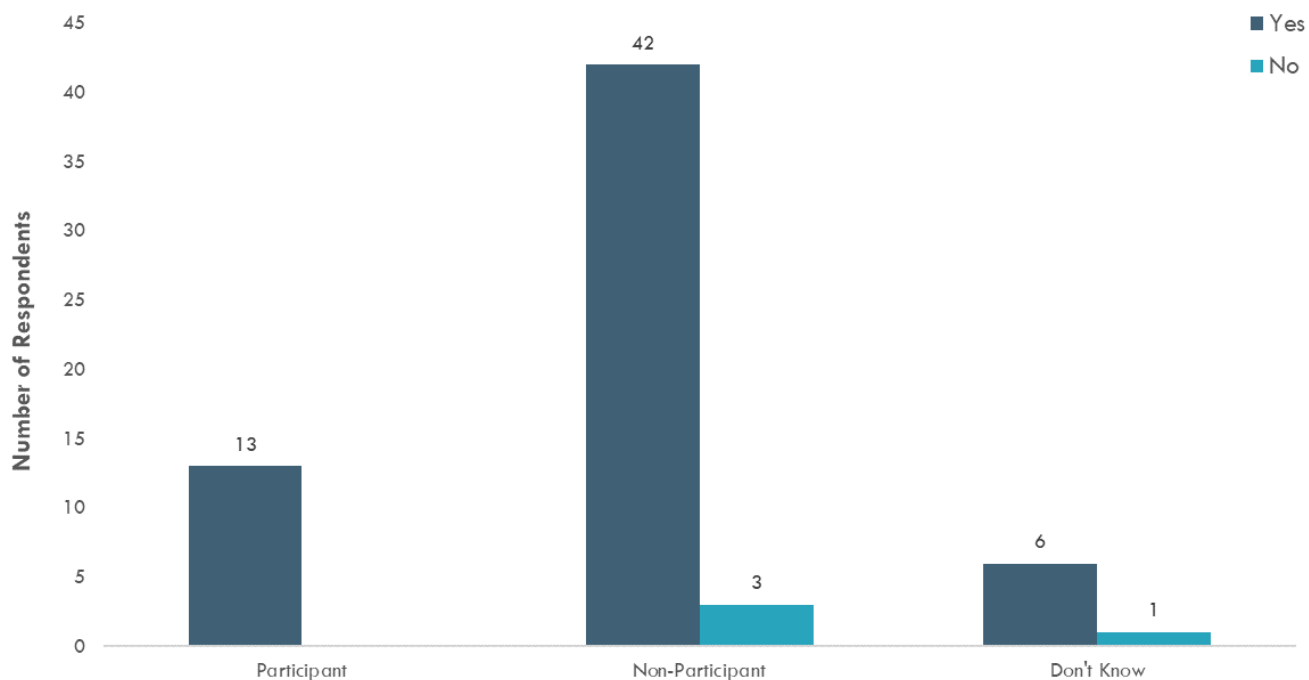


## By Race

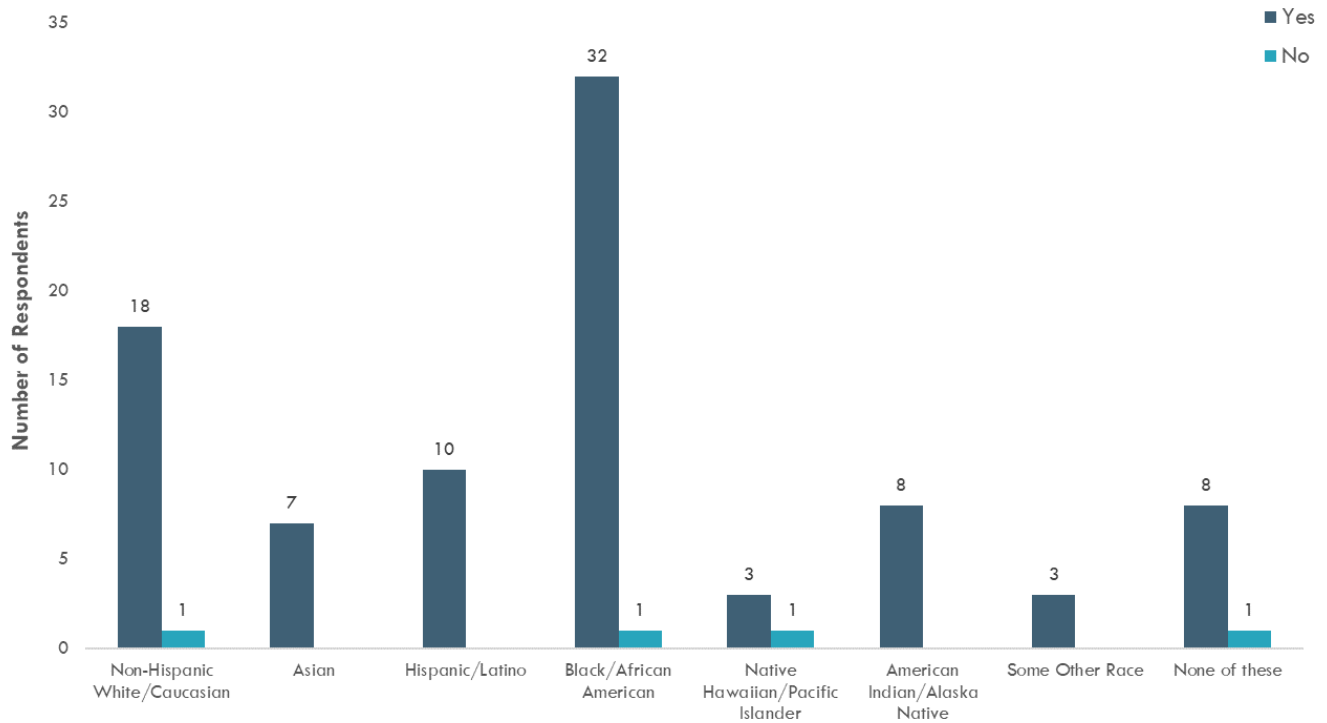


*Q9: Would you be willing to be interviewed about saving for college? Participation includes a \$30 Safeway gift card! (66 respondents)*

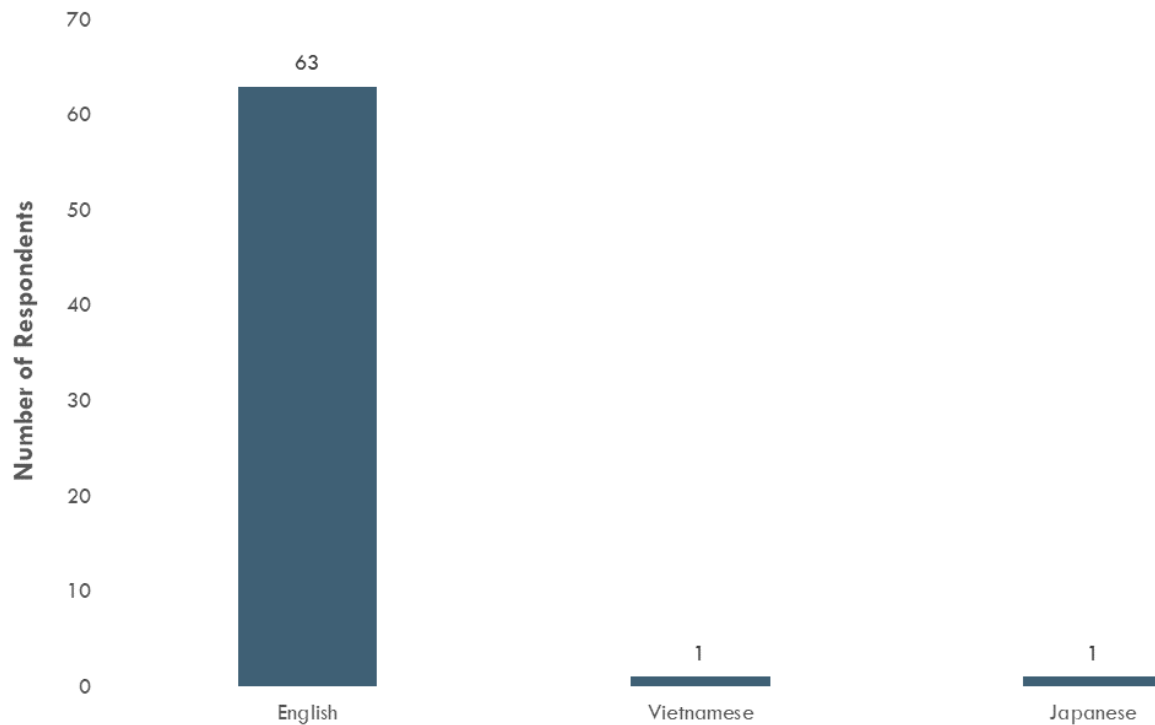
## By CSA Participation



## By Race

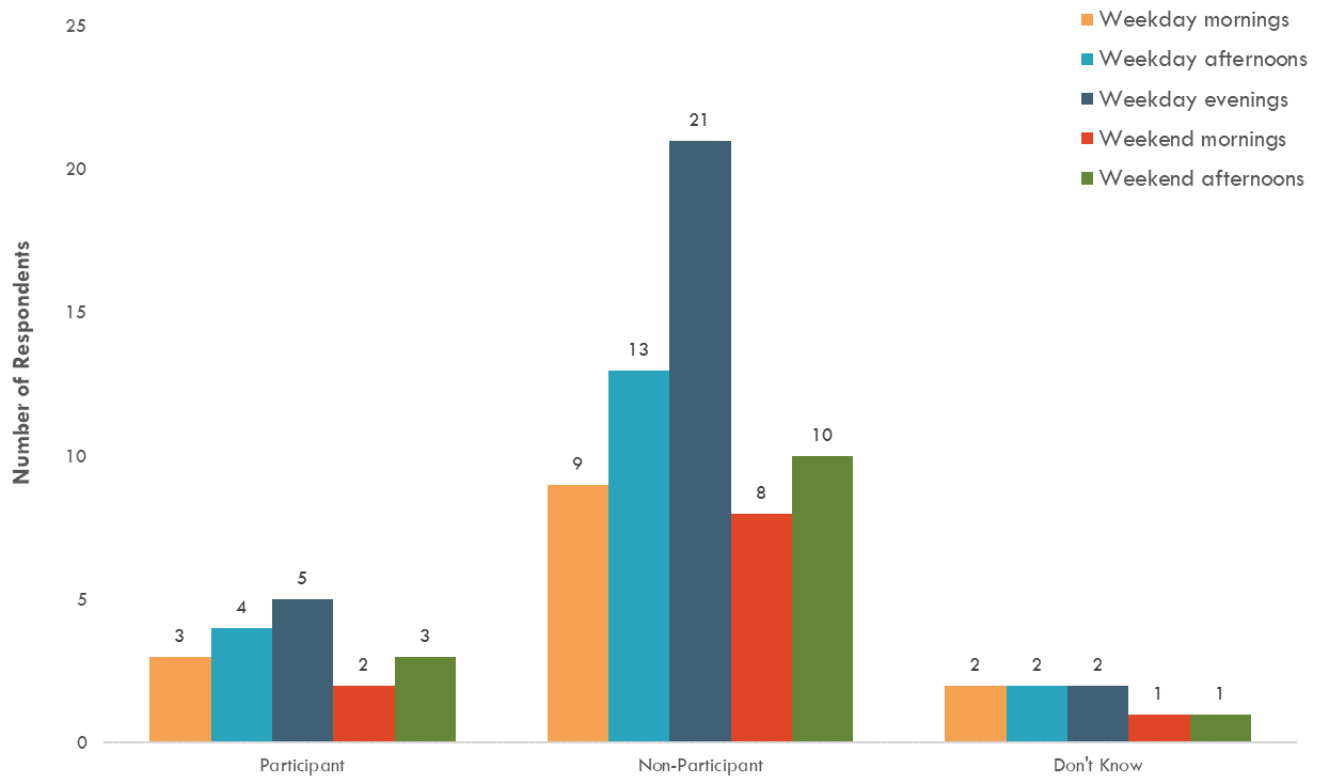


Q10: If yes, what languages are you able to participate in (check all that apply)? (65 respondents)

