



# TACOMA HOUSING AUTHORITY

## BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, JULY 25, 2018

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at Ludwig, 5425 S. Lawrence Street, Tacoma, WA 98409 at 4:45 PM on Wednesday, July 25, 2018.

### 1. CALL TO ORDER

Chair Flauding called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:55 PM.

### 2. ROLL CALL

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

PRESENT	ABSENT
<b>Commissioners</b>	
Chair Janis Flauding	
Vice Chair Minh-Anh Hodge (arrived late at 5:03 pm)	
Commissioner Arthur Banks	
Commissioner Stanley Rumbaugh (arrived late at 5:05 pm)	
Commissioner Derek Young	
<b>Staff</b>	
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 & Empowerment Director	

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

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

Chair Flauding asked for any corrections to, or discussion of the minutes for the Regular Session of the Board of Commissioners on Wednesday, June 27, 2018. Commissioner Rumbaugh moved to **amend** the minutes: *Under Comments from Commissioners, Paul Miller is not with Paul Miller Brokerage but rather with Americas Credit Union.* Commissioner Banks seconded.

Upon roll call, the vote was as follows:

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

**Motion approved.**

### 4. GUEST COMMENTS

#### **Senta McKnight, Fawcett Tenant**

Senta thanked Tacoma Housing Authority and the board for their assistance and gave special thanks to Executive Director Michael Mirra, Property Management Director Frankie Johnson, and Property Management Operations Coordinator Yvonne Ginoulis. She said that they have been very helpful to her and to the Tenant Residents Action Coalition. (TRAC). She said that TRAC's annual board meeting and picnic is scheduled Friday, July 27.

### 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 provided an update on the homeless encampment at People's Park. He reviewed what he had reported in writing to the board: he signed the "trespass authorization" that the city requested allowing the police to remove the encampment from THA property around its building at 902 S. L Street. He reviewed the

factors that made that the correct, if difficult, decision. ED Mirra acknowledged staff's contribution to the encampment puzzle.

ED Mirra reported that THA, also at City request, will now consider whether THA has any other property suitable to host a temporary encampment under the City's new code that allows for it. He reviewed the conditions that THA would require for it to do this: the encampment would not interfere with THA's construction schedule for the property; another organization with the skills and experience to do so would manage the encampment; THA will need help to pay for it; a robust community consultation that the City will help to lead. Director Frankie Johnson is the project manager for this effort. ED Mirra asked the board if it would favor making the land available for temporary encampment:

- Commissioner Rumbaugh is worried about liability issues. Commissioner Rumbaugh is also worried about the time it would take for people to leave and the mess that would be left behind. His answer is therefore a conditional "Yes."
- Commissioner Banks wants the city to buy into the plan and be responsible for weekly trash, restrooms and porta-potties. Supportive services should also be part of the plan.
- Chair Flauding stated that: (a) if THA does not have legal responsibility, (b) the city is willing to be involved, (c) THA finds someone else to manage it, (d) and there is a plan at the end of the temporary encampment -- then she favors the plan. She would like to see a program of services.
- Vice Chair Hodge is concerned about tracking who goes in and out of the encampment in case crimes are committed. Commissioner Rumbaugh stated that it would have to be tracked by someone who knows how to manage the encampment.
- Commissioner Rumbaugh likes the tiny homes idea and making them mobile. They can also be manufactured.
- Commissioner Young thinks that creating tiny homes can add value to the site. He added that Seattle is doing something similar and THA should inquire about how they are responding to the concerns associated with tiny homes. Director Johnson is scheduled to visit the tiny homes community in Seattle.

## **7. ADMINISTRATIVE REPORTS**

### **Finance**

Finance Department (FD) Director Ken Shalik directed the board to the finance report. He is not seeing challenges at this time. The state auditors started their audit early this month. They still need to meet the September deadline so they need to finish by the end of August. The entrance conference is scheduled for the first week in August; ED Mirra

will be out of town but Deputy Executive Director Black will be standing in for him. Both Vice Chair Hodge and Commissioner Young are scheduled to attend.

Finance is still waiting for funds for Rental Assistance Demonstration (RAD) closing and Bay Terrace (BT) totaling \$1.5M in unrestricted funds. Finance is also still working on closing Boston Financial Investment Management (BFIM).

