



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS

BOARD PACKET

November 13, 2019



TACOMA HOUSING AUTHORITY

Michael Mirra
Executive Director

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, NOVEMBER 13, 2019

The Board of Commissioners of the Housing Authority of the City of Tacoma will hold its Regular Meeting on **Wednesday, November 13, 2019, at 4:45 pm.**

The meeting will take place at:

**911 North K. Street
Tacoma, WA 98403**

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

I, Sha Peterson, certify that on or before November 7, 2019, I FAXED/EMAILED, the preceding PUBLIC MEETING NOTICE before:

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

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

Sha Peterson
Executive Administrator



TACOMA HOUSING AUTHORITY

AGENDA

REGULAR BOARD OF COMMISSIONERS MEETING

November 13, 2019, 4:45 PM

911 North K Street, Tacoma, WA 98403

1. **CALL TO ORDER**
2. **ROLL CALL**

3. **APPROVAL OF MINUTES**
 - 3.1 Minutes of September 25, 2019—Regular Meeting

4. **GUEST COMMENTS**
5. **COMMITTEE REPORTS**
6. **COMMENTS FROM THE EXECUTIVE DIRECTOR**

7. **ADMINISTRATION REPORTS (Oral Reports Only)**
 - 7.1 Finance
 - 7.2 Administrative Services
 - 7.3 Client Support & Empowerment
 - 7.4 Rental Assistance
 - 7.5 Property Management
 - 7.6 Real Estate Development

8. **COMMENTS FROM THE COMMISSIONERS**
9. **EXECUTIVE SESSION, if any**
10. **ADJOURNMENT**



TACOMA HOUSING AUTHORITY

MINUTES



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, SEPTEMBER 25, 2019

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at Bergerson Terrace, 5303 S. Orchard Street, Tacoma, WA 98467 at 4:45 PM on Wednesday, September 25, 2019.

1. CALL TO ORDER

Commissioner Hodge called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:57 pm.

2. ROLL CALL

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

PRESENT	ABSENT
Commissioners	
Chair Derek Young (arrived late at 5:05 pm)	
	Vice Chair Stanley Rumbaugh
Commissioner Minh-Anh Hodge	
	Commissioner Arthur Banks
Commissioner Shennetta Smith	
Staff	
Michael Mirra, Executive Director	
Sha Peterson, Executive Administrator	
April Black, Deputy Executive Director	
Ken Shalik, Finance Director	
	Toby Kaheiki, Human Resources Director
Frankie Johnson, Property Management Director	
Kathy McCormick, Real Estate Development Director	
Sandy Burgess, Administrative Services Director	
Julie LaRocque, Rental Assistance Director	
Cacey Hanauer, Client Support & Empowerment Director	

Commissioner Hodge declared there was a quorum present @ 4:58 pm and proceeded.

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Chair Young asked for any corrections to, or discussion of minutes for the Annual Meeting of the Board of Commissioners on Wednesday, August 28, 2019. Commissioner Hodge moved to adopt the minutes; Commissioner Smith seconded.

Upon roll call, the vote was as follows:

AYES: 3
NAYS: None
Abstain: None
Absent: 2

Motion approved.

Chair Young asked for any corrections to, or discussion of minutes for the Regular Session of the Board of Commissioners on Wednesday, August 28, 2019. Commissioner Hodge moved to adopt the minutes; Commissioner Smith seconded.

Upon roll call, the vote was as follows:

AYES: 3
NAYS: None
Abstain: None
Absent: 2

Motion approved.

4. GUEST COMMENTS

There were no guest comments.

5. COMMITTEE REPORTS

Real Estate Development Committee—Chair Young, Vice Chair Rumbaugh
Chair Young and Vice Chair Rumbaugh were not in attendance.

Finance Committee—Chair Young, Commissioner Hodge
The Finance Committee had an exit conference to go over the audit.

Citizen Oversight Committee—Commissioner Banks, Commissioner Smith
Nothing to report.

Education Committee—Commissioner Hodge, Commissioner Smith
Nothing to report.

