



# **TACOMA HOUSING AUTHORITY**

## **BOARD OF COMMISSIONERS**

### **BOARD PACKET**

**February 24, 2021**



**Tacoma  
Housing  
Authority**

**Executive Director**  
Michael Mirra

**Board of Commissioners**

Stanley Rumbaugh, Chair | Shennetta Smith, Vice Chair  
Dr. Minh-Anh Hodge | Derek Young | Pastor Michael Purter

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## **REGULAR MEETING** **Board of Commissioners**

### **WEDNESDAY, FEBRUARY 24, 2021**

The Board of Commissioners of the Housing Authority of the City of Tacoma will hold a Regular Meeting on **Wednesday, February 24, 2021, at 4:45 pm** via Zoom.

<https://us02web.zoom.us/j/83006916678> / Meeting ID: 830 0691 6678 / Dial: (253) 215-8782

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 17, 2021, I FAXED/EMAILED, the preceding PUBLIC MEETING NOTICE before:

City of Tacoma	747 Market Street Tacoma, WA 98402 <a href="mailto:CityClerk@cityoftacoma.com">CityClerk@cityoftacoma.com</a>	fax: 253-591-5300
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	<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	

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 24, 2021, 4:45 PM

Join Zoom Meeting

<https://us02web.zoom.us/j/83006916678> / Meeting ID: 830 0691 6678 / Dial: (253) 215-8782

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1. **CALL TO ORDER**
2. **ROLL CALL**
3. **APPROVAL OF MINUTES**
  - 3.1 Minutes of January 27, 2021—Regular Meeting
4. **GUEST COMMENTS**
5. **COMMITTEE REPORTS**
6. **COMMENTS FROM THE EXECUTIVE DIRECTOR**
7. **ADMINISTRATION VERBAL REPORTS**
  - 7.1 Finance
  - 7.2 Client Support and Empowerment
  - 7.3 Rental Assistance
  - 7.4 Property Management
  - 7.5 Real Estate Development
8. **COMMENTS FROM THE COMMISSIONERS**
9. **ADJOURNMENT**



# **TACOMA HOUSING AUTHORITY**

## **MINUTES**



# TACOMA HOUSING AUTHORITY

## BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, JANUARY 27, 2021

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session via Zoom at 4:45 PM on Wednesday, January 27, 2021.

### 1. CALL TO ORDER

Chair Rumbaugh called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:47 PM.

### 2. ROLL CALL

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

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

Chair Rumbaugh declared there was a quorum present @ 4:48 pm and proceeded.

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

Chair Rumbaugh asked for any corrections to, or discussion of the minutes for the Study Session of the Board of Commissioners on Wednesday, December 4, 2021.

Commissioner Young moved to adopt the minutes. Commissioner Hodge seconded.

Upon roll call, the vote was as follows:

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

**Motion approved.**

Chair Rumbaugh asked for any corrections to, or discussion of the minutes for the Regular Session of the Board of Commissioners on Wednesday, December 9, 2021. Vice Chair Smith moved to adopt the minutes. Commissioner Young seconded.

Upon roll call, the vote was as follows:

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

**Motion approved.**

### 4. GUEST COMMENTS

None.

### 5. COMMITTEE REPORTS

***Real Estate Development Committee—Chair Rumbaugh, Commissioner Young***

The committee met and will deal with issues during the executive session today.

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

The committee has not met.

***Education Committee—Vice Chair Smith, Commissioner Hodge***

The committee had a meeting scheduled, but neither commissioner was able to attend.

They did have a chance to look at the report that was sent to them last week. The committee will wait for Directors Black and Hanauer to provide their report today.

***Citizen Oversight Committee—Vice Chair Smith, Commissioner Purter***

Commissioners Purter and Smith had a conversation to come up with a strategy and hope to have a better report at the next board meeting.

***Diversity, Equity and Inclusion Committee—Vice Chair Smith, Commissioner Hodge***

The committee has not heard of any follow-up from staff. Last month, the Committee indicated that it will only be a sounding board for staff and not plan on meeting on a regular basis. According to Chair Rumbaugh, the Supreme Court released the 2021 state judiciary report today. It focuses heavily on some of the practices the board is trying to modify, implement or disregard with regards to equity and social justice and racial equity issues. Chair Rumbaugh serves on a number of committees focusing on pretrial practice modifications to eliminate injustices based on race and economic status. The State Supreme Court was selected as one of seven in the country to receive funding for data-gathering and research assistance for courts, for a period of five years.

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

Executive Director (ED) Michael Mirra directed the board to his report. He mentioned two things on his report:

1. Review of open and future projects of THA sorted by objectives, to provide the board a sense of what staff are up to.
2. Arlington Drive effort to preserve its state funding. The effort is going well. Senator Darneille and Nobles will be THA's sponsors for this request to the Senate and Representative Leavitt will be THA's House sponsor. A lot of people are speaking up for the request. ED Mirra included a chart in his report that lists the pertinent legislators. He asks that commissioners look at the list to see who they can call to speak for Arlington.

ED Mirra was also pleased to report that THA reached a letter of intent agreement with the Bezos Academy to establish a pre-school at Salishan. We must now negotiate the lease. Vice Chair Smith and Director Hanauer are convening community consultations and surveys with Salishan tenants to help inform those negotiations. ED Mirra is optimistic that they will come to an agreement subject to the Board's approval. ED Mirra reviewed the areas that will need particular attention in the negotiations. Chair Rumbaugh thanked ED Mirra for keeping the board up to date. He asked in particular about having a preference in admissions for Salishan children. ED Mirra stated that is one of the areas for negotiations, as well as a hiring preference for Salishan residents.

Commissioner Young asked about the timeline for the negotiations. ED Mirra stated that THA would like the academy to open in September 2021. Vice Chair Smith added that she spoke with Janette of Salishan Association who sent an email to Scott Edison to see if there is anything to add to the survey, but they have not heard back. There will be a postcard to give to each neighbor or do an online survey. Commissioner Hodge asked who would develop the curriculum of classes. ED Mirra stated that this would be Bezos' responsibility. They are trying to establish a similar school at McCarver. Commissioner

Hodge stated that it would be fabulous and appropriate if it would be a dual language preschool model where students can learn two languages at the same time.

ED Mirra noted that under the lease, THA has landlord responsibility.

Chair Rumbaugh asked how THA would ensure the Bezos Academy's compliance with the lease agreement concerning admissions preferences. ED Mirra responded that there will have to be reporting requirements to allow some oversight. Vice Chair Smith added that Scott Edison of Bezos Academy said he will hire within the community. She said that he explained that the school is not a full Montessori school but only "Montessori inspired." This means that staff will not need a Montessori pedigree to work there.

Director Hanauer is convening with Scott and the dean of Bates to help train Salishan residents for the jobs.

## **7. ADMINISTRATIVE REPORTS**

### **Finance**

Finance Department (FD) Director Ken Shalik directed the board to the finance report. Finance staff are diligently working to close out the financials for tax credit properties to get tax returns and audit done by February. Other staff members are working to close out the financials for the agency as a whole. Information is due to Housing and Urban Development (HUD) by the end of February. Staff are making good progress.

Staff are also doing their work from home.

THA has done well financially this year. Cash Position is a bit behind. Director Shalik is waiting until Duane and his team have completed the December cash position to have a good and solid cash position for the end of the year. THA has adequate cash but one issue to track in 2021 is the Moving to Work (MTW) cash held by HUD. THA ended the year with approximately \$7.8M of MTW held by HUD. This is not reflected on the cash position, but Director Shalik is monitoring it. He will make adjustments to ensure that the balance does not grow. He expects to draw it down to a lower number.

THA has \$8M in unencumbered cash which is about where we want it to be. He reviewed the needs and uses for those funds. Chair Rumbaugh asked if those are available for capital improvements and property purchases. Yes, according to Director Shalik.

Chair Rumbaugh asked if the new budget software performed in a way that made it easier to reconcile the books at the end of the fiscal year. Director Shalik stated that the reconciliation of books are not impacted because it is done through Intact. The budget software, however, helped with the reporting overall for the agency.



Commissioner Young moved to ratify the payment of cash disbursements totaling \$7,322,617 for the month of December 2020. Vice Chair Smith seconded.

Upon roll call, the vote was as follows:

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

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

Policy, Innovation and Evaluation (PIE) Director April Black directed the board to her report. She met with Wellsprings on January. This is the organization Pierce County chose to provide the supportive services to Tacoma Schools Housing Assistance Program (T-SHAP) families. It reports the challenges to find housing in Tacoma's market. As a result, it is taking longer to house families. Chair Rumabugh stated that the affordable housing crisis is evident to all, including the courts.

Her board report includes a model for TSHAP, which has been reviewed with Tacoma Public Schools (TPS) and Pierce County. Pierce County is also working with King County to improve their 211 system almost like an Employee Assistance Program (EAP). If they are successful in King County, they will bring it to Pierce County. They are notably new to Pierce County and feeling their way through identifying landlords for Rapid Rehousing (RRH). Chair Rumbaugh reconfirmed THA's \$1.3M commitment to RRH.

Director Black reported on the College Housing Opportunity Program (CHOP). Staff are seeing much lower incomes among CHAP households than when the program began. Staff are seeing vacancies at property based CHAP units that take multiple referrals to fill. Staff are considering program changes to make it more effective. Staff received evaluation reports about CHAP from Temple University's HOPE Center. Staff are reviewing them to consider the recommendations to improve the program.

Chair Rumbaugh noted previous discussions about the court's participation in the Eviction Response Program that tries to divert eviction cases into mediation. He asked if THA has developed any kind of strategy to intervene in a way that may allow THA to provide rental assistance to make those mediations more successful. Director Black responded that THA has not tackled this yet but staff are thinking about it and looking for sources of funds. Staff will try to work with systems already established for rental assistance. Chair Rumbaugh asked ED Mirra if he has connected with anyone in the courts. "No" responded ED Mirra. According to Chair Rumbaugh, the courts will not allow unlawful detainer to be processed until they do mediation. He perceives that there is a trainwreck coming and anything we can do to keep everyone on track will be worthwhile.

## **Administrative Services**

Administrative Services (AS) Director Sandy Burgess directed the board to her report. She has been busy supporting the onboarding for Arlington and The Rise. Staff are involved with compliance and document review. IT and OpenDoor teams are busy supporting the Work from Home (WFH) environment. Karen is bringing in grants. AS is hiring a risk manager, procurement and contract manager, and data analyst. Director Burgess introduced THA's new Asset Manager, Rebecca Spencer, who is involved with new projects including the Tress project.

Chair Rumbaugh asked for an update on lease-up of The Rise. Director Burgess responded that leasing started January 11<sup>th</sup> and it is 25% full. Arlington lease-up is also making great progress. Compliance staff are involved in reviewing all documents for Arlington and The Rise. Jace is THA's new compliance auditor reviewing reasonable accommodations, currently at 383 requests for 2020 vs. 421 for 2019. Most reasonable accommodation requests seek an extra bedrooms.

THA is renewing its insurance through Eliant. The primary carrier is Philadelphia. THA had an increase in rates but better than other organizations its size. Chair Rumbaugh noted that THA's loss experience was down. Director Burgess responded that the increase responds to the market and generally higher liability awards. THA's higher rates has little to do with THA's loss experience.

She noted that incidents at the properties were down 20% from 2019 for different activities that happened on THA properties. Staff have a plan to replace jacks and doors in old elevators, and will get work done to put a stop on those kinds of incidents.

Resource development raised almost \$3.8M through grants in 2020. Chair Rumbaugh asked if those are for specific purpose grants and if they recur. Director Burgess responded that some do recur and some are multi-year. Vice Chair Smith asked how THA is handling reasonable accommodations during Covid. According to Director Burgess, THA is doing them virtually, inviting applicants to Zoom or Teams and working with Northwest Justice Project. According to Vice Chair Smith, during the reasonable accommodation during Covid, a lot of families were not looking to move a lot. She asked that staff check with tenants to see why they are not taking advantage of reasonable accommodations that offer them an extra bedroom.

## **Client Support and Empowerment**

Client Support and Empowerment (CSE) Director Cacey Hanauer directed the board to her report. Director Hanauer is grateful for a strong CSE team. The Arlington money hunt continues with ED Mirra. Director Hanauer has spent time with community child-care providers to help inform the discussions with Bezos Academy. It has been fruitful work.

Martha Mathias of CSE is the unsung hero in THA's Covid response. She single-handedly ensured 4,400 food deliveries were provided (with a goal of 250). Staff are busy

with end of the year work but all is going well. Director Hanauer apologized for the lack of redesign on her report; she meant to honor families and young people for their continued engagement.

She spoke of the new reporting for the Children Savings Account program. Commissioner Young asked how much easier it is becoming to generate the report. Director Hanauer responded that Amy Van is currently working with Washington State Achievement Council who is developing a dashboard through their IT and providing services in kind for THA. She hopes in the future that it would relieve admin burden significantly. Marty Higgins of CSE has been working with finance to reconcile statements to CSA families. Commissioner Young asked for the timeline. According to Director Hanauer, THA is on Phase 1 and looking at going live in the spring. Phase 2 includes improvement on how participants interact with Guaranteed Education Tuition (GET) account and seeing their savings and money accruing from THA.

Chair Rumbaugh stated that he heard Arlington is full and that the Y has stepped up. It is time to start thinking of exit strategies for those kids, he added. Providing program and shelter at Arlington only to be cast back to the streets at the end of the program would not be good. He asked if THA has plans. Director Hanauer responded that the Y staff starts thinking of exit strategies as soon as a resident moves in. THA will help by providing vouchers to young people exiting successfully.

There is no firm time limit on how long young adults can stay at Arlington Apartments and she is having conversations and making sure plans are strategic, but also thinking about their next steps. Both the Y and CYS have high success rates in exiting young people to stable housing and not to homelessness. Chair Rumbaugh stated that part of the service piece must be to motivate them to independent living. He is hoping they will be encouraged and feel suitably equipped to find employment and eventually thrive.

## **Rental Assistance**

Rental Assistance (RA) Director Julie LaRocque directed the board to her report. Staff are planning for the end of the eviction moratorium. She had her first meeting with Pierce County regarding funding for rental assistance. She noted that it is complicated for THA clients. Staff are catching up with inspections and did initial inspections so people can move and relocate. Staff had discussions with other agencies and Housing and Urban Development (HUD) about options that will work. There have been discussions to use remote inspections but remote inspections come with risks to clients and inspectors. The comments from clients is that they don't know where the inspectors have been and they don't want them to come into their homes. Staff are hoping HUD will waive last year of inspections.

Overall utilization is almost at 101% so things are going well. There have been vacancies at Project Based Vouchers at assisted living properties for medicaid-eligible clients who had an outbreak of Covid. Prior to that, they were very well utilized. There are ongoing concerns with Highland Flats and Crosspointe. The audit is done for Highland Flats and

THA was able to recoup the funds. There were 19 units out of compliance from the Crosspointe audit. Directors Black and LaRocque met with the owners and told them that it cannot continue this way and started discussing options if they should have to exit the agreement and how it will look for residents. They also explained that they have another audit starting at Highland in February and this will determine their future with THA.

Departments worked together and recognized staff that worked so hard on the rent relief program and got it up and running. She is hopeful that this next round of Pierce County funds can go further.

Chair Rumbaugh and Vice-Chair Smith noted the 40% turnback rate is high. Director LaRocque responded that it has been lower than that. ED Mirra asked Director LaRocque to review the periodic consideration of the adequacy of the subsidy level of Housing Opportunity Program (HOP) vouchers. Director LaRocque responded that the level is good for the most part and the last review left everything the same. The next review will start in February or March. She is concerned about the market after the end of the eviction moratorium. Family Unification Program (FUP) and mainstream vouchers are slow to get housed.

Staff are consulting with Housing Connector, which has connections to Zillow. They offer housing search services. THA will have an RFP going out regarding these types of services.

Vice-Chair Smith noted that she had a reasonable accommodation authorization for another unit and stated she did not take it because she did not wish to move in the middle of the middle of the pandemic. She said a lot of families in similar situations come to the same conclusion for the same reason.

Commissioner Young asked how long THA has been 100% utilized. According to Director LaRocque, it has been a year at least. Director Shalik added that THA budgeted at 100% through most of 2022. ED Mirra stated that THA still has an agreement with HUD for a baseline of 95%. Director LaRocque confirmed.

## **Property Management**

Property Management (PM) Director Frankie Johnson directed the board to her report. THA has had a 99% occupant rate even during COVID. THA went into transition around the end of January and PM staff have been able to maintain this. Correction on Arlington—it isn't fully occupied but all units are under lease. Move-ins are staggered because of the pandemic. This particular clientele is challenging because of homelessness and not being able to follow-up with current phone numbers. Staff are finding that they are missing in action or housed elsewhere. It takes a lot of work to do lease up, but the numbers have been amazing. The Y and team have been phenomenal in acclimating young people to this new experience. Some are leasing for the first time. PM staff have been tremendous. The Rise has 64 units and has leased 14.

The challenge this year is how to address routine work orders that have escalated to emergencies during Covid. Staff are developing a plan on how to address these work orders. The turn numbers did creep up. Staff are working on how to normalize this process and when to do it. Director Johnson explained the challenge of having maintenance staff out of office during the holidays.

She acknowledged Martha Matthias in helping PM team with the senior properties and getting vaccines. She also thanked the CSE and PM teams for their efforts. Commissioner Hodge asked if the seniors have special accommodation for the vaccines. According to Director Johnson, she imagines that there is concerted effort to bring the vaccine to seniors. CSE is working with the Tacoma Health Department for an outreach program.

## **RED**

Real Estate Development (RED) Director Kathy McCormick directed the board to her report. For the past six weeks, she has been working with her team finishing Arlington and The Rise projects. They are pretty close to getting it done. They plan on reaching out to Asset Management, Finance, and Property Management to debrief the experience.

She has been busy with talks with the Greater Tacoma Community Foundation and the proposal to create an investment fund for THA's property purchases. RED is also looking at other refinancing options to acquire units.

Hilltop housing is taking staff time. Staff are negotiating with Inland. Chair Rumbaugh asked if THA has tax credits. According to Director McCormick, THA has to apply for the bonds and the 4% Tax Credits.

## **8. NEW BUSINESS**

### **8.1 RESOLUTION 2020-01-27 (1) (Amendment #1 to Architectural and Engineering Services with Ankrom Moisan at Architects James Center North)**

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

**WHEREAS**, On May 23, 2018, THA Board Resolution 2018-05-23 (8) authorized THA's Executive Director to negotiate and execute a contract for A&E services for James Center North Planning Services in an amount not to exceed \$250,000; and

**WHEREAS**, On June 26, 2018, THA entered a contract with Ankrom Moisan to provide architectural and engineering services (A&E) for the James Center North master planning in the amount of \$230,000; and

**WHEREAS**, THA would like to amend the total contract amount for Ankrom Moisan to include fees associated with on-going James Center North redevelopment

activities, including interim activation concepts, research for re-platting of James Center North parcels, binding site plan approval coordination, interim activation design oversight, and miscellaneous design costs for the sale of land associated with redevelopment at James Center North; now, therefore, be it

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

Authorize THA's Executive Director to increase the contract amount with Ankrom Moisan by \$100,000 for a total not-to-exceed amount of \$350,000

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

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

**Motion Approved:** January 27, 2021

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Stanley Rumbaugh, Chair

**8.2 RESOLUTION 2021-01-27 (2)  
(Approval of Revision to THA's Administrative Plan)**

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

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

**WHEREAS,** Changes to the Administrative plan must be approved by THA Board of Commissioners; now therefore, be it

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

THA's Executive Director is authorized to revise THA's Administrative Plan Chapter 7 – Verification, Part I: General Verification Requirements to permit electronic forms and signatures in all cases except when it is expressly prohibited by regulation or associated guidance.

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

Upon roll call, the vote was as follows:

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

**Motion Approved:** January 27, 2021

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Stanley Rumbaugh, Chair

**8.3 RESOLUTION 2021-01-27 (3)**  
**(Addendum #4 to Architectural and Engineering Services with**  
**Ferguson Architects 902 1<sup>st</sup> Floor Tenant Improvement)**

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

**WHEREAS**, On July 10, 2019, THA entered in to a competitively bid Agreement with Ferguson Architects for the renovation of the ground floor of THA's administrative building located at 902 South L Street; and

**WHEREAS**, In August 2020, THA staff determined changes to the design development are necessary to incorporate safety and health adjustments brought on by Covid-19 considerations; and

**WHEREAS**, It was determined that Rental Assistance will occupy the entire first floor due to the need for additional staff; and

**WHEREAS**, Changes to the design development requires further expansion of the scope of services with Ferguson Architects at a total of \$35,930; now therefore be it

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

Authorize THA's Executive Director to increase the contract amount with Ferguson Architects by \$35,930 for a total not to exceed of \$190,362.

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

Upon roll call, the vote was as follows:

AYES: 5  
NAYS: None  
Abstain: None

Absent: None

**Motion Approved:** January 27, 2021

\_\_\_\_\_  
Stanley Rumbaugh, Chair

## **9. EXECUTIVE SESSION**

The Board went into executive session at 6:47 pm for 18 minutes to discuss real estate transactions. The Board came back into regular session at 7:05 pm.

## **9. COMMENTS FROM COMMISSIONERS**

None.

## **11. ADJOURNMENT**

There being no further business to conduct the meeting ended at 7:06 PM.

**APPROVED AS CORRECT**

**Adopted:** February 24, 2021

\_\_\_\_\_  
Stanley Rumbaugh, Chair





## **TACOMA HOUSING AUTHORITY**

### **Real Estate Development Committee**

Chair Stanley Rumbaugh  
Commissioner Derek Young

### **Finance Committee**

Commissioner Derek Young  
Commissioner Minh-Anh Hodge

### **Community Partnerships Committee**

Vice Chair Shennetta Smith  
Commissioner Pastor Michael Purter

### **Education Committee**

Vice Chair Shennetta Smith  
Commissioner Minh-Anh Hodge

### **Diversity, Equity and Inclusion Committee**

Vice Chair Shennetta Smith  
Commissioner Minh-Anh Hodge



**TACOMA HOUSING AUTHORITY**

**COMMENTS FROM THE  
EXECUTIVE DIRECTOR**



# TACOMA HOUSING AUTHORITY

**To:** THA Board of Commissioners  
**From:** Michael Mirra, Executive Director  
**Date:** February 21, 2021  
**Re:** Executive Director's Monthly Report

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This is my monthly report for February 2021. It supplements the departments' written reports.

## 1. SOME PLANNING

Last month I reported on the cabinet's planning discussion to better identify priorities among the departments' ample workload. Those discussions continue. I attach April's February 16<sup>th</sup> memo to the cabinet summarizing the discussions to date. As it explains, we hope to produce a planning report showing our choices. We will share that with the Board when we finish it.

Stay tuned!

## 2. ADVOCACY

### 2.1 Washington State Legislative Session

The Washington State legislative session is well underway. THA has three main interests in the session:

#### 2.1.1 *Arlington Drive: Legislative Request for \$4.25 Million Operating Funds*

Our first priority is to prevail on the legislature to continue the state's funding of Arlington Drive's supportive services. The Board knows the strong case for this request. At the Board meeting, I will report on our progress.

Last month I gave the Board a list of the legislators important to this effort. I did that to invite the Commissioners to make their own calls. If Commissioners have any news of their own efforts, the Board meeting would be a good time to hear of it.

#### 2.1.2 *THA Affordable Housing Acquisition Project: \$3 million Capital Funds*

We seek \$3 million in capital funding to help THA purchase multifamily complexes. I am pleased to report that Senator Darneille is sponsoring this request as well. I attach the Senate's request form. It explains why this would be a good use of state funding.

#### 2.1.3 *Housing Policy Bills: Tenant Protections and Housing Funding*

Housing is a prominent topic this session for policy making and funding. The Association of Washington Housing Authorities (AWHA) is very active in the drafting and discussions of several bills. Sometimes AWWHA supports a measure. Sometimes it opposes a measure. THA is part of AWWHA's legislative committee in this work. I attach a list of the bills that AWWHA is tracking. It gives you a sense of the scope of the work. The main bill requiring work is HB 1236. It would require landlords to have "good cause" before terminating a residential tenancy.

## **2.2 City of Tacoma**

State law allows a city or county, by a vote of its council, to impose an additional sales tax for affordable housing purposes. It would add a sales tax of 1/10<sup>th</sup> of 1% of eligible purchases. This would add a penny to every ten dollar purchase. It would raise about \$5 million a year for the City. THA is urging the City Council to do this. It would better equip the City to grant THA's request for City funding for two of our projects: (i) the supportive services for the T-SHAP expansion to house homeless school children and their families; (ii) the supportive services for the Hilltop Lofts for chronically homeless persons. I attach two letters to the Mayor and City Council in support of the tax. One is from me on behalf of THA. The other is from Peter Ansara, chair of the Tacoma-Pierce County Affordable Housing Consortium. Other important community voices are expressing support, including the Tacoma-Pierce County Chamber of Commerce. The City Council has scheduled a study session on the topic for Tuesday, February 23<sup>rd</sup>.

## **3. BEZOS ACADEMY AT SALISHAN: NEGOTIATION STATUS**

At the Board meeting, I would like to update the Board on the negotiations with the Bezos Academy for a 15-year lease – rent free – for its use of the Salishan FIC to establish and operate a pre-school that would be tuition free. I will recount the remaining areas needing discussion with the Bezos Academy.

## **4. CABINET TRANSITIONS**

My email of February 20<sup>th</sup> to the Board and all THA staff reported on some transitions ahead for THA's Cabinet. In summary, we have three medical leaves and two retirements to manage. In my email I described our plan to do that. I believe our plan will allow for smooth transitions, largely because of the strength of the Cabinet team and the strength of staff.

My email explains the following concerning Barbara Tanbara and Ken Shalik:

- **Barbara:** The Board meeting this month will be Barbara's last meeting with the Board. She will introduce Amanda Parent to the Board. Amanda has been our very capable Human Resources Manager. She will serve as our Interim HR Director while we search for Barbara's successor. We are fortunate to have such a strong person in Amanda to step up in this way.
- **Ken:** The Board meeting this month will also be Ken's last meeting as our Finance Director, although he will not be leaving THA until later this year. Ken will introduce Rich Deitz. Rich has been our very capable Finance Department Manager. He will serve as our Interim Finance Director while we search for Ken's successor. We are also fortunate to have such a strong person in Rich to step up.

Barbara joined THA in 2004 as our Human Resources Director. Except for a few recent years when for family reasons she stepped back and served as Human Resource Manager, Barbara has been our HR Director for the past 17 years. Ken joined THA in 2008 and for the past 13 years has served as our Finance Director. Those are long terms of service. In that time since they each arrived, THA has stabilized, matured, and grown. Barbara and Ken have their fingerprints all over this progress. I have trouble picturing THA without them.

