



# **TACOMA HOUSING AUTHORITY**

## **BOARD OF COMMISSIONERS**

### **BOARD PACKET**


**January 22, 2020**



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, JANUARY 22, 2020**

The Board of Commissioners of the Housing Authority of the City of Tacoma will hold its Regular Meeting on **Wednesday, January 22, 2020, at 4:45 pm.**

The meeting will take place at:

**3201 S. Fawcett Street  
Tacoma, WA 98418**

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 January 16, 2020, I FAXED/EMAILED, the preceding PUBLIC MEETING NOTICE before:

City of Tacoma	747 Market Street Tacoma, WA 98402	fax: 253-591-5300 email: <a href="mailto:CityClerk@cityoftacoma.com">CityClerk@cityoftacoma.com</a>
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: <a href="mailto:tips@q13fox.com">tips@q13fox.com</a>
KSTW-TV/CW 11	2211 Elliott Avenue, Suite 200 Seattle, WA 98121	
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.

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Sha Peterson  
Executive Administrator



# TACOMA HOUSING AUTHORITY

## AGENDA

### REGULAR BOARD OF COMMISSIONERS MEETING

January 22, 2020, 4:45 PM

3201 S. Fawcett Street, Tacoma, WA 98418

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1. **CALL TO ORDER**
2. **ROLL CALL**
3. **APPROVAL OF MINUTES**
  - 3.1 Minutes of December 11, 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 Administrative Services
  - 7.4 Client Support & Empowerment
  - 7.5 Rental Assistance
  - 7.6 Property Management
  - 7.7 Real Estate Development
  - 7.8 Human Resources
8. **NEW BUSINESS**
  - 8.1 2020-01-22 (1) Payment Standards
  - 8.2 2020-01-22 (2) Utility Allowances
9. **COMMENTS FROM THE COMMISSIONERS**
10. **EXECUTIVE SESSION, if any**
11. **ADJOURNMENT**



# **TACOMA HOUSING AUTHORITY**

## **MINUTES**



# TACOMA HOUSING AUTHORITY

## BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, DECEMBER 11, 2019

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at 902 South L. Street, Tacoma, WA 98405 at 4:45 PM on Wednesday, December 11, 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 4:52 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 (arrived late at 4:56 pm)	
Commissioner Dr. Minh-Anh Hodge	
Commissioner Dr. Arthur C. Banks (Arrived late at 5:03 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 & Empowerment Director	

Chair Young declared there was a quorum present @ 4:53 pm and proceeded.

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

Chair Young asked for any corrections to, or discussion of minutes for the Regular Session of the Board of Commissioners on Wednesday, September 25, 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 (Vice Chair Rumbaugh and Commissioner Banks were not yet in attendance)

**Motion approved.**

### 4. GUEST COMMENTS

None.

### 5. COMMITTEE REPORTS

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

The Real Estate Development Committee met to discuss Tacoma Housing Authority's interest in getting Gault Middle School and other properties. The committee also discussed the Hilltop partnership with Horizon and what measure of control to retain.

#### ***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. He noted that the federal government is on a Continuing Resolution (CR) until midnight, December 21. By then Congress needs to extend the CR or pass a real budget to avoid another governmental shut down. Our hope is that Congress will agree on a real Housing and Urban Development (HUD) budget because the House and Senate versions of that budget may be good for HUD programs. ED Mirra reviewed the various predictions from our congressional offices and CLPHA and our DC liaisons.

The Employee Appreciation Luncheon is scheduled for Friday, December 13, at the Tacoma Elks Lodge. ED Mirra expressed hope that the commissioners could attend.

Finally, ED Mirra stated that the staff appreciate THA's Board of Commissioners very much. The commissioners' support allows staff to undertake the hard work of the agency.

## **7. ADMINISTRATIVE REPORTS**

### **Finance**

Finance Department (FD) Director Ken Shalik directed the board to the finance report. There are three months of expense reports to approve – September through November. THA finally had its financial and single audit exit conference. The only issue this year concerns THA's use of a vendor without checking to see if the vendor was on HUD's debarment list. The vendor was not on the list but THA should have checked. Otherwise, the audit went well. Finance is getting ready to close the books to audit 2019.

Last month, Director Shalik submitted the financial report for the third quarter, which is provided in the board packet. THA is in good shape and projected to have a small surplus. On the income side, THA received \$2.9M more in section 8 Housing Assistance Program (HAP) than originally budgeted. THA will have money held at HUD at the end of the year. Developer Fee Income and Other Revenue are significantly under amounts budgeted. THA was supposed to receive \$4M for finalizing Renew Tacoma financing, but only received \$1M. THA will receive the balance in 2020 when environmental issues resolve. Under Other Revenue, THA has not yet received \$2M in cash flow payments it had expected. They will arrive in 2020.

Expenses have been under budget all year long, except for Project Utilities for 3<sup>rd</sup>-party properties. The same is true for Maintenance, which is a little over budget and also has to do with 3<sup>rd</sup>-party properties. THA is still projected to end the year with a surplus. ED Mirra wanted to know if the present THA utilization rate is an over expenditure because THA budgeted at 95% utilization. Director Shalik said finance put in an additional \$500K to increase utilization in the year. Utilization is higher than intended but averages 95-97%. Vice Chair Rumbaugh asked for the rationale for the \$500K. Director Shalik explained that it was to help THA voucher and HOP families in a hard rental market. Vice Chair Rumbaugh noted that the market will continue to present challenges going into the next year. Director Shalik stated that if THA receives \$2.9M additional this year, it will be in very good shape. In projections, THA will be bringing in Koz on Puyallup for the College Housing Assistance Program (CHAP) and received a grant from Kresge Foundation. Vice Chair Rumbaugh asked if THA tracks per project when it acquires properties for the purpose of gaining revenue. Director Shalik confirmed. Vice Chair Rumbaugh asked for periodic reports that show whether THA's projections forecasted at time of acquisition have been proven in real time. Director Shalik added that Highland Flats, James Center North, and others, are providing cash flow. The only consistent problem is Prairie Oaks. Finance will initiate the necessary conversations in 2020. Chair Young asked how many units were at Prairie Oaks. Director Shalik replied that there are 15 units.

THA is doing well with Cash Position. Unencumbered cash is at \$6.5M, which will increase when THA receives Renew Tacoma funds. At last month's board meeting, the board asked for a resolution restricting THA funds. According to Director Shalik, there are ways he thinks THA can do this. In THA's Moving to Work (MTW) agreement when it was renewed in 2016, the letter noted a 4-month safe harbor as far as sweeping of accounts. Director Shalik will ask that part of it be a safe harbor amount that THA designates internally to ensure THA has operating funds in case of an emergency. This will be another internal document to safeguard reserves.

Vice Chair Rumbaugh moved to ratify the payment of cash disbursements totaling \$4,848,123 for the month of September 2019; \$4,841,677 for October 2019; and \$4,892,195 for November 2019. Commissioner Hodge seconded.

Upon roll call, the vote was as follows:

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

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

Policy, Innovation and Evaluation (PIE) Director April Black directed the board to her report. Staff within Tacoma Housing Authority and Tacoma Public Schools (TPS) have done community consultations to expand the Tacoma Schools Housing Assistance Program (TSHAP), formerly named the Elementary School Housing Assistance Program (ESHAP). Director Black spoke to the board in June about investing in a Rapid Rehousing (RRH)-like program called TSHAP. THA asked Pierce County (PC) to waive the administrative fee and it has agreed. THA is now just waiting for the service commitment and plans to start working on a contract with PC to administer the program. THA staff is also working with funders at the City and County levels to support the implementation and operation of the TSHAP. Director Black feels it is worth the risk to move forward with the contract. TSHAP will serve 160 families a year with a total budget of \$600K. Vice Chair Rumbaugh asked if third-party administrators will be paid by the County. According to Director Black, THA will provide \$400K to Pierce County. Commissioner Smith asked if TSHAP is a program for families currently going through homelessness. Director Black responded that the program is for McKinney Vento families through TPS. Vice Chair Rumbaugh asked if Director Black has a sense of the percentage of individuals who would qualify for the program and would be provided assistance. Director Black responded that TPS identified 750 McKinney Vento students and expects that number will grow throughout the school year. ED Mirra requested a quarter million dollars a year for the first two years from the City and double that once THA gets to a million. The Mayor was supportive and ED Mirra is optimistic the City will provide funds, eventually.



The expansion of the College Housing Assistance Program (CHAP) with Koz continues concurrent with negotiations for the new building, Koz at the Dome. THA is writing an agreement to include Tenant-Based and Property-Based investments and will be designing program manuals. The manuals would provide documents that are understandable and simple. Vice Chair Rumbaugh inquired about the Department of Corrections (DOC) and Tacoma Community College (TCC) discussions. According to Director Black, the program is not going as well as she had hoped. DOC assigned somebody who seems to be committed to the program. According to Vice Chair Rumbaugh, DOC has a program where individuals are released in the community early and provided housing as long they are in school, which should be an encouragement for individuals because if they fail, they go back to prison.

## **Client Support and Empowerment**

Client Support and Empowerment (CSE) Director Cacey Hanauer directed the board to her report. Director Hanauer is ironing out a few things with Commerce regarding Arlington Drive funding. CSE has had numerous planning and coordination meetings with the YMCA. CSE staff are at a conference in San Diego regarding a new grant called Economic Security for All. Today is the final day of door decorating judging at seven senior and disabled properties. There will be pictures at the January report. Vice Chair Rumbaugh asked if THA is connected with the juvenile court, specifically for emergency housing. Director Hanauer confirmed that it is.

## **Rental Assistance**

Rental Assistance (RA) Director Julie LaRocque directed the board to her report. THA hit 100% utilization in December and the number of shoppers has gone way down. RA has made a good plan for future project-based units to keep utilization in the right place. THA was awarded 60 additional mainstream vouchers and staff are working on applications for 75 Family Unification Program (FUP) vouchers. Vice Chair Rumbaugh remarked that there seems to be a little hiccup in the property based subsidy area. He asked who is paying, and what assurance THA has that owners will pay subsidies. According to Director LaRocque, if THA finds that owners owe subsidies, THA will hold back. RA and Property Management met with property owners who brought plans to ensure this will not happen in the future. THA will be stricter with requirements; our landlord partners understand now how important it is for them to get this right. Vice Chair Rumbaugh added that this is a new innovative program and getting it off the ground won't be without hiccups.

## **Property Management**

Property Management (PM) Director Frankie Johnson directed the board to her report. THA maintained 99% occupancy throughout the year. PM had three hires—two in maintenance and one in administration. The leasing project, and turn and lead pilots were a success. Maintenance staff showed what they can do in the 6-month lead pilot; PM will announce the successful candidate to star in the beginning of the year. Marquis Jenkins

moved as the property manager for Bay Terrace and Shannon Smith has been hired for Marquis' former positions. Shannon comes from King County Housing Authority (KCHA). Vice Chair Rumbaugh asked how THA collected 135% of the rents for 2019, as the report shows. According to Director Johnson explained that when tenants vacate, sometimes they pay outstanding balances and those payments go to the property. There are also overpayments. Some tenants also use their payments as a savings account and pay ahead. All this shows as excess rent. Vice Chair Rumbaugh asked what happens when tenants die. Director Johnson responded that reconciliation takes place and over payment will go to the tenant's next of kin. She added that PM will drill down and provide specifics to the board.

## **Real Estate Development**

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

- Renew Tacoma—staff completed all remediation work on K and Wright Streets. Now it has to get tested again and submitted to the Department of Ecology and staff is working with them to expedite the process. Staff is also talking with RBC and City Bank. RED has to put covenant on Ms. Woods' property adjacent to Wright Street. THA will provide compensation for the impact on the property. Staff is hoping to have it all completely done by March at the latest.
- RED staff are in conversations with Inland Development and their partner Horizon Housing for their development of the Mr. Mac site. Staff have to issue an RFP for PBVs; RFPs went out yesterday. RED may need a special board meeting in January to award a contract in anticipation of the 9% tax credit. Horizon Housing, THA and Mercy Housing are in conversations; it is a great collaborative relationship.
- Both Arlington and the Rise @ 19<sup>th</sup> are under construction; framing is up on Crisis Residential Center (CRC). CRC should be completed end of May or early part of June. Arlington is coming along just fine. Roof will be able to go in right after Christmas holiday. Korsmo is really staying on top of it.
- Forterra acquired the Rite Aid building, but instead of handing it over to THA as originally planned, they decided to keep the property. Staff are talking with them about THA developing affordable housing on the site. Staff are in consultation with them and they are eager to learn. Vice Chair Rumbaugh asked if they are supposed to be owner occupied. Director McCormick confirmed.

## 8. NEW BUSINESS

### 8.1 RESOLUTION 2019-12-11 (Approve THA BOC 2020 Meeting Schedule)

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

**WHEREAS**, RCW 42.30.030 states that all meetings of the governing body of a public agency be open and public and all person be permitted to attend any meeting of the governing body of a public agency; and

**WHEREAS**, RCW 42.30.070 states that the governing body of a public agency shall provide the time for holding regular meetings by ordinance, resolution, bylaws or by whatever other rule is required for the conduct of business by that body; and

**WHEREAS**, Advance public notice of Board meetings is essential to make the meetings accessible to the public in a meaningful way; and

**WHEREAS**, The public has to know about the meeting in order to attend; now, therefore, be it

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

Approve the THA BOC 2020 Meeting Schedule prior to the January 2020 meeting.

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

AYES: 4  
NAYS: None  
Abstain: None  
Absent: 1 (Commissioner Hodge stepped out of the room)

**Motion Approved:** December 11, 2019

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

### 8.2 RESOLUTION 2019-12-11 (2) (Fiscal Year 2020 Continuing Resolution Budget)

**WHEREAS**, The Housing Authority of the City of Tacoma (“Authority”) intends to incur expenses and other cash outflows for Fiscal Year 2020; and

**WHEREAS,** The Authority purchased a new Budgeting Software in 2019, and needs time to fully implement it to build and present the budget for Fiscal Year 2020 budget; and

**WHEREAS,** Congress has not yet approved a HUD budget for 2020; a delay in adopting a final budget for THA may give us the advantage of writing that budget after Congress reveals our appropriation; and

**WHEREAS,** The Authority will bring forward the fully vetted budget for FY 2020 in March 2020; and

**WHEREAS,** In the meantime, the Authority needs Board approval for expenditure of funds to operate in FY, 2020; now, therefore be it

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

1. The Board of Commissioners of the Housing Authority of the City of Tacoma adopt the attached FY 2019 Agency wide budget as a Continuing Resolution for 2020, until such time as the official FY2020 budget is presented to them in March. Expenses and other cash outflows are projected as follows:

<u>Expenses</u>	
Executive	\$ 1,056,254
Administration	2,849,067
Finance	1,402,985
Human Resources	594,251
Policy, Innovation and Evaluation	1,081,794
Real Estate Development	2,697,487
Rental Assistance	41,791,392
Client Support & Empowerment	2,130,903
Property Management Overhead	863,572
Property Budgets	<u>3,930,585</u>
Subtotal	58,398,290

<u>Additional Cash Outflows</u>	
Debt Service	73,128
Capital Expenditures	15,310,000
Replacement Reserves	<u>172,650</u>
Subtotal	15,555,778
<b>TOTAL APPROVED BUDGET</b>	<b><u>\$73,954,068</u></b>

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:** December 11, 2019

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

**8.3 RESOLUTION 2019-12-11 (3)**  
**(Approval of Accounts Receivable Write Offs)**

**WHEREAS,** Tacoma Housing Authority (THA) provided housing services to Public Housing and Housing Choice Voucher participants who discontinued housing assistance with debt owing to THA.

**WHEREAS,** Tacoma Housing Authority (THA) provided housing assistance payments to property owners in excess to the amount the owner is entitled to receive and the owner has not repaid this amount to THA.

**WHEREAS,** Each individual included in this tenant account write off has been notified of their debt and given the opportunity to pay prior to this resolution.