6. COMMENTS FROM THE EXECUTIVE DIRECTOR

Executive Director (ED) Michael Mirra directed the board to his report. He highlighted the good news from Congress last week. This year THA received \$2.9M more than expected over last year. For next year, the House approved its version of the Housing and Urban Development (HUD) budget which would likely give THA more over this year's allocation than the increase THA received this year over last year. The Senate Appropriations Committee approved its version of the HUD which would be ever more favorable. Both versions reject the President's proposed deep cuts. If Congress does not get the budget done by the time the board needs to adopt a budget, THA will budget through the most plausible, which presently is the House version.

ED Mirra proposed changes to the board reports for the coming months:

- Forego November board reports
- December board reports to report on October data
- January reports to report on November, December and Fiscal Year data
- Directors to still provide verbal reports, but not in writing

The board unanimously approved the proposal.

7. ADMINISTRATIVE REPORTS

Finance

Finance Department (FD) Director Ken Shalik directed the board to the finance report. THA will end the year in good shape. The Finance Committee met with the Washington State auditors to go over the exit conference for the 2018 audit, which went well. Finance will submit it to the HUD system for REAC. There will be an audit finding this year. It concerns furniture that THA purchased for the Family Investment Center. It cost \$40,000. HUD's rules require that for all purchases over \$25,000, the PHA first check to be sure the vendor is not on HUD's list of banned vendors. For this purchase, THA either did not check or could not document that it checked. The vendor THA used for the purchase was not on the banned list, but still the auditors will issue a finding for THA's lack of compliance with the rule. THA will refine its business process to better ensure compliance. This is the first finding since 2011. Chair Young noted that the auditor was also responding to the fact that it sampled only a few purchases for compliance and the one non-compliance they found was therefore a large percentage of the small sample. ED Mirra stated that although staff may not agree with the finding, THA takes it seriously.

The cash position is in good shape. THA encumbered is at \$7.5M. Moving to Work (MTW) cash held by HUD is at \$2.7M. Closing of Rental Assistance Development (RAD) will likely be in October. Housing Assistance Program (HAP) expenditures will be above what was budgeted.

Commissioner Hodge moved to ratify the payment of cash disbursements totaling \$5,269,704 for the month of August 2019. Commissioner Smith seconded.

Upon roll call, the vote was as follows:

AYES: 3
NAYS: None
Abstain: None
Absent: 2

Motion Approved.

Policy, Innovation and Evaluation

Policy, Innovation and Evaluation (PIE) Director April Black directed the board to her report. April introduced PIE's new staff member for post-secondary education programs, Jess Thompson. Jess jumped right into the work with Tacoma Community College (TCC) to make College Housing Assistance Program (CHAP) stronger. Director Black's report includes the first Children's Savings Account (CSA) evaluation and an outline prepared by Project Manager, Amy Van.

Client Support and Empowerment

Client Support and Empowerment (CSE) Director Cacey Hanauer directed the board to her report. She described continuing efforts to improve the monthly CSE report. Next month's CSE report will include a schedule of data to be included in reports. CSE has been focused on supporting staff and clients. There has been increasing violence in the community that is affecting staff and clients. CSE organized a retreat to address this issue; the big part was the emotional health piece. Director Hanauer is proud that THA supports self-help. She thanked Director Kaheiki and Employee Assistance Program (EAP) for the individual and group sessions, which have been helpful. CSE had a retreat with Young Men's Christian Association (YMCA) for governance of Arlington Drive Apartment, which was fruitful. CSE is fully hired up and now has a therapy dog in training named George.

Rental Assistance

Rental Assistance (RA) Director Julie LaRocque directed the board to her report. Utilization is good at 95%. The count of shoppers count is going down indicating that voucher holders are finding landlords. The audit for Highlind Flats and Crosspointe have started and RA has seen improvements by our landlord partner. RA staff are working on scheduling inspections for Cascade Vista and Cascade Park. Director LaRocque hopes to report on the status of those inspections next month. Chair Young mentioned that he ran into a Cascade staff member who gushed about the work with THA. Director LaRocque responded that THA has had good interactions with them.