THA Board of Commissioners

February 21, 2021

Re: Executive Director's Monthly Board Report

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Staff will find an appropriate time and way to thank each of them, perhaps when the pandemic eases so we can do it properly. The Board's meeting this month is a chance for the Commissioners to express their own thanks to Barbara and Ken.



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To: THA Cabinet  
From: April Black  
Date: February 16, 2021  
Subject: Cabinet Planning and Prioritization

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This memo is being written to summary the status of the Cabinet's planning and prioritization work.

## **1. Background**

Over the past several months, the Cabinet, in consultation with their departments, have considered how to plan and prioritize THA's work for the next two years. There is general consensus that THA moves quickly and has a tendency to create overwhelm amongst its staff. We have managed through and achieved some great successes. We are now attempting to be more mindful as we plan for the future in these ever-changing, soon-to-be, post-pandemic times.

In our planning/prioritizing work, we remained rooted in THA's mission and strategic objectives.

Our last meeting occurred in early February. While participation has been great, there is also fatigue in the group. I will be unavailable to continue facilitating the discussions during the month of March so I am writing up the proposals as they stand today to give the group the chance to:

- Celebrate your great work to date (This was hard and the result to-date is invaluable!);
  - Check to see if I've captured this all correctly; and
  - Decide what work is still left to do to round out this discussion and the priorities.
-

## **2. Proposals: If they were to be made as of work done to-date**

The Cabinet, through consultation with their teams, have identified the following overarching priorities/goals for 2021-22:

- Embed racial and social justice into THA's operations especially in how we:
  - Grow talent and capacity within communities of color and get people access to wealth and wealth building;
  - Do THA succession planning;
  - Hiring and training staff;
  - Serve our customers, and
  - Interact within the community.
- Fine tune THA's operations through the creation of Business Processes and Document Management. This includes moving to paperless recertifications, an inspection module that would allow staff to generate a work order, restructuring our business systems to allow THA to grow, and streamlining our programs and operations to allow THA to serve more people.
- Continue to manage through the pandemic and prepare for:
  - Continued uncertainty;
  - Protecting our customers from the end of the eviction moratorium and a long-term economic impacts of the pandemic;
  - Vaccines;
  - Returning staff to the office, and
  - Whatever else comes along
- Create a solid partnership with a mental health agency that can provide 24 hours support to our clients and to provide training support to our staff.
- Establish case management to client ratios so it is more reasonable and can provide a higher touch support in our portfolio. This includes getting more mindful about how services are defined and delivered by THA staff.
- Create a dedicated CSE grants manager to help be more mindful and directed in our grants planning and management.
- Create an assistant case worker position that allows for a pipeline to develop people who don't come with the skill sets necessary to secure existing THA jobs. Also, create an

intern supervisor to allow to bring in more interns. Both strategies will help move people to living wage jobs.

- Knit more of a theory of change throughout the agency so we know who we are, what we do, and how we do it so we can all be moving in the same direction and on the same page. In developing a theory of change, leave room for THA to be fleet of foot to take advantage of new opportunities that come along--loans and grants programs for social justice.
- More interdepartmental team work around development and acquisition projects. RED's role in other departments' work and vice versa to allow collaboration from the time a project is conceived until 5 years after it is built. We note the need to balance the goals against risk and to strive to find balance.

### ***2.1. Unavoidable Projects for 2021-22***

While we have overarching priorities for the agency, we also have daily work to keep THA running, proving high quality customer service, and remaining in compliance with funders. There are also “unavoidable” projects that must be done in 2021-22.

“Unavoidables” are either projects that are underway and can’t be stopped or must be done to meet a compliance requirement. There are a lot of them. They are on the next page so you can see them all on a single page.

These projects are also listed in the Project Database as AD-2021-007 and can be found using this link:

[https://tacomahousing.lightning.force.com/lightning/r/Milestone1\\_Project\\_c/a1R2L00000CQS8XUAX/view](https://tacomahousing.lightning.force.com/lightning/r/Milestone1_Project_c/a1R2L00000CQS8XUAX/view)



902 remodel	FSS Redesign
Accounts Payable Software Implementation	Fund monitoring by bucket, maintaining an appropriate amount, specifically MTW
Admin Plan Update	Hilltop - Housing Hilltop
Advocacy - City of Tacoma housing policy	Hilltop Lofts; including finding service \$\$
Advocacy - Pierce County housing policy	Hiring - Agency wide
Advocacy - Washington state housing policy	Hiring & Onboarding new Finance Director
Arlington Drive Ongoing Funding	Hiring & Onboarding new Human Resources Director
Arlington lease up and close out	IT platform evaluation & Determination about moving to a new platform
Audit - Annual	James Center - Lot Sales/Activation
Bezos Academy	Lease up finalization and close out - AYC
Budgets - Agency and Tax Credit	Lease up finalization and close out - Rise
Business Process Improvement Project	MTW Plan 2022
COVID related - Addressing 2020 Inspections	MTW Report 2020
COVID Related -Maintenance solution for delayed work orders	New phone system
COVID related - Post pandemic & economic recovery impacts	Paperless Cert transition - PM/RA
COVID related - Rent Increases for HCV and Tax Credit properties	Payment Standards/Market Study
COVID related - Reopening Offices	Preventive Maintenance Schedule restart
COVID related - Terminations after Eviction Moratorium	Racial Equity
CSE database fix	Tax Credit Risk review
CSE Strategic Planning	Trauma informed care incorporated in THA's work
Cyber Security Awareness & Training	Trees Acquisition and Set up
Director Transition Process	Union Bargaining - OPEIU & Trades
Director Transitions	FSS Redesign
Document Management System Implementation	Fund monitoring by bucket, maintaining an appropriate amount, specifically MTW
Elevator Portfolio Repair - RTH	Hilltop - Housing Hilltop
Financial closings - Agency and Backlog	Hilltop Lofts; including finding service \$\$
IT platform evaluation & Determination about moving to a new platform	Hiring - Agency wide
James Center - Lot Sales/Activation	Lease up finalization and close out - AYC

## ***2.2. Proposed Priority Projects***

We also identified a list of projects we'd like to prioritize. These are in addition to the unavoidable projects.

THA Succession Plan
Debrief Arlington and The Rise
Individual PIN access for staff
Renew plans for a Maintenance training facility
Transition to biennial rectifications
Bring on in-house counsel
Create a new IT ticketing system
Finalize the new grievance procedure
Vaccines for tenants
Vaccines for staff
Change in THA's criminal background screening
HOP/CHOP/CHAP subsidy evaluation
Evaluate the Education Project
Acquisition of new properties with available funds
Forterra partnership
Shiloh Baptist
Create a Family-friendly THA
Establish processes for incorporating new opportunities/priorities through the next two years
New accounts receivable software
Eco-district/Hilltop Revitalization
Debrief about THA's handling of COVID
RED Project Improvements

## ***2.3. Cautions/What to watch for:***

During our brainstorming sessions, we noted the following:

- We all acknowledge that systems need to be built and work needs to move forward. How do we balance that?
- When we take on new work that is different than work we've done in the past, we need to understand that even when systems are in place the direction of our growth

will test how well those systems work. This group getting aligned about the where we are headed in important to building our systems.

- Systematize how we make decisions so we can send it through filters before deciding to do it.
- Make sure that we don't create such inflexible systems for decision making that we miss opportunities. Doesn't want more bureaucracy.
- Find ways to say that all things are important but pick which to do now and which can wait.

### 3. Next Steps

There is still work to be done here. As I see it, there are three more discussions to be had as a Cabinet. Then work needs to be done to seek Board and staff agreement.

#### 3.1. Agree on the overarching priorities and goals for 2021-22.

These are listed at the beginning of section 2 of this memo. Does the list look right to you? Did I miss or misrepresent anything?

#### 3.2. Populate the start and end dates for the list of Unavoidables from Section 2.1 of this memo so we can see where work loads could be unmanageable. Adjust start and end dates to try to spread work reasonably across departments/months.

#### 3.3. Once you understand the landscape of THA's work with the Unavoidables taken into consideration, discuss whether we should mindfully add any new projects as priorities. You will consult the list in Section 2.2 but other opportunities might also be added before then.

In considering new projects, be mindful of whether there is adequate staffing across the agency—a project originating in one department might impact another. Do both have the resources they need to respond?

#### 3.4. Below are the potential next steps to complete this work:

<i>By February 18</i>	Refine the list of priorities and goals and agree on the list as a Cabinet.
<i>February 22-March 4</i>	Complete the Gantt chart for the Unavoidables and agree on the start/end dates as a Cabinet.
<i>March 8-19</i>	Agree on which, if any, proposed priority projects will be 2021-22 projects and agree on estimated start dates as a Cabinet.
<i>By March 24</i>	Once the Cabinet's proposals have been finalized, they should be shared with the staff and Board. I'd recommend having proposals to share by the March board meeting so the board can weigh in and provide support and/or redirection.
<i>March 25-June 30</i>	Begin normalizing the priorities with staff and the board. Remind staff of the agency priorities and how their work contributes to these goals and priorities.
<i>Weekly beginning April 5<sup>th</sup></i>	Add agency priorities as a regular Cabinet agenda item. Ground department reporting in these priorities. Where department work deviates from priorities, check in about whether priorities should be revisited.
<i>Quarterly in July, October, January, April</i>	Check in with Board about progress on goals/priorities, refine as needed.

# 2021 Legislative Session

## Requested Local Community Project Information Form

**Important Notes:** This is not a formal grant program. This form provides information for House and Senate members to request a separate appropriation in the capital budget for this project. Funding any project is at the discretion of the Legislature.

**This document may be subject to disclosure under the Public Records Act (Chapter 42.56 RCW).**

**Funds are available on a reimbursement basis only and cannot be advanced.**

**All capital construction projects and land acquisition projects require [Governors Executive Order 05-05](#) review.**

**Projects may be subject to state prevailing wage law (Chapter 39.12 RCW).** Requesting organization are encouraged to consult the Industrial Statistician (Jim Christensen: 360-902-5330 or Jim.Christensen@Lni.wa.gov) at the Washington State Department of Labor Industries to determine whether prevailing wages must be paid.

**High-performance building requirements (Chapter 39.35D RCW) and Executive Order 13-03 regarding life cycle and operating costs in public works projects may also apply.**

### Tacoma Housing Authority Affordable Housing Acquisition Project \$3,050,000

**Sponsor(s):** Darneille, Sen. Jeannie,

#### Where is the project physically located?

**Address:** THA is shopping among several prospective properties to purchase. It has 3 in negotiations for a total of 307 units. It is shopping for more. , Tacoma Pierce

**District(s):** 27 28, 29

**Coordinates:** ,

#### Project Contact

**Contact:** Michael Mirra, Executive Director

**Organization:** Tacoma Housing Authority

**Website:** www.tacomahousing.org

**Phone:** (253) 651-3289

**E-mail:** mmirra@tacomahousing.org

**Address:** Tacoma Housing Authority 902 South L Street Tacoma, WA 98405

**Is the organization that will manage the funding different from the project contact organization?**

No

**If it is different, please provide the name of the organization or fiscal agent that will manage the funding.**

n/a

## **Organization Information**

**Is the requesting organization registered with the state as a non-profit organization?**

No

**If answered no, is the applicant a local government?** Yes

## **Project Information:**

**(1) Briefly describe the goal of the project.**

THA intends to acquire existing multi-family apartment complexes in different areas of Tacoma. With the State's help, THA seeks to purchase hundreds of units of existing housing to remove it from the speculative rental market and keep it affordable long term for low income households. There is an urgency to do this, for two reasons. First, Tacoma's rental market is rising in costs, fast. Large sections of the city are on a trajectory that means in 10 years their only notable measure of affordable housing or racial or economic integration will be what THA and its partners succeed in buying or building in the next 5 years. Second, many rental properties are ripe for sale because of the pandemic. Real estate investment funds, with ready cash, are looking for these bargain purchases. Their purchase will move more of the City's rental stock into out of state and speculative ownership, further reducing affordability. That is what happened after the Great Recession. THA is trying to deflect this trend from recurring. THA will use the State funds to leverage private debt and to underwrite the purchased projects to retain affordability, and to repair them after purchase if they need repair. These units will be targeted for low income working families and individuals who are often essential workers and are being priced out of their neighborhoods and their City. With THA's rental subsidies, these properties can also be affordable to persons down to zero income. These purchases will not require the time otherwise necessary to build. And purchasing is much less costly per unit than building new.

**(2) Describe coordination with local officials to include city or county planning and permit offices.**

City of Tacoma housing officials fully support THA's acquisition strategy. The City is one of THA's other sources of financing. Coordination with City and County officials for permits is not required as this is an acquisition proposal.

**(3) Describe consultation with affected tribes: current and future consultations necessary to start work on this project.**

All properties are located outside Tribal jurisdiction. Governor's Office of Indian Affairs (GOIA) will receive appropriate notice

**(4) Describe coordination with Department of Archaeology & Historic Preservation.**

Once final properties are identified, Department of Archaeology and Historic Preservation (DAHP) will receive appropriate notice.

**(5) Describe coordination with the Department of Ecology necessary to meet requirements of SEPA.**

Requirements under SEPA are not anticipated

**(6) Will the entire project be completed after this funding request?** Yes

**(a) Describe the estimated cost and schedule for each remaining phase of the project.**

Full purchase prices will probably be about \$30 million. The State's \$3 million will leverage the balance from

other courses, primarily commercial debt.

**(b) Describe what discrete phase of the project will be completed with the funding from this request and how this phase will benefit the public.**

THA has actually already begun its shopping. It has the purchase of 3 properties (307 units) in negotiation. It will continue its shopping. Acquisition of the existing housing will ensure that the rental units remain affordable in Tacoma. These units will also ensure a measure of economic and racial integration to neighborhoods and schools.

**(7) Start and Completion Dates:**

September 2021 - June 2022

**(8) Eligible Project Type or Phase**

Land Acquisition	\$2,500,000
Demolition and Site Preparation	\$0
Design	\$0
NewConstruction	\$0
Renovation	\$500,000
Other -	\$0
<b>Total Funding Requested</b>	<b>\$3,050,000</b>

NOTE: **Total Funding** includes a mandatory **Commerce Administrative Fee** of up to 3% (up to \$50,000)

**(9) Is this a joint project?** No

**(a) If yes, has a joint operating agreement been signed?**

**(b) If yes, list the partners for the project.**

n/a

**(10) Is the site owned, optioned for purchase, or under a lease?** Optioned for purchase

**(11) Does the applicant understand and agree that any and all real property owned, optioned for purchase, or under a lease, that is acquired, constructed, or otherwise improved using state funds approved by the Legislature must be held and used for the purposes stated in this application for at least ten years from the date of the final payment made for the project?** Yes

**(12) What amount and what percentage of local, federal and state funding has the applicant secured to date?**

City funds (\$1 million). The rest of the financing will be commercial debt and THA funds.

**(13) Besides the amount being requested, what amount of local, federal or other state funding does the applicant plan on securing in the future in order to complete the project? Please list by program.**

n/a

**(14) Please list all past efforts to obtain state funding through the member requested local community project form, including the legislative session and the amount of funding obtained.**

n/a

**(15) Once completed, how will the project fund its ongoing maintenance and operation?**

On going maintenance and operations for this project will be funded through rents and potential THA rent

subsidy. The rent income will be sufficient to cover property management and maintenance costs and fund a replacement reserve to maintain the properties in good condition.

**(16) Will this project have a revenue-generating component that would have community and state economic benefit? Please describe and quantify.**

The project will generate revenue through rents. That will benefit the properties, the neighborhood, and THA.

**(17) Please quantify any long-term job creation that will result from this project.**

The property management will require staff and vendors for all the work it takes to own and manage a residential portfolio: property management, landscape services, maintenance, elevator maintenance, janitorial, office workers, accounting, asset and risk management. All create employment and small business opportunities. We approximate 4 FTE for every 100 units.

**(18) Are there any existing or anticipated community concerns about this project (i.e. conflict with land use, neighborhood concerns, other) that would prevent it from moving forward?**

These purchases will not constitute a change in use for the property. THA has acquired other properties using this approach and has not encountered any neighborhood concerns. Neighborhoods have appreciated the preservation of its housing's affordability and THA's good stewardship.



# ASSOCIATION OF WASHINGTON HOUSING AUTHORITIES (AWHA): WASHINGTON STATE LEGISLATURE BILLS OF NOTE

(February 21, 2021)

Bill #	Title	Summary	Type	Notes
<a href="#">HB 1236</a>	Good Cause Eviction	Limits the reasons for which a landlord may evict a tenant. Imposes a penalty for landlord noncompliance, increases the penalty for deliberate inclusion of prohibited terms in a rental agreement.	Housing	<a href="#">Support Pending Amendments</a>
<a href="#">HB 1277</a>	Document Recording Fee Increase for rental assistance	Establishes a \$100 document recording surcharge assessed by county auditors. 5% goes to AH for All, 2% to landlord mitigation program, remainder to home security fund. Most home security fund deposits are meant for eviction prevention, but may also be used for project-based vouchers, foreclosure prevention, rental assistance for those experiencing homelessness, and tenant education and legal assistance.	Housing	<a href="#">Support - Testify/Sign In</a>
<a href="#">SB 5043</a>	Housing for school district employees	Expands authority to construct, purchase, or in other ways provide housing for school district employees from second-class school districts to all school districts. Allows school districts to contract with other public entities to enable provision of housing, which includes cottages, single-, and multi-family housing. Also exempts these facilities from taxation.	Housing	<a href="#">Support - Testify/Sign In</a>
<a href="#">HB 1070</a>	Modifying allowed uses of local tax revenue for affordable housing and related services to include the acquisition and construction of affordable housing and facilities.	Allows HB 1590 dollars to be used for acquisition of housing and hotels for conversion to permanent supportive housing. Changes threshold for lodging tax revenue from 30 to 80% AMI to 0 to 80% AMI.	Housing	<a href="#">Support - Sign In</a>

# ASSOCIATION OF WASHINGTON HOUSING AUTHORITIES (AWHA): WASHINGTON STATE LEGISLATURE BILLS OF NOTE

(February 21, 2021)

Bill #	Title	Summary	Type	Notes
<a href="#">HB 1083</a>	Concerning relocation assistance for tenants of closed or converted manufactured/mobile home parks.	If an MHP is closed/converted, eligible tenants are entitled to relocation assistance on FC/FS basis. Priority given to parks closed due to owner fraud or health/safety concerns. Eligibility limited to low-income households. Maximum assistance is \$16K for multi-section, \$10K for single-section homes, and is excluded from HH income calculations to determine eligibility for benefits. Additional assistance for park-owners to demolish/dispose of home. Individuals and organizations may apply for relocation assistance from fund.	Housing - MHPs	<a href="#">Support - Sign In</a>
<a href="#">SB 5079</a>	Extending the closure notice period for manufactured/mobile home communities	Changes minimum notification period before closure or conversion of an MHP from one year to three years, removes the alternative of a covenant. Amends compensation clause to give tenant at least 180 days after transaction (while paying rent) before needing to vacate. Compensation amount is greater of market value, prior to closure notice, or \$5K.	Housing - MHPs	<a href="#">Support - Sign In</a>
<a href="#">HB 1100</a>	Concerning the sale or lease of manufactured/mobile home communities and the property on which they sit.	Adds property on which an MHP sits and leasing to "notice of sale" requirement. Establishes "notice of opportunity to purchase", which gives "eligible orgs" (EO) a 45-day window to express intent to buy an MHP. If intent is expressed, owner cannot sell to anyone other than EOs for 90 days. DOC will maintain a database of all EOs who ask to receive "notices of opportunity to purchase". \$10K civil penalty for landlord noncompliance.	Housing - MHPs	<a href="#">Support - Sign In</a>
<a href="#">HB 1300</a>	Deposit documentation bill	Changes "normal wear and tear" to "wear resulting from ordinary use" and further defines term. Requires documentation justifying any portion of deposit withheld, along with the itemized cost of repairs (includes supplies and labor).	Housing	<a href="#">Support - Sign In</a>
<a href="#">HB 1441</a>	Prohibiting discrimination against prospective tenants for unpaid rent or eviction during the COVID-19 pandemic.	Landlords may not discriminate in any way against tenants for a balance of rent due accrued under eviction moratorium, or prior evictions due to a balance of rent accrued under moratorium. Imposes a civil penalty of 4.5x the monthly rent of the unit of interest, plus legal fees/costs.	Housing	<a href="#">Support - Sign In</a>

**ASSOCIATION OF WASHINGTON HOUSING AUTHORITIES (AWHA): WASHINGTON STATE LEGISLATURE BILLS OF NOTE**

(February 21, 2021)

Bill #	Title	Summary	Type	Notes
<a href="#">SB 5396</a>	Expanding the sales and use tax exemption for farmworker housing.	Changes eligibility for exemption to properties in which at least 50% of units are for farmworkers. Does not apply to farmworkers on an H-2A visa. Includes aquaculture. Broadly defines "farm work". Includes seasonal housing.	Housing	<a href="#">Support - Sign In</a>
<a href="#">SB 5160</a>	Addressing landlord-tenant relations by providing certain tenant protections during and after public health emergencies, providing for legal representation in eviction cases, and authorizing landlord access to state rental assistance programs.	Establishes a two-year Eviction Resolution Pilot Program to facilitate mediation for tenants and landlords, provides legal representation (conditional on funding) in rent-related cases, and creates a Landlord Mitigation Program to reimburse landlords for unpaid rent up to \$5K. Repayment plans must amount to at least 1/6th of rent owed each month (e.g. cannot span more than 6 months).	Housing	<a href="#">Other w/ Major Concerns</a>
<a href="#">HB 1259</a>	Expanding public contracting opportunities for women and minority business enterprises by increasing the regulatory oversight and accountability of the office of minority and women's business enterprises.		Public Works	No Position - Seems to apply to State agencies only.

**ASSOCIATION OF WASHINGTON HOUSING AUTHORITIES (AWHA): WASHINGTON STATE LEGISLATURE BILLS OF NOTE**

(February 21, 2021)

Bill #	Title	Summary	Type	Notes
<a href="#">SB 5156</a>	Making expenditures from the budget stabilization account to address issues of homelessness, home security, and economic impacts of the COVID-19 pandemic on small businesses.		COVID, Housing	No Position
<a href="#">SB 5012</a>	Providing a local government option for the funding of essential affordable housing programs.	Allows counties, cities, and towns to levy an excise tax (2-12%, cumulatively) on lodging through internet-based short-term rentals. Jurisdiction must adopt resolution of intent before imposing tax, requires simple majority approval. All money collected must be used exclusively for operating and capital costs of affordable housing programs. Revenues may be used for contracts, loans, or grants to nonprofit orgs or PHAs for AH related service provision. Jurisdiction may retain 5% of total revenues to cover admin costs.	Housing	No Position
<a href="#">HB 1035</a>	Providing local governments with options to grant rent relief and preserve affordable housing in their communities.	Gives cities and counties (only unincorporated areas) ability to create "Aff. Housing Incentive Programs" a.k.a., a property tax exemption. Local taxing districts must be notified/heard beforehand. Sets a number of standards and qualifications based on property types (MF v SF), jurisdictions can add to these reqs. Exemption lasts 6 years, can be renewed once. Establishes annual reporting standards.	Housing	No Position
<a href="#">SB 5260</a>	Requiring annual reporting from the eviction resolution pilot program.		Housing	No Position

**ASSOCIATION OF WASHINGTON HOUSING AUTHORITIES (AWHA): WASHINGTON STATE LEGISLATURE BILLS OF NOTE**

(February 21, 2021)

Bill #	Title	Summary	Type	Notes
<a href="#">SB 5138</a>	Eliminating a business and occupation tax deduction for financial institutions to fund affordable housing.		Housing	No position
<a href="#">HB 1228</a>	Addressing residential landlord-tenant requirements in response to the COVID-19 public health emergency.	Sets aside \$600M from budget stabilization account for emergency rental assistant grant program (DOC). Suspends any active eviction moratorium. Landlords must provide tenants (with rental arrears and no payment plan) with notices of "affidavit of COVID hardship", "early resolution program", and option of payment plan. Landlords may not charge late fees, interest, or other penalties on rental arrears accrued from 2/29/2020 - 6/30/2021. Pre-existing payment plans remain in effect. Establishes early resolution program with courts.	Housing	No Position
<a href="#">HB 1021</a>	Concerning relief of benefit charges when discharge is a result of a gubernatorial declaration of emergency or related executive order.		Other	No issues - Unemployment
<a href="#">HB 1023</a>	Concerning predesign requirements and thresholds.		Public Works	No issues - State Gov
<a href="#">SB 5139</a>	Limiting rent increases after expiration of the governor's eviction moratorium.	Limits rent increases for 6 months following the end of the moratorium; Limits rent increases in the subsequent 6 months to CPI + 3%. Working to get an exemption for subsidized housing.	Housing	Neutral

**ASSOCIATION OF WASHINGTON HOUSING AUTHORITIES (AWHA): WASHINGTON STATE LEGISLATURE BILLS OF NOTE**

(February 21, 2021)

Bill #	Title	Summary	Type	Notes
<a href="#">HB 1308</a>	Expanding apprenticeship utilization requirements.		Public Works	<u>Generally Opposed</u>
<a href="#">HB 1128</a>	Concerning housing benefit districts.	Allows cities and counties to form housing benefit districts for purposes of assembling land and later selling it for housing/development around high capacity transit stations/TOD areas. Emphasis on affordable housing.	Public Works	Discussed - No position
<a href="#">HB 1183</a>	Authorizing a homeshare grant program.	Establishes a home sharing support grant program. Funded by revenues collected through county auditor document recording surcharges. Funds come from same source as existing uses: (a) providing housing and shelter for persons experiencing homelessness and (b) funding the homeless housing grant program.	Housing	Discussed - No position
<a href="#">SB 5032</a>	Relating to the reauthorization and improvements to alternative public works contracting procedures.		Public Works	Discussed - No position
<a href="#">HB 1108</a>	Maintaining funding and assistance for homeowners navigating the foreclosure process.		Housing	
<a href="#">SB 5107</a>	Addressing homelessness.		Housing	

**ASSOCIATION OF WASHINGTON HOUSING AUTHORITIES (AWHA): WASHINGTON STATE LEGISLATURE BILLS OF NOTE**

(February 21, 2021)