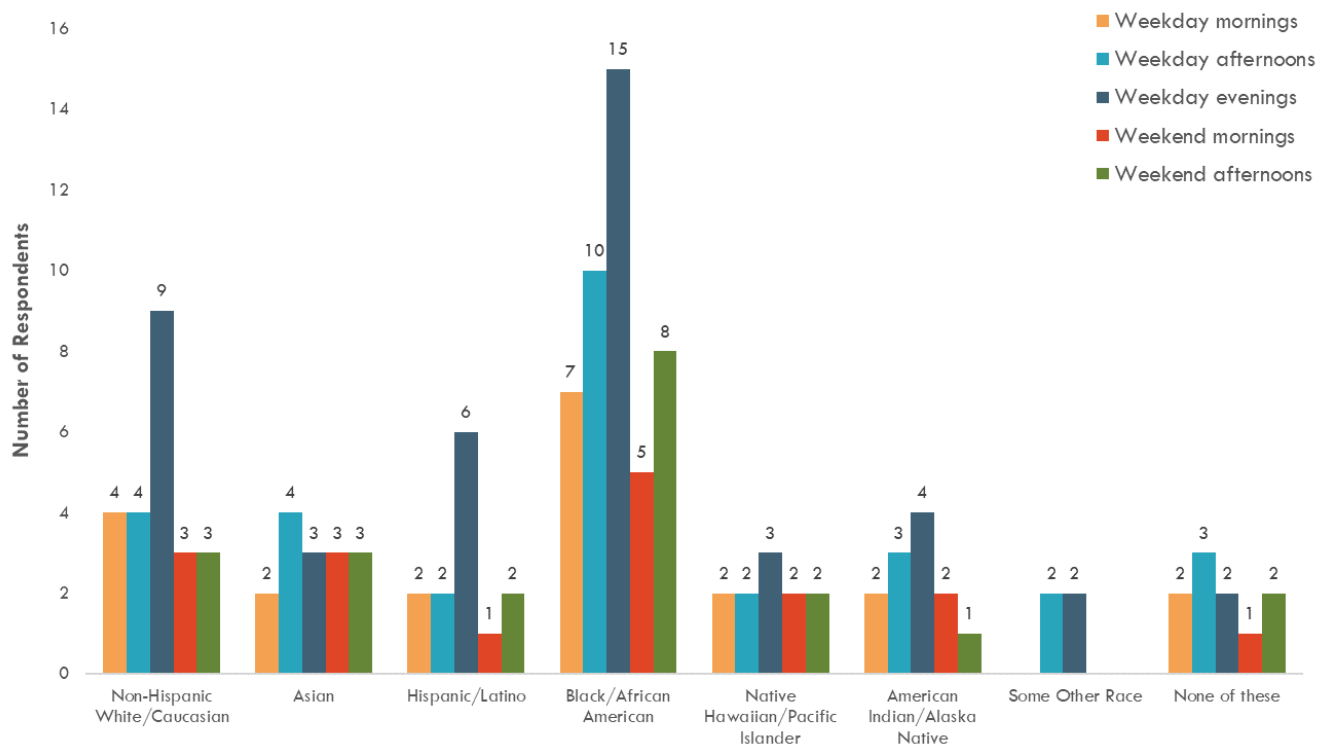


Q11: What times can you be available (check all that apply)? (64 respondents)

By CSA Participation



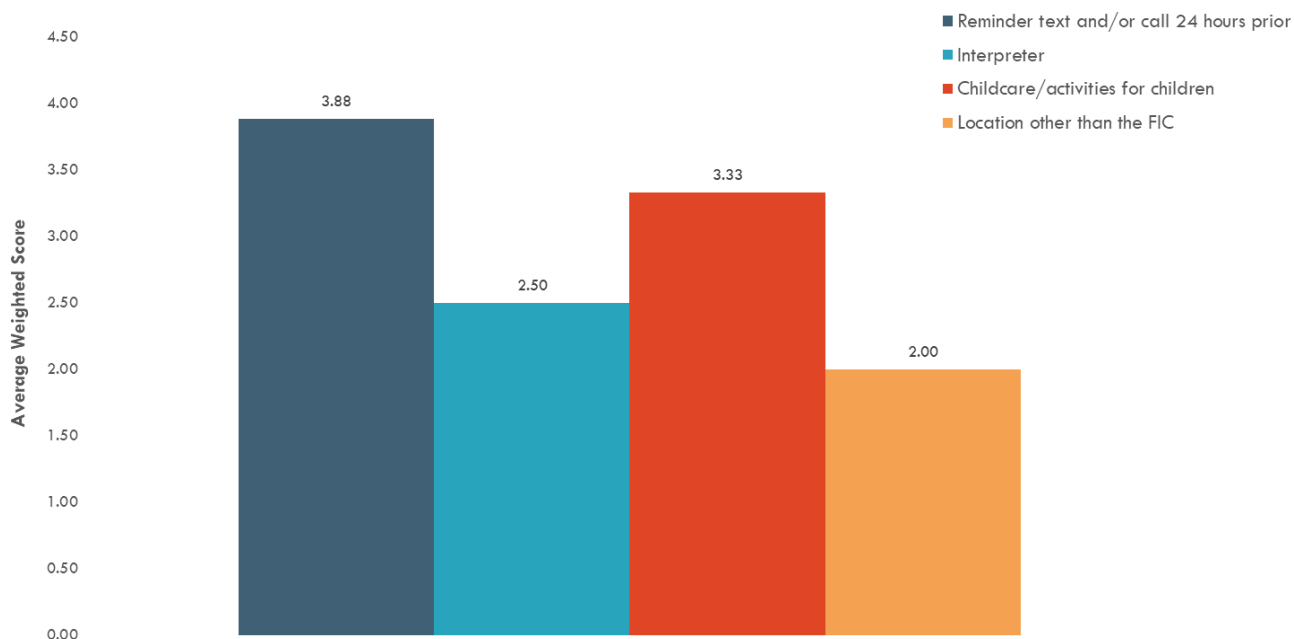
By Race



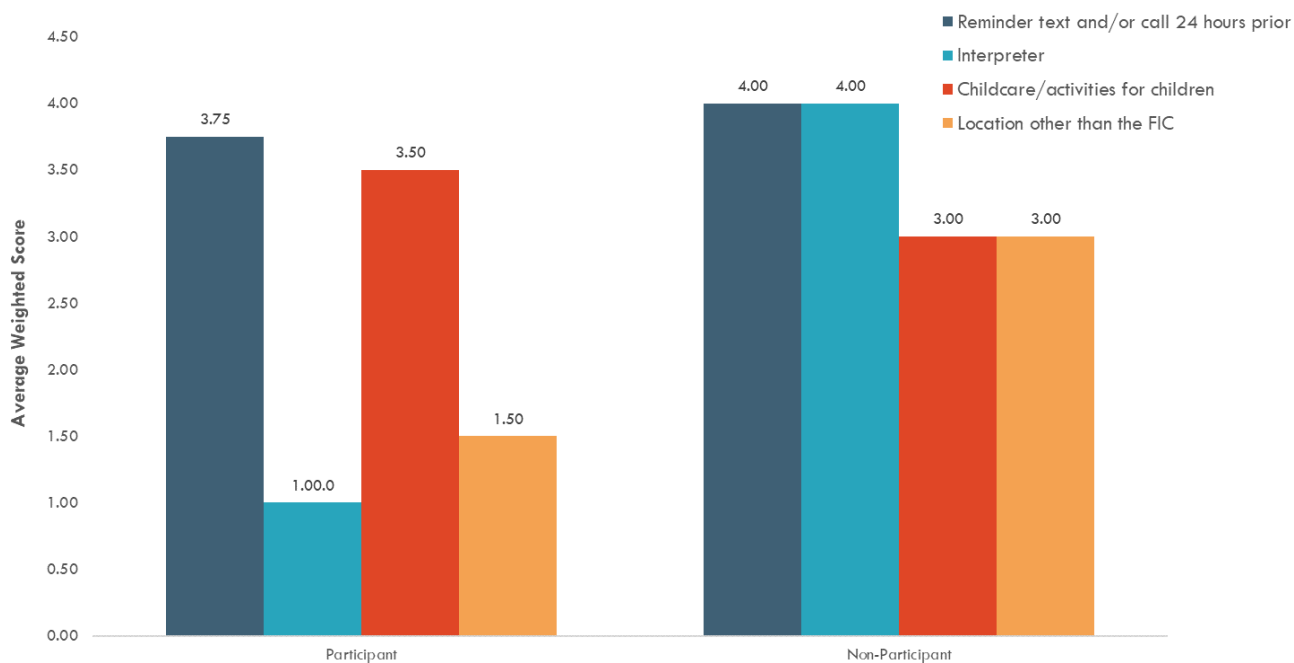


Q12: What would help you attend a focus group? (Please rank with 1-most helpful to 4-least helpful) (9 respondents)

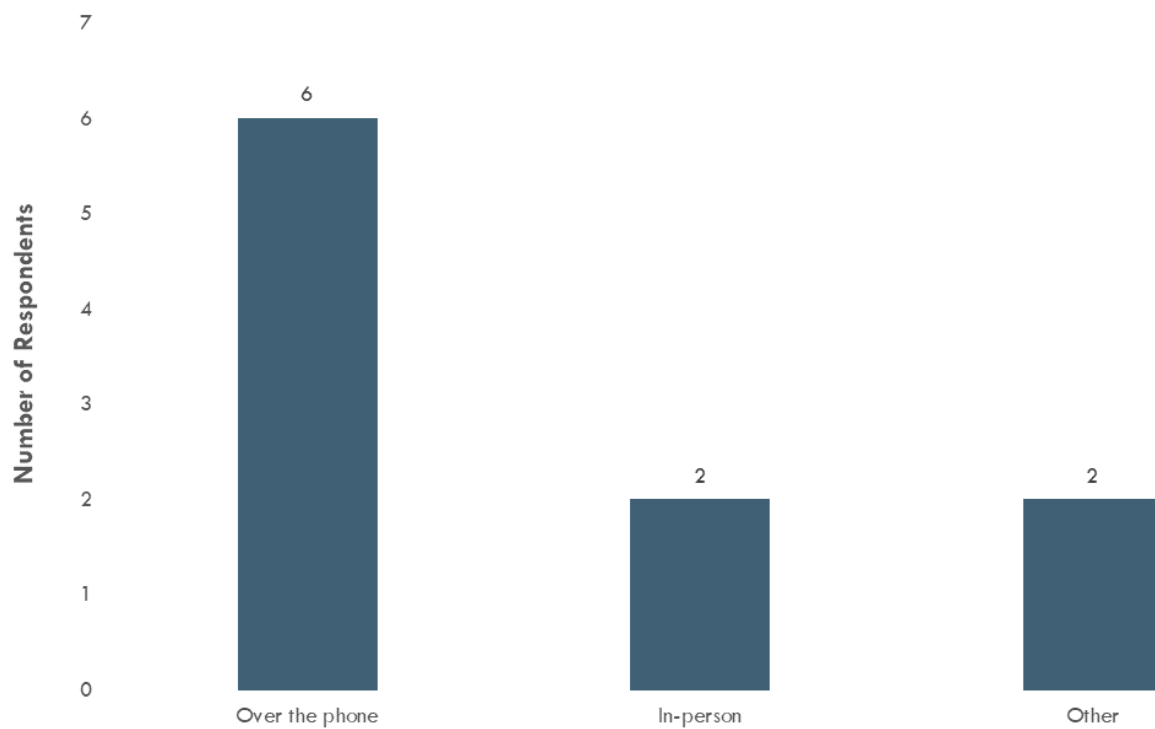
### Overall



### By CSA Participation



Q13: How do you prefer to be interviewed? (10 respondents)



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**TACOMA HOUSING AUTHORITY**

**CLIENT SUPPORT  
& EMPOWERMENT**



# TACOMA HOUSING AUTHORITY

**DATE:** September 25, 2019

**TO:** THA Board of Commissioners

**FROM:** Cacey Hanauer  
Client Support & Empowerment Director

**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**

August was, yet, another busy month for the Client Support and Empowerment (CSE) team. Given the recent increase in violence, and gang violence throughout the community, CSE has been working alongside Property Management and Rental Assistance to staff incidences, develop safety plans, and think through what THA's role is in mitigating and managing the violence throughout Tacoma and Pierce County.

Arlington Drive continues to be an area of focus for Cacey who is working with the Young Men's Christian Association (YMCA) and Community Youth Services (CYS) on program development and through the details of funding. Additionally, as THA builds more properties with focuses on higher-need populations, there is an ongoing effort to find, support and secure appropriate services and funding for services in these upcoming projects.

CSE Program Supervisor, Robert Lewis, welcomed Korrinna Jordan as CSE's newest General Services Caseworker. Korrinna comes to THA from Catholic Community Services Family Housing Network. She worked as part of the Coordinated Entry team that is responsible for engaging in creative conversations with people experiencing homelessness. She is an excellent communicator and experienced in Motivational Interviewing. She has quickly become acclimated to THA's culture and is a welcome addition to the CSE team. She will work primarily in Whole Family Services and General Services Programs, and will be serving families located in THA's West Portfolio.

