



# **TACOMA HOUSING AUTHORITY**

## **BOARD OF COMMISSIONERS**

### **BOARD PACKET**


**February 26, 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, FEBRUARY 26, 2020**

The Board of Commissioners of the Housing Authority of the City of Tacoma will hold its Regular Meeting on **Wednesday, February 26, 2020, at 4:45 pm.**

The meeting will take place at:

**E.B. Wilson  
1202 South M Street  
Tacoma, WA 98405**

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 February 20, 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

February 26, 2020, 4:45 PM

**E.B. Wilson, 1202 South M Street, Tacoma WA 98405**

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- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. APPROVAL OF MINUTES**
  - 3.1 Minutes of January 17, 2020—Special Session
  - 3.2 Minutes of January 22, 2020—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
- 8. NEW BUSINESS**
  - 8.1 2020-02-26 (1) Fourth Amendment to Standard MTW Agreement
- 9. COMMENTS FROM THE COMMISSIONERS**
- 10. ADJOURNMENT**



# **TACOMA HOUSING AUTHORITY**

## **MINUTES**





# TACOMA HOUSING AUTHORITY

## BOARD OF COMMISSIONERS MEETING MINUTES SPECIAL SESSION FRIDAY, JANUARY 17, 2020

The Commissioners of the Housing Authority of the City of Tacoma met in Special Session at 902 South L. Street, Tacoma, WA 98405 at 12:00 PM on Wednesday, January 17, 2020.

### 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 12:05 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 12:17 pm)	
Commissioner Dr. Minh-Anh Hodge	
	Commissioner Dr. Arthur C. Banks
Commissioner Shennetta Smith	
<b>Staff</b>	
Michael Mirra, Executive Director	
Sha Peterson, Executive Administrator	
April Black, Deputy Executive Director	
	Ken Shalik, Finance Director
	Toby Kaheiki, Human Resources Director
	Frankie Johnson, Property Management Director
Kathy McCormick, Real Estate Development Director	
Sandy Burgess, Administrative Services Director	
	Julie LaRocque, Rental Assistance Director
Cacey Hanauer, Client Support and Empowerment Director	

Chair Young declared there was a quorum present @ 12:06 pm and proceeded.

### 3. NEW BUSINESS

#### 3.1 RESOLUTION 2020-01-17 (1) (Approval of Project Based Voucher Contract Horizon House Alliance for Hilltop Lofts)

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

**WHEREAS**, Horizon Housing Alliance presented a strong project. This project will provide 57 units of permanent supportive housing for homeless individuals and small families. The revenue from vouchers is essential to ensure sufficient funds for operations and services; and

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

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

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

The Board authorizes THA's Executive Director to execute a Project Based Voucher (PBV) Housing Assistance Payment (HAP) contract with Horizon Housing Alliance for the proposed Hilltop Lofts Project.

**Comments:** The Real Estate Development team recommends 57 vouchers to be awarded to Hilltop Lofts. Staff expects to be fully paid for the land and Tacoma Housing Authority will have influence on the design.

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

AYES: 3  
NAYS: None  
Abstain: None  
Absent: 2 (Vice Chair Rumbaugh was not yet in attendance)

**Motion Approved:** January 17, 2020

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

#### 3.2 RESOLUTION 2020-01-17 (2) (Approval of Project Based Voucher Contracts)

**WHEREAS,** Mercy Housing Northwest is requesting sixteen (16) project-based vouchers; and

**WHEREAS,** The project is new construction and will require an Agreement to Enter into a Housing Assistance Payment (AHAP) contract. THA and Mercy Housing Northwest will seek the required subsidy layering and environmental reviews prior to executing such a contract; and

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

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

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

THA's Executive Director is authorized to negotiate, and if those negotiations are successful, to execute a Project Based Voucher (PBV) Agreement to Enter Into a Housing Assistance Payment (AHAP) and subsequent Housing Assistance Payment (HAP) contracts with Mercy Housing Northwest for its MLK Senior Housing project on the Hilltop.

**Comment:** The application for 9% credit is due January 22<sup>nd</sup>. Mercy Housing is requesting sixteen (16) project-based vouchers.

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

Upon roll call, the vote was as follows:

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

**Motion Approved:** January 17, 2020

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

**3.3 RESOLUTION 2020-01-17 (3)**  
**(Pierce County Contract for Rapid Rehousing Homeless Housing Programs)**

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

**WHEREAS**, THA has been investing in the Pierce County Rapid Rehousing system and homeless housing programs since 2013; and

**WHEREAS**, The contract has been re-written to combine THA's investment and historical contract amendments into a new contract effective January 1, 2020; and

**WHEREAS**, The contract will be in effect through 2020; now, therefore, be it

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

THA's Executive Director is authorized to negotiate, and if those negotiations are successful, and to sign a new Pierce County contract for housing for families and young adults experiencing homelessness.

**Comments:** There have been 7 amendments since the inception of the Pierce County contracts. The contract will change from annual renewal to renewals every two years.

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

Upon roll call, the vote was as follows:

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

**Motion Approved:** January 17, 2020

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

**3.4 RESOLUTION 2020-01-17 (4)  
(Contract with Pierce County for Tacoma Schools Housing Assistance Program (TSHAP))**

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

**Whereas**, The Tacoma Schools Housing Assistance Program (TSHAP) seeks to stabilize McKinney-Vento families experiencing housing instability within the Tacoma Public Schools (TPS) by providing an avenue in which McKinney-Vento households who are literally homeless or at risk of homelessness can access Coordinated Entry and receive housing services through Pierce County; and

**Whereas,** THA, TPS and Pierce County Human Services share a vested interest to serve families with children and improve outcomes for students and the schools that serve low-income families; and

**Whereas,** THA will invest \$400,000 for the TSHAP beginning in 2020 and will scale the investment over five years. The total five-year investment will be up to \$3.8 million; and

**Whereas,** THA's investment will be limited to use on housing-only. Funds for the supportive services to administer the housing funds must be secured from elsewhere; now, therefore, be it

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

THA's Executive Director is authorized enter into contract negotiation with Pierce County to administer the TSHAP program. The value of the contract will be up to \$3.8 million over five years.

**Comments:** Executive Director Mirra secured funds for TSHAP from Tacoma Public Schools. Tacoma Housing Authority has not secured service dollars from the City but submitted a request for funds to Balmer foundation. This investment is limited to housing only.

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

Upon roll call, the vote was as follows:

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

**Motion Approved:** January 17, 2020

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

#### **4. COMMENTS**

The Tacoma School District signed Tacoma Housing Authority's Letter of Intent (LOI) for THA's exploration of whether it would like to accept TPS's offer of the Gault school property. The LOI is non-binding. Staff are getting estimates to tear down anything that is not part of the original building, issuing a Request for Qualifications (RFQ) for community engagement, and trying to find out other funding sources to repurpose the school. Tacoma

Housing Authority will need to spend \$75K in consultation prior to signing a purchase and sale agreement.

## **10. ADJOURNMENT**

There being no further business to conduct, the meeting ended at 1:03 pm.

**APPROVED AS CORRECT**

**Adopted:** February 26, 2020

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Derek Young, Chair



# TACOMA HOUSING AUTHORITY

## BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, JANUARY 22, 2020

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at 3201 S. Fawcett, Tacoma, WA 98418 at 4:55 PM on Wednesday, January 22, 2020.

### 1. CALL TO ORDER

Vice Chair Rumbaugh called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:55 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 4:50 pm)	
Commissioner Dr. Minh-Anh Hodge (arrived late at 4:50 pm)	
	Commissioner Dr. Arthur C. Banks
Commissioner Shennetta Smith	
<b>Staff</b>	
Michael Mirra, Executive Director	
Sha Peterson, Executive Administrator	
April Black, Deputy Executive Director	
Ken Shalik, Finance Director	
Toby Kaheiki, Human Resources Director	
Frankie Johnson, Property Management Director	
	Kathy McCormick, Real Estate Development Director
Sandy Burgess, Administrative Services Director	
Julie LaRocque, Rental Assistance Director	
Cacey Hanauer, Client Support & Empowerment Director	

Vice Chair Rumbaugh declared there was a quorum present @ 4:56 pm and proceeded.

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

Vice Chair Rumbaugh asked for any corrections to, or discussion of the minutes for the Regular Session of the Board of Commissioners on Wednesday, December 11, 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

<b>Motion approved.</b>
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### 4. GUEST COMMENTS

#### **Ross Fleming Jr, Fawcett Unit 16**

According to Mr. Fleming, when he moved to Fawcett, he saw a lot of progress, but not lately. He is upset because he feels his health concerns are not being heard. Staff have not addressed smoking in the building. He wants to call the city and health department so they can come and smell the smoke for themselves. There are also too many people with vehicles with expired tabs. His vehicle was hit the other day. He is asking THA to do something about it. Vice Chair Rumbaugh thanked Mr. Fleming for bringing his concerns to the board's attention and assured him that THA will attend to them. For that purpose, a representative of the Property Management team who was present at the meeting conferred with Mr. Fleming after his remarks.

### 5. COMMITTEE REPORTS

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

The committee met to discuss arrangements for due diligence prior to deciding if THA wanted to acquire the Gault Middle School property. Once the due diligence is done, the committee will report its recommendation.

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

Nothing to report.

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

The committee did not meet. DED Black conveyed the very good news that Pierce County has committed to providing \$200,000 annually to help pay for the support services for Tacoma Schools Housing Assistance Program (TSHAP) that the board approved on Friday. This will allow THA, Tacoma Public Schools and Pierce County to proceed with the expansion of the program.



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

According to ED Mirra, constructions meetings seem to be going okay.

## **6. COMMENTS FROM THE EXECUTIVE DIRECTOR**

ED Michael Mirra directed the board to his report. He will send an email to Councilmember Catherine Ushka to follow-up on the separate discussion he had with her and Jeff Robinson of the City regarding THA's interest in the Gault School property. ED Mirra and Policy, Innovation and Evaluation Department Manager Karen Bunce presented about THA's interest to the January board meeting of the Eastside Neighborhood Advisory Council of Tacoma (ENACT). ED Mirra recounted the substance and spirit of that meeting, both during the meeting and afterward with ENACT members and members of the audience. He said it encouraged him to expect a meaningful community consultation and support for THA's interest. ED Mirra also had a visit with the current president of the Tacoma Historical Society Bill Baarsma, who knows about THA's interest in Gault School and offered support for THA's planning for the building.

## **7. ADMINISTRATIVE REPORTS**

### **Finance**

Finance Department (FD) Director Ken Shalik directed the board to the finance report. He will be presenting the year-end report next month. THA ended the year in good shape. Financially there are no surprises and THA came in under budget for expenses. THA had planned on receiving the final development fee for Renew Tacoma in 2019. However, it will now receive the funds in 2020 due to the time it is taking to address the Department of Ecology requirements concerning Wright Street Apartments. Due to delays in the Rental Assistance Demonstration (RAD) transition, THA will not receive its waterfall payment until 2020, rather than 2019. Vice Chair Rumbaugh asked if the shortfall was obligated in 2019. Director Shalik confirmed and added that THA is still in good shape. Director Shalik hopes to present the final budget to the Board in March. This depends in part of when HUD tells us our allocation for 2020. HUD is behind its own schedule to do that because Congress was late in passing a 2020 budget.

Director Shalik asked the board to approve the Public Housing Authority (PHA) Board Resolution approving the Operating Budget. This is a supplement to the budget resolution passed last month. Whenever the board approves a budget for 2020, the resolution needs to be submitted along with the budget.

Commissioner Hodge moved to ratify the payment of cash disbursements totaling \$6,198,111 for the month of December 2019. Commissioner Smith seconded.

Upon roll call, the vote was as follows:

AYES:	3
NAYS:	None
Abstain:	None

Absent: 2

**Motion Approved.**

Commissioner Hodge moved to approve the PHA Board Resolution, Commissioner Smith seconded.

Upon roll call, the vote was as follows:

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

**Motion Approved.**

**Administrative Services**

Administrative Services (AS) Director Sandy Burgess directed the board to her report. Her report only focuses on risk management this month. THA received a grant from FEMA for fire prevention, allowing THA to purchase and install fire stops at all properties above all stoves. This resulted in a significant decrease in fire cost. THA has only had one fire and that was in a vacant unit. The result is not only good for THA but for tenants as well. Vice Chair Rumbaugh asked how many times the fire stops have gone off. Director Burgess said that last year they triggered 4-5 times. ED Mirra asked if this would reduce insurance rates. Director Burgess confirmed that it would. The FEMA grant also paid for several training classes for staff at all properties. Participants included 730 adults and youth. Tenants appreciated meeting the fire department staff.

AS implemented intensive risk avoidance training for facilities and maintenance staff, did security improvements on the west portfolio, and increased reporting of incidents. Incidents were reduced by half in Q1-Q4 2019. Vice Chair Rumbaugh asked the reason for the reduction. Director Burgess said the main reason is staff's better attention to incident reports and learning from them to prevent recurrence.

AS renewed two insurance coverages. Premiums increased by 10%. This increase did not result from losses. It reflects increases in the insured values of THA's portfolio. This increase resulted from the annual reappraisal of their value. It also resulted from the addition to the portfolio of the Alberta J Canada Building. Vice Chair Rumbaugh asked if THA carried earthquake insurance. Director Burgess responded that THA does not carry that coverage because it is extraordinarily expensive.

**Client Support and Empowerment**

Client Support and Empowerment (CSE) Director Cacey Hanauer directed the board to her report. Work continues to get client services and Property Management aligned in time for Arlington Drive's opening later this year. CSE team has been meeting several hours each week to talk about questions and ramifications. Director Hanauer is trying to

look at all the ins and outs and YMCA's role vs. THA's role. Commissioner Smith asked if the Y will be providing life skills. Director Hanauer confirmed. The Y will be managing the schedule for services. Vice Chair Rumbaugh asked if Community Health Care will be providing health services at Arlington. Director Hanauer confirmed. She is also trying to help staff of all departments manage how they respond to client crises. Vice Chair Rumbaugh asked who the winter door contest winner was. Director Hanauer replied that there were three top winners.

ED Mirra and Commissioner Smith asked about whether Pierce County's Coordinated Entry system would be used as a referral source for Arlington Drive. Commissioner Smith expressed worry if Coordinated Entry would be able to do it well. Hanauer affirmed that we are planning for Coordinated Entry to be a referral source. She said that Pierce County has agreed to use THA's definition of homelessness for Arlington referrals. ED Mirra asked if that would include changing how Pierce County assesses risk so it counts youth as its own risk factor. According to Director Hanauer, the County is more open to it, but conversations are ongoing. She also noted that CE will not be the only referral source. Vice Chair Rumbaugh stated that different resources have different requirements; he does not understand why there couldn't be a more uniform set of standards. ED Mirra asked if these issues and worries about using Coordinated Entry for Arlington Drive pertain to our plans to use it for the expansion of the Tacoma Schools Housing Assistance Program (TSHAP) was handling the process. Deputy Executive Director (DED) Black said they do not.

### **Rental Assistance**

Rental Assistance (RA) Director Julie LaRocque directed the board to her report. Overall utilization is at 100.3% as of January 2020; all the hard work for the year has paid off. Vice Chair Rumbaugh asked if THA will budget for 100% next year. Director Shalik said yes.

Last month, Director LaRocque talked about problems with property-based subsidies at Highland Flats. Deputy Executive Director (DED) Black met with the owner's representative on Friday regarding the report they submitted and was informed that they will do more work on it. It will work out eventually, per Director LaRocque. DED Black added that Highland Flats owes THA money; she gave the owner until the end of next week to show how much money they owe THA. She does not think this will be resolved until the end of April. THA estimates that they owe THA around \$200K; the owner is disputing over \$100K of that amount. Vice Chair Rumbaugh inquired about their ongoing assessment process. DED Black stated that part of the issue is that they do not have a written process for verifying income. Vice Chair Rumbaugh asked if there are project-based applicants who may be better able to perform. DED Black thinks we may need to find out. THA is expecting a proposal from the Department of Corrections (DOC) and Tacoma Community College (TCC) for the expansion of CHAP to college students coming from prison.

Vice Chair Rumbaugh asked about the 10 vouchers for the court. The Department of Social and Health Services and Judge Martin and THA met and decided that a separate

Memorandum of Understanding is not necessary. Instead, it will fold the court's vouchers into the collaboration's use of THA's Family Unification Program vouchers. ED Mirra requested a chart on the RA reports regarding the 10 court vouchers. Cascade Park and Cascade Park Vista staff will perform an audit soon.

THA's landlord engagement specialist recently left THA but RA will be hiring for the position in the next couple of weeks. It is a valuable position for RA.

### **Property Management**

Property Management (PM) Director Frankie Johnson directed the board to her report. Staff installed Humidistats in each unit at Salishan to regulate air in each room and monitor humidity.

David Dailey led a process to work on snow removal procedure to get snow teams together and purchase additional equipment. It took a lot of planning and deployment when it snowed a week or so ago, but things went really well.

From the pilot program for lead position at Salishan, Steve Couch was hired for the position.

Director Johnson acknowledged that the turn average for December exceeded the target of 20 days; leasing days increased to a total turn average of 39. Vice Chair Rumbaugh asked for the cause in the spike. DED Black said it is due to the holidays. Director Johnson is pleased with the unit turn for maintenance; we are just struggling with leasing turn time. THA purged the waiting list and the leasing department is getting better responses. THA now has email addresss for 85% of the people on the waiting list.

### **Real Estate Development**

Real Estate Development (RED) Director Kathy McCormick was not in attendance. ED Mirra reported on her behalf. Construction at Arlington Drive and Rise @ 19<sup>th</sup> are on budget and on schedule and RED staff are pleased with the contractors. Vice Chair Rumbaugh inquired about the Minority and Women Owned Business Enterprises (MWBE). According to ED Mirra, THA is awaiting data from the subcontractors and the report will in next month's board report. Director McCormick thinks THA is doing well. Vice Chair Rumbaugh will defer inquiring on further detail until Director McCormick can report. He also wants progress for James Center and Hilltop property. ED Mirra responded that for the Hilltop property where Mr. Mac currently is, THA's choice was Inland and Horizon as the partner. THA will meet with Horizon and Mercy Housing. Vice Chair Rumbaugh stated that the governor is releasing a rainy day fund for the homeless; he would like to discuss how THA can apply for funds and further goals in the city. ED Mirra will relay the information to Director McCormick.

### **Human Resources**

Human Resources (HR) Director Toby Kaheiki directed the board to his report. THA is on its third year with PEBB for the medical plan.

Vice Chair Rumbaugh asked if there has been any increase in staff claims to L&I or HR or through the union grievance process. Not at all, according to Director Kaheiki. Risk Manager Ginger Peck identified L&I training needs and staff received their training in coordination with PM and HR. There are currently no claims. A tentative settlement was reached this morning in the sole union grievance, so by the end of the month, there won't be any outstanding grievances.

Director Kaheiki referred to the demographics report included in the HR report. He said that THA's need for diversity in its staff is always a factor in recruitment and hiring. He is pleased with THA's present diversity as the report shows. Vice Chair Rumbaugh stated that diversity has tremendous value.

Director Kaheiki said THA will focus on its need for more staff who speak not only English but other languages as well.

Vice Chair Rumbaugh states that he understands that THA has a plan to add more staff. Director Kaheiki said Cabinet is trying to figure out a plan. Director Shalik added that Cabinet has not had a budget discussion and would like to wait until after budget discussions. Commissioner Hodge asked if THA has a recruitment plan. According to Director Kaheiki, there is an effort, but not a plan.

## **8. NEW BUSINESS**

### **8.1 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.

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



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

**Motion Approved:** January 22, 2020

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Derek Young, Chair

**8.2 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.

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

Upon roll call, the vote was as follows:

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

**Motion Approved:** January 22, 2020

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Derek Young, Chair

**9. COMMENTS FROM COMMISSIONERS**

None.

**10. ADJOURNMENT**

There being no further business to conduct the meeting ended at 6:57 PM.

**APPROVED AS CORRECT**

**Adopted:** February 26, 2020

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Derek Young, Chair



## **TACOMA HOUSING AUTHORITY**

### **Real Estate Development Committee**

Chair Derek Young  
Vice Chair Stanley Rumbaugh

### **Finance Committee**

Chair Derek Young  
Commissioner Minh-Anh Hodge

### **Citizen Oversight Committee**

Commissioner Arthur C. Banks  
Commissioner Shennetta Smith

### **Education Committee**

Commissioner Minh-Anh Hodge  
Commissioner Shennetta Smith





**TACOMA HOUSING AUTHORITY**

**COMMENTS FROM THE  
EXECUTIVE DIRECTOR**



# TACOMA HOUSING AUTHORITY

**To:** THA Board of Commissioners  
**From:** Michael Mirra, Executive Director  
**Date:** February 22, 2020  
**Re:** Executive Director's Monthly Report

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

## 1. **THA EXPANSION PLANS**

I attach a copy of an email I wrote on Monday to all of THA's staff and the Board. It discusses two related topics: our 2020 federal budget allocation, and the additional funds we plausibly expect from it; and our plans for its use to fill up to 15 staff positions that THA needs. About 12 of these positions will be new. The email has important details. I summarize below the main reasons for our plan. Below I also note that this plan will require some additional office space and our efforts to shop for it on the Hilltop. I conclude by anticipating that this activity will likely elicit questions from our community partners who will wonder what we are up to. I suggest how we can explain to them that these developments are what they truly are: encouraging signs that THA is growing into its ambitions, and that we have a reasonable plan to get it done.

### **THA's 2020 Federal Funding**

My email reviews what we know of our federal funding for 2020. It reports that HUD just told us this week that we will not learn the exact amount of money we will get until March 29th. This is way behind HUD's normal schedule for letting us know. HUD is late because Congress was late in passing a budget for 2020. Despite this delay, we can make some plausible judgments about how much funding we can expect. We judge we will get an increase of \$2.5 million over our 2019 funding.

### **Planning to Staff Up**

The email describes our plan to staff up. We need to start now to plan for these new positions and to recruit to fill them. We judge that we can safely do that even before we learn our exact funding levels. This is a reasonable judgment for several reasons:

- We will learn by March 29th if we are right or not. If we turn out to be very wrong and get a lot less than what we now think, we will not be that deep into the recruitment for many of the positions and can rethink. That will also give the Board time to redirect us if it wishes. In the meantime, it will take a while to fill these positions. So we want to get going.
- Some of the costs of some of the positions do not add to THA's long term budget. Some of the property-based positions will be on THA's budget only until those properties are up and running. Then they will transfer to the property budget. This "cushion" allows THA to carry the positions in the meantime. Some of the Business Process positions count as nonrecurring expenses that will not outlast the project life of about 2 or 3 years. Once the project is done, the staff in those positions will shift

back to other mainline responsibilities. We are confident in our ability to plan on this shift because of normal staff turnover. Still other positions are funded by philanthropy.