Commissioner Banks moved to ratify the payment of cash disbursements totaling \$4,716,477 for the month of June 2018. Commissioner Young seconded. Upon roll call, the vote was as follows:

AYES: 3  
NAYS: None  
Abstain: None  
Absent: 2 (Vice Chair Hodge and Commissioner Rumbaugh were not yet in attendance)

**Motion Approved.**

### **Policy, Innovation and Evaluation**

Policy, Innovation and Evaluation (PIE) Director April Black directed the board to her report. In addition to her board report, she is also submitting a Moving to Work (MTW) plan amendment. The plan will go out for public comment in August. Staff will submit it to the board in September for the Board's approval. The only proposed new activity will modify how THA assesses whether a section 8 rental property complies with Housing Quality Standards. The modification will allow occupancy despite "minor" shortfalls that the landlord can repair later. Director Black said minor fails include window seals, cracked switch cover, etc. They would not involve items that threaten health or safety.

Chair Flauding noted that Eric Lane is now going to be part of Rental Assistance (RA). Director Black said PIE is excited about this move. Chair Flauding is excited as well because she knows THA needs a Landlord Engagement Specialist.

### **Client Support and Empowerment**

Client Support and Empowerment (CSE) Director Cacey Hanauer directed the board to her report. Director Hanauer is reorganizing her department. The table in her report shows how the reorganization will focus the team and their expertise. The effort will devise better key performance indicators to allow staff to track their success. A Request for Proposal (RFP) for Arlington Drive was released and closes September 4.

## **Rental Assistance**

Rental Assistance (RA) Director Julie LaRocque was not in attendance. Director Black addressed the board on her behalf. Director LaRocque's report touched on Eric Lane's move to RA and her excitement at this new hire. RA continues to see dips in utilization in Housing Choice Voucher (HCV) and Housing Opportunity Program (HOP) as Tacoma's rental market continues to tighten and gets still more expensive. Eric is engaging landlords and beginning to talk to them about property-based vouchers. This department is focused on utilization and following up with movers and tenants shopping for more than 60 days, to see if they can stay under their current lease.

Commissioner Rumbaugh inquired about other strategies for improving utilization. Director Black said one of the resolutions for the board's consideration that day would allow a new way to subsidize apartments. It is called "property-based subsidies". This is a novel approach that THA has devised. Director Black explained how it differs from project-based subsidies. She said there is already one apartment owner interested. Also, RA is continuously working on strategies such as THA paying for screening fees, security, or past debts, to make it more appealing for tenants.