### **3. CLIENT SUPPORT & EMPOWERMENT**

#### **3.1 LEADERSHIP UPDATE**

Last month CSE highlighted the work that the department does to support residents in their pathway to self-sufficiency. The path to exiting subsidy isn't always linear and each household's path is different. This month CSE continues to highlight the struggles of families who lack resources compared to their neighbors. So many of the barriers that our participants face are interwoven with each other. A resident's ability to get a job, maintain a job, and build assets can easily be side-tracked by car problems, child care challenges, and/or physical and mental health issues, to name a few. "A job alone is not enough. Medical insurance alone is not enough. Good housing alone is not enough. Reliable transportation, careful family budgeting, effective parenting, effective school are not enough when each is achieved in isolation from the rest. There is no single variable that can be altered to help working people move away the edge of poverty."<sup>1</sup>

Participants who meet with CSE often times have started the process of getting their GED, worked hard a job, and engaged in behavioral health activities and, they have yet to find the right combination of tricks to lift themselves out of poverty. Residents report that they weren't able to maintain childcare while they were in school, their child/or themselves were sick and missed too much work, or their car broke down and they couldn't afford the repair. The more times they aren't successful the likelihood increases that they won't try those same "fixes" again. For some residents they have never lived without assistance, their children are ill and having problems in school, and they are paying 25% interest on their car loan. CSE supports residents in untangling these barriers as much as possible. CSE staff also work to support residents to reduce the feeling of hopelessness residents might feel after several failed previous attempts to do the right thing. "For practically every family, then, the ingredients of poverty are part financial and part psychological, part personal, part societal, part past, and part present."<sup>2</sup> CSE staff support clients so they better understand, and continue to work through all of these intertwined barriers.

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<sup>1</sup> Shipler, David K, "The Working Poor: Invisible in America" pp11

<sup>2</sup> Shipler, David K, "The Working Poor: Invisible in America" pp 11

### **3.2 ASSET BUILDING**

#### **3.2.1 FAMILY SELF-SUFFICIENCY (FSS)**

In the Family Self-Sufficiency (FSS) program, a head of household agrees to work with CSE caseworkers for five years, to increase their earnings and assets, and to move their family toward full self-reliance. Over the course of the head of household's five-year contract of participation the head of household is particularly supported in identifying and pursuing their career pathways.

In August, seven residents signed new contracts of participation. New participants list improving their credit, obtaining teaching certificates, obtaining US citizenship, and an Occupational Therapy certificate as some of their goals. One new participant took full advantage of the opportunity for one-on-one financial counseling. During her first meeting with the Financial Empowerment Coach, Kenan Hadzic, she made a plan to aggressively tackle her overwhelming medical debt. With his support she was able to reduce her debt to MultiCare by \$700 and increase her credit score by 53 points in the first month of his support.

| Lease Program                | Total Participants |
|------------------------------|--------------------|
| HOP Vouchers                 | 1                  |
| Tax Credit Public Housing    | 1                  |
| Tax Credit RAD               | 2                  |
| Tax Credit Section 8         | 1                  |
| Tax Credit Unsubsidized      | 1                  |
| Traditional HCV Vouchers MTW | 1                  |
| <b>Grand Total</b>           | <b>7</b>           |

#### **FSS GRADUATE HIGHLIGHT**

In August, FSS celebrated the graduation of one Housing Opportunity Program (HOP) participant. The client was skeptical of the FSS program initially because her general distrust of "systems" (social services, judicial, familial) that have negatively impacted her life in the past. The client is a single mother of five children, and three of her children have special needs. Her employment opportunities were limited because of her need to be available during the day for her children. Since starting in FSS, she found work as an overnight front desk clerk for a local hotel chain. After several promotions and experience learning about property management, she



currently works as an assistant manager of a property management company and plans to pursue other career opportunities in real estate.

This same FSS graduate was working for \$10.95/hr when she entered the FSS program. At graduation she was earning \$19.95/hr. Using the Urban Institute's Net Income Change Calculator that was introduced in the August report, this \$9/hr increase results in \$369 net increase in her household budget.

| Type of Income & Expense                   | Hourly Wage Rate: |         |
|--|-------------------|---------|
|  | \$11.00           | \$19.00 |
| <b>Earnings</b>                            | 1907              | 3293    |
| <b>Taxes</b>                               |                   |         |
| <i>Federal income tax (excluding EITC)</i> | 249               | 350     |
| <i>Federal EITC</i>                        | 389               | 97      |
| <i>Payroll tax</i>                         | -108              | -186    |
| <i>State income tax</i>                    | 0                 | 0       |
| <b>Total taxes</b>                         | 530               | 261     |
| <b>TANF</b>                                | 0                 | 0       |
| <b>SNAP</b>                                | 557               | 224     |
| <b>WIC</b>                                 | 0                 | 0       |
| <b>Housing Subsidy</b>                     | 1039              | 623     |
| <b>Child Care Expenses</b>                 | 0                 | 0       |
| <b>Child Support</b>                       | 0                 | 0       |
| <b>Total Net Income</b>                    | 4032              | 4401    |

This client will exit the HOP program and lose her housing assistance. She will be responsible for her full contract rent of \$1,650. Based on the table above it is assumed she is receiving \$623/mo in housing assistance. Losing this assistance then means she will actually lose \$254/mo in total household income, despite increasing her income by approximately 90%.

At the time of her graduation, she submitted a request for her escrow and shared her experiences of the FSS program. Below is an excerpt from her narrative:

*" During orientation of the H.O.P program in 2013 I was told about the FSS program and signed up. I signed up for the FSS program because it was designed to help single mothers like myself to grow and build becoming stronger more independent women for society. At first the FSS program seemed hard and the goals far to reach coming from the situation I was in at the beginning. I was settling in my new home, finalizing years of court, cutting all negative people off, getting my kids back full-time from CPS and had no*

*license or car so the FSS program felt like I was adding more responsibility and stress to my plate. When honestly, if I had just taken time to sit back in the earlier stages I would have realized I could have completed more of my pay points much sooner with the provided help.*

*Nonetheless, in the beginning of FSS I did everything alone forgetting I had the program there to back me and reward me for my success. I was taking parenting classes for my children at this point and got a job in 2013 in hospitality even after being out of work for over 7 years and still currently work for the same company. I obtained my license in 2014 which was suspended since the age of 14 making this my first time having one. I even bought one of my first cars and paid off lots of debt on my credit. All these things I had completed alone and overcome by myself forgetting FSS was by my side the whole-time and could have rewarded me for all my hard work and dedication.*

*Finally, during my final years on the H.O.P and FSS program I was contacted by my FSS worker once again to participate more and she explained all the opportunities I really had and passed up. This is when I realized I seriously had a support system and my success would no longer go unnoticed. While I had passed the opportunity for [a few escrow pay points]... [most of] the things I was working on at that time and currently have been working on were added to my escrow making my final balance \$6,050 dollars. While some goals [are still] unreached others were conquered and completed.*

*I'm asking to graduate at this time feeling confident and successful that I have completed most my goals on the FSS program. I'm currently supposed to be out of my house on 8/31/19 which the original date was 7/31/19, but my landlord extended by one month with no exceptions. I'm hoping to graduate and receive the money from my escrow account to help pay for my moving cost like U-Haul, deposit, first and last rent etc. I also, have three of my children's birthdays coming up [in] August.*

*Overall, the H.O.P and FSS program have made a huge impact on my life. The rental assistant from H.O.P helped financially and the encouragement and incentives with FSS pushed me to do more and be proud of it. I would like to send a big thanks to the program director of FSS and let your team know that you are making a difference. "*

### **3.3 COMMUNITY BUILDING PROGRAMS**

In addition to the work that CSE does for clients to build assets and increase income to support resident's path to live without assistance, CSE works daily to help our communities become safe, vibrant, prosperous, attractive and just. CSE staff works in partnership with Property Management and numerous outside partners to build community and help build pride that residents feel for where they live. This month CSE highlights the continuous partnership with Property Management, the Tacoma Fire Department, the Salishan Association, Metro Parks and It Takes a Village.

#### **3.3.1 FAMILY PROPERTIES**

On August 6<sup>th</sup>, THA and the Salishan Association co-hosted a large National Night Out (NNO) event at Salishan. This year a Summer Music Festival was added to the celebration with performances from local artists: The Nofoas, The King, Megan Cannon, Stargazy Pie, The Derek, Tacoma Refugee Choir, Ryan Steele, Ballet Folkloric, and the TPC Jazz Band. Individuals of all ages attended this festival from 4-8 pm. The community enjoyed the sunshine and ate hot dogs, hamburgers, and pulled pork sandwiches from Bistro BBQ with snow cones to cool off. An estimated 760 plates were served - perhaps the highest turn-out to date! There was also a raffle and well attended resource fair.

Below is a list of partners and providers who tabled at the resource fair and several pictures from the event:

- MultiCare Health Systems
- Puget Sound ESD- Early Head Start
- Home Based
- Community Health Care
- Acts Pharmacy and Healthcare Services
- First Creek Middle School
- Salishan Association
- Safe Streets
- Our Sister's House
- Salishan Science Club
- Sex Trafficking Response and Awareness Program
- Tacoma Fire Department
- Sound Transit
- Tacoma Community House
- Woodmen Life
- YWCA
- Sigma Gamma Rho Sorority, Inc.
- United Way
- The Trust for Public Land
- KBTC
- Metro Parks
- Tacoma Public Library







### **Bay Terrace Properties**

As summer comes to a close, Property Management and CSE collaborated on a Back to School Event for residents on the Hilltop at Bay Terrace. The event was a huge success. In attendance were a variety of community partners: People in Black (PIB), Goodwill-Youth Build, Metro Parks, KBTC, Sound Outreach, YWCA, Clippers and WorkSource. The People in Black was created about a month ago by members of the Bay Terrace Community. Their main goal is to build the community into a better place for everyone. They value and center the community and the residents' perspective. This group was created as a way to get others to come together as one, simply because "we are all better together than separated". They help and serve people of different beliefs, cultures, and ethnicities. PIB was started by young males, who want to connect with everyone. This group loves their community!

Life Center Church and Tacoma Public Schools donated over 150 backpacks filled with supplies that were given out to the kids in attendance. In addition to the backpacks, there was face painting, free haircuts, a 3-point contest, hula hoop contest, prizes and giveaways, a popcorn machine, ice cream, and a live DJ. It was great to see the residents actively involved in the event planning and volunteering for the event. One resident ran the face painting booth and her son, who is part of People in Black, ran all of the basketball activities along with other PIB group members. So much positive feedback was

received during the event and even a week after the event was over. It was remarkable to see how this type of community outreach could bring a community together. Residents came out with their lawn chairs just to enjoy the festivities and music. What started off as an idea morphed into an unbelievable success!







### **Metro Parks at Bay Terrace**

In August, THA and Metro Parks launched their new partnership at Bay Terrace. Metro Parks provided sports and education camps for 12-16 year olds. Metro Parks hosted weekly sports mixers for two hours which ended with snack and refreshments for participants. For four days, Metro Parks brought their outdoor education camp to the property. They focused on learning about the environment and earth sciences through fun activities and projects. These camps were able to serve many residents from the property and we are hopeful we can evolve this partnership to after school activities as well.

### **Hillside Terrace Comic Book Club**

In the month of August, It Takes a Village's (ITAV) Comic Book Literacy/Lego Club continued along with the KBTC Summer Activities. There was a record 18 youth participating in one day, with an average of 12 youth a day. ITAV facilitated services Monday, Tuesday and Wednesday. KBTC facilitated activities Tuesday and Thursdays, with similarly high turnout. Youth were able to access free lunches and snacks each day, with the option of taking additional lunches and snack home to siblings or to eat later. These lunches were provided through a partnership with THA and program grants from Kroger and KBTC.

ITAV launched a successful movie night on August 9<sup>th</sup> with a turnout of 21 people, made up from 13 families. ITAV is interested in exploring opportunities for after-school programming on an on-going basis during the school, including a STEM learning focus.





### **3.3.2 SENIOR AND DISABLED BUILDINGS**

#### **3.3.2.1 Community Wellness**

*The Community Wellness program funded by the City of Tacoma builds a stronger community focused on improving healthy lifestyles, general safety, parenting, healthy relationships, prosocial activities, and decreasing isolation through culturally relevant services and activities.*

Martha Matthias, THA's community builder was busy with planning events for residents in our Senior and Disabled buildings. Martha along with help from the property management staff assisted residents in filling out financial assistance forms for Metro Parks Tacoma. Residents are beginning to hear back from Metro Parks with award letters. Residents have reported back that they are excited about taking some fun excursions that Metro Parks is organizing.

There are new senior yoga classes at Ludwig and S. K St., helping aging residents increase their flexibility, concentration, focus, and strength. Residents have reported that the classes are fun and challenging at the same time! We are now offering fitness classes in all seven senior and disabled buildings.

Candle making classes are also happening at Wright Ave. and N. K. St.. Residents work alongside Martha, using jars, covering them in stained glass or painting them and then pouring wax into the jars. Classes will move to Ludwig and Fawcett Ave next, ensuring a wide variety of activities helping to engage residents with their neighbors and increasing their mental, physical and emotional health.

MultiCare's "Celebrate Seniority Today" will begin the "Brain Fitness" program in all of our seven Senior and Disabled Buildings. Classes are six weeks long and designed to stimulate a variety of brain functioning. This is accomplished with visual puzzles, games, trivia and humor. The first classes will be held at N.G. St. and Fawcett Ave.

*Upcoming events:*

- Tacoma Fire Department has eight classes scheduled in our S&D buildings in September covering fire and medical prevention(warning signs of a heart attack, stroke), and CPR certification.
- There is a tentative trip to North West Trek Wildlife Park on Sunday the 29<sup>th</sup> of September.
- The second potluck BBQ to Owens Beach is scheduled for September the 13<sup>th</sup>.