- Even if we do not get the increase in operating funds that we hope for from HUD, some of the positions are suitable uses for THA reserves. *E.g.*, Business Process Improvement Project. We have ample reserves for the purpose.
- These positions are necessary now, some urgently so, because of the new work and the projects we have already committed to doing. *E.g.*, Arlington Drive Youth Campus, The Rise on 19<sup>th</sup>; the expansion of the Education Project; administration of more special purpose vouchers.
- We need more staff to resume work, with more resources, on some old challenges that have gotten more urgent to complete. The main one is the Business Process Improvement Project. This project is related to the continuing necessary work on our new software system.
- We seek to address what we have long known at THA: we need more people to do even the baseline work of the agency.
- We would like to fill many of these positions with present staff, for two reasons. **First**, many positions require the expertise that only current staff have. **Second**, these new positions will also give our talented staff new ways to grow inside THA. For those positions filled by present staff, we would then hire outside for any vacancies we create.

### **Need for More Office Space**

With these new staff, we will need more office space. We have long been short of space. Looking back a way, THA never really recovered from its demolition of the old Family Investment Center at Salishan, which used to be our administrative headquarters. Over several remodels of the 902 Building, we have fit more and more staff into the same footprint. We have reached the building's limit.

We are shopping for office space to rent on the Hilltop, in walking distance of the 902 Building. We plan to move about 20 staff into that space. We will keep in the 902 Building those staff who need to be directly accessible there to clients. This mainly means our Rental Assistance staff. We will also judge which staff most need to be close to other staff.

We will likely need this new rental office for only 2 or 3 years. By then we hope to have built out the office space that will be part of our Hilltop Lofts development. Perhaps we will then move into our own property and become our own tenant. That way, we will remain committed to the Hilltop, which we value.

### **Explaining Our Plans to the Community**

As we staff up, we will be advertising for positions. We should then expect that our community partners will wonder what is going on with THA. We all need to be fluent in sharing the genuine explanation: that our plans are good news for THA and our services to Tacoma; that we are fully immersed in work that is ambitious, challenging and expanding; that we realize our need to get stronger; and that we have a reasonable plan to get it done.

## **2. THA ADVOCACY and PUBLIC EDUCATION EFFORTS**

Advocacy and public education are a core part of THA's mission. This work is one of our 7 strategic objectives:

### ***Advocacy and Public Education***

*THA will advocate for the value of its work and for the interests of the people it serves. It will be a resource for high quality advice, data and information on housing, community development, and related topics. THA will do this work at the local, state and national levels.*

This mission makes it appropriate that THA has been busy with its work on advocacy and public education. I will have more details at the Board meeting about the following recent examples:

- ***Washington State Legislature***  
THA has two main interests in the current session of the state legislature. **First**, we need the legislature to change the expenditure schedule of the \$1.25 million it appropriated last year for Arlington Drive. We do not seek more money. But as appropriated last year, it requires us to spend half of it in the first year of the biennium. That won't work for us because Arlington won't open until later this year. We need to spend most of the money in the second half of the biennium. Allowing for this is a modest but critical amendment we need the legislature to make. We have strong support for it. I attach a supportive letter that the House and Senate Pierce County delegation sent to the House and Senate Appropriators.  
  
**Second**, THA has helped to represent the Association of Washington Housing Authorities (AWHA) in negotiations over a large number of bills to enhance tenant protections. I attach a table of the bills and their present status.
- ***Washington State Housing Finance Commission (WSHFC)***  
THA, the City of Tacoma, Pierce County, and the Tacoma-Pierce County Affordable Housing Consortium negotiated a proposal to WSHFC. This proposal would guarantee that Pierce County would get two of this year's coveted awards of 9% tax credits. I attach our joint letter to the WSHFC. One of the two projects is the apartment building at our property at 11<sup>th</sup> and MLK, where Mr. Mac's is. This project will house persons coming from homelessness. We are negotiating with Horizon Housing to build it. Because it will house homeless persons, this project

would have gotten tax credits this year even without a deal with WSHFC. The other project was less certain. It will be Mercy Housing's proposal for a building at 8<sup>th</sup> at MLK, where the temporary homeless village is presently. This building will house low-income seniors. HUD awarded this project very scarce Section 2020 dollars. And the project won a Housing Trust fund award from the state. The project, and the City and the County, would lose both the federal and state dollars if the project did not also get 9% tax credit award.

As part of this proposal, THA, the City and the County will not submit or support any 9% tax credit application in 2021. In this way, our community forsakes the chance for Tacoma and Pierce County to get an award next year in order to get an assurance of two awards this year and to lock in the federal and state dollars for the senior housing project.

This proposal has another significance. It is an encouraging step toward more local planning for local priorities to get tax credits. That would be new for our area.

- *City of Tacoma Housing Levy*  
The Tacoma City Council will decide whether to put a tax levy on the November 2020 ballot to fund a local housing trust fund to create affordable housing for low-income residents. Two reports that the Council commissioned, one in 2010 and the other in 2018, recommended that it do this. THA has been participating in a "Steering Committee" of 25 organizations that convened themselves. Its purpose is to make a recommendation to the Council on whether there is a levy proposal with enough of a chance to win passage to be worth the work it will take. To help inform its recommendation, the Steering Committee commissioned a poll of likely Tacoma voters. The Steering Committee also resolved that any recommendation it would make to the Council must have the support of at least 80% of the Steering Committee membership.

24 of the 25 members (96%) voted to recommend the following to the Council:

- that the Tacoma City Council place on the November ballot a property tax levy of \$0.25 per \$1,000 assessed value for the Housing Trust Fund to address the City's crisis of housing unaffordability and homelessness (raise \$7.5 million a year and cost the average homeowner \$80 per year).
- that the City develop a plan that informs the electorate what a dedicated source of funding for the Housing Trust Fund will achieve. It should use the City's recent Affordable Housing Action Strategy to inform this plan.
- that the Tacoma City Council participate in an effort to educate residents on the value of this housing levy to the City's wellbeing.

I attach a draft of the written recommendation that will shortly go to the Council. It shows the Steering Committee membership. It also shows the encouraging poll results that informed the Steering Committee's recommendation.

If the Council decides to put this on the ballot, THA will not be able to participate in the campaign for its passage. State law does not allow a public organization to do that.

- *Pierce County Affordable Housing Work Group*  
Pierce County has convened a small group of practitioners to advise the County Executive and the County Council on policies to consider for the purpose of promoting the development of affordable housing in the county for lower income residents. The County asked THA to serve on this work group.

In all these ways, THA is participating in important civic discussions that affect our work and our clients.

Thank you!

**From:** [Michael Mirra](#)  
**To:** [THA All](#)  
**Cc:** [THA Commissioners](#)  
**Subject:** THA Update: Some Budget News and THA's Plans to Staff Up for Challenges  
**Date:** Monday, February 17, 2020 9:41:00 PM  
**Attachments:** [image001.png](#)

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Dear THA All:

I hope you are enjoying the President's Day Holiday Weekend.

I write to review some Congressional news you may already know from my previous emails. I also write to explain how the THA Cabinet hopes to take advantage of that news. In summary, we are planning to staff up. If all goes as we plausibly hope, we will fill about 15 positions at THA; about 12 of them will be new ones. We want to do this for three main reasons:

- We need more staff for some notable new projects and commitments THA has made. *E.g*, Arlington Drive Youth Campus.
- We need more staff to resume work, with more resources, on some old challenges. *E.g*, Business Process Improvement Project.
- We need to address what we have long known at THA: we need more people to do even the baseline work of the agency.

We would like to fill many of these positions with present staff. In that way, these new positions will also give our talented staff new ways to grow. For those positions filled by present staff, we would then hire outside for any vacancies we create.

Department directors will be discussing these plans with their staff in the next week or so. They will provide more specifics, including a likely schedule for all this. Here are some details that we know now.

## **1. CONGRESSIONAL BUDGET NEWS and WHAT IT MEANS FOR THA**

I wrote you previously that Congress has indeed passed a 2020 budget for HUD. It managed to do that after two continuing resolutions and without shutting the government down. That was good news. The better news was that the 2020 appropriation levels for HUD are notably higher over 2019 levels than 2019 was over 2018 levels. Our plausible hope then is that we will get an

increase in 2020 over 2019 that is bigger than the \$2.9 million increase we received in 2019 over 2018.

The reason we cannot be sure about this increase is that HUD uses complex formulas for turning a Congressional appropriation into an allocation for each housing authority. HUD's formulas depend on many factors, including HUD's calculation of the local rental market. Under the normal Congressional schedule for such calculations, we would know the answer by now. However, we learned last week that we will not learn the answer until March 29<sup>th</sup>.

In part because of this delay from Congress in passing a budget, the THA Board delayed its adoption of a 2020 budget for THA. We thought we would present a budget to the Board in March. But with this further delay from HUD, we will likely do that now in April. In the meantime, we are operating on our own version of a continuing resolution that the Board adopted in December.

Despite this uncertainty with the Congressional allocation, we have decided to place some reasonable bets on what our allocation will be and plan for new staffing. We do that for these main reasons:

- Despite the uncertainties about the HUD allocation, we judge that we will get a \$2.5 million increase for 2020. We have adequate confidence in that judgment.
- We will learn by March 29<sup>th</sup> if we are right or not. If we turn out to be very wrong and get a lot less than that, we will not be that deep into the recruitment for many of the positions and can rethink. That will also give the Board time to redirect us if it wishes. Also, some of the positions are suitable uses for THA reserves, although we hope and expect that will not be necessary.
- These positions are necessary now, some urgently so, because of the work and the projects we have committed to doing. It will take a while to fill them. So we want to get



going.

- Some of the costs of some of the positions do not add to THA's long term budget. Some of the property based positions will be on THA's budget only until those properties are up and running. Then they will transfer to the property budget. This "cushion" allows THA to carry the positions in the meantime. Other positions are funded by philanthropy. Some of the Business Process positions will shift back to other mainline responsibilities once that project is done, we hope in 2 years or so.

## **2. SOME THEMES THAT SHOW IN THIS DECISION TO STAFF UP**

Several themes of THA's work show in this decision to staff up:

### **2.1 THA's Present New Projects and Commitments Need More Staff**

THA has recently launched some characteristically ambitious and innovative projects. I list some below. Each of these projects require a lot of work from every THA department. To get them done will require more staff:

- *Arlington Drive Campus for Homeless Youth and Young Adults*

Arlington Drive is under construction. The construction is ahead of schedule and on budget. It will open later this year. When it opens, THA will be housing and serving these populations of young people. Doing this will be new for THA. In fact, we do not know of another housing authority who has tried this. We are very lucky with our service partners, Community Youth Services and the Accelerator Y of Greater Seattle. Although they will provide the services to these young people, this project will still require a different type of property management from THA than we are used to providing.

- *The Rise on 19<sup>th</sup>*

This new project is also under construction. It too will open later this year. Part of the building will be reserved for persons with disabilities and persons coming to us from homelessness. That too will be new for us.

## *Expansion*

- *College Housing Assistance Program (CHAP)*

THA's CHAP is expanding. We are now set to house or pay to house over 200 homeless college students at TCC and UW Tacoma. The expansion will also include two interesting cohorts: students who come to college from prison; homeless high school seniors without families who are on their way to college. We are excited about this expansion. Getting it done will require a lot of work.

- *Tacoma Schools Housing Assistance Program (TSHAP) Expansion*

TSHAP began at McCarver Elementary School. This expansion will take the program city-wide, to all schools and all grades. This too will require a lot of work.

- *More Specialty Vouchers: FUP, VASH and Move-On Vouchers*

THA successfully competed to get more FUP, VASH and Move-On vouchers. These vouchers are very valuable for what they offer to very needy types of households: families who need housing to prevent or shorten their child's foster care placement; teenagers aging out of foster care who would otherwise begin their adulthood by becoming homeless; persons who need housing to succeed in court-supervised treatment, homeless veterans of military service; and persons in permanent supportive housing who do not need the services any longer and but who need housing help to move out and make room for someone else who does need those services.

As valuable as these vouchers are, administering them requires a lot of work. The work entails not just the normal work of voucher administration. It also requires close collaboration with partners: Department of Children, Youth and Families; Pierce County Superior Court; U.S. Dept. of Veterans Affairs; and Department of Social Health Services.

And we have applied to get still more of these vouchers.

- *Gault School Property*  
You may know that Tacoma Public Schools has offered to give THA the Gault School Property on the Eastside. This is a fine chance to get 7 urban acres for redevelopment. It also comes with a lovely but seriously rundown original school building that needs a lot of work. The entire project will also require close community consultation.

## **2.2 THA Needs More Staff for its Mainline Programs**

THA needs more staff even for its mainline programs and the baseline work of the agency. By some reckoning we are too lean. This makes it hard on staff, even staff as talented and hard working as ours. We need more staff to maintain our standards of customer service and stewardship.

## **2.3 THA Needs to Finish its Business Process Improvement Project**

THA needs to finish its Business Process Improvement Project. We been at this, with sporadic efforts, over 10 years, with limited success. Our new software, OpenDoor, posed both new challenges to get this done, as well as a chance to automate some of our processes.

Getting this done has become an urgency. We often encounter instances that remind us of the perils of working without adequate and documented business process. This is evident when we lose experienced staff who take their

experience with them. Without processes to capture what they know, we cannot be a learning agency. Instead, we must learn it anew. The lack of process also shows when we hire new staff and do not have processes to show them how to do their new job. Our lack of business processes has been evident recently, for example, in confusion on how to manage some basic functions of the agency. This has led to some poor performance and, in one instance, an audit finding.

Being without processes also increases our legal risk. The legal risk arises if someone is harmed by our action or inaction, and sues us. The first question we will face in such a lawsuit is whether we have a process governing the matter. For example, if someone falls on the ice in front of our property, we will be asked for our process and schedule for snow removal. If we are ever sued for a failure to produce a public record, the size of the penalty will depend on whether we at least had a process. If we cannot show that we do we will have trouble defending ourselves. And it will not be good enough to show that we sent an email explaining a process to the staff at the time or to refer to a sketch on someone's white board. The second question we will face in a lawsuit is whether we followed our process.

Our past failures at this Business Process Improvement Project resulted, at least in part, on the inability of staff to make time for it. We will now staff up to get this done.

#### **2.4 THA Will Focus on Building its Systems and, for the Present, Will Forego Big, New Initiatives**

These new commitments and projects, and the Business Process Improvement Project, not only require new staff. They also require that THA forego any big new initiatives for the time being. Let us get our house in order first.

I must note two possible limitations on a resolution like this. **First**, we must continually be alert for chances to make our present projects and commitments easier or more

successful. For example, if a community partner proposed a way for those homeless high school seniors we will house to pay the rent, we will be interested. I would not count that as a new initiative. Instead, it is an improvement of a current project. **Second**, so much of THA's work depends on lucky circumstances – the unexpected chance at buying property; the chance at getting new vouchers or funding; a new service partnership that comes our way. A good part of THA's success has been its nimble willingness to take advantage of what comes our way. If a valuable chance comes our way, I hope that at least we will consider it.

### **3. HOW TO EXPLAIN THA's CHANGES TO OUR PARTNERS AND OUR COMMUNITY**

As we staff up, we will be advertising for positions. We should then expect that our community partners will wonder what is going on with THA. I hope this explanation I provide and what you will hear from your department directors will help you explain ourselves to them. In particular, I hope we all understand that the explanation is good news for THA: that we are fully immersed in ambitious and challenging work; that we realize our need to get stronger; and that we have a reasonable plan for it.

If you have any questions or ideas about this plan, you are always welcome to write me back, or stop by. Your meetings with your department directors will be another occasion for discussion. As you may be able to tell, there is still a lot to this plan that needs work. And for the ambitious work ahead, THA will need each one of us.

Thank you.

Michael

**Michael Mirra**

he/him

Executive Director

Tacoma Housing Authority

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Legislative Building

# Washington State Legislature

Olympia, WA 98504-0600

The Honorable Christine Rolfes  
Chair, Senate Ways and Means Committee  
PO Box 40423  
Olympia, WA 98504

The Honorable Timm Ormsby  
Chair, House Appropriations Committee  
PO Box 40600  
Olympia, WA 98504

The Honorable John Braun  
Ranking Member, Senate Ways and Means  
PO BOX 40420  
Olympia, WA 98504

The Honorable Drew Stokesbary  
Ranking Member, House Appropriations  
PO BOX 40600  
Olympia, WA 98504

Subject: Arlington Drive Campus for Homeless Youth/Young Adults-schedule adjustment of Operations Funding

Dear Chairs and Ranking Members of Senate Ways & Means and House Appropriations Committees:

The Pierce County Delegation of Legislators respectfully requests a minor adjustment in the scheduling of the \$1.25 million in operating funds already appropriated for the Arlington Drive Campus for Homeless Youth and Young Adults. We do not seek more funds, just an adjustment in the schedule for spending it.

In 2019, the legislature appropriated \$1.25 million for the Arlington Drive Campus. As written, the provision requires the campus to spend half the money in the first year of the biennium or lose it. This is a problem because the campus, presently under construction, won't be open for business until later this Spring. We need the provision to back load most of the money so it can spend most of it in the second year of the biennium.

This is the change we request in the appropriation language from the 2019 budget:



*(ii) ~~(((\$625,000)) \$91,346~~ of the general fund-state appropriation for fiscal year 2020 and ~~(((\$625,000)) \$1,158,654~~ of the general fund-state appropriation for the fiscal year 2021 are provided solely for a contract with one or more nonprofit organizations to provide youth services and young adult housing on a multi-acre youth campus located in the city of Tacoma. Youth services include, but are not limited to, HOPE beds and crisis residential centers to provide temporary shelter and permanency planning for youth under the age of eighteen. Young adult housing includes, but is not limited to, rental assistance and case management for young adults ages eighteen to twenty-four. ESHB 1109 Section 129, (23)(b)*

The Arlington Drive Campus for Homeless Youth and Young Adults is a unique partnership of Tacoma Housing Authority, Community Youth Services, and the Accelerator Y of Greater Seattle. The campus is presently under construction. The construction is on budget and on time. It will open this Spring. When it opens, it will be transforming for homeless young people in the Puget Sound area. Its Crisis Residential Center (CRC) annually will serve and save over 300 homeless youth ages 12 to 17 years. Its 58 apartments will serve homeless young adults, many of whom will parents of babies or toddlers.

We appreciate the support for this request.

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Sincerely,

 Representative Andrew Barkis- 2 <sup>nd</sup> LD	 Senator Hans Zeiger- 25 <sup>th</sup> LD
 Representative Kelly Chambers- 25 <sup>th</sup> LD	 Senator Emily Randall- 26 <sup>th</sup> LD
 Senator Jeannie Darneille- 27 <sup>th</sup> LD	 Representative Laurie Jenkins- 27 <sup>th</sup> LD
 Representative Jake Fey- 27 <sup>th</sup> LD	 Senator Steve O'Ban- 28 <sup>th</sup> LD
 Representative Christine Kilduff- 28 <sup>th</sup> LD	 Representative Mari Leavitt- 28 <sup>th</sup> LD
 Senator Steve Conway- 29 <sup>th</sup> LD	 Senator Claire Wilson- 30 <sup>th</sup> LD

A handwritten signature in black ink, appearing to read 'Jesse Johnson', with a long horizontal stroke extending to the right.

Representative Jesse Johnson- 30<sup>th</sup> LD

A handwritten signature in black ink, appearing to read 'Michelle Caldier', with a stylized, cursive script.

