



TACOMA HOUSING AUTHORITY

AMENDED BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, JUNE 27, 2018

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at 2302 6th Avenue, Tacoma, WA 98403 at 4:45 PM on Wednesday, June 27, 2018.

1. CALL TO ORDER

Commissioner Young called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 5:08 PM.

2. ROLL CALL

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

PRESENT	ABSENT
Commissioners	
	Chair Janis Flauding
Vice Chair Minh-Anh Hodge (Arrived late at 5:26 pm)	
	Commissioner Arthur Banks
Commissioner Stanley Rumbaugh (Arrived late at 5:06 pm)	
Commissioner Derek Young	
Staff	
Michael Mirra, Executive Director	
Sha Peterson, Executive Assistant	
April Black, Deputy Executive Director	
Ken Shalik, Finance Director	
Toby Kaheiki, Human Resources Director	
Frankie Johnson, Property Management Director	
Kathy McCormick, Real Estate Development Director	
Sandy Burgess, Administrative Services Director	
Julie LaRocque, Rental Assistance Director	
Cacey Hanauer, Client Support and Empowerment Director	

Commissioner Young declared there was a quorum present @ 5:09 and proceeded.

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Commissioner Young asked for any corrections to, or discussion of the minutes for the Regular Session of the Board of Commissioners on Wednesday, May 23, 2018. Commissioner Rumbaugh moved to adopt the minutes; Vice Chair Hodge seconded.

Upon roll call, the vote was as follows:

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

Motion approved.

4. GUEST COMMENTS

Susan Harmon-Payne

Ms. Harmon-Payne lives at 6th Avenue Apartments. Although Director Johnson already had a discussion with Ms. Harmon-Payne prior to the board meeting, she still wanted to share her concerns with the board. According to Ms. Harmon-Payne, tenants have been having issues with a broken fence, defective alarm and cameras, and tenants blocking doors. She also feels that tenants who have been arrested for possession or use of drugs should be rehabilitated prior to being accepted back into their building.

Darlene Howard

Ms. Howard is a Section 8 tenant who has been on medical leave since April. She initiated a change of circumstance with THA to decrease her rent payment and complied with everything she needed to do. Her request has been denied three times. Rental Assistance Director Julie LaRocque then conferred with Ms. Howard.

5. COMMITTEE REPORTS

Real Estate Development Committee—Commissioner Rumbaugh

Nothing to report.

Finance Committee—Vice Chair Hodge and Commissioner Young

Nothing to report.

Education Committee—Vice Chair Hodge

Nothing to report.

Citizen Oversight Committee—Commissioner Banks

Nothing to report.

6. COMMENTS FROM THE EXECUTIVE DIRECTOR

Executive Director (ED) Michael Mirra highlighted some of the topics in his report:

- The House and Senate Appropriation Committees are writing the FY 2019 budget. They each have issued proposals for the HUD budget. Each proposal rejects the Trump Administration's budget proposal that would have cut HUD's budget significantly. The budget for FY 2020 will likely be very challenging.
- Discussions regarding tenant protection proposals are headed to the City Council. ED Mirra and staff have been meeting with landlords and tenant representatives. Those discussions suggest notable agreement among the groups.

ED Mirra showed a drawing of Bay Terrace from a child who lives there. THA will get the name of the artist and will have the drawing framed and showcased at Bay Terrace.

7. ADMINISTRATIVE REPORTS

Finance

Finance Department (FD) Director Ken Shalik directed the board to the finance report. The State auditors will commence audit for 2017 within the next week or so. The Finance Committee will have an entrance meeting sometime in July and will also discuss the 2019 budget. THA remains in good financial condition. Its unencumbered reserves are currently at \$1 million, which is lower than we need it to be. We will replenish it when we get to final closing of the books on the Renew Tacoma refinancing and on Bay Terrace II (BTII). Director McCormick announced that both Renew Tacoma and BTII are with investors. These deals will add another \$9 million to our unencumbered reserves.

Commissioner Rumbaugh moved to ratify the payment of cash disbursements totaling \$4,826,948 for the month of May 2018. Vice Chair Hodge seconded.

Upon roll call, the vote was as follows:

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

Motion Approved.