**COMMUNITY WELLNESS METRICS**

|                                       | SEPTEMBER 2019 | Annual Total |
|---------------------------------------|----------------|--------------|
| New Participants                      | 16             | 170          |
| Duplicated Participants for the month | 77             | 441          |
| Resource Connections                  | 89             | 421          |
| Hours spent on Skill Building         | 153.5          | 280          |

**SENIOR AND DISABLED GENERAL SERVICES REPORT**

Senior and Disabled Building Caseworker, Kye Hillig, had the opportunity to continue his learning around resources and best approaches to housing related services. Kye spent four days attending the American Association of Service Coordinators Conference in Denver, Colorado. He attended several workshops including; grant writing, updated Housing and Urban Development (HUD) standards for data elements, conscious aging, and best practices for engaging residents in services. Kye continues his work with Cascade Active Day, reviewing who in THA housing might be a good candidate for their services. He has planned five introductory meetings with residents for September. Kye and Martha also began talks with Cascade to bring a 'Lunch & Learn' event to the S&D Buildings to create a fun opportunity for residents to grab a bite and learn about what might be available to them at Cascade.

### 3.3.3 HOUSING STABILITY

#### Eviction Prevention

CSE continues to work closely with Property Management to help residents maintain housing stability. This work includes helping residents have productive conversations with Property Management, financial resources for past due rent, connections with housekeeping and hoarding resources. We calculate that each prevent eviction saves THA \$8,000 in avoided costs of lost rent, vacancy, unit turns, and judicial expense.

|                          | August 2019<br>Evictions<br>Successfully<br>Prevented | August 2019<br>Savings to<br>THA | Year to date<br>evictions<br>successfully<br>prevented | Year to date<br>savings to<br>THA |
|--------------------------|---|----------------------------------|--|-----------------------------------|
| THA Family<br>Properties | 9   | \$72,000                         | 41   | \$ 328,000                        |
| Senior<br>Disabled       | 15  | \$ 120,000                       | 69   | \$ 552,000                        |
| <b>TOTAL</b>             | <b>24</b>   | <b>\$ 192,000</b>                | <b>110</b>   | <b>\$ 880,000</b>                 |

### 3.3.4 CHILDREN'S SAVINGS ACCOUNT

Below is a list of the incentives obtained by 76 middle school students during the 2018-2019 school year.

| Row Labels  | Count of Incentive Amount | Total Amount of Incentives |
|---|---------------------------|----------------------------|
| Achieve a cumulative G.P.A. or 2.7 or better-\$75                               | 100                       | \$ 7,500.00                |
| Attendance: fewer than 3 missed days in a semester OR fewer than 5 tardies-\$75 | 62                        | \$ 4,650.00                |
| Participate in after school programs with 75%-\$25                              | 14                        | \$ 350.00                  |
| Participate in Band-\$50  | 6                         | \$ 300.00                  |
| Participate in Life skills workshop (1x a year)-\$25                            | 6                         | \$ 150.00                  |
| Participate in School Special Programs (TRIO, BSU, ASU, etc)-\$50               | 20                        | \$ 1,000.00                |
| Participate in sports with 75%-\$50   | 60                        | \$ 3,000.00                |
| Participation in Money Fest May 2019  | 1                         | \$ 25.00                   |
| Score 3 or 4 on iReady assessment-\$75  | 90                        | \$ 6,750.00                |
| Zero days suspended or expelled-\$75  | 126                       | \$ 9,450.00                |
| <b>Grand Total</b>  | <b>485</b>                | <b>\$ 33,175.00</b>        |



**TACOMA HOUSING AUTHORITY**

**RENTAL ASSISTANCE**



# TACOMA HOUSING AUTHORITY

**DATE:** September 25, 2019

**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

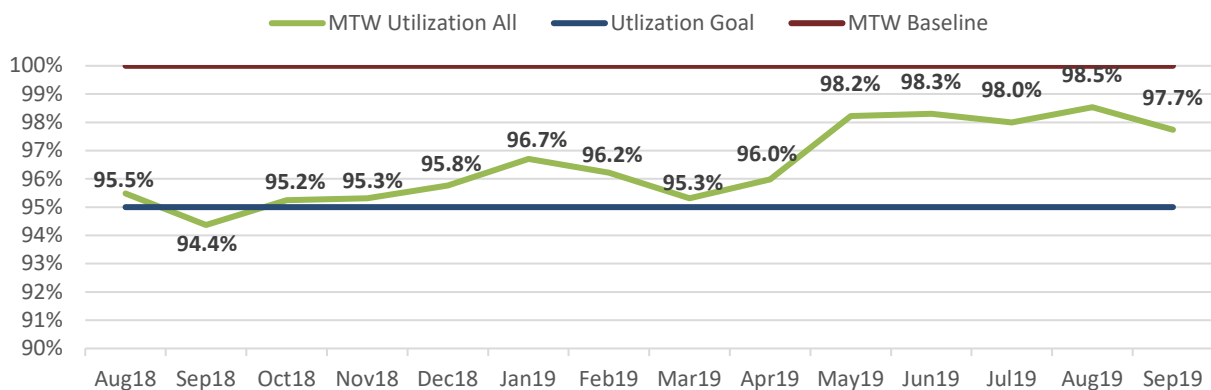
The Rental Assistance Department has been working hard to continue developing better relationships with our landlords as well as discussing how to continue to improve our customer service in all aspects of our work. It has been a difficult summer for frontline staff so leadership is planning a retreat as well as a number of trainings and workshop regarding personal safety, self-care and customer service.

## 3. RENTAL ASSISTANCE DEPARTMENT REPORTS

### 3.1 Overall Utilization

The overall Housing Choice Voucher utilization is reported at 97.7% as of September 1, 2019. THA receives a report on utilization on a quarterly basis for Rapid Rehousing (RRH) and Property Based Subsidies (PBS). Therefore, averages are used to forecast utilization to the current date for these specific programs. As new information is reported for both RRH & PBS, this utilization report is updated accordingly.

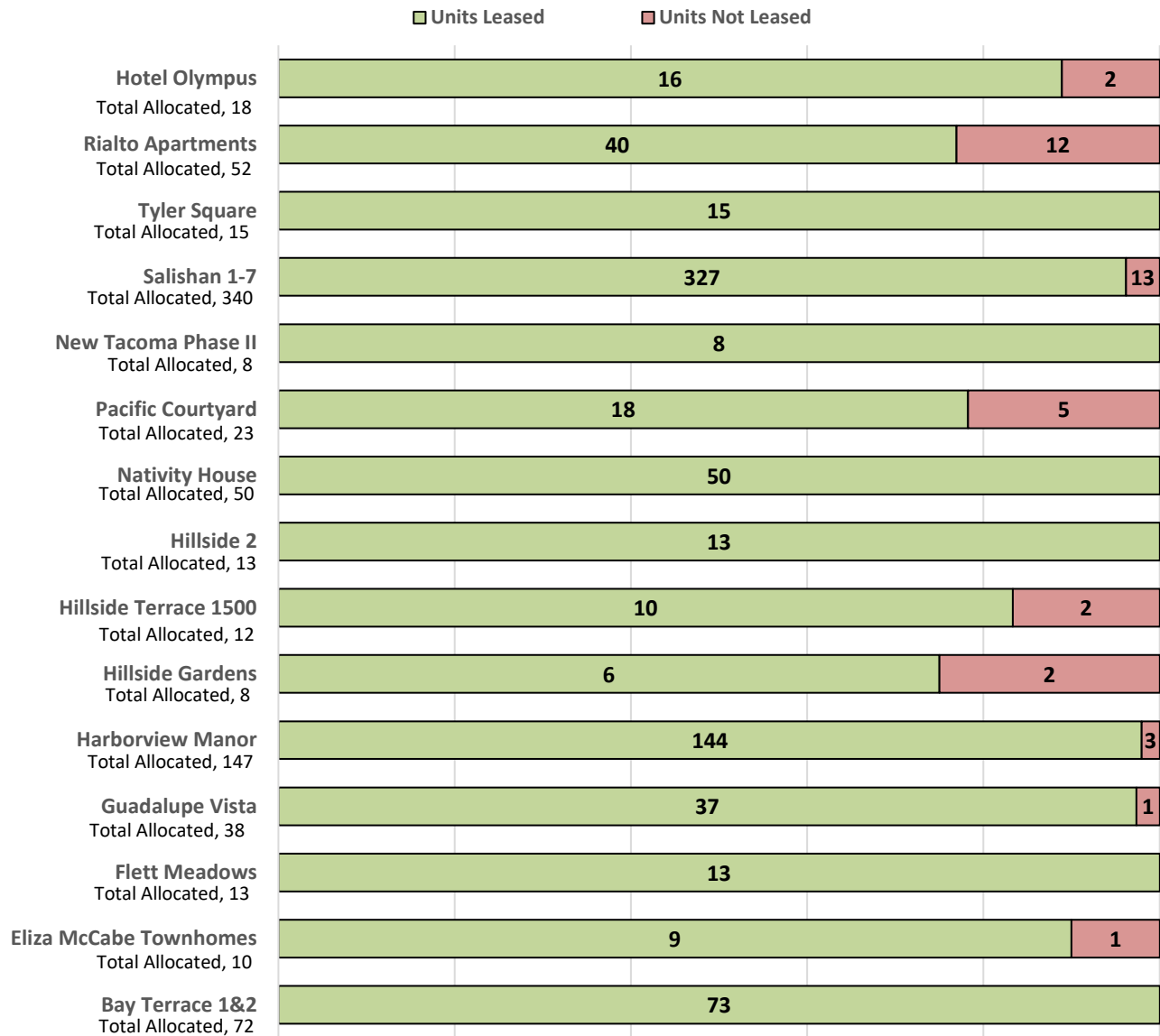
#### Overall MTW Utilization as of 9/1/2019



### 3.2 Project Based Vouchers

THA continues to work closely with its newest Property Based Voucher (PBV) partners at Olympus Hotel and Rialto Apartments. THA is ready to continue to add new units to both contracts as they become available. Both properties have been notified that the number of Project Based Vouchers for their properties will be final effective 12/31/19. At the writing of this report, a request to add an additional 5 units to Olympus Hotel was received and will be processed by the next report. This will bring their total allocated to 23. Please see the chart below for the overall utilization numbers.

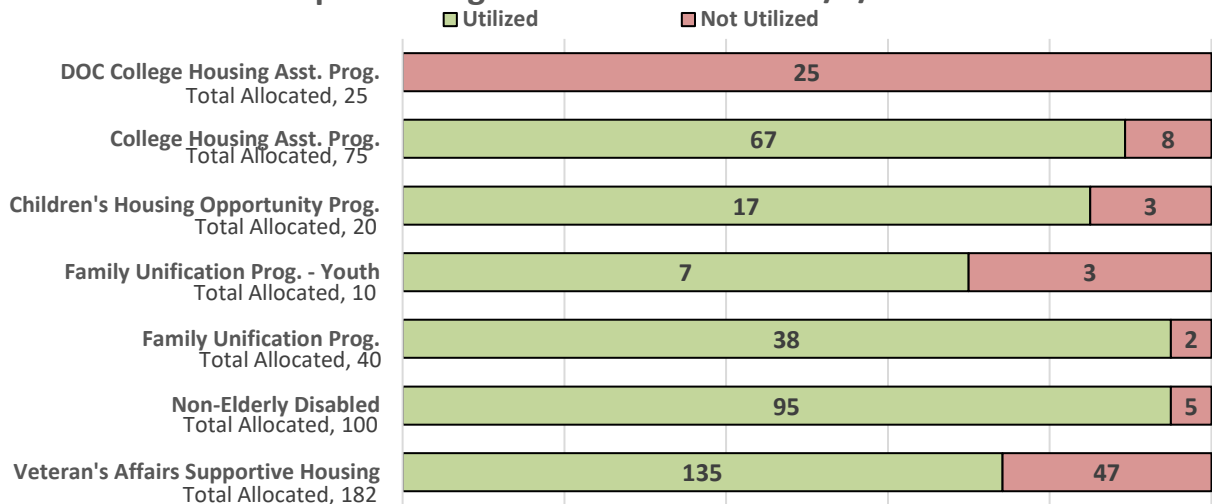
**Project Based Voucher Utilization as of 9/5/2019**



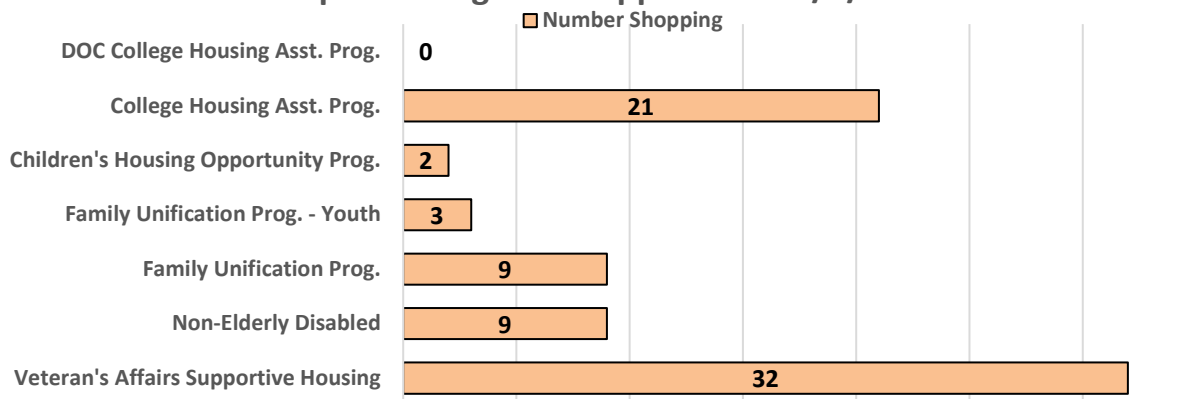
### 3.3 Special Programs & Property Based Subsidies

Below is a breakdown on the utilization of THA's special programs. The chart below has been updated to include shoppers for each program. The Department of Corrections program with Tacoma Community College (TCC) has now been added as a separate bar. Currently this program is in the early stages and has not been utilized. This chart will be updated once the program begins. Due to the large number of College Housing Assistance Program (CHAP), shoppers we are no longer adding any new participants to the program. We will honor all of the shoppers we currently have in place and will review adding new participants as needed.