Representative Michelle Caldier- 26<sup>th</sup> LD



## 2020 AWAH Bill Tracker

As of February 19, 2020

Bill Title	Sort	House	Senate	Status	Summary	Category	AWHA Position
Providing protections to residential tenants (Good Cause Eviction)	1	<a href="#">HB 2453</a>	<a href="#">SB 6379</a>	Dead	Good cause eviction bill. Includes many of AWAH's proposed adjustments. Requires specificity in notices, defines "good cause", defines transitional housing, adds flexibility on 3 Day notice.	Tenant Protections	Support: AWAH Priority
Exempting a sale or transfer of real property for affordable housing to a nonprofit entity, housing authority, or public corporation from the real estate excise tax. (REET Exemption)	3	<a href="#">HB 2634</a>	<a href="#">SB 6366</a>	H -> S. Housing S. Ways & Means	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
Allowing the local sales and use tax for affordable housing to be imposed by a councilmanic authority	3	<a href="#">HB 1590</a>	<a href="#">SB 6126</a>	Passed House	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
Streamlining reporting for recipients of housing-related state funding by removing Washington state quality award program requirements.	3	<a href="#">HB 2348</a>	<a href="#">SB 6229</a>	H -> S. Housing S -> H. Appropriations	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
Allowing tenants to pay certain sums in installments.	3.5	<a href="#">HB 1694</a>		Passed House	Would allow tenants to request that they pay their deposit and last month's rent in installments.	Tenant Protections	Support
Concerning the property tax exemption for nonprofit organizations providing rental housing or mobile home park spaces to qualifying households	5	<a href="#">HB 2384</a>	<a href="#">SB 6232</a>	Passed House	Increases AMI threshold from 50% to 60% for non-profits to receive the property tax exemption for low-income housing.	PHA/NFP Tools	Support
Concerning working connections child care eligibility	5	<a href="#">HB 2456</a>	<a href="#">SB 6351</a>	H -> S. Education	Expands homelessness grace period from 4 to 12 months.	Homelessness	Support
Concerning residential tenant protections. (5600 Trailer Bill)	5	<a href="#">HB 2724</a>	<a href="#">SB 6378</a>	Passed Senate	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	Neutral?
Providing housing to school district employees.	5.5		<a href="#">SB 6512</a>	S. Ways & Means	Allows any school district to build teachers' cottages or other single or multifamily housing for school district employees when directed by a vote of the district to do so. Adds exemption from leasehold excise tax.	Local Policies	Support
Concerning the sale or lease of manufactured/mobile home communities and the property on which they sit	6	<a href="#">HB 2610</a>	<a href="#">SB 6230</a>	H -> S. Housing	Adds notice requirements about sales and opportunities to purchase to tenants and homeowner associations. Requires owners to negotiate in good faith.	Homeownership	No position
Standardizing definitions of homelessness to improve access to services	8	<a href="#">HB 2388</a>	<a href="#">SB 6472</a>	H -> S. Human Services	Updates definitions for state programs to include doubled-up households.	Homelessness	No position
Expanding the landlord mitigation program to alleviate the financial burden on victims attempting to flee domestic violence, sexual assault, unlawful harassment, or stalking.	8	<a href="#">HB 2732</a>		H. Floor	Expands the Landlord Mitigation Program to allow landlords' claims up to \$5,000 for damages to residential rental property when a tenant-victim of domestic violence, sexual assault, unlawful harassment, or stalking terminates the tenancy and certain other conditions are met.	Tenant Protections	Support
Providing for a grace period before late fees may be imposed for past due rent.	10	<a href="#">HB 2535</a>		H. -> S. Financial Inst.	The landlord may not charge late fees for past due rent unless the rent is at least five days past due.	Tenant Protections	No position
Creating the home sharing support grant program.	12	<a href="#">HB 2489</a>	<a href="#">SB 6212</a>	Passed Senate	Expands use of the affordable housing property tax levy to include affordable homeownership, owner-occupied home repair, and foreclosure prevention programs for low-income households with income at or below 80 percent of median income.	Local Policies	No position
Waiving utility connection charges for certain properties.	13	<a href="#">HB 2629</a>	<a href="#">SB 6414</a>	H -> S. Local Gov S. Rules	"A locally regulated utility must waive connection charges for properties used by a nonprofit organization, local agency, or any other legal entity that provides emergency, transitional, or permanent supportive housing for homeless persons or victims of domestic violence who are homeless for personal safety reasons."	PHA/NFP Tools	No position
Regarding essential needs and housing support eligibility.	13	<a href="#">HB 2809</a>	<a href="#">SB 6495</a>	H -> S. Human Services S -> H. Appropriations	Expands eligibility for the Essential Needs and Housing Support Program to include recipients of the Pregnant Women Assistance Program.	Homelessness	No Position
Concerning housing programs administered by the department of commerce	14	<a href="#">HB 2849</a>		H -> S. Housing	Updates HTF statute.	HTF	No position
Concerning the sales and use tax for affordable and supportive housing.	14	<a href="#">HB 2797</a>	<a href="#">SB 6631</a>	H -> S. Housing S. Ways & Means	Technical changes to HB 1406 passed in 2019.	Local Policies	No position
Concerning urban housing supply	14	<a href="#">HB 2343</a>	<a href="#">SB 6334</a>	H -> S. Housing S. Rules	Trailer bill to HB 1923 from 2019 session. Updates list of land use options to encourage denser development.	Land Use	No position

Bill Title	Sort	House	Senate	Status	Summary	Category	AWHA Position
Reducing impact fees for low-income housing.	14		<a href="#">SB 6386</a>	S. Rules	Clarifies how local jurisdictions may exempt affordable housing development from impact fees.	Local Policies	No position
Adjusting the amount and use of county fees on the real estate excise tax.	15	<a href="#">HB 2919</a>		Passed House	Increases the percentage of real estate excise taxes (REET) retained by counties with a population of less than 230,000 to 1.48 percent. Directs a portion of the REET retained by county with a population of over 2 million to go to the maintenance and operations of permanent supportive housing programs in the county.	Local Policies	No position
Adding development of permanently affordable housing to the allowable uses of community revitalization financing, the local infrastructure financing tool, and local revitalization financing.	15	<a href="#">HB 2497</a>		H -> S. Housing	Expands public improvement eligible for community revitalization financing, local infrastructure financing tool, and local revitalization financing to include permanently affordable housing.	Local Policies	No position
Concerning housing for community and technical college faculty and employees	15	<a href="#">HB 2382</a>		H. Rules	Permits a community or technical college to establish, lease, operate, equip, maintain, borrow money, and issue and sell revenue bonds for capital projects related to faculty and employee housing and boarding.	Local Policies	No position
Concerning the use of surplus property for public benefit.	15	<a href="#">HB 2896</a>		Passed House	Modifies the authority of a state agency, municipality, or political subdivision to dispose of surplus public property for affordable housing purposes.	Local Policies	No position
Modifying the definition of personal information for notifying the public about data breaches of a state or local agency system.	15		<a href="#">SB 6187</a>	S. Rules	Adds the last four digits of the social security number to the definition of personal information in the state data breach notification laws for state and local agencies.	Local Policies	No position
Allowing a permanent fire protection district benefit charge with voter approval.	15		<a href="#">SB 6415</a>	Passed Senate	Allows fire districts to permanently authorize fire benefit charges.	Local Policies	No position
Concerning the management and oversight of personal data.	18	<a href="#">HB-2742</a>	<a href="#">SB 6281</a>	S. -> H. Technology		Operations	No position
Providing for jobs training for homeless individuals	18		<a href="#">SB 6385</a>	S. Rules	The department must establish a competitive program for awarding grants to municipalities using a labor program model designed for providing jobs to individuals experiencing homelessness to lead to full-time employment and stable housing.	Homelessness	No position
Concerning accessory dwelling unit regulation.	18	<a href="#">SB 6617</a>		Passed Senate	Requires counties planning under the Growth Management Act and cities within such counties to authorize up to two accessory dwelling units (ADUs) per lot, to not require the provision of off-street parking for ADUs close to major transit stops, and to not require an owner to occupy an ADU or other housing unit on the lot unless the owner owns more than five ADUs.	Local Policies	No position
Prohibiting local governments from limiting the number of unrelated persons occupying a home	19		<a href="#">SB 6302</a>	S. -> H. Local Gov	Removes ability of cities/counties to limit the number of unrelated individuals in a single housing unit. The goal is to open up more housing opportunities but unclear if this is needed as current rules of some cities are not enforced.	Local Policies	No position
Requiring employers to periodically report standard occupational classifications or job titles of workers	20	<a href="#">HB 2308</a>		Passed House	Requires employers to report Standard Occupational Classifications and/or job titles when completing quarterly unemployment filings.	Public Works	No position
Assisting homeless individuals in obtaining Washington state identicards.	20	<a href="#">HB 2607</a>	<a href="#">SB 6304</a>	Passed House	Raises the age range to allow qualifying individuals up to age 25 to receive a Washington state identicard at reduced cost.	Homelessness	No position
Incentivizing shared housing	22		<a href="#">SB-6546</a>	Dead	Requires that 5% of funds used in any given funding cycle be used for the benefit of shared housing projects that increase the number of unrelated persons able to reside within a home	HTF	No position
Concerning lodging taxes for affordable housing.	22		<a href="#">SB-6446</a>	Dead	Looks to authorize cities and counties to pass new lodging tax of 5% in cities/counties with vacant property rates of 30% or more. Example cited by Kuderer is Leavenworth.	Local Policies	No position
Concerning the inventory of underutilized, state-owned property that may be suitable for the development of affordable housing.	22	<a href="#">HB-2774</a>		Dead	Requires more frequent publishing of state's land database.	PHA/NFP Tools	Support
Addressing housing concerns for individuals impacted by the criminal justice system (Housing Justice Bill)	22	<a href="#">HB-2878</a>	<a href="#">SB-6490</a>	Dead	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	Neutral
Protecting tenants from excessive rent and related fees. (Rent Control Bill)	22	<a href="#">HB-2779</a>		Dead	Caps rent increases and increases notice periods for larger rent increases (those more than 3%).	Tenant Protections	No Position
Establishing housing benefit districts.	22		<a href="#">SB-6618</a>	Dead	Allows for the creation of housing benefit districts, which may enact sales taxes and property taxes.	Local Policies	No position

Bill Title	Sort	House	Senate	Status	Summary	Category	AWHA Position
Eliminating a business and occupation tax deduction for financial institutions to fund affordable housing.	22		<a href="#">SB-6446</a>	Dead	Would create permanent source of HTF dollars, approximately \$284 million during the 2021-2023 biennium; \$318 million during 2023-2025 biennium.	PHA/NFP Tools	Neutral
Creating the home sharing support grant program.	22	<a href="#">HB-2639</a>		Dead	Creates the Home Sharing Support Grant Program (Program) in the Department of Commerce (Commerce). Allows Commerce to use a portion of funds generated by the homeless housing and assistance surcharges to fund the Program.	PHA/NFP Tools	No Position
Concerning affordable housing incentives	22	<a href="#">HB-2746</a>		Dead	Increases the minimum affordability requirements of the Multifamily Property Tax Exemption. Requires the Department of Commerce to prepare a report on city and county compliance with the reporting requirements of the exemption. Creates a Multifamily Property Tax Exemption work group.	Local Policies	No position
Concerning housing benefit districts.	22	<a href="#">HB-2898</a>		Dead	Authorizes counties and cities to establish a housing benefit district (HBD) for affordable low-income and middle-income housing projects. Provides HBDs with taxing and bonding authority including a local sales and use tax from 0.2 percent to 0.5 percent and a property tax up to \$1 per \$1,000 in assessed value. Establishes an HBD advisory board with seven members appointed by the Governor to provide oversight and technical assistance to HBDs.	Local Policies	No position
Improving access to homeownership by expanding opportunities for down payment assistance programs	22		<a href="#">SB-6185</a>	Dead	Clarifies that other entities in addition to the Housing Finance Commission may provide down payment assistance programs within Washington State. <i>Not likely to move due to ongoing litigation.</i>	Homeownership	No position
Prioritizing homelessness diversion services	22		<a href="#">SB-6186</a>	Dead	Assigns at least 25 percent of the state's portion of the \$62 document recording fee to establish a competitive grant program for local governments to provide homelessness diversion services.	Local Policies	No position
Providing a limited property tax exemption for the construction of accessory dwelling units	22	<a href="#">HB-2630</a>	<a href="#">SB-6231</a>	Dead	Allows ADUs constructed after the primary structure/SF home to not contribute to higher property taxes.	PHA/NFP Tools	No position
Providing a business and occupation tax credit for financial institutions issuing loans for affordable housing programs.	22	<a href="#">HB-2606</a>		Dead	Authorizes a business and occupation tax credit for interest received by a financial institution on loans for affordable housing projects. Would cost \$0.5 million per biennium by 2021-2023 biennium.	Local Funding	No position
Reducing the real estate excise tax for multiple-unit housing.	22	<a href="#">HB-2452</a>		Dead	Multifamily REET is lowered back down to 1.28% of selling price.	PHA/NFP Tools	No position
Creating a grant program for converting unused public buildings to housing for homeless persons.	22	<a href="#">HB-2282</a>		Dead	Creates a grant program for converting unused public buildings to housing for homeless persons.	Homelessness	No position
Promoting housing affordability by incentivizing the construction of American dream homes.	22		<a href="#">SB-6467</a>	Dead	Promoting housing affordability by incentivizing the construction of American dream homes.	Homeownership	No position
Prohibiting the use of biometric recognition technology and biometric analytics in certain state assisted rental dwelling units.	22	<a href="#">HB-2760</a>		Dead	Prohibits an owner of a rental dwelling unit for which Housing Trust Fund (HTF) assistance is provided from authorizing the use of facial or physical biometric recognition technology and analytics in the dwelling unit or in any building or grounds containing the dwelling unit.	Homelessness	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	22	<a href="#">HB-2658</a>		Dead	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
Extending the closure notice period for manufactured/mobile home communities.	26	<a href="#">HB-2657</a>	<a href="#">HB-6271</a>	Dead	Requires manufactured/mobile home community (MHC) landlords to provide tenants with three years' notice before closure or conversion of the MHC; Requires tenants who sell a home within the MHC to provide the buyer with a copy of any closure notice in effect at least 15 days before the intended sale, with a copy to be provided by the landlord at least 7 days before the intended sale.	Homeownership / Tenant Protections	No Position
Concerning a property owner's or tenant's liability for delinquent and unpaid utility service charges.	35	<a href="#">HB-2069</a>		Dead	Prohibits a city or town utility service provider from collecting delinquent charges from a rental property owner or new residential tenant utility customer.	Local Policies	No position
Concerning homeless shelter capacity	35	<a href="#">HB-2649</a>		Dead	Concerning homeless shelter capacity.	Homelessness	No position
Preventing the local prohibition of tenant evictions for any period of time.	35		<a href="#">SB-6651</a>	Dead	Would prevent cities from enacting winter eviction bans, or similar policeis.	Tenant Protections	No position



February 10, 2020

By email: [Lisa.Vatske@wshfc.org](mailto:Lisa.Vatske@wshfc.org)

Ms. Lisa B. Vatske  
Director, Multifamily Housing and Community Facilities  
WA State Housing Finance Commission  
1000 Second Avenue, Suite 2700,  
Seattle, WA 98104

RE: 2020 LIHTC Allocation for Pierce County

Dear Lisa:

We write on behalf of the City of Tacoma, Pierce County, Tacoma Housing Authority, Tacoma-Pierce County Affordable Housing Consortium, Horizon Housing Alliance, and Mercy Housing. On their behalf we convey a proposal to ensure 9% tax credits this year to two critically important projects in Pierce County and to preserve local, state and federal funding that will otherwise be lost:

- Horizon Housing Permanent Supportive Housing Project on Tacoma's Hilltop
- Mercy Housing MLK Senior Housing Project

We note that WSHFC recently published the 9% allocation list for this year and included both projects "above the line" to give them their requested tax credits. We appreciate the work that arranging this has required of you and WSHFC. Keeping both projects above the line is a necessary part of our proposal. That proposal has two parts:

- WSHFC will award the requested tax credits to both projects. If necessary to accomplish this, WSHFC will forward commit tax credits from 2021.
- The City and County agree that their 2021 NOFAs will include a disclaimer that tax credits for Pierce County projects from the 2021 round will not be available.

Both projects are priorities for the City of Tacoma and Pierce County for the following reasons:

**1. MLK Senior Housing – Mercy Housing Northwest**

Mercy Housing will develop a 60-unit senior property in Tacoma's Hilltop Neighborhood. Hilltop is gentrifying quickly and seniors in the neighborhood are experiencing the effects of rapidly increasing rents and dwindling affordable housing supply. The light rail line presently under construction through the neighborhood will



accelerate this gentrification. To preserve and increase the neighborhood's affordability, the City of Tacoma strategically purchased property in Hilltop on the light-rail line. It issued a Request for Proposal to developers willing and able to build affordable housing for seniors. Mercy Housing's project was chosen by the Tacoma Community Redevelopment Authority in November 2017.

This project achieves the following:

- Excellent example of transit-oriented development;
- Use of publicly owned land for affordable housing;
- Rental housing that is affordable to seniors with limited incomes;
- Receipt of City of Tacoma, Pierce County and Housing Trust Fund dollars committed to this project two or more years ago. Failure to get 9% tax credits in 2020 puts this funding at risk.
- Receipt of HUD Section 202 Funds. This is the first 202 allocation to be awarded in Washington for 8 or 9 years. Failure to get 9% tax credits in 2020 will lose this valuable federal funding for the project, the City and the County.
- The total project development cost will be 5% below the maximum TDC limits;
- Per unit tax credits are below the maximum allowed by WSHFC;
- Experienced, capable development team delivering high quality projects on schedule and on budget.

**2. Horizon Housing's Hilltop Lofts**

This project is also on the Hilltop, several blocks from Mercy Housing's Senior Project. THA completed a thorough community planning process for land it owns on the Hilltop. In that process, the community identified Permanent Supportive Housing for Homeless as a priority. In response, THA entered into a partnership with Horizon Housing to develop Permanent Supportive Housing on THA land. Horizon Housing will develop, own and manage Hilltop Lofts, a 57-unit, mixed-use project for persons experiencing homelessness.

This project achieves the following:

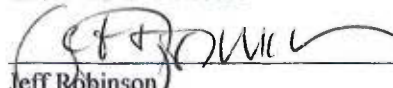
- Provide housing and supportive services to persons experiencing homelessness;
- Excellent example of a transit-oriented development project;
- Use of City, County and State funding commitments;
- Development costs which are 10% below TDC Limits;
- Collaboration with local service provider;
- Partnership with the Tacoma Housing Authority (THA will provide the rental subsidies);
- Per unit tax credits are below the maximum allowed by WSHFC;
- Experienced, capable development team producing high quality housing.

We are also pleased to report that the Board of the Tacoma-Pierce County Affordable Housing Consortium, when approving its support for this proposal, directed its executive committee to convene a task force of members to propose a LIHTC distribution policy for Pierce County. Part of this effort will require the Board to track the development pipeline of Pierce County projects. We look forward to working with you to bring this measure of structure and planning to the hard question of how to allocate tax credits.

Thank you for your consideration of this request. We are available to answer questions or provide additional information.

Thank you.


**CITY OF TACOMA**

  
\_\_\_\_\_  
Jeff Robinson  
Director  
Community & Economic Development, Dept.  
Date: 2/11/2020


**TACOMA HOUSING AUTHORITY  
TACOMA-PIERCE COUNTY AFFORDABLE  
HOUSING CONSORTIUM**

  
\_\_\_\_\_  
Michael Mirra  
THA Executive Director  
TPCAHC Board President  
Date: February 7, 2020

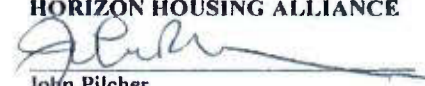
**PIERCE COUNTY**

  
\_\_\_\_\_  
Heather Moss  
Director  
Pierce County Human Services  
Date: 2-11-2020

**MERCY HOUSING NORTHWEST**

  
\_\_\_\_\_  
Bill Rumpf  
President  
Date: February 7, 2020

**HORIZON HOUSING ALLIANCE**

  
\_\_\_\_\_  
John Pilcher  
Executive Director  
Date: Feb 7, 2020

## TACOMA HOUSING LEVY STEERING COMMITTEE

To: Tacoma City Council  
From: Housing Levy Steering Committee  
Date: February 20, 2020  
Subject: **Housing Levy Recommendation**

We are pleased to convey the following strong recommendation to the Tacoma City Council from the Housing Levy Steering Committee:

- that the Tacoma City Council place on the November ballot a property tax levy of \$0.25 per \$1,000 assessed value for the Housing Trust Fund to address the City's crisis of housing unaffordability and homelessness. (raise \$7.5 million a year and cost the average homeowner \$80 per year.)
- that the City develop a plan that informs the electorate what a dedicated source of funding for the Housing Trust Fund will achieve. It should use the City's recent Affordable Housing Action Strategy to inform this plan.
- that the Tacoma City Council participate in an effort to educate residents on the value of this housing levy to the City's wellbeing.

In 2019, the following 25 Tacoma volunteers convened as the Housing Levy Steering Committee to recommend to the City Council whether or not to place on the November 2020 ballot a levy to address the City's crises of housing unaffordability and homelessness and, if so, what type of levy.

Lua Pritchard, Executive Director

**Asia Pacific Cultural Center**

Bill Riley

**BRC Family LLC**

Denny Hunthausen, CEO

**Catholic Community Services**

Bernal Baca, Board Chair

**Centro Latino**

Matthew Miller, Government Affairs

**CHI Franciscan**

Jeff Robinson, Community & Econ. Dev.

**City of Tacoma**

Kathy Littmann, President/CEO & Seth Kirby,

VP for Community Impact

**Greater Tacoma Community Found.**

Brendan Nelson, Executive Director

**Hilltop Action Coalition**

Jeremiah Lafranca, Executive Director

**Master Builders Association**

Lois Bernstein, Chief Community Exec.

**MultiCare Health System**

Troy Christensen, Executive Director

**Rainbow Center**

Kyle Woodring, Government Affairs

**Rental Housing Association**

Priscilla A. Lisicich, Executive Director

**Safe Streets**

Ivan L. Harrell, Chancellor & Judy Loveless-

Morris, VP Equity, Diversity, and Inclusion

**Tacoma Community College**

Michael Mirra, Executive Director

**Tacoma Housing Authority**

Pastors Gregory Christopher & Arthur Banks

**Tacoma Ministerial Alliance**

Amanda DeShazo, Executive Director

**TPC Affordable Housing Consortium**

Rachel Randich, Director of Government

Affairs and Mike Flynn, Realtor

**TPC Association of Realtors**

Lyle Quasim, Leadership/Meeting Facilitator

**Tacoma-Pierce County Black Collective**

Ben Ferguson, Advocacy Chair

**Tacoma-Pierce County Chamber**

Maureen Fife, CEO & Jason Gauthier, Director  
of Operations/Gov't Affairs

**TPC Habitat for Humanity**

T'wina Nobels, Executive Director

**Urban League**

Mark Pagano, President & Ali Modarres,  
Director of Urban Studies

**UW Tacoma**

# TACOMA HOUSING LEVY STEERING COMMITTEE

The Steering Committee resolved that any recommendation needed the support of at least 80% of its membership. **The recommendation has support from 91% of the membership;** none voted against; 2 members have not yet voted.

The Steering Committee's recommendation accounts for the following facts and circumstances:

## 1. Poll of Likely Tacoma Voters and Tacoma's Community Survey of Residents

- In January 2020, the Steering Committee commissioned Elway Research to poll likely Tacoma voters. A summary of the poll results is attached.
  - **56%** were inclined to support a property tax of \$.25 per \$1,000 of assessed valuation; **59%** were inclined to support a sales tax of 1/10 of 1%;
  - **69%** to **95%** support for "using tax dollars" to pay for programs to address housing unaffordability and homelessness: developing support services (**95%**), providing emergency rental assistance (**79%**), subsidizing rent for low-income households (**76%**), building more affordable housing (**75%**) and providing down-payment assistance for first-time homeowners (**69%**).
- The City's 2020 survey of Tacoma residents reported that homelessness, affordable housing and housing shortages are **3 of the top 4** "major issues" facing Tacoma. See [Community Survey](#) PowerPoint Presentation (January 28, 2020), page 9.

## 2. The Threat to Tacoma's Well-Being

- The Tacoma City Council declared homelessness a public health emergency. [Ordinance 28430](#) (May 17, 2017)(extended since, several times)
- The Tacoma City Council stated an adequate supply of well-built and well-managed affordable housing to be "vital" to the following civic interests:
  - The City's prosperity, economic development, and growth of employment opportunities;
  - The appropriate management of the City's projected population growth and transportation needs;
  - The City's fulfillment of its legal obligations under the Growth Management Act to make "adequate provisions for existing and projected (housing) needs of all economic segments of the community" and to comply with the related directives of the Pierce County Countywide Planning Policies;
  - The survival of green spaces throughout the City and Pierce County;
  - The success of the City's schools;
  - The effectiveness of the City's emergency services;
  - The City's ability to continue its accommodation of a population that is increasingly diverse by income, race, ethnicity, ability, disability, and age;
  - The City's ability to accommodate a population that, in the aggregate, is getting older; and,
  - The City's values of social justice.[Ordinance 38264](#) (May 17, 2011)

## 3. Two Prior Recommendations Commissioned by the Tacoma City Council Support a Housing Levy as a Dedicated Source of funding for the Housing Trust Fund

In 2010 and 2018, the Tacoma City Council commissioned two reports to recommend policies and strategies to address the crisis of housing unaffordability. Both reports recommended that the City establish a housing levy.