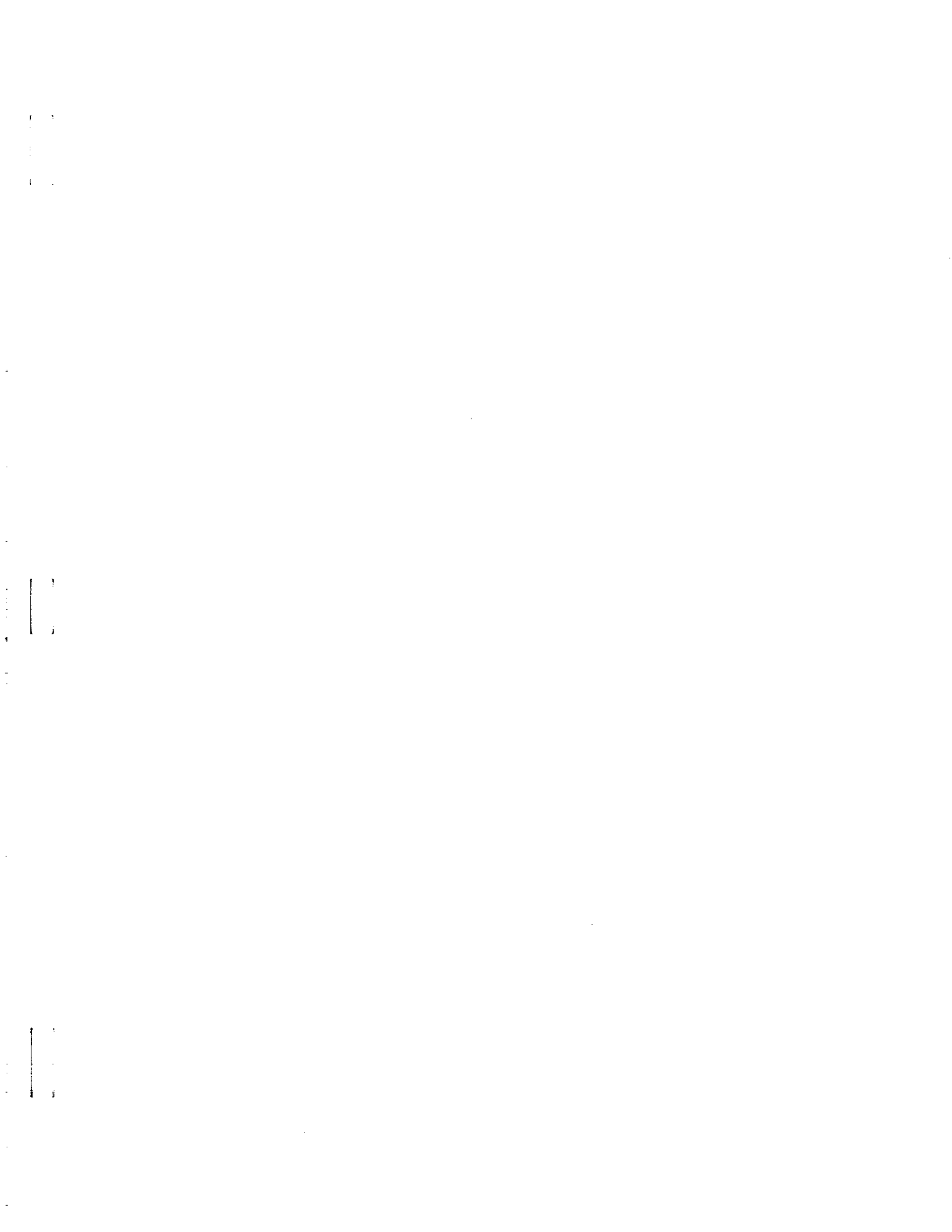
Commissioner Rumbaugh is concerned about concentrating subsidized units in only one geographic area. Director Black noted the concern and how THA does track the extent of concentration and spread among its voucher participants. She also noted some reasons why concentrating in one part of the City can make sense. For example, THA is seeking property-based voucher units within walking distance of Tacoma Community College (TCC) and Tacoma Public Schools to further THA's school partnerships. Commissioner Rumbaugh likes the idea but he feels there are problems with it. Director Black will put in a maximum number of units per property. She also asked for and received the Board's approval to increase the total number of authorized property based units to 500.

ED Mirra added that another factor affecting utilization will come into play on September 30 when state law outlaws discriminate against people who participate in the voucher program.

## **Property Management**

Property Management (PM) Director Frankie Johnson directed the board to her report. PM is reporting unit turns below 20 days for the fifth month in a row; unit turns this month were done in an average of 17 days. PM is interviewing to fill a maintenance supervisor position to continue to keep this number down. The Commissioners expressed their appreciation for this achievement.

At the June board meeting, one tenant read a letter outlining concerns; Director Johnson included her response to that letter in her report.



## Real Estate Development

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

- Arlington Drive rental housing received an award of tax credits. THA's Request for Proposals seeking a service provider is now out.
- Last week, RED presented the James Center North project to a convening of national design experts in Seattle. They agreed that the site has great potential.
- Commissioner Rumbaugh inquired about Hilltop Housing. According to ED Mirra, THA owns 7 parcels in two blocks. Commissioner Rumbaugh suggested to have as many of the parcels in one permit.

## Human Resources

Human Resources (HR) Director Toby Kaheiki directed the board to his report. HR is excited about 2018 and has been involved with a lot of new beginnings, new directors, medical plans, and organizational structures. Commissioner Rumbaugh inquired about the Trades and OPEIU negotiations. Director Kaheiki responded that HR is on the tail end of OPEIU negotiations — working on pay and benefits. There have been four meetings and he is hopeful things will wrap up in August. For Trades, HR had its second meeting that day and he reports things are going well. Director Kaheiki will keep the board informed and hopes to come to the August board meeting with resolutions for the board to consider approving new collective bargaining agreements.

### 8. OLD BUSINESS

None.