**Special Program Utilization as of 9/5/2019**



**Special Program Shoppers as of 9/5/2019**

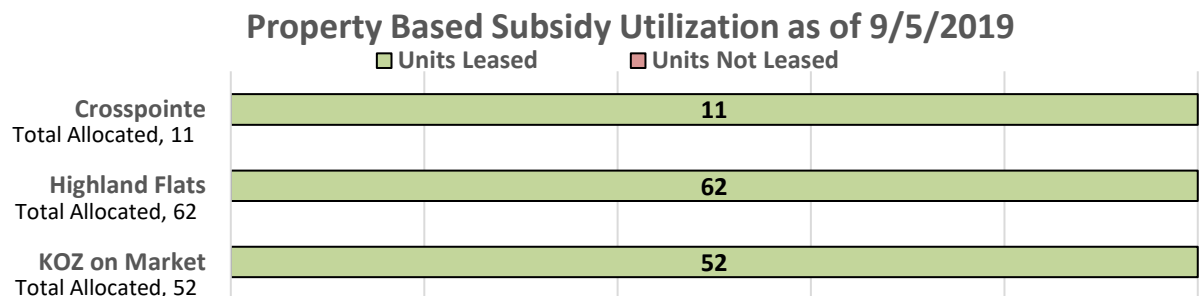


The Veteran's Affairs (VA) continue to struggle finding suitable housing for Veterans due to a myriad of barriers their clients experience making it difficult for referred clients to qualify for units. The VA and THA are now part of a Pierce County-wide task force that will determine how a large pool of funding will be spent on housing homeless veterans and youth. The VA hired an additional social worker to help in the utilization of the Tacoma Veteran's Affairs Supportive Housing (VASH) Vouchers. VA social workers are on-site at 902 every Tuesday and are available to meet with any Veteran (assisted or not) who come to the office for help and are then able to refer directly to THA for a VASH voucher.



Fawcett Apartments has Project Based VASH Vouchers. They continue to struggle to communicate regarding the status of the unit turns so staff have asked that they provide weekly communication. Additionally, the building owner has hired a new management company effective October 1. We are hopeful this will be a good change. Utilization there is low due to meth contaminated units which are scheduled to be ready September 15 with referrals already pending for both units.

THA believes that the staff changes at Department of Social and Health Services (DSHS), now Department of Children, Youth and Families (DCYF), have had a positive effect on the utilization for Family Unification Program (FUP) and Children's Housing Opportunity Program (CHOP). They have also hired a new Housing Liaison. We will continue to hold regular meetings with them but have requested a slowdown in referrals for FUP as we have several shoppers. We will continue to receive referrals for CHOP.



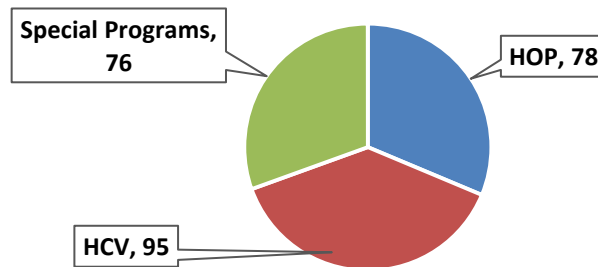
The three properties we have on the PBS are having varied levels of success as far as reporting. The KOZ on Market leased up quickly and began receiving subsidy payments in February 2019. As of this month, all properties have reported they are fully leased. We reported on the audit that was performed last month. A follow-up audit will have been performed by this month's Board meeting.

### 3.4 Shoppers Report

The chart provided below shows a breakdown of the number of current shoppers by program. A shopper is a client who has a voucher and is looking for a unit. Clients may or may not be housed during this process. The shoppers in the chart below include clients new to the program from the waiting list and clients moving from one unit to another. We are no longer pulling applicants from the waiting list due to our increased utilization.

As of September 5, 2019, there are 249 total clients shopping down from 320 from the previous month.

### Current Number of Shoppers as of 9/5/2019



### 3.5 Leasing & Waitlist Management

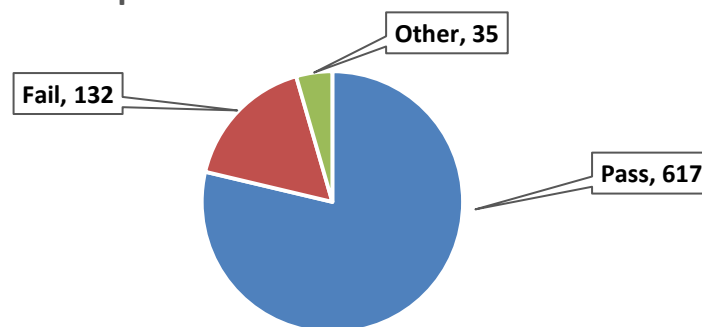
THA recently entered into an agreement with Spokane Housing Authority to administer 20 Mainstream Vouchers in our jurisdiction. A Mainstream Voucher is a Housing and Urban Development (HUD) targeted funding voucher that will provide an admission preference for non-elderly persons with disabilities transitioning out of institutional and other segregating settings, at serious risk of institutionalization, homeless, or at risk of becoming homeless. To date, we have 2 clients successfully housed, 4 awaiting leases and contracts, and 11 clients shopping.

As mentioned in the last report, THA will also be conducting a targeted opening of its Consolidated Waitlist October 7 – 18, 2019 to address suitable applicant shortfalls for the portfolio. We will only be accepting applications for families that consist of 3 or more people. This would mean families that qualify for a 2-bedroom unit or above. We will not be accepting applicants that only qualify for 1-bedroom units. This is because our current 1-bedroom waiting list is so long (est. 5 year wait) that we could not hope to assist new applicants in a reasonable time frame.

### 3.6 Inspections & Housing Quality Standards

The chart below shows that the Inspection Department has conducted 784 Initial Inspections since the beginning of 2019. An Initial Inspection takes place every time a client moves into a new unit. We use a pass ratio to help determine if our clients are finding decent, safe, and sanitary homes in which to live. The below chart indicates that approximately 79% of our clients are initially successful in their search. In addition to the Initial Inspections, our Inspectors have also conducted 3,071 other inspections related to Housing Quality Standards since the beginning of the year.

### Inspections Performed to Date



### 3.7 Landlord Engagement & Renter's Readiness

August is typically a busy month for renters as families are trying to solidify their housing before the school year begins. As a result, 12 students went through the Renter's Readiness Program this past month. The highest number of attendees so far. A portion of students were also unassisted TCC

students who are having a tough time leasing up. We hope that interest continue to grow and the City of Tacoma adopts this model as a potential solution for tenant education.

Our Landlord Engagement Specialist (LES) met with the City of Tacoma Housing Division Manager, Daniel Murillo to discuss the process that landlords and developers need to follow to take advantage of economic incentives for providing affordable housing. Both sides struggle to navigate the network of affordable housing service providers. As a result, the City of Tacoma will now refer interested landlords or developers to the LES who will then be able to communicate these housing opportunities to our housing provider partners. This will meet the affordable housing requirements for the landlords and developers and also provide potential housing opportunities for our clients.



**TACOMA HOUSING AUTHORITY**

**PROPERTY MANAGEMENT**



# TACOMA HOUSING AUTHORITY

**Date:** September 25, 2019

**To:** THA Board of Commissioners

**From:** Frankie Johnson  
Director of Property Management

**Re:** Property Management Monthly Board Report

## 1. STRATEGIC OBJECTIVE

Tacoma Housing Authority (THA) will manage its properties so they are safe, efficient to operate, good neighbors, attractive assets to their neighborhoods and places where people are happy to live.

## 2. DIRECTOR'S COMMENTS

August was busy with preparation, prevention, and celebration and planning. Administrative staff continue to work toward the Rental Assistance Demonstration (RAD) effective date for conversion of public housing units to RADPBV for Hillside and Salishan (now scheduled for November 1<sup>st</sup>). Staff distributed public housing terminations in preparation for the conversion.

Preventive Maintenance work will continue throughout the portfolio with an emphasis on rooftops and gutters, as we prepare for winter. Preventive Maintenance is complete in Salishan V and VII.

Property Management and Client Services & Empowerment (CSE) partnered to host a Back to School Bash for the west portfolio family properties. The event was held at Bay Terrace, but included residents from Bergerson and Dixon Village.

It was a very lively day that was filled with activities for all ages! There was live music, games, ice cream, popcorn and face painting. A 3on 3 basketball contest was hosted by People in Black, that followed a hula hoop contest. Area barbers donated time and resources to provide 40 free haircuts and 200 backpacks, filled with supplies, graciously donated by Tacoma Public Schools and Life Center Church.

CSE and PM's goal was to provide students and their families with the tools and resources needed to start this school year off right! Both teams plan to make this an annual tradition!

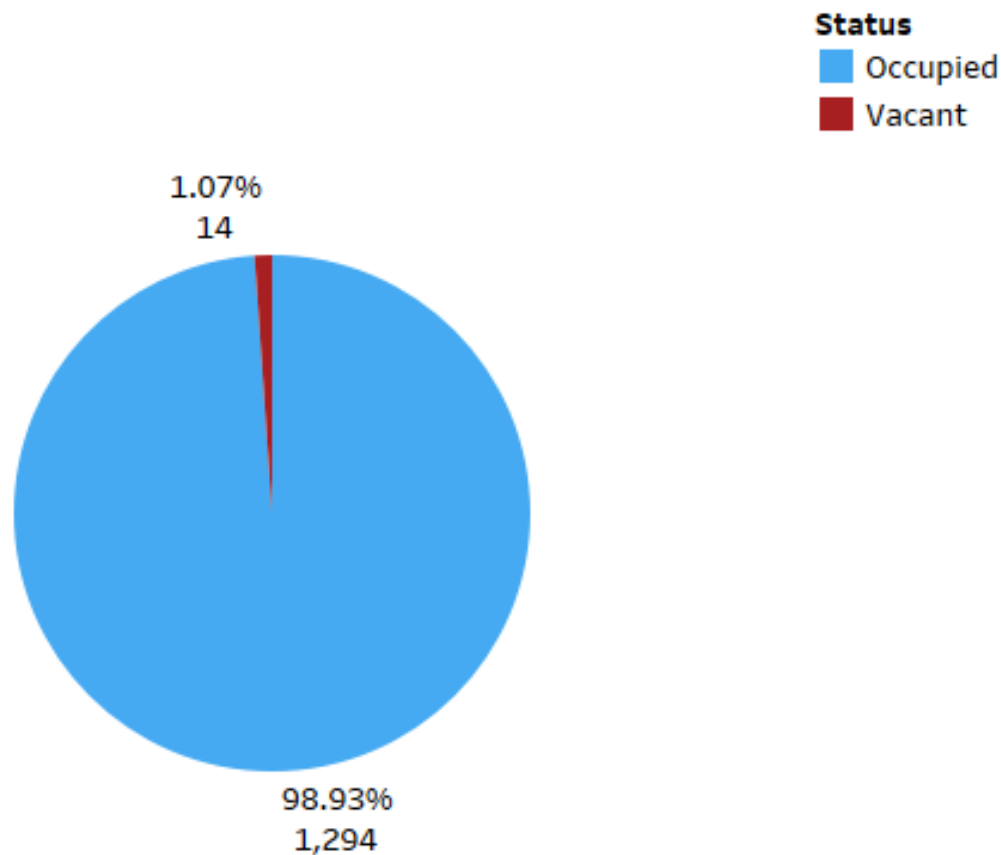
Debra Pohlenz, the property manager of Bay Terrace, announced her upcoming retirement, effective September 30th.

Staff began interviews this month to fill the vacancy internally. We hope to make an offer very soon. Since Bay Terrace is a very complex property with multiple programs, recruitment to backfill Debra's position will begin this month with the hope of cross-training before Debra retires.