- [Policy Recommendations to the Tacoma City Council](#), Recommendation 3.4.2 (Affordable Housing Policy Advisory Group December 3, 2010).
- [Affordable Housing Action Strategy](#). Action 1.9, (City of Tacoma 2018)





**TACOMA HOUSING AUTHORITY**

**ADMINISTRATION  
REPORTS**



# **TACOMA HOUSING AUTHORITY**

## **FINANCE**



# TACOMA HOUSING AUTHORITY

## **Motion**

Adopt a consent motion ratifying the payment of cash disbursements totaling \$6,610,542 for the month of January, 2020.

**Approved: February 26, 2020**

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Derek Young, Chair

**TACOMA HOUSING AUTHORITY**  
**Cash Disbursements for the month of January 2020**

		Check Numbers		Amount	Totals
		From	To		
A/P Checking Accounts					
Accounts Payable Checks	Check #'s	93,979	-	94,076	
Arlington CRC Checks	Check #'s	10,004		10,010	
Accounts Payable EFTs	EFTs	439	-	494	
Business Support Center				490,023	Program Support
Moving To Work Support Center				62,793	
Moving To Work Buildings (used by Support Center)				25,908	
Tax Credit Program Support Center				53,399	
Section 8 Programs				485,588	Section 8 Operations
Highland Crest Apts				218	Properties
Outrigger				109	
Salishan 7				25,305	
Salishan Common Areas				95	
Arlington Crisis Residential Center				739,183	Development
James Center				5,982	
New Look/Alberta J Canada-Development				104	
Arlington Youth Campus-THA Costs				5,557	
Court F (HT 1800 Block)				401	
HT 1500 Block				1,250	
Salishan Developer Fee				1,994	
Hilltop Redevelopment				3,212	
Bus Development Activity				7,873	
CSA Program - Business Activities				1,853	Client Support
SAFE/TRAC				1,455	
Community Services MTW Fund				22,821	
Education Private Grants (Gates, etc.)				3,005	
COT-Community Wellness Program				128	
FEMA - Fire Safety Grant				101,127	
AMP 6 - Scattered Sites				2	Public Housing
AMP 7 - HT 1 - Subsidy				4,323	
AMP 8 - HT 2 - Subsidy				4,078	
AMP 9 - HT 1500 - Subsidy				1,064	
AMP 10 - SAL 1 - Subsidy				2	
AMP 11 - SAL 2 - Subsidy				2	
AMP 12 - SAL 3 - Subsidy				2	
AMP 13 - SAL 4 - Subsidy				2	
AMP 14 - SAL 5 - Subsidy				4	
AMP 15 - SAL 6 - Subsidy				3	
THA SUBTOTAL				2,048,863	
Hillside Terrace 1 through 1500				5,616	Tax Credit Projects - Reimbursable
Bay Terrace I & II & Community Facility				89,574	
Alberta J Canada Bldg				-	
Renew Tacoma Housing				25,706	
Salishan 1 - Salishan 6				31,491	
TAX CREDIT SUBTOTAL (Operations & Development - billable)				152,387	2,201,250
Section 8 Checking Account (HAP Payments)					
SRO/HCV/VASH/FUP/NED	Check #'s	483,145	-	483,205	90,475
	EFTs	424	-	471	3,258,495
Payroll & Payroll Fees - ADP					
TOTAL DISBURSEMENTS					
					\$
					6,610,542



# TACOMA HOUSING AUTHORITY

**Date:** February 26, 2020  
**To:** THA Board of Commissioners  
**From:** Ken Shalik  
Director of Finance  
**Re:** Finance Department Board Report

## 1. FINANCIAL STATEMENT COMMENTS

I present the January, 2020 disbursement report for your approval.

The Finance Department is submitting the final financial statement for the year ending December 31, 2019.

For Fiscal Year 2019, the agency remains in good financial shape. We ended 2019 in good shape even though, due to timing issues, we did not receive in 2019 either the entire remaining developer fee (\$3.2 million rolled over to 2020, or the Cash Flow (\$2.5 million rolled over to 2020) for the Renew Tacoma Housing Rental Assistance Demonstration (RAD) conversion. Those funds will come in during 2020. In 2019, we did receive an additional \$2.9 million in authorized Housing Assistance Program (HAP) funding in 2019.

For the year ending December 31, line 68 shows a Year to Date (YTD) operating surplus of \$363,605. With the sales proceeds from the AMP 6 Single Family homes, the overall YTD surplus is \$1,024,025 (line 73).

In the following section, any significant anomalies from budgeted will be addressed, along with areas that we will continue to monitor as we move to the final quarter of the Fiscal Year.

- *Line 2 – Tenant Revenue* – The significant overage is primarily due to Move Out charges (Meth) for Salishan 7 that most likely will end up as collection losses later.
- *Line 3 – Section 8 HAP Reimbursement* – We were allocated approximately \$2.9 million more than we budgeted for 2019 from HUD. This allowed us to increase our utilization to 100% by increasing our Project Based Voucher units. We ended up with a little more than \$2 million of the \$2.9 million of the funds remaining in HUD custody for future use. This holdback is reflected in the financials since it shows only \$1 million more received than budgeted.
- *Line 4 – Section 8 Admin Fees* – We received a higher pro-ration than budgeted, along with a rate increase. Also, there was a reconciliation of fees from 2018 factored into this increase.

- *Line 5 – HUD Grant Public Housing* – Budget is based on 2018 submission. Both inflation factor, and pro-ration for 2019 was higher than expected. This will be the final year of any significant operating subsidy, as all but 4 units are now Section 8 RAD.
- *Line 7 – HUD Grant – Capital Fund Revenue* – We budgeted conservatively and drew down remaining funds from previous year grants with funds available. As in line 5, this will be the final year of significant recurring CFP funds with the transition of Public Housing units to RAD.
- *Line 11 – Fraud Recovery Income* - We received significantly more on repayment agreements (especially in the last quarter) than we had anticipated.
- *Line 12 – Developer Fee Income* – This line item is significantly under for the year. We have received \$1 million of the anticipated \$4.9 million for the Renew Tacoma. We had hoped to receive the remainder of it before the end of 2019, yet issues with the environmental challenges at Wright Street have delayed the final payout until 2020.
- *Lines 15 – 34 – Administrative Expenses* – The majority of the variances result in underspending. We ended the year with a variance of approximately 9.3% under budget in the Administrative expenses categories.
- *Lines 36 – 40 – Tenant Services* - The Tenant Service Category in total is approximately 8% below budget for the year. There is no area of concern for this area.
- *Lines 41 – 45 – Project Utilities* – This category is over 10% higher than budgeted. This is primarily for 3<sup>rd</sup> party managed properties.
- *Lines 46 - 50 – Total Routine Maintenance* - These categories came in 11% in total over budget for the year. Salaries & Benefits are higher while Materials and Contract costs came in close to budget. On some of the third party managed properties, salaries were budgeted in the Contracts line. Finance will work on breaking that out next year. Expenses were higher than budget for FIC and 902.
- *Line 53 – Other General Expense* - This category includes CFP funds to go to Tax Credit properties for RAD conversion. It was anticipated this would happen on July 1 in the budget. Therefore, that amount would not have been expensed yet. As the conversion did not take place until November for the Salishan properties, and December for Hillside, this category will end the year under budget.
- *Line 61 – Sec 8 HAP Payments* - We budgeted at 95% occupancy for the year. We started out the year under that %, yet with the additional funding brought up to 100% by the end of the year intentionally, thus ending the year with HAP expenses higher than what was budgeted.
- *Lines 70-71 – Capitalized Line items* – We ended the year under budget. That is primarily due to not spending the \$3 million budgeted for property purchases, nor the \$1 million budgeted for the 902 remodel. The Arlington and Hillside developments started later than anticipated, yet the majority of funds flowing through THA ended up being expended in 2019.

**2. INVESTMENTS**

Surplus funds are invested in Heritage checking and the Washington State Investment Pool. Rates with Heritage Bank currently remain at .55%. The Washington State Local Government Investment Pool currently provides a return rate of 1.7%.

**3. AUDIT**

There is no update at this time.

**4. BUDGETS**

We have successfully mastered the Budget software and are working through some staffing and other budget issues. We have yet to receive the funding amount for the Voucher program from HUD and have received notice that we will not know this amount until the latter part of March. Knowing this amount would be helpful and in some cases necessary to allow us to make some determinations. Preliminarily, we have made an estimate, which we hope is conservative, of around \$2.5 million more than 2019. We are making good progress on the budget discussions but need to get comfortable with the overall numbers, and the change in presentation of the budget from previous years. We therefore propose to move the budget approval date to the April board meeting rather than March. A budget study session will be set up beforehand to preview and make any adjustments deemed necessary by the Board before the budget meeting.

**5. YEAR END UPDATE**

Finance is in the final stages of closing out the reporting needs for 2019. The financial reports for the Tax Credit properties were completed in time for our auditors to complete Tax returns for each of the entities and to start that audit process. Duane is on schedule for completing the HUD REAC submission by the due date.

**TACOMA HOUSING AUTHORITY**  
**AGENCY WIDE**

		December-19				Thru 12/31/2019		
		CURRENT QTR ACTUAL	YEAR TO DATE ACTUAL	BUDGETED YTD	VARIANCE	PROJECTED ACTUAL	BUDGETED	VARIANCE
<b>OPERATING RECEIPTS</b>								
1	Tenant Revenue - Dwelling rent	685,354	2,752,349	2,670,100	3.08%	2,752,349	2,670,100	3.08%
2	Tenant Revenue - Other	(50,497)	191,277	134,960	41.73%	191,277	134,960	41.73%
3	HUD grant - Section 8 HAP reimbursemer	12,227,106	41,134,076	40,106,403	2.56%	41,134,076	40,106,403	2.56%
4	HUD grant - Section 8 Admin fee earned	897,235	3,848,685	3,472,454	10.83%	3,848,685	3,472,454	10.83%
5	HUD grant - Public Housing subsidy	363,427	1,382,826	1,170,697	18.12%	1,382,826	1,170,697	18.12%
6	HUD grant - Community Services	74,047	270,193	273,794	-1.32%	270,193	273,794	-1.32%
7	HUD grant - Capital Fund Operating Reve	810,415	1,110,415	866,669	28.12%	1,110,415	866,669	28.12%
8	Management Fee Income	966,800	3,463,875	3,272,426	5.85%	3,463,875	3,272,426	5.85%
9	Other Government grants	39,252	149,870	171,118	-12.42%	149,870	171,118	-12.42%
10	Investment income	14,456	63,744	47,180	35.11%	63,744	47,180	35.11%
11	Fraud Recovery Income - Sec 8	25,591	43,029	7,500	473.71%	43,029	7,500	473.71%
12	Other Revenue- Developer Fee Income	0	1,316,926	5,937,730	-77.82%	1,316,926	5,937,730	-77.82%
13	Other Revenue	324,108	2,061,869	4,692,057	-56.06%	2,061,869	4,692,057	-56.06%
14	<b>TOTAL OPERATING RECEIPTS</b>	<b>16,377,295</b>	<b>57,789,134</b>	<b>62,823,088</b>	<b>-8.01%</b>	<b>57,789,134</b>	<b>62,823,088</b>	<b>-8.01%</b>
<b>OPERATING EXPENDITURES</b>								
<b>Administrative Expenses</b>								
15	Administrative Salaries	1,807,760	6,374,444	6,566,873	-2.93%	6,374,444	6,566,873	-2.93%
16	Administrative Personnel - Benefits	657,215	2,435,247	2,708,216	-10.08%	2,435,247	2,708,216	-10.08%
17	Audit Fees	1,101	66,717	78,830	-15.37%	66,717	78,830	-15.37%
18	Management Fees	752,677	2,378,976	2,307,465	3.10%	2,378,976	2,307,465	3.10%
19	Rent	12,000	12,000	14,400	-16.67%	12,000	14,400	-16.67%
20	Advertising	7,776	21,163	17,600	20.25%	21,163	17,600	20.25%
21	Information Technology Expenses	175,728	593,219	675,725	-12.21%	593,219	675,725	-12.21%
22	Office Supplies	10,594	55,607	75,200	-26.05%	55,607	75,200	-26.05%
23	Publications & Memberships	1,534	37,875	53,621	-29.36%	37,875	53,621	-29.36%
24	Telephone	17,670	71,800	85,820	-16.34%	71,800	85,820	-16.34%
25	Postage	5,987	24,401	29,540	-17.40%	24,401	29,540	-17.40%
26	Leased Equipment & Repairs	33,311	122,816	141,320	-13.09%	122,816	141,320	-13.09%
27	Office Equipment Expensed	42,102	165,629	166,820	-0.71%	165,629	166,820	-0.71%
28	Legal	129,271	393,328	243,930	61.25%	393,328	243,930	61.25%
29	Local Milage	1,094	5,453	9,680	-43.67%	5,453	9,680	-43.67%
30	Staff Training/Out of Town travel	54,042	214,648	322,535	-33.45%	214,648	322,535	-33.45%
31	Administrative Contracts	162,127	393,234	637,431	-38.31%	393,234	637,431	-38.31%
32	Other administrative expenses	32,272	180,256	157,154	14.70%	180,256	157,154	14.70%
33	Due diligence - Perspective Development	24,052	253,179	550,000	-53.97%	253,179	550,000	-53.97%
34	Contingency	0	0	255,500	-100.00%	0	255,500	-100.00%
35	<b>Total Administrative Expenses</b>	<b>3,928,314</b>	<b>13,799,994</b>	<b>15,097,660</b>	<b>-8.60%</b>	<b>13,799,994</b>	<b>15,097,660</b>	<b>-8.60%</b>



		December-19				Thru 12/31/2019		
		CURRENT MTH ACTUAL	YEAR TO DATE ACTUAL	BUDGETED	VARIANCE	PROJECTED ACTUAL	BUDGETED	VARIANCE
	<b>Tenant Service</b>							
36	Tenant Service - Salaries	285,724	966,327	1,015,139	-4.81%	966,327	1,015,139	-4.81%
37	Tenant Service Personnel - Benefits	103,836	381,285	449,392	-15.16%	381,285	449,392	-15.16%
38	Relocation Costs	0	6,978	5,583	24.99%	6,978	5,583	24.99%
39	Tenant Service - Other	46,970	259,943	284,250	-8.55%	259,943	284,250	-8.55%
40	<b>Total Tenant Services</b>	<b>436,531</b>	<b>1,614,534</b>	<b>1,754,364</b>	<b>-7.97%</b>	<b>1,614,534</b>	<b>1,754,364</b>	<b>-7.97%</b>
	<b>Project Utilities</b>							
41	Water	28,192	88,328	114,500	-22.86%	88,328	114,500	-22.86%
42	Electricity	23,127	94,687	79,446	19.18%	94,687	79,446	19.18%
43	Gas	781	3,149	7,927	-60.27%	3,149	7,927	-60.27%
44	Sewer	69,642	230,296	175,949	30.89%	230,296	175,949	30.89%
45	<b>Total Project Utilities</b>	<b>121,743</b>	<b>416,461</b>	<b>377,822</b>	<b>10.23%</b>	<b>416,461</b>	<b>377,822</b>	<b>10.23%</b>
	<b>Ordinary Maintenance &amp; Operations</b>							
46	Maintenance Salaries	63,425	259,117	172,411	50.29%	259,117	172,411	50.29%
47	Maintenance Personnel - Benefits	18,699	78,373	67,913	15.40%	78,373	67,913	15.40%
48	Maintenance Materials	33,589	146,260	135,400	8.02%	146,260	135,400	8.02%
49	Contract Maintenance	183,689	575,344	575,303	0.01%	575,344	575,303	0.01%
50	<b>Total Routine Maintenance</b>	<b>299,401</b>	<b>1,059,093</b>	<b>951,027</b>	<b>11.36%</b>	<b>1,059,093</b>	<b>951,027</b>	<b>11.36%</b>
	<b>General Expenses</b>							
51	Protective Services	18,587	108,588	140,800	-22.88%	108,588	140,800	-22.88%
52	Insurance	64,622	233,489	221,016	5.64%	233,489	221,016	5.64%
53	Other General Expense	344,752	1,356,830	1,833,795	-26.01%	1,356,830	1,833,795	-26.01%
54	Payment in Lieu of Taxes	3,597	14,385	12,384	16.16%	14,385	12,384	16.16%
55	Collection Loss	32,440	64,470	51,067	26.24%	64,470	51,067	26.24%
56	Interest Expense	143,131	554,095	529,328	4.68%	554,095	529,328	4.68%
57	<b>Total General Expenses</b>	<b>607,128</b>	<b>2,331,856</b>	<b>2,788,390</b>	<b>-16.37%</b>	<b>2,331,856</b>	<b>2,788,390</b>	<b>-16.37%</b>
58	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 5,393,117</b>	<b>\$ 19,221,938</b>	<b>\$ 20,969,263</b>		<b>\$ 19,221,938</b>	<b>\$ 20,969,263</b>	
	<b>Nonroutine Expenditures</b>							
59	Ext. Maint/Fac Imp/Gain/Loss Prop Sale	0	125,867	108,100	16.44%	125,867	108,100	16.44%
60	Casualty Losses	33,582	33,582	5,000	571.64%	33,582	5,000	571.64%
61	Sec 8 HAP Payments	10,466,166	38,044,143	37,315,930	1.95%	38,044,143	37,315,930	1.95%
62	<b>Total Nonroutine Expenditures</b>	<b>10,499,748</b>	<b>38,203,592</b>	<b>37,429,030</b>	<b>2.07%</b>	<b>38,203,592</b>	<b>37,429,030</b>	<b>2.07%</b>
63	<b>TOTAL EXPENDITURES</b>	<b>15,892,865</b>	<b>57,425,530</b>	<b>58,398,293</b>	<b>-1.67%</b>	<b>57,425,530</b>	<b>58,398,293</b>	<b>-1.67%</b>
64	<b>OPERATING SURPLUS/(DEFICIT)</b>	<b><u>484,430</u></b>	<b><u>363,605</u></b>	<b><u>4,424,795</u></b>	<b><u>-91.78%</u></b>	<b><u>363,605</u></b>	<b><u>4,424,795</u></b>	<b><u>-91.78%</u></b>
65	Debt Service Principal Payments	0	0	(73,128)	-100.00%	0	(73,128)	-100.00%
66	<b>Surplus/Deficit Before Reserve Appropriations</b>	<b>484,430</b>	<b>363,605</b>	<b>4,351,667</b>	<b>-91.64%</b>	<b>363,605</b>	<b>4,351,667</b>	
67	Reserve Appropriations - Operations	0	0	79,000	-100.00%	0	79,000	-100.00%
68	<b>Surplus/Deficit Before Captial Expenditures</b>	<b><u>484,430</u></b>	<b><u>363,605</u></b>	<b><u>4,430,667</u></b>		<b><u>363,605</u></b>	<b><u>4,430,667</u></b>	
69	Capitalized Items/Development Projects	(7,439,401)	(8,939,773)	(15,310,000)	-41.61%	(8,939,773)	(15,310,000)	-41.61%
70	Reserve for Replacement	(43,163)	(172,650)	(172,650)	0.00%	(172,650)	(172,650)	0.00%
71	Revenue - Capital Grants/Sale of Property	5,536,325	7,880,252	10,390,000	-24.16%	7,880,252	10,390,000	-24.16%
72	Reserve Appropriations - Capital	1,824,497	1,892,591	2,350,000	-19.46%	1,892,591	2,350,000	-19.46%
73	<b>THA SURPLUS/(DEFICIT)</b>	<b><u>405,851</u></b>	<b><u>1,024,025</u></b>	<b><u>1,688,017</u></b>		<b><u>1,024,025</u></b>	<b><u>1,688,017</u></b>	



**TACOMA HOUSING AUTHORITY**

**POLICY, INNOVATION, AND  
EVALUATION**



# TACOMA HOUSING AUTHORITY

**DATE:** February 26, 2020

**TO:** THA Board of Commissioners

**FROM:** April Black  
Deputy Executive Director  
Director of Policy, Innovation and Evaluation

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

*This report serves as the bi-monthly report to the board regarding the status of the Tacoma Housing Authority's (THA) Education Project. Karen Bunce, Amy Van and Jess Thompson lead this work on THA's behalf and prepare these bi-monthly status reports.*

## **1. Tacoma Schools Housing Assistance Program (TSHAP)**

Tacoma Housing Authority (THA) and Tacoma Public Schools (TPS) are on task to complete the near-term goals of the redesign and expansion of the Tacoma Schools Housing Assistance Program (TSHAP). Throughout the period of December through January 2020, the partners have:

- Reconvened the TSHAP workgroup made up of community stakeholders who support and advise the TSHAP expansion plan;
- Engaged with Pierce County Human Services (PCHS) and TPS to define the roles and responsibilities of partners to facilitate TSHAP's integration into the Coordinated Entry (CE) system;
- Pursued conversations with funders at the city and county levels, as well as private funders, to support the implementation and operation of the TSHAP.

### **1.1. Workgroup Convening**

THA and TPS reconvened the TSHAP workgroup for a meeting in January. The workgroup members were given updates on the status of program funding and implementation. The key information provided included:

- 1.1.1.* The fiscal support from Pierce County to operate the TSHAP, including its agreement to waive the administrative fees associated with administering the TSHAP and funding the first two years of services needed to match the THA

dollars for housing assistance. The service dollars will equate to \$400,000 over two years.

*1.1.2.* An update of the probable timeline to implement the TSHAP, which suggested:

- January: THA finalize the TSHAP contract with Pierce County.
- February – April: Pierce County issues a Notice of Funding Availability to solicit applications from service providers seeking to conduct Coordinated Entry (CE) and Rapid Rehousing for TSHAP. The County will convene a committee to review and advise on the selection of the service provider(s).
- April – August: Pierce County issues the award to the selected service provider(s). TPS and Provider begin the implementation of the TSHAP. TPS McKinney Vento (MV) families will receive referrals to CE for vulnerability assessment and housing services. THA, TPS and Pierce County develop and implement data sharing processes.
- September – December: TSHAP is fully operating. THA convenes monthly with TPS and the County to review data and client progress. THA will also convene a community advisory group that meets quarterly to provide ongoing review and feedback of the TSHAP.