### 9. NEW BUSINESS

#### 9.1 RESOLUTION 2018-07-25 (1) (Amendment #2 to Architectural and Engineering Services with SMR Architects Arlington Drive Youth Campus)

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

WHEREAS, On September 28, 2016, the Board approved Resolution 2016-09-28 (4) authorizing the Executive Director to negotiate and execute a contract for A&E services for the Crisis Residential Center and master plan for Arlington Drive property to SMR Architects in an amount not-to-exceed \$300,000; and

**WHEREAS**, On May 12, 2017, THA entered into a contract with SMR Architects to provide A&E design and master planning services in the amount of \$205,335; and

**WHEREAS**, On December 8, 2017, THA and SMR Architects executed Addendum No. 1 in the amount of \$940; increasing the contract to \$206,275; and

**WHEREAS**, At this time, THA would like to revise the total contract for SMR Architects to include A&E fees for the rental housing portion of the development; 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 contact amount with SMR Architects by \$983,725 for a total not-to-exceed amount of \$1,190,000.

**Comments:** Commissioner Rumbaugh hopes that the scope has expanded which is why the contract amount is increasing. According to Project Manager Roberta Schur, the initial resolution submitted to the board was just for CRC and her understanding is that this is the final amount.

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

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

**Motion Approved:** July 25, 2018

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Janis Flauding, Chair

**9.2 RESOLUTION 2018-07-25 (2)  
(2018 MTW Plan Amendment to Add Property Based Subsidy Activity)**

**WHEREAS**, The MTW Plan is required by HUD; and

**WHEREAS**, The purpose of the MTW Plan is to establish local goals and objectives for the fiscal year; and

**WHEREAS**, Rising rental costs and stagnant HUD funding make it difficult for voucher recipients to lease in the private market; and

**WHEREAS**, THA will update its MTW Plan to allow for a property-based subsidy program to secure more affordable housing units in the market; and



**WHEREAS**, Changes to the MTW 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, that:***

THA's Executive Director is authorized to submit this amendment to THA 2018 MTW Plan.

**Comments:** Chair Flauding inquired about a cap with 500 units. Director Black will discuss this internally. She asked for approval to go out to bid for the 75 units with the condition to change it after. The request was approved by the board. Commissioner Young inquired about how small a property Director Black envisions would be interested in property-based vouchers. Director Black is unsure, but possibly a small owner in Hilltop with units less than 20.

ED Mirra acknowledged Director Black's idea for creating the property-based voucher program. He feels this is where Director Black shines — her innovation and creativity in a hard market.

Commissioner Rumbaugh moved to **amend** the resolution *subject to administrative protocols regarding centralized location of low-income housing*. Chair Flauding seconded.

Upon roll call, the vote was as follows:

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

**Motion Approved:** July 25, 2018

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Janis Flauding, Chair

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

Upon roll call, the vote was as follows:

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

**Motion Approved:** July 25, 2018

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Janis Flauding, Chair

**9.3 RESOLUTION 2018-07-25 (3)**  
**(Amendment to Architectural and Engineering Services with Buffalo Design for Alberta J. Canada (formerly New Look) Apartments)**

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 in the City of Tacoma, Washington (the "City"); and

**WHEREAS**, On March 23, 2016, the Board approved Resolution 2016-03-23 (5) authorizing the Executive Director to negotiate and execute a contract not-to-exceed \$150,000 with Buffalo Design for the New Look Apartments; and

**WHEREAS**, On December 14, 2016, The Board approved Resolution 2016-12-14 (7) authorizing the Executive Director to negotiate an Amendment No. 1 to increase Buffalo Design's agreement not-to-exceed \$237,404 for Construction Administration services for a total contract amount of \$387,404; and

**WHEREAS**, On December 13, 2017, the Board approved Resolution 2017-12-13 (6) authorizing the Executive Director to negotiate and amend Buffalo Design's agreement in an amount not-to-exceed \$109,201 for a total contract amount of \$496,605; and

**WHEREAS**, At this time, THA would like to revise the total contract with Buffalo Design to include the additional services of \$24,128 and \$10,000 in contingency costs bringing the new not-to-exceed contract amount to 530,733.00; 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 contact amount with Buffalo Design by \$34,128 for a total not-to-exceed contract amount of \$530,733.

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

Upon roll call, the vote was as follows:

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

**Motion Approved:** July 25, 2018

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Janis Flauding, Chair

**10. COMMENTS FROM COMMISSIONERS**

None.

**11. EXECUTIVE SESSION**

None.

**12. ADJOURNMENT**

There being no further business to conduct the meeting ended at 6:01 PM.

**APPROVED AS CORRECT**

**Adopted:** August 22, 2018

  
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Dr. Minh-Anh Hodge, Chair