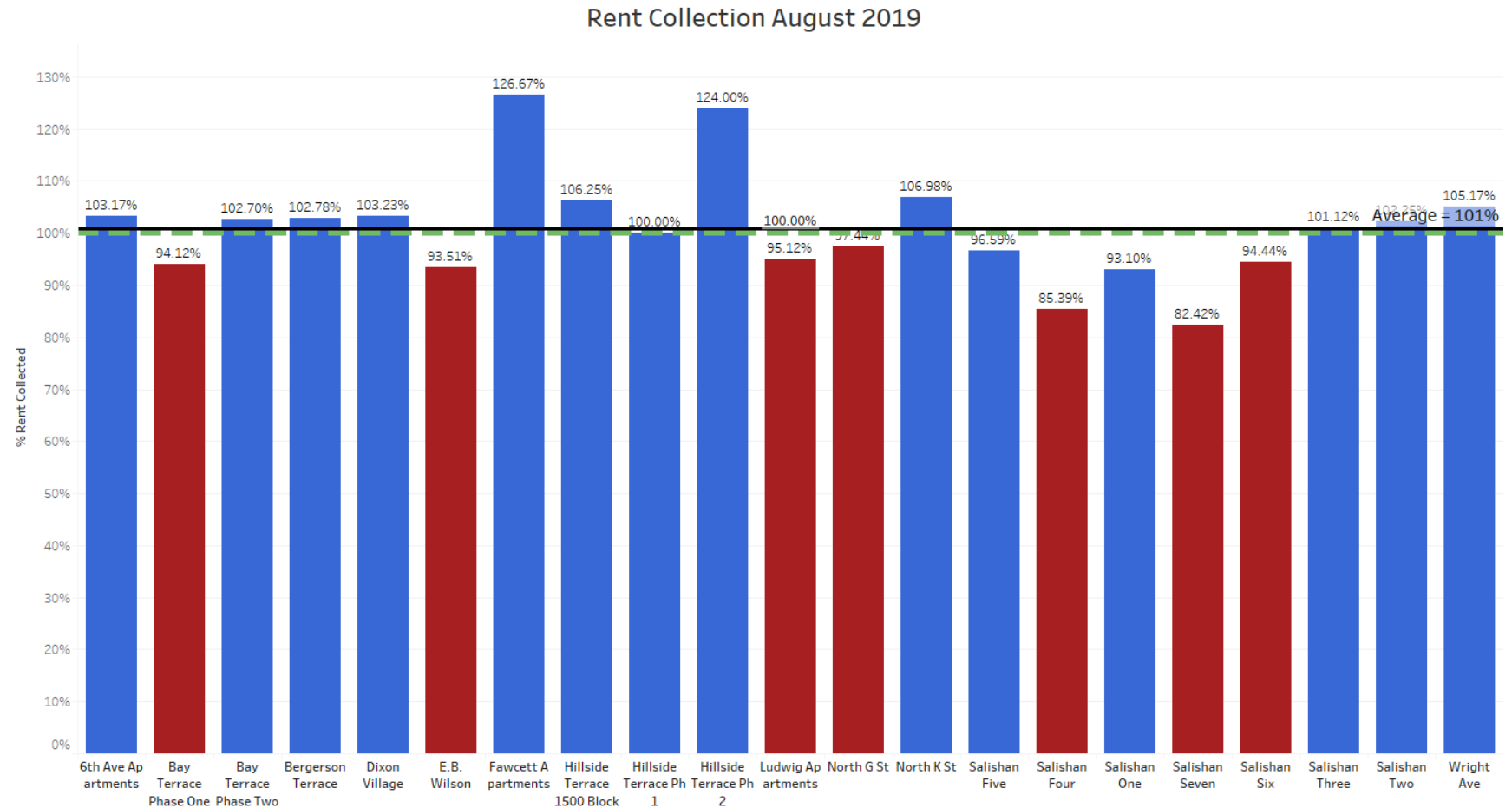
Maintenance turn work reached 25 days for the month and continues a positive trend toward the goal of 20 days.

### 3. OCCUPANCY OVERVIEW

#### 3.1 Occupancy



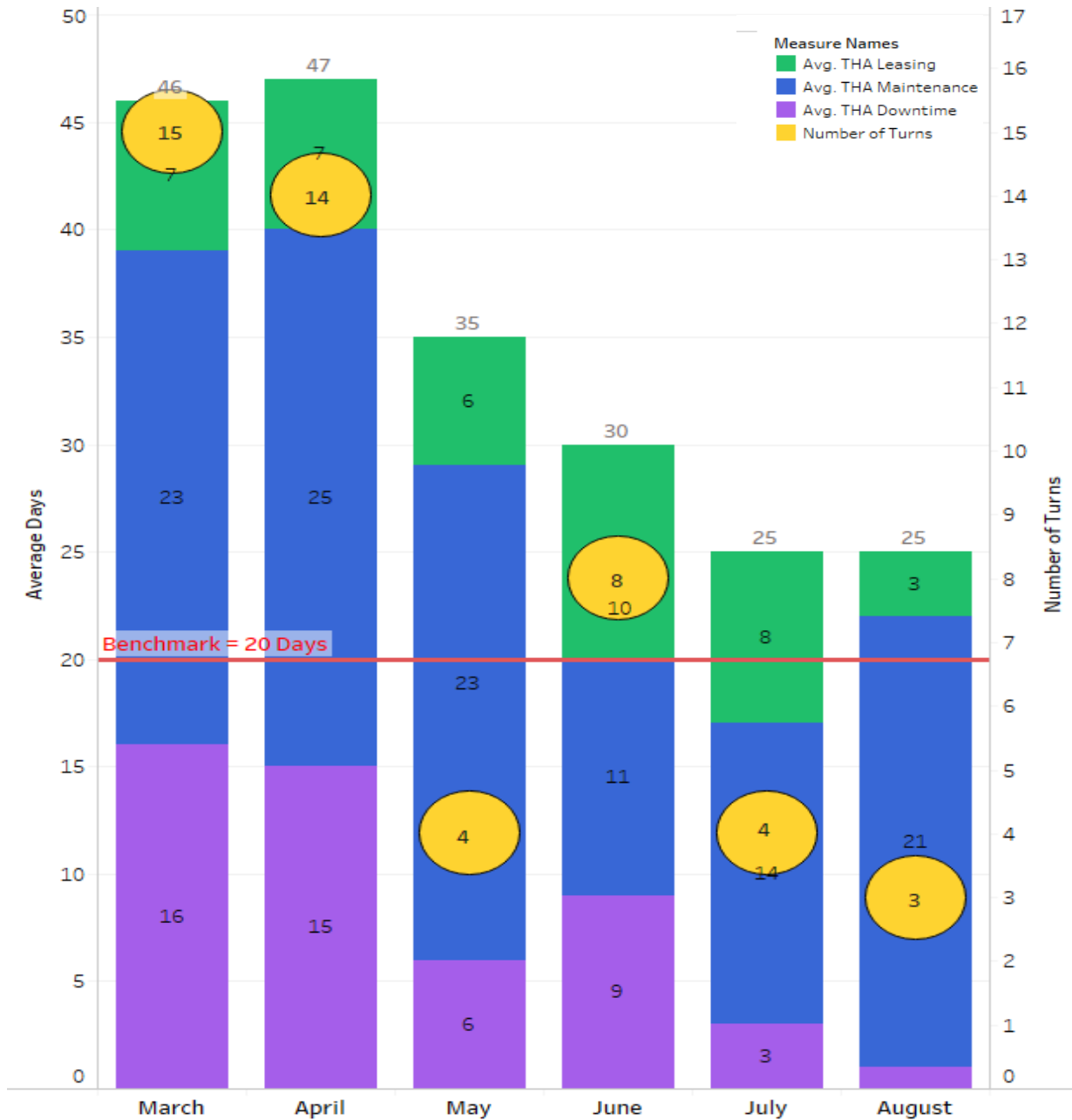
Unit Occupancy is reported for the first day of the month of August 2019. The chart above reflects THA's current portfolio of 1,308 units with 14 vacates and an occupancy percentage of **99%**.



The rent collection average dropped for the portfolio from 113% down to 101%, due to non-pay evictions with high balances. Seven properties have several households under eviction for non-payment. Households paying more than the minimum and receipt of past due payments are factors for rent collection to exceed 100%.