*1.1.3.* A Way Home Washington staff, Megan Johnson, presented to the group about the Anchor Community Initiative (ACI) and its progress in Pierce County. The ACI seeks to help end homelessness, specifically for youth and young adults in Pierce County, by helping youth-servicing agencies develop real-time data, track monthly progress against goals, optimize local housing resources and accelerating the spread of proven strategies. The workgroup is interested in the ACI's system metrics and ways it can inform how the TSHAP measures success.

## **1.2. Tacoma Public Schools**

*1.2.1.* TPS Data Analytics Research Team (DART) will begin the process of adding an ID field to capture the Homeless Management Information System (HMIS) client number in TPS' student data system. This will create a common identifier between CE and the school district so that the partners can securely track student progress as they are stably housed. TPS, THA and Pierce County

Human Services (PCHS) will convene in March to discuss operationalizing the data exchange.

- 1.2.2. THA and TPS are continuing to review and refine TPS reports to THA on student progress every school semester. TPS is working on improving the accuracy of the 2019 fall semester report card. Once the data is confirmed for accuracy, the partners will reconvene to review the data and discuss appropriate next steps to address any data concerns or gaps in student performance.

### **1.3. Pierce County Human Services**

In January 2020, THA board of commissioners approved a resolution for THA to enter a five-year contract with Pierce County to administer the TSHAP. The proposal listed THA's housing dollars investments of \$400,000 for contract year one and two, and \$1million for years three to five.

THA and PCHS staff met in late January to discuss the details of the county's financial commitment to TSHAP. PCHS confirmed that they will be committing \$200,000 per year for two years to support the services needed to match THA's housing dollar investments. The county will also waive the administrative fees in the first two years. However, the county is unable to commit additional dollars in years three to five to match the level of \$1million housing dollar investment THA intends to contribute.

To this extent, THA will need to plan to fulfill funding needs for both administrative costs and service dollars in the remaining third, fourth and fifth year. THA and TPS leadership are exploring funding opportunities with the City of Tacoma as well as private philanthropy.

## **2. Children's Savings Account (CSA)**

### **2.1. Washington Student Achievement Council**

CSA and Policy, Innovation and Evaluation (PIE) staff reconvened with the Washington Student Achievement Council (WSAC) staff in December to continue discussing the feasibility of integrating the CSA with the State's 529 Greater Education Tuition (GET) program. The GET is a prepaid college tuition plan for families to save for their children's future higher education expenses. THA and WSAC staff have discussed that the most feasible route is for THA to invest its CSA funds in a GET master scholarship account. THA would determine the rules applicable to the earning capabilities and disbursement of

the master scholarship. Families seeking to participate in the CSA would enroll through the general GET application and WSAC will create a way for families to identify themselves as THA CSA participant on the application. WSAC would then administer GET accounts and master scholarship funds accordingly. THA and WSAC envision a multi-phase implementation of any forthcoming product THA wishes to pursue. This would include an initial phase for THA to establish a master scholarship account and transition existing CSA participants into a 529 account. A secondary phase would be the implementation of technology and online features for THA and CSA GET account users to easily manage and track their savings progress. PIE is working on a formal proposal to establish a GET master scholarship account. It hopes to present this to leadership and the board in March.

## **2.2. Third Party Evaluation**

BERK completed interviews with four key CSA funders and provided a summary of funder feedback to PIE staff in December. Interviews with CSA families is ongoing, and BERK seeks to complete this task, along with a summary document available to THA by the end of February. THA has also tasked BERK with facilitating a discussion among THA and Foundation for Tacoma Student staff regarding housing and education performance metrics in February. The goal of this meeting will be to help staff develop a performance metrics logic model that aligns best with program goals and the role THA has to improve outcomes for children and their families. This conversation will use the CSA as a case study.

## **3. THA Books Initiative**

### **3.1. Early Learning and Reading Network**

CSE and PIE staff continue to engage with the Early Learning and Reading Network (ELRN) through the Graduate Tacoma movement. This network created a Free Little Libraries committee with the goal of engaging community partners to supply neighborhoods with free books at designated locations where families, particularly low-income families, frequently visit or can easily access. In January, the ELRN and THA jointly applied for the Coretta Scott King Book Award, a national grant that awards communities with children's books by African American authors for disbursement.

### **3.2. Book Rich Environment**

THA received notice in early February that it will be receiving this year's shipment of the Book Rich Environment supply of books in early spring. THA will be receiving close to 3,000 books, a comparable amount to last year's donation.

## **4. College Housing Assistance Program (CHAP)**

### **4.1. CHAP Expansion to Koz at the Dome (Koz on Puyallup)**

THA and Koz Development signed a contract on January 11, 2020, to subsidize 64 units at Koz at the Dome. This property opened January 17, 2020. These property based subsidies (PBS) are intended to house homeless and near-homeless college students at Tacoma Community College (TCC) and University of Washington, Tacoma (UW Tacoma).

#### *4.1.1. Referral and Lease-up*

Koz at the Dome serves homeless and near-homeless students attending TCC and UWT. Additionally, unaccompanied homeless high school seniors who are enrolled in dual credit programs (e.g. Running Start) at the participating colleges will be served by this property.

This is the first time CHAP has included TPS students. TPS reported that two students in the district were unaccompanied homeless high school seniors who are enrolled in Running Start. Neither student was interested in leasing an apartment through CHAP. However, TPS believes as more students learn about this opportunity more may want to enroll in Running Start in order to qualify for housing assistance. We are pursuing additional talks with TPS to determine if the rent burden is too high for these students and if so, opportunities to address that barrier.

As of February 10, 2020, 17 units of the 64 have been leased. Collectively, the colleges have referred 62 homeless and near-homeless students since December 13, 2019 (27 from UW Tacoma, 35 from TCC). Based on the number of referrals, the lease up rate is approximately 30%. Koz has reported that students who did not lease up cited no longer needing housing, not wanting to live downtown, or not responding to their efforts to contact them. One student was denied due to their criminal history. We anticipate an increase in referrals over the course of February. The colleges began widespread campus marketing in late January and a press release about the property and program was issued on February 7, 2020.

Beginning February 18, the colleges will begin referring Pell-eligible low-income students to the property's remaining PBS-subsidized vacancies.

Staff are touring the building on the morning of February 28<sup>th</sup>, if any commissioners are interested in a tour, please let me know.

4.1.2. *Operating Reserve*

THA has worked with Koz Development and the Foundation for Tacoma Students (FFTS) to develop an operating reserve/landlord mitigation fund. The purpose of this reserve is to allow the property owner to loosen screening criteria since TPS students are unlikely to be able to meet screening criteria for credit and rental history. The fund is also used to assist students with security deposits.

THA seeded the fund with \$5,000. Koz committed to fundraising an additional \$15,000 to reach the goal of \$20,000. This goal amount was determined by Koz to be a reasonable amount for the number of units reserved for CHAP students.

Upon initial lease-up of the Koz property, the Regional Manager reported that while market rate applicants typically score between 6 – 8 on the screening application, CHAP applicants score 2 – 5 for credit and income-only factors. The property usually denies applicants who score below 6 on their scale. Due to the landlord mitigation fund, Koz has approved all CHAP applicants who did not score 6 or higher for credit and income-only factors.

4.1.3. *Assistance Conditioned Upon on Enrollment and Academic Progress*

The expansion to Koz introduces program rules to property based subsidies that have not been applied before. Tenants in PBS units at Koz at the Dome will need to remain enrolled in 6 credits or more and making academic progress towards a degree or certificate. If a student disenrolls or does not demonstrate academic progress they must be responsive to outreach and referrals made by the college. If a student does not comply with these requirements, they will not be offered the opportunity to renew their lease. If a market rate unit is available, they will be given the option to change units.

Similar to the voucher program, when a student graduates or if a student transfers to a non-participating institution in order to continue their education, they can receive an additional lease renewal for one year to support their path towards economic mobility and self-sufficiency.



#### **4.2. CHAP MOU & Program Manual**

In support of the program changes brought about with CHAP's expansion to Koz at the DOME, and DOC-CHAP, THA, TCC, UW Tacoma, and TPS have developed an MOU that outlines the roles and responsibilities of the education partners and THA. In addition, THA has finalized a program manual to formalize and operationalize all forms of CHAP (tenant based subsidy, PBS, DOC-CHAP). The previous program manual only captured operations for tenant based subsidies. The intent of the new program manual is to ensure equitable and consistent practice amongst all partners regardless of the type of subsidy being used.

The Post-Secondary Education Project Manager will be seeking board approval in the coming months in order to implement changes to the tenant based voucher portion of the program that will align with the requirements of the property based subsidies.

#### **4.3. Department of Corrections (DOC)-CHAP**

DOC-CHAP is a sub-cohort of CHAP that seeks to help house students who began their postsecondary education while incarcerated. TCC and the Department of Corrections are developing a proposal to present to THA for DOC-CHAP. DOC-CHAP was allocated 25 tenant based vouchers. TCC and DOC are exploring whether DOC-CHAP participants will have greater success using tenant based subsidies, project based vouchers, property based subsidies or a combination. TCC and DOC are working to identify community partners in order to determine the viability of each model. THA anticipates bringing a proposal to the Board in March.

During the proposal development time, TCC was able to secure \$10,000 from their Foundation in order to begin the development of a landlord mitigation/student lease up support fund.

#### **4.4. Grant Funding**

##### *4.4.1. Kresge Foundation*

THA has been awarded a \$500,000 grant from the Kresge Foundation to support CHAP. Kresge expressed particular interest in the operational reserve that THA is helping to develop for the Koz at the Dome expansion. They are curious to see how this model can be replicated and designed to be applied program wide rather than attached to a single property. Part of the grant will go towards seeding the operational reserve. The remainder will be dedicated to further the CHAP expansion.

This grant will also support THA’s participation in the Educational Credit Management Corporation’s (ECMC) Basic Needs Initiative learning cohort. This cohort consists of “seven organizations and institutions working with two- and four-year campuses. During the three-year initiative, the cohort of grantees—consisting of postsecondary institutions, community-based organizations and research teams—will undertake a wide array of projects, including launching new initiatives, scaling existing evidence-based programs and conducting research studies, to further the field’s knowledge of supporting students’ basic needs.”

4.4.2. *Rapaport Foundation*

THA has received \$65,000 from the Rapoport Foundation. This grant was awarded to organizations working to improve the lives of people exiting incarceration. We are waiting for TCC’s DOC-CHAP proposal in order to determine how best to apply the funds.

4.4.3. *Foundation for Tacoma Students Community Learning Fund*

The Foundation for Tacoma Students has awarded THA \$25,000 to support the persistence and completion for CHAP participants. THA is planning to use these funds in partnership with TCC to explore reasons why students participating in CHAP have disenrolled or stopped-out once they have received housing. This is particularly relevant for the TCC students using property based subsidies. While the CHAP graduation rate remains double that of the general TCC student body, approximately 30% of students using property based subsidies are not currently enrolled and have not completed a degree or certificate. Understanding what barriers outside of housing impact their ability to remain enrolled will help THA and the partner institutions ensure students have access to the resources needed to succeed.

Additionally, as students of color, adult learners over age 24, and students who are parents are overrepresented among CHAP participants, we want to contract with a third party to conduct an environmental scan to determine what supports are available to these student groups. Further, we want to understand what real or perceived barriers may prevent students from seeking support from these resources.

## **5. Third Party Evaluation for THA Education Projects**

THA is beginning discussions with the Foundation for Tacoma Students (FFTS) regarding evaluation of THA's education projects. FFTS has been a strong partner to THA and is working towards greater data collection efforts with TPS and other educational institutions. As a backbone organization dedicated to support cradle to career success among Tacoma Public School students, FFTS is interested in how academic and non-academic barriers impact students' lives and academic success. We are excited to have them as a partner engaged in conversations about the role of housing in educational outcomes.



**TACOMA HOUSING AUTHORITY**

**ADMINISTRATIVE SERVICES**



# TACOMA HOUSING AUTHORITY

**DATE:** February 26, 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 is a Property Financial Overview as of September 30, 2019.*

## ASSET MANAGEMENT REPORT

This board report from Administrative Services (AS) focuses on the Operating Expenses across the residential portfolio. Per Unit Per Year (PUPY) expenses are the main data point analyzed by Asset Management, in cooperation with Property Management and Finance. PUPY expenses are analyzed below, both against budget, and against 2018 expenses.

The data shows PUPY expenses in THA's managed portfolio trending up over 2018 but trending back down over Q1 2019. Five properties also exceeded their projected cash flow at the close of Q3 versus only four properties at the close of q1 2019. Property Management continues to work toward reducing PUPY expenses and increasing cash flow. RAD conversions and exiting investors will help move us in this direction.

**Chart 1 and Chart 2** and the corresponding **Tables 1 and 2** represent the per unit per year (PUPY) expenditures for each property as of September 30, 2019, compared to the budgeted PUPY for the same period.

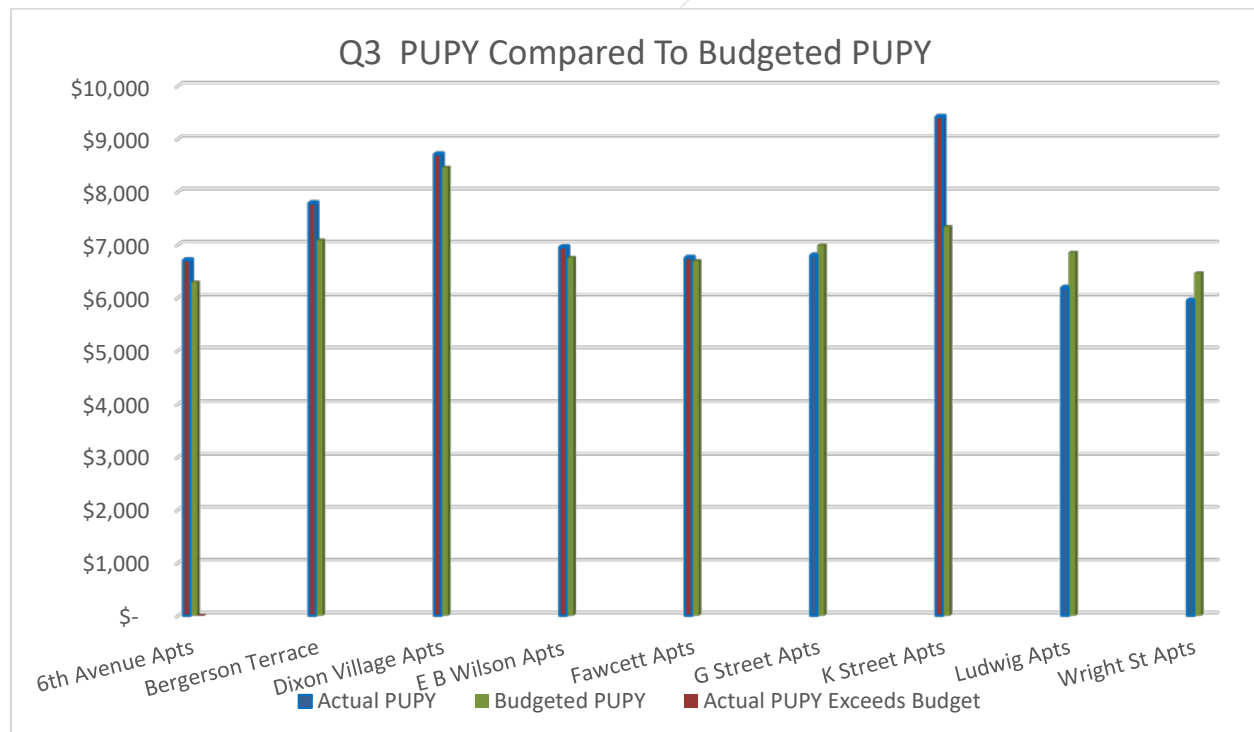
- Chart 1 and Table 1 show the detailed breakout of each of the Renew Tacoma properties. Six of the nine properties are over their budgeted PUPY by more than \$200.00, with the largest variance occurring at K Street.
  - K Street exceeded its projected PUPY due to a fire panel issue that required extra Tacoma Housing Authority (THA) staff and security hours during an extended fire watch.
  - Bergerson Terrace was over budget in the following categories: Maintenance Contracts and Maintenance Salaries and Protective Services.

### Definitions:

1. **PUPY- per Unit per Year:** This is the operating expense of the building distributed across the number of units. The "Total Operating Expenses" line item is divided by the number of units in the property annualized to project forward to the close of Q4.

- The other Renew properties were over the expected PUPY, but by smaller dollar deviations as shown in Table 1.
- Wright Street, Ludwig Apartments and G Street are performing better than budget.
- Chart 2 and Table 2 shows that 11 properties in the THA portfolio have exceeded the 2019 budgeted PUPY by \$200.00 or more. The properties that are over budget are over in most cases due to higher than expected Maintenance Costs, Outside Contractors, and Collection Loss.
- There are four properties that have decreased their projected expenditures compared to budget. They are Hillside Terrace Two, Hillside 1500, Salishan Seven, and Highland Crest.
  - The most expensive properties in the portfolio to operate are Prairie Oaks and Salishan Five. For Prairie Oaks, these high costs can be attributed to low number of apartments (15), unit damage repair costs, and high turnover.
  - Salishan Five costs can be attributed to evictions, unit damage, bad debt, preventative maintenance repairs, and multiple units' methamphetamine remediation costs.

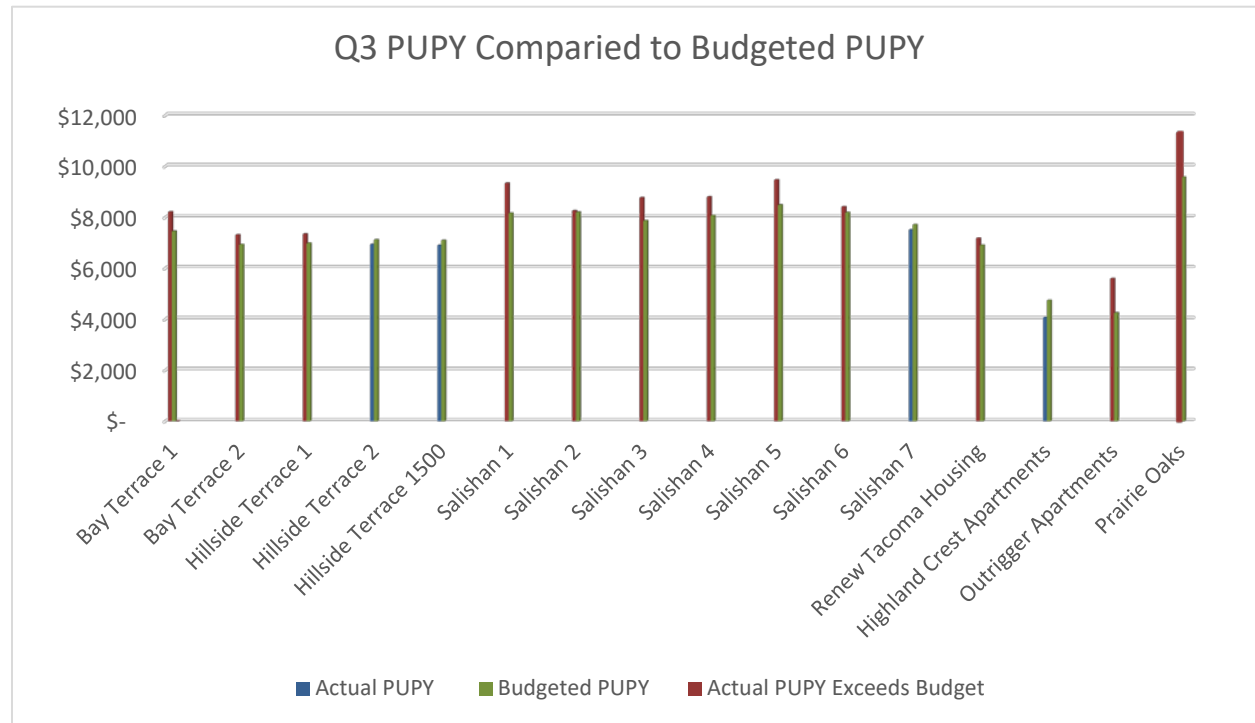
**Chart 1**



**Definitions:**

1. **PUPY- per Unit per Year:** This is the operating expense of the building distributed across the number of units. The "Total Operating Expenses" line item is divided by the number of units in the property annualized to project forward to the close of Q4.

**Chart 2**



**Table 1 – Renew Tacoma Actual PUPY Compared to Budgeted PUPY**

Property	PUPY*	Budgeted PUPY	Difference
6 <sup>th</sup> Avenue	\$6,706	\$6,287	\$419
Bergerson Terrace	\$7,784	\$7,082	\$702
Dixon Village Apts	\$8,705	\$8,457	\$248
E B Wilson Apts	\$6,954	\$6,751	\$203
Fawcett Apts	\$6,752	\$6,688	\$64
G Street Apts	\$6,796	\$6,993	-\$197
K Street Apts	\$9,414	\$7,338	\$2,076
Ludwig Apts	\$6,186	\$6,849	-\$663
Wright St	\$5,946	\$6,459	-\$513
All Renew Tacoma	\$7,177	\$6,898	\$279

**Definitions:**

- PUPY- per Unit per Year:** This is the operating expense of the building distributed across the number of units. The "Total Operating Expenses" line item is divided by the number of units in the property annualized to project forward to the close of Q4.

**Table 2 – Portfolio Actual PUPY Compared to Budgeted PUPY**

Property	PUPY*	Budgeted PUPY	Difference
Bay Terrace 1	\$8,209	\$7,447	\$762
Bay Terrace 2	\$7,306	\$6,923	\$383
Hillside Terrace 1	\$7,342	\$6,978	\$363
Hillside Terrace 2	\$6,932	\$7,113	(\$181)
Hillside Terrace 1500	\$6,896	\$7,088	(\$192)
Salishan 1	\$9,334	\$8,158	\$1176
Salishan 2	\$8,254	\$8,197	\$57
Salishan 3	\$8,765	\$7,861	\$905
Salishan 4	\$8,797	\$8,065	\$732
Salishan 5	\$9,465	\$8,479	\$986
Salishan 6	\$8,409	\$8,184	\$225
Salishan 7	\$7,506	\$7,707	(\$201)
Renew Tacoma Housing	\$7,177	\$6,898	\$278
Highland Crest Apartments	\$4,068	\$4,735	(\$667)
Outrigger Apartments	\$5,593	\$4,245	\$1348
Prairie Oaks	\$11,304	\$9,570	\$1,734

PUPY Without Extraordinary Maintenance Costs

**Definitions:**

1. **PUPY- per Unit per Year:** This is the operating expense of the building distributed across the number of units. The "Total Operating Expenses" line item is divided by the number of units in the property annualized to project forward to the close of Q4.



**Table 3** shows the 2018 Property PUPY costs as compared to the third quarter 2019 PUPY. This data is intended to show trends in expenses year over year. This data shows that five properties are reducing the projected PUPY as compared to the prior year. The properties that are reducing expenditures are Bay Terrace Two, Hillside One, Hillside Two, Hillside 1500, and Salishan Four.

**Table 3 – Actual PUPY Comparison**

Property	2018 PUPY	2019 Q3 PUPY	2019 Q3 PUPY W/O Expenses for Collection Loss
Bay Terrace 1	\$7,290	\$8,209	\$8088
Bay Terrace 2	\$7,687	\$7,306	\$7297
Hillside Terrace 1	\$7,384	\$7,342	\$7342
Hillside Terrace 2	\$7,776	\$6,932	\$6932
Hillside Terrace 1500	\$7,591	\$6,896	\$6863
Salishan 1	\$6,999	\$9,334	\$9216
Salishan 2	\$7,245	\$8,254	\$8231
Salishan 3	\$7,647	\$8,765	\$8807
Salishan 4	\$9,136	\$8,797	\$8675
Salishan 5	\$8,470	\$9,465	\$8639
Salishan 6	\$6,762	\$8,409	\$7789
Salishan 7	\$7,156	\$7,506	\$7436
Renew Tacoma Housing	\$6,490	\$7,176	\$7436
Average	\$7,510	\$8,030	\$7904

**Definitions:**

1. **PUPY- per Unit per Year:** This is the operating expense of the building distributed across the number of units. The "Total Operating Expenses" line item is divided by the number of units in the property annualized to project forward to the close of Q4.

**Table 4** shows the actual cash flow at the close of the first quarter compared to the budgeted cash flow.

- Ten properties had more than \$20K in reduced actual cash flow from budget projections by the end of the third quarter.
- One reason for this reduced cash flow can be attributed to more move outs and unit turns in 2019. The THA managed portfolio had more move outs proportionally than had occurred in the entirety of 2018, an increase of 13%. This was especially true for Salishan. For instance, Salishan One had thirteen move outs in at the close of Quarter 3 of 2019. In 2018 by comparison, Salishan One had a total for the entire year of eight move outs. Salishan Four had four evictions as a part of eight move outs by the third Quarter of 2019. This is high in comparison to the preceding two years where there were 6 total move outs each year. Evictions usually increase the costs of unit turns as maintenance will find more damaged items or trash that needs to be moved out in these units.
- The 2019 REAC inspections that occurred at Salishan One, Three, and Four increased the costs of maintenance billing, materials purchased, and the utilization of outside contractors to accomplish unit turns.
- Staff expects that the Salishan and Hillside Terrace cash position will improve in 2020 after the RAD conversion.

**Table 4 – Q3 Cash Flow Compared to Budgeted Cash Flow**

Properties	Q3 Actual Cash Flow	THA Budgeted Cash Flow	Difference
Bay Terrace 1	\$35,435	\$60,605	(\$25,170)
Bay Terrace 2	\$72,523	\$104,645	(\$32,122)
Hillside Terrace 1	(\$22,206)	\$14,764	(\$36,970)
Hillside Terrace 2	\$35,396	\$47,985	(\$12,589)
Hillside Terrace 1500	\$59,413	\$54,427	\$4,986
Salishan 1	\$48,769	\$137,777	(\$89,008)
Salishan 2	\$72,349	\$134,375	(\$62,026)
Salishan 3	\$85,504	\$185,792	(\$100,288)
Salishan 4	\$3,409	\$84,986	(\$81,577)
Salishan 5	(\$63,097)	\$13,967	(\$77,065)
Salishan 6	\$60,643	\$36,503	\$24,140
Salishan 7	\$469,949	\$304,191	\$165,758
Renew Tacoma Housing	\$440,609	\$495,860	(\$55,251)
Highland Crest Apartments	\$270,598	\$205,092	\$65,506
Outrigger Apartments	\$75,958	\$145,098	(\$69,140)
Prairie Oaks	\$6,717	(\$3,087)	\$9,804

**Definitions:**

1. **PUPY- per Unit per Year:** This is the operating expense of the building distributed across the number of units. The "Total Operating Expenses" line item is divided by the number of units in the property annualized to project forward to the close of Q4.



**TACOMA HOUSING AUTHORITY**

**CLIENT SUPPORT  
& EMPOWERMENT**



# TACOMA HOUSING AUTHORITY

**DATE:** February 26, 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

This month select staff from the Client Support and Empowerment (CSE) team spent a day focused on assessing whether work being done is in support of the THA Strategic Plan. This plan currently directs CSE to do, or track, several things, including the following:

- Change in average and median income over time on program amongst CSE clients as compared to other programs
- Change in average and median earned income of non-senior/disabled CSE clients at exit from THA program as compared to other groups (at entry and exit, and change combined with length of stay)
- Improved banking practices in CSE clients as compared to other groups
- Employment statistics for employed CSE clients and workable CSE clients (at start and exit from housing program)
  - Employed
  - % in regular positions
  - % working full-time
  - % receiving employer benefits
  - % earning at least housing wages for Tacoma (*unsure if this means living-wage, or something else*)
- Changes in adult educational attainment for non-elderly non-disabled clients at entry v. exit from housing program
  - Options to include:
    - Less than high school diploma/GED

- High school diploma/GED
  - Some post-secondary educational credits
  - Vocational/technical college
  - Associate degree
  - Bachelor's degree
  - Graduate or professional degree
- Percentage of Senior and Disabled populations engaging in services and programming
  - Chronic health conditions management
  - Community gardens
  - Engaged with a primary care provider
  - Food programs
  - Tenant meetings
  - Usage of external providers
- Number and percentage of households assisted with lease compliance
  - Referred for lease violations
  - Engaged in services to fix lease violations
  - Achieved lease compliance
- CSE Customer Satisfaction (as determined by a survey)
  - Cost per hour of direct service as compared to other agencies
  - Cost in number of hours to help clients achieve the following outcomes:
    - Obtaining full-time, housing wage (living wage?) employment with benefits
    - Securing disability benefits
    - Increasing SSM scores by 1
    - Successfully exiting housing assistance
- Value of evictions averted in percentage of tenants; percent of evictions, gross savings, savings minus cost of direct service:
  - Tenants referred to CSE for hardship
  - Tenants engaged in CSE for hardship
  - Tenants referred to CSE for case staffing
  - Tenants engaged with CSE for case staffing
  - Total completed hardship case staffing

CSE has been directed by the board to work toward the objectives stated above. And, given current contracts, agency needs and funding requirements, there is work to be done to align with, explain and/or amend said directives.

During the process to hire the director of this department, Cacey was asked “can you show the hourly value of the work done in this department”? The answer was, and remains “eventually.”

The directives above require CSE staff to intervene in, and impact several outcomes, while remaining available to field referrals from staff working with all THA clients, and while pursuing various outcomes required by several contracts required to keep the department financially healthy.

When CSE met, staff spent time differentiating and categorizing how the current field of work aligns with the directives set forth by the current strategic plan. This exercise, led by THA’s Deputy Director, April Black, helped the department define foundational work along with several areas of strength and needs, including the following:

- CSE currently focuses on:
  - Building relationships with clients – In an effort to affect all the above requirements, CSE staff need to form a safe and trusted relationship with THA clients. Many clients see the Tacoma Housing Authority as an authority, or a body meant to hold them accountable. CSE has a different role in that staff are available to solely support clients rather than to hold them accountable.
    - CSE staff walk a careful line in that there is responsibility to both the client and the agency
  - Assisting Rental Assistance and Property Management staff, working to help residents in crisis.
  - Helping residents reach their financial goals.
    - This includes:
      - Attaining full-time employment
        - Full-time employment with benefits
          - Living-wage employment is another metric
      - Accessing public benefits
      - Accessing affordable childcare
      - Improving banking practices
  - Assisting residents to stay stably housed and to cure lease violations (i.e.: eviction prevention).
    - This includes helping clients: –
      - Understand their lease and the noted violation(s)
      - Find support through family, friends and kin
      - Learn skills required to keep them stably housed

- For example, housekeeping, boundary setting with family/friends, and/or new parenting skills
- Access mental health supports
- Access substance Use supports
- Adhere to lease requirements
- Arrange repayment agreements
- Utilize organic supports
- Etc.
- Build community to help residents feel a sense of belonging, improved health and safety.
- Service coordination, ensuring relevant and useful services are available for residents at all THA properties.

When CSE staff met with April, significant brainstorming was done to look at the strategic objectives set forth by the board and then categorizing daily work and program activities within those objectives. This was a useful activity in that it started to help the department see the nexus between work done every day and how that work leads toward long-term outcomes. This was the first step in CSE developing a logic model, which will also help to identify more appropriate data to collect and measure.

In the coming months, CSE will further develop our theory of change and a more robust logic model. The board can expect to see that progress in coming board reports through 2020. The aim is to have a fully redeveloped board report by January 2021, to include new metrics, a clear logic model and/or theory of change and a clear focus for the department moving forward. Future reports will show progress in the departments thinking regarding direction, with supplemental information about auxiliary supports THA can more bring in to ensure clients have access to a full array of services.



**TACOMA HOUSING AUTHORITY**

**RENTAL ASSISTANCE**





# TACOMA HOUSING AUTHORITY

**DATE:** February 26, 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.

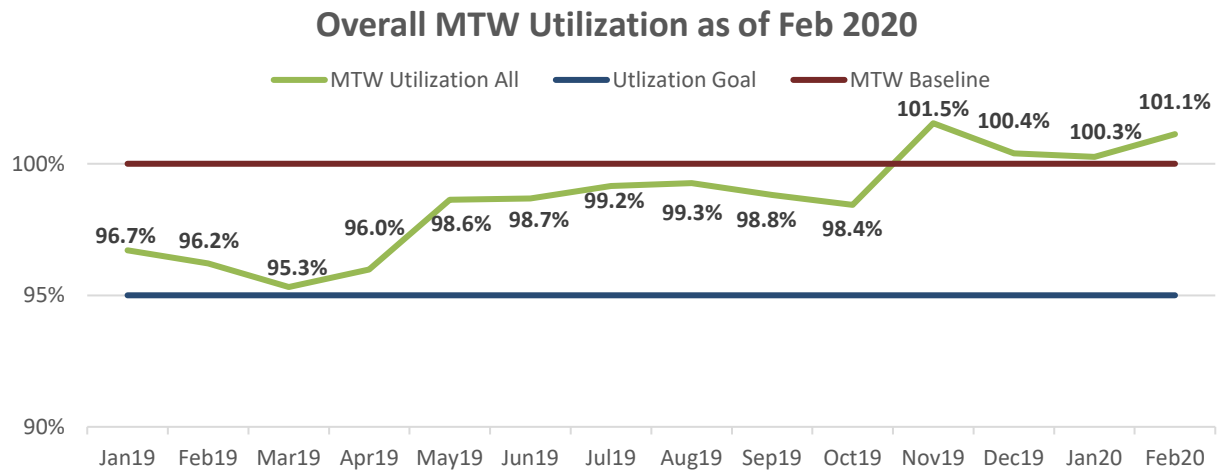
## 2. DIRECTOR'S COMMENT

Rental Assistance continues to plan for upcoming lease-ups for The Rise on 19 and Arlington Drive. The project to right size families into the Rise is starting now to ensure we can get the most families in the correct size units. We will also take this opportunity to right-size other families as units open at the site. We will be reaching out to neighboring properties to discuss housing these families with Housing Choice Vouchers (HCV) to help Salishan residents that need to stay in the 98404 neighborhood. As stated in the last board report, this project will take a large commitment of time from Rental Assistance, Compliance and Property Management including the maintenance staff. We have also included Client Support and Empowerment to help with the special needs of clients. This project will allow us to serve more people from the waitlist when we need to backfill units after rightsizing.

## 3. RENTAL ASSISTANCE DEPARTMENT REPORTS

### 3.1 Overall Utilization

The overall Housing Choice Voucher utilization is reported at 101.1% as of February 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.

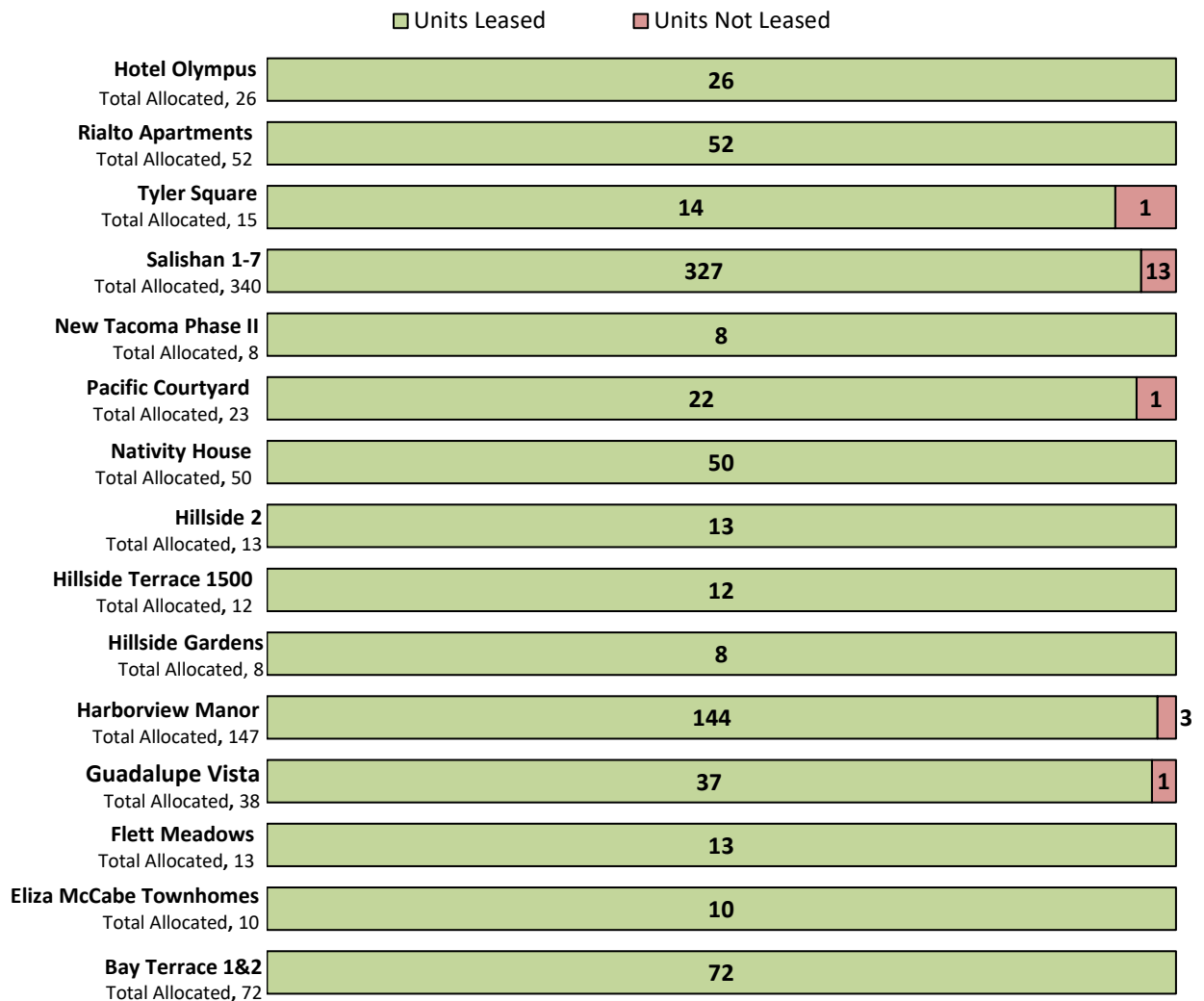


### 3.2 Project Based Vouchers

THA continues to have strong utilization with Project Based Vouchers (PBV). Rialto Apartments is fully leased with THA PBVs totaling 52 units receiving assistance. Olympus Hotel is also fully leased with the allotted number of THA PBVs. Staff from THA and the respective partner agencies worked diligently over the past year to lease these units to individuals and families in need of housing assistance. Due to these efforts, THA is able to assist 78 additional households in the community.

THA and Metropolitan Development Council (MDC) staff continued to work toward full utilization of the 23 project-based units at Pacific Courtyard. There is now only one vacant unit that is currently being processed for a move-in. This will bring this property to full utilization.

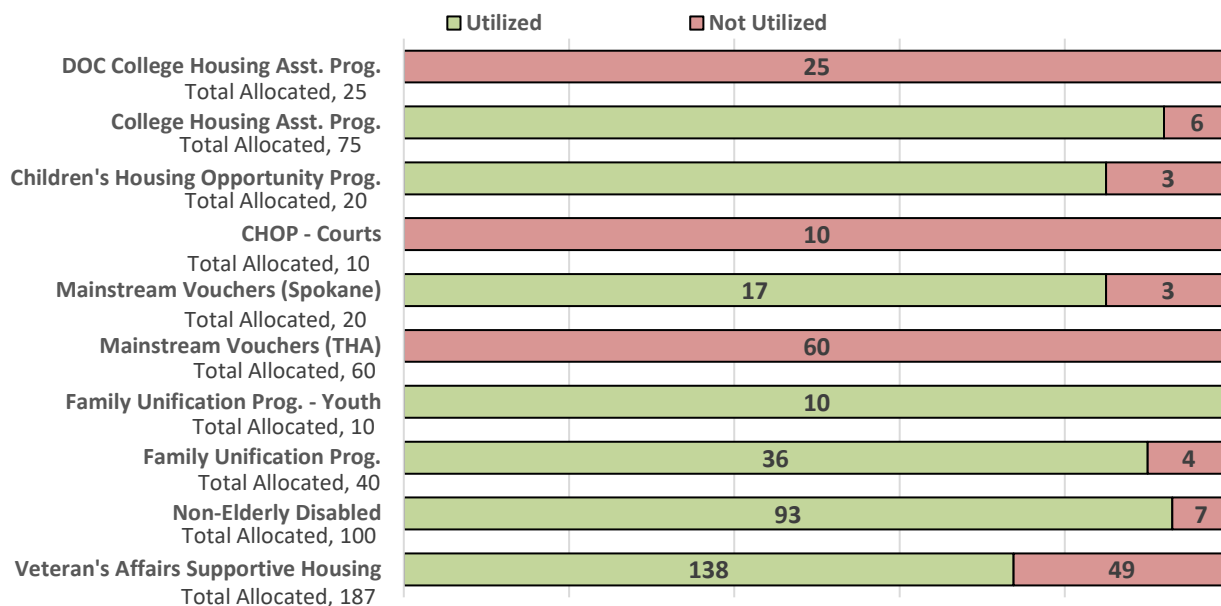
## Project Based Voucher Utilization as of Feb 2020



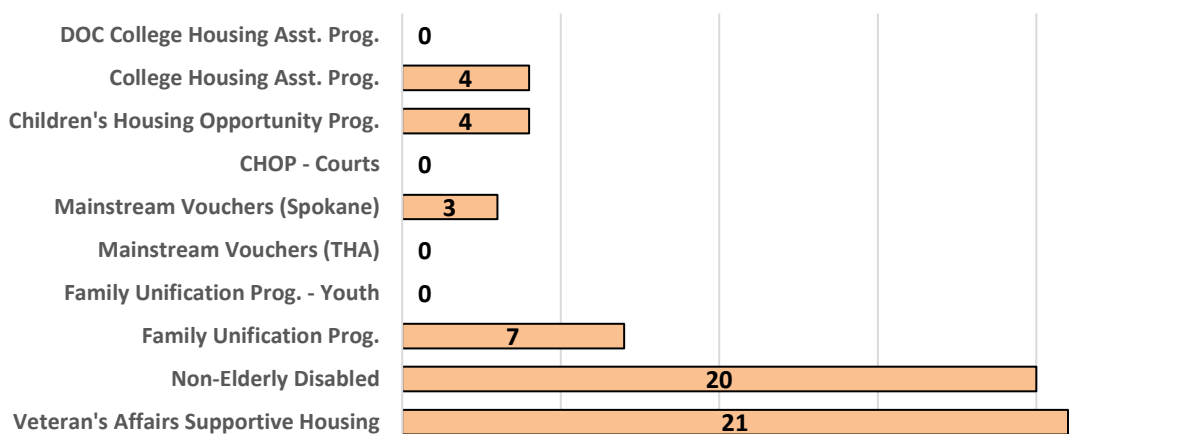
### 3.3 Special Programs & Property Based Subsidies

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 (DOC) 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 Feb 2020



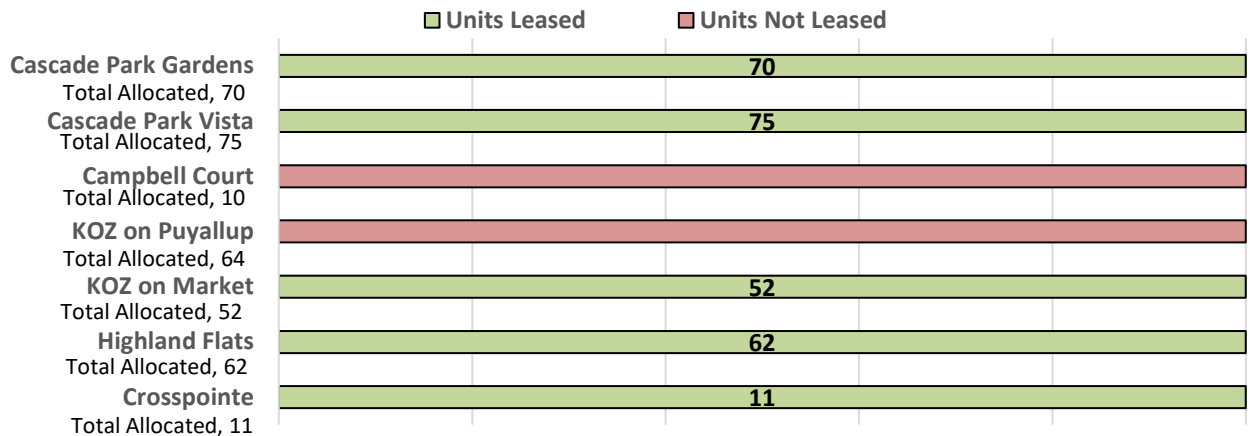
### Special Program Shoppers as of Feb 2020



THA staff still anticipates the conversion of 18 HCV Veteran's Affairs Supportive Housing (VASH) vouchers to Project-Based Vouchers for utilization at The Rise. Rental assistance staff is working with the VA to finalize the documentation needed to proceed with this plan. Staff in rental assistance continue to work closely with the VA to utilize the currently underutilized HCV VASH vouchers.

THA signed a Memorandum of Understanding (MOU) with Pierce County and the Department of Social and Health Services (DSHS) to utilize the 60 awarded Mainstream vouchers. THA staff is working with partner agencies to finalize the referral process and confirm whether any policy changes are needed. We anticipate that we will be able to start utilizing these vouchers soon. Family Unification Program (FUP) and Non-Elderly Disabled (NED) utilization remain high, and THA staff meet regularly with the partner agencies making referrals under these programs.

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



THA has added 63 new units to the Property Based Subsidy program. Koz on Puyallup began pre-leasing in January 2020. This is THA's 2<sup>nd</sup> partnership with Koz Development. This property has set aside units for University of Washington-Tacoma (UWT) and TCC students at risk of homelessness. We anticipate beginning to make payments in February.

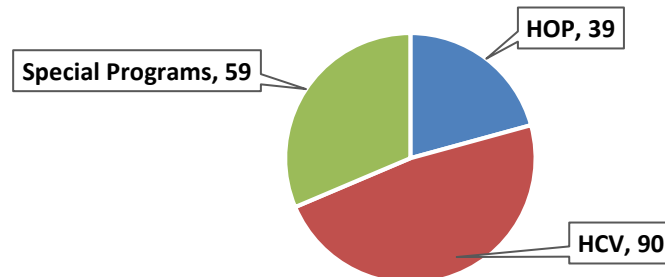
We continue to work with Highland Flats and Crosspointe Apartments regarding their compliance issues. Management is trying to become compliant by meeting with residents and re-verifying their incomes. We will provide updates as information is available.

### 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 February 2020, there are 188 total clients shopping, up from 183 from the previous month. These numbers should increase with the addition of the new Mainstream and VASH vouchers.

### Current Number of Shoppers as of Feb 2020



### **3.5 Leasing & Waitlist Management**

Leasing and Policy, Innovation and Evaluation (PIE) continue to scrub and update the waitlists. This includes the Transfer waitlist. The Transfer waitlist is populated with clients that are currently occupying an unsuitable unit either because of their needs or due to occupancy standard differences. We hope to use the majority of the under/over housed clients on the list to provide suitable candidates for the lease-up at The Rise. A task force has been assembled representing involved departments in the hopes that challenges can be identified and corrected in time to ensure a smooth lease-up process.

The Consolidated waitlist update is just about complete. The final step is to notify the applicants of their placement on the list. All the 2019 successful applicants have been notified. The existing 2018 Consolidated waitlist applicants will be merged with the 2019 Consolidated waitlist and they will be notified of their placement on the new list as well. We hope to send those notifications later this month. With this information, they can utilize the new look-up tool on THA's website to get an estimated timeframe of when they might be served.

### **3.6 Inspections & Housing Quality Standards**

This will be reported quarterly.

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

We have posted the job announcement for the Landlord Engagement Specialist position.

Rental Assistance staff is covering for this position until the position is filled. We continue to represent THA at landlord meetings and at the Landlord Advisory Group monthly meeting. We continue to have 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. 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:** February 26, 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

The start of a new year is an opportunity to reflect on the work of the previous year, its accomplishments and areas needing additional emphasis. It is also a great time to take that information to set new goals, and to possibly raise the bar a bit higher.

During 2019, the Property Management (PM) team focused on several different areas, four (4) of which stood out from the rest:

- Improving tenant engagement in our Communities
- Meeting our turn and leasing goals of 20 days or less
- Increasing our compliance aptitude
- Increasing emphasis on curb appeal, interior and exterior

During this next year, you will see more projects centered around the four areas above. We are off to a good start with the increase in activities in the West portfolio of the 'Pet of the Month' contest and Monthly Movie Night.

Maintenance staff began cleaning and organizing each shop in the portfolio. The organization of the shops will improve efficiencies throughout the work order process. It was also determined that the addition of outlets in each shop would prove to be more efficient, as well as promote safety. Photos of the shops at 6<sup>th</sup> Avenue, Bergersen Terrace and Fawcett shops have been included in this report.



PM also launched a special project of increasing additional electrical outlets to these sites. The purpose of this project was to increase productivity and accessibility for the maintenance team completing work orders.

The maintenance team wasn't the only ones that were busy during the month of January.

Site staff continue to conduct regular monthly community meetings in each community to engage the tenants and give them an opportunity to share ideas and plan. This month at Bergersen and Hillside 2300 block, the team discussed up and coming events (see attached flyers), security concerns and lease reminders. The January fun facts flyer was created by Marquis Jenkins, the new property manager at Bay Terrace as a way of sharing fun tidbits. These flyers are posted across the property in places where tenants will see them, talk with other tenants and discuss them together.

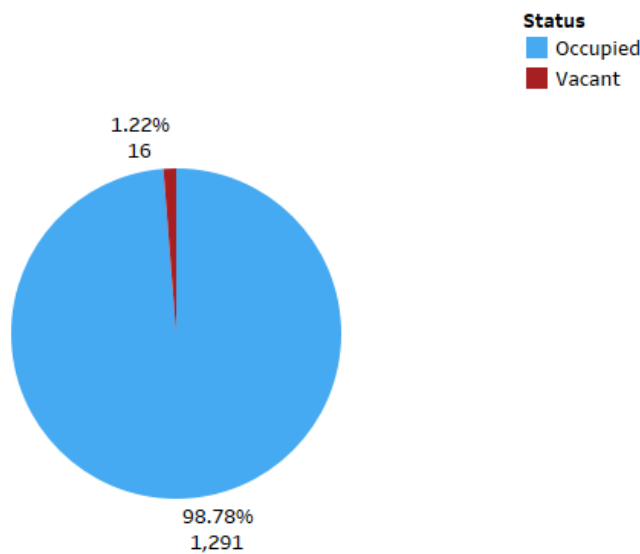
One of the fun facts celebrated on January 27<sup>th</sup>, was National Chocolate Cake. There are other flyers that are posted throughout the portfolio for miscellaneous events, assistance and celebrations that happened or will be happening or continue to happen at our portfolio or across the City of Tacoma.

In Salishan, community partners utilized the Family Investment Center (FIC) to conduct a voter registration event. Pierce County Human Services organized a mobile food bank on-site to benefit the tenants at Salishan, while conducting an orientation of food bank volunteers.

Family game and movie night are regular fun nights throughout the portfolio. Flyers for these events can be found at the end of this report.

### 3. OCCUPANCY OVERVIEW

#### 3.1 Occupancy



Unit Occupancy is reported as of the first day of the month. The chart above reflect THA's current portfolio for the month of January with an occupancy percentage of **99%**.

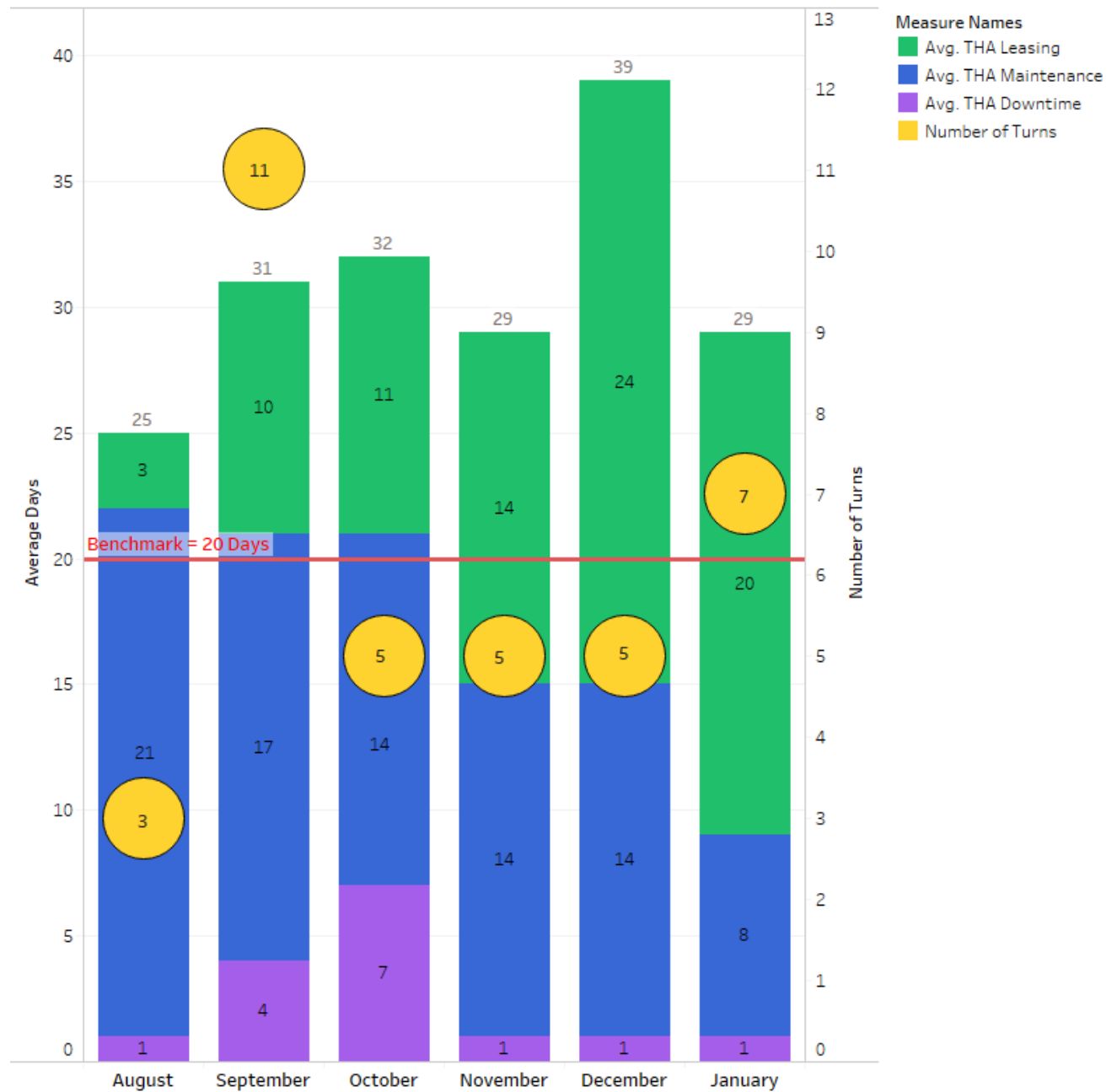
In previous months, a report of the amount of rent collected has been provided. This report is not included in this month's Board report, for reasons of confirming data. There are several factors that can influence an increase in rent collection averages, such as payments received from households previously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

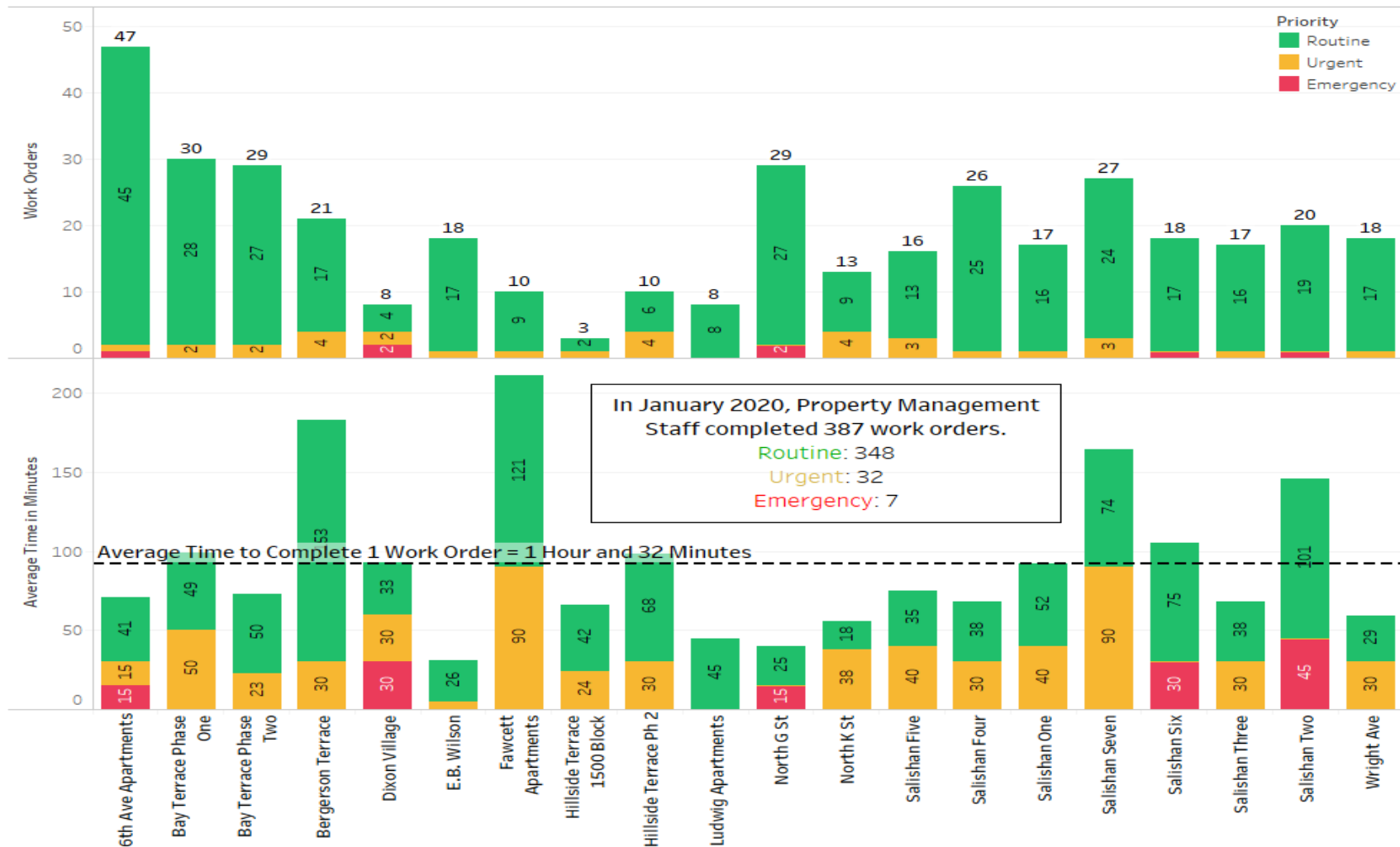
### **3.2 Vacant Unit Turn Status**

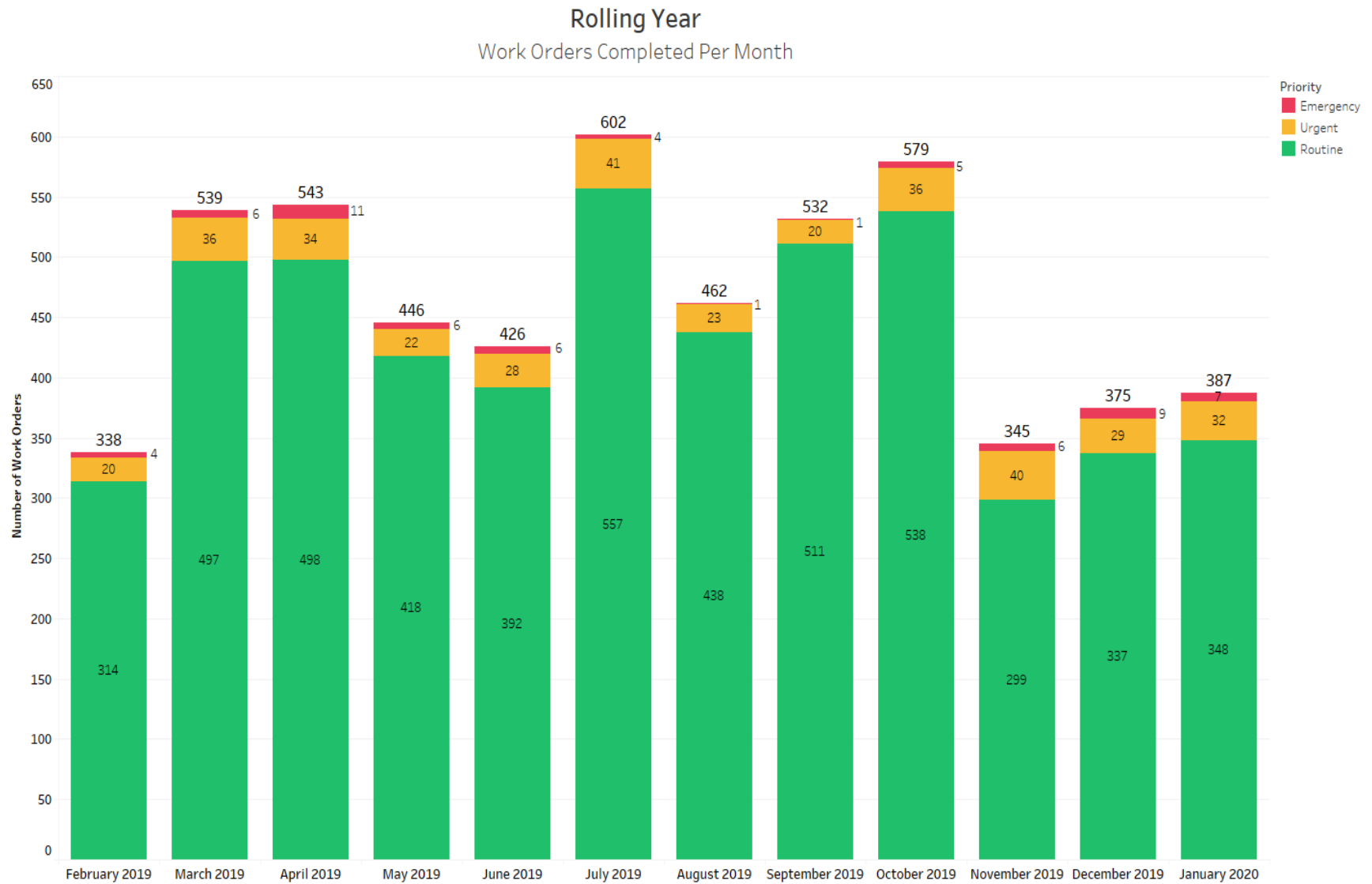
This data reflects the continued effort of the Turn and Leasing teams to reduce the total turn days to the target of 20 days. The Turn average for the repair and make ready portion of unit turns for January exceeded the goal of 17 days with an average of 8 days. This is an 18% reduction from 17 days in repair and make ready time. Conversely, there was an increase in leasing days, bringing the total turn average to 29 for January.

As of month ending January 2020



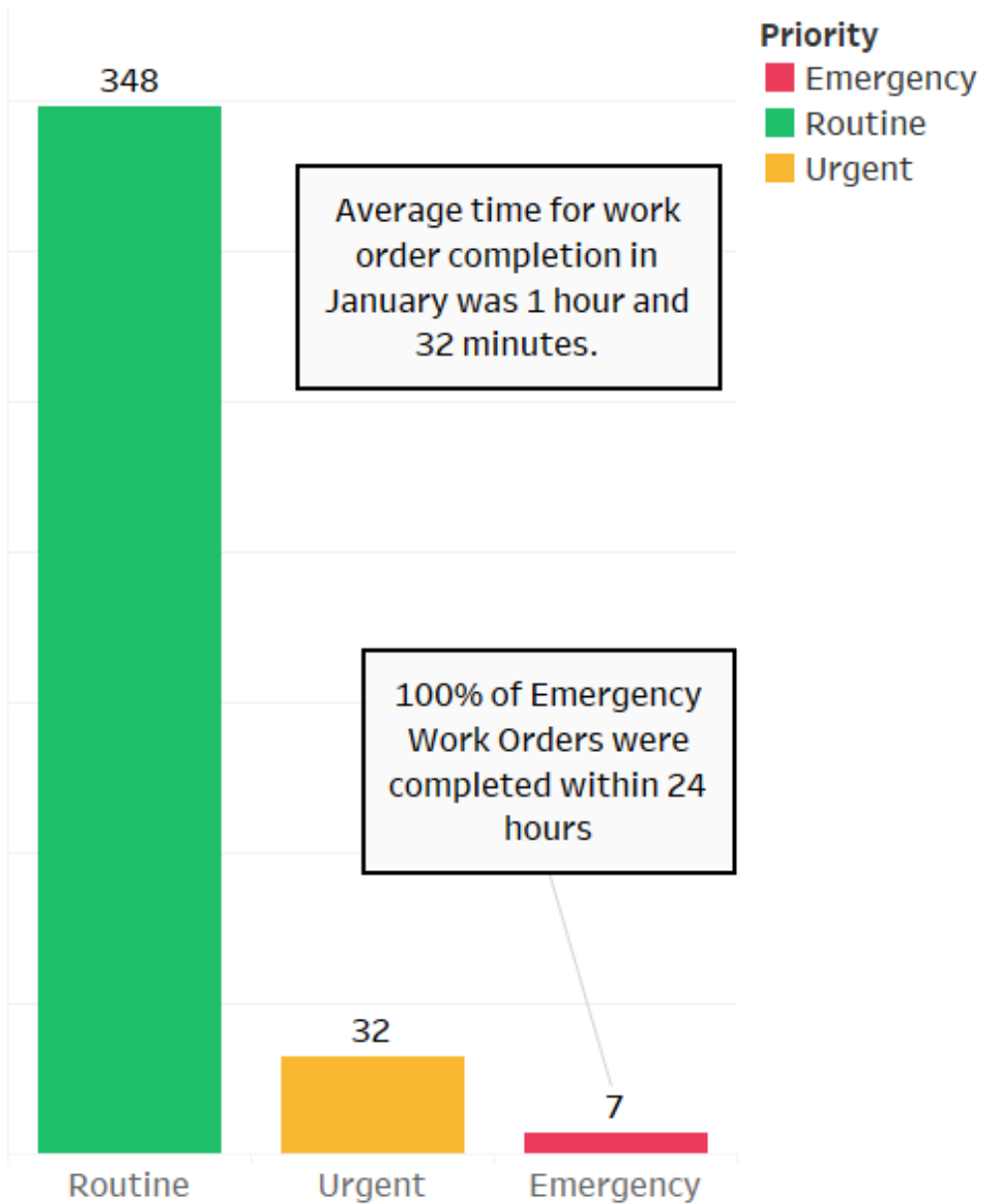
### 3.3 Work Orders





## Total Work Orders

January 2020



In the month of January, 100% of the 7 emergency work orders were completed within 24 hours. Maintenance staff completed 32 urgent work orders in January. The average time for work order completion across the portfolio is 1 hour and 32 minutes. Property Management (PM) continues its efforts to reduce the number of outstanding work orders and improve customer service.

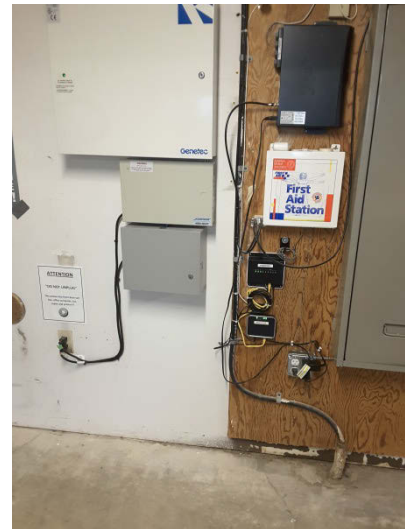
**Processes that PM has implemented in effort to improve customer service are:**

- 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.

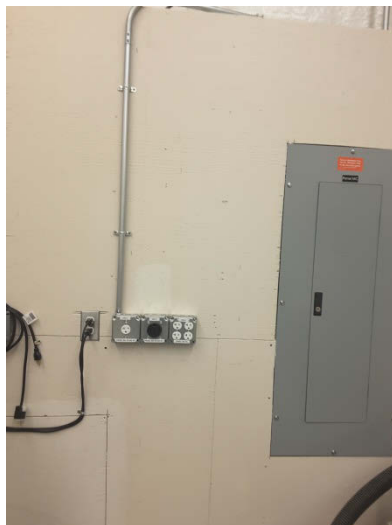
**ADDITIONAL ELECTRICAL OUTLET PROJECT**



**TABLE SAW OUTLETS**



**ELECTRICAL OUTLETS -  
FAWCETT**



**TEST STATIONS INSTALLED –  
BERGERSSEN TERRACE**



**ELECTRICAL BAR AT 6<sup>TH</sup> TO  
PREPARE APPLIANCES FOR LOAN**



**SHOP UPGRADE AT BERGERSEN TERRACE**



**NEW TABLE SAW FOR MORE EFFICIENT WORK**



**SALISHAN MAINTENANCE SHOP REORG**



## MOBILE FOOD BANK AT SLAISHAN



## FAMILY MOVIE NIGHT AT THE FIC

FIRST Family Movie Night of 2020 - January 24





SALISHAN ASSOCIATION & TACOMA HOUSING AUTHORITY  
INVITES YOU TO...

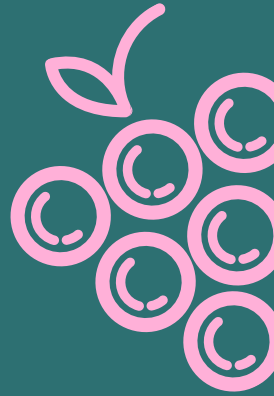
**FAMILY MOVIE  
NIGHT**

FRIDAY JANUARY 24  
6-8PM  
FAMILY INVESTMENT CENTER





**SALISHAN ASSOCIATION  
AND TACOMA HOUSING  
AUTHORITY PRESENTS...**



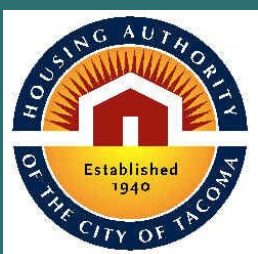
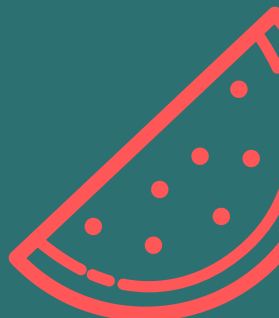
# **FOOD BANK OPENING & RESOURCE FAIR**

*Come celebrate the opening of  
the NEW food bank with the  
community while learning about  
available resources*



**FRIDAY JANUARY 3  
1-3PM**

**FAMILY INVESTMENT CENTER  
1724 E. 44TH STREET  
TACOMA, WA 98404**





# JANUARY FACTS

## Celebrate

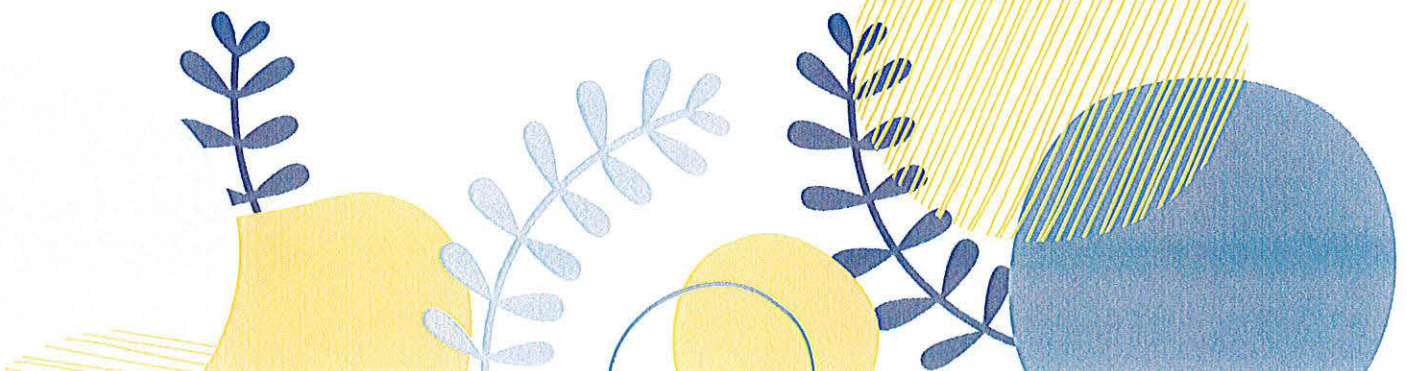
January 8th - Bubble Bath Day  
January 9th - Dance Day  
January 18th - Winnie the Pooh Day  
January 20th - Penguin Awareness Day  
January 27th - Compliment Day  
January 27th - Chocolate Cake Day  
January 31st - Inspire your Heart with Art Day

## Birthdays

Joan of Arc - January 6, 1412  
David Bowie - January 7, 1891  
Elvis Presley - January 8, 1935  
Martin Luther King Jr. - January 15, 1929  
Muhammad Ali - January 17, 1942  
Bessie Coleman - January 26, 1892  
Zora Neale Hurston - January 7, 1891

## History

- 1863 - The Emancipation Proclamation by President Abraham Lincoln was signed.
- January on average is the coldest month of the year in the Northern Hemisphere.
- January in the southern hemisphere is a summer month.
- Sometimes Saxons called January the wolf month, because hungry wolves would come into their towns searching for food.
- January was named after the Roman god Janus. Janus is the Roman word for door. The god Janus had two faces which allowed him to look forwards into the coming year and backwards into the past year.







## Business & Logistics Job Fair

**Thursday, February 6<sup>th</sup>**

**10 a.m. to 12 p.m.**

**Tacoma Community College**

**6501 S 19th St, Bldg. 13, Tacoma, WA 98466**

WorkSource Pierce, Tacoma Community College and the Global Trade & Supply Chain Management Center for Excellence are sponsoring a Business & Logistics Job Fair. Come professionally dressed with your résumé and be prepared to meet with company representatives.

**This Job Fair is FREE & OPEN to the PUBLIC.**

**Register for this Job Fair at**

**<https://BusinessLogisticsJobFair.eventbrite.com>**



WorkSource is an equal-opportunity employer/program. Auxiliary aids and services are available upon request to people with disabilities. Washington Relay Service: 711

## Event Details

**Meet employers with entry and mid-career level job openings in these fields:**

- Logistics
- Human Resources
- Accounting & Bookkeeping
- Customer Service
- Marketing
- *And more!*

**Featured Employers (subject to change)**

- Tote Maritime
- FedEx
- Tacoma Community College
- WA State Employment Security
- Goodwill
- Pierce Transit
- City of Gig Harbor
- Sherwin-Williams
- H&R Block
- State Farm
- AAFES (Army & Air Force Exchange)
- Smart Talent
- Pierce County (local government)
- Chevron Extra Mile
- *More to come!*





Assase Ya drawing by Bernadett Bagyinka

Join us for our 2<sup>nd</sup> Annual Black History Celebration  
**FRIDAY, FEBRUARY 21, 2020 • 6 - 8 PM**

Guest Speakers • Arts & Crafts • Entertainment • Dinner & So Much More!

**FREE COMMUNITY EVENT**

  
**METROPARKS**  
TACOMA  
People's Community Center  
& People's Center Steering Committee

1602 M.L.K. Jr Way, Tacoma, WA 98405  
(253) 404-3915

[PeoplesCommunityCenter.org](http://PeoplesCommunityCenter.org)



**20  
20**



**BAY TERRACE APARTMENTS**

---

# **ART PROJECT**

---

**HELP US DECORATE OUR  
OFFICE WITH YOUR ART.  
PLEASE SEE ATTACHED  
BLANK SHEETS AND  
DECORATE AS YOU  
CHOOSE. THINK ABOUT  
WHAT INSPIRES YOU FOR  
THE YEAR 2020**



**SUBMISSIONS DUE  
JANUARY 31, 2020**

---



**IF YOU WANT TO DECORATE MORE SHEETS PLEASE  
COME BY THE OFFICE TO PICK UP MORE BLANK PAPER**



**BAY TERRACE APARTMENTS**

# **NATIONAL CHOCOLATE CAKE DAY!!!**

**PLEASE COME CELEBRATE WITH US!**

**Monday, January 27, 2020 • 2 PM to 4 PM**

**Bay Terrace Office**

**STOP BY THE OFFICE AND PICK UP A SLICE OF  
CHOCOLATE CAKE, YUMMY YUMMY**



**TACOMA HOUSING AUTHORITY**

**REAL ESTATE DEVELOPMENT**





# TACOMA HOUSING AUTHORITY

**DATE:** February 26, 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. HUD finally approved the disposition request. That should speed things up.

## 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 90% complete. Rough carpentry has started and is at 50% with the first level nearing completion.

The project overall schedule is 26% complete.

### Social Equity Goals

Marpac has exceeded their goals for Minority and Women Owned Businesses; however, they have been unable to achieve the Section 3 project hiring goals. Section 3 goals focus on creating jobs for and filling new jobs with extremely low income and underserved persons. Staff is working with Marpac to change this trend, although it is more challenging in this climate as most sub-contractors have teams from prior jobs and construction is slowing down a bit, which means the demand for new employees is not as strong as it was a few years ago.

		
Social Equity Criteria	Project Goal	Bid Results
Section 3 Business Utilization	10%	0%
MWBE Contracting	18%	29.54%
* MWBE percentages includes Marpac as MBE		

### **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. A Letter of interest has been approved for a potential tenant to lease approx. 2,000 SF of space for 3 years.

##### **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 was not been made by the end of February 2020.

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.

The event with Tahoma Audubon proceeded very well. 86 bird boxes were made and over 130 people attended that represented a variety of ages, and ability levels. Community residents were interested in the redevelopment plan and expressed positive hope for the future of James Center North.



### **3.1.5 Operating Performance**

Property cash flow is steady and work orders are minimal. A minor roof leak in building 1614 is being addressed through an insurance claim. 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 (CRC). This brings the total funding for the CRC from the City of Tacoma to \$2.3M. Sources of the City funds includes \$1.5M in Neighborhood and Community Services dollars and \$800,000 in CDBG funds via the Tacoma Community Redevelopment Authority (TCRA). Pierce County is contributing \$250,000 from 2163 funds and another \$435,945 in CDBG funds. 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. Window installation and drywall is underway. Korsmo projects the CRC will be complete by the end of April instead of May 2020 as was previously projected.

### 3.3.2 Arlington Apartments

All the foundations, floors and first and second floor framing for the apartments is complete, with the remaining two floors scheduled to be done, weather permitting in the next few weeks. Work is progressing and Korsmo projects substantial completion by November 3<sup>rd</sup>, which is six weeks ahead of the original completion schedule.

Korsmo tracks the amount of contracts let to local, minority, women and small businesses. Altogether, 74% of the construction contract is being completed by companies meeting these definitions.

In an effort to increase contracting to SMWBE goals, Korsmo hosted several sub-contractor forums. In addition, Korsmo focuses on working with local businesses as much as possible. Often, these businesses are minority owned. For example, 20 sub-contractors on the Arlington project are local. Of these, three are minority owned businesses and local and five of the local businesses are small businesses.

#### Distribution of Sub-Contractors by Minority, Small, Women Owned or Some Combination

Local	Minority	Minority	2
		Minority+Small	1
		Minority+Women+Small	1
		Minority+Local	2
		Minority, Small, Local	1
		Local	12
		Small Local	5
		Small	1
		Women	2
TOTAL M/W/S/L			27

The following chart illustrates the value of the contracts executed with sub-contractors who are defined as Local, Minority, Women or Small Businesses. Of the total sub-contracts Korsmo has executed, 74% of their total contract with THA has been with a business that meets one of the definitions noted below. To avoid double counting, the value of the sub-contract was placed into one

category (e.g. a local, minority contractor was only counted in the minority category).

**Distribution of Contract Values by Local,  
Minority, Women or Small Businesses**

Category	Contract Values	%age of Total Construction Contract	Contract Goals
<b>Local</b>	\$ 4,754,365	34.0%	30%
<b>Minority</b>	\$ 4,356,505	31.1%	14%
<b>Women</b>	\$ 113,475	0.8%	8%
<b>Small</b>	\$ 1,096,330	7.8%	5%
<b>TOTAL SWML</b>	<b>\$ 10,320,675</b>	<b>74%</b>	<b>57%</b>

#### 4. DEVELOPMENT PIPELINE PROJECTS

##### 4.1 Hilltop Lofts and THA Owned Properties' Master Development Plan

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. The final 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. The final draft of the Hilltop Community Framework plan will be distributed to commissioners at the February meeting.

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 has been secured. The last source was the 9% tax credits. Funds had already been awarded by the City of Tacoma, Pierce County and Housing Trust Fund (HTF). The City, County and HTF application were a joint submission of THA and Horizon Housing Alliance. Horizon was the sole applicant for the tax credits and were the second highest scorer for the 2020 9% tax credit round. This means that staff will finalize negotiations with Horizon Housing Alliance in the near future so work can begin on this project. Moving this project forward will meet the timeline THA and the City agreed upon for developing the Hilltop Lofts project. According to the covenants recorded on the land, financial feasibility for a project had to be determined by April 30, 2018, and permanent financing in place by June 1, 2020. The partnership with Horizon Housing will meet this covenant.

#### **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 storyteller, 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 (MOU). 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. We will also be procuring an A&E team in February-March.

#### **4.4 Gault School Site**

On January 7, 2020, THA entered into a Letter of Interest with Tacoma Public Schools for the acquisition of the Gault School site. Community consultation will be a part of THA's effort to determine its interest in acquiring the property and, if so, its plans for the property use. I attach a copy of our Project Outline for this effort. To help with this community consultation, THA engaged a community engagement firm. THA is working closely with Tacoma Public Schools (TPS) and will start planning the community engagement process once a contract is executed with the selected community engagement firm. THA also participated in a meeting with the representatives of the entities that are parties to the Interlocal Agreements related to the Gault School pool. The first meeting indicates that the parties are on the same page and share the goal to work together to dissolve and/or request release of covenants that impede forward progression of the Gault School acquisition by THA.

### **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 Tenant Improvement (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. 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 February.



**TACOMA HOUSING AUTHORITY**

**NEW BUSINESS**

# Resolution 1



# TACOMA HOUSING AUTHORITY

## RESOLUTION 2020-02-26 (1)

**Date:** February 26, 2020

**To:** THA Board of Commissioners

**From:** Michael Mirra  
Executive Director

**Re:** Fourth Amendment to Attachment C of the Standard MTW Agreement

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*This resolution would authorize the Executive Director to execute the fourth amendment to the Moving to Work (MTW) Standard Agreement.*

### Background

Since 2010, the Tacoma Housing Authority (THA) has participated in the Department of Housing and Urban Development's (HUD) Moving to Work (MTW) Demonstration Program.

MTW allows Public Housing Authorities (PHA) exemptions from many existing public housing and voucher rules and provides funding flexibility with how they use their Federal funds. This is what allows THA to develop its innovative programs designed for Tacomans in need of affordable housing and services that "help them prosper and help out communities become safe, vibrant, prosperous, attractive and just."

THA's executed MTW Standard Agreement describes the activities that THA may carry out under MTW. HUD has proposed a non-substantive amendment to Attachment C of the MTW Standard Agreement.

The proposed amendment is a result of a finding from a 2017-2018 audit conducted by HUD's Office of Inspector General (OIG) of another MTW agency's Rental Assistance Demonstration (RAD) conversion. The Office of Public and Indian Housing (PIH) approved that MTW agency's annual Plan proposing to waive the normal HUD requirement that an independent entity conduct and determine rent reasonableness and negotiate contract rents for the voucher program. THA's 2019 MTW Plan included the same activity and received HUD's approval for it.

Yet OIG asserted that the standard MTW Agreement did not provide HUD with the authorization to waive these requirements.

To resolve the finding and allow these activities, PIH has offered an amendment to all 39 MTW

agencies to clarify that the exemption from the independent entity inspection requirements are allowable. The fourth amendment to the Standard MTW Agreement is attached (Attachment A).

The amendment directly clarifies THA's authorization to implement the Modify HQS activity. Therefore, THA should execute the fourth amendment to the MTW Standard Agreement.

MTW agencies that chose to execute the amendment must do so through a Board approved resolution.

### **Recommendation**

Approve Resolution 2020-02-26 (1) authorizing THA's Executive Director to execute the fourth amendment to the Moving to Work (MTW) Standard Agreement.



# TACOMA HOUSING AUTHORITY

## **RESOLUTION 2026-02-26 (1)** **(Fourth Amendment to Attachment C of the Standard MTW Agreement)**

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

**WHEREAS**, An Amendment to THA's Moving to Work Agreement clarifies THA's ability to implement its Modify HQS activity;

**WHEREAS**, Amendments to the Moving to Work Agreement must be approved by the THA Board of Commissioners;

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

Approve Resolution 2020-02-26 (1) authorizing THA's Executive Director to execute the fourth amendment to the Moving to Work (MTW) Standard Agreement.

**Approved: February 26, 2020**

---

Derek Young, Chair

**FOURTH AMENDMENT  
TO  
AMENDED AND RESTATED MOVING TO WORK AGREEMENT  
BETWEEN  
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
AND  
TACOMA HOUSING AUTHORITY**

This Fourth Amendment to the Moving to Work (“MTW”) Agreement (“Agreement”) is entered into by and between the United States of America through the U.S. Department of Housing and Urban Development (“HUD”) and Tacoma Housing Authority (“Agency”) and is effective on the date of execution by HUD following execution by the PHA. Unless otherwise defined herein, all capitalized terms used herein shall have the same meanings ascribed to them in the Agreement.

This Amendment replaces the language in authorizations D.1.f., D.5., D.7.a. and D.7.d of Attachment C as follows:

1. Section D.1.f. of Attachment C is replaced with the following language:

f. The Agency is authorized to determine property eligibility criteria, including types of units currently prohibited by Section 8 regulations and shared living facilities, subject to HUD’s subsidy layering requirements. The Agency may also waive the independent entity requirements for PHA-owned units. If the Agency chooses to use this authorization, it will need to provide a transition plan to both the affected residents and HUD prior to the end of the demonstration. *This authorization waives certain provisions of Sections (8)(o)(11) and 8(p) of the 1937 Act and 24 C.F.R. 983.53-54, and 982 Subparts H and M as necessary to implement the Agency's Annual MTW Plan.*

2. Section D.5. of Attachment C is replaced with the following language:

5. Ability to Certify Housing Quality Standards

The Agency is authorized to certify that housing assisted under MTW will meet housing quality standards established or approved by HUD. The certification form will be approved or provided by HUD. The agency is also authorized to perform HQS inspections on PHA-owned HCV and PBV units in lieu of the independent inspection requirements. *This authorization waives certain provisions of Section 8(o)(8) and 8(o)(11) of the 1937 Act, 24 C.F.R. 982.352(b), and 24 C.F.R. 982, Subpart I as necessary to implement the Agency's Annual MTW Plan.*

3. Section D.7.a of Attachment C is replaced with the following language:

a. The Agency is authorized to project-base Section 8 assistance at properties owned directly or indirectly by the Agency that are not public housing, subject to HUD's requirements regarding subsidy layering. If the Agency chooses to project-base Section 8 assistance at such properties, the Agency recognizes and accepts that such units would no longer be eligible for operating subsidy provided under Section 9(e) of the 1937 Housing Act or for future capital funds provided under section 9(d) for those units if it chooses to use this authorization. Project-based assistance for such owned units does not need to be competitively bid, nor are the owned units subject to any required assessments for voluntary conversion. The Agency may also waive the independent entity requirements for PHA-owned units. *This authorization waives certain provisions of Sections 8(o)(11) and 8(o)(13)(B and D) of the 1937 Act and 24 C.F.R. 982.1, 982.102 and 24 C.F.R. Part 983, as necessary to implement the Agency's Annual MTW Plan.*

4. Section D.7.d. of Attachment C is replaced with the following language:

d. All units that receive project-based Section 8 assistance must meet either (i) existing HQS standards established by the Secretary or (ii) a local standard for communities receiving project-based Section 8 assistance developed by the Agency and approved by the Secretary pursuant to this MTW Agreement, as applicable. The agency is authorized to perform HQS inspections on PHA-owned HCV and PBV units in lieu of the independent inspection requirements. *This authorization waives certain provisions of Sections 8(o)(8) and 8(o)(11) of the 1937 Act, and 24 C.F.R. 983.103(f) and 24 C.F.R. 982 Subpart I as necessary to implement the Agency's Annual MTW Plan.*

IN WITNESS WHEREOF, the parties have caused this Amendment to Attachment C to be executed by their duly authorized representatives.

TACOMA HOUSING AUTHORITY

By: \_\_\_\_\_ Name:  
Michael Mirra

Its: Executive Director Date:

UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

By: \_\_\_\_\_ Name: R.  
Hunter Kurtz

Its: Assistant Secretary, Public and Indian Housing Date:

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Fourth Amendment Tacoma Housing Authority