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

Authorizes THA staff to “write off” the following accounts and send these debts to an external collection agency to pursue collection action:

**THA Projects Write offs and to Collections**

THA - Salishan VII	Client #	Balance
	<u>LD-2017-029913 (S.T.)</u>	\$ 4,304.03
	<u>LD-2017-029944 (G.J.)</u>	\$ 596.00
	<u>LD-2017-029991 (N.M.)</u>	\$ 1,328.50
	<u>LD-2017-030016 (D.E.)</u>	\$ 32,195.89
		<u>\$38,424.42</u>
Section 8	Client #	Balance
	<u>LD-2017-034092 (D.T.)</u>	\$425.00 *
	<u>LD-2017-031200 (C.G.)</u>	\$28.00 *
	<u>LD-2017-019248 (W.H.)</u>	\$125.00
		<u>\$578.00</u>
THA - Old Salishan	<u>LD-2017-042258 (A.L.)</u>	<u>\$550.57</u>
THA - North G	<u>LD-2018-040989 (C.Y.)</u>	<u>\$21,952.19</u>

MLK New Look	Spaceworks Company	\$2,308.12 **
	Sam & Terry's Barbershop	\$1,232.64 **
	Subway Restaurant	\$1,176.96 **
	Youth for Christ Tacoma	\$1,540.80 **
		<hr/>
		\$6,258.52
	<b>Total THA for Write Off:</b>	<hr/> <b>\$67,763.70</b>
	<b>Total THA to Collections:</b>	<hr/> <b>\$61,052.18</b>

Commissioner Banks 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:** December 11, 2019

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

#### **8.4 RESOLUTION 2019-12-11 (4) (THA Public Records Request Fee Schedule)**

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

**WHEREAS**, Chapter 42.56 RCW, the Washington Public Records Act requires that public agencies publish rules to provide public access to public records; and

**Whereas**, Effective July 23, 2017, the Washington Legislature amended Chapter 42.56 RCW, the Public Records Act; and

**Whereas**, Resolution 2019-12-11 (4) will facilitate compliance with Chapter 42.56 RCW, the Washington Public Records Act; now, therefore, be it

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

1. Chapter 42.56 RCW, the Washington Public Records Act, requires that public agencies publish rules to provide public access to public records; and,

2. Effective July 23, 2017, the Washington Legislature amended the Public Records Act, changing the costs which may be charged for providing records under the Public Records Act; and,
3. This Resolution is to authorize Tacoma Housing Authority to charge fees for the provision of responsive records, in accordance with RCW 42.56.120.

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

Upon roll call, the vote was as follows:

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

**Motion Approved:** December 11, 2019

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

#### **8.5 RESOLUTION 2019-12-11 (5)**

**(Submit a Letter of Intent to the Tacoma Public Schools for the Acquisition of Gault Middle School)**

**WHEREAS**, Tacoma Public Schools (TPS) has invited THA to submit a Letter of Intent proposing the terms for TPS to transfer to THA the old Gault Middle School and associated fields and property;

**WHEREAS**, the property is suitable for redevelopment of affordable and market rate housing and indoor and outdoor community uses;

**WHEREAS**, TPS estimates the property's value at \$1.333 million. It is seeking "full-value" for the transfer, "which can be achieved through non-cash consideration."

**WHEREAS**, THA can offer TPS "full value" for the property, including:

- \$500,000 in cash;
- over 5 years, an investment of \$3.8 million in THA's Tacoma Schools Housing Assistance Program to house homeless families with TPS students,
- its provision to TPS of the HeadStart classroom at Bay Terrace valued at \$ 54,000 a year, with a 5-year value of \$270,000;

- a commitment to use a portion of the affordable housing to be developed on the property to house needy families with TPS enrolled students; and

**WHEREAS**, Upon transfer of the property to THA, THA will takes immediate steps to secure the existing school building, which has a leaky roof, to demolish the non-historic structures, and secure the site; and

**WHEREAS**, THA will commit to a robust effort to consult the neighborhood and the community about future uses of the property; and

**WHEREAS**, this land transfer would be a further elaboration in the ambitious and innovative THA-TPS partnership that for over ten years has sought ways to use housing resources to help TPS students succeed in school and help TPS educate low-income students; and

**WHEREAS**, THA has the authority to execute a letter of intent to sell a property to further affordable housing; now, therefore, be it

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

The THA Executive Director is authorized to submit a Letter of Intent (LOI) to Tacoma Public Schools proposing a transfer to THA of the Gault Middle School from properties. The Letter of Intent will propose terms substantially as set forth above.

Vice Chair Rumbaugh motioned to approve the resolution with modifications to reflect removal of cash. Commissioner Smith seconded the motion.

Upon roll call, the vote was as follows:

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

**Motion Approved:** December 11, 2019

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

#### **8.6 RESOLUTION 2019-12-11 (6) (Agency-Wide One Additional Paid Holiday in December)**

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

**WHEREAS**, The agency has an established and defined holiday policy; and



**WHEREAS,** In recognition of the great work done by staff in 2019, one extra paid holiday would be appropriate; therefore, be it

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

The Board authorizes one additional paid holiday for all regular, benefit-eligible employees on Monday, December 23, 2019.

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:** December 11, 2019

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

## **9. COMMENTS FROM COMMISSIONERS**

None.

## **10. EXECUTIVE SESSION**

The Board went into Executive Session at 6:33 pm for 37 minutes to discuss the Letter of Intent to Tacoma Public Schools for Gault School Acquisition. The board came back to regular session at 7:10 pm.

Vice Chair Rumbaugh motioned to approve the Tacoma Public Schools for Gault School Acquisition resolution with modifications to reflect removal of cash. Commissioner Smith seconded the motion. The vote is noted under Resolution 2019-12-11 (5) of the minutes.

## **11. ADJOURNMENT**

There being no further business to conduct, the meeting ended at 7:13 PM.

**APPROVED AS CORRECT**

**Adopted:** January 22, 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:** January 17, 2020  
**Re:** Executive Director's Monthly Report

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This is my monthly report for January 2020. It supplements the departments' reports.

## 1. STATE LEGISLATIVE SESSION

The Washington State legislative session is underway. Housing topics will be an important theme for the session, as it was last year. I attach the list of housing bills of interest to housing authorities. They come in two types:

- increasing tenant protections
- increasing funding for affordable housing development.

As was the case with last session, THA has been very active in representing the Association of Washington Housing Authorities (AWHA) in the negotiations about the tenant protection bills. The main bill would require residential landlords to have and prove "good cause" before terminating a tenancy or refusing to renew a fixed term lease. Housing authorities generally favor this proposal, if done correctly.

They look for a bill that adequately addresses the four interests they bring into the discussion:

- They are landlords. They share the interest of all landlords in an efficient and effective way to evict troublesome tenants. They have been operating under the federal "good cause" requirements for decades. So the requirement would not be new for them.
- Housing authority tenants share this interest in an efficient eviction process when they find themselves living next door to a troublesome neighbor. In those cases, these tenants are not too interested in their troublesome neighbor's tenant protections. Their interest in the neighbor's speedy removal is especially acute because their low-income means they cannot escape by moving away.
- Housing authorities also are concerned about tenants generally, especially low-income tenants. A good cause requirement can protect them from evictions that are retaliatory or for reasons that constitute unlawful discrimination.
- Housing authorities are concerned that a good cause requirement will make landlord's less willing to bet on a weak tenant applicant.

THA's other interest in the session concerns Arlington Drive Campus for Homeless Youth and Young Adults. We do not seek more money from the legislature. The legislature

already has been generous. It gave us \$5 million to build Arlington. We do not need more for that purpose. The legislature also gave us \$1.25 million for operations. We do not need more of this money either.

What we do need is an adjustment in the spending schedule for the \$1.25 million in operational funding. We learned of a rule that says we must spend half of it in the first year of the biennium or lose it. That would be a problem because Arlington will not be open for business until later this year, deep into the second year of the biennium. We need the legislature to back load all of the money into the second year of the biennium. Our local delegation is working on this. Getting this done is also on the City of Tacoma's agenda for the session.

## 2. **THA's Education Project**

The Board knows that THA's Education Project is expanding.

- Tacoma Schools Housing Assistance Program (TSHAP)
- College Housing Assistance Program (CHAP)

These expansions are exciting. They fit squarely inside THA's understanding of its mission. They are necessary for the people they serve. These expansions are also testing THA's relationships and partnerships. In these programs, THA seeks to confine its role to providing the housing or the housing dollars. For other program needs, we need partners to step up. There are two needs in particular we need them to cover:

- *Supportive Services*  
THA does not want to provide or pay for the supportive housing. We are seeking sustainable funding from the city, the county, our school partners and from philanthropy. We have been notably successful so far. We have more to raise.
- *Operations:*  
We need our partner schools and colleges to do most of the balance of the operational work: market the programs among their student populations; manage applications; determine if the student is homeless; refer them to the appropriate CHAP resources; provide the student with on-campus support; track academic progress; report that progress to THA. THA is not staffed to do this work. If THA ends up doing much of this work, these expansions will not work.

I remain optimistic we will find what we need from our partners and relationships in the community.

## 2020 AWAH Bill Tracker

As of January 15, 2020

Bill Title	House	Senate	Status	Summary	Category	AWHA Position
Concerning Residential Tenant Protections	<a href="#">HB 2453</a>	<a href="#">SB 6379</a>	Committee	Good cause eviction bill.	Tenant Protections	Support: AWAH Priority
Allowing the local sales and use tax for affordable housing to be imposed by a councilmanic authority	<a href="#">HB 1590</a>	<a href="#">SB 6126</a>	Committee	Allows the 0.1% sales tax option for affordable housing and related services to be enacted at the Council level.	Local Funding	Support: AWAH Priority
REET Exemption	<a href="#">HB 2634</a>	<a href="#">SB 6366</a>	Committee	Exempts the seller from the REET if the property is transferred to a qualified PHA or NP for use or development as affordable housing.	PHA/NFP Tools	Support: AWAH Priority
Addressing documentation and processes governing landlords' claims for damage to residential premises.	<a href="#">HB 2520</a>		Committee		Tenant Protections	No position
Deposit Installments	<a href="#">HB 1694</a>		Committee	Would allow tenants to request that they pay their deposit and last month's rent in installments.	Tenant Protections	Support With Changes
5600 Trailer Bill		<a href="#">SB 6378</a>	Committee	Eliminates limits on judicial discretion for 1) tenants with 3 or more pay or vacate notices in a 12 month period and 2) allows tenants to request a new due date for rent if they receive government assistance.	Tenant Protections	Monitor - Requesting Changes
Fair Chance Housing			Committee	Bans the use of criminal background checks when making determinations for admittance into housing; only allows use of sex offender registry for screening. Exempts PHAs from requirements of bill.	Tenant Protections	Monitor
Standardizing definitions of homelessness to improve access to services.	<a href="#">HB 2388</a>		Committee			No position
Streamlining reporting for recipients of housing-related state funding by removing Washington state quality award program requirements	<a href="#">HB 2348</a>	<a href="#">SB 6229</a>	Committee	Eliminates the requirement for eligible organizations receiving over \$500,000 annually from housing-related state funding to apply to the Washington State Quality Award program	Public Works	Support
Concerning the property tax exemption for nonprofit organizations providing rental housing or mobile home park spaces to qualifying households	<a href="#">HB 2384</a>	<a href="#">SB 6232</a>	Committee	Increases AMI threshold from 50% to 60% for non-profits to receive the property tax exemption for low-income housing.	PHA/NFP Tools	Support
Providing for a grace period before late fees may be imposed for past due rent.	<a href="#">HB 2535</a>		Committee		Tenant Protections	No position
Prohibiting local governments from limiting the number of unrelated persons occupying a home		<a href="#">SB 6302</a>	Committee			No position
Concerning the authority of counties, cities, and towns to exceed statutory property tax limitations for the purpose of financing affordable housing for very low-income households and low-income households.		<a href="#">SB 6212</a>	Committee		Local Funding	No position
Concerning urban housing supply	<a href="#">HB 2343</a>	<a href="#">SB 6334</a>	Committee		Land Use	No position
Requiring employers to periodically report standard occupational classifications or job titles of workers	<a href="#">HB 2308</a>		Committee	Requires employers to report Standard Occupational Classifications and/or job titles when completing quarterly unemployment filings.	Public Works	No position
Creating a local infrastructure investment program to support the development of affordable housing, workforce housing, and revitalization efforts	<a href="#">HB 1938</a>		Committee		Land Use	No position
Improving access to homeownership by expanding opportunities for down payment assistance programs		<a href="#">SB 6185</a>	Committee		Homeownership	No position
Prioritizing homelessness diversion services		<a href="#">SB 6186</a>	Committee		Local Funding	No position

Bill Title	House	Senate	Status	Summary	Category	AWHA Position
Concerning a property owner's or tenant's liability for delinquent and unpaid utility service charges.	<a href="#">HB 2520</a>					No position
Providing a limited property tax exemption for the construction of accessory dwelling units			Committee		PHA/NFP Tools	No position
Providing for jobs training for homeless individuals		<a href="#">SB 6385</a>	Committee			No position
Concerning the sale or lease of manufactured/mobile home communities and the property on which they sit	<a href="#">HB 2610</a>	<a href="#">SB 6230</a>	Committee	Adds notice requirements about sales and opportunities to purchase to tenants and homeowner associations. Requires owners to negotiate in good faith.	Homeownership	No position
Authorizing local option revenue for homelessness services, subject to specified conditions, including prohibiting supervised injection sites and requiring local restrictions on camping on public property	<a href="#">HB 2658</a>		Committee	Rep. Stokesbary's local funding option -- allows for 0.25% sales tax option for cities and counties. Half of the amount is credited against the state portion. Requires jurisdictions to prohibit safe injection sites and ban camping on public property before they can impose new tax.	Local Funding	No position



**TACOMA HOUSING AUTHORITY**

**ADMINISTRATION  
REPORTS**





**TACOMA HOUSING AUTHORITY**

**FINANCE**



# TACOMA HOUSING AUTHORITY

## **Motion**

Adopt a consent motion ratifying the payment of cash disbursements totaling \$6,198,111 for the month of December, 2019.

Approved: January 22, 2020

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Derek Young, Chair

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

		Check Numbers			
		From	To	Amount	Totals
A/P Checking Account					
Accounts Payable Checks	Check #'s	93,889	-	93,978	
Accounts Payable EFTs	EFTs	393	-	423	
Business Support Center				405,252	Program Support
Moving To Work Support Center				48,699	
Moving To Work Buildings (used by Support Center)				47,019	
Tax Credit Program Support Center				80,451	
Section 8 Programs				176,349	Section 8 Operations
902 S L - Non-MTW Grant Costs				1,125	Properties
Hillsdale Heights				1,499	
Highland Crest Apts				25,974	
James Center				16,392	
KeyBank Building				2,808	
Mr Mac Building				1,789	
Outrigger				16,126	
Prairie Oaks Operations				9,505	
Salishan 7				79,223	
Salishan Common Areas				4,058	
Alberta J Canada Bldg				27,865	
Arlington Crisis Residential Center				5,238	Development
James Center				4,290	
New Look/Alberta J Canada-Development				2,450	
Arlington Youth Campus-THA Costs				5,890	
Court F (HT 1800 Block)				2,994	
Salishan Developer Fee				75,206	
Hilltop Redevelopment				2,577	
Hillsdale Heights				4,910	
Bus Development Activity				5,298	Client Support
CSA Program - Business Activities				866	
Community Services MTW Fund				23,325	
Education Private Grants (Gates, etc.)				87	
COT-Community Wellness Program				154	
FEMA - Fire Safety Grant				75	Public Housing
AMP 6 - Scattered Sites				3,341	
AMP 7 - HT 1 - Subsidy				9,212	
AMP 8 - HT 2 - Subsidy				21,517	
AMP 9 - HT 1500 - Subsidy				1,130	
AMP 10 - SAL 1 - Subsidy				60,385	
AMP 11 - SAL 2 - Subsidy				68,919	
AMP 12 - SAL 3 - Subsidy				48,173	
AMP 13 - SAL 4 - Subsidy				49,115	
AMP 14 - SAL 5 - Subsidy				60,562	
AMP 15 - SAL 6 - Subsidy				61,865	
THA SUBTOTAL				1,461,713	
Hillside Terrace 1 through 1500				37,622	Tax Credit Projects - Reimbursable
Bay Terrace I & II & Community Facility				92,914	
Alberta J Canada Bldg				252,580	
Renew Tacoma Housing				209,449	
Salishan 1 - Salishan 6				288,291	
TAX CREDIT SUBTOTAL (Operations & Development - billable)				880,856	2,342,569
Section 8 Checking Account (HAP Payments)					
SRO/HCV/VASH/FUP/NED	Check #'s	483,089	-	483,144	55,279
	EFTs	381	-	411	3,084,008
Payroll & Payroll Fees - ADP					\$ 716,255
TOTAL DISBURSEMENTS					\$ 6,198,111