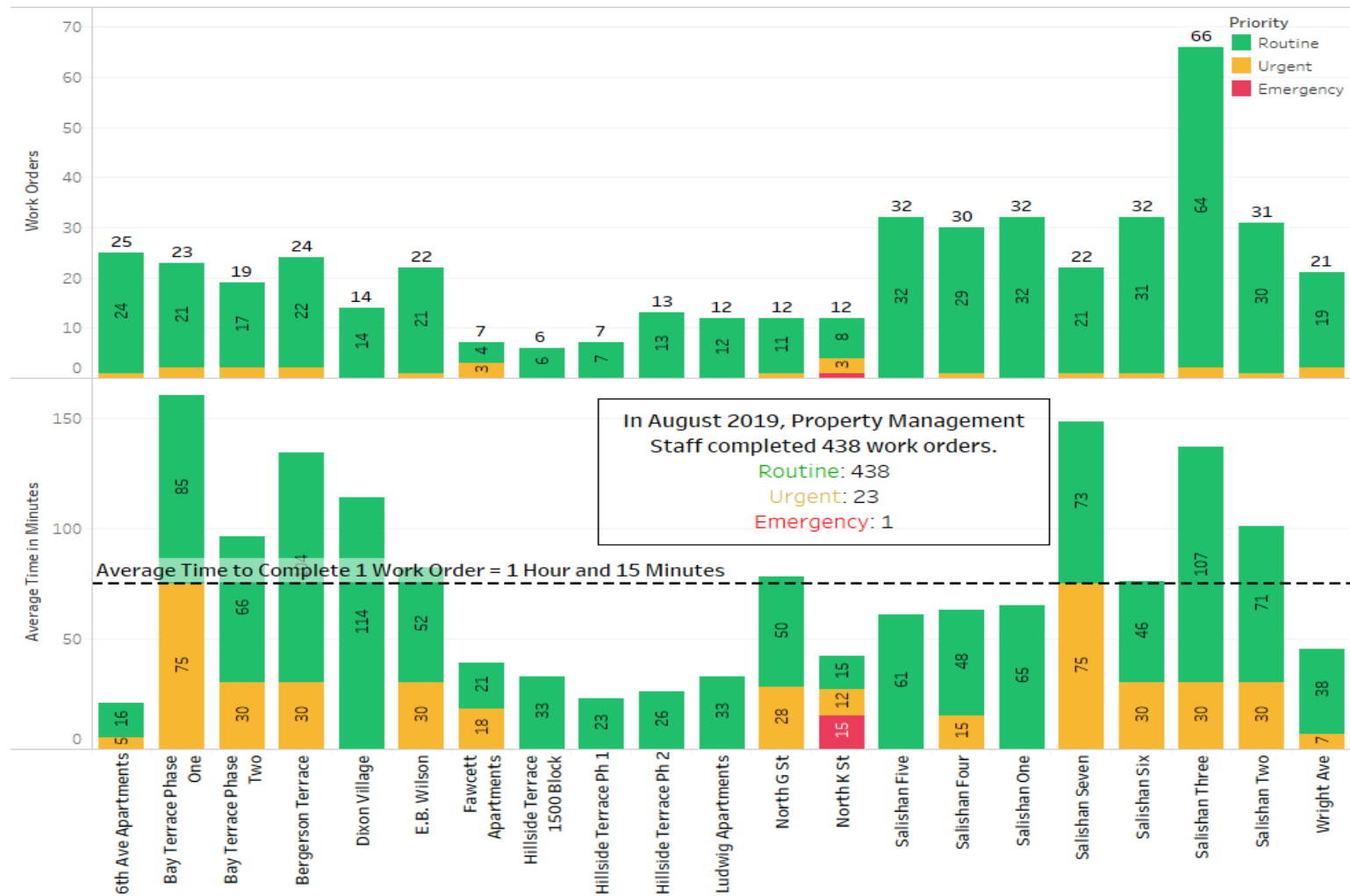


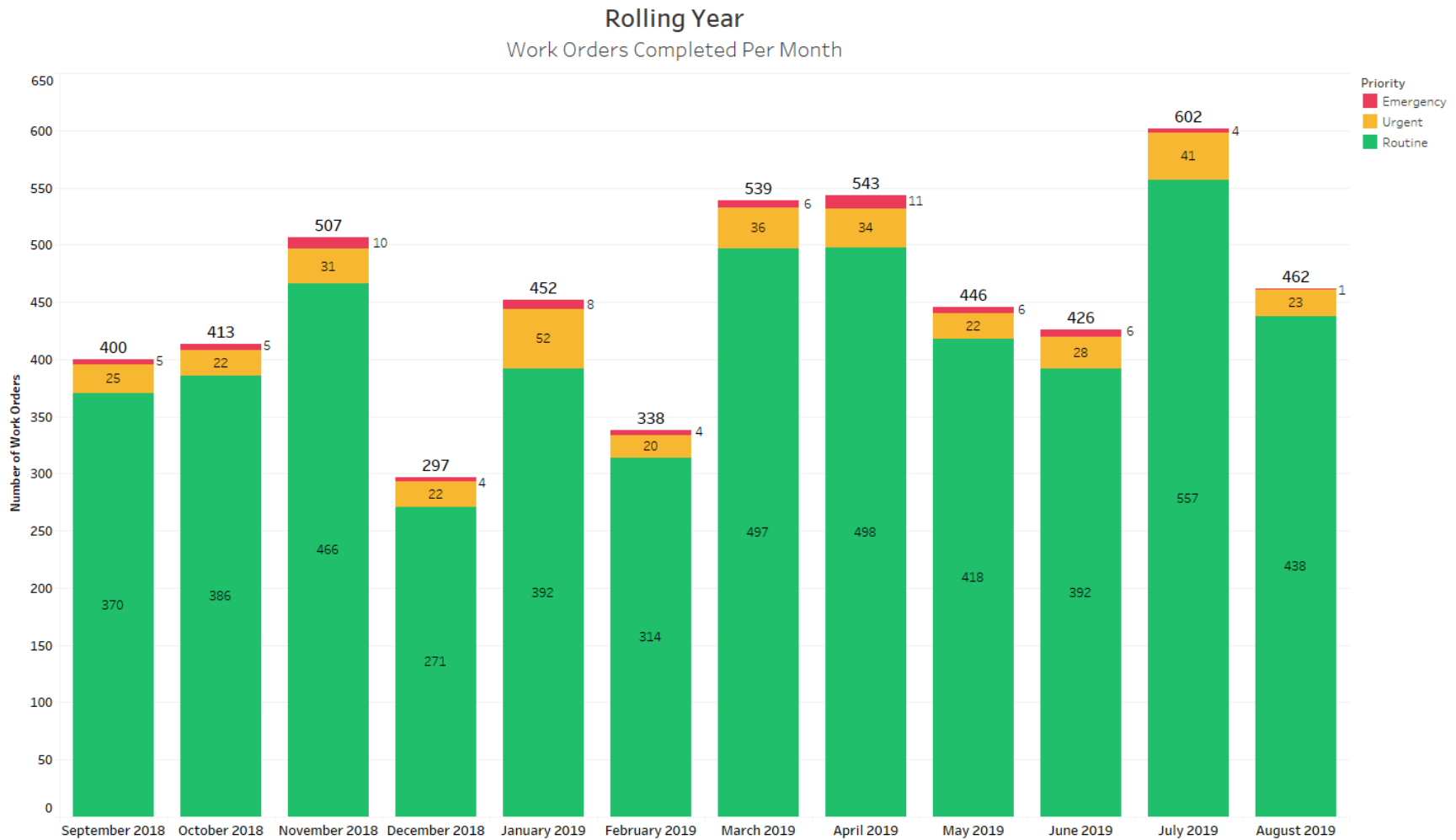
### 3.2 Vacant Unit Turn Status

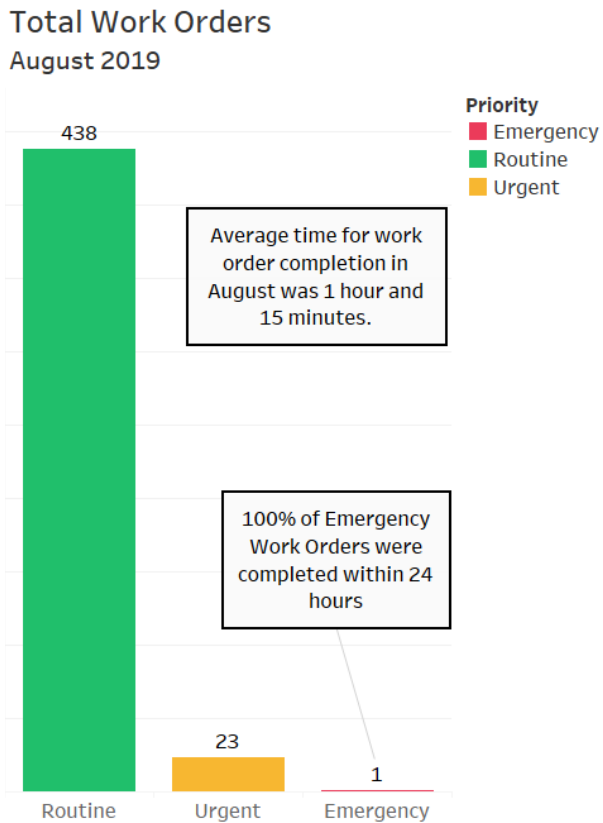


This data reflects the continued effort of the Turn Team to bring the numbers to the target of 20 days. Turn average of 25 days for the month is consistent with July, with a 62.5% reduction in leasing time. Conversely, there was a 50% increase in repair/make ready days.

### 3.3 Work Orders







In the month of August, 100% of emergency work orders (a total of 1) were completed within 24 hours; maintenance staff completed 23 urgent work orders and 438 routine work orders, with a timeline to be addressed within 10 days. The average time for work order completion is 1 hour and 15 minutes. Property Management (PM) continues to reduce the number of outstanding work orders and improve customer service.

**Processes that PM has implemented in effort to improve customer service are:**

- Make every attempt to address routine work orders within five (5) business days;
- 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.

#### **4. PROJECTS AND PLANNING**

- **Maintenance**

1. Preventive Maintenance Plan – for August
  - a) Rooftops & gutters
  - b) Life Safety Related Systems
2. On the Horizon
  - a) Training Facility
  - b) Tablet Training

- **ReNew Tacoma**

1. Hosted a Back to School Backpack Bash (see attached photos)
2. Cutest Pet Contest (see attached photos)

- **Salishan**

1. Paint the Change Mural – now in progress
2. Vent Fan Project in partnership with TPU

- **PM Metrics**

1. Rent Collection – Portfolio wide over 100%
2. Work Order average time – 1 hour and 31 minutes

#### **5. SPECIAL FOLLOW UP**

- Update on Salishan Association
- Recent Incident at Salishan

## Pet of the Month Winner!



Our first pet of the month is Buster! Buster is a 9 year old chow, who enjoys taking rides around town in the car. He's not fond of traditional dog treats, but loves his oatmeal with brown sugar for breakfast. His owner (Mom) says that Buster saved her life. She got him when she was homeless and in a very difficult stage of her life. The need to care for Buster, kept her his mom going each day. Buster's Mom describes him as sweet, social, obedient and great with other animals...just overall amazing!

## BAY TERRACE BACKPACK BASH







Note: Photo releases on file for review.



**TACOMA HOUSING AUTHORITY**

**REAL ESTATE DEVELOPMENT**



# TACOMA HOUSING AUTHORITY

**DATE:** September 25, 2019

**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 a 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 market rate rental units. TAC Build LLC is owned by Michael Hopkins, local Master of Built Environment (MBE) firm. THA and TAC Build LLC have signed a Purchase and Sale Agreement. The disposition request is under consideration by the Housing and Urban Development (HUD). Approval is anticipated by the end of September which should allow for closing by year end. The sale price will be \$575,000.

## 2. NEW DEVELOPMENT

### 2.1 The Rise on 19th 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 follows:

**The Rise on 19th**

|              | <b>1-BR</b> | <b>2-BR</b> | <b>TOTAL</b> |
|--------------|-------------|-------------|--------------|
| Low Income   | 24          | 12          | 36           |
| Homeless     | 8           | 6           | 14           |
| Disabled     | 8           | 6           | 14           |
| <b>TOTAL</b> | <b>40</b>   | <b>24</b>   | <b>64</b>    |

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 \$22,285,582.

On June 26, 2019, the closing for financing of 1800 Hillside Terrace was completed.

**Construction**

Marpac mobilized beginning July 1, 2019. To date the contractor has cleared the site, excavated and set the primary power conduit and electrical vault. Forms and concrete are being set for the main elevator pit and building east wall.

**3. OTHER PROJECTS**

**3.1 James Center North**

**3.1.1 Background**

THA purchased James Center North (JCN) because it offers a unique opportunity to acquire a property that is attractive to 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 to keep the property functioning. The goal is to limit the capital investment into the buildings prior to redevelopment. Electrical access is being installed to allow food trucks to operate on a semi-permanent basis.

### **3.1.3 Leasing**

CB Danforth continues to market the available property and provide tours to prospective tenants. Month-to-month leases are being renegotiated with tenants to extend for up to five years depending on location 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. Interest in the space from potential tenants has increased since the façade was improved. The property is now 84% leased.

The food truck market which took place in early August was successful. THA is exploring options to allow food trucks on a semi-permanent basis until redevelopment begins. Food trucks will continue to serve food not currently offered by existing James Center North restaurants. The next food truck based is scheduled for September 13<sup>th</sup>.

### **3.1.4 Predevelopment**

Community outreach associated with the master plan has officially been completed. Ongoing communication with neighbors and businesses in the area is continuing as opportunities arise.

THA is coordinating with TCC to explore master lease options for student housing at James Center North (JCN). THA expects this exploration to extend through the fall. A formal decision from TCC regarding their participation in the redevelopment of JCN is expected by the end of 2019.

In an effort to continue activating the property, THA cohosted an outdoor movie night with the Tahoma Audubon Society. The event was August 2<sup>nd</sup> and was free to the public. The event was very successful with participants of all ages attending. Several residents of the neighborhood attended and provided insightful opinions about their response to the vision of the JCN master plan. Due to the success of the first movie night, the second movie night will be cohosted by THA and will include a showing of the film *Legends of the Guardians: The Owls of Ga'Hoole* on September 13<sup>th</sup>. THA will also be pursuing a site development permit associated with the change of use as the vacant lot is temporarily converted to a food truck market place.

The final master planning report is completed. The report summarizes the community engagement activities conducted, the design options recommended, and ideas for future collaboration.

One of the ideas that has been discussed as part of the redevelopment process is the creation of design guidelines. These guidelines would allow THA to better communicate and implement the design vision to potential development

partners. THA staff are compiling a process for next steps in the redevelopment of this property.

### **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 2019 budget has been submitted by property management and Common Area Maintenance (CAM) costs are being calculated and charged to tenants.

## **3.2 Alberta J. Canada Capital Planning and Resyndication**

Construction is 100% complete.

THA has successfully negotiated a liquidated damages settlement and will close out this project. The conversion to permanent financing will be completed by the first week of December as planned.

## **3.3 Arlington Drive Youth Campus**

### **3.3.1 Crisis Residential Center**

On July 25, 2019, the TCRA board approved an additional \$500,000 in CDBG funds for the Crisis Residential Center (CRC). This brings the total funding for the CRC from the City of Tacoma to \$2.3M. Sources of the City funds includes \$1.5M in Neighborhood and Community Services dollars and \$800,000 in CDBG funds via the Tacoma Community Redevelopment Authority (TCRA). Pierce County is contributing \$250,000 from 2163 funds and another \$435,945 in CDBG funds.

Because of the increased cost, staff will bring forward a resolution for the Board's consideration that would increase the General Contractor/Construction Manager (GC/CM) contract with Korsmo Construction.

The state legislature allocated \$5M to support the development of the Arlington Drive Youth Campus. These funds are directed toward the Arlington Apartments.

Korsmo Construction is the contractor for the project. Construction began the week of July 22, 2019. SMR are the architects.

## **3.4 Colored Women's Club**

THA presented Colored Women's Club (CWC) with a Development Services Agreement in December, 2018. No comments have been received to date, therefore RED staff are focusing on other priorities.

#### **4. DEVELOPMENT PIPELINE PROJECTS**

##### **4.1 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.

There were two layers of community engagement for this project. THA has hosted four (4) homework groups and three (3) design labs. The homework groups reviewed the findings from the 2016 Housing Hilltop process and looked at macro level issues. Invitees included some neighborhood residents and those representing businesses, community organizations, and institutions in the Hilltop. The Design Labs were larger community events where specific design elements were addressed (i.e., the resident experience; exterior; community space). In addition, the community engagement specialists conducted outreach to traditionally under-represented communities to gather their input. Based on the feedback from these sessions, as well as input from staff and the THA internal design working group, a concept plan has been identified for the four buildings as well as activating the alley. Mithun will finalize the Concept Framework Plan this month. The current plan calls for 237 units of housing in a mix of studio, 1-, 2- and 3-bedroom units. Each building has at least one floor of commercial uses; two of the buildings could have two floors of commercial use if sufficient interest is generated to support the commercial square footage. Three of the buildings are 6-stories and one is 4-stories tall. Approximately 84 on-site parking spots have been identified as well.

THA staff are in discussions with Inland Development and Horizon Housing regarding their interest in developing the four parcels on the Hilltop. Inland Development is a Spokane based, for profit, affordable housing developer. They have an excellent reputation for developing high quality multifamily housing and ensuring it is well managed.

Funding for a permanent supportive housing project on the Mr. Mac site is being sought. Applications are a joint submission of THA and Horizon Housing Alliance.

##### **4.1.1 City of Tacoma 311 Mobilization**

RED continues to conduct outreach with community partners to adopt the City's 311 code enforcement hotline. This past May we hosted a paint-to-learn workshop with Bryant Montessori. Over the summer, we hosted two Pop-up Markets for the Hilltop community, to promote Hilltop-based, local entrepreneurs-of-color. The markets and public space activation support neighborhood pride and serve as a natural vector for conversation around attractive, safe and livable communities. We also started a new public service



announcement series on 311's service request types, featuring iconic Hilltop symbols. These activities and campaigns spread awareness and illustrate usage cases for the neighborhood in a targeted fashion.