Summer has been tough for THA staff, and staff are very appreciative of the EAP support and meeting with the Tacoma Police Department (TPD). RA has been working on the

waitlist opening scheduled for October 7. Director LaRocque thanked PIE and Administration Services for their assistance. Commissioner Smith asked what the process will be for people already on the waitlist and re-opting. Director LaRocque said the waitlist opening will not impact them at all. The main reason for the opening is that THA is running low on large families to fill larger units. As soon as the waitlist opening is finished, staff will contact everyone on the waitlist again. Commissioner Smith stated that she is seeing none of the CHAP units being used. Director LaRocque responded that there have been problems on getting the program organized. Director Black noted challenges in getting TCC and the Department of Corrections (DOC) organized and that vouchers are not released to potential students yet.

Property Management

Property Management (PM) Director Frankie Johnson directed the board to her report. PM continues to trend toward the goal of turning units in 20 days. There is information on rent collection on her report. Chair Young appreciates the constant work on the graphs and visuals. Director Johnson thanked Project Manager Anastasia Cale for the work. PM will include a side-by-side comparison on the report to see the changes.

This is the time of year where PM gears up for year end preventative maintenance, focusing on gutters and winter preparation. Staff are working hard on resident engagement in the properties. PM staff worked with CSE for a back to school backpack event, a huge success largely through the hard work of Case Worker Byron Williams and Portfolio Manager Jamila Saidi and others involved in the project. Property Manager Debra Pohlenz retires this month. PM started the hiring process early and has selected an internal candidate, Marquis Jenkins.

Real Estate Development

Real Estate Development (RED) Director Kathy McCormick was not in attendance. ED Mirra spoke on her behalf. Tacoma Public Schools (TPS) would like to give THA Gault School. He noted that this will take considerable discussion. And if THA takes the property, THA will undertake extension consultation with the neighborhood to plan its use. ED Mirra noted the construction continues of Arlington Drive and The Rise on 19th.

8. NEW BUSINESS

8.1 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 WA005
PHA Name **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 Chairperson
Name of Authorized Official **Title**

Signature Date

*Must be signed by either the Chairman or Secretary of the Board of the PHA's legislative body. This certification cannot be signed by an employee unless authorized by the PHA Board to do so. If this document is not signed by the

Chairman or Secretary, documentation such as the by-laws or authorizing board resolution must accompany this certification.

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

AYES: 3
NAYS: None
Abstain: None
Absent: 2

Motion Approved: September 25, 2019

Derek Young, Chair

**8.2 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.”

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

Upon roll call, the vote was as follows:

AYES: 3
NAYS: None
Abstain: None
Absent: 2

Motion Approved: September 25, 2019

Derek Young, Chair

9. COMMENTS FROM COMMISSIONERS

Commissioner Smith appreciates all the hard work staff puts in, and appreciates their resilience with what has been going on across the street from 902 South L.

Chair Young went to a Sound Outreach luncheon and heard a lot of good things about THA.

10. EXECUTIVE SESSION

None.

11. ADJOURNMENT

There being no further business to conduct, the meeting ended at 5:42 pm.

APPROVED AS CORRECT

Adopted: November 13, 2019

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: November 10, 2019
Re: Executive Director's Monthly Report

This is my monthly report for November 2019. It would normally supplement the departments' reports. However, the Board will recall its approval of doing without the departments' report for November. Staff requested this respite because this month's Board meeting comes early in the month due to the Thanksgiving holiday. Not having to prepare Board reports allowed staff to focus on other work. The Director will have oral reports to give.

1. CONGRESSIONAL BUDGET NEWS: UPDATE

I attach my November 2, 2019 email to the Board and THA staff. It provides an update on Congress's efforts to write and approve a 2020 budget for HUD. This update comes from our Congressional offices, CLPHA and our governmental affairs office in Washington, D.C.

As the email relates, Congress provided some good news recently. Both the House and the Senate have each approved a version of a HUD budget. Each version is likely to give THA a substantial increase in funding well above the \$2.9 million increase THA received this year over last year.

The email also reported considerable uncertainty about whether we will end up with a final budget. There appears to be two main uncertainties. **First**, President Trump is insisting on \$5 billion for a wall on the southern border. **Second**, the impeachment controversy is making everything that requires agreement in Congress harder.

The government is presently operating on a Continuing Resolution. It expires on November 21st. If Congress does not pass a real budget by then the government will shut down, like it did last year for 35 days. We understand that Congress will likely extend that Continuing Resolution until the end of the year to give itself more time to pass a real budget.