# TACOMA HOUSING AUTHORITY

## CASH POSITION - December 2019

Account Name	Current Balance	Interest
<b>HERITAGE BANK</b>		
Accounts Payable	5,985,813	0.55%
Section 8 Checking	2,779,379	0.55%
THA Affordable Housing Proceeds-Salishan	2,550,527	0.55%
THA Scattered Sites Proceeds	5,855,538	0.55%
FSS Escrows	216,597	0.55%
CSA Escrows	47,362	0.55%
Note Fund Account	102	0.55%
Credit Card Receipts	20,259	0.55%
Key Bank Security Deposits	3,634	0.55%
Relocation Account	19,528	0.55%
THA Investment Pool	336	0.55%
THDG - Tacoma Housing Development Group	888,826	0.55%
Salishan 7 Operations	1,362,919	0.55%
Salishan 7 Security Deposit	29,338	0.55%
Salishan 7 Replacement Reserve	349,811	0.55%
Salishan 7 Operating Reserve	202,584	0.55%
Highland Crest Operations	765,870	0.55%
Highland Crest Replacement Reserve	243,541	0.55%
Highland Crest Security Deposit	40,410	0.55%
Outrigger Operations	340,082	0.55%
Outrigger Replacement Reserve	162,451	0.55%
Outrigger Security Deposit	25,390	0.55%
Prairie Oaks Operations	109,323	0.55%
Prairie Oaks Replacement Reserve	26,649	0.55%
Prairie Oaks Security Deposit	4,741	0.55%
Payroll Account	28,639	0.55%
<b>HOME STREET BANK</b>		
James Center North Operations	586,721	0.00%
James Center North Security Deposit	56,801	0.00%
<b>WASHINGTON STATE</b>		
Investment Pool	\$ 1,515,056	1.77%
<b>1. TOTAL THA CASH BALANCE</b>	<b>\$ 24,218,227</b>	
Less:		
<b>2. Total MTW Cash Balance</b>	<b>\$ 2,157,329</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>\$ 1,431,329</b>	
<b>3. MTW Cash Held By HUD</b>	<b>\$ 2,427,460</b>	

# TACOMA HOUSING AUTHORITY

## CASH POSITION - December 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		\$	8,406,065
4.101 Area 2B Sales Proceeds (Afford Hsg)	2,550,527		
4.102 Scattered Sites Proceeds (Afford Hsg)	5,855,538		
4.20 THA Property Accounts Reserved		\$	2,388,647
4.201 Security Deposit Accounts	160,315		
4.202 Highland Crest Operations Reserves	320,000		
4.203 Highland Crest Replacement Reserves	243,541		
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	162,451		
4.208 Prairie Oaks Operations Reserves	77,000		
4.209 Prairie Oaks Replacement Reserves	66,649		
4.210 Salishan 7 Operations Reserves	354,000		
4.211 Salishan 7 Replacement Reserves	349,811		
4.30 Rental Assistance Reserves		\$	755,744
4.301 Mod Rehab Operating Reserves	146,425		
4.302 VASH, FUP & NED HAP Reserves	389,723		
4.303 FSS Escrows	219,596		
4.40 Prepaid Grants		\$	999,609
4.401 Gates Foundation	110,783		
4.402 THDG	888,826		
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>15,050,065</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>15,050,065</b>
<b>5. THA UNENCUMBERED (Non-MTW) CASH (Lines 1-2-4.99)</b>			
		<b>\$</b>	<b>7,010,833</b>
<b>6. Development Advances - Project Reimbursement upon closing/draw</b>			
		<b>\$</b>	<b>215,241</b>
6.01 Arlington Crisis Residential Center	9,410		
6.02 Arlington Youth Housing	63,795		
6.03 Court F LLLP (1800 Block)	142,036		

PHA Board Resolution  
Approving Operating Budget

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing -  
Real Estate Assessment Center (PIH-REAC)

OMB No. 2577-0026  
(exp. 06/30/2022)

**Public reporting burden for** this collection of information is estimated to average **10 minutes per response**, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information is required by Section 6(c)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income public housing program and provides a summary of the proposed/budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating plan adopted by the public housing agency (PHA) and the amounts are reasonable, and that the PHA is in compliance with procedures prescribed by HUD. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

PHA Name: \*\*\*\*\*PHA Code:

PHA Fiscal Year Beginning: \*\*\*\*\*Board Resolution Number:

Acting on behalf of the Board of Commissioners of the above-named PHA as its Chairperson, I make the following certifications and agreement to the Department of Housing and Urban Development (HUD) regarding the Board's approval of (check one or more as applicable):

DATE

- ☐ Operating Budget approved by Board resolution on:
- ☐ Operating Budget submitted to HUD, if applicable, on:
- ☐ Operating Budget revision approved by Board resolution on:
- ☐ Operating Budget revision submitted to HUD, if applicable, on:

I certify on behalf of the above-named PHA that:

1. All statutory and regulatory requirements have been met;
2. The PHA has sufficient operating reserves to meet the working capital needs of its developments;
3. Proposed budget expenditure are necessary in the efficient and economical operation of the housing for the purpose of serving low-income residents;
4. The budget indicates a source of funds adequate to cover all proposed expenditures;
5. The PHA will comply with the wage rate requirement under 24 CFR 968.110(c) and (f); and
6. The PHA will comply with the requirements for access to records and audits under 24 CFR 968.110(i).

I hereby certify that all the information stated within, as well as any information provided in the accompaniment herewith, if applicable, 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 and 3802)

Print Board Chairperson's Name:	Signature:	Date:
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**TACOMA HOUSING AUTHORITY**

**ADMINISTRATIVE SERVICES**



# TACOMA HOUSING AUTHORITY

**DATE:** January 22, 2020

**TO:** THA Board of Commissioners

**FROM:** Sandy Burgess  
Director of Administrative Services

**RE:** Administrative Services Department Monthly Board Report

*The Administrative Services report this month only includes information on Risk Management activities. Future reports will include information on Asset Management, IT and Compliance.*

## RISK MANAGEMENT REPORT

### Results of Fire Prevention Initiative:

Reductions in fires and relationships with the city's emergency responders were highlights of the FEMA fire prevention and emergency preparedness grant that ended in December. Risk Management, Property Management and Client Support and Empowerment were all involved and advanced their unique objectives throughout the grant.

The grant allowed Tacoma Housing Authority (THA) to install fire-stop equipment in every unit, including 3<sup>rd</sup> party managed units. Subsequently, zero tenants were displaced by fires in 2019. Fire incidents at THA decreased three years running with 2019 having the lowest loss in 5 years.

Tenants are the big winners because they typically suffer double, or triple digit financial losses and months of relocation. THA also wins. The limited expense of fire loss stabilized our 2020 insurance premiums and deductible expenses. The single fire in 2019 occurred in a vacant unit. The root cause is unclear, but we believe that the fire occurred when someone broke into the unit.

### FIRE LOSSES AT THA OVER 5-YEARS

	Fires	Insurance Claim
2015	1	\$ 60,709
2016	4	\$ 434,500
2017	6	\$ 311,996
2018	3	\$ 79,418
<b>2019</b>	<b>1</b>	<b>\$ 33,000</b>
Totals	15	\$ 919,623



Thirty-nine classes were taught by Tacoma fire and city emergency management staff. An estimated 730 adults and youth participated. Up to three classes were held at every property, including third-party managed sites. We hope the education increases safety and reduces 911 calls for non-emergencies in 2020.

City staff, THA staff, and tenants connected with each other in a positive way through the classes. Below is some of the feedback THA received:

- Many tenants commented that they liked meeting the fire department under circumstances that weren't negative. Fire educators made similar comments.
- City emergency management staff commented that they liked the closer working relationship with THA and were "impressed" with THA's emergency plan and teamwork.
- Fire educators offered to continue education for THA tenants at no cost.
- During their grant event at national night out, the fire department's medical service officer commented that they had been looking for this positive connection with the Salishan youth community.
- THA staff expressed appreciation for the caliber of workshops and the instructors.

#### **Accident Prevention Training and .95 Experience Rating:**

In 2019, risk management partnered with facilities management to expand accident prevention training for maintenance staff. Our two goals were to prevent injuries and achieve regulatory compliance. THA's lowest L&I experience rating ever is evidence that the training programs have had a positive effect on worker safety. We did three things:

1. Launched monthly, required safety training assignments for maintenance staff using an online training platform, Target Solutions. The retail value of the platform is \$7,000 annually. Alliant Insurance Services, our insurance broker, sponsors the cost as a risk management tool.
2. Began informal, after-accident debriefs; and
3. Presented six live trainings to maintenance staff in areas of specific risk exposure.

THA staff completed 944 training hours offered by Risk Management in 2019. That's an average of 6 hours of training per THA staff member. Trainings addressed areas of risk exposure. Highlights for the second half of 2019 included:

- Cybersecurity awareness training completed by nearly all THA staff using Target Solutions. The risk manager, IT manager, finance, and our broker partnered to deliver it; and
- Innovative hands-on vehicle training for drivers of large fleet vehicles.

### Security Improvements at West Portfolio Properties:

In February 2019, the risk manager was assigned the security contract for THA's west portfolio. In 2019, we took a holistic approach to security issues, i.e. hotpot meetings, daily security looks, an incident response group, immediate incident response teams, and huge behind the scenes department work.

The table below shows a downward trend in serious after-hours security issues at each property. Risk management interprets this as an indication that community safety, staff safety, and tenant's quiet enjoyment has increased at many west portfolio properties. Salishan Association manages the security at east portfolio so it's not included here.

<b>2019 After-Hours Security and Safety Trends at West Portfolio Properties*</b>				
<b>Property</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>
1500 Hillside	2	1	0	1
2300 Hillside	6	4	11	2
6th Ave.	50	27	28	16
Bay Terraces	49	89	25	36
Bergerson	28	28	10	10
Dixon	7	11	5	5
Fawcett	9	6	9	12
G St.	27	27	48	10
K St.	9	7	4	1
Ludwig	15	2	3	2
Wilson	25	15	7	5
Wright	10	10	6	20
<b>Total Calls</b>	<b>237</b>	<b>227</b>	<b>156</b>	<b>120</b>
*excludes: towing, surveillance, maintenance, posting notices, unsecured doors, etc				
includes: fires, shots, police, transients, suspicious activity, drugs/alcohol, noise, disturbances, DV, etc.				
Data source: Pierce County Security Service reports				

### **Insurance Renewal 2020:**

THA renewed its property and casualty insurance portfolio in November. The property portfolio is insured for \$316 million within a blanket policy. Other renewal highlights include:

- Meth remediation was added to the property policy with a \$50,000 deductible.
- Due to loss ratios and structure values, premiums increased 10% per our rate lock agreement. Our loss ratio was 37% of premiums. Values of selected properties were adjusted upward using Marshall & Swift's building cost data to ensure the replacement values are adequate. Finally, we added Alberta J. Canada to the portfolio.
- Reduced pollution liability premiums by 39% every year. We procured a \$1 million, 3-year policy with new carrier. This replaces the excess coverage of an annual policy in which restrictions prevent THA from accessing funds for many 1<sup>st</sup> party claims.
- Public officials, employment practices, and professional liability policies renewed with no changes to premium or terms. Cyber Liability policies renew in April 2020.



**TACOMA HOUSING AUTHORITY**

**CLIENT SUPPORT  
& EMPOWERMENT**



# TACOMA HOUSING AUTHORITY

**DATE:** January 22, 2020

**TO:** THA Board of Commissioners

**FROM:** Cacey Hanauer  
Director of Client Support & Empowerment

**RE:** Client Support & Empowerment Department Monthly Board Report

## 1. STRATEGIC OBJECTIVE: HOUSING AND SUPPORTIVE SERVICES

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

## 2. DIRECTOR'S COMMENT

The holidays can be a hard time of year for residents and staff, alike. With the holidays comes the pressures of finances, family commitments, disrupted childcare schedules, and often complicated family dynamics. THA, like many agencies working in service, is positioned to assist clients with the escalated year-end pressures. This year, like others before, THA clients have experienced increased stress around the holidays, often resulting in crises. The Client Support and Empowerment (CSE) department, along with Property Management and Rental Assistance staff, have again stepped up to meet the needs of clients in this tough season.

Amongst the increase in service needs, CSE has managed to stay focused on closing out and renewing contracts with several local service providers, ensuring a comprehensive array of services is available to THA clients. Departmental Program Managers and Supervisors have been hard at work ensuring administratively cumbersome contracts are accurately reported on and attended to, while staff have taken on the lion's share of ad hoc client needs.

Arlington Drive continues to be another focal point for CSE. The multiple partnerships involved in the service provision aspect of Arlington Drive require an immense of front-end coordination, negotiation, thought, planning and management. Additionally, there are dozens of direct and indirect stakeholders in this project, all positioned to determine if this model is both successful and replicable. That said, this project is special, with a rare

opportunity for several months of time to plan, prior to opening, with all the right partners at the table. This coordination has been both complicated and fruitful. As 2020 approaches, the timelines and deadlines for Arlington Drive begin to move quickly. The YMCA of Greater Seattle, and Community Youth Services are beginning to develop job descriptions, develop detailed budgets and programming, and are firming up role clarity and coordination with Property Management. While this is a new and bold project for a housing authority to take on, THA and our many partners continue to dedicate the substantial time required to pull it off. The Crisis Residential Center and apartment buildings are beginning to show literal walls, and the programming is being developed at the same complicated, detailed, and professionally honed pace.

### **3. CLIENT SUPPORT & EMPOWERMENT**

#### **3.1 LEADERSHIP UPDATE**

Program Supervisors spent November and December focused on assisting caseworkers and clients, with an emphasis on supporting folks through the stressful holiday season. CSE and Property Management worked closely together helping clients manage everything from domestic violence, behavioral health episodes, holiday resource provision, and eviction prevention.

An annual highlight for staff and clients alike, is the Thanksgiving Luncheon at the Lobster Shop. At this event, THA residents ages 65 and older are invited to enjoy a great free meal, and attendance was at a premium this year, with folks waiting in the wings in case there were new tickets to come available. Separately, THA was connected with LeMay Waste Management, who, along with employees and partners, refurbished bikes to donate to low-income families with children. This opportunity brought 36 bikes to THA clients! Miranda Meier, CSE caseworker, stated “Donation night was very exciting and so fun to participate in. This kind of case management is my absolute favorite. Rick, [from LeMay Waste Management] went out of his way to support the donation day by carrying and organizing bikes. A fun night was had by all and it was a great way to kick off the holidays.”

Program Manager, Kendra Peischel, Program Supervisor, Nicole Meshesha, and CSE Caseworker, Stephanie Hopkins, attended the Annual LISC conference in San Diego in December. This conference supports the work within the Centers for Strong Families, which is a partnership with United Way Pierce County. Several local providers gathered in San Diego to learn about best practices specific to bundling financial coaching, employment coaching and resource provision within one site.

THA staff also attended the pre-conference Trauma Informed Care training titled: “The Urgency to Address Trauma in our Organizations and Communities-What it means to be Trauma Informed.” This day and a half training was facilitated by Karen Johnson, MSW, LCSW who serves as a Trauma-Informed Services Consultant with the National Council for Behavioral Health. Ms. Johnson shared ways that organizations can be trauma informed and welcoming to clients. She included the Principles of a Trauma-Informed Approach which include:

- Safety
- Trustworthiness and transparency
- Collaborations and mutuality
- Empowerment
- Voice and Choice
- Respect for cultural, historical and gender differences
- Peer support and mutual self-help<sup>1</sup>

CSE looks forward to further incorporating these principles into our work, helping to examine and enhance utilization of industry best practices.

Finally, January marks the official start of the “Economic Security Success for All” (EcSA) program. This program is an initiative funded by Governor Inslee’s office aimed at lifting families in the 98404 area code out of poverty. The program will be based out of THA’s Family Investment Center and will include collaborative services offered by at least 13 local service providers. The primary focus of the program will be to help very low-to-low income 98404 residents access living-wage employment opportunities and, ultimately, to increase their earned income where they can lift themselves out of poverty. A multi-disciplinary, multi-agency career team and the Department of Social and Health Services (DSHS) will be on site alongside THA staff at the Family Investment to help clients with their education and employment goals. DSHS will screen folks for federal, state and local benefits they may be eligible for. THA is excited to host the EcSA team and expects this to be a beneficial and expanded array of resources for residents at Salishan, and throughout the eastside of Tacoma.