Bill #	Title	Summary	Type	Notes
<a href="#">SB 5033</a>	Limiting the property tax exemption for improvements to single-family dwellings to the construction of accessory dwelling units.		Local Planning	
<a href="#">HB 1157</a>	Increasing housing supply through the growth management act and housing density tax incentives for local governments.		Local Planning	
<a href="#">SB 5033</a>	Limiting the property tax exemption for improvements to single-family dwellings to the construction of accessory dwelling units.		Local Planning	
<a href="#">SB 5011</a>	Addressing electronic meetings and notice provisions for common interest communities, condominiums, and homeowners' associations.		Public Works	
<a href="#">SB 5019</a>	Concerning the recording standards commission.		Public Works	

**ASSOCIATION OF WASHINGTON HOUSING AUTHORITIES (AWHA): WASHINGTON STATE LEGISLATURE BILLS OF NOTE**

(February 21, 2021)

Bill #	Title	Summary	Type	Notes
<a href="#">SB 5041</a>	Reducing unnecessary paperwork to promote development.		Public Works	
<a href="#">HB 1076</a>	Relating to allowing whistleblowers to bring actions on behalf of the state for violations of workplace protections		Public Works	
<a href="#">HB 1064</a>	Requiring the disclosure of high-speed internet access availability in the seller's disclosure statement.		Z. Broadband	
<a href="#">HB 1336</a>	Creating and expanding unrestricted authority for public entities to provide telecommunications services to end users.		Z. Broadband	
<a href="#">HB 1104</a>	Extending the operation of the mortgage lending fraud prosecution account until June 30, 2027.		Housing	



**ASSOCIATION OF WASHINGTON HOUSING AUTHORITIES (AWHA): WASHINGTON STATE LEGISLATURE BILLS OF NOTE**

(February 21, 2021)

Bill #	Title	Summary	Type	Notes
<a href="#">HB 1280</a>	Concerning greenhouse gas emissions reductions in the design of public facilities.		Environment & Energy	
<a href="#">HB 1084</a>	Reducing statewide greenhouse gas emissions by achieving greater decarbonization of residential and commercial buildings.		Environment & Energy	
<a href="#">SB 5093</a>	Reducing statewide greenhouse gas emissions by achieving greater decarbonization of residential and commercial buildings.		Environment & Energy	
<a href="#">SB 5211</a>	Authorizing tax increment financing for local governments		Business, Financial Services & Trade	
<a href="#">SB 5188</a>	Concerning the creation of the Washington state public bank		Business, Financial Services & Trade	
<a href="#">HB 1153</a>	Increasing language access in public schools		Education	

**ASSOCIATION OF WASHINGTON HOUSING AUTHORITIES (AWHA): WASHINGTON STATE LEGISLATURE BILLS OF NOTE**

(February 21, 2021)

Bill #	Title	Summary	Type	Notes
<a href="#"><u>SB 5356</u></a>	Concerning prime contractor bidding submission requirements on public works contracts.		Housing	
<a href="#"><u>HB 1335</u></a>	Concerning review and property owner notification of recorded documents with unlawful racial restrictions.		Local Gov't	
<a href="#"><u>HB 1329</u></a>	Concerning public meeting accessibility and participation.		Local Gov't	
<a href="#"><u>SB 5375</u></a>	Concerning a study of the differences in low-income housing development in urban and rural locations.		Housing	
<a href="#"><u>SB 5278</u></a>	Concerning the protection of construction worker wages and benefits.		Labor	
<a href="#"><u>HB 1220</u></a>	Supporting emergency shelters and housing through local planning and development regulations.		Local Gov't	

**ASSOCIATION OF WASHINGTON HOUSING AUTHORITIES (AWHA): WASHINGTON STATE LEGISLATURE BILLS OF NOTE**

(February 21, 2021)

Bill #	Title	Summary	Type	Notes
<a href="#">HB 1247</a>	Allowing an additional property tax exemption for seniors, veterans, and persons with disabilities leasing land in a mobile home park or manufactured housing community.		Finance	
<a href="#">HB 1248</a>	Allowing leased land in a mobile home park or manufactured housing community to qualify for the senior, veteran, and persons with disabilities property tax exemption		Finance	
<a href="#">HB 1494</a>	Providing housing safety, security, and protection for Washington families by creating the antidisplacement property tax exemption.	Establishes a property tax exemption up to the first \$250K of a primary residence's value, in addition to existing exemptions. Does <u>not</u> apply to special taxing districts, only the state levy. Establishes the Washington Tax Justice and Equity Fund, which is meant to compensate for loss of funding for the common schools due to anti-displacement property tax exemption.	Finance	

**ASSOCIATION OF WASHINGTON HOUSING AUTHORITIES (AWHA): WASHINGTON STATE LEGISLATURE BILLS OF NOTE**

(February 21, 2021)

Bill #	Title	Summary	Type	Notes
<a href="#">HJR 4204</a>	Concerning a constitutional amendment providing for a residential real property exemption from property taxes levied for state purposes.	Amends Article VII of the state Constitution to allow for the legislature to provide a property tax levy exemption up to \$250K (see HB1494).	Finance	
<a href="#">HB 1511</a>	Defining affordable housing for purposes of using surplus public property for public benefit.	Changes definition of "affordable housing" in RCW 43.63A.510 to <i>exclude</i> moderate-income earners, and <i>include</i> owner-occupied housing, provided the owner is low-income or very low-income.	Housing	
<a href="#">HB 1515</a>	Concerning security deposit waiver fees.	Allows landlords the option to charge a fee in lieu of a security deposit, tenants have choice between the two, and may opt out of fee (if a continuing, monthly fee) upon full payment of security deposit. May be entirely or partially non-refundable, and used by landlord to purchase coverage for unpaid rent or damage done to the unit	Housing	



February 8, 2021

By email

Mayor Woodards and City Councilmembers  
City of Tacoma  
Tacoma Municipal Building  
747 Market Street, 12th Floor  
Tacoma, WA 98402

Re: HB 1590 Tax for Affordable Housing

Dear Mayor Woodards and City Councilmembers:

I understand that the City Council is considering a sales tax increase of 1/10th of 1% sales tax for affordable housing. HB 1590 (RCW 82.14.530) allows the City to do this by a vote of its Council. This would add a penny of sales tax to an eligible \$10 purchase. I understand that it would generate about \$5 million a year. I write on behalf of the Tacoma Housing Authority (THA) to thank the Council for considering this. Such a local housing source of financing would be an important new resource for the City that THA strongly favors.

I know that the Council needs no reminder that the City faces a crisis shortage of affordable housing and supportive services for its low-income, homeless and elderly residents. I also assume that the City Council appreciates the value of a local housing trust fund. It will not only allow for the development of more housing and more supportive services. It will also generate yet more financing from other places. It will do this by making local developers, such as THA, more competitive for financing from the Washington State Housing Finance Commission, tax credit equity investors, the State Housing Trust Fund, commercial debt, and other public and private sources. This need and these advantages are why creating such a fund is a prominent recommendation in the City's Affordable Housing Action Strategies (AHAS)(September 2018). *See* Section 7.

The Council does need adequate assurance that the City is prepared to put the new revenue to good use. THA is positioned to provide that assurance with its own development pipeline and programs that the financing will make possible. I know that the imposing of this tax does not guarantee that THA's projects will receive this new revenue and that THA will have to apply and compete for funding. Yet, a brief description of what the revenue will allow THA to create, build, or do may give the Council the assurance it needs that the HB 1590 revenue will be bring good value to the City. Here are some examples from THA:

- **THA Hilltop Housing Developments and Investments**  
The Hilltop neighborhood of Tacoma is deep into a large transition. THA feels a mix of excitement and worry about that change. We are excited that, after decades of underinvestment, the Hilltop is getting its share of public and private investment. Its new light rail line is a prominent example. We are also worried that a companion effect of this transition

will rise rents. It is already happening. This rise in housing costs imperils the other kind of investment every neighborhood needs: a long term willingness of people and families to invest themselves and their lives in their neighborhood. Yet, those rising rents are pushing long term Hilltop residents out. This displacement also has a racial dimension as well. Black residents and businesses cannot afford their long-term homes and businesses. The Hilltop is losing its distinction as one of the state's vibrant, prominent Black communities of residents and businesses.

THA has long been heavily invested in the Hilltop. THA owns 396 affordable apartments in 6 properties throughout the Hilltop. They include our newest construction: The Rise on 19<sup>th</sup>. This lovely new property will offer 64 affordable apartments: 14 of them will be for homeless veterans and their families; another 14 are reserved for persons with disabilities and their families. THA's various other properties offer affordable retail space to local businesses and important community spaces. At Bay Terrace, for example, we built the Tacoma Public School's only Headstart classroom outside a school building. THA also began its Tacoma Schools Housing Assistance Program at Hilltop's McCarver Elementary School. All these Hilltop investments have been a very good use of THA's resources.

In response to the Hilltop's worrisome gentrification, THA is increasing its investment there. It has purchased parcels along the light rail line. At the same time, over the past two years, THA convened a detailed neighborhood discussion. In that discussion, Hilltop residents envisioned what they wanted the Hilltop to be or become, and how THA's investments can help. THA used this discussion to plan. On its new parcels THA is planning over 200 affordable apartments and affordable commercial/retail and community space.

Construction will begin this year on Hilltop Lofts. It will provide 57 apartments of permanent supportive housing for chronically homeless adults. THA and its partners have assembled the financing to build it. The project will need City assistance to finance the supportive service those residents will need: \$500,000 annually. That would be an excellent use of the HB 1590 funds.

HB 1590 capital dollars will also help finance the construction of the balance of the 200 apartments.

- **Tacoma Schools Housing Assistance Project (TSHAP)**

The Council is familiar with the innovative partnership between THA and Tacoma Public Schools that houses homeless families with enrolled public school students. This program began at McCarver Elementary School on the Hilltop. THA and TPS have now expanded the program to serve students in all Tacoma public schools and all grades. The main expense of this expansion will always be the housing dollar. And that will come from THA. THA and TPS will need the City's help to pay for the supportive services the families will need: \$450,000 per year. That too will be an excellent use of the HB 1590 financing.

- **James Center North Development**

THA has purchased a 7 acre mall called James Center North, across Mildred Street from Tacoma Community College. THA and its partners are beginning to implement THA's master plan to develop 600 apartments, commercial and retail space, and indoor and outdoor

community space. Some of those units will be valuable additions to the THA College Housing Assistance Program (CHAP). CHAP houses or pays to house homeless enrolled students at TCC and University of Washington-Tacoma. (The Kennedy School of Government at Harvard University named CHAP one of the 25 most innovative government programs of 2018). THA and its partners have expanded CHAP to serve 300 students. The new housing at James Center North will help that expansion be more successful. The development will take financing from multiple sources, public and private, but mostly private. HB 1590 financing from the City will make THA more competitive for that other financing.

- **Hilldale Heights (Housing for Foster or Adoptive Families and Seniors)**

THA owns 7 acres at the corner of 60<sup>th</sup> and McKinley. We and our partners are planning an innovative intergenerational campus. It will include townhomes and single-family homes for rent to low income families that are fostering or adopting high needs children. The campus will have facilities and service providers to support those families. The campus will have an apartment building offering critical housing for low-income seniors. The program will ask those seniors to be respite care givers, honorary grandparents and support for those families and the children. The campus is modeled after a similar one in Portland called Bridge Meadows.

These are samples from THA's pipeline. I enclose some documents describing them in more detail.

THA feels an urgency to its pipeline that we hope the City will also feel to inform its decision about the HB 1590 question. THA judges that large parts of the City's housing market are in such transition and becoming so much more expensive that in ten years their only notable measure of affordable housing and racial and economic integration will be what THA, its partners and others succeed in owning, building, or buying in the next 5 years. THA's job is to build or buy as much housing as possible to remove it from the speculative rental market and by our public ownership ensure its long-term affordability. As the housing market changes, THA's need to move as fast as possible.

Most of the money for THA's work will come from private tax credit investors, commercial debt, state funds and federal financing. To make THA more competitive for those sources, it needs the City to have a local housing trust fund. HB 1590 gives the City a chance to get it done.

I hope this helps you make the judgement before you. It is an important one.

Cordially,

TACOMA HOUSING AUTHORITY



Michael Mirra  
Executive Director

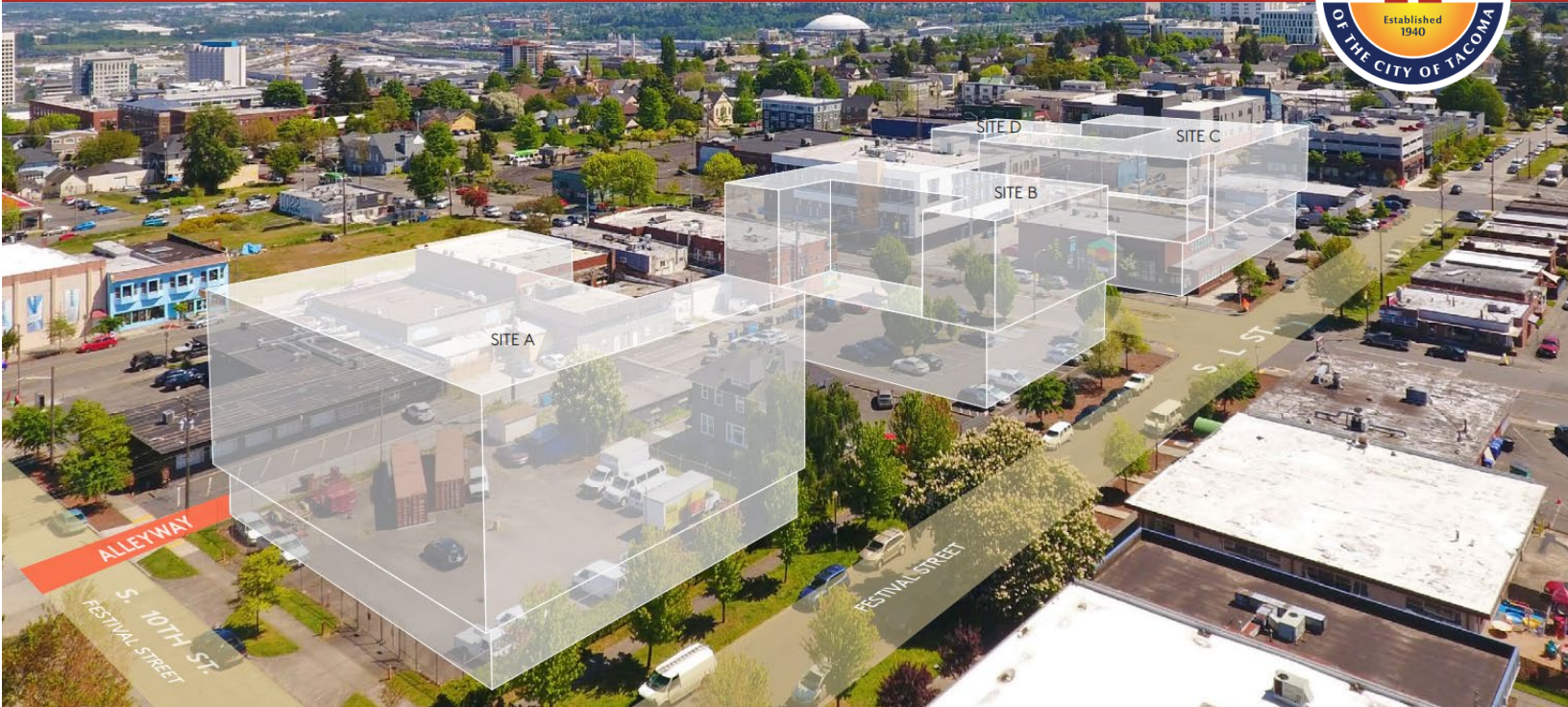
enclosures

cc: THA Board of Commissioners



# Hilltop Master Plan & Hilltop Lofts

Tacoma Housing Authority's #DesigntheHill Campaign



**237**  
**Affordable**  
**Apartments**

**Studio,**  
**1, 2, and 3**  
**bedroom units**

**Office &**  
**Commercial**  
**Space**

## Hilltop Community Plan

Tacoma's Hilltop neighborhood has faced many challenges over the years: Disinvestment, crime, a commercial exodus, and now housing inflation and gentrification. The Tacoma Housing Authority created a community and economic development framework to help invest in this incredible neighborhood.

In 2019, we partnered with *Fab 5* and *Mithun* to host Design Labs and Creative Engagement projects. These projects helped us listen and gather feedback from the Hilltop's diverse community of youth, senior citizens, non-native English speakers, and business owners

As a result, we heard a few key concerns:

- Create more affordable housing.
- Include housing for people experiencing homelessness.
- Prioritize applications from current or displaced Hilltop residents.
- Provide commercial and retail space with a focus on supporting local and minority-owned businesses.
- Includes community gathering spaces.
- Activate the alleyways behind the buildings with places for people to gather.





## Hilltop Lofts

We are partnering with Horizon Housing Alliance to build the first of four mixed-use buildings outlined in the Hilltop Community Framework Plan. The 57 unit building will offer permanent supportive housing for individuals exiting homelessness. It is close to medical and supportive services necessary for the residents. It is a short walk to the new light rail station, People's park, Community Health Care, SeaMar, and Sound Outreach.

The building will have 4,000 square feet of commercial space, property management offices and residential amenity space. We will build a private courtyard for residential tenants.

We anticipate having contracts and financing in place by October 2020.

### Learn More:

[Tacomahousing.net/housing-hilltop](https://tacomahousing.net/housing-hilltop)

### Contact:

Roberta Schur  
(253) 207-4434  
rschur@tacomahousing.org



# The Rise at 19<sup>th</sup>

A Tacoma Housing Authority Property in the Hilltop Neighborhood



## 64

**1 & 2 Bedroom  
Apartments**

## 14

**Units for people  
exiting homelessness**

## 14

**Units for people  
with disabilities**

## A Beautiful New Apartment Overlooking Downtown Tacoma

Tacoma Housing Authority began construction on The Rise at 19<sup>th</sup> in the summer of 2019. The Rise will add 64 affordable apartments to the Hilltop neighborhood. We will reserve 14 of the apartments for people or families coming from homelessness. We will also reserve another 14 for people with disabilities. In this way, The Rise at 19<sup>th</sup> will help address the public health emergency the City Council declared homelessness to be.

## Continuing Our Hilltop Investments

The Rise at 19<sup>th</sup> began as part of our Hillside Terrace public housing developments spread over 4 properties between South 15<sup>th</sup> and South 27<sup>th</sup>. They were built in the 1960's with 165 apartments. Tacoma Housing Authority bought them in 1976. By 2000 the properties were worn out. Since then we have demolished or rebuilt them. To date we have built back 206 apartments with community facilities. Our Bay Terrace property between 25<sup>th</sup> and 27<sup>th</sup> Street has Tacoma Public School's only HeadStart program outside a school. These developments helped spark private investments that have since spread throughout the Hilltop. We have more Hilltop developments on the way. They all show our efforts to set high standards of affordability, environmental responsibility, and design.



These investments are especially timely as the Hilltop gentrifies. By investing, we seek to make the Hilltop's blossoming equitable, with a shared prosperity. By what we build and how we build it, we seek to make the Hilltop what Tacoma Housing Authority's mission statement seeks for all Tacoma neighborhoods: that they be places that all people experience as "safe, vibrant prosperous, attractive, and just."

The project will cost **\$21 million** to build. Most of the money will come from private sources, with important public partners:

- Tax credit equity investors (Boston Capital)
- Commercial debt (Heritage Bank)
- City of Tacoma
- Washington State
- Tacoma Housing Authority

**Architects:** SMR Architects **Contractor:** MarPac Construction



**Learn More:** [Tacomahousing.net/Rise-19th](https://tacomahousing.net/Rise-19th)

**Contact:** Brandon Wirth, (253) 448-2790, [bwirth@tacomahousing.org](mailto:bwirth@tacomahousing.org)

# Tacoma Schools Housing Assistance Program

Tacoma Housing Authority Education Project Summary



## We House and Help Stabilize Homeless Tacoma Public School Families

### Our Housing Assistance

**Tacoma Public Schools serves hundreds of homeless students every school year.**

Research shows that students without secure housing have trouble succeeding in school. Even frequent moves from house to house or school to school can be ruinous to school success. Our Tacoma Schools Housing Assistance Program (TSHAP) provides housing and supportive services to homeless or near homeless students in all schools and all grades of Tacoma Public Schools. It is a partnership among Tacoma Housing Authority, Tacoma Public Schools, Pierce County and social service providers.

- For this purpose, we invest housing dollars into the Pierce County Coordinated Entry system. Pierce County Human Services administers this county-wide centralized system to help connect homeless families and individuals to housing and supportive services. It will now have a focus on homeless Tacoma school families.
- Tacoma McKinney-Vento District Liaisons refer families to Coordinated Entry service providers who:

**Assess the needs of every family** with a solutions-oriented conversation, empowering the household to self-identify possible solutions to gain housing.

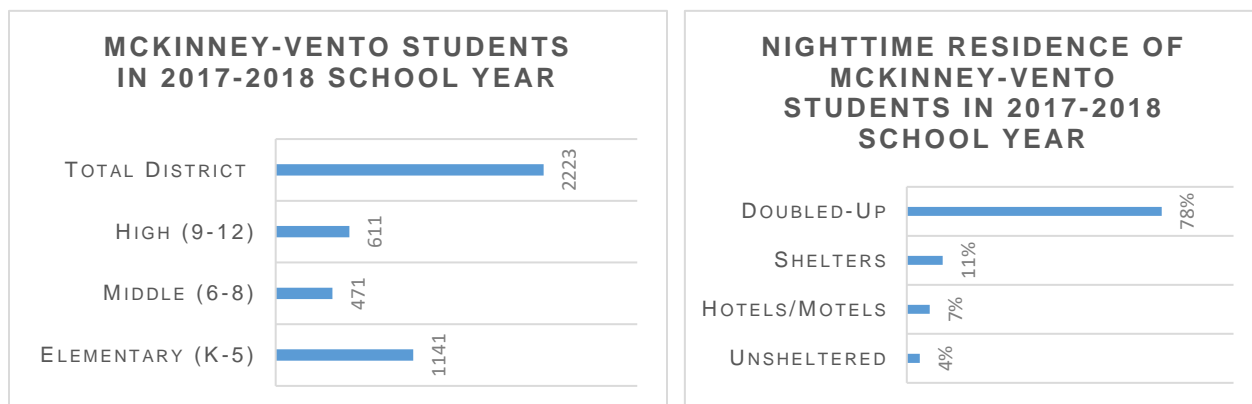
**Provide the appropriate housing services** by enrolling eligible households into rapid-rehousing or connecting families to services that can address their needs to become successfully housed.

**“Students who live doubled-up have similarly poor academic outcomes as those living unsheltered, in shelters, or in motels”**

\*McKinney-Vento is a federal act that defines homeless children as “individuals who lack a fixed, regular, and adequate nighttime residence.” - The Office of Superintendent of Public Instruction

## Increase Family Access

McKinney-Vento families are those who are literally homeless and those who are at risk of homelessness, including those who are living doubled-up. Many homeless-services in the area only serve the literally homeless, leaving over 70% of Tacoma's McKinney-Vento families without access to housing resources. TSHAP fills this gap by increasing the capacity of Pierce County's Coordinated Entry to serve Tacoma Public School families of all homeless statuses, including near homeless.



## Data Informed Decisions

The unique collaboration between Tacoma Housing Authority, Tacoma Public Schools, and homeless servicing agencies allows partners and stakeholders to measure the immediate and long-term effect of TSHAP. A data sharing agreement allows the partners to make data informed decisions.

## Build on previous learning

TSHAP is an expansion of our McCarver Elementary School Housing Assistance Program that operated between 2011-2019. That earlier program provided housing & case management assistance for homeless families enrolled at McCarver Elementary. The program reduced their transience, improved student test scores and increased families' earned income. These positive outcomes allowed us and Tacoma Public Schools to expand the program to all schools and all grades.

## Our Education Project

TSHAP is part of Tacoma Housing Authority's Education Project, which seeks ways to spend a housing dollar not only to house families in need but to help their children succeed in school and to promote the success of schools serving low-income students. Our Education Project is a robust partnership with Tacoma Public Schools, local public colleges, and other educational institutions.

Learn more at [www.tacomahousing.net/education-project](http://www.tacomahousing.net/education-project)

## Project Contact:

Amy Van, Project Manager  
(253) 448-2782 | [avan@tacomahousing.org](mailto:avan@tacomahousing.org)



# James Center North

West Tacoma Redevelopment by Tacoma Housing Authority



**500**  
Future  
Apartments

**13**  
Current Commercial  
Tenants

**14,000**  
Students Attend  
TCC Every Year

## Property Description

The Tacoma Housing Authority purchased James Center North, a 6.9 acre mall across the Mildred from Tacoma Community College campus and the Pierce Transit Center. It is an excellent site for mixed-use development of housing, commercial property, and community space.

## Investing in West Tacoma, its residents and businesses

West Tacoma is a vibrant and appealing area for families, residents, and businesses. Yet it grows less affordable by the day. We believe that the only notable amount of affordable housing in this area in the coming years will be what we and our partners own, buy, or build in the next few years. THA's purchase of James Center North is part of its growing investment in this neighborhood and in its residents and businesses. This purchase will also further strengthen THA's partnership with Tacoma Community College in which THA houses homeless enrolled TCC students and their families.

**Learn More:** [tacomahousing.net/james-center-north](https://tacomahousing.net/james-center-north)

**Contact:** Brandon Wirth, (253) 448-2790, [bwirth@tacomahousing.org](mailto:bwirth@tacomahousing.org)



621 Tacoma Ave. S. #313  
Tacoma, WA 98402  
253-627-0949

February 6, 2021

By email

Mayor Woodards and City Councilmembers  
City of Tacoma  
Tacoma Municipal Building  
747 Market Street, 12th Floor  
Tacoma, WA 98402

Re: HB 1590 Tax for Affordable Housing

Dear Mayor Woodards and City Councilmembers:

HB 1590 (RCW 82.14.530) allows the City, by a vote of its Council, to impose a 1/10<sup>th</sup> of 1% sales tax for affordable housing. This would add a penny of sales tax to an eligible \$10 purchase. I understand that it would generate about \$5 million a year. I also understand that the City Council is considering a vote to approve this tax. I write to thank the City Council for its consideration. I also write to urge the Council to vote in favor of the proposal. I write as President of the Board of the Tacoma-Pierce County Affordable Housing Consortium (AHC) on behalf of its membership.

AHC members include the local banks, construction companies, architectural firms, developers and other organizations, public and private, for-profit and nonprofit, and individuals, who finance affordable housing, design it, build it, own it, manage it, provide the supportive services to residents who live in that housing, and who care about affordable housing and the people who need it. AHC members also share a deep concern that Tacoma does not have enough affordable housing and supportive services for its residents. As a result, it is not the healthy, prosperous, and equitable City we all wish it to be.

