



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, APRIL 24, 2019

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at 602 South Wright Avenue, Tacoma, WA 98418 at 4:45 PM on Wednesday, April 24, 2019.

1. CALL TO ORDER

Chair Hodge 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
Commissioners	
Chair Minh-Anh Hodge	
Vice Chair Derek Young	
	Commissioner Arthur Banks
	Commissioner Stanley Rumbaugh
Commissioner Shennetta Smith	
Staff	
Michael Mirra, Executive Director	
Sha Peterson, Executive Administrator	
April Black, Deputy Executive Director	
Ken Shalik, Finance Director	
	Toby Kaheiki, Human Resources Director
Frankie Johnson, Property Management Director	
Kathy McCormick, Real Estate Development Director	
	Sandy Burgess, Administrative Services Director
	Julie LaRocque, Rental Assistance Director
Cacey Hanauer, Client Support & Empowerment Director	

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

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Chair Hodge asked for any corrections to, or discussion of the minutes for the Regular Session of the Board of Commissioners for Wednesday, March 27, 2019. Vice Chair Young moved to adopt the minutes; Commissioner Smith seconded.

Upon roll call, the vote was as follows:

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

Motion approved.

4. GUEST COMMENTS

No guest comments.

5. COMMITTEE REPORTS

Real Estate Development Committee—Commissioner Rumbaugh

Commissioner Rumbaugh was not in attendance.

Finance Committee—Chair Hodge and Vice Chair Young

Nothing to report.

Education Committee—Chair Hodge

Nothing to report.

Citizen Oversight Committee—Commissioner Banks

Commissioner Banks was not in attendance.

6. COMMENTS FROM THE EXECUTIVE DIRECTOR

Executive Director (ED) Michael Mirra had nothing to add to his report but provided information regarding the legislative session. The session will be ending Sunday, April 28, if the Legislature agrees on a budget.

ED Mirra has been spending a lot of time on the THA request for appropriations for the Arlington Drive Campus for Homeless Youth and Young Adults.

7. ADMINISTRATIVE REPORTS

Finance

Finance Department (FD) Director Ken Shalik directed the board to the expense and cash reports. THA received Housing Assistance Program (HAP) funding for 2019, which was budgeted at 99.5% proration (7.9 increase), which is the highest Director Shalik has

seen. This will give THA about \$2 million for dollars then we budgeted to receive. This is very good news. The first financial report for the year will be submitted next month, and he is not seeing any problems. THA has adequate funds in reserve. Of the reserve balance, \$4.4 million is unencumbered cash. The unencumbered balance will increase further later in the year with the financial closings of RAD.

Vice Chair Young moved to ratify the payment of cash disbursements totaling \$4,582,162 for the month of March 2019. Commissioner Smith seconded.

Upon roll call, the vote was as follows:

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

Motion Approved.

Policy, Innovation and Evaluation

Policy, Innovation and Evaluation (PIE) Director April Black directed the board to her report and supplemented it with new information—PIE is working on a new, more representative operating name for the Elementary School Housing Assistance Program (ESHAP) to denote THA's plans to expand it to all grades and all schools. The likely new name will be Tacoma Schools Housing Assistance Program (TSHAP). This expansion will have THA add \$1M to the program. THA will ask TPS, the City and the County to invest dollars towards the program. The main challenge is arranging how homeless students and families will get access to the County's Rapid Rehousing system that THA will fund for them. It seems unlikely that we can rely on the TPS staff. Director Black and Project Manager Amy Van will meet with Pierce County to consider other options. The goal, according to Director Black, is to deploy the redesigned and expanded system at the beginning of the school year.

Commissioner Smith stated that she started working as a case worker for the homeless and one of the problems she has noticed is getting in contact with case workers. She asked how the process for the program may be streamlined. According to Director Black that will be the main challenge they will be discussing with Pierce County. ED Mirra asked if McKinney Vento families will have to call the Coordinated Entry system, will they have their own number to call to bypass the present backlog. Director Black thinks that is likely. She expects a proposal for the board to review in the Summer. Chair Hodge stated that TPS cannot ask staff to add to their plate and will need to pay them extra if they work additional hours. Commissioner Smith talked about asking partners or organizations working with homeless families for assistance; the problem is not an individual, but rather a community problem. Chair Hodge thinks a separate phone line is great, but the program will still need a person to answer and monitor calls.

Last week Director Black traveled to Denver for the Strive Together Conference. Nine of the highest performing communities were invited. Graduate Tacoma received new funding and will be pivoting funds toward college enrollment and success amongst TPS students. This aligns well with THA's College Housing Assistance Program (CHAP) and its College Savings Account program, both of which THA seeks to redesign and expand.

Client Support and Empowerment

Client Support and Empowerment (CSE) Director Cacey