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<sup>1</sup> SAMSHA. (2014) Trauma-Informed Practices in Behavioral Health Services. Treatment Improvements Protocol (TIP) Series 57. HHS Publication No. (SMA) 13-4801.

## 3.2 PROGRAM METRICS

### 3.2.1 ASSET BUILDING PROGRAMS

#### 3.2.1.1 FAMILY SELF-SUFFICIENCY (FSS)

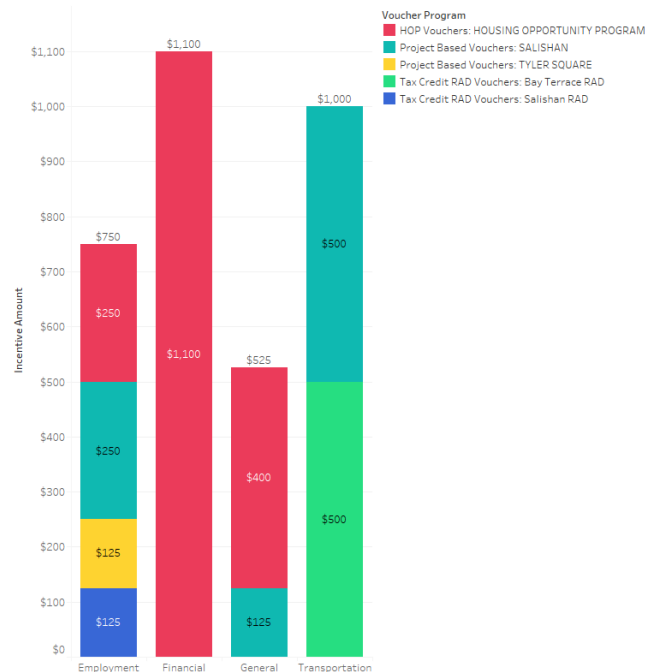
November and December are typically slow months in the FSS program as families are focused on the holidays and childcare while their children are out of school on breaks.

#### NOVEMBER HIGHLIGHTS

In November, one client graduated from the FSS program. This household income out of the Housing Opportunity Program (HOP) six months early. The household took advantage of the opportunities available during their time on HOP. They met with their caseworker and financial coach regularly. They hope to continue their growth into self-sufficiency and pursue homeownership in the future. After receiving their escrow and certificate of completion, they shared a letter expressing their gratitude to THA's staff. Their letter is included at the end of this report.

#### Incentives Earned:

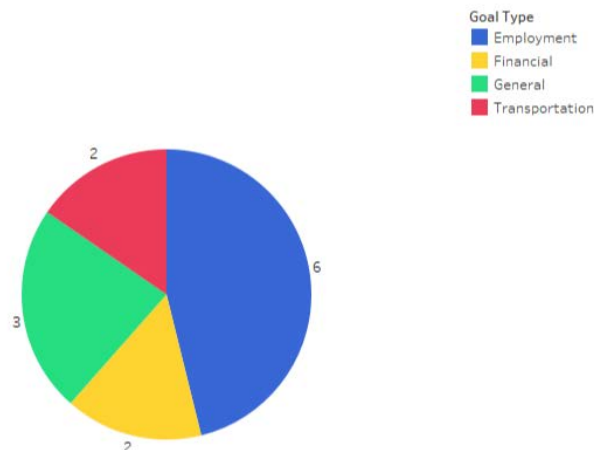
FSS Incentives Earned in November 2019 By Goal Type





## Types of Goals Achieved:

FSS November 2019 Count of Incentives Earned

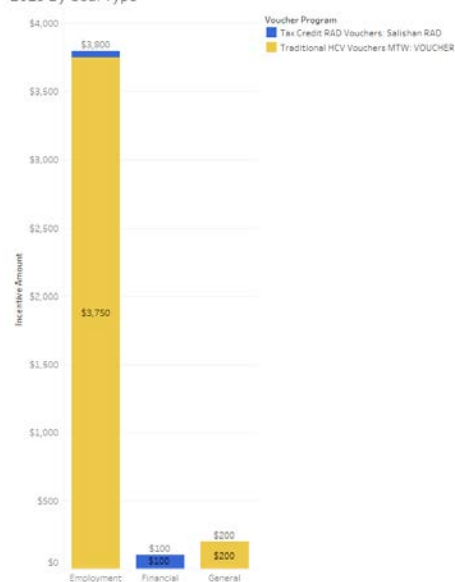


## DECEMBER HIGHLIGHTS

One household graduated the FSS program in December. During their time on the FSS program the head of household completed their Associate's degree, completed a homeownership class and improved their workplace skills and resume by completing a number of continuing education credits in the health care field.

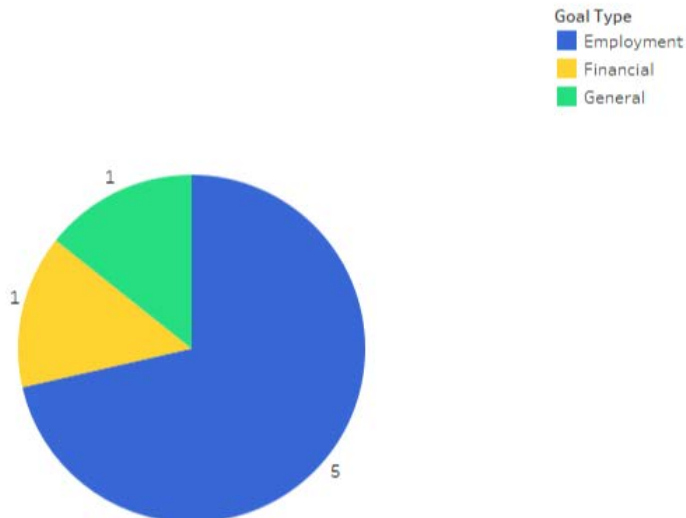
## Incentives Earned:

FSS Incentives Earned in December 2019 By Goal Type



### Types of Goals Achieved:

FSS December 2019 Count of Incentives Earned



#### 3.2.1.2 CENTER FOR STRONG FAMILIES

In December, CSE wrapped up the first year of being an official “Center for Strong Families” in the Salishan community. This new program, and associated partnerships, were full of learning opportunities for the CSE staff. Caseworkers have been providing financial coaching, financial supports, resource referral and also connecting THA clients to an embedded Financial Coach at the Family Investment Center. CSE looks forward to continued collaboration with the United Way of Pierce County and other local network providers, to increase enrollments and outcomes for THA clients.

#### 3.2.2 SOCIAL CAPITAL PROGRAMS

##### 3.2.2.1 COMMUNITY WELLNES PROGRAM

*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.*

### **NOVEMBER HIGHLIGHTS**

Residents attended the annual senior Thanksgiving luncheon at the Lobster Shop Restaurant. The city of Tacoma offered THA 50 tickets and they went fast. THA residents were also invited to share a Thanksgiving meal at Mercy Housing. Community Builder Martha Mathias brought her mosaic class to Ludwig and Fawcett. Additionally, there is an upcoming CPR class for residents of Ludwig and Wright Ave.

	November	Year to Date
New Participants	22	340
Resource Connections	149	1282
Hours spent on Skill Building	67.5	437

### **DECEMBER HIGHLIGHTS**

December was a fun and festive month in THA's Senior and Disabled buildings. Martha Matthias supported the first annual door decorating contest in each of the seven buildings. Ninety-four households participated in all, and there was an amazing amount of creativity and talent displayed. This activity brought residents together in a new and creative away, helping to increase a sense of belonging, safety and connectedness for residents within THA properties. Each of the Senior and Disabled buildings also organized holiday potlucks in the community rooms of all the buildings.

Martha has plans for more art classes in 2020. Residents are working on pour-over acrylic paint classes, candle making, homemade paper making, and a decoupage project. There are plans for monthly trips to all our wonderful local museums. Residents with an EBT card qualify for admission for free, or on a sliding scale. Additionally, Goodwill's Senior Community Services Employment Program (SCSEP) coordinator will come in to THA properties to present on employment and training opportunities might be available folks ages 55 and older. The wonderful thing is any income earned by participating in this program will not adversely affect their SNAP benefits or count as income against their rent.

	December	Year to Date
New Participants	26	366
Resource Connections	105	1387
Hours spent on Skill Building	0	437

#### Door Decoration Contest:

### 3 Judges Choice Awards



### Other Award Winners



## 3.2.3 HOUSING STABILITY PROGRAMS

### 3.2.3.1 EVICTION PREVENTION

*CSE's interventions for households who are facing eviction effectively prevent evictions, helping residents find stability in their units. CSE defines housing instability as any household who has received or is*

*at-risk of receiving a notice for repeated lease violations, rent delinquency, or excessive damages to their unit. Prior data shows that an eviction costs THA \$8,000 in deferred/unpaid rent, unit turn costs, and attorney fees.*

#### **Eviction Prevention:**

	Total Evictions Prevented November	Novembers Savings to THA	Number of Evictions Prevented Year to Date	Saving to THA Year to Date
THA Family Properties	3	\$24,000	48	\$384,000
Senior and Disabled Properties	7	\$56,000	91	\$728,000
<b>Totals</b>	<b>10</b>	<b>\$80,000</b>	<b>139</b>	<b>\$1,112,000</b>

	Total Evictions Prevented December	December Savings to THA	Number of Evictions Prevented Year to Date	Saving to THA Year to Date
THA Family Properties	2	\$16,000	50	\$400,000
Senior and Disabled Properties	4	\$32,000	95	\$760,000
<b>Totals</b>	<b>6</b>	<b>\$48,000</b>	<b>145</b>	<b>\$1,160,000</b>

#### **3.2.4 FAMILY PROPERTIES**

In November, the CSA hosted a Financial Literacy Game and Movie Night at the Family Investment Center. Events such as this combine learning and a prosocial activity to increase engagement and enlist the whole family in skill building. The CSA team and community partners, including the Salishan Association and Community Health, hosted table games, each with a unique financial theme. More than 30 families participated in all.

THA has contracted with KBTC to engage THA youth in prosocial, productive and educational out-of-school programming. These programs give families a safe and positive place to go when school is not in session, both during the school year, and in the summer time. Below is KBTC's narrative report:

***KBTC- Tacoma Housing Authority Report  
October 2019- December 2019***

***Bergerson Terrace Afterschool Program***

*The after school program at Bergerson Terrace remains a strong program that students in this community continue to utilize. Attendance here maintains positive numbers, with over 30 students that attend on a regular basis. The activities at Bergerson Terrace start from the moment that the snack is served. Staff provide time and space for the children share their feelings and how their day was with their peers utilizing the Zones of Regulation. Students use these color zones to identify how they are feeling when they enter program and how staff and students can work together to work towards an improved state.*

*After the snack, students focus on literacy using videos, books, experiments, reading groups and sharing the understanding of reading. Reading and literacy has been a focus here, with students expressing that they often struggle with and dislike reading. With the new focus and on literacy and activities that support this, there has been a significant improvement in reading and enjoyment. This quarter, readings and the activities focused on space and solar systems. The videos used to learn about the solar system and videos from PBS KIDS shows were used to expand reading activities and further engage students. The students had discussions about the videos, creating questions and answers. Fridays were fun days where students learned to create art and crafts using recycling.*

***October 2019***

*Total served- 232*

*Non-duplicated served- 37*

**November 2019**

*Total served- 206*

*Non-duplicated served- 37*

**December 2019**

*Total served- 159*

*Non-duplicated served- 32*

***Hillside Terrace Afterschool Program***

*This quarter was a bit slower than usual for the after school program at Hillside Terrace but this is not unusual for this location. Even though overall numbers have not been as strong, there is a core group of students that attend program on a consistent basis and have been doing so for over a year. New students also continue to attend program. This indicates that students continue to discover the afterschool program, whether it's through families moving into the neighborhood or through ongoing marketing efforts or word of mouth.*

*Activities here continue provide educational support students and families through hands-on experiences. For the after school program, KBTC staff have focused on literacy by reading then extending the activity to include a hands-on portion that explores concepts demonstrated in the book. Students explored shapes, friction, mixtures and engineering.*

***Family and Community Learning Workshop***

*KBTC brought the Ruff Ruffman Family and Community Learning workshop series back to Hillside Terrace. This was an opportunity to revisit the families that participated in last years' Cat in the Hat FCL workshop (September 2018). Six families, 16 people, attended the workshops, most of whom were returners that had also participated in the previous workshop series. These were also many of the same students that we serve during our year round after school and summer programs at this location. This was a great way to continue to build relationships with students and families and check in/update with families to see what additional resources are needed.*

*The series was offered over the course of two consecutive weeks, with each session covering two of the Ruff Ruffman activities. Activities included videos and hands-on activities exploring science vocabulary. Families and students built projects together and learned about structures, mixtures, materials and friction. Families also received take home materials including books, family journals and at-home activity sheets.*

**October 2019**

*Total served- 36*

*Non-duplicated served- 13*

**November 2019**

*Total served- 23*

*Non-duplicated served- 13*

**December 2019**

*Total served- 0*

*Non-duplicated served- 0*



December, 11 / 19.

My Family & I, were supported in rental rent by THA for a period of four and a half years. During this time, it is our duty to thank everyone who has assisted us in one way or another; in time and against time.

First, we express our gratitude to all the competent authorities (~~Expert~~ Housing expert) of THA who had accepted our request among millions and millions of applicants. Through them, we also salute the morale assistance of the staff who were with us.

Second, our gratitude to Mrs Sharon Jackson, our Case Manager. Like old mother, this lady has not stopped giving us advice and directions for the development of our family. It is worth remembering here, it was thanks to her that we were hired to CTC (Concrete Technology Corporation). We say again, thank you Mom.

To close these words, we will be ungrateful if we do not say a word to the place of Meddie & Julie, both, Financial Advisors. It is thanks to their expertise that we have received financial recognition. We also say Thank you.

To all that are not mentioned here and are forgotten by megarde, we are grateful to all.

For the family,  




**TACOMA HOUSING AUTHORITY**

**RENTAL ASSISTANCE**



# TACOMA HOUSING AUTHORITY

**DATE:** January 22, 2020

**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 is busy planning for 2020. The Rise on 19<sup>th</sup> and Arlington Drive will take planning to have a successful lease-up. All departments will take part in this process. A large part of the lease-up at The Rise will be right-sizing THA clients into appropriate units. This will mean early outreach to clients notifying them of availability and the timing of a move. In the past, all transfer clients have been notified and issued vouchers to allow them to move and right-size. Many have been unsuccessful due to barriers or availability of appropriate units in the private market. This will be a large project that needs time to convince clients to move and to ensure the moves go smoothly while meeting our leasing deadlines.

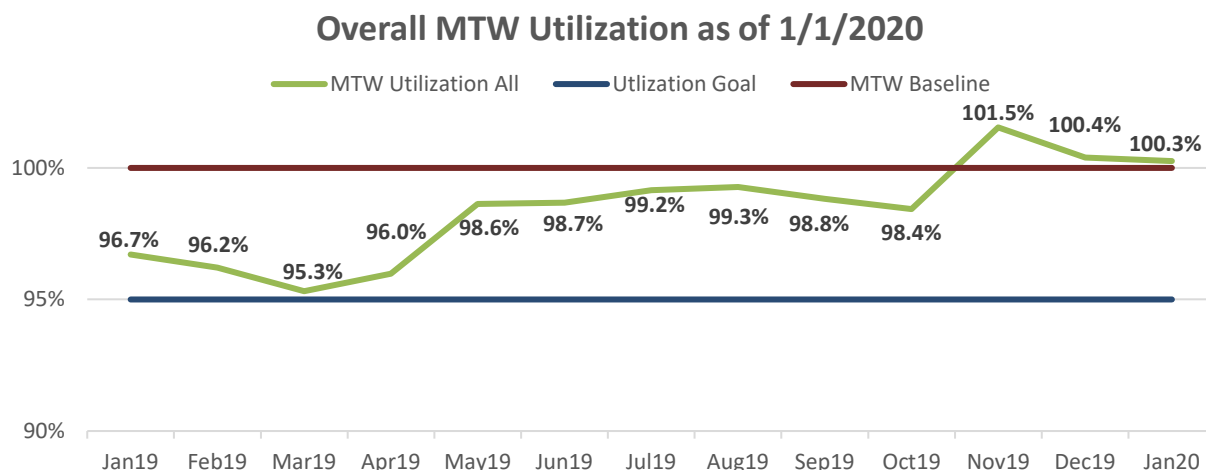
Rental Assistance is also working with Pierce County and DSHS on a Memorandum of Understanding (MOU) to lease-up 60 new Mainstream Vouchers issued late last year. More details below.