I assume the City Council needs no further convincing to recognize the City's crisis shortage of affordable housing and supportive services. Indeed, the Council has declared the resulting homelessness to be a public health emergency. We also assume that the Council needs no convincing about the value of affordable housing and how the City's economic and social welfare depends on having enough of it. The City Council recognized this value in City Council Resolution 38264 (May 11, 2011). I attach a copy. It may be the nation's finest municipal statement on the matter.

Instead, I note only that the minimum sales tax increase available under HB 1590 is a chance to continue the City's progress in addressing the crisis. The City Council should take this chance for many reasons. Here are three of them:

- 1. The HB 1590 tax would implement a recommendation of the City's Affordable Housing Action Strategy**  
"[D]eveloping new revenue sources to increase monies for affordable housing" is a key recommendation of the City's Affordable Housing Action Strategy (AHAS)

(September 2018). In particular, the AHAS calls for the City to “increase its local resources through actions that seed and create a dedicated source of funding for the Tacoma Housing Trust Fund.” *See* Section 7. The City Council has stated its support for the AHAS. Approving the HB 1590 sales tax would make that support meaningful.

**2. HB 1590 would be a progressive use of a sales tax**

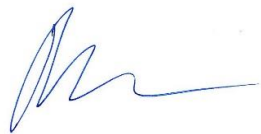
The AHC acknowledges, and shares, the concern that a sales tax is necessarily regressive in its proportionally greater burden on low income persons and households. We must acknowledge, however, that the City is constrained by the regressive tax structure of the state, which limits the financing tools available to cities. Yet, by way of mitigation, we also note that HB 1590 directs the uses of the revenue generated by the tax increase to a decidedly progressive focus on serving low-income persons and households.

**3. The City is ready to put the revenue to very good uses**

The City and its very capable community and economic development staff have the skills and experience for the effective uses of the revenue a HB 1590 tax would generate. We have this confidence for three reasons. **First**, the City’s AHAS provides a good blue print for that purpose. **Second**, the City has already made good progress assisting new projects. Yet the progress is not enough for the emergency. The effort needs local financing. **Third**, AHC members include developers - public housing authorities, nonprofit organizations, and private firms - that have their own pipelines of affordable housing projects that would put the revenue to very good use. Their use of the revenue would make these local projects, and the City generally, much more competitive for other financing, both public and private. These developers know how to take a dollar of City money and leverage many more dollars from state and federal sources, tax credit investors, and commercial debt. These uses make the revenue a multiplying bargain for the City.

The Tacoma Pierce County Affordable Housing Consortium and its members are grateful to have a City Council focused in this way, not only on the housing emergency, but also on some practical and effective solutions. We are prepared to give the City every support in its consideration of this proposal and in the effective uses of the revenues.

TACOMA PIERCE COUNTY AFFORDABLE  
HOUSING CONSORTIUM



Peter Ansara  
President of the Board





## RESOLUTION NO. 38261

1 BY REQUEST OF DEPUTY MAYOR WALKER AND COUNCIL MEMBERS FEY,  
2 LONERGAN, AND MANTHOU

3 A RESOLUTION relating to affordable housing; authorizing the adoption of the  
4 Affordable Housing Policy Principles.

5 WHEREAS, throughout 2009, the Neighborhoods and Housing  
6 Committee ("Committee") worked to create an affordable housing policy  
7 recommendation for the City Council, and

8 WHEREAS, prior to recommending its final draft, the Committee  
9 recommended that the City Council pursue additional public feedback, and

10 WHEREAS, on April 27, 2010, the City Council created and appointed  
11 an Affordable Housing Policy Advisory Group ("Advisory Group") to perform the  
12 following: (1) review the prior work of the Committee's affordable housing  
13 policy development process and the work of the Pierce County Housing  
14 Affordability Task Force; (2) review demographic data and identify data  
15 development needs in order to inform planning efforts; (3) provide input and  
16 consultation necessary to refine the Committee's affordable housing policy  
17 recommendations; (4) recommend a series of supporting policy actions that are  
18 consistent with or complementary to the City's Comprehensive Plan; and  
19 (5) build a consensus of Advisory Group members, and

20 WHEREAS, on December 3, 2010, the Advisory Group provided a final  
21 report to the Committee, and  
22  
23  
24  
25  
26



WHEREAS the Committee is in the process of reviewing the recommendations of the Advisory Group and recommends that the City Council adopt the eight policy principles recommended by the Advisory Group in recommendation 3.1 of the report, and

WHEREAS, in summary the policy principles include the following:

A. The City's welfare requires an adequate supply of well-built and well-managed affordable housing serving the full range of incomes appearing among its residents. An adequate supply of this housing is vital to the following important civic needs and values:

- 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.



1 B. Affordable housing developments by nonprofit developers, public and  
2 private, in the City, region, and nation have been among the most attractively  
3 designed, most environmentally innovative, and best managed in the market  
4 place.

5 C. Nonprofit developments of affordable housing will never likely be  
6 adequate to meet the City's needs. The City also needs a companion strategy  
7 to enlist the engine of private market rate developments to include a measure  
8 of affordable units. These strategies also provide the added benefit of  
9 economic and demographic integration.  
10

11 D. Affordable housing developments have spurred the revitalization of  
12 neighborhoods, encouraging both public and private investment, helping the  
13 City attain its desired density, and furthering a neighborhood's economic  
14 development.

15 E. Affordable housing is an asset to be encouraged and not a detriment  
16 to be tolerated and controlled.  
17

18 F. The City should promote the development of affordable housing in  
19 every City neighborhood.

20 G. In seeking the appropriate balance, the City should not have to  
21 compromise important neighborhood design standards in order to promote  
22 affordable housing. Instead, proper design should allow affordable housing to  
23 show the way for all developments servicing all incomes toward a greener,  
24  
25  
26



1 more sustainable urban future that accommodates the appropriate density that  
2 the City's planning documents anticipate to be necessary for the City's  
3 projected population allocations.

4 H. In a complex community like Tacoma, interests and policies often  
5 clash. Good governance is the effort to balance them appropriately. In doing  
6 so, the City should give a very high priority to the promotion of affordable  
7 housing development, and

8  
9 WHEREAS the City Council wishes to include consideration of these  
10 policy principles in future updates to the City's Comprehensive Plan,  
11 Consolidated Plan, and Human Services Strategic Plan; Now, Therefore,

12 BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

13 Section 1. That the City Council hereby adopts the policy principles set  
14 out in recommendation 3.1 of the Affordable Housing Policy Advisory Group  
15 Final Report, received on December 3, 2010.

16  
17 Section 2. That the City Council requests the Planning Commission, the  
18 Tacoma Community Redevelopment Authority, the Human Services  
19 Commission, and other appropriate City bodies to incorporate the policy  
20 principles into the City's Comprehensive Plan, Consolidated Plan, the Human  
21 Services Strategic Plan, and other appropriate policy documents.

22  
23 Section 3. That the City Manager is directed to make available staff from  
24 the Tacoma Community and Economic Development Department, the Human



1 Rights and Human Services Department, and other General Government  
2 Departments, as may be necessary, to assist the appropriate boards and  
3 commissions in the incorporation of these policy principles.

4 Adopted MAY 17 2011

5 Mark Ford  
6 Mayor

7 Attest:

8 Doris Seum  
9 City Clerk

10 Approved as to form:

11 [Signature]  
12 City Attorney  
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# REQUEST FOR

☐ ORDINANCE ☒ RESOLUTION

Request #:

Ord./Res. #:

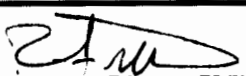
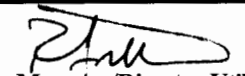
12934

38264

MAY 10 2011

1. DATE: May 2, 2011

2. SPONSORED BY: COUNCIL MEMBER(S) Deputy Mayor Walker, Council Member Manthou, Council Member Fey, and Council Member Lonergan

3a. REQUESTING DEPARTMENT/DIVISION/PROGRAM City Manager's Office  3b. "DO PASS" FROM Neighborhoods and Housing <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> To Committee as information only <input type="checkbox"/> Did not go before a Committee  3c. DID THIS ITEM GO BEFORE THE PUBLIC UTILITY BOARD? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> Not required	4a. CONTACT (for questions): Tansy Hayward	PHONE: 253-591-5133
	4b. Person Presenting: Deputy Mayor Walker	PHONE: 253-591-5100
	4c. ATTORNEY: Elizabeth Pauli	PHONE: 253-591-5169
 Department Director/Utility Division	N/A Budget Officer/Finance Director	 City Manager/Director Utilities

5. REQUESTED COUNCIL DATE: May 17, 2011

(If a specific council meeting date is required, explain why; i.e., grant application deadline, contract expiration date, required contract execution date, public notice or hearing required, etc.)

6. SUMMARY AGENDA TITLE: (A concise sentence, as it will appear on the Council agenda.)

Adopting eight policy principles as recommended by the Affordable Housing Policy Advisory Group and directing further consideration of the policy principles in future planning and policy documents

7. BACKGROUND INFORMATION/GENERAL DISCUSSION: (Why is this request necessary? Are there legal requirements? What are the viable alternatives? Who has been involved in the process?)

Throughout 2009, the Neighborhoods and Housing Committee worked to create an Affordable Housing policy for recommendation to the full Council. Prior to recommending the committee's final draft, the committee sought additional public feedback through the creation and appointment of an Affordable Housing Policy Advisory Group. The Affordable Housing Policy Advisory Group provided a report to the Neighborhoods and Housing committee on December 3, 2010.

Since receiving the report, the Neighborhoods and Housing Committee has begun reviewing each recommendation and requesting additional evaluation by city staff, where appropriate. At this point, the Neighborhoods and Housing Committee is recommending that the full City Council adopt eight policy principles that were included in recommendation 3.1 of the report. In summary, the policy principles include:

(1) The city's welfare requires an adequate supply of well built and well managed affordable housing serving the full range of incomes appearing among its residents. An adequate supply of this housing is vital to the following important civic needs and values:

- The city's prosperity, economic development and growth of employment opportunities
- The appropriate amendment of the city's projected population growth and transportation needs;

## REQUEST (CONT)

CITY CLERK USE ONLY

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- 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.

(2) Affordable housing developments by nonprofit developers, public and private, in the City, region and nation have been among the most attractively designed most environmentally innovative and best managed in the market place.

(3) Nonprofit developments of affordable housing will never likely be adequate to meet the City's need. The City also needs a companion strategy to enlist the engine of private market rate developments to include a measure of affordable units. These strategies also provide the added benefit of economic and demographic integration.

(4) Affordable housing developments have spurred the revitalization of neighborhoods, encouraging both public and private investment, helping the City attain its desired density, and furthering a neighborhood's economic development.

(5) Affordable housing is an asset to be encouraged and not a detriment to be tolerated and controlled.

(6) The City should promote the development of affordable housing in every City neighborhood.

(7) In seeking the appropriate balance, the City should not have to compromise important neighborhood design standards in order to promote affordable housing. Instead, proper design should allow affordable housing to show the way for all developments servicing all incomes toward a greener, more sustainable urban future that accommodates the appropriate density that the City's planning documents anticipate to be necessary for the City's projected population allocations.

(8) In a complex community like Tacoma, interests and policies often clash. Good governance is the effort to balance them appropriately. In doing so, the City should give a very high priority to the promotion of affordable housing development.

In addition to adopting the policy principles, this resolution would request that the Planning Commission, the Human Services Commission, the Tacoma Community Redevelopment Authority, and other appropriate boards and commission incorporate these policy principles into appropriate policies and planning documents including the Comprehensive Plan, Consolidated Plan and Human Services Strategic Plan. It would also direct the City Manager to make staff available to support these boards and commissions.

**REQUEST (CONT)**

**CITY CLERK USE ONLY**

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**8. LIST ALL MATERIAL AVAILABLE AS BACKUP INFORMATION FOR THE REQUEST AND INDICATE WHERE FILED:**

Source Documents/Backup Material	Location of Document
Affordable Housing Policy Advisory Group Policy Recommendations to the City, dated December 3, 2010	City Clerk's Office

**9. WHICH OF THE CITY'S STRATEGIC GOALS DOES THIS ITEM SUPPORT? (CHECK THE GOAL THAT BEST APPLIES)**

- A. ☐ A SAFE, CLEAN AND ATTRACTIVE COMMUNITY
- B. ☒ A DIVERSE, PRODUCTIVE AND SUSTAINABLE ECONOMY
- C. ☐ A HIGH-PERFORMING, OPEN AND ENGAGED GOVERNMENT

**10. IF THIS CONTRACT IS FOR AN AMOUNT OF \$200,000 OR LESS, EXPLAIN WHY IT NEEDS LEGISLATIVE APPROVAL:**

**11. FINANCIAL IMPACT:** ☐ EXPENDITURE ☐ REVENUE

- A. ☒ NO IMPACT (NO FISCAL NOTE)
- B. ☐ YES, OVER \$100,000, Fiscal Note Attached
- C. ☐ YES, UNDER \$100,000, (NO FISCAL NOTE)
- Provide funding source information below:

**FUNDING SOURCE: (Enter amount of funding from each source)**

Fund Number & Name:	State \$	City \$	Other \$	Total Amount
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If an expenditure, is it budgeted? ☐ Yes ☐ No Where? Cost Center:  
Acct #:



Resolution No. 3820

Adopted: MAY 17 2011

Maker of Motion: WALKER

Seconded: LONERGAN

Voice Vote:

MEMBERS	AYES	NAYS	ABSTAIN	ABSENT
Mr. Boe	✓			
Mr. Campbell	✓			
Mr. Fey	✓			
Mr. Lonergan	✓			
Mr. Manthou	✓			
Mr. Mello	✓			
Ms. Walker	✓			
Ms. Woodards	✓			
Mayor Strickland	✓			

Roll Call Vote:

MEMBERS	AYES	NAYS	ABSTAIN	ABSENT
Mr. Boe				
Mr. Campbell				
Mr. Fey				
Mr. Lonergan				
Mr. Manthou				
Mr. Mello				
Ms. Walker				
Ms. Woodards				
Mayor Strickland				



**TACOMA HOUSING AUTHORITY**

**ADMINISTRATION  
REPORTS**



**TACOMA HOUSING AUTHORITY**

**FINANCE**



# TACOMA HOUSING AUTHORITY

## **Motion**

Adopt a consent motion ratifying the payment of cash disbursements totaling \$5,819,314 for the month of January, 2021.

**Approved: February 24, 2021**

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Stanley Rumbaugh, Chair

**TACOMA HOUSING AUTHORITY**  
**Cash Disbursements for the month of January 2021**

		Check Numbers		Amount	Totals
		From	To		
A/P Checking Accounts					
Accounts Payable Checks	Check #'s	94,639	- 94,687		
Arlington CRC Checks	Check #'s	10,027	- 10,028		
Accounts Payable ACHs	ACHs	405	- 469		
Business Support Center				502,540	Program Support
Moving To Work Support Center				105,102	
Moving To Work Buildings (used by Support Center)				10,469	
Tax Credit Program Support Center				26,175	
Section 8 Programs				270,128	Section 8 Operations
Salishan 7				26,666	Properties
Arlington Crisis Residential Center				106,091	Development
Trees Properties (Conifer S, Pine Tree, Redwood Juniper)				1,750	
James Center				3,910	
Hilltop Redevelopment				10,697	
Bus Development Activity				14,579	
CS General Business Activities				375	Client Support
Pierce Co. CARES Act - Affordable Housing				147,871	
Department of Commerce Funding for Crisis Residential Center				75,288	
Community Services MTW Fund				3,637	
Education Private Grants (Gates, etc.)				77,270	
AMP 6 - Scattered Sites				2	Public Housing
AMP 9 - HT 1500 - Subsidy				2,085	
THA SUBTOTAL				1,384,634	
Hillside Terrace 2 & 1500				3,193	Tax Credit Projects - Reimbursable
Bay Terrace I & II & Community Facility				5,529	
Arlington Youth Campus				138	
Court F (The Rise)				4,755	
Renew Tacoma Housing				12,407	
Salishan 1 - Salishan 6				6,704	
TAX CREDIT SUBTOTAL (Operations & Development - billable)				32,726	1,417,360
Section 8 Checking Account (HAP Payments)					
SRO/HCV/VASH/FUP/NED	Check #'s	483,927	- 484,020	140,021	
	ACHs	2,985	- 3,937	3,454,454	\$ 3,594,475
Payroll & Payroll Fees - ADP					\$ 807,479
TOTAL DISBURSEMENTS					\$ 5,819,314



# TACOMA HOUSING AUTHORITY

**Date:** February 24, 2021

**To:** THA Board of Commissioners

**From:** Ken Shalik  
Director of Finance

**Re:** Finance Department Board Report

## 1. FINANCIAL STATEMENT COMMENTS

I present the January, 2021 disbursement report for your approval.

The Finance Department is submitting the final financial statement for the year ending December 31, 2020.

For Fiscal Year 2020, the agency closed out the year in good financial shape. The impact of COVID on the agency financials was mixed. We received additional funds in the form of Admin fees from Housing and Urban Development (HUD) (\$1.7 million) and Cares act funding from the County (\$750K). These funds were spent on Housing Assistance Program (HAP), agency expenses, and payment of tenant rent arrearages for those in our portfolio and voucher program. Administrative expenses, such as Travel/training basically was virtually non-existent during COVID, and we had delays in hiring staff in areas such as the Business processes. Approximately \$410k of COVID administrative fee funds were passed onto the properties to assist in areas such as sanitizing and security necessitated by the pandemic. We also paused on the remodel of our administrative building at 902 due to the challenges of COVID and changing nature of how we do our work. Changes have been made to the remodeling plan anticipating how we will conduct our work, and move forward with in 2021.

For the year ending December 31, line 51 shows a Year to Date (YTD) operating surplus of \$1,399,312. With the sales proceeds from the AMP 6 Single Family homes, the overall YTD surplus is \$1.544,274 (line 56).

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

- *Line 1 – Section 8 HAP Reimbursement* – THA ended the year significantly under budget in this category. Even though we were on target in our Housing Assistance Payments, our other Moving to Work (MTW) Operating and Capital (902 remodel) expenses were well under budget. We still have access to the difference, as these funds reside at HUD due to Cash Management rules. Our HUD funds increased from \$2.2 million at the end of 2019 to \$8.5 million at the end of 2021. Our 2021 agency budget contemplated this increased amount at HUD, with plans to reduce it

## FINANCE DEPARTMENT MONTHLY REPORT

February 24, 2021

Page 2

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significantly. This is still an area to monitor in 2021 to ensure we are utilizing it as planned. It is also important to note that the agency's 2021 budget was approved at the same funding level as 2020, which means any increase in funding in 2021 will need to be factored into our 2021 continuous review process.

- *Line 2 – Section 8 Admin Fees* – We received an approximate \$1.7 million in additional fees from HUD for COVID in 2020, which accounts for the majority of the increase. There is approximately \$200k remaining of the COVID funds at the end of 2020, which can be expended in 2021. These increased funds were used for staff and hardship HAP, as well as Property COVID expenses.
- *Line 4 – HUD Grant Public Housing* – This category was inadvertently left off the budget. There are 4 remaining Public Housing units remaining at Hillside 1500, plus some residual subsidy payments for our Scattered Sites public housing units that were sold.
- *Line 5 – HUD Grant – Capital Fund Revenue* – This is mainly a carryover of funds from 2019 funds, which was the last year of a significant Capital Fund Program (CFP) allocation due to the transition of our Salishan and Hillside units to Rental Assistance Demonstration (RAD). We had initially intended to draw it all down in 2020 but decided to defer additional draws until 2021 in order to be able to draw down more HAP funds in 2020.
- *Line 6 – Other Government Grants* – The additional amount in this category represents \$750k in Cares Act from the County to assist with rent arrearage payments for tenants we serve. Additionally, we received \$437k in funding from Commerce for tenant support at the ACRC that was not in the budget during 2020.
- *Line 11 – Developer Fee Income* – This category is under budget as we did not receive the final \$3.4 million developer fee owed for Renew Tacoma Housing due to Environmental issues under review. Half the funds will be received the early part of 2021. The remaining funds should be forthcoming shortly thereafter.
- *Lines 14 – 24 – Administrative Expenses* – We ended the year significantly under budget. One area that will most likely come in significantly under budget for the year. Areas such as Salaries and Benefits and Travel/Training was impacted by the COVID pandemic. Due Diligence for our Development projects was also under budget, as we did not pursue Gault School as anticipated, and expenses for other projects were delayed or not pursued due to the Pandemic.
- *Lines 36 – 40 – Tenant Services* - The Tenant Service Category is above budget for the year. This category includes the Services contract for ACRC in 2020, which was not included in the agency budget for the year. The amount expended for these services was \$437k. The corresponding income line was Line 10 – Other Revenue, which is also over budget by about the same amount.
- *Line 36 – Protective Services* – This category is primarily for security at 902. In 2019, we had started contracting for daytime patrol at 902. With the pandemic, and personnel teleworking, the need was not there for this shift in 2020.
- *Line 53 – Other General Expense* - The overage for this area is the state excise tax payment for James Center North that we had not included in the budget.
- *Line 61 – Sec 8 HAP Payments* - HAP expenses are right on budget for this year. It is important to note it includes approximately \$300k for COVID hardship payments, and \$600k to landlords from County Cares act funding to backfill the inability for tenants to pay rent during the pandemic.

- *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 .29%. The Washington State Local Government Investment Pool currently provides a return rate of .16%.

## **3. AUDIT**

There is no update at this time.

## **4. BUDGETS**

The THA 2021 Budget was approved at the December board meeting. All the Tax Credit property budgets that need to be approved by Investors has happened. At this board meeting, a synopsis of the 2021 Tax Credit properties will be presented.

## **5. YEAR END UPDATE**

Finance is in the final stages of closing out the reporting needs for 2020. 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 and the Finance team are on schedule for completing the HUD REAC submission by March 15<sup>th</sup>, which includes a 15-day grace period from the February 28<sup>th</sup> submission date.



## 2021 Property Budget Synopsis

ENTITY/PROPERTY	UNITS	REVENUE	OPERATING EXPENSES	NET OPERATING INCOME/LOSS	DEBT SERVICE	RESERVE FOR REPLACEMENTS	PROJECTED CASH FLOW	PUPY
<b>THA MANAGED</b>								
Arlington Youth Campus	58	725,600	526,422	199,178	141,724	25,317	32,137	9,076
Bay Terrace 1	70	910,015	619,492	290,523	232,009	29,044	29,470	8,850
Bay Terrace 2	74	906,428	558,016	348,412	230,311	29,150	88,950	7,541
Hillside Terrace 2	46	547,600	361,138	186,462	-	60,605	125,857	7,851
Hillside Terrace 1500	16	201,450	119,455	81,995	-	5,215	76,780	7,466
Renew Tacoma Housing	456	5,311,959	3,346,874	1,965,085	1,092,140	230,955	641,990	7,340
Salishan 1	90	1,102,270	774,586	327,684	-	62,063	265,621	8,607
Salishan 2	90	1,076,670	773,529	303,141	-	62,063	241,078	8,595
Salishan 3	90	1,086,160	774,805	311,355	-	62,063	249,292	8,609
Salishan 4	90	1,084,178	801,891	282,287	7,500	62,063	212,724	8,910
Salishan 5	90	1,116,630	830,189	286,441	122,769	62,063	101,610	9,224
Salishan 6	90	1,108,060	785,835	322,225	230,257	62,063	29,905	8,732
Salishan 7	91	1,105,850	781,858	323,992	12,500	72,000	239,492	8,592
The Rise	64	761,908	460,043	301,865	272,546	27,936	1,383	7,188
<b>THIRD PARTY MANAGED</b>								
Alberta J Canada	48	608,882	291,885	316,997	234,862	20,655	61,480	6,081
Highland Crest Apartments	73	999,721	284,751	714,970	292,800	32,851	389,320	3,901
Outrigger Apartments	49	548,651	216,073	332,578	199,988	12,551	120,039	4,410
Prairie Oaks	15	220,329	131,491	88,838	-	5,251	83,588	8,766

**TACOMA HOUSING AUTHORITY  
AGENCY WIDE**

		December-20				Thru 12/31/2020		
		CURRENT QTR ACTUAL	YEAR TO DATE ACTUAL	BUDGETED YTD	VARIANCE	ACTUAL	BUDGETED	VARIANCE
<b>OPERATING RECEIPTS</b>								
1	HUD grant - Section 8 HAP Reimbursement	12,054,575	44,275,512	50,124,210	-11.67%	44,275,512	50,124,210	-11.67%
2	HUD grant - Section 8 Admin Fee Earned	825,243	5,724,560	4,021,360	42.35%	5,724,560	4,021,360	42.35%
3	HUD grant - Community Services	103,079	284,528	285,662	-0.40%	284,528	285,662	-0.40%
4	HUD grant - Public Housing Subsidy	21,706	86,462	0	100.00%	86,462	0	100.00%
5	HUD grant - Capital Fund Operating Revenue	0	300,000	800,100	-62.50%	300,000	800,100	-62.50%
6	Other Government Grants	1,304,108	1,382,477	160,956	758.92%	1,382,477	160,956	758.92%
7	Tenant Revenue - Dwelling Rent	680,791	2,695,727	2,689,554	0.23%	2,695,727	2,689,554	0.23%
8	Tenant Revenue - Other	32,426	136,429	154,800	-11.87%	136,429	154,800	-11.87%
9	Management Fee Income	875,898	2,826,093	2,691,475	5.00%	2,826,093	2,691,475	5.00%
10	Other Revenue	2,024,586	5,657,424	4,758,531	18.89%	5,657,424	4,758,531	18.89%
11	Other Revenue- Developer Fee Income	0	549,018	3,998,400	-86.27%	549,018	3,998,400	-86.27%
12	Investment Income	15,968	80,804	58,070	39.15%	80,804	58,070	39.15%
13	<b>TOTAL OPERATING RECEIPTS</b>	<b>17,938,380</b>	<b>63,999,034</b>	<b>69,743,118</b>	<b>-8.24%</b>	<b>63,999,034</b>	<b>69,743,118</b>	<b>-8.24%</b>
<b>OPERATING EXPENDITURES</b>								
<b>Administrative Expenses</b>								
14	Administrative Salaries	2,222,477	7,246,364	7,764,898	-6.68%	7,246,364	7,764,898	-6.68%
15	Administrative Personnel - Benefits	761,824	2,605,108	3,025,281	-13.89%	2,605,108	3,025,281	-13.89%
16	Audit Fees	40,591	82,539	72,520	13.82%	82,539	72,520	13.82%
17	Management Fees	202,399	452,035	406,813	11.12%	452,035	406,813	11.12%
18	Office Expense	339,332	1,297,497	1,658,749	-21.78%	1,297,497	1,658,749	-21.78%
19	Legal	85,747	297,901	284,570	4.68%	297,901	284,570	4.68%
20	Travel/Training	0	7,182	440,876	-98.37%	7,182	440,876	-98.37%
21	Other Administrative Expenses	500,965	1,696,620	2,071,027	-18.08%	1,696,620	2,071,027	-18.08%
22	Due Diligence - Perspective Development	27,595	172,229	950,000	-81.87%	172,229	950,000	-81.87%
23	Contingency	0	0	105,000	-100.00%	0	105,000	-100.00%
24	<b>Total Administrative Expenses</b>	<b>4,180,930</b>	<b>13,857,475</b>	<b>16,779,734</b>	<b>-17.42%</b>	<b>13,857,475</b>	<b>16,779,734</b>	<b>-17.42%</b>