No one can really know what will happen. Congress and the President offer a pretty confusing picture right now. Here are the possibilities, in rough order of probability, according to our advisors:

- Congress will extend the Continuing Resolution and then pass a real budget for HUD and other less controversial parts of the budget. That will likely give THA a big increase in funding.
- Congress will extend the Continuing Resolution, but it will not be able to agree on a budget. It will then extend the Continuing Resolution for the entire year. That will preserve the \$2.9 million increase THA received over last year but lose us the additional increases for this year promised in the House or Senate version of the

HUD budget.

- The government will shut down either because Congress cannot agree even to extend the Continuing Resolution or it can agree but the President will not sign the extension, perhaps as his way to derail the impeachment process. If that happens, THA will dust off the plan it devised last year to manage a government shutdown. Under such a plan THA can withstand a shutdown of two months without notable disruption.

It has become normal for the Board to adopt a budget without knowing what Congress will do because Congress is usually late. That will happen this year. An important budget principle that has served us well in such cases is to write our budget by presuming upon the worst of the likely budget proposals working their way through Congress. This year that is either the House version, which would provide a substantial increase, or a Continuing Resolution that gives us flat funding. We should know more by the December Board meeting.

The Board will also recall that it has approved my request to delay approving a THA budget for 2020 until no later than March. I requested this delay initially because the Finance Department is still wrestling with its new budget software. This uncertainty in Congress is another reason to delay. Accordingly, in December, we will ask the Board to approve an interim budget that approves expenditures at 2019 levels with provision for those variances that we can identify.

I thank the Board for its patience with all this Congressional uncertainty. I close with the words I used to end my attached email: "I remain hopeful that THA will manage whatever is heading our way. We have the same notable advantages that served us well amid similar circumstances in past years:

- ample reserves;
- MTW flexibility;
- a wonderful Board and staff who show everything we could wish for in such puzzling circumstances: astute and sophisticated judgment; resilience; a creative focus on the mission; and good humor."

I am grateful to the Board for this.

2. ALL STAFF LUNCH: December 13th 11 AM to 3 PM

The annual all staff lunch is scheduled:

Friday, December 13th; 11 AM to 3 PM
Tacoma Elks Lodge, 2013 S. Cedar Street, Tacoma, WA 98405

This lunch is a good time for us all to reflect on a full year of hard work and to thank staff

for it. I hope the Commissioners will be able to attend. Your attendance and your own remarks to staff are very meaningful to them.

3. REMINDER ABOUT OPEN PUBLIC MEETINGS ACT REQUIREMENTS

At this time of year, it is more likely that Commissioners may find themselves attending the same social gathering. THA may even host some of them, like the All Staff lunch. These will not be publicly noticed as a regular or special meeting of the Board. I review below the main requirements of the Open Public Meetings Act and the precautions Commissioners must take during these gatherings to avoid violating it. These precautions should not deter any of you from attending, and enjoying, these social gatherings.

Three Commissioners constitute a Board quorum. If at least three of you attend such informal gatherings, the state's Open Public Meeting Act imposes limits on what you can discuss together. In general, you may not take "action" as the Board. The Act defines "action" broadly:

"Action" means the transaction of the official business of a public agency by a governing body including but not limited to receipt of public testimony, deliberations, **discussions**, considerations, review, evaluations, and final actions.
[emphasis added]

This means that three or more Commissioners should not discuss Board or THA business at such informal gatherings. If they do, they would violate two rules: the rule that all action occur at a properly called meeting; the rule that all meetings be open to the public.

The Act, however, permits such informal gatherings as long as no "action" takes place:

"It shall not be a violation of the requirements of this chapter for a majority of the members to travel together or gather for purposes other than a regular meeting or special meeting as these terms are used in this chapter: **PROVIDED, That they take no action** as defined in this chapter.
[emphasis added]

Commissioners should also avoid the appearance of a violation. For this reason, when at social gatherings they should avoid sitting or congregating in groups of three or more if possible.

If you have any questions, please call me. Thank you for your understanding and honoring these important rules.