#### **4.2 Hilltop Eco District**

Staff has been working with a small group of community leaders for the past eight months to set the foundation for creating an Eco District in the Hilltop. The Eco District framework is based on three Imperatives—Equity, Resilience and Climate Protection. The working group has added three additional imperatives—Economic Development & Jobs, Affordable Housing and Culture. On September 25th the working group is hosting a Lunch and Learn on the Eco District for neighborhood stakeholders. The goal of the working group is for the Eco District to create a set of standards and metrics for future development in the Hilltop. This is an outgrowth of the community engagement work done for THA's four parcels.

To help build community on the Hilltop, THA and HAC are co-sponsoring bi-monthly events (Hilltop Happenings). The first was held on September 14 in People's Park. It is both a celebration of students' return to school and a Reclamation of the Park after recent troubling events.

### **5. Renew Tacoma Housing LL**

The Department of Ecology's *No Further Action-Likely* letters for K and Wright Streets require the installation of vapor mitigation systems at each of the sites, the filing of Environmental Restrictive Covenants and long-term monitoring.

Wright Street's Environmental Restrictive Covenant will encumber a portion of the adjacent property. THA reached an agreement with the owner to compensate them \$75,000 for the loss in value resulting from encumbering a portion of their property with the filing of the Environmental Restrictive Covenant.

Cascade Radon, Inc. is installing the vapor mitigation system at 911 North K Street with completion anticipated mid-September. The vapor mitigation system at 602 Wright Street should start the week of September 23 and take about 2 weeks to complete. Once the work is complete and the Environmental Restrictive Covenants are filed, the investor will release the \$548,000 in escrow and \$3,452,000 in developer fee.

### **6. Tenant Improvement**

#### **6.1 902 First Floor TI**

Ferguson Architecture was selected to provide the interior administrative office space study, feasibility and design services. The initial phases of services will be focused on the 1<sup>st</sup> floor of THA's 902 Office Building. The North side of the 1<sup>st</sup> floor was not included in the 2012 Tenant Improvement and staff changes on the South side of the 1<sup>st</sup> floor require a fresh look in order to improve workspace and

provide efficient work flow. Ferguson Architects completed a field survey to determine staffing needs and a baseline feasibility report was provided. THA has requested costs estimates that will incorporate additional improvements beyond the baseline plan based on staffing needs and security concerns. Ferguson will complete concept development, design, drawings and bid specifications for either the baseline plan or plans with the approved additional improvements with an expected design and plans completion by late September 2019. Construction activities should conclude in March 2020.



**TACOMA HOUSING AUTHORITY**

**NEW BUSINESS**

# Resolution 1



# TACOMA HOUSING AUTHORITY

## RESOLUTION 2019-09-25 (1)

**Date:** September 25, 2019  
**To:** THA Board of Commissioners  
**From:** Michael Mirra  
Executive Director  
**Re:** Approval of THA's 2020 Moving to Work Plan

*This resolution would authorize Tacoma Housing Authority's (THA) Executive Director to submit the Housing Authority of the City of Tacoma's Fiscal Year 2020 Moving to Work (MTW) Plan.*

### Background

THA must submit an annual MTW Report and Plan to Housing and Urban Development (HUD). The Report describes how THA is performing as an MTW agency and the Plan describes existing activities and any new activities that the agency wishes to propose to HUD.

Each year, THA may propose new MTW activities intended to meet the statutory goals of the MTW program:

- *Reduce costs and achieve greater cost effectiveness in federal expenditures;*
- *Give incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and*
- *Increase housing choices for low-income families.*

MTW "activities" are best described as new things THA wishes to do that require waiving Housing and Urban Development (HUD) regulations.

The Policy, Innovation & Evaluation (PIE) team met with each department director and staff to understand the agency's MTW needs and priorities. Results of the consultation process informed which new activity ideas and/or revisions to existing activities would be included in the 2020 planning process.

Many staff suggestions align with current or forthcoming projects and many do not require MTW flexibility or new activities. These suggestions include:

- The evaluation of THA programs including the College Housing Assistance Program (CHAP) and the Family Self-Sufficiency Program (FSS). Jessica Thompson, PIE's new Project Manager 1 – Post Secondary Education will lead THA in its evaluation partnership with the HOPE Center, will explore expanding CHAP to Tacoma Public School Students and will strengthen our data sharing partnerships with property-based subsidy partners. PIE's Data Analyst, Anastasia Cale has started to work with the Community Support and Empowerment department to evaluate and potentially redesign the FSS program.
- Removing burdensome steps from THA's Housing Choice Voucher (HCV) hardship policies. PIE and Rental Assistance will partner to revise this process. Implementation requires changes to the Administrative Plan and January 2020 will be the implementation date.
- Exploring avenues to serve homeless populations. THA is pursuing this work through its upcoming commitments to project-based and property-based subsidy units.

## 2020 MTW Plan

For 2020, THA is not proposing any new activities for HUD approval. The 2020 Plan will activate two previously approved activities that have been on-hold:

1. **Exclude Excess Student Financial Aid for Students** – this activity was introduced and approved in the 2012 MTW Plan. It has been placed on-hold due to software constraints. Now that Open Door is fully operational, THA can get this done. Prior to this activity, under specific criteria, any income remaining after tuition and fees from the head of household or co-head's financial aid would be calculated into their total income. For "other adults" this excess income is calculated up to \$430. Under this approved activity, THA will no longer include this excess financial aid as part of the rent calculation. This is for both tenant-based and project-based housing programs. PIE will take the lead on implementation of this activity while working with Rental Assistance. Implementation will go live as of January of next year.
2. **Modify HQS** – This activity was recently approved by the way of two 2019 MTW Plan amendments. Last year, THA's Cabinet was briefed on the activity which allows THA to permit tenants to move into an inspected unit even if some items fail inspection as long as the items are not life-threatening. The second amendment to this activity permits THA to conduct its own HQS inspections on all THA owned/managed units; conduct its own rent reasonableness, and negotiate contract rents. This is particularly important for THA's upcoming RAD conversion of the remaining 323 public housing units at Salishan and Hillside.

In the 2020 MTW Plan, the activity that permitted THA to implement the Elementary School Housing Assistance Program (ESHAP) has been closed and merged with the activity that permits THA to invest in Pierce County's Rapid Rehousing programs. The MTW authorizations needed for the re-designed of ESHAP program are no longer necessary. Given its similar

framework to THA's Rapid Rehousing investment, these two programs will be reported separately, but within the same activity.

Any changes to the MTW Plan that are approved by the board and HUD will be updated in THA's Administrative Plan.

The draft plan can be viewed by following this

link: [http://www.tacomahousing.net/sites/default/files/moving\\_to\\_work\\_-\\_2020\\_mtw\\_plan\\_-\\_2019-07-12\\_-\\_draft.pdf](http://www.tacomahousing.net/sites/default/files/moving_to_work_-_2020_mtw_plan_-_2019-07-12_-_draft.pdf)

### **Community and Staff Consultation**

Throughout the month of June, staff was consulted regarding the 2020 MTW Plan. Through email and meeting solicitation, Policy, Innovation & Evaluation (PIE) received 21 ideas from staff. Most suggestions are operational or are previously approved activities that do not require MTW approval.

After receiving approval from the Cabinet to proceed with the public hearing process, THA has taken the following actions to receive feedback:

- Staff planning sessions.
- Public comment notice and draft MTW Plan made available on THA's website.
- A Public Hearing meeting was held on Friday, July 19<sup>th</sup> at Bay Terrace from 4pm to 5pm.

No public comments were received during the public comment period.

### **Recommendation**

Approve Resolution 2019-09-25 (1) authorizing THA's Executive Director to submit the Housing Authority of the City of Tacoma's Fiscal Year 2020 Moving to Work (MTW) Plan.



# TACOMA HOUSING AUTHORITY

## **RESOLUTION 2019-09-25 (1)**

(Approval of THA's 2020 Moving to Work Plan)

### **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 (01/01/2020), 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)

Derek Young  
**Name of Authorized Official**

Chairperson  
**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.

# **Resolution 2**



# TACOMA HOUSING AUTHORITY

## RESOLUTION 2019-09-25 (2)

**Date:** September 25, 2019  
**To:** THA Board of Commissioners  
**From:** Michael Mirra  
Executive Director  
**Re:** Emergency Procurement Update to Procurement Policy

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*This resolution would amend Tacoma Housing Authority's (THA) Procurement Policy, Policy No. PCI-01, to (1) authorize the Director of Administrative Services to authorize procurements in emergency situations consistent with THA policy and (2) provide additional guidance regarding the definition of an "emergency."*

### Background

THA's procurement processes are governed by state and federal law, and THA's Procurement Policy. State and federal law allows THA to dispense with its normal procurement rules when, because of emergency, following those rules is not possible.

RCW 39.04.280(1) permits waiver of competitive bidding requirements in emergency situations. RCW 39.04.280(3) defines "emergency" to mean "unforeseen circumstances beyond the control of the municipality that either: (a) present a real, immediate threat to the proper performance of essential functions; or (b) will likely result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken."

RCW 39.04.280(2)(b) provides:

If an emergency exists, the person or persons designated by the governing body of the municipality to act in the event of an emergency may declare an emergency situation exists, waive competitive bidding requirements, and award all necessary contracts on behalf of the municipality to address the emergency situation. If a contract is awarded without competitive bidding due to an emergency, a written finding of the existence of an emergency must be made by the governing body or its designee and duly entered of record no later than two weeks following the award of the contract.

THA's Procurement Policy provides that the Executive Director "or other person designated by THA" may declare an emergency and waive competitive bidding requirements:

## **“7.10 Exceptions to Competitive Procurement**

THA need not use the competitive procurement procedures set forth in section 7 in some limited circumstances as follows:

### *7.10.1 Emergency Procurements.*

(a) **Application**

In the event of an Emergency, THA is not required to follow competitive bidding requirements for public works, personal services, architectural and engineering services, and purchases. Other requirements under other laws may apply.

(b) **Definition**

“Emergency” means unforeseen circumstances beyond the control of THA that either: (a) Present a real, immediate threat to the proper performance of essential functions; or (b) will likely result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken.

(c) **Written Findings**

If an emergency exists, the Executive Director or other person designated by THA to act in the event of an emergency may declare an emergency situation exists, waive competitive bidding requirements, and award all necessary contracts on behalf of THA to address the emergency situation. If a contract is awarded without competitive bidding due to an emergency, a written finding of the existence of an emergency must be made by THA and duly entered of record no later than two weeks following the award of the contract in accordance with Section 8.0.”

### **We propose the following changes to the policy:**

- First, the Director of Administrative Services should be added as a person authorized to declare an emergency and waive competitive bidding requirements.
- Second, the policy sets out the state law definition of “emergency,” but should be clarified to provide examples. An “emergency” includes not only natural disasters, but may also include fires, substantial water damage and methamphetamine contamination.

The justification for the above changes is directly related to the performance of THA’s essential function to provide housing. Vacancies greater than 90 days impact compliance including the financial loss of tax credits. Rehabilitation of units after fires, water damage and methamphetamine contamination typically take 90-180 days if non-emergency procurement policies are used. These units are offline and unavailable to clients and impedes THA’s essential function to provide housing.

## **Recommendation**

Approve Resolution 2019-09-25 (2) authorizing THA's Executive Director to update THA's Procurement Policy.



# TACOMA HOUSING AUTHORITY

## **RESOLUTION 2019-09-25 (2)** **(Emergency Procurement Update to Procurement Policy)**

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

**WHEREAS**, RCW 39.04.280 permits a waiver of competitive bidding in an emergency situation, and 2 C.F.R. § 200.320 permits procurement by noncompetitive proposals in the event of an emergency; and

**WHEREAS**, THA's procurement policy, section 7.10, permits the Executive Director or other person designated by THA to declare an emergency and waive competitive bidding; and

**WHEREAS**, RCW 39.04.280(2)(b) permits "the person or persons designated by the governing body of the municipality to act in the event of an emergency may declare an emergency situation exists, waive competitive bidding requirements, and award all necessary contracts on behalf of the municipality to address the emergency situation"; and

**WHEREAS**, THA believes it is appropriate to authorize the Director of Administrative Services, in addition to the Executive Director, to declare an emergency and waive competitive bidding requirements in the event a qualifying emergency exists; and

**WHEREAS**, Qualifying emergencies under state law may include natural disasters, fires, substantial water damage and methamphetamine contamination; and

**WHEREAS**, THA believes it is appropriate to amend its Procurement Policy to incorporate these changes and provide this additional guidance to staff; 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 (1) update THA's Procurement Policy to authorize the Director of Administrative Services to declare an emergency and waive competitive bidding requirements in the event a qualifying emergency exists, and (2) provide additional guidance on the definition of an "emergency."

**Approved: September 25, 2019**

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Derek Young, Chair