		December-20				Thru 12/31/2020		
		CURRENT MTH ACTUAL	YEAR TO DATE ACTUAL	BUDGETED	VARIANCE	PROJECTED ACTUAL	BUDGETED	VARIANCE
	<b>Tenant Service</b>							
25	Tenant Service - Salaries	359,014	1,117,467	1,164,834	-4.07%	1,117,467	1,164,834	-4.07%
26	Tenant Service Personnel - Benefits	128,334	419,724	488,280	-14.04%	419,724	488,280	-14.04%
27	Relocation Costs	19,969	21,409	2,660	704.85%	21,409	2,660	704.85%
28	Tenant Service - Other	418,254	783,378	370,090	111.67%	783,378	370,090	111.67%
29	<b>Total Tenant Services</b>	<b>925,571</b>	<b>2,341,978</b>	<b>2,025,864</b>	<b>15.60%</b>	<b>2,341,978</b>	<b>2,025,864</b>	<b>15.60%</b>
	<b>Utilities</b>							
30	<b>Total Project Utilities</b>	<b>110,938</b>	<b>376,039</b>	<b>424,754</b>	<b>-11.47%</b>	<b>376,039</b>	<b>424,754</b>	<b>-11.47%</b>
	<b>Ordinary Maintenance &amp; Operations</b>							
31	Maintenance Salaries	89,509	322,386	262,211	22.95%	322,386	262,211	22.95%
32	Maintenance Personnel - Benefits	27,598	106,454	86,489	23.08%	106,454	86,489	23.08%
33	Maintenance Materials	29,555	117,186	128,410	-8.74%	117,186	128,410	-8.74%
34	Contract Maintenance	140,617	492,565	570,067	-13.60%	492,565	570,067	-13.60%
35	<b>Total Routine Maintenance</b>	<b>287,279</b>	<b>1,038,591</b>	<b>1,047,177</b>	<b>-0.82%</b>	<b>1,038,591</b>	<b>1,047,177</b>	<b>-0.82%</b>
	<b>General Expenses</b>							
36	Protective Services	6,832	36,248	84,200	-56.95%	36,248	84,200	-56.95%
37	Insurance	121,476	290,506	260,734	11.42%	290,506	260,734	11.42%
38	Other General Expense	126,035	523,129	438,965	19.17%	523,129	438,965	19.17%
39	Interest Expense	137,804	546,216	531,990	2.67%	546,216	531,990	2.67%
40	<b>Total General Expenses</b>	<b>392,147</b>	<b>1,396,099</b>	<b>1,315,889</b>	<b>6.10%</b>	<b>1,396,099</b>	<b>1,315,889</b>	<b>6.10%</b>
41	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 5,896,865</b>	<b>\$ 19,010,182</b>	<b>\$ 21,593,418</b>		<b>\$ 19,010,182</b>	<b>\$ 21,593,418</b>	
	<b>Nonroutine Expenditures</b>							
42	Ext. Maint/Fac Imp/Casualty Loss	0	0	46,100	-100.00%	0	46,100	-100.00%
43	Sec 8 HAP Payments	11,178,724	43,104,029	43,057,450	0.11%	43,104,029	43,057,450	0.11%
44	<b>Total Nonroutine Expenditures</b>	<b>11,178,724</b>	<b>43,104,029</b>	<b>43,103,550</b>	<b>0.00%</b>	<b>43,104,029</b>	<b>43,103,550</b>	<b>0.00%</b>
45	<b>TOTAL EXPENDITURES</b>	<b>17,075,589</b>	<b>62,114,211</b>	<b>64,696,968</b>	<b>-3.99%</b>	<b>62,114,211</b>	<b>64,696,968</b>	<b>-3.99%</b>
46	<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>862,791</b>	<b>1,884,823</b>	<b>5,046,150</b>	<b>-62.65%</b>	<b>1,884,823</b>	<b>5,046,150</b>	<b>-62.65%</b>
47	Debt Service Principal Payments	(37,649)	(74,994)	(74,994)	0.00%	(74,994)	(74,994)	0.00%
48	<b>Surplus/Deficit Before Reserve Appropriations</b>	<b>825,142</b>	<b>1,809,829</b>	<b>4,971,156</b>	<b>-63.59%</b>	<b>1,809,829</b>	<b>4,971,156</b>	
49	Reserve Appropriations - Operations	0	0	0		0		
50	Fund transfer to Properties - COVID-19 expense	(177,105)	(410,517)	0		(410,517)	0	
51	<b>Surplus/Deficit Before Capital Expenditures</b>	<b>648,037</b>	<b>1,399,312</b>	<b>4,971,156</b>		<b>1,399,312</b>	<b>4,971,156</b>	
52	Capitalized Items/Development Projects	(1,142,587)	(3,790,390)	(10,529,000)	-64.00%	(3,790,390)	(10,529,000)	-64.00%
53	Reserve for Replacement	(86,325)	(172,650)	(172,650)	0.00%	(172,650)	(172,650)	0.00%
54	Revenue - Capital Grants/Sale of Property	1,519,946	4,108,002	5,827,000	-29.50%	4,108,002	5,827,000	-29.50%
55	Reserve Appropriations - Capital	0		0				
56	<b>THA SURPLUS/(DEFICIT)</b>	<b>1,025,396</b>	<b>1,544,274</b>	<b>96,506</b>		<b>1,544,274</b>	<b>96,506</b>	

# TACOMA HOUSING AUTHORITY

## CASH POSITION - December 2020

Account Name	Current Balance	Interest
<b>HERITAGE BANK</b>		
Accounts Payable	8,572,938	0.29%
Section 8 Checking	1,163,148	0.29%
THA Affordable Housing Proceeds-Salishan	1,968,395	0.29%
THA Scattered Sites Proceeds	5,876,027	0.29%
FSS Escrows	219,773	0.29%
CSA Escrows	93,396	0.29%
Note Fund Account	103	0.29%
Credit Card Receipts	336	0.29%
Key Bank Security Deposits	1,850	0.29%
Relocation Account	5,001	0.29%
THA Investment Pool	337	0.29%
THDG - Tacoma Housing Development Group	1,037,878	0.29%
Salishan 7 Operations	1,262,086	0.29%
Salishan 7 Security Deposit	29,757	0.29%
Salishan 7 Replacement Reserve	423,150	0.29%
Salishan 7 Operating Reserve	203,293	0.29%
Highland Crest Operations	1,145,517	0.29%
Highland Crest Replacement Reserve	277,983	0.29%
Highland Crest Security Deposit	45,795	0.29%
Outrigger Operations	489,405	0.29%
Outrigger Replacement Reserve	207,194	0.29%
Outrigger Security Deposit	24,076	0.29%
Prairie Oaks Operations	183,671	0.29%
Prairie Oaks Replacement Reserve	32,776	0.29%
Prairie Oaks Security Deposit	6,961	0.29%
Payroll Account	4,801	0.29%
<b>HOME STREET BANK</b>		
James Center North Operations	863,182	0.00%
James Center North Security Deposit	56,801	0.00%
<b>WASHINGTON STATE</b>		
Investment Pool	\$ 1,524,724	0.16%
<b>1. TOTAL THA CASH BALANCE</b>	<b>\$ 25,720,355</b>	
Less:		
<b>2. Total MTW Cash Balance</b>	<b>\$ 785,290</b>	
<i>Less Minimum Operating Reserves</i>		
2.01 Public Housing AMP Reserves (4 months Operating Exp.)		
2.02 S8 Admin Reserves (3 months Operating Exp.)	726,000	
2.09 Less Total Minimum Operating Reserves	\$ 726,000	
<b>2.1. MTW Cash Available (Lines 2-2.09)</b>	<b>\$ 59,290</b>	
<b>3. MTW Cash Held By HUD</b>	<b>\$ 8,501,294</b>	

# TACOMA HOUSING AUTHORITY

## CASH POSITION - December 2020

<b>4. Non MTW Cash Restrictions/Obligations</b>			
<i>4.1 Non MTW Operational Restrictions</i>			
4.10 HUD Restricted - Lot and Property Sales		\$	7,844,422
4.101 Area 2B Sales Proceeds (Afford Hsg)	1,968,395		
4.102 Scattered Sites Proceeds (Afford Hsg)	5,876,027		
4.15 HUD Restricted - CARES Act (Covid-19)		\$	192,940
4.151 Unspent CARES Act Funding	192,940		
4.20 THA Property Accounts Reserved		\$	2,552,224
4.201 Security Deposit Accounts	165,242		
4.202 Highland Crest Operations Reserves	320,000		
4.203 Highland Crest Replacement Reserves	277,983		
4.204 James Center North Operations Reserves	230,000		
4.205 James Center North Capital	274,880		
4.206 Outrigger Operations Reserve	150,000		
4.207 Outrigger Replacement Reserves	207,194		
4.208 Prairie Oaks Operations Reserves	77,000		
4.209 Prairie Oaks Replacement Reserves	72,776		
4.210 Salishan 7 Operations Reserves	354,000		
4.211 Salishan 7 Replacement Reserves	423,150		
4.30 Rental Assistance Reserves		\$	946,893
4.301 Mod Rehab Operating Reserves	75,234		
4.302 VASH, FUP, MAIN & NED HAP Reserves	656,752		
4.303 FSS Escrows	214,907		
4.40 Prepaid Grants		\$	2,323,208
4.401 TPS Interlocal (CS-2017-011)	242,571		
4.402 UWPC - Strong Families (CS-2018-003)	44,685		
4.403 Balmer Foundation - Education Prog (CS-2020-005)	333,287		
4.404 College Sparks (PI-2018-005)	82,432		
4.405 GTCF Grant (PI-2019-005)	163,250		
4.406 Foundation for Tacoma Students (PI-2019-009)	6,621		
4.407 Gates - THA Education Program (PI-2020-006)	323,481		
4.408 Kresge Foundation - CHAP Program (RA-2019-009)	89,002		
4.410 THDG	1,037,878		
4.50 BFIM Buyout LOC Collateral-Potential Tax Credit Loss		\$	2,500,000
<b>4.60 Total - Non MTW Cash Restrictions (4.10+4.20+4.30+4.40+4.50)</b>		<b>\$</b>	<b>16,359,687</b>
<b>4.70 Agency Contracted or Budgeted Commitments Remaining</b>		<b>\$</b>	<b>-</b>
	-		
	-		
<b>4.99 Total Non MTW Cash Restrictions/Obligations (Lines 4.60+4.70)</b>		<b>\$</b>	<b>16,359,687</b>
<b>5. THA UNENCUMBERED (Non-MTW) CASH (Lines 1-2-4.99)</b>		<b>\$</b>	<b>8,575,378</b>
<b>6. Development Advances - Project Reimbursement upon closing/draw</b>		<b>\$</b>	<b>98,797</b>
6.01 Arlington Crisis Residential Center	-		
6.02 Arlington Youth Housing	41,843		
6.03 Court F LLLP (1800 Block)	56,954		



**TACOMA HOUSING AUTHORITY**

**CLIENT SUPPORT  
& EMPOWERMENT**



# TACOMA HOUSING AUTHORITY

**DATE:** February 24, 2021

**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

January started just as busy as 2020 ended, and importantly, Client Support and Empowerment (CSE) staff continued to show up with grace, efficiency, professionalism, and good humor. The resilience this team, along with the rest of THA's staff, is remarkable. Much of our time in January was focused on building team, both in CSE and cross-departmentally, staff professional development and retention, and supporting both staff and clients through challenging times.

CSE is charged with leading THA's efforts to build provider support as we contemplate a formal partnership with the Bezos Foundation/Day One Academy. We spent a great deal of time in January learning from local childcare and early childhood education providers. This effort is time well spent to ensure there is strong support and alignment throughout the vast community of providers. Local providers such as the Multicultural Child and Family Hope Center, First 5 Fundamentals, Childcare Resources, Workforce Central, and Graduate Tacoma are among 20+ providers we have consulted with. Their support, advice and overall leadership in the early childhood education/childcare world has helped instill confidence that we will build a strong and connected program in Salishan. We are grateful for their collective willingness to collaborate in this way.

While "business as usual" persists, CSE staff have spent a significant amount of time working and supporting residents and voucher holders through crises and life's challenges. This team has focused heavily on reaching out to residents to remind them of the supports available to them -working to mitigate the impacts COVID has had, both big and small.

Staff have provided resources helping families look for, and find, employment, educational access and opportunities, resources to meet their basic needs, and support to stabilize their housing. And, staff have also spent a significant amount of time building strong and trusting relationships with residents.

The importance of “relationship building” can be easy to overlook or under value. But it is the cornerstone and focal point of the services offered by CSE, and by Rental Assistance and Property Management. To draw somewhat of a parallel, many parents value “dinner time” or car-rides with their children. Parents prioritize this opportunity to bond with their kids for many reasons, few of them aimed directly at better grades, instilling saving habits, or ensuring their children leave with any new hard (measurable) skill. Rather, the value of the time spent is in the strength of relationship itself. Many parents inherently understand the value of bonding with their children. Bonded relationships provide a soft spot for their kids to turn to in hard times. It is also a safe place to “brag” and celebrate successes. Learning to trust supportive adults (parents, caretakers, teachers, etc.) helps children learn what healthy relationships look and feel like. Perhaps a more appropriate parallel is in the investment we make in friendships. Here again, the value is not placed on how any given friendship directly improves our livelihood (finances, job, etc.) but knowing we have supportive places to turn in good and difficult times is reassuring. We learn skills along the way that help us learn how to manage our money, but the safe and trusted relationships in our lives are the foundation from which we build our successes, and the places we turn when we need help.

CSE staff understand the importance of building sincere relationships with those we work in service to. Staff invest time in these relationships because it is the relationships themselves that support and empower our clients. These relationships are what humans rely on in times of need and success. As CSE continues to work toward improving the data and outcomes we will use to highlight and show our measurable impact, it is equally important to focus on the value of building and maintaining trusted relationships with our residents and voucher holders.

### **3. DEPARTMENT UPDATES**

#### **3.1 Staffing**

CSE is preparing to hire two new case workers and an Office Assistant. These positions will allow CSE to focus our work and continue to organize the department structure to meet growing needs. The positions should post in February and we hope to have new hires to talk about in late March or early April.



## **3.2 Program Updates**

### **3.2.1 Child Savings Account**

CSA staff continue to work with the Washington Student Achievement Council (WSAC) and the CSA family advisory group to build out a comprehensive redesign of the program. The CSA Education Specialist, Marty Higgins, continues to provide important outreach and technical support to families enrolling into the Guaranteed Education Tuition (GET) program. Staff are troubleshooting ways to increase the response rate from the remaining families who have yet to respond with their interest to opt in to the GET program. The CSA team is also working to ensure all necessary updates are on the CSA website. The CSA family advisory group continues to meet monthly, discussing opportunities and ideas for family engagement.

WSAC's IT department has been providing monthly updates on the development of the Master-Scholarship Account dashboard, which will provide THA real-time account monitoring abilities. WSAC hopes to provide THA dashboard testing abilities in the coming months.

### **3.2.2 Senior and Disabled Buildings**

Martha Matthias, CSE's Community Builder continued her work with residents of the Senior/Disabled buildings. In January she remained engaged in ensuring residents had access to food and began the process of getting residents in line for vaccinations. We are grateful to now have two Case Workers supporting these seven buildings. Staff members worked with residents to mitigate crises and the impact of isolation caused by COVID and helped residents access resources to meet their various needs.

### **3.2.3 Two-Generation Program**

Program Supervisor Byron Williams has continued to refine the design of CSE's new Two-Generation Program (TGP). This program should launch in late March or early April, depending on hiring timelines. TGP will focus on families with children in middle school, supporting all members of the family rather than just the "head of household." Staff will have the capacity to engage multiple generations in education, economic mobility, increasing/improving pro-social relationships and opportunities, and linking families with Social/Emotional Learning curricula/programs provided jointly by the YMCA of Pierce County and HopeSparks.

### **3.2.4 Contracts**

#### **(a) Center for Strong Families**

In January we signed a new two-year agreement with Sound Outreach to provide financial coaching and income support services for the Salishan Center for Strong Families. As a part of the contract, Sound Outreach has also agreed to prioritize THA residents at their Center for Strong Families program located on the Hilltop.

In partnership with Sound Outreach we have started a new Family Financial Literacy class which will help all members of a household learn the complicated world of finances. The most recent class had 18 attendees, seven of whom were youth!

#### **(b) Volunteer Income Tax Assistance**

Associated Ministries will begin assisting THA residents with tax preparation in February. This assistance is especially helpful this year, as any bit of extra money any family can pull in will help them make it through the pandemic. The professional support provided also helps folks maximize their returns and minimizes errors that might hold up their tax return. Associated Ministries volunteers will be stationed at the Family Investment Center (FIC) every Saturday, starting February 12, and ending in April. The in-person, appointment-only, services will be reserved for individuals and families who, for any number of reasons, cannot access tax preparation assistance virtually.

#### **(c) Family Self Sufficiency**

The Family Self Sufficiency (FSS) program staff team has been engaged in the development of the Action Plan over the past three months. Amy Van, CSE's Project Manager is facilitating Action Plan development work (now fondly called "Amy's Action Plan") with Case Workers and supervisors, all reviewing and discussing information in the original draft to develop a redesigned plan. The Rental Assistance, Property Management, Policy Innovation and Evaluation, and Administration departments are all also assisting in this process. The FSS team is nearing completion of the first draft, and other departments will review and revise the draft before it is finalized. This process should finish by the end of March 2021.

**(d) By the Numbers**

The charts below show how many resource connections staff made in the month of January, and the numbers and types of referrals received by CSE from the West Portfolio, voucher holders, and the East Portfolio respectively. Each referral received is assigned to a Case Worker who then works with residents/voucher holders to address the need expressed in the referral along with other needs the family may express. Some referrals result in limited support aimed at addressing the referral issue, and others turn into long-term support. The length of engagement is determined largely by residents, with Case Workers offering support for a variety of needs.

As stated earlier, CSE views referrals as a chance to build a new relationship with a resident or family that can be useful for any given need, but also as a resource to maintain contact with and lean on for ongoing support.

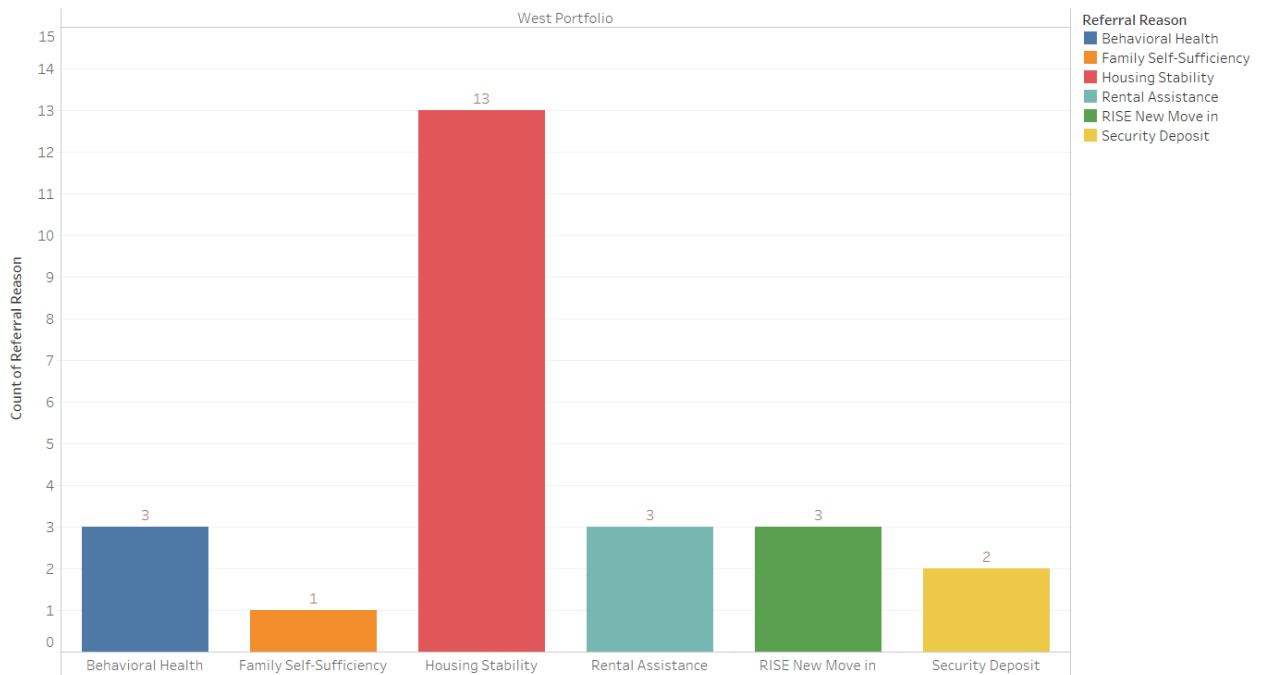
## Resource Connections

### January 2021

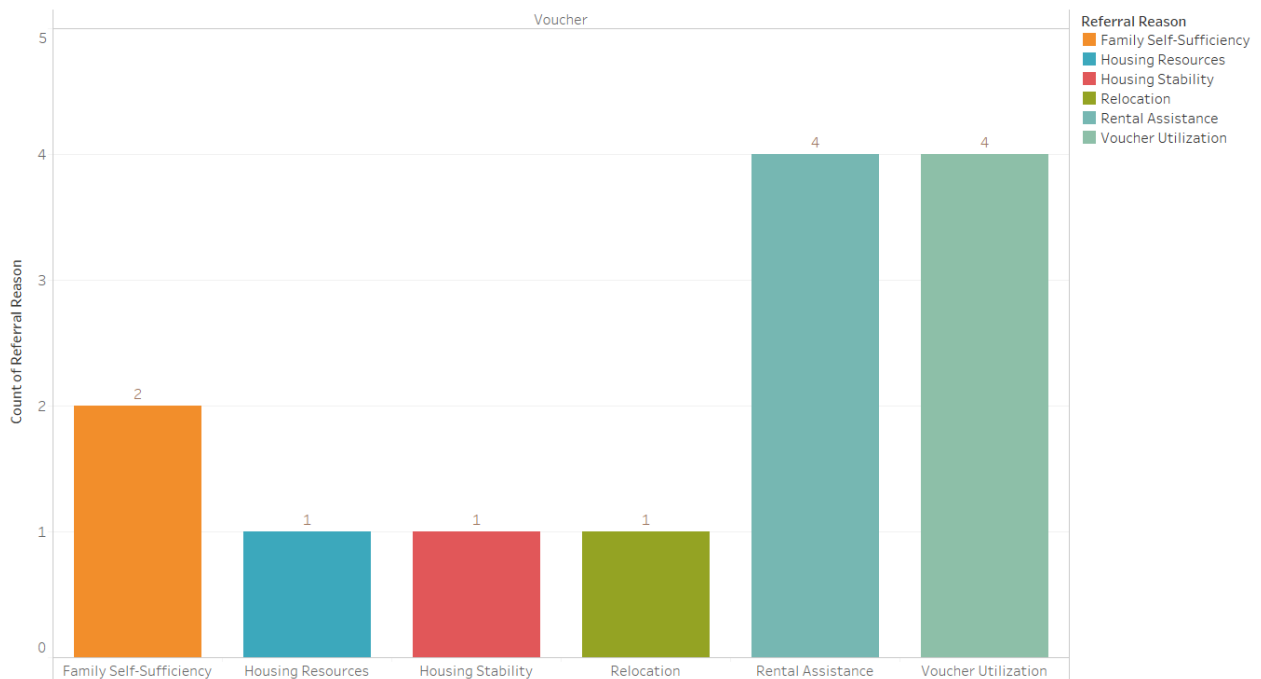
Referral Category	
Adult Education	3
Asset Building	10
Employment Assistance	5
Food Assistance	416
Rental Assistance	8
Resident Assistance Programs	25
Transportations Assistance	1
Utility Assistance	1

Count of Referral Category broken down by Referral Category.

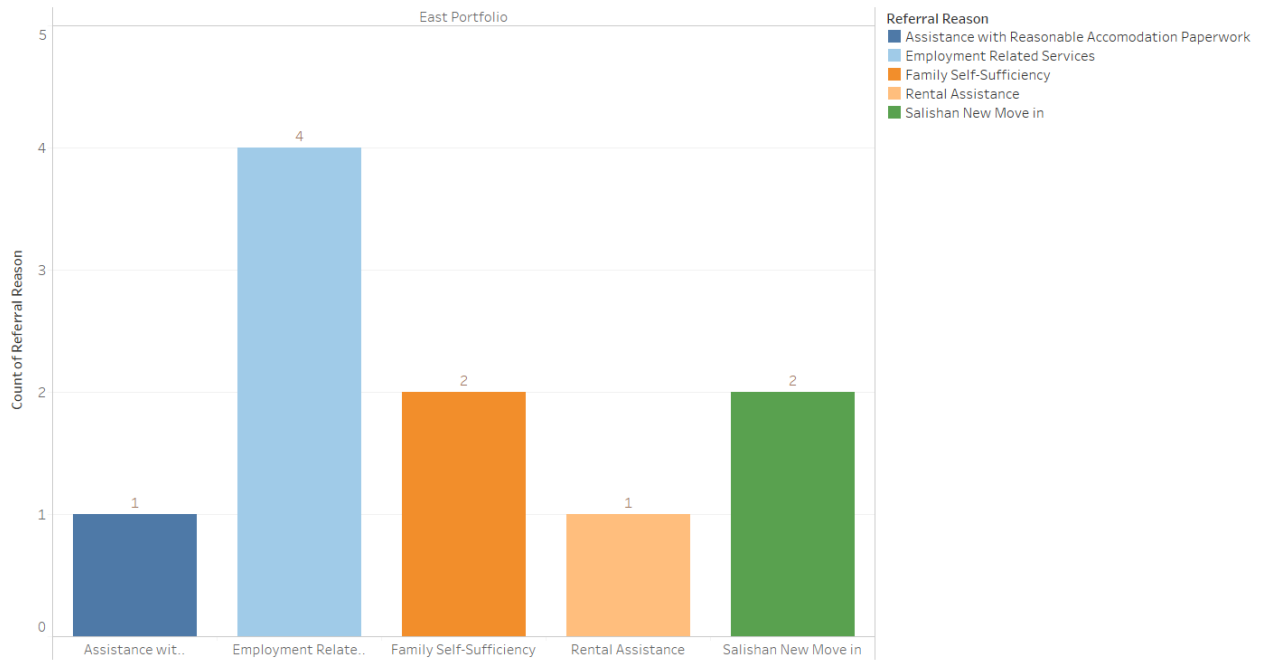
### January Referrals Received by CSE



### January Referrals Received by CSE



### January Referrals Received by CSE





**TACOMA HOUSING AUTHORITY**

**RENTAL ASSISTANCE**



# TACOMA HOUSING AUTHORITY

**DATE:** February 24, 2021

**TO:** THA Board of Commissioners

**FROM:** Julie LaRocque  
Director of Rental Assistance

**RE:** Department Monthly Board Report

## 1. STRATEGIC OBJECTIVE: HOUSING AND SUPPORTIVE SERVICES

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

## 2. DIRECTOR'S COMMENT

The Rental Assistance Department is growing! We budgeted for 3 new positions for 2021. We wasted no time in announcing these positions and hiring all three positions within the first month of 2021. We are happy to announce that all three positions were filled from internal candidates within the Rental Assistance Department. These promotions then generated additional positions that were also filled with internal candidates.