We continue to work with the Property Based Subsidy property owners regarding compliance with the program. The two properties we discussed last month have submitted a plan for becoming compliant. We are reviewing the plan and working with the properties. This reminds us that the duties regarding compliance our staff provide are not easy and take attention to detail and oversight.

### 3. RENTAL ASSISTANCE DEPARTMENT REPORTS

#### 3.1 Overall Utilization

The overall Housing Choice Voucher utilization is reported at 100.3% as of January 1, 2020. The overall utilization for FY2019 was 98.3%. 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.

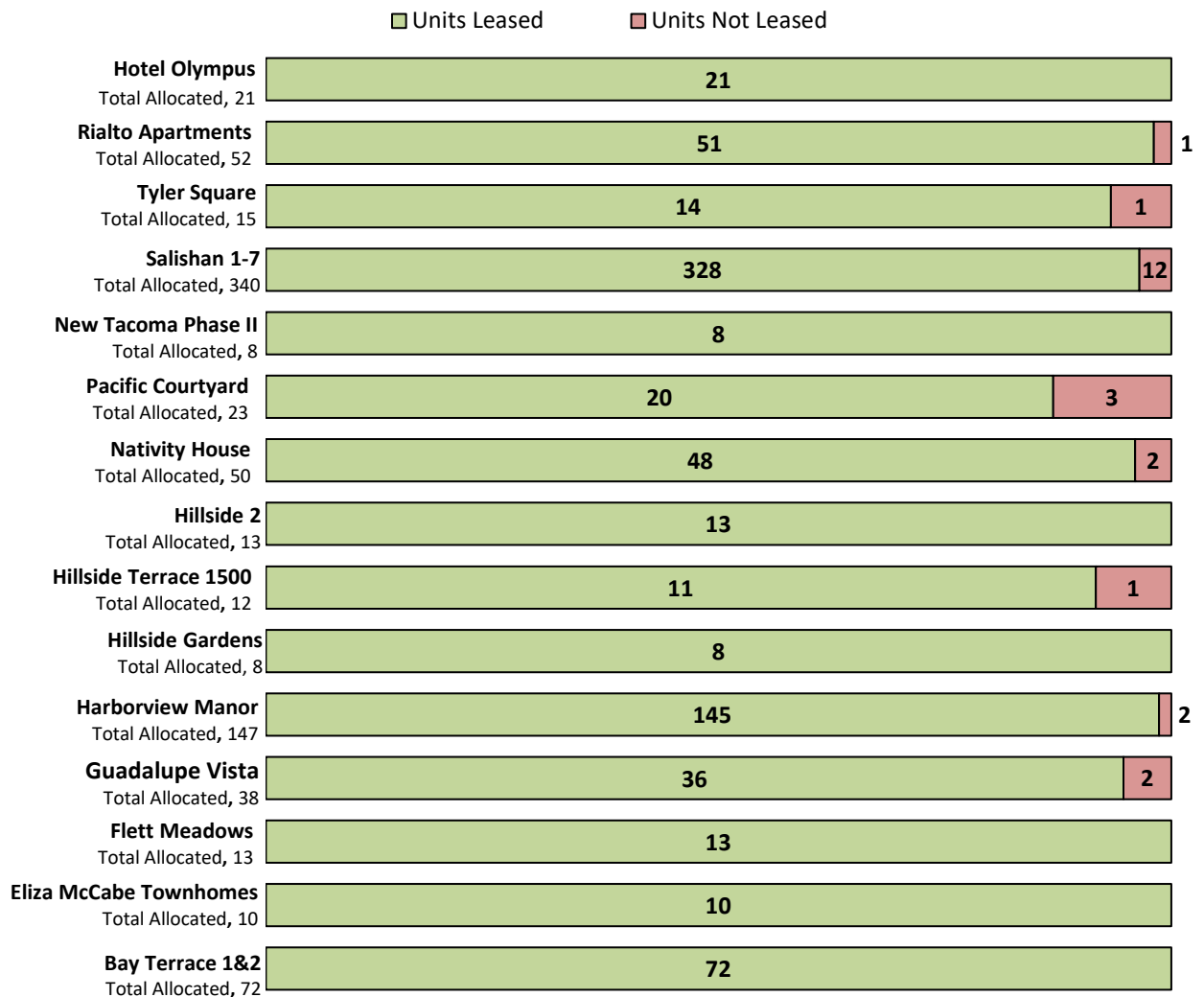


#### 3.2 Project Based Vouchers

THA continues to have strong utilization with project-based vouchers. Staff are quick to address individual units that have been vacant for longer than expected periods of time. Rialto Apartments is nearly fully leased with THA Project Based Vouchers (PBV) with a total of 51 units receiving assistance and one vacant unit. Olympus Hotel was able to contract 26 units total with PBV assistance from THA. This will be the final number of vouchers awarded to these properties under the Housing Assistance Program (HAP) contracts from 2018.

Staff continues to work with Metropolitan Development Council (MDC) regarding utilization at Pacific Courtyard. We believe that we are almost at full utilization of the 23 vouchers. We continue to stress to MDC staff the importance of maintaining consistent utilization going forward. As seen by the report below, Staff's persistence working with partners has been successful in improving utilization. The extra effort has paid off.

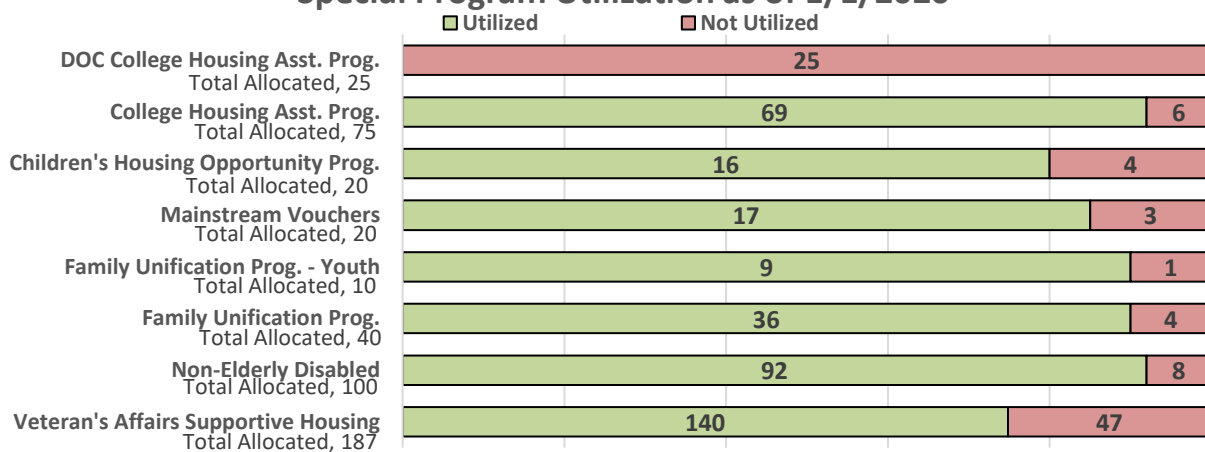
## Project Based Voucher Utilization as of 1/1/2020



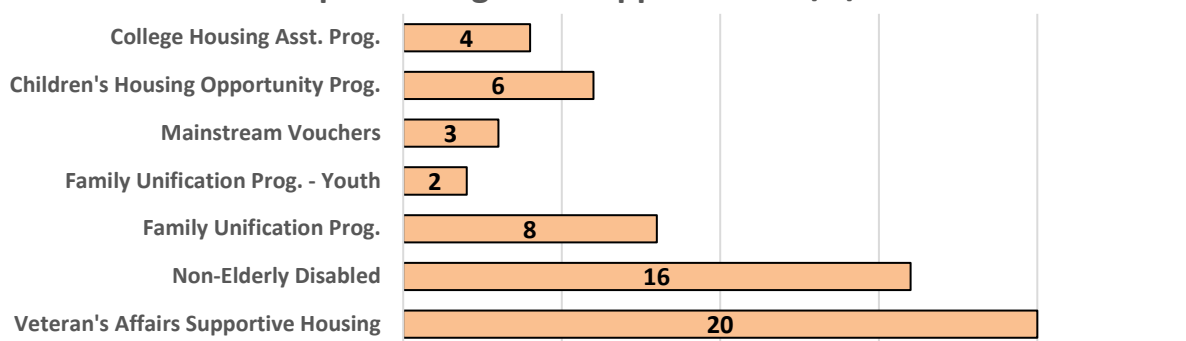
### 3.3 Special Programs & Property Based Subsidies

Below is a breakdown of the utilization for 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) continues to hold 25 vouchers for use. This program is still in the early stages and vouchers have not been utilized.

### Special Program Utilization as of 1/1/2020



### Special Program Shoppers as of 1/7/2020

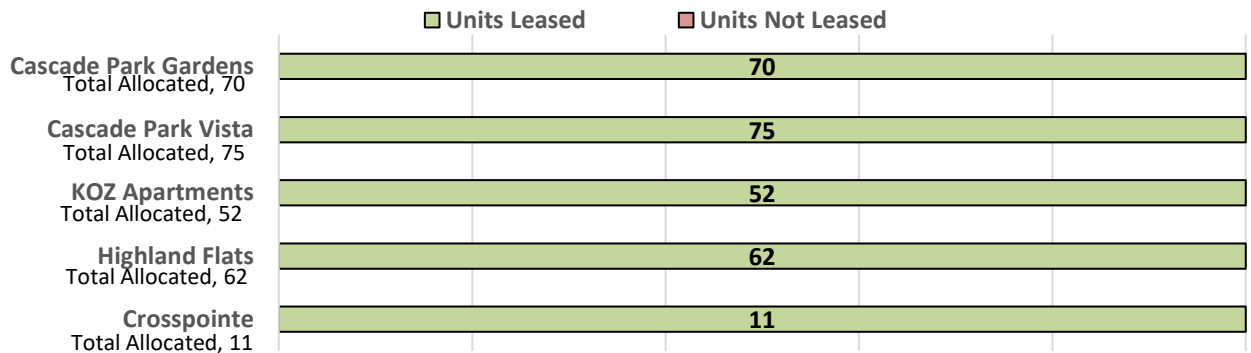


THA was awarded 25 additional Housing Choice Voucher (HCV) Veteran's Affairs Supportive Housing (VASH) vouchers in November 2019. THA asked for the award to be deferred until May 1, 2020. We anticipate project-basing some of these vouchers at THA's new construction The Rise. We are working with the VA to provide the necessary documentation for this proposal.

THA was awarded 60 additional mainstream Non-Elderly/Disabled (NED) vouchers in November 2019. These vouchers were issued to serve Non-Elderly/Disabled clients at risk of homelessness. THA will sign an MOU with Pierce County and Department of Social and Health Services (DSHS) to utilize this award as move-on vouchers, with the ability to pull from THA's existing waitlist if needed. We believe that by offering assistance to families ready to leave permanent supportive housing, this will free up units to families currently experiencing homelessness that need supportive services to be successful. We will begin to report on utilization for these new vouchers in early 2020.

THA submitted an application for 75 additional Family Unification Program (FUP) vouchers in December 2019. This application was made in collaboration with Pierce County, Pierce County Alliance, and Department of Children Youth and Families (DCYF). We expect to hear from Housing and Urban Development (HUD) about our application in the Spring of 2020.

### Property Based Subsidy Utilization as of 11/1/2019



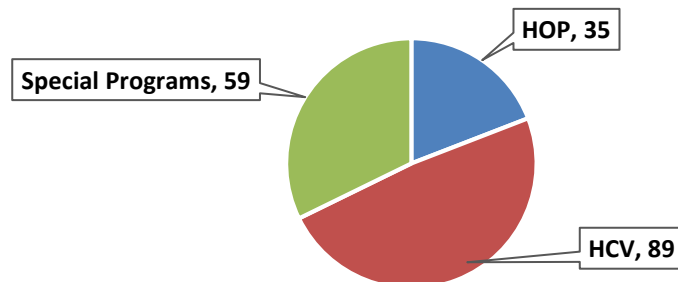
As of December 2019, THA began paying Property Based Subsidy (PBS) to Cascade Park Gardens (CPG) and Cascade Park Vista (CPV). These partners are excited about this unique partnership and are very involved in the process to ensure program success.

### 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.

As of January 2020, there are 183 total clients shopping down from 194 from the previous month. These numbers should increase with the addition of the new Mainstream and VASH vouchers.

### Current Number of Shoppers as of 1/7/2020



### 3.5 Leasing & Waitlist Management

Leasing will be working on updating the waiting list in preparation for housing units due to transfers stated in the Directors Report. Transfers generate vacancies and vacancies could generate more transfers and unit turns. Being prepared for this process is key to successful lease-ups.

### 3.6 Inspections & Housing Quality Standards

This will be reported quarterly.

### **3.7 Landlord Engagement & Renter's Readiness**

Some sad news to report regarding the Landlord Engagement Specialist position. Eric Lane resigned effective December 20, 2019. During his time in this position, Eric brought much to the department and was very successful in bringing back the Landlord Advisory Group and working with Associated Ministries and Pierce County Housing Authority (PCHA) on bringing the Rental Readiness program to our clients facing leasing barriers. Eric will be missed by the Landlord Advisory Group as well as by THA. Eric was hired by the City of Des Moines as a Planner II. We will be posting his position soon.

The Landlord Advisory Group meetings occur each month and have maintained a healthy attendance of landlords, varying in their property type and size of their portfolios. Additionally, we will have community partners join us to share their opportunities for THA and its landlords to collaborate and connect. Over the past month, we have had growing interest from the group in expanding the Renter's Readiness program to include current tenants who are having difficulties with their landlord or are currently not expected to be offered a renewal of their lease. We have had one landlord use the program for this purpose and resulted in a successful transfer of the tenant to an upgraded unit. There is also interest from the Landlord Advisory Group to establish a training for landlords to be well-versed in the current laws and ordinances, as well as a refresher on Fair Housing.





**TACOMA HOUSING AUTHORITY**

**PROPERTY MANAGEMENT**



# TACOMA HOUSING AUTHORITY

**Date:** January 22, 2020

**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

December is the month that carries responsibilities for two years, the current and upcoming. It is the marker for the end of its year, a time to reflect on the progress of the year as we plan for new projects in the New Year. The Property Management (PM) team has wrapped up several projects on the maintenance side, such as the Preventive Maintenance across the portfolio and the Vent Fan Project in partnership with Tacoma Public Utilities. This project involved the installation of humidistats in each unit at Salishan. Humidistats are devices that automatically regulate the air in each room/building. They were placed in the laundry rooms of each unit to control the amount of humidity that escapes into the air, preventing mold and mildew growth.

After living through 'Snowmageddon' the maintenance team has made every effort to prepare for the likelihood that the weather may be challenging this winter. PM has purchased additional snow plows and positioned them strategically across the portfolio. The Snow Procedures has been updated, along with a snow path for each property, which outlines the area which the Snow Team will cover. A copy of the snow path has been posted at each property, so that tenants are aware and informed.

Another area of emphasis this year has been tenant engagement. Client Support and Empowerment (CSE) and PM have worked hard on several projects that encouraged tenants to get involved, show their talents, spend time with their neighbors and just have fun! One of those projects was the first ever, gift wrapping party, held at Bay Terrace. Tenants took advantage of this opportunity to come down and socialize while their gifts were wrapped for them. Refreshments and holiday music were provided, along with all the wrapping supplies. They look forward to hosting again next year!

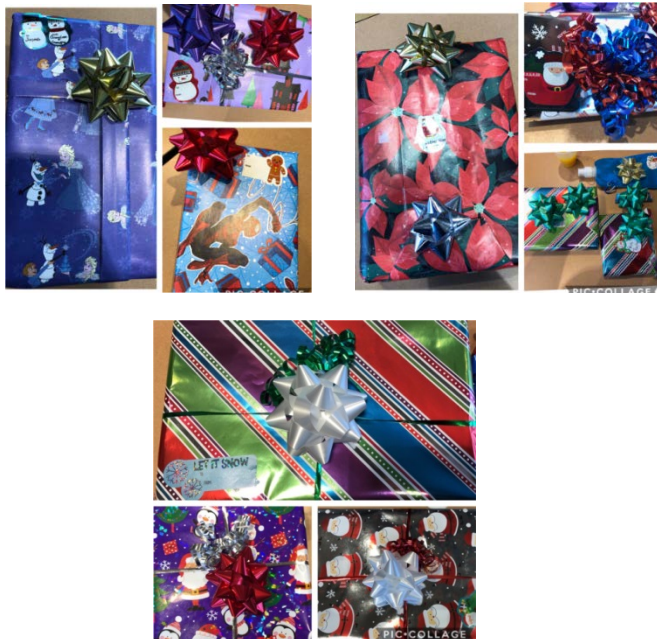
When the Lead Maintenance Technician position was vacated at Salishan in March, the PM team decided to take a different approach to filling the vacancy. Generally, the process begins with a request for interest and then a selection. It works, but it does not allow an opportunity for interested staff to showcase their knowledge, skills and abilities, other than a paper interview.