Administrative Services

Administrative Services (AS) Director Sandy Burgess directed the board to her report. She provided the board a Per Unit Per Year (PUPY) report, which shows that all properties are operating below PUPY. AS and Property Management (PM) will look at the report again in August with hopes of finding the same result. Commissioner Young

asked if there were specific items THA was expecting but did not see. Salaries and maintenance, replied Director Shalik. Commissioner Rumbaugh inquired about the differential for Highland Crest and reserve fund. According to Director Burgess, THA budgeted conservatively. Director Shalik added that when THA purchased Highland Crest last year, it was funded at \$200K. Commissioner Rumbaugh noted that the board talked about trying to capture the cash flow or expense incurred on properties owned by THA as opposed to RAD conversion. Director Burgess said she hopes to have this report to the board ready at its August meeting.

Property Management

Property Management Director Frankie Johnson directed the board to her report. For the fourth month, PM is showing less than 20 days to turn a unit key to key. Commissioner Rumbaugh said this is remarkable. Since February PM, Finance and compliance have been doing Lifecycle of the Tenant trainings, working on customer service, efficiency, and OpenDoor. Director Johnson acknowledged Rental Assistance Housing Specialist Cathy Forslund, who has been influential in the decrease of leasing days.

Real Estate Development

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

- The third-party analysis for Renew Tacoma is complete and a letter will go out to Walsh with the final contract amount.
- There is full funding for the Arlington Drive Crisis Residential Center (CRC). RED will meet with the County and City to find out when THA can start drawing on funds. THA submitted a tax credit application yesterday for the rental housing.. The Washington Housing Commission staff will need to verify funds, but they expressed confidence that THA will receive an allocation.
- THA launced the planning for the James Center North planning. RED is pleased with the design team and consultants.
- RED is getting ready to issue a Request for Qualification (RFQ) for Housing Hilltop. The Greater Tacoma Commuity Foundation has agreed to partner with THA, and RED hopes to start attracting others like the Library.
- Commissioner Rumbaugh mentioned a complaint he received New Look tenants do not receive adequate notice of what is going on with the reconstruction. RED is aware of the complaints, have talked to the tenants, and is doing everything to address their concerns.

8. OLD BUSINESS

None.

9. NEW BUSINESS

9.1 RESOLUTION 2018-06-27 (1) (Purchase & Sale Agreement for Sale of 7 Lots at Salishan)

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

WHEREAS, The Housing Authority of the City of Tacoma (the “Authority”) seeks to encourage the provision of long-term housing for low-income persons residing within the City of Tacoma, Washington (the “City”); and

WHEREAS, The RCW 35.82.070(2) provides that a housing authority may “prepare, carry out, acquire lease and operate housing projects; and “provide for the construction, reconstruction, improvement alteration or repair of any housing project or any part thereof...”; and

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

WHEREAS, The Authority is authorized by the Housing Authorities Law (chapter 35.82 RCW) to, among other things: (i) “prepare, carry out, acquire, lease and operate housing projects; to provide for the construction, reconstruction, improvement, alteration or repair of any housing project or any part thereof” (RCW 35.82.070(2)); (ii) “lease or rent any dwellings . . . buildings, structures or facilities embraced in any housing project” (RCW 35.82.070(5)); (iii) “make and execute contracts and other instruments, including but not limited to partnership agreements” (RCW 35.82.070(1)); (iv) “delegate to one or more of its agents or employees such powers or duties as [the Authority] may deem proper” (RCW 35.82.040); and (v) “make . . . loans for the . . . acquisition, construction, reconstruction, rehabilitation, improvement, leasing, or refinancing of land, buildings, or developments for housing persons of low income.”; and

WHEREAS, The Executive Director and the Board of Commissioners find the terms of the Purchase and Sale Agreement acceptable to THA; now, therefore, be it

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

1. The Executive Director has the authority to negotiate, and if those negotiations are successful, to execute a Purchase and Sale Agreement with TAC Build LLC.
2. Acting Officers Authorized. The proper officers of the Authority are and are hereby authorized, empowered, and directed to take such further action on behalf of the Authority as they deem necessary to effectuate the foregoing sections of this resolution. Any action required by this resolution to be taken by the

Executive Director of the Authority may in his absence be taken by the duly authorized acting Executive Director of the Authority.

3. This resolution shall be in full force and effective from and after its adoption and approval.

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

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

Motion Approved: June 27, 2018

Janis Flauding, Chair

**9.2 RESOLUTION 2018-06-27 (2)
(Authorization to Adopt New Procurement Policy)**

A **RESOLUTION** approving amendments to the Tacoma Housing Authority's Procurement Policy.