Michael Mirra

From: Michael Mirra
Sent: Saturday, November 02, 2019 6:10 PM
To: THA Commissioners; THA All
Subject: Update on Congressional Budget News that affects THA
Attachments: ED Board Report 2019-09-25, 1 CLPHA Congressional Funding Chart 2019-9-19.pdf; CLPHA Update: Full Senate Passes Their FY20 THUD Funding Bill

Dear THA All:

I write with some news from Congress on its effort to write and adopt a 2020 budget for HUD. The news is a mix of some quite positive developments in Congress's budget process, which seems to be progressing, and a continuing uncertainty. The uncertainty mainly arises from whether that budget progress will stall amid the general turbulence within the Congress and the White House concerning (i) the President's insistence on \$5 billion for his "wall" along the Mexican border; and (ii) the impeachment proceedings. The news I have come from what we learned last week in DC at the CLPHA conference and in separate discussions last week with the staff of our Congressional delegation and with our governmental affairs office in D.C. A general theme of all these discussions is that not even very experienced observers of Congress know or can know what will happen. Congress and the White House are pretty confusing places right now.

Despite this confusion in Washington, D.C., THA's Board still must adopt a THA budget for 2020. Normally, it does that in December. This year, at my request, the Board agreed to delay its adoption of a budget until no later than March of next year. The main reason for my request is that our Finance Department needs more time to wrestle our new budget software into shape to use to write the budget. The Congressional uncertainty that I describe below has given us another reason to delay. As a result, in December the Board will adopt an interim THA budget that authorizes expenditures at the same levels as 2019, with explicit provision for those deviations that by December we know of.

In adopting a budget, THA Board will use one of our basic budget writing principles that has served us well over the years: when Congress has yet to write a budget that we can plan on, we will write our own budget presuming upon the worst of the plausible budget proposals then working their way through Congress. The main challenge, as I recount below, is to determine what that proposal is.

1. The main good news I have to report is that both the House and the Senate have now adopted a 2020 budget for HUD, and both are very good for us. I again attach the CLPHA funding chart that compares these budget proposals with actual funding levels from 2018 and 2019. In my previous emails to you, I reported the very good news that the House version of this 2020 HUD budget would likely give us a notable increase in funding.

In my last email to you, I also reported that the Senate Appropriations Committee had approved its proposed HUD budget. It was even better for us than the House version! I am now pleased to report that, on Halloween, the full Senate, by a vote of 84 to 9, approved that Committee's proposal. I attach an email from CLPHA with some further detail.

These House and Senate proposals will likely mean that in 2020 we would preserve that \$2.9 million increase we received this year and would get perhaps \$4 million more. That increase would solve the THA budget deficits we project to begin in 2021. I wrote you already about those deficits. Those deficits arise mainly from our success in leasing up more vouchers than we had budgeted to do.

Even if the House or Senate proposals become final, we must remember that HUD uses complicated formulas to translate appropriation levels into funding levels for individual PHAs. So all this is preliminary. Even with that precaution, however, this news from the House and Senate is very encouraging.

2. The House and the Senate budget negotiators must now confer to reconcile the differences in their proposals. Then the full House and Senate must approve a single proposal.
3. The government is presently operating on a "Continuing Resolution" (CR). Congress passed and the President signed a CR to keep the government operating. They had to do that since Congress did not pass a real budget by its October 1st deadline. If they did not do that, the government would have shut down, like it did last year for 35 days.
4. The present CR expires at midnight November 21st. The government will shut down on November 22nd if Congress and the President do not either enact a real budget or extend the CR.
5. It seems unlikely that Congress will pass a real budget by November 22nd. As a result, both the House and the Senate leadership expect to pass an extension of the CR to give the Congress more time.
6. Even then, the budget negotiations within Congress and with the President are filled with controversy over issues that are unrelated to HUD: (i) money for a wall along the Mexican border; (ii) immigration. The House and Senate leadership have stated an intention to approve the non-controversial portions of the budget. This would cover four of the 12 budgets that together constitute the budget for the entire federal government. The HUD budget is among the four that the leadership will seek to approve. This approval would be a "minibus" appropriation, indicating that it would fund only part of the federal government (as opposed to an "omnibus" that would fund it all.) If Congress did that, we would get our increase and the HUD would not shut down even if other parts of the government shut down.