Amber Prentice was promoted to Program Manager, Bre'ann Birge was promoted to Compliance Auditor and Shauna Thompson was promoted to Housing Specialist.

Also joining our department are Korrinna Jordan as Housing Specialist and Jennifer Rossini as Housing Specialist. Korrinna comes to us from the Client Support and Empowerment (CSE) department and Jennifer comes to us from Property Management (PM). We have a total of 31 members in the department.

With new staff comes reorganization to help with caseloads and a first-floor remodel to accommodate the growth of the department. We are in the early stages of planning for the remodeling and have submitted plans for permitting to the City. Still many decisions to make but an exciting time.

Working remotely has prepared us for the remodel since the first floor will have to be vacant to proceed with the work. Our staff along with the Emergency Operations Committee (EOC) will plan workspaces to accommodate the remodel.

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### 3. RENTAL ASSISTANCE DEPARTMENT REPORTS

#### 3.1 Covid-19 Operations: New Technology Project Updates

While working from home, staff have reacted nimbly to an onslaught of policy and operational changes due to the Coronavirus. The changes we are implementing respond to the needs of our clients, landlords, and operations and ensure our compliance with new rules enacted by the State of Washington and Housing and Urban Development (HUD). Over the next few months, we will report the status of the following projects:

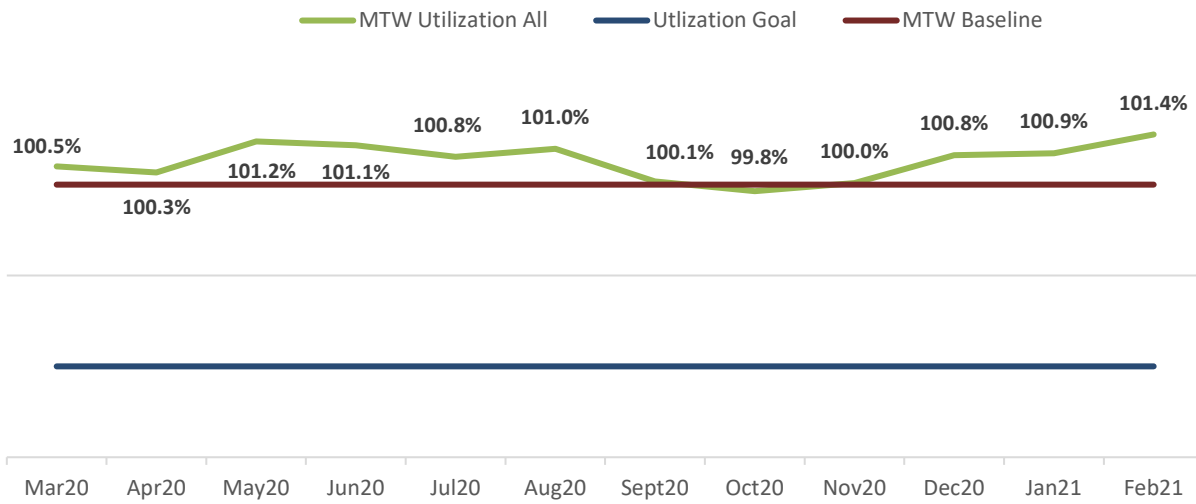
- *Online Client Reviews:* Our Housing Opportunity Program (HOP) subsidy (15% of voucher holders) is the only program where participants can complete their annual review process entirely online. During the second half of 2020, we developed an online review process to improve customer service for over 2,500 customers. Testing is going well, and we expect to be fully online by March 2021.
- *Online Briefings:* During the early days of the pandemic, staff conducted briefings via Zoom and conference call. The department developed an online briefing tool for customers to complete briefings on their own schedule. This saves a significant amount of staff time. We completed the briefing for the Housing Choice Voucher (HCV) program. Online briefings will be available for HOP, College Housing Assistance Program (CHAP), and Children's Housing Opportunity Program (CHOP) by late spring.
- *Phones:* We are actively working with IT to implement a new phone system in 2021. In the meantime, staff are using Microsoft Teams instead of their desk phones. Visual voicemail is particularly useful for staff. The 902 front desk line is currently routed via Teams directly to our Office Assistants at home.

#### 3.2 Overall Utilization

The overall Housing Choice Voucher utilization is reported at 101.4% as of February 1, 2021. THA receives a report on utilization quarterly 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 and PBS, this utilization report is updated accordingly.



### Overall MTW Utilization as of January 1, 2021

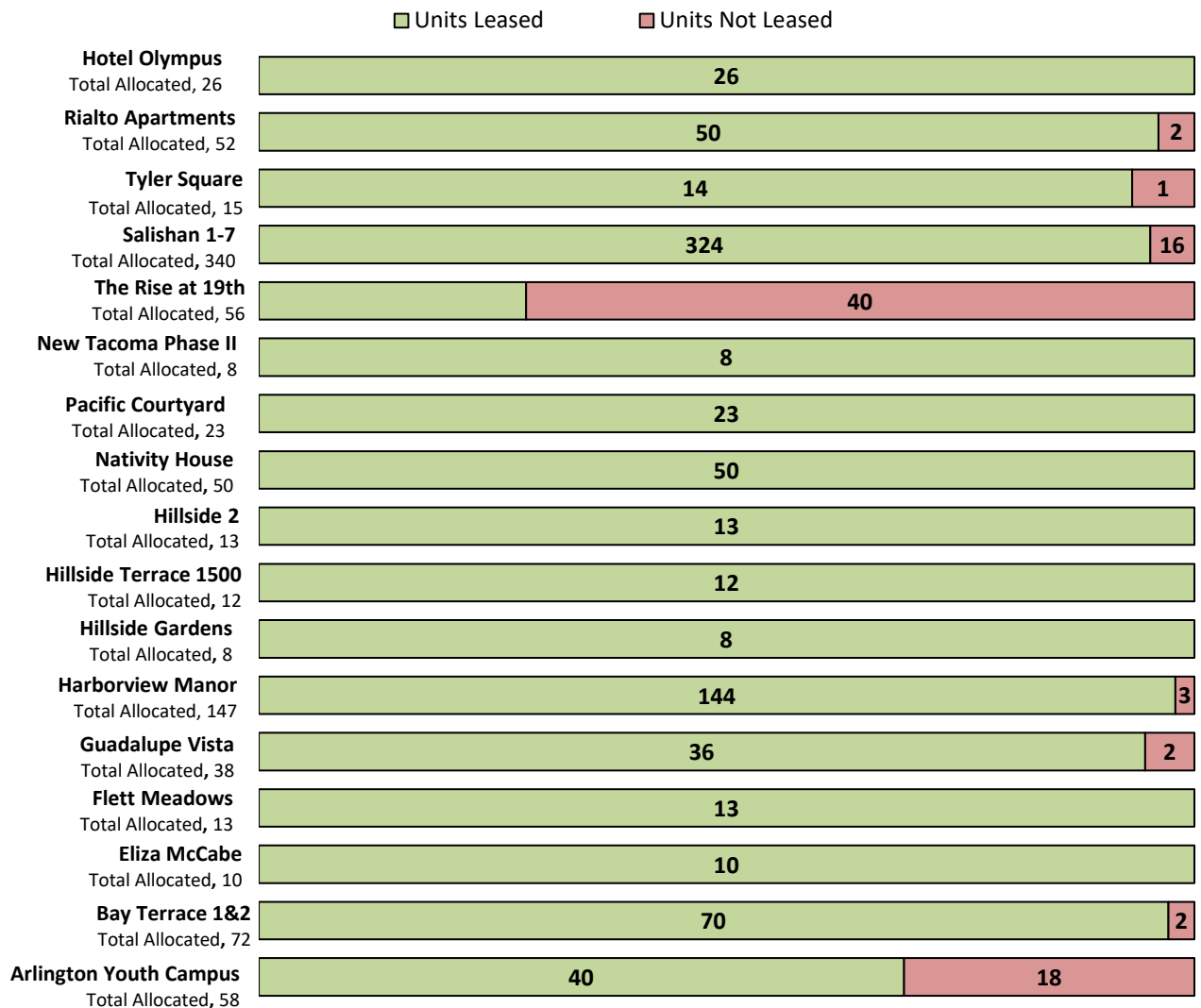


### 3.3 Project Based Vouchers

THA continues to have strong utilization with project-based vouchers. As of early this month, Property Management has 18 families pre-approved for lease up at the Rise at 19<sup>th</sup>. A portion of these move-ins will be families on THA's over/under housed transfer list. Rightsizing families at the Rise will result in vacancies in the portfolio that may be used to right size additional over/under housed families. Property Management's report contains additional information about the leasing process at Arlington Youth Campus and the Rise.

THA expects leasing to begin in early spring for 30 PBV units at the YWCA's Home At Last project.

### Project Based Voucher Utilization as of February 2021



### 3.4 Special Programs & Property Based Subsidies

Below is a breakdown of the utilization of THA's special programs. The charts below include shoppers for each program. Our special programs team has made remarkable progress continuing to lease up the new allocation of Family Unification Program (FUP) vouchers. The team continues to do an outstanding job processing the referrals from DCYF and Pierce County Alliance (PCA) and issuing vouchers to participants quickly. Communication with DCYF and PCA remains strong. We have 24 active shoppers and 31 vouchers to utilize. In early February, our partners report that they will be sending additional referrals this month.

THA started to accept referrals for the award Mainstream Non-Elderly Disabled (NED) vouchers in early June. Our efforts to utilize these vouchers were impacted by a lack of referrals from Pierce County. Over the past several months we've worked with Pierce County to increase and improve the referral process.

Our special programs team has worked hard to process referrals for this program which is evident by the 48 active shoppers. We've seen a 47% increase in the number of families housed since last month.

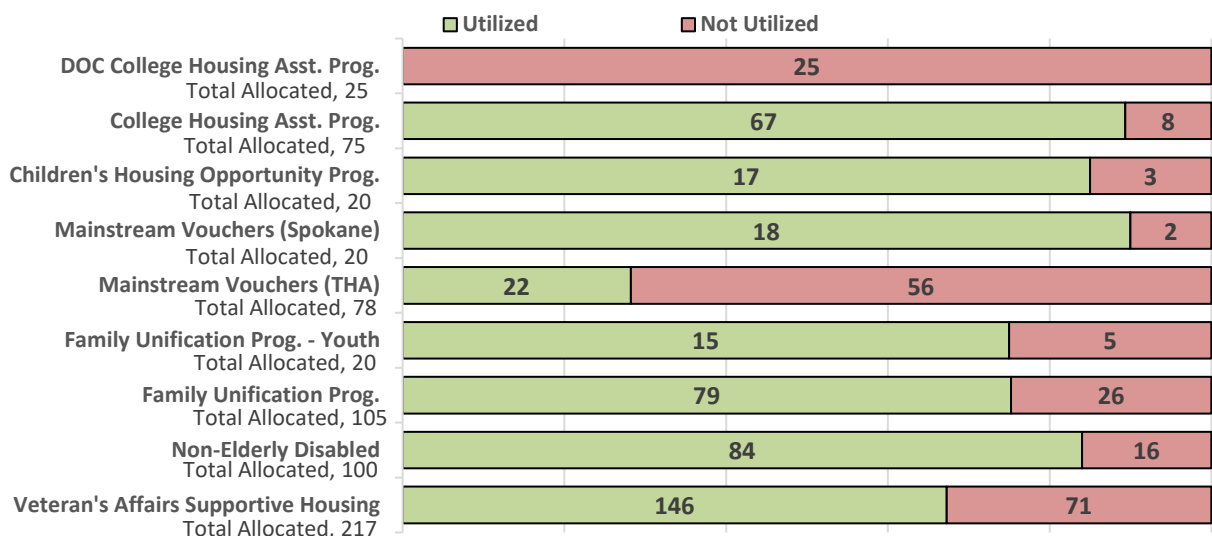
THA continues to work closely with the Veteran's Affairs (VA) to ensure collaboration remains strong and referrals are being submitted. The VA is partnering with Supportive Services for Veteran Families (SSVF) to identify veterans and get the referral process started. SSVF will assist the veteran with paperwork, unit search and some funding for fees and deposits. The VA has hired staff to fill vacancies but there are still positions to fill. Referrals are still not adequate. THA has only received 7 referrals since September 2020. We have 67 tenant-based Veteran's Affairs Supportive Housing (VASH) vouchers available. This does not include the 50 new vouchers we were awarded with an effective day of April 1, 2021.

THA made an introduction to the VA regarding a new property being built in 2022 for VASH vouchers. These would be moved from our VASH allocation to a Project Based VASH voucher. This discussion is in its preliminary stages, but it could utilize as many as 40 VASH vouchers.

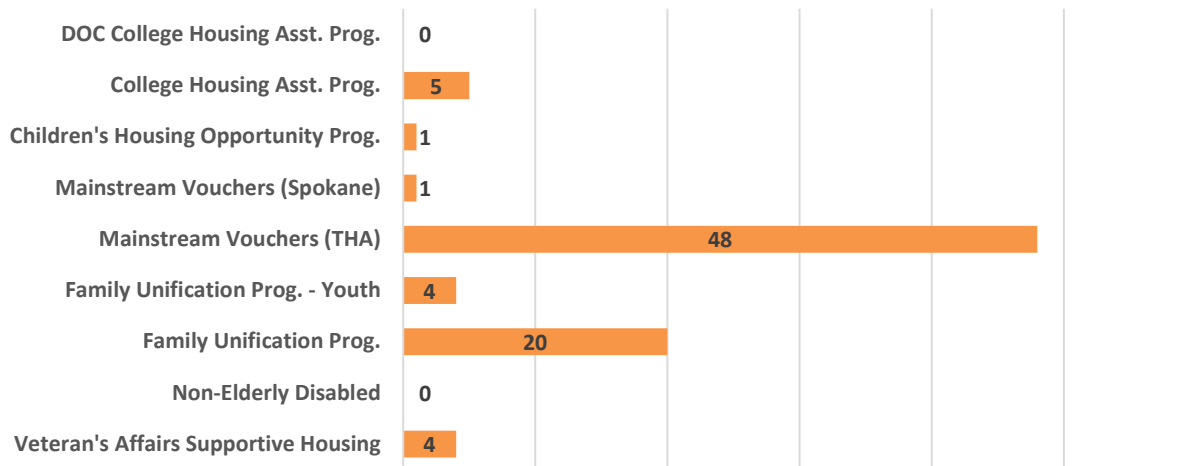
THA has 20 vouchers allocated to the Children's Housing Opportunity Program. In partnership with Policy, Innovation and Evaluation (PIE), Rental Assistance executed a Memorandum of Understanding (MOU) with Pierce County Alliance, Department of Children Youth and Families and the Tacoma Pierce County Continuum of Care to increase this allocation to 30 vouchers and expand the eligibility criteria to households involved in Pierce County's Family Recovery Court who are trying to reunite with their children. We expect to begin receiving referrals for this sub cohort of CHOP in the spring.

The Department of Corrections program with Tacoma Community College (TCC) continues to hold 25 vouchers for use. This program is still under development and vouchers have not been utilized. Please refer to periodic updates from PIE for the status of this program's development.

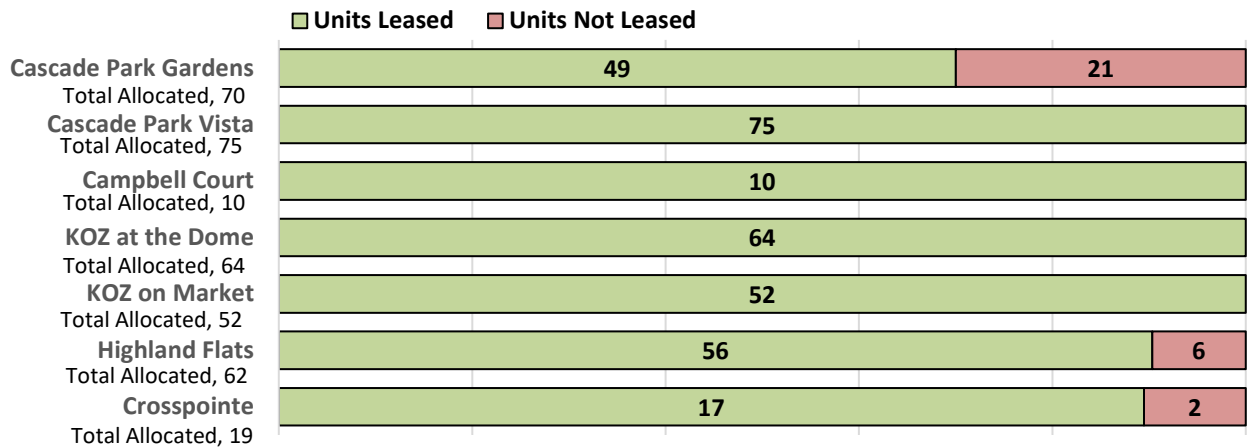
### Special Program Utilization as of February 2021



### Special Program Shoppers as of February 2021



### Property Based Subsidy Utilization as of Q4 Report: December 2020



THA has partnerships with four Property Based Subsidy owners representing more than 350 units across seven properties.

We are preparing for the next audit for Highland Flats and Crosspointe. We have met with the owners and have explained our concerns. They have also been reminded that another audit requiring substantial take back of HAP funds puts the partnership in jeopardy. They have assured us that the management company understands this and have reviewed the files and feel they are in compliance.

Cascade Park Gardens and Vista are assisted living communities serving Medicaid-qualified senior and disabled residents. These properties have been hit extremely hard by the pandemic. The properties had no occupancy rate concerns prior to the pandemic. THA will continue to monitor the situation at these two properties. The occupancy rate at Cascade Park Vista has improved.

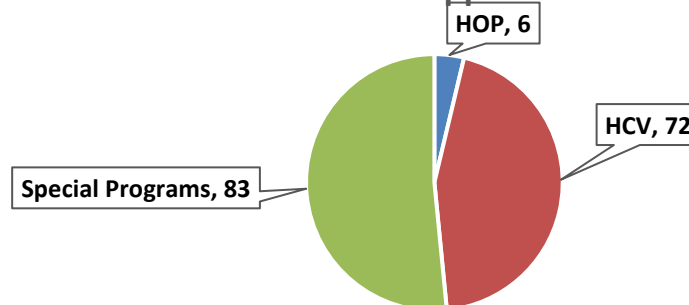
Cascade Park Gardens and Vista staff have been HQS certified and will conduct their own inspections at turnover. Our inspectors will conduct audits to ensure compliance.

### 3.5 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.

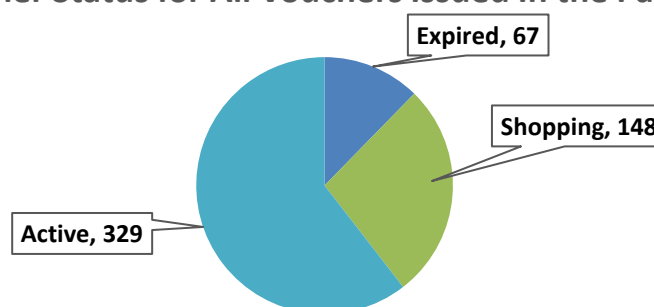
As of February 2021, there are 161 total clients shopping. These numbers will continue to increase with the addition of new Mainstream, FUP, and VASH vouchers. We surmise that the pandemic and eviction moratorium are reasons why families are presently less likely to move. A rental property survey commissioned by the City of Tacoma indicates that low-income vacancy rates stayed the same in the fourth quarter of 2020 at a 1% vacancy rate. Over the past 6 months, the majority of those housed were able to find a unit in under 50 days (68%). Our special program participants have bigger barriers and it typically takes them longer to secure housing. Successful Mainstream & FUP participants are more likely to spend 50 or more days searching for housing.

**Current Number of Shoppers as of February 2021**

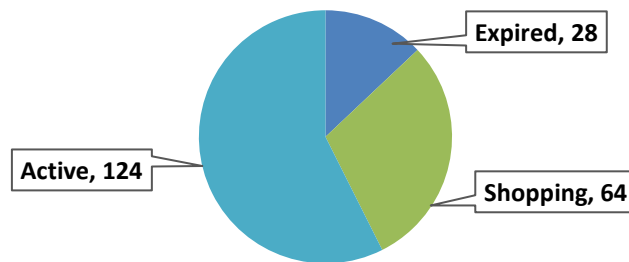


Over the past year (February 2020 - January 2021), 544 tenant-based vouchers were issued and 216 of those were to new participants. Excluding current shoppers, the turnback rate for all vouchers issued is 17% and 18% for new admissions. The percentage of those housed (“active” vouchers in the charts below) is about 60% for all vouchers and new admissions.

**Voucher Status for All Vouchers Issued In the Past Year: 544**



### Voucher Status for New Admission Vouchers Issued In the Past Year: 216



### 3.6 Leasing & Waitlist Management

There are 1,800 households on THA's Consolidated Waitlist. THA is not currently offering HOP vouchers to households on the waitlist (see our utilization numbers in section 3.2). Leasing continues to pull households to fill vacancies within THA's portfolio.

Leasing has been busy identifying households from our regular waitlist and our over/under housed transfer waitlist to fill units at The Rise at 19<sup>th</sup>. 10 transfer waitlist households received moving cost assistance to move out of the Portfolio and utilize Housing Choice Vouchers (HCV). 8 over housed households on the transfer list are pre-approved to move to the Rise. As households start to move in, we anticipate that Leasing will be busy working to help backfill units in the portfolio.

### 3.7 Inspections

The Inspections team continues to conduct initial inspections in unoccupied units. We certainly have a backlog of inspections due to the pandemic, but we've taken steps to reduce them using the authority we presently have, implementing Coronavirus HUD waivers and proposing changes in our Moving to Work (MTW) plan. The team continue to work on the following to improve inspection efficiency and to address the backlog:

- Moving all annual inspection schedules to biennial under existing authority
- Developing a process for owners to self-certify that their units have no life-threatening fails to give THA one year from the missed inspection date to conduct a follow-up inspection (HUD Waiver)
- Partnering with IT to develop an inspections app to improve operations
- Proposing "significant changes" to THA's 2021 MTW Plan to:
  - defer HQS inspections until the next regular inspection date
  - accept self-certifications from owners and tenants for initial inspections
  - adopt alternative methods of inspections such as remote video inspections
  - implement triennial inspections for THA's Portfolio since these units are subject to regular inspections conducted by Property Management

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### **3.8 Landlord Engagement**

We continue to receive valuable feedback from landlords about our communication efforts during the pandemic. Property owners are not happy about the eviction and rent increase moratorium but are glad they continue to receive prompt payments from THA. We heard many thanks from property owners who were grateful that THA administered a late rent program to assist with delinquencies. THA will continue promoting COVID rental assistance to our housing providers.

We are also working on a pilot program for housing navigation assistance for our Mainstream vouchers and our CHAP program. We will be issuing a Request for Proposal (RFP) for a partner for this program. Rental Assistance has budgeted for a housing navigation position but has found there are companies that have been quite successful providing this service. We will begin with these two special programs to see if they are helpful with securing housing for these clients with barriers to leasing a unit.



**TACOMA HOUSING AUTHORITY**

**PROPERTY MANAGEMENT**





# TACOMA HOUSING AUTHORITY

**Date:** February 24, 2021

**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

THA and the Property Management (PM) team realized some very important truths in 2020. The first truth is that we managed to continue providing decent, safe, affordable housing in the middle of a pandemic. None of us were trained or prepared to take this on, but somehow, we have made it work. Some areas of our scope of work were limited, others completely delayed. It was not an easy task, but we banded together with the rest of our team and made it through 2020, hopeful that 2021 would bring about change.

January has been a month of change in many ways. Taking lessons learned from 2020, to expect the unexpected, we began preparation and planning for transfers, emergencies, and a return to 'work as usual'. With those thoughts in mind, we concentrated on the projects at the top of the list now, the lease ups of Arlington and The Rise and how we can better prepare ourselves for emergencies.

Some positive changes are our new strategies to address current conditions as we continue planning and moving forward with the work.

These changes are:

- The Creation of the Transfer Team
- The Development of the Incident Response Team
- Plans to Re-start Routine Work Orders

## **2.1 Creation of the Transfer Team**

The opening of The Rise has been long-awaited for THA regarding many families over-housed in our family properties.

Some families living in 3, 4, and 5-bedroom units in our portfolio, have lived at properties such as Salishan for many years, raised their children and have now become empty nesters. As they watched their children move out, they left these families with more space than needed or were allowed to have under THA's occupancy standard.

Many families remained in place, due to a lack of housing stock in the appropriate unit size. Therefore, The Rise, for many families, has been greatly anticipated to help right-size these households.

As we continue to navigate through these projects, transferring the remaining adults into 1 and 2-bedroom units, we acknowledge the impact these moves have on the portfolio. This heavy traffic led us to create a team of staff, dedicated to turning the transfer units, which would allow delineation from regular turns for maintenance and the admin teams. This separation would provide special attention and support to families making this transition, factoring in COVID restrictions. These are positive action steps and represent thoughtful planning for our staff, residents, THA and our community.