Instead, we decided to launch a pilot program that would allow each technician a 6-week period to temporarily step into the Lead role. It would afford the Facilities Manager an opportunity to see how each would respond to specific functions of that position and give the technician a chance to see if the role would be a good fit. Five technicians volunteered to participate in the pilot, which began in June and was completed December 27<sup>th</sup>.



We thought this decision would be an easy one, but it wasn't. Each of these technicians performed well, each emphasizing different areas of expertise. After months of evaluation, Steve Couch was selected as the Lead for Salishan, to work alongside James (Jim) Jackson. Steve is a licensed electrician by trade and has an extensive career in facilities maintenance. Congratulations to Steve!

Another project in the senior buildings, was the first ever door decorating contest by CSE, with some collaboration with PM. The overall combined resident participation was huge. Over 49% of the tenants in senior properties participated by decorating their doors, and even the lobby. One member of the PM team, Karen Khela participated as one of the judges and Denise Day-Joseph assisted in delivering the awards. The winners were announced at the building's community meeting.





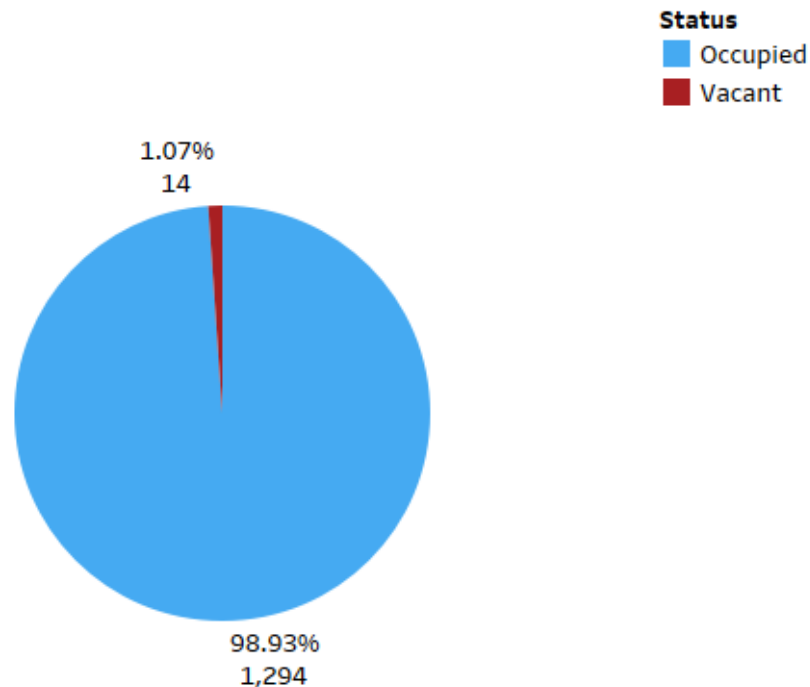






## OCCUPANCY OVERVIEW

### 2.1 Occupancy

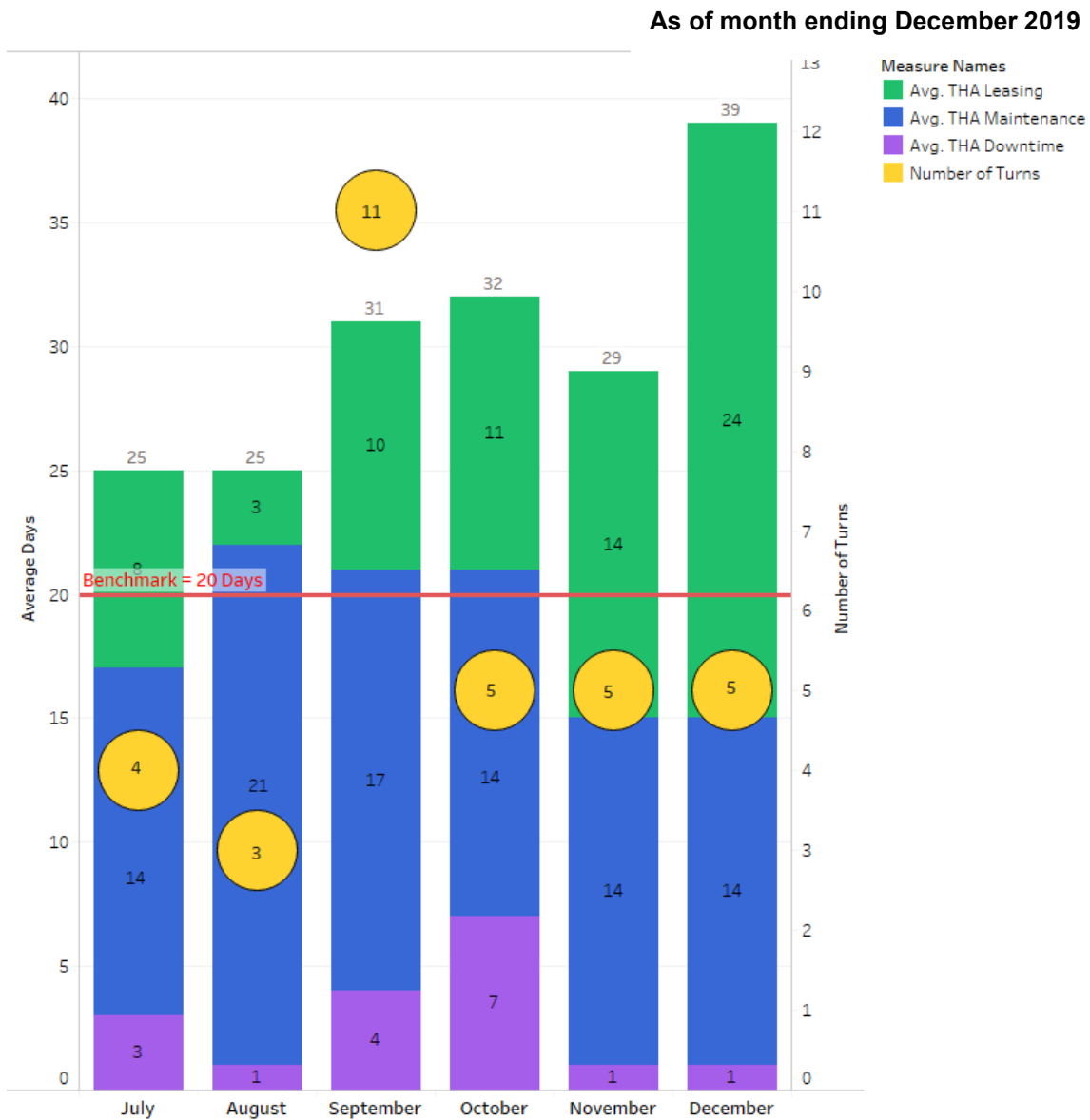


Unit Occupancy is reported above as of the first day of the month. The charts above reflect THA's current portfolio of 1,308 units for the month of December with an occupancy percentage of **99%**. THA staff has maintained an average occupancy of 99% for all of 2019.

In previous months, a report of the amount of rent collected has been provided. This report is not included in this month's Board report, for reasons of confirming data. There are several factors that can influence an increase in rent collection averages, such as payments received from households previously under eviction for non-payment and advance payments to rent, to name two.

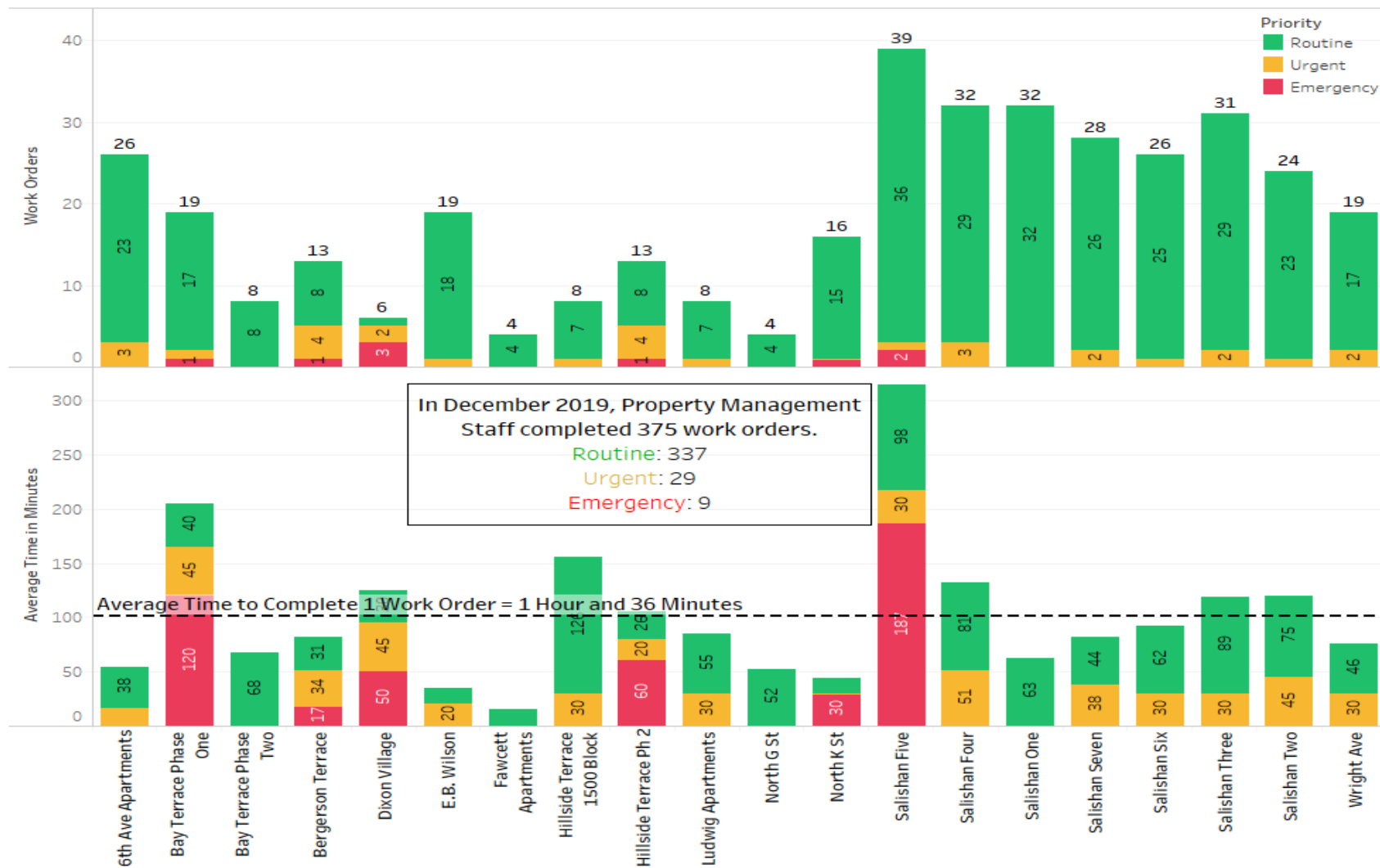
Because there are factors other than current rent that can determine the percentage, Finance and PM are evaluating the data pulled into these reports for accuracy.

### 3.2 Vacant Unit Turn Status

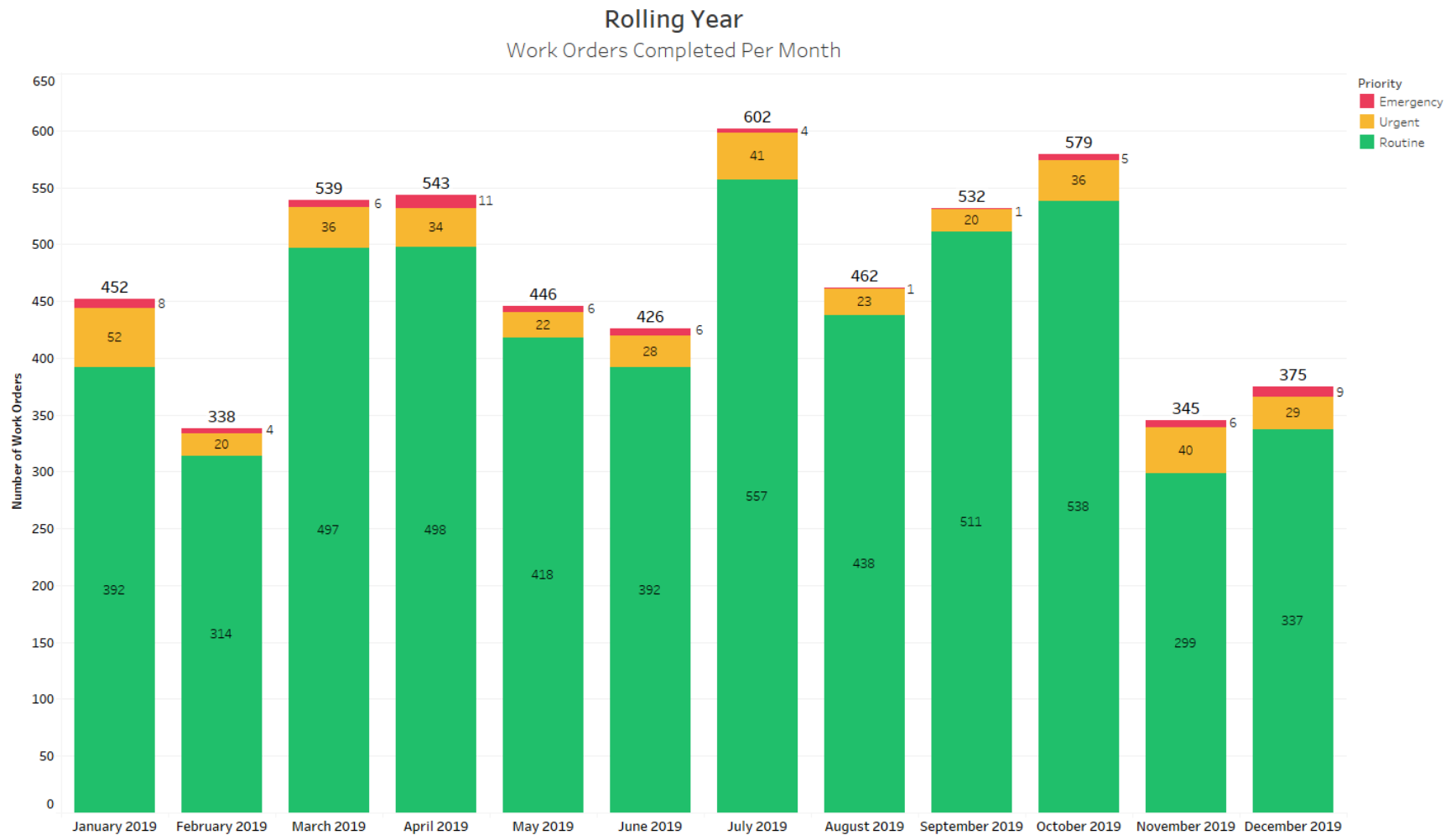


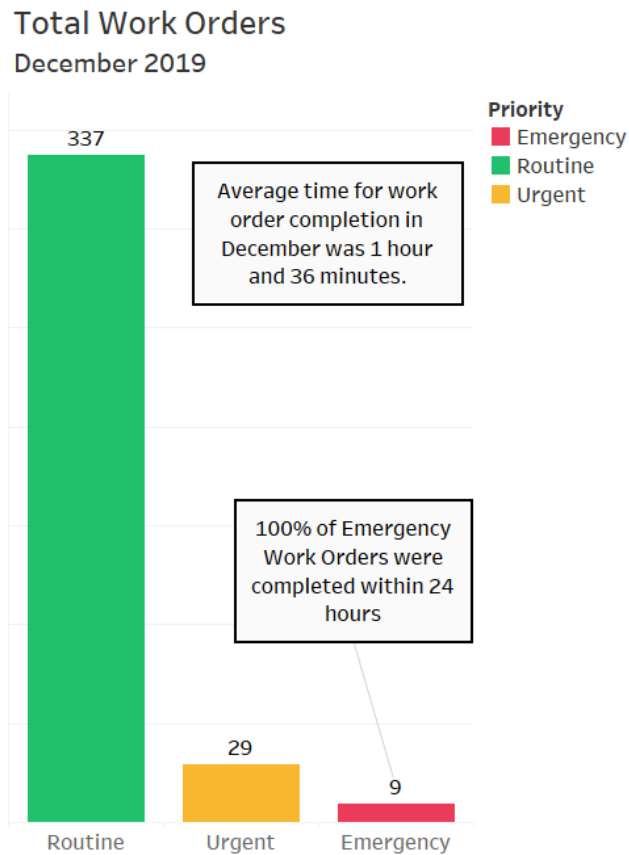
This data reflects the continued effort of the Turn and Leasing teams to reduce the total turn days to the target of 20 days. The Turn average for the repair and make ready portion of unit turns for December exceeded the goal with an average of 14 days. This is an 18% reduction from 17 days in repair and make ready time. Conversely, there was an increase in leasing days, bringing the total turn average to 39 for December.