WHEREAS, The Housing Authority of the City of Tacoma (the "Authority") intends has a policy governing its procurement of goods and services, THA Policy PI-01. It needs amendment to conform to state and federal law, to govern THA's procurements for other entities and to make it easier for staff to understand; now, therefore, be it

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

1. THA adopts as new THA Policy PCI-01 – Procurement in substantially the form set out in the attached draft. Staff may further amend the policy without Board review for purposes of minor clarification, formatting changes and the addition or modification of flow charts and other visualizations, and forms.
2. Any actions of the Authority or its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.

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

Upon roll call, the vote was as follows:

AYES: 3
NAYS: None
Abstain: None

Absent: 2

Motion Approved: June 27, 2018

Janis Flauding, Chair

**9.3 RESOLUTION 2018-06-27 (3)
(Approval of Small Assets Disposition Policy)**

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

WHEREAS, The Housing Authority of the City of Tacoma (the "Authority") is the recipient of Federal funding through various instruments issued by the Department of Housing and Urban Development ("HUD"); and

WHEREAS, HUD has adopted 2 CFR 200, which includes certain administrative requirements, cost principles, audit requirements, and requirements for procurements conducted by recipients of Federal funding; and

WHEREAS, Public housing authorities, including the Authority, are required to adopt policies that meet the requirements of 2 CFR §200; and

WHEREAS, Following an audit that HUD conducted between July 31 and August 4, 2017, HUD raised a concern about the lack of a disposition policy; and

WHEREAS, A proposed Small Asset Disposition policy that satisfies and adopts the requirements of 2 CFR §200 is attached as Attachment A; now, therefore, be it

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

1. THA adopts THA Policy G-15 Small Asset Disposition in substantially the form set out in the attached draft policy. Staff may further modify this policy without further Board review for minor changes, changes in format, visualizations and forms.

SR how do we keep track. Sandy says when they are obsolete and such we dispose of them.

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

Upon roll call, the vote was as follows:

AYES: 3
NAYS: None
Abstain: None

Absent: 2

Motion Approved: June 27, 2018

Janis Flauding, Chair

**9.4 RESOLUTION 2018-06-27 (4)
(Approval of Update to THA's Ethics Policy)**

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

WHEREAS, The Housing Authority of the City of Tacoma (the "Authority") approved the update of THA's Procurement Policy; and

WHEREAS, In the course of revision of THA's Procurement Policy, Legal Counsel advised an update to THA's Ethics and Conflicts of Interest Policy to comply with HUD regulation 2 CFR Part 200; and

WHEREAS, A proposed revised Ethics and Conflicts of Interest Policy that satisfies the recommendation of Legal Counsel is attached hereto as Exhibit A; now, therefore, be it

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

1. THA adopts a new version of THA Policy G-10 - Ethics and Conflicts of Interest in substantially the form set forth in the attached draft. Staff may make further amendments to this policy without further Board review to make minor clarifications, format changes and visualizations and to reference forms.
2. This resolution shall be in full force and effect from and after its adoption and approval.

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

Upon roll call, the vote was as follows:

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

Motion Approved: June 27, 2018

Janis Flauding, Chair

10. COMMENTS FROM COMMISSIONERS

- Commissioner Young thanked the directors and staff for their great work. He dropped by Salishan during the book fair and was impressed with the volunteers.
- ED Mirra informed the board that they will be receiving an invitation for a celebration at Salishan on July 17 at 3:30 pm to note the ribbon cutting on Heritage Bank's new Salishan branch. Speakers will be Children's Savings Account program participants, Mayor Woodards, Superintendent Santorno, Councilmember Ushka, Heritage Bank officials and Prosperity Now President Andrea Levere from D.C. Marty Campbell will preside.
- Commissioner Rumbaugh inquired about the Americas Credit Union offer for supplemental escrow accounts for home purchases. ED Mirra will contact Paul Miller and will be handing this project off to Director of Client Support and Empowerment Cacey Hanauer.
- Commissioner Young's schedule has more flexibility allowing him to be in Tacoma on Mondays and Wednesdays.
- Commissioners were invited to a Tenant Residents Action Coalition (TRAC) event at People's Park on July 27th from 12:00-3:00 pm.

11. EXECUTIVE SESSION

None.

12. ADJOURNMENT

There being no further business to conduct the meeting ended at 6:17 PM.

APPROVED AS CORRECT

Adopted: July 25, 2018



Dr. Minh-Anh Hodge, Chair