## **2.2 Development of the Incident Response Team**

To prepare as much as we can for the unexpected, PM began to look for options to sure up their ability to respond to emergencies, effectively, efficiently, and quickly.

PM has partnered with ServePro to develop an emergency response team for situations requiring additional support, such as biohazard cleans, sanitization of occupied spaces and category 3 floods.

ServePro is under contract to be called in on an emergency to accompany or represent PM maintenance in situations that require response above and beyond general procedures.

## **2.3 Plans to Restart Routine Work Orders**

Although there is no confirmed date in sight to advance to Phase IV, PM is sketching out plans for a tentative start to begin addressing routine work orders, which have been on hold since early March.

With the formation of the Transfer Team to cover transfers to The Rise, we anticipate that project to be completed by April.

Barring no regression, the team would then transition to begin work orders in May. We feel this would make a smooth start to not only work orders, but possibly inspections as well. Of course, this will all be contingent on information from the CDC, Governor Inslee and/or Tacoma Pierce County Public Health Department's directives.

## 2.4 Shooting near Bay Terrace

Sadly, there was another change this month, one that disrupted the calm of our community.

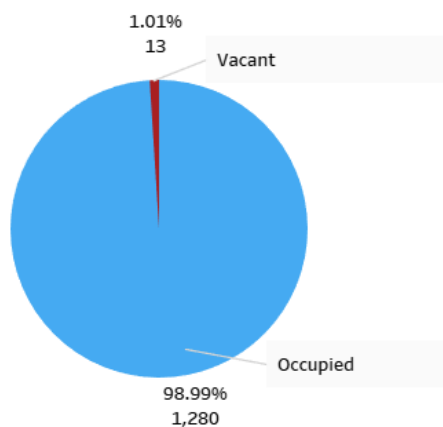
On January 28<sup>th</sup>, a shooting occurred involving Bay Terrace. The four teenagers alleged to be involved in the shooting of a couple in their vehicle are residents of Bay Terrace. The altercation that preceded the shooting, began on the property, resulting in gunshot wounds to both victims. One of the victims sustained a life-threatening injury and was transported to the hospital. Unfortunately, he did not survive the injuries.

Three of the teenagers have been arrested. The fourth remains at large.

Residents and staff are stunned by the events. Client Support and Empowerment (CS)E and PM staff have met with several families connected to the shooting, witnesses, and other residents to provide resources for counsel, assistance and any support needed.

## 3. OCCUPANCY OVERVIEW

### 3.1 Occupancy



### For the month of January

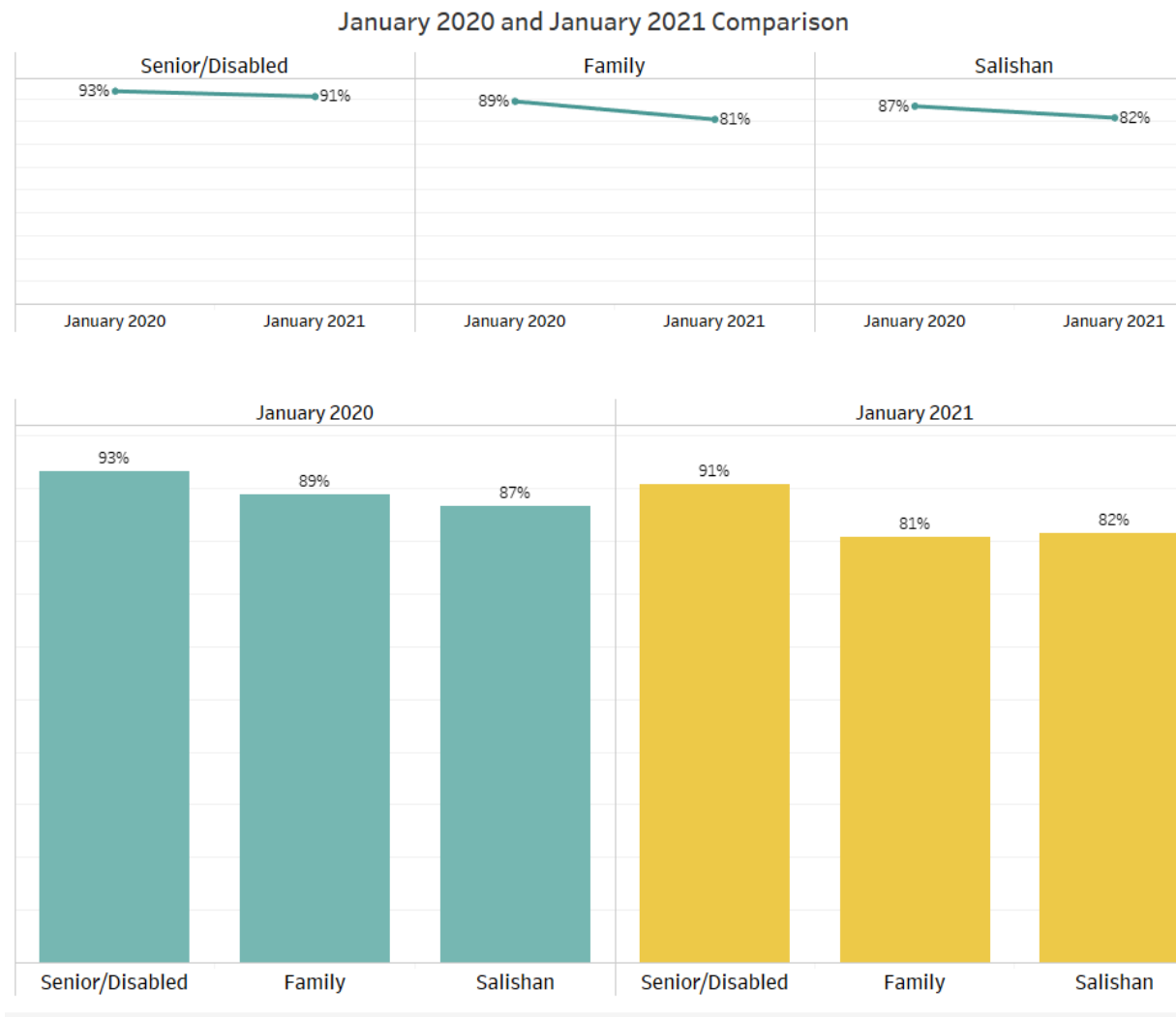
Unit Occupancy is reported as of the first day of the month. The chart above reflects THA's portfolio for the month of **January** with an occupancy percentage of 99%.

The portfolio has maintained a consistent occupancy rate of 99% for over 18 months. This is especially notable during the periods of Stay Home and Stage 1 for THA.

Other Public Housing Authorities (PHA) are reported to be struggling in this area, some with occupancy in the mid to high 70s.

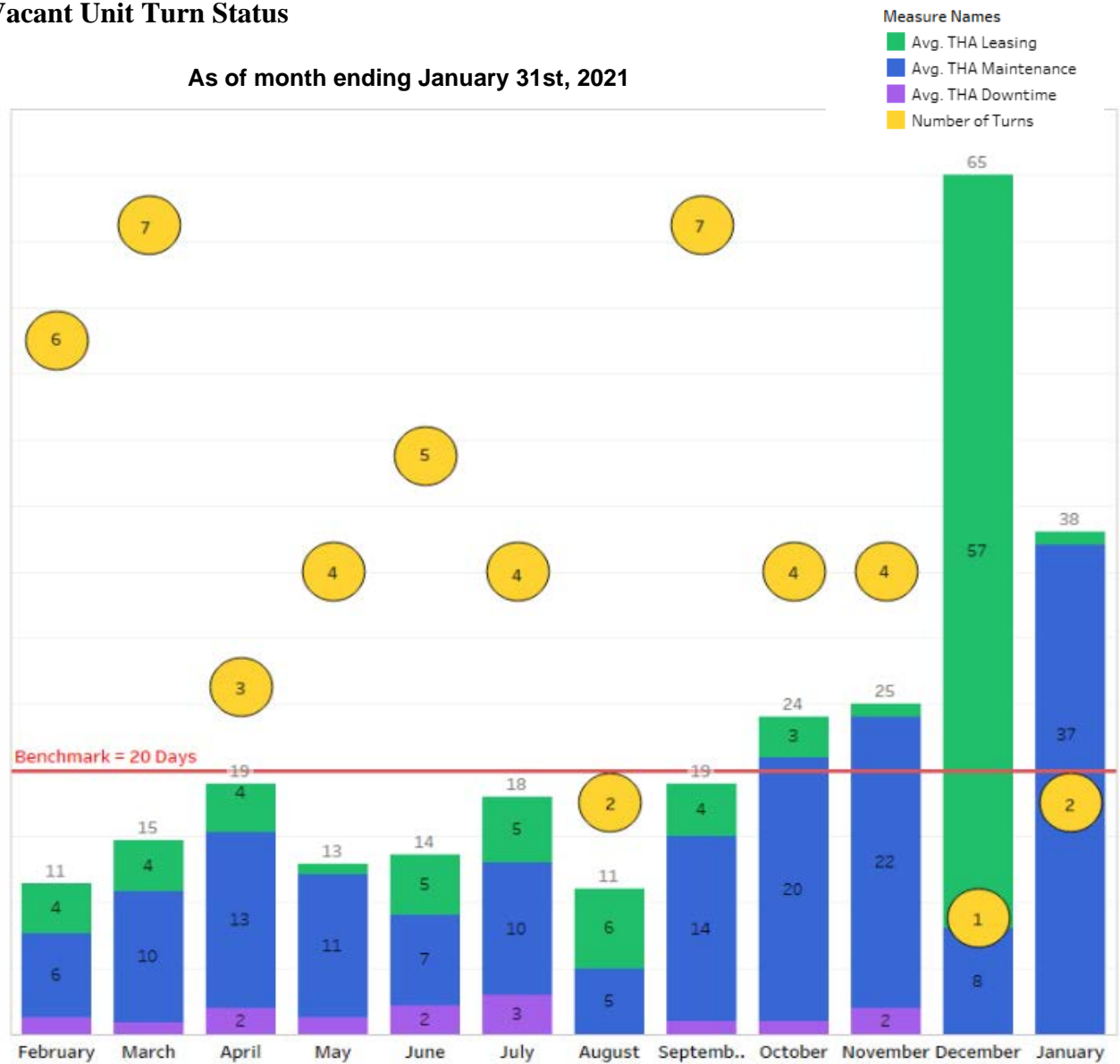
These numbers reflect the dedication by the PM staff to their work and to our mission to house our clients, even under extreme circumstances.

### 3.2 Tenant Rent Payments



The Tenant Rent Payments chart compares January 2020 and January 2021 rent payment averages through the last day of each reporting month by property and group. If a unit is vacated and occupied by a new tenant within the same month, the chart will capture both the inactive (vacated tenant) and active ledger (new tenant) payments.

### 3.3 Vacant Unit Turn Status

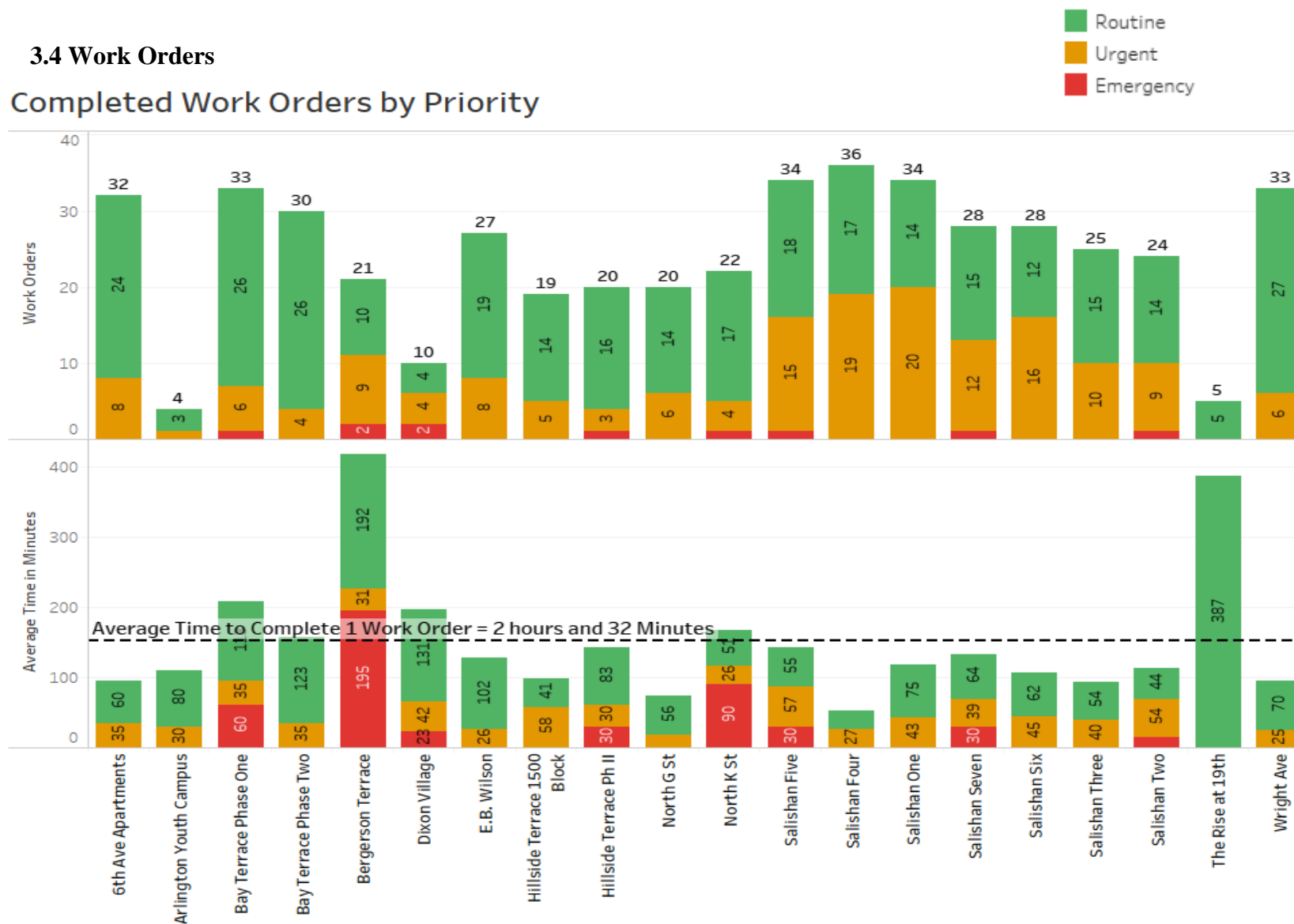


This data reflects the continued collective efforts of the Turn and Leasing teams to maintain the total turn target of 20 days or less. The turn average for the maintenance portion of unit turns process for January exceeded the goal of 17 days with an average of 37 days. This was primarily due to COVID restrictions for building occupancy during this and the previous month, which prohibited daily access to unit work. Leasing this month averaged 1 day which shows a significant improvement from the previous month. Despite the increase in turn days this month, a 41% decrease in overall turn days from the previous month, so we are moving in the right direction.

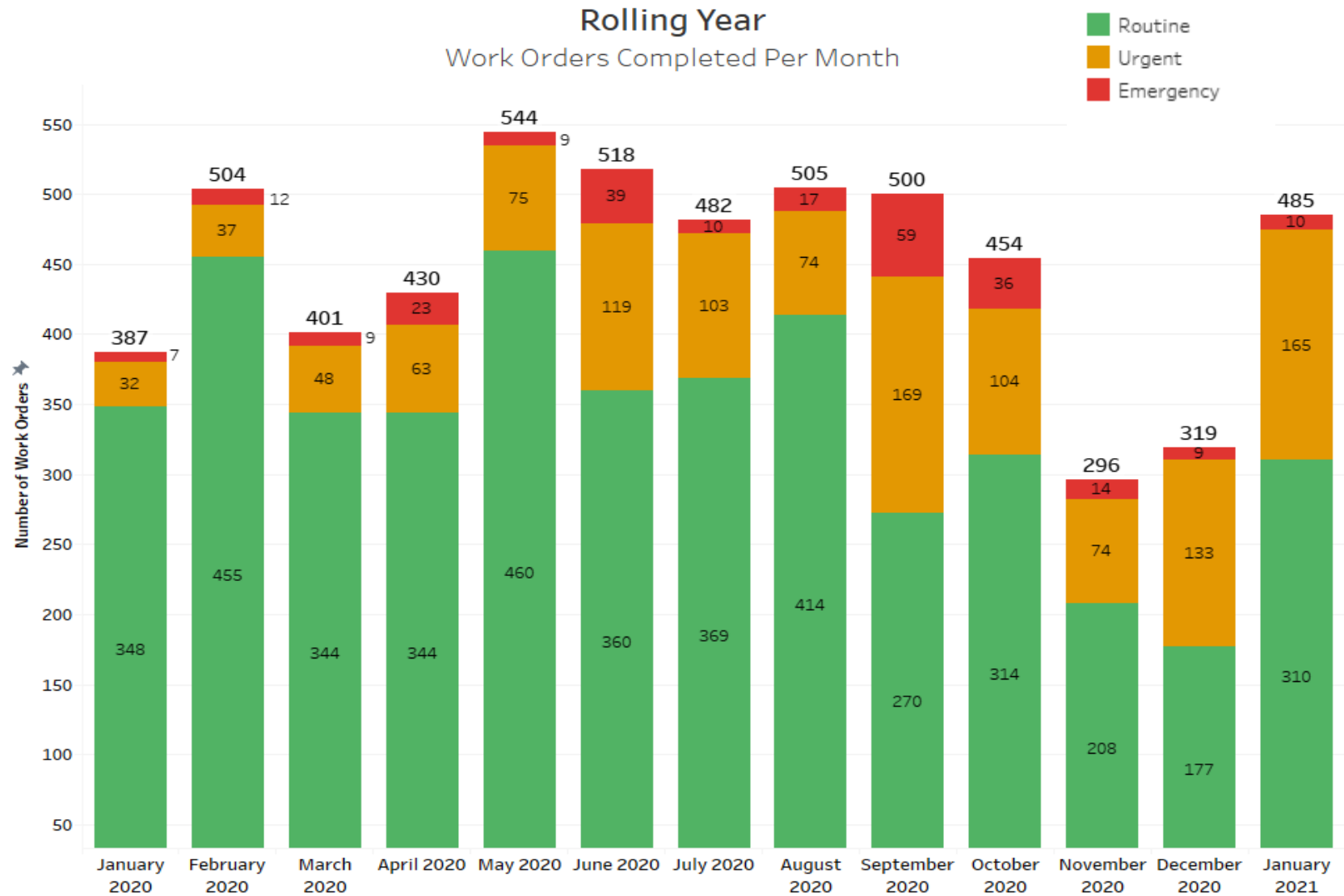
Despite the challenges of closed offices, teleworking and social distancing, the teams worked hard to quickly house families as soon as possible. Property Management holds a unit turn average of 22 days over the 12-month fiscal year to date period.

### 3.4 Work Orders

#### Completed Work Orders by Priority

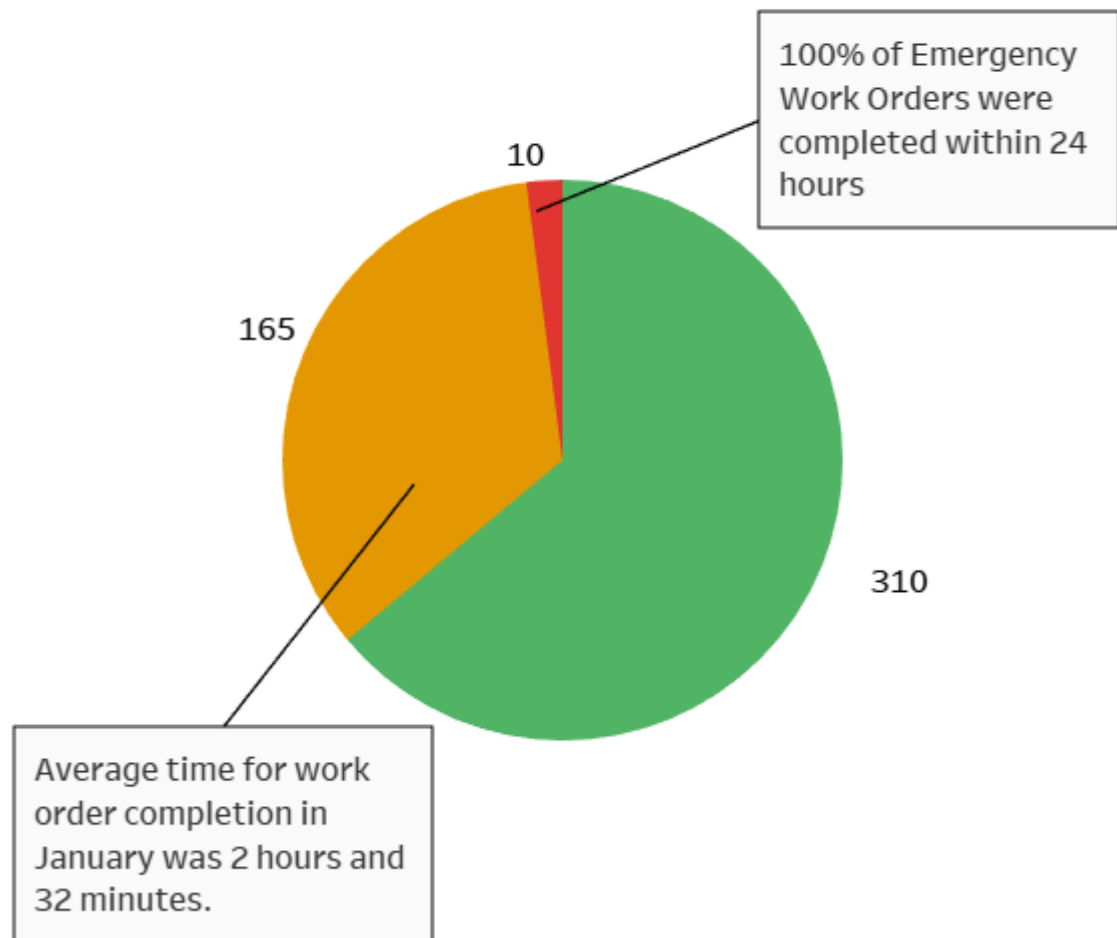


### 3.5 Total Work Orders





## Total Work Orders January 2021



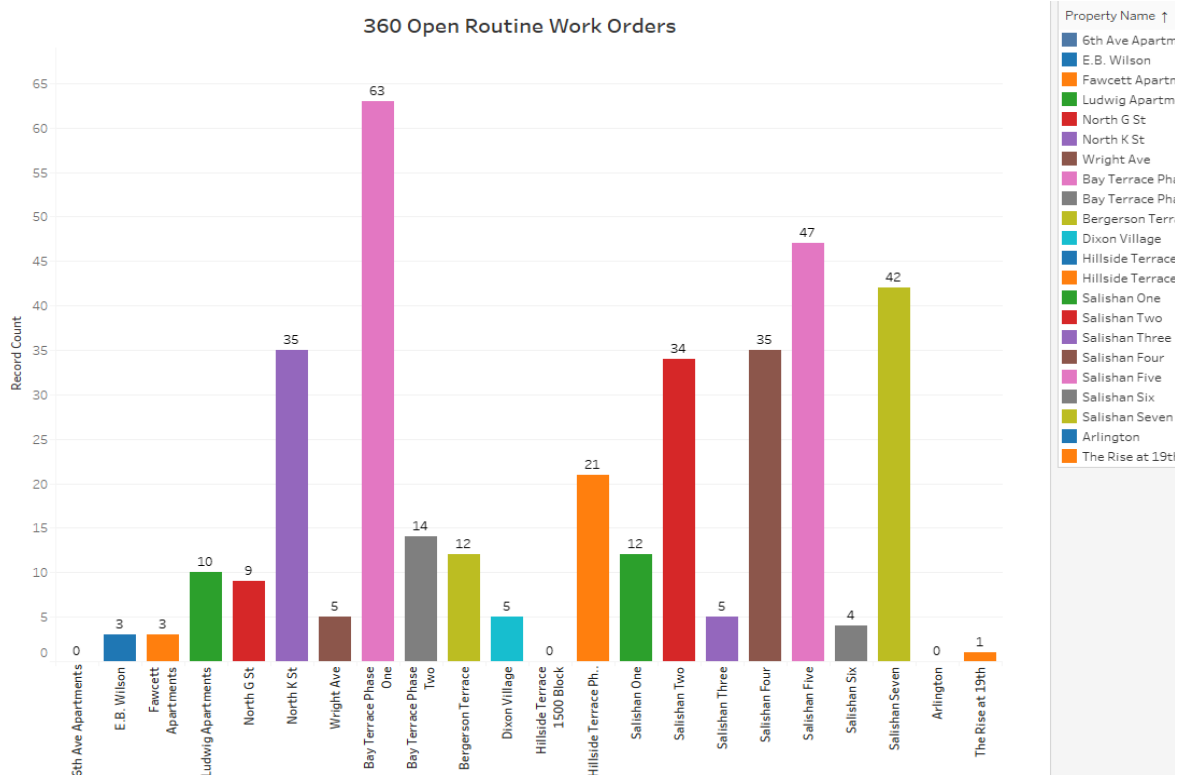
In the month of **January**, 100% of the 10 emergency work orders were completed within 24 hours and 165 urgent work orders completed within 72 hours. The average work order completion time across the portfolio decreased slightly this month from 2 hours and 37 minutes to 2 hours and 32 minutes.

We experienced a slight increase in the number of emergency work orders this month. PM continues to hold all routine work orders, except for units needing emergent and urgent work. We are working on a plan for addressing routine work orders, which is contingent on COVID status.