### 3.3 Work Orders









In the month of December, 100% of emergency work orders 9 were completed within 24 hours. Maintenance staff completed 29 urgent work orders in December . The average time for work order completion across the portfolio is 1 hour and 36 minutes. Property Management (PM) continues its efforts 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.



**TACOMA HOUSING AUTHORITY**

**REAL ESTATE DEVELOPMENT**



# TACOMA HOUSING AUTHORITY

**DATE:** January 22, 2020

**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). HUD informed us at the last minute that they need an appraisal as part of the package. An appraisal was ordered and submitted to HUD in December. We hope to get disposition approval in January. Closing may not occur until Q2 2020.

## 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			
	1-BR	2-BR	TOTAL
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 for The Rise was completed.

### **Construction**

Marpac mobilized beginning July 1, 2019. To date the contractor has finished all site underground and concrete is at 80%. Rough carpentry has started and is at 30% with the first level nearing completion.

The project overall schedule is 21% complete.

## **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 has been 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.

### **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 JCN. THA expects this exploration to extend through the fall. A formal decision from TCC regarding their participation in the redevelopment of JCN has not been made by the end of 2019.

THA has amended the contract with Ankrom Moisan to create design guidelines for this project. A final draft was completed by the end of December 2019 and is currently being reviewed by staff.

### **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.

## **3.2 New Look (aka Alberta J. Canada) Capital Planning and Resyndication**

Construction is 100% complete.

The conversion to permanent financing is currently scheduled for the end of February 2020. There was a delay due to the contractor final Liquidated Damages negotiations and timing of final contractor payment.

## **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. 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. The City Public Works Department agreed to complete the off-sites for this project and will use \$500,000 of the \$1.5M from the City to complete this work. THA staff are pleased that the off-site improvement requirements were resolved in this way.

Korsmo Construction is the contractor for the project. Construction is progressing with few glitches. The framing and roof structure for the CRC has been done and Korsmo continues to project the CRC will be complete by the end of May 2020.

All the foundations, floors and first floor framing for the apartments is complete, with the remaining three floors scheduled to be done, weather permitting. Work is progressing per the construction schedule.

#### **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 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 continue to negotiate 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. To date, funds have been awarded by the City of Tacoma, Pierce County and Housing Trust Fund (HTF). Horizon will be submitting a 9% LIHTC application on January 22. There is a set aside of \$3M for this project. The City, County and HTF application were a joint submission of THA and Horizon Housing Alliance. At this time, staff believes an allocation of 9% LIHTC is possible for this permanent supportive housing project, as well as for Mercy Housing's proposed Senior Project to be located at 8<sup>th</sup> and L.

#### **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. In October we partnered with Metro Parks to present a haunted funhouse and harvest festival at People's Community Center. We welcomed over 300 young people and family members to dine on tacos, decorate cookies, play games and celebrate the autumn. In November and December, we connected with residents and neighborhood members via tabling with The Community Market. The markets allow us to have conversation around attractive, safe and livable communities, and collect input on how our work can better integrate with nearby stakeholders.

#### **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. THA is working with an expanded group of residents to set an equity intention prior to holding a Lunch & Learn event for other organizational partners. 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. In November we invited a member of the Puyallup Tribe to talk about the Native American culture. On January 11, 2020, we had a story teller, Zelda Foxall, come share the story of Claudette Colvin, a young civil rights activist in the 1950s. This was held at 950 Gallery where



attendees also had the opportunity to see Dionne Bonner's exhibit "A Pioneering Spirit: The Fight for Liberty and Freedom."

#### **4.3 Shiloh Baptist Church**

RED staff have been meeting with Pastor Christopher for the past year to discuss the possibility of helping Shiloh redevelop their non-church land. They have 5 single family homes. Two of the homes have been subdivided to assist 12 individuals with housing. In September staff made a presentation to the church's senior leadership to discuss what was possible on the site, explain the development process and present the terms of a Memorandum of Understanding. Shiloh signed the MOU in October. THA will be acting as a development consultant in this transaction. It is anticipated that they will be able to increase the number of households served to approximately thirty households based on a massing study. This does not maximize what is possible on the sites as we want to make sure the housing developed will not be a financial burden to the church and within their capacity to own and manage with as little compliance as possible needed (i.e. no tax credits). We will be applying for predevelopment funds on behalf of Shiloh to pay for the feasibility studies and early design work.

### **5. Renew Tacoma Housing LLLP**

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 executed a settlement agreement with the owner and compensated 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. completed the installation of the vapor mitigation systems at both sites. Now the consultant needs to complete DOE-required reporting and the Environmental Restrictive Covenants need to be filed and then 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**

THA staff and Ferguson Architecture professionals met in early September to determine design elements of the 902 1<sup>st</sup> Floor Tenant Improvement project. Ferguson delivered a 100% Design Development set in late September for THA staff to review. Upon THA approval Ferguson is prepared to submit final drawings and specs for contractor procurement as well as preliminary permit submission with the City. FF&E (Furniture, Fixtures and Equipment) selection started in late October with a preliminary meeting to review workspace options that will improve

collaboration, provide efficient flow, and coalesce with the approved workplace design.

The project is currently on hold as the Asset Management Committee is considering alternative options for expanded office space to accommodate the growing number of THA staff. The available space at the James Center North property is a specific point of discussion. THA programming is experiencing growth and the staff required to support that growth necessitates the consideration of all available options. A final decision regarding the alternative options is expected in late January, early February.



**TACOMA HOUSING AUTHORITY**

**HUMAN RESOURCES**



# TACOMA HOUSING AUTHORITY

**DATE:** January 22, 2020

**TO:** THA Board of Commissioners

**FROM:** Toby Kaheiki  
Director of Human Resources

**RE:** Human Resources Monthly Board Report

## 1. HUMAN RESOURCES 2019 YEAR-IN-REVIEW

Much of 2019 was significantly challenging for Tacoma Housing Authority (THA), as the agency faced both unexpected and unforeseen issues. Human Resources (HR) reacted to these emergent issues by focusing on THA's most important asset, it's staff.

In collaboration with THA Cabinet, HR took steps to coordinate onsite counselors through our Employee Assistance Program. The purpose was to ensure staff were mindful of their own mental health and welfare, especially when dealing with the deep emotional aspects associated with the hard work we do. As expected, our staff proved resilient to the challenge we faced, and I feel we are now stronger as an agency.

Also, in 2019, HR welcomed an increase of requests by departments for supervisory and leadership training options. We advised leadership on training options available through our membership with Archbright, an organization specializing in workplace performance. We were happy to see seven newly hired and promoted supervisors complete a comprehensive 3-day Supervisory Skills course.

In addition to HR's day-to-day work and providing support and guidance to departments on a myriad of employment-related matters, HR is excited to report on a couple of other significant topics:

- **Medical/Vision Benefits** – THA renewed its medical/vision benefit plan through the WA State Health Care Authority's Public Employees Benefits Board (PEBB). In our 3<sup>rd</sup> year renewal, THA realized a nominal premium increase of only 2% (cumulative of all plan options).
- **Dental Benefits** – THA renewed its dental benefit plan through Delta Dental of WA and agreed to a 2-year rate lock. This resulted in a premium decrease of 8.8% or nearly \$15,000.00/annually!

- **Disability & Life Insurance** – THA renewed its Short and Long-Term Disability, Group and Voluntary Life Insurance benefit plans through Mutual of Omaha (MOO). We agreed to a renewal rate set until 1/1/2022. All but one of the rate calculations remained unchanged. The exception was with Short-Term Disability premium rates. We received a premium decrease of approximately 64% or nearly \$35,000/annually!
- **Workers' Compensation (L&I)** – For the first time in over a decade, THA received a .95 experience factor rating for 2020 by WA State Labor & Industries (L&I). To put what this means into perspective, L&I uses a base rate of "1.00". Due to the way L&I calculates these figures, it is difficult for most organizations to rate below the 1.00 threshold. However, in coordination with Risk Management, Barbara Tanbara (HR Manager) contributed to this achievement through her diligent efforts to monitor L&I's return-to-work program. This work included light duty, modified work (restrictions) and reasonable accommodation. The net result of achieving this rating is an overall savings of approximately \$45,000.00 for 2020!

## **2. GRIEVANCES / EQUAL EMPLOYMENT OPPORTUNITY COMMISSION (EEOC) COMPLAINTS**

There were two grievances filed in 2019. One was settled in September and the other is expected to be settled by the end of January 2020. Both grievances were filed by the Office of Professional Employees International Union (OPEIU). No complaints were filed with the EEOC or Human Rights Commission.

## **3. LABOR & MANAGEMENT**

**Trades Council** – In consultation with the Trades Council, THA implemented a pilot program designed to offer Maintenance Specialists an opportunity to perform in a temporary "Lead" capacity for six weeks. This pilot program was an enhancement to the existing agreement between THA and the Trades Council regarding the designation of Lead Maintenance Specialists. The existing agreement allowed THA, at its discretion, to assign Lead responsibilities to Maintenance Specialists. However, due to the high interest expressed by multiple Maintenance Specialists, THA believed it could be beneficial to all parties if this process was more competitive. The result was a more objective approach in determining a Lead Maintenance Specialist.

## **4. COMPLIANCE**

During the fourth quarter of 2019, we worked to ensure THA readiness for Phase 3 of the WA State Paid Family & Medical Leave law, effective January 1, 2020. Eligible employees can now access this benefit.

In consultation with the City of Tacoma's Neighborhood & Community Services Department, we reported on THA's Equity, Diversity and Inclusion (EDI) efforts as it

relates to employment. Though this work was a contractual requirement as an agency receiving funding from the City of Tacoma, our main belief is that it is the right thing to do. The result demonstrated THA's consistency when applying EDI principles. Below are a few examples:

- Ensure diversity on our interview panels.
- HR proactively reviews applications to ensure qualified and underrepresented candidates are considered during recruitment.
- HR regularly analyzes recruitment data and our workforce demographic.
- In 2020, we will work to continue momentum by considering additional EDI practices, such as masking candidate names during the initial application review process.

We had an ambitious goal in 2019 to schedule EDI training for all-staff. However, due to unforeseen circumstances, this did not occur. That said, a primary focus for 2020 will be to identify training options.

## **5. 2019 RECRUITMENT & STAFFING DEMOGRAPHIC**

Recruitment work in 2019 declined some compared to the previous four years (2015-2018). During this time, we hired, promoted, transferred or reclassified 27 employees; however, this is still a significant amount of recruitment for an agency our size. This figure represents approximately 9 promotions, 16 new hire and 2 reclassified, transferred or other.

Our voluntary and involuntary turnover was 8.76% compared to 10.07% in 2018. Our goal remains <10%. HR continues its efforts to improve retention by refining the recruiting process and talent management. 2020 recruitment currently anticipates four job vacancies, with the likelihood of 6-10 additional positions being added through the budget planning process. As of 12/31/19, THA has 141 employees on payroll.

THA represents a diverse workforce and HR remains committed to the continual work of ensuring our workforce is representative of the community it serves. While we recognize there is always room for improvement to increase representation in certain demographic areas, THA continues to trend in a positive direction. As part of our commitment to maintaining momentum in this area, HR remains mindful of these targets in our approach to hiring or when considering promotions. THA's current employee demographic can be found at the end of this report.

## **6. LOOKING AHEAD**

HR will continue to prioritize employment compliance in 2020. A current list of HR projects to be initiated or completed is below:

- Equity, Diversity & Inclusion Training
- Harassment Awareness & Recognition Training
- HR Policy & Procedure Updates

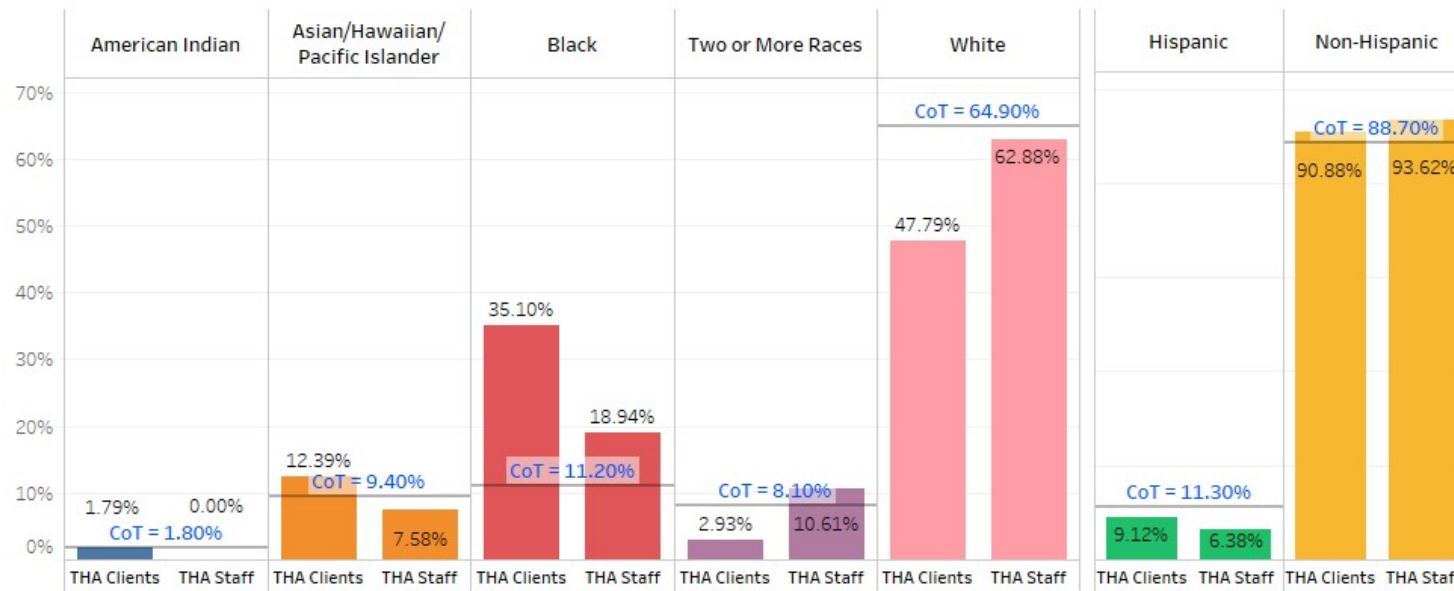
- Job Description Updates
- Onboarding Enhancements

As we move into the new decade, the HR team looks forward to the challenging work ahead us!

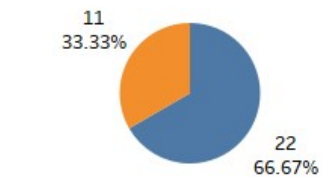


## Tacoma Housing Authority Demographic Breakdown

Last Updated: 1/8/2020

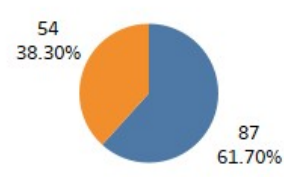


THA Management by Gender

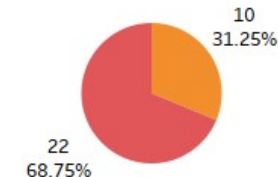


Female  
Male

THA Staff by Gender

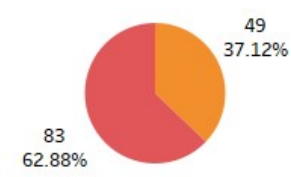


THA Management by Minority Status



Minority  
Non-Minority

THA Staff by Minority Status



CoT = City of Tacoma





**TACOMA HOUSING AUTHORITY**

**NEW BUSINESS**

# Resolution 1



# TACOMA HOUSING AUTHORITY

## RESOLUTION 2020-01-22 (1)

**Date:** January 22, 2020  
**To:** THA Board of Commissioners  
**From:** Michael Mirra  
Executive Director  
**Re:** Update to Payment Standards

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*This analysis will authorize Tacoma Housing Authority (THA) to adopt new 2020 payment standards for use in THA's rental assistance programs.*

### Background

Each year the Department of Housing and Urban Development (HUD) releases rent data for the Tacoma-Pierce County metropolitan rental market. These data set HUD's "fair market rents" (FMR) for our area for the following year, in this case, 2020. Housing authorities must set their payment standards within 90-110% of the HUD FMR. The payment standards are then used in determining the maximum amount of subsidy THA will pay to landlords. They are also used in the calculation of THA tenant and participant rents.

THA is required to complete an assessment of its tenant data and make adjustments to its payment standards based on this data. In addition to tenant data, THA uses a compilation of 3<sup>rd</sup> party reports and data to assess the region's rental market. The payment standards were last changed effective March 2019 to be at 100% of the FMR.

The following table compares the HUD 2020 FMR to the existing 2019 FMRs:

	FY2019 FMR	FY2020 FMR	FMR % of Increase From 2019 - 2020
<b>Studio</b>	\$860	\$961	10.5%
<b>1 bedroom</b>	\$966	\$1075	10.1%
<b>2 bedroom</b>	\$1265	\$1408	10.2%
<b>3 bedroom</b>	\$1829	\$2031	9.9%
<b>4 bedroom</b>	\$2222	\$2472	10.1%
<b>5 bedroom</b>	\$2555	\$2843	10.1%
<b>6 bedroom</b>	\$2889	\$3214	10.1%
<b>7 bedroom</b>	\$3222	\$3584	10.1%
<b>8 bedroom</b>	\$3555	\$3955	10.1%

## Analysis

THA staff considers the following factors during the payment standard review:

- shelter burden (% of household income paid for rent and utilities)
- vacancy rate and rent by Tacoma neighborhood
- comparison with average Tacoma rents
- inspection pass or fail rate
- how long it takes clients to find a unit under current payment standard
- the extent to which clients cannot use a voucher
- the extent to which clients seek to take their voucher to other jurisdictions
- requests for rent increases
- the financial impact on THA

### 1. **Shelter Burden (% of households paying more than 30% of income towards rent)**

HUD has established a standard that households should pay no more than 30% of their income toward rent. When a household selects a unit where the gross rent (rent & utilities) exceeds the payment standard the household pays the difference. This results in a larger out of pocket expense for the client. Increasing the payment standards helps offset some of that expense.

1.1. **July 2019** – 29% of traditional Housing Choice Vouchers (HCV) and 29% of Housing Opportunity Program (HOP) clients were paying more than 30% of their income toward rent.

1.2. **January 2020** – 29% of traditional HCVs and 27% of HOP clients were paying more than 30% of their income toward rent.

### 2. **Vacancy Rate and Rent by Tacoma Neighborhood**

A lower vacancy rate and higher rents make it difficult for clients to compete for units. Increasing the payment standards helps them compete for those units with less out of pocket expenses.

In the past, THA has relied heavily on the vacancy report provided by Dupre & Scott. That company went out of business in January 2018. THA has been using various compilations of on-line resources and a rental property survey that McCament and Rogers conduct twice a year. McCament and Rogers is a real estate consulting firm that also does market studies for the City of Tacoma and Lakewood. Within the report, McCament & Rogers separates the market into four categories: low-income, affordable, market rate and outside downtown.

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McCament & Rogers defines low-income, affordable and market rate in the following ways:

- **Low Income rent** have some sort of subsidy attached to them but could have some affordable units not subsidized with in the community.
- **Affordable rent** would be communities that are older and mostly smaller units, however, on dollar per square foot, some are as high as market rate.
- **Market rent** would be the rent on mostly newer properties. These rent at the highest rates the market will bear. The current communities adjust the rents on a daily basis depending on demand. Example one day a one bedroom may be \$1500 the next it could be \$1200 because they have some vacancy in that style of unit.

**June 2019 (McCament and Rogers Survey along with other data)**

	Low Income	Affordable Market	Market Rate	Out of Downtown
<b>Vacancy Rate (%)</b>	3.0%	3.0%	2.0%	7%
<b>Average Rent (\$) 2 Bdrm</b>	\$1052	\$1303	\$2265	\$1775

**September 2019 (McCament and Rogers Survey along with other data)**

	Low Income	Affordable Market	Market Rate	Out of Downtown
<b>Vacancy Rate (%)</b>	2.0%	3.0%	2.0%	5%
<b>Average Rent (\$) 2 Bdrm</b>	\$1052	\$1353	\$2265	\$1775

**3. Comparison of Current Payment Standard and Rents**

Comparing the current payment standards to actual rents THA is paying for units provides a metric that can help determine the affordability of an increase. This is important in our dynamic market to allow increases that keep pace with real-time asking rents.

The following table compares the **current** payment standards and THA actual average contract rent amount.

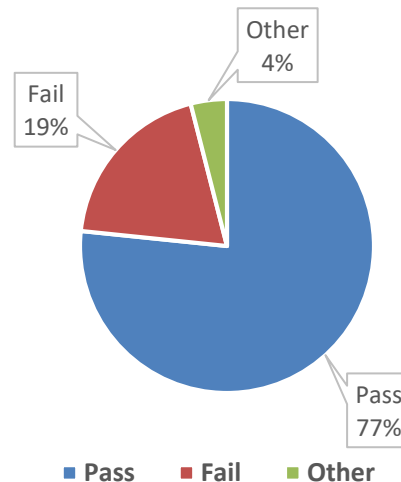
	2019 Payment Standards	Avg. Contract Rent for New Admissions & Movers
Studio	\$860	\$752
1 bedroom	\$966	\$880
2 bedroom	\$1265	\$1106
3 bedroom	\$1829	\$1356
4 bedroom	\$2222	\$1653

#### 4. **Housing Quality Standards (HQS) Pass/Fail Rates**

Tracking the pass/fail rates of initial unit inspections provides a measurement that helps us determine if the payment standard amounts are allowing clients to find and select higher quality units.

Currently, a little over 75% of all units selected by clients eventually pass inspections. This is based on comparing the number of initial inspections in relation to the number of failures and returned vouchers.

**Disposition of Inspections**

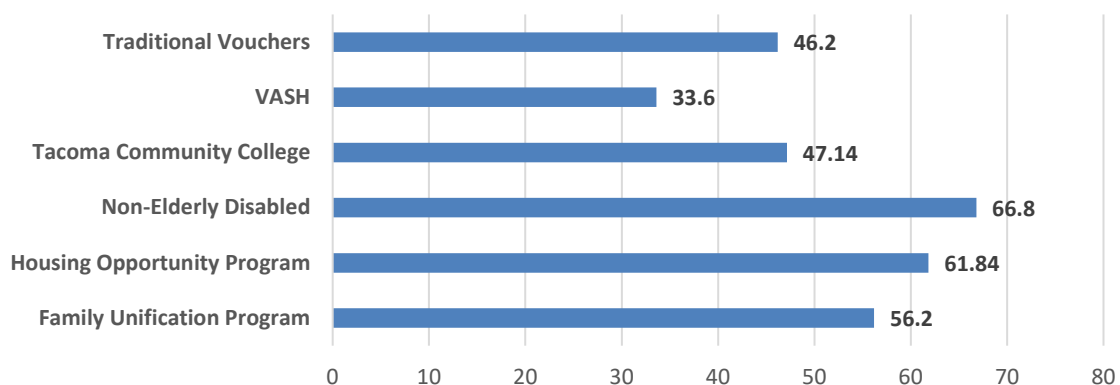


#### 5. **Shopping Days**

Tracking the amount of time it takes for our clients to find and secure a unit helps determine if the payment standards give them sufficient buying power in the market. A longer shopping time could mean that the payment standard is not competitive with the market rate rents.

In 2019 we saw an increase from 36 to 46 days for traditional vouchers and from 41 to 61 days for the Housing Opportunity Program (HOP) clients.

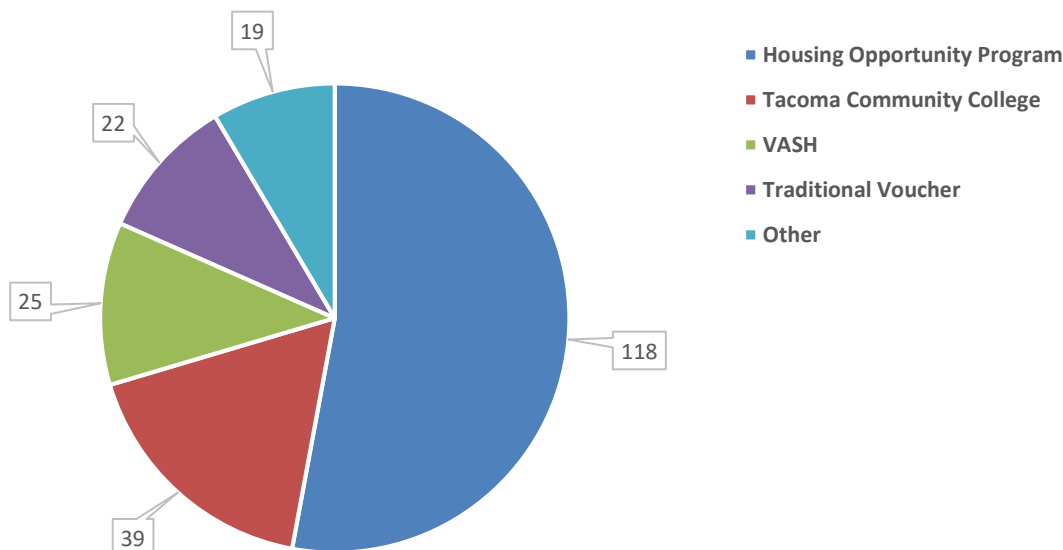
**Average Days Shopping by Program for 2019**



## 6. Expired and Unused Vouchers

Returned subsidies can be a barometer for client shopping success as well. An increase in returned subsidies could indicate an inability to compete for units in the market. 223 subsidies have expired or gone unused for 2019. The chart on the following page shows the breakdown of the major programs. These vouchers include households shopping for housing while new to the program and households hoping to move between assisted units.

**Expired and Unused Vouchers for 2019**



## 7. Port Outs

Tracking the number of clients leaving our jurisdiction provides an indicator that could mean they are searching for an affordable unit elsewhere. Altogether, 200 clients that have ported out in 2019. In 2018, there were 169 total port-outs.

## 8. Rent Increases Processed

In 2019, THA Rental Assistance staff has processed approximately 2,036 rent increase requests. The average increase has been approximately \$97. This is a slight decrease from the previous year.

## 9. Estimated Financial Impact on THA

THA is not currently leasing to additional people off the wait list so an immediate analysis is hard to review. However, for the HOP participants, their portion changes only when there is a qualified event. Therefore, we believe the impact would be minimal and not all at once. Also, the average contract rent is less than the payment standards, so it gives more room when tenants do move.

Finance is in total support of increasing the payment standards. It will help shoppers actually lease-up, and assist the all households to not be so rent burdened.

## Recommendation

We are starting to see a slight decrease in the vacancy rate, increased number of shopping days for clients, yet rent averages for THA clients are still below the current payment standards. We continue to experience rent increase requests at a rate of about 170 per month for THA subsidized units, twice what would be considered normal. We still have a number of active clients trying to lease-up. After a review of our current payment standards and the other factors listed in this analysis, we recommend that THA increase its payment standards to 100% of the HUD 2020 FMRs.

An increase in the payment standards should increase accessibility to a higher tier of units on the market.

	FY2020 FMR	Current THA payment standard/2019 FMR	Proposed THA Payment Standard	% Increase from current PS	New HOP subsidy amount
<b>Studio</b>	\$961	\$860	\$961	10.5%	\$481
<b>1 bedroom</b>	\$1075	\$966	\$1075	10.1%	\$538
<b>2 bedroom</b>	\$1408	\$1265	\$1408	10.2%	\$704
<b>3 bedroom</b>	\$2031	\$1829	\$2031	9.9%	\$1,016
<b>4 bedroom</b>	\$2472	\$2222	\$2472	10.1%	\$1,236
<b>5 bedroom</b>	\$2843	\$2555	\$2843	10.1%	\$1,422
<b>6 bedroom</b>	\$3214	\$2889	\$3214	10.1%	\$1,607
<b>7 bedroom</b>	\$3584	\$3222	\$3584	10.1%	\$1,792
<b>8 bedroom</b>	\$3955	\$3555	\$3955	10.1%	\$1,978

Staff recommends approving Resolution 2020-01-22 (1) authorizing THA to adopt new payment standards effective April 1, 2020.





# TACOMA HOUSING AUTHORITY

## **RESOLUTION 2020-01-22 (1) (Update to Payment Standards)**

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma authorizing the THA Executive Director to increase THA's payment standards.

**WHEREAS**, HUD sets fair market rents annually; and

**WHEREAS**, The housing authority sets payment standards based on market and participant data; and

**WHEREAS**, New payment standards will go into effect April 01, 2020; now, therefore, be it

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

The Board authorizes THA's Executive Director to increase THA's payment standards to 100% of the 2020 HUD fair market rents for all bedroom sizes.

**Approved: January 22, 2020**

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Derek Young, Chair

# **Resolution 2**



# TACOMA HOUSING AUTHORITY

## RESOLUTION 2020-01-22 (2)

**DATE:** January 22, 2020  
**TO:** THA Board of Commissioners  
**FROM:** Michael Mirra  
Executive Director  
**RE:** Utility Allowance Schedule Update

*This resolution will adopt updated utility allowance schedules that will be used for the income-based calculation of rent for the Tacoma Housing Authority rental assistance programs.*

### Background

Every year, Tacoma Housing Authority (THA) reviews its utility allowances. During this review, THA must determine if new rates will change THA's utility allowances. THA must update any bedroom size utility allowance showing a change of 10% or more to reflect the new utility rates.

### Analysis

Through a partnership with Tacoma Public Utilities (TPU), THA has been able to collect regular updates to electrical consumption and rates. This allows THA to regularly update its own schedule using a rolling average of local data. For this analysis, THA analyzed the 2018 utility consumption and published 2020 rates for energy, water, sewer and garbage. THA used the approved methodology for this analysis that it commissioned Seasholtz Consulting Inc. to develop.

### Proposal

As is shown in the chart below, the only area where there was not a ten percent change was in "Landlord Pays" for 3+ bedroom units. All bedroom sizes for "Tenant Pays" increased by over 10%. While some of the changes did not rise to the threshold in every bedroom size, we are still recommending that we update all of the utility allowances to align with TPU data.

PROPOSED Revised Utility Allowances						
Pays Sewer/Water	0-BD	1-BD	2-BD	3-BD	4-BD	5+BD
Landlord	\$58	\$60	\$74	\$102	\$123	\$140
Tenant	\$147	\$155	\$188	\$236	\$278	\$314
CURRENT Utility Allowances						
Pays Sewer/Water	0-BD	1-BD	2-BD	3-BD	4-BD	5+BD
Landlord	\$52	\$54	\$67	\$94	\$114	\$128
Tenant	\$131	\$138	\$168	\$213	\$251	\$282
Percent Change from Existing to Proposed Utility Allowances						
% Change to 2020	11.5%	11.1%	10.4%	8.5%	7.9%	9.4%
% Change to 2020	12.2%	12.3%	11.9%	10.8%	10.8%	11.3%

## Recommendation

Approve Resolution 2020-01-22 (2) authorizing THA to adopt updates to all bedroom size utility allowances, effective April 1, 2020.



# TACOMA HOUSING AUTHORITY

## **RESOLUTION 2020-01-22 (2) (UTILITY ALLOWANCE UPDATE)**

**WHEREAS,** Utility allowances must be reviewed annually; and

**WHEREAS,** PHAs must revise utility allowances if they change more than ten percent; and

**WHEREAS,** Changes to the utility allowances must be approved by the Board of Commissioners; now, therefore, be it

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

Authorizes THA to adopt updates to all bedroom size utility allowances, effective April 01, 2020.

**Approved:     January 22, 2020**

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Derek Young, Chair