7. Another possibility is that Congress will not be able to pass a real budget. Instead, it may approve a CR that lasts all year long, That would give us funding in 2020 at 2019 levels. At least that would preserve the \$2.9 million increase we received this year over 2018. But it would be a disappointing loss of the big increases for 2020 that either the House or Senate HUD proposals would give us.
8. Two other uncertainties make all this hard to predict:
 - Congress is a pretty contentious place right now because of the impeachment process. That contention may derail other business, like a budget.
 - Even if Congress agrees on a budget for HUD, President Trump must sign it. He is not predictable. Some observers fear that he will withhold his approval from any budget (i) if it does not give him his money for the wall; (ii) in order to disrupt the impeachment process.
9. If HUD shuts down after November 22nd for lack of a budget, this is what the THA Board will likely direct:
 - We will dust off our plan that we devised to manage last year's shutdown. The shutdown lasted 35 days (longest in the nation's history). Yet when it began, we did not know how long it would last. So we planned a way to manage a shutdown of four months without disruption to clients, partners, or staff. We were able to do that because (i) we have ample reserves; (ii) MTW flexibility to use them; (iii) and HUD, before it shut down, sent each PHA an advance on its next two months of money.

We learned last week at CLPHA that HUD again will try to advance funding before it shuts down.

10. We can hope that, by the time THA's Board adopts a 2020 early next year, we will know from Congress what our allocation will be. If we do not yet know, the Board will likely adopt a budget that presumes on the worst of the plausible budgets under consideration in Congress. The next few weeks should clarify what that is. It may be either the House version or the HUD budget or flat funding under a year long CR.

I hope this is helpful to you. I wish I could be more informative about what Congress and the President will do or even what they will likely do. When I learn something worth sharing, I will write again. Yet, we will all learn the answer at the same time from the national news. I remain hopeful that THA will manage whatever is heading our way. We have the same notable advantages that served us well amid similar circumstances in past years:

- ample reserves;

- MTW flexibility;
- a wonderful Board and staff who show everything we could wish for in such puzzling circumstances: astute and sophisticated judgment; resilience; a creative focus on the mission; and good humor.

Please let me know if you have any questions, suggestions or ideas. I would be pleased to hear from you.

Thank you.

Michael

Michael Mirra

Executive Director

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"Housing Tacoma Forward"



TACOMA HOUSING AUTHORITY

FINANCE



TACOMA HOUSING AUTHORITY

Motion

Adopt a consent motion ratifying the payment of cash disbursements totaling \$4,848,123 for the month of September, 2019.

Approved: November 13, 2019

Derek Young, Chair



TACOMA HOUSING AUTHORITY

Motion

Adopt a consent motion ratifying the payment of cash disbursements totaling \$4,841,677 for the month of October, 2019.

Approved: November 13, 2019

Derek Young, Chair

TACOMA HOUSING AUTHORITY
Cash Disbursements for the month of September 2019

	Check Numbers		Amount	Totals	
	From	To			
A/P Checking Account					
Accounts Payable Checks	Check #'s	93,683 - 93,748			
Accounts Payable EFTs	EFTs	242 - 275			
Business Support Center			427,007	Program Support	
Moving To Work Support Center			45,581		
Moving To Work Buildings (used by Support Center)			23,237		
Tax Credit Program Support Center			30,154		
Section 8 Programs			82,949	Section 8 Operations	
KeyBank Building			164	Properties	
Salishan 7			28,853		
Arlington Crisis Residential Center			65,502	Development	
James Center			9,487		
New Look/Alberta J Canada-Development			2,695		
Arlington Youth Campus-THA Costs			564		
HT 1500 Block			6,950		
Hilltop Redevelopment			21,171		
Hillsdale Heights			4,891		
Bus Development Activity			579		
CSA Program - Business Activities			17,732		Client Support
Community Services MTW Fund			12,400		
COT-Community Wellness Program			23		
FEMA - Fire Safety Grant			5,280		
AMP 6 - Scattered Sites			(4,151)	Public Housing	
AMP 7 - HT 1 - Subsidy			30		
AMP 8 - HT 2 - Subsidy			19		
AMP 9 - HT 1500 - Subsidy			6		
AMP 10 - SAL 1 - Subsidy			13,330		
AMP 11 - SAL 2 - Subsidy			14,488		
AMP 12 - SAL 3 - Subsidy			11,148		
AMP 13 - SAL 4 - Subsidy			11,149		
AMP 14 - SAL 5 - Subsidy			16,922		
AMP 15 - SAL 6 - Subsidy			14,451		
THA SUBTOTAL			862,611		
Hillside Terrace 1 through 1500			7,373	Tax Credit Projects - Reimbursable	
Bay Terrace I & II & Community Facility			6,398		
Alberta J Canada Bldg			-		
Arlington Youth Campus			147,829		
Court F (HT 1800 Block)			380		
Renew Tacoma Housing			20,419		
Salishan 1 - Salishan 6			29,296		
TAX CREDIT SUBTOTAL (Operations & Development - billable)			211,694		1,074,305
Section 8 Checking Account (HAP Payments)					
SRO/HCV/VASH/FUP/NED	Check #'s	482,940 - 482,988	48,652		
	EFTs	228 - 266	3,030,838	\$ 3,079,490	
Payroll & Payroll Fees - ADP				\$ 694,328	
TOTAL DISBURSEMENTS				\$ 4,848,123	

TACOMA HOUSING AUTHORITY
Cash Disbursements for the month of October 2019

	Check Numbers		Amount	Totals
	From	To		
A/P Checking Account				
Accounts Payable Checks	Check #'s	93,749 - 93,823		
Accounts Payable EFTs	EFTs	291 - 327		
Business Support Center			438,951	Program Support
Moving To Work Support Center			84,350	
Moving To Work Buildings (used by Support Center)			77,431	
Tax Credit Program Support Center			72,823	
Section 8 Programs			89,470	Section 8 Operations
Hillsdale Heights			1,499	Properties
KeyBank Building			36	
Mr Mac Building			75	
Salishan 7			43,964	
Salishan Common Areas			306	
Hilltop Redevelopment - THDG			9	THDG
Arlington Crisis Residential Center			17,794	Development
James Center			240	
New Look/Alberta J Canada-Development			2	
Arlington Youth Campus-THA Costs			564	
Salishan Developer Fee			12,129	
Hilltop Redevelopment			35	
Hillsdale Heights			1,000	
Bus Development Activity			2,600	
MTW Development Activity			0	
CS General Business Activities			14	
CSA Program - Business Activities			1,645	
Community Services MTW Fund			29,936	
Education Private Grants (Gates, etc.)			5,643	
Education-Local Gov't Grants (County, City)			4,026	
COT-Community Wellness Program			230	
FEMA - Fire Safety Grant			9,060	
HUD-ROSS Svc Coord			309	
HUD-FSS Grant			47	
AMP 6 - Scattered Sites			3,489	Public Housing
AMP 7 - HT 1 - Subsidy			4,366	
AMP 8 - HT 2 - Subsidy			4,114	
AMP 9 - HT 1500 - Subsidy			1,074	
AMP 10 - SAL 1 - Subsidy			13,286	
AMP 11 - SAL 2 - Subsidy			14,443	
AMP 12 - SAL 3 - Subsidy			11,111	
AMP 13 - SAL 4 - Subsidy			11,111	
AMP 14 - SAL 5 - Subsidy			16,868	
AMP 15 - SAL 6 - Subsidy			14,398	
THA SUBTOTAL			988,449	
Hillside Terrace 1 through 1500			7,217	Tax Credit Projects - Reimbursable
Bay Terrace I & II & Community Facility			6,258	
Alberta J Canada Bldg			-	
Arlington Youth Campus			1,454	
Court F (HT 1800 Block)			-	
Renew Tacoma Housing			14,602	
Salishan 1 - Salishan 6			19,823	
TAX CREDIT SUBTOTAL (Operations & Development - billable)			49,353	1,037,803
Section 8 Checking Account (HAP Payments)				
SRO/HCV/VASH/FUP/NED	Check #'s	482,989 - 483,034	42,437	
	EFTs	276 - 313	3,057,221	\$ 3,099,658
Payroll & Payroll Fees - ADP				\$ 704,217
TOTAL DISBURSEMENTS				\$ 4,841,677

TACOMA HOUSING AUTHORITY
CASH POSITION - September 2019

Account Name	Current Balance	Interest
HERITAGE BANK		
Accounts Payable	3,371,180	0.55%
Section 8 Checking	3,067,660	0.55%
THA Affordable Housing Proceeds-Salishan	3,460,534	0.55%
THA Scattered Sites Proceeds	5,847,427	0.55%
FSS Escrows	160,363	0.55%
CSA Escrows	44,196	0.55%
Note Fund Account	102	0.55%
Credit Card Receipts	7,801	0.55%
Key Bank Security Deposits	3,230	0.55%
Relocation Account	19,528	0.55%
THA Investment Pool	335	0.55%
THDG - Tacoma Housing Development Group	764,317	0.55%
Salishan 7 Operations	1,808,423	0.55%
Salishan 7 Security Deposit	27,800	0.55%
Salishan 7 Replacement Reserve	331,337	0.55%
Salishan 7 Operating Reserve	202,304	0.55%
Highland Crest Operations	654,142	0.55%
Highland Crest Replacement Reserve	234,825	0.55%
Highland Crest Security Deposit	41,154	0.55%
Outrigger Operations	306,417	0.55%
Outrigger Replacement Reserve	151,206	0.55%
Outrigger Security Deposit	25,662	0.55%
Prairie Oaks Operations	101,687	0.55%
Prairie Oaks Replacement Reserve	25,157	0.55%
Prairie Oaks Security Deposit	4,355	0.55%
Payroll Account	18,576	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	\$ 1,507,874	2.20%
1. TOTAL THA CASH BALANCE	\$ 22,848,168	
Less:		
2. Total MTW Cash Balance	\$ 726,000	
<i>Less Minimum Operating Reserves</i>		
2.01 Public Housing AMP Reserves (4 months Operating Exp.)		
2.02 S8 Admin Reserves (3 months Operating Exp.)	726,000	
2.09 Less Total Minimum Operating Reserves	\$ 726,000	
2.1. MTW Cash Available (Lines 2-2.09)	\$ -	
3. MTW Cash Held By HUD	\$ 3,843,490	

TACOMA HOUSING AUTHORITY
CASH POSITION - September 2019

4. Non MTW Cash Restrictions/Obligations					
4.1 Non MTW Operational Restrictions					
4.10 HUD Restricted - Lot and Property Sales				\$	9,307,961
4.101	Area 2B Sales Proceeds (Afford Hsg)		3,460,534		
4.102	Scattered Sites Proceeds (Afford Hsg)		5,847,427		
4.20 THA Property Accounts Reserved				\$	2,346,407
4.201	Security Deposit Accounts		158,002		
4.202	Highland Crest Operations Reserves		320,000		
4.203	Highland Crest Replacement Reserves		234,825		
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		151,206		
4.208	Prairie Oaks Operations Reserves		77,000		
4.209	Prairie Oaks Replacement Reserves		65,157		
4.210	Salishan 7 Operations Reserves		354,000		
4.211	Salishan 7 Replacement Reserves		331,337		
4.30 Rental Assistance Reserves				\$	682,979
4.301	Mod Rehab Operating Reserves		123,663		
4.302	VASH, FUP & NED HAP Reserves		356,049		
4.303	FSS Escrows		203,266		
4.40 Prepaid Grants				\$	965,455
4.401	Gates Foundation		201,137		
4.402	THDG		764,317		
4.50 BFIM Buyout LOC Collateral-Potential Tax Credit Loss				\$	2,500,000
4.60 Total - Non MTW Cash Restrictions (4.10+4.20+4.30+4.40+4.50)				\$	15,802,802
4.70 Agency Contracted or Budgeted Commitments Remaining				\$	-
			-		
			-		
4.99 Total Non MTW Cash Restrictions/Obligations (Lines 4.60+4.70)				\$	15,802,802
5. THA UNENCUMBERED (Non-MTW) CASH (Lines 1-2-4.99)				\$	6,319,366
6. Development Advances - Project Reimbursement upon closing/draw				\$	634,543
6.01	Arlington Crisis Residential Center		259,320		
6.02	Arlington Youth Housing		204,728		
6.03	Court F LLLP (1800 Block)		170,495		