**Processes that PM has implemented in effort to improve customer service and safety during Coronavirus pandemic are:**

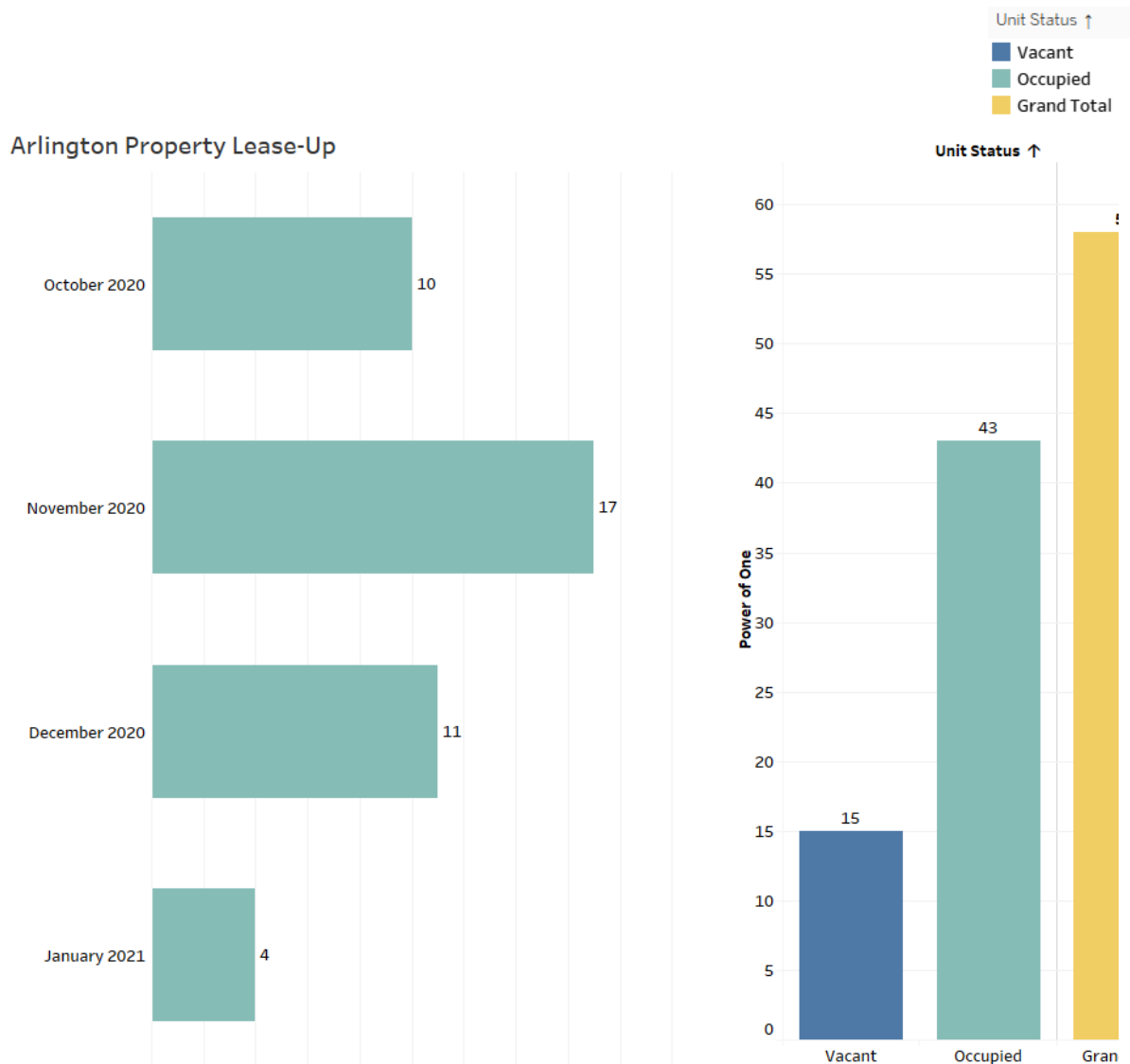
- Prioritize emergency and urgent work orders during the Coronavirus pandemic until the State's Safe Start Plan and THA's Re-opening Stages permit us to continue with other unit routine work orders. Maintenance will assess all routine work order requests to confirm or re-determine priority status;
- Prior to entering any unit, staff will ask appropriate general health questions of the occupant to allow for an assessment of risk and wear appropriate PPE to further limit risk to self and others.
- Communicate any potential delays with procurement due to limits on availability of stock;
- Close work orders within 48 hours of completion; and
- Temporary HOLD on routine work orders until further notice.

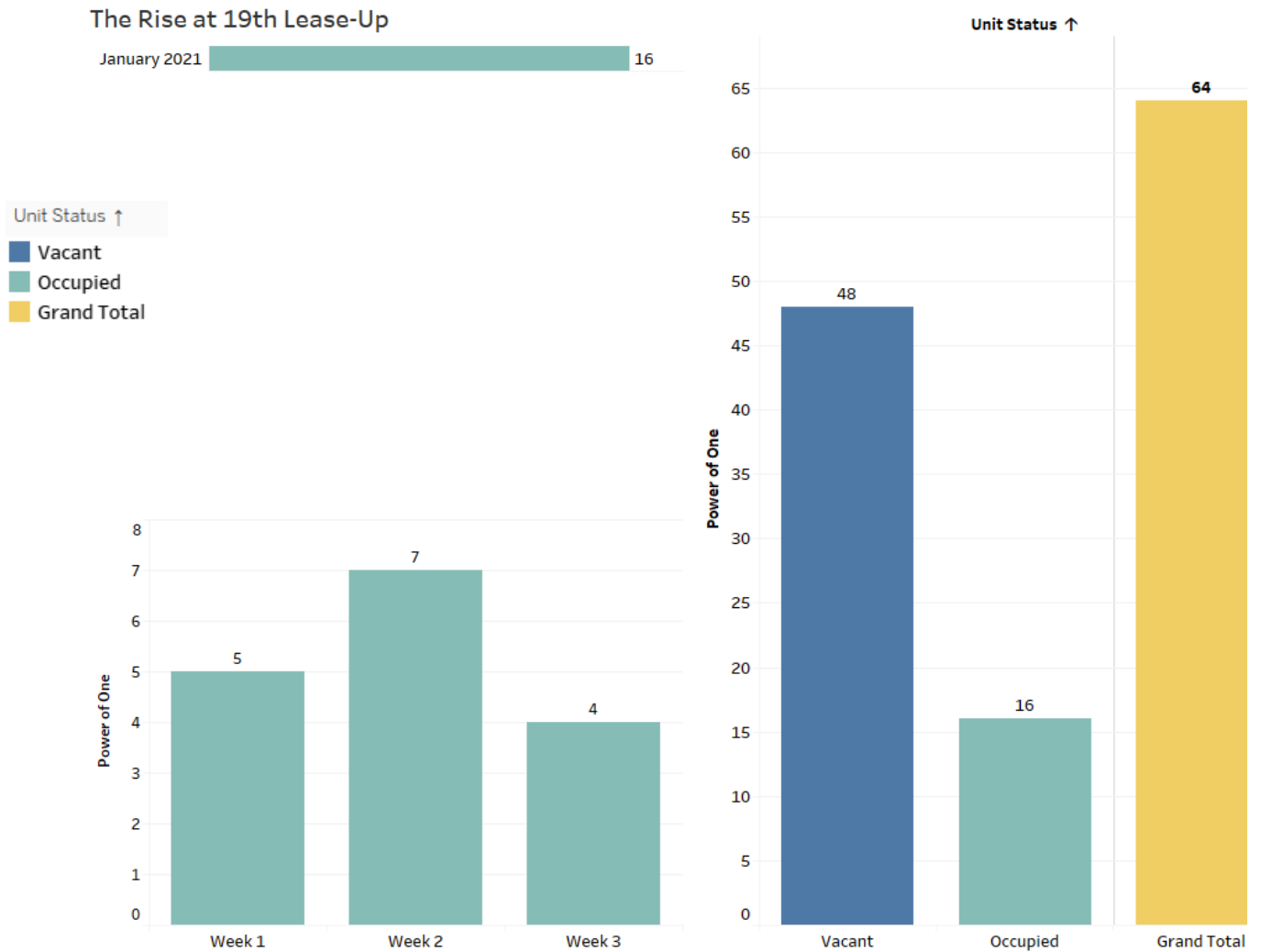
The chart below outlines a total of 360 outstanding routine work orders within our 22 properties. Some aged open work orders may rise to an urgent level which would explain a decrease or fluctuation from month to month.



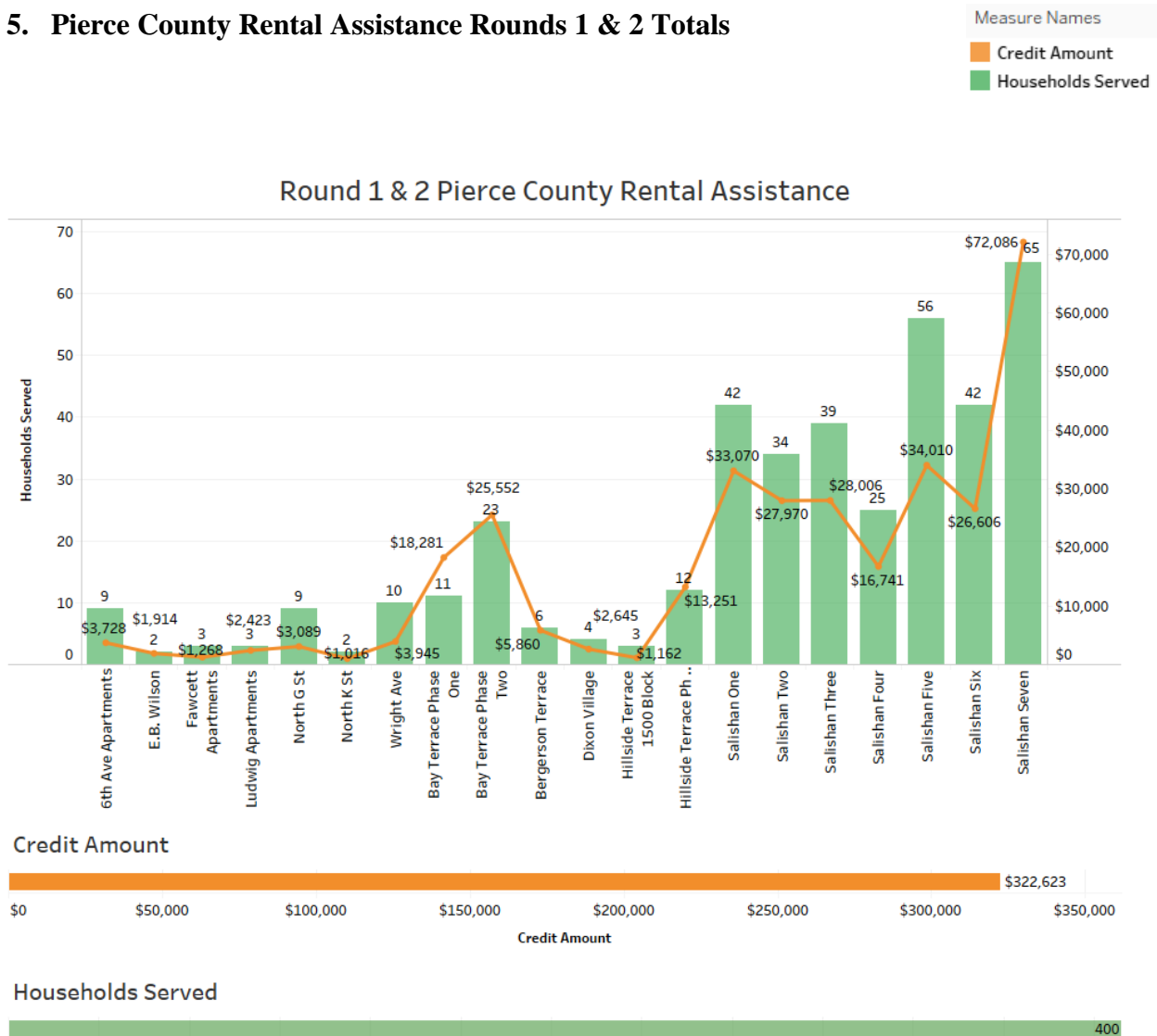
#### 4. Arlington Drive and The Rise at 19<sup>th</sup> Lease-Up

Arlington Drive Youth Campus and The Rise at 19<sup>th</sup> lease-ups are both underway. As of January 31, 2021, the PM Leasing team housed a total of 43 families at Arlington and 16 at The Rise. Arlington and the Rise have lease-up dates of May 1<sup>st</sup> and April 1<sup>st</sup>, respectively.

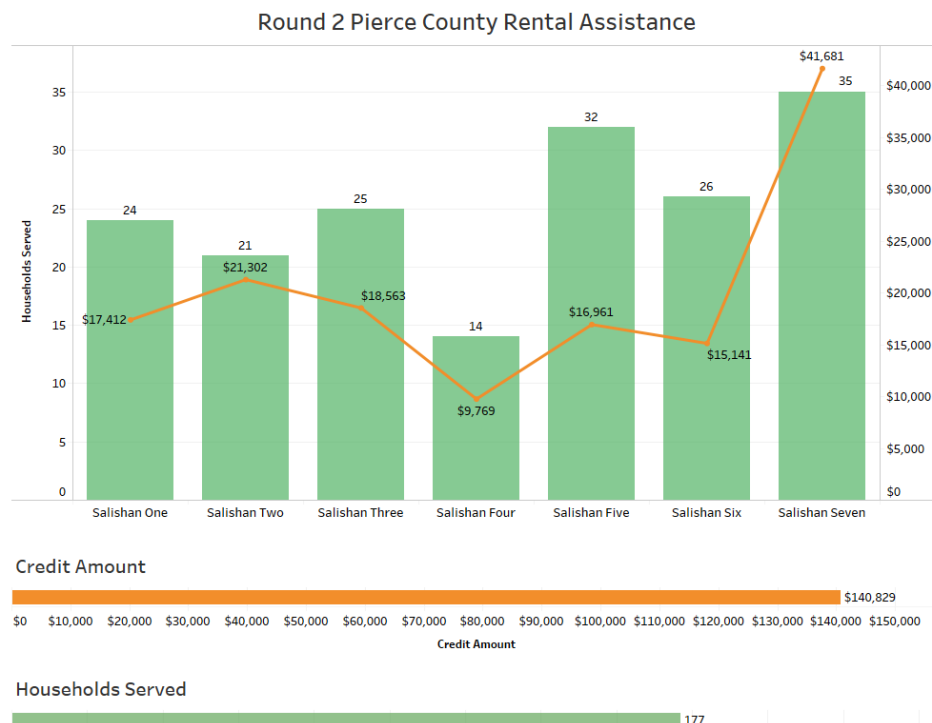
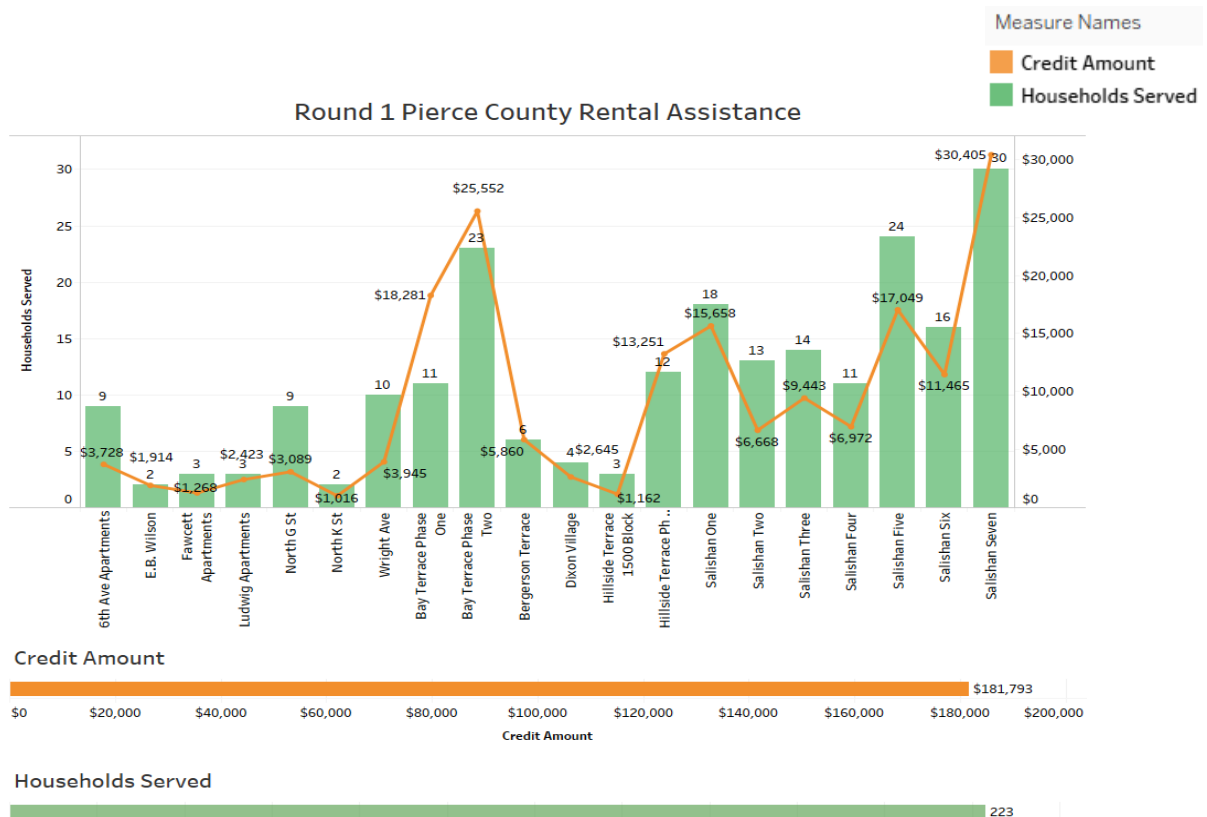




## 5. Pierce County Rental Assistance Rounds 1 & 2 Totals



The charts represent the number of households served and credit amounts for each property. A total of 400 Households were served and with a total credit amount of \$322,623. The data combines PC COVID 20 and PC COVID 20-2 tenant ledger payments. The charts on the next page provide further breakdown for each round of Pierce County funds. The PM COVID Rental Assistance and Late Rent Group worked hard to process Pierce County Rentals assistance funds that provided benefit to qualified THA Households.





**TACOMA HOUSING AUTHORITY**

**REAL ESTATE DEVELOPMENT**



# TACOMA HOUSING AUTHORITY

**DATE:** February 24, 2021  
**TO:** THA Board of Commissioners  
**FROM:** Kathy McCormick  
Director of Real Estate Development  
**RE:** Real Estate Development Department Monthly 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) sold the last seven residential lots to TAC Build LLC. The transaction closed in July 2020. They started doing some infrastructure work in late 2020. Vertical construction will commence once permits have been received.

## 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. The agreement with TCRA to use a CDBG grant to fund off-site right-of-way work has been executed. This grant will be with THA and loaned to the Partnership per the THA Master Loan Agreement executed at closing.

### **Construction**

Marpac mobilized beginning July 1, 2019. Overall, the project is 100% complete with exception of a few exterior items such as building signage and the north fence. At substantial completion, staff received a temporary Certificate of Occupancy on December 24, 2020.

### **Leasing**

Leasing has commenced with approximately 20 residents occupying the property. At substantial completion, leasing staff had approximately 30 qualified applicants from waitlist, transfer lists and the Veterans Administration with the first residents moving into the building on December 13, 2020. Staff targets 100% of the units leased by April 1, 2021.

## **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 to limit the capital investment into the buildings prior to redevelopment is being re-evaluated in light of THA's agreement to keep some of the buildings leased for another five to ten years. Electrical access has been installed to allow food trucks to operate on a semi-permanent basis.

#### **3.1.3. Leasing**

Although CB Danforth continues to market the available property, COVID has affected leasing prospects. CB Danforth is surveying current tenants at the property to determine if they will have challenges paying rent, plan to seek a loan or funding through CARES and if not, why not. Four (4) current tenants are delinquent on rent

for various amounts. Of those four, all have indicated they have applied for and expect to receive, COVID-related rent assistance from state or federal funds. Most businesses at James Center are small retailers, services and restaurants who are adversely impacted by the pandemic. Property management and leasing staff continue to stay in close contact with all tenants and are prepared to work with them for repayment options.

Shoebox NW (Jimmy John's) has stated they will cease to attempt sub leasing the property since vacating it prior to COVID closures. They will also cease to pay rent. This is a lease violation, and the tenant is still responsible for rent. Legal action is being initiated.

#### **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.

A formal decision from TCC regarding their participation in the redevelopment of JCN has been made. TCC has chosen to pursue the development of student housing on their campus rather than JCN. Their Foundation will lead this development effort in conjunction with a private development partner. Consequently, THA staff are exploring other development options and development partners for the first phase of JCN. This may include discussions with known affordable housing and market rate developers and/or listing the property for sale in order to attract an interested and suitable development partner.

THA has completed the design guidelines for this project. Ankrom Moisan (AMA) has drafted façade and site improvement concepts for the buildings. THA plans to hold for the next five to ten years. These improvements would activate the site and bring more modern touches to the exterior of the buildings. Staff believe this will help with leasing the remaining vacant spaces. THA has worked with AMA to estimate the cost of these improvements and now has a good understanding of what these improvements will cost and what order they should be implemented.

THA staff have begun the site plan approval process through the City of Tacoma. It is expected to be complete in April 2021. Enterprise Community Partners staff have been updated with the financial impacts of the COVID pandemic and how it relates to the performance of James Center North. Currently, JCN has adequate revenue to continue paying interest due on the acquisition loan. Enterprise is aware the first principal payment may be affected by current loss of revenue. If THA expects to be unable to sell land and receive adequate revenue prior to the date due in fall of 2021 Enterprise will be notified to explore repayment alternatives.

### **3.1.5. Operating Performance**

Property cash flow is steady and work orders are minimal. Previously identified capital improvement repair items are being addressed regularly. Repair costs are consistent with feasibility estimates.

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

Staff has begun the process of decoupling the parking lot from the Alberta J. Canada (AJC) partnership. This action is to provide land for a new housing development in the future. AJC has approximately 15 residents that require parking and they will be allocated spaces at the parking lot behind Key Bank or nearby location.

### **3.3. Arlington Drive Youth Campus**

#### **3.3.1. Crisis Residential Center**

The Crisis Residential Center is complete. Community Youth Services (CYS) took over the building mid-June. Staff are finalizing all the payments and reconciling the budget.

#### **3.3.2. Arlington Apartments**

The Certificate of Final Completion was signed January 14, 2021. Minor work to be completed will be done with RED staff oversight. Final punch items have been addressed, furnishings are being installed in the community room, offices and other communal areas. All the final documents are being organized in preparation for a hand off to Property Management. These documents will include all the built drawings, warranty items and any special reporting.

Korsmo tracks the amount of contracts let to local, minority, women and small businesses. Altogether, 54% of the construction contract is being completed by companies meeting these definitions. Small, women and minority owned businesses received 18% of the construction contract. These targets are below the goals established for this project.

Apartments	Totals	Current	Goals
Local	\$9,373,697.05	63.94%	30%
Minority	\$2,035,255.00	13.88%	14%
Women	\$841,339.00	5.74%	8%
Small	\$1,733,838.38	11.83%	5%

### **3.4. Hillsdale Heights Micro Shelter Village**

The City of Tacoma's authorized Micro Shelter Site at East 60<sup>th</sup> Street and McKinley Avenue contains 53 tiny houses. It is one of four Tacoma Emergency Micro Shelters (TEMS) to provide shelter for individuals experiencing homelessness. The Low-Income Housing Institute (LIHI) operates the site which includes basic amenities, fencing, shelter,

hand washing stations, garbage services, bathroom facilities, electricity and potable water. THA owns the property (Hillsdale Heights) and will provide temporary use of the site to the City for TEMS through 2021.

#### **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 about options to develop three parcels in 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 to be awarded 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 (HHA). Horizon was the sole applicant for the tax credits and were the second highest scorer for the 2020 9% tax credit round.

Staff is negotiating with Horizon Housing Alliance for the groundland lease and special limited partner role. We are working toward an early March 2021 closing. We will bring the board resolution to the March meeting.

In keeping with the commitments made during the #DesignTheHill community engagement process, Horizon issued a Call for Artists to help elicit community input on the

exterior façade and public art piece. All interviewees were Hilltop residents. THA staff was on the interview panel and will stay involved with this aspect of the design.

THA and HHA have been working with Tacoma Ministerial Alliance (TMA) to relocate Sam & Terry's and Mr. Mac. A site has been located two blocks from their existing site. We are working on lease negotiations and TI improvements with the owner.

#### **4.1.1. City of Tacoma 311 and Community Mobilization**

THA has entered a new contract with the City of Tacoma to continue to promote 311 services as well as expand the scope to include additional community mobilization efforts. This program will cover 2021 and 2022 and include partnership activities supporting business owners (Hilltop Business Crawl), training and mentoring of resident leaders, community and civic engagement efforts, and providing community information and updates on the Activate Hilltop website.

Under this new contract, THA will conduct outreach, events, and activities to help mobilize community members towards utilizing city and community services to become active members in creating a healthy and vibrant community. We will continue to work with community partners, local artists, and city staff to identify and address community needs.

#### **4.2. Hilltop Eco District**

Staff worked with the Eco District's staff through the latter half of 2020 to do a set of workshops for community leaders on forming an Eco District. We held those workshops in October (virtually) and for those sessions, nine people have volunteered to be on the Leadership Team for the Eco District. They have committed to meeting monthly for the first half of 2021 to set the foundation, establish governance and identify the priority issues for the organization. THA is working closely with HAC on this effort. The Leadership Team currently has 14 participants.

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

RED staff have been meeting with Pastor Christopher since early 2019 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 2019, 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. Shiloh was awarded predevelopment funding from Impact Capital and One Pierce. In total they plan to develop 60 units of new housing. Funding applications were submitted to the City and State in the fall round. No funds were awarded due to the highly competitive nature of the rounds. We will re-apply in 2021.

#### **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. In September 2020, THA made the decision to discontinue its pursuit of the Gault Middle School because of the inability to secure funding for stage one work amid the current pandemic-impacted economy.

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

K Street's Environmental Restrictive Covenant has been filed of record and we received the No Further Action (NFA) letter from the Department of Ecology (DOE). A request for release of a portion of the funds was submitted to the investor. Wright Street's Environmental Restrictive Covenant has been signed and will be filed of record in the very near future. Once DOE gets the original recorded copy back from the county recorder's office, they will issue the No Further Action Letter for Wright Street and then the balance of the funds will be requested. We are able to submit separate requests because the investor agreed to release a portion of the funds once the NFA letter was issued for K Street instead of waiting for NFA's for both sites before releasing the \$548,000 in escrow and \$3,452,000 in developer fee.

### **6. Tenant Improvement**

#### **6.1. 902 First Floor TI**

Tenant improvement plans have resumed for the 1<sup>st</sup> floor of THA's Administration Building following a temporary hiatus. The break was necessary to allow staff to focus with health, safety and emergency operations during the pandemic crisis. The break also provides a new and fresh look at both onsite and remote workspace planning. Reconvening activities include review and approval of schematic plan and design development revisions of the 2019 plans as a result of THA's changing workspace needs. Schedule timeline consists of permit submission to the City by end of January, bidding activities in March and estimated 12 weeks of construction beginning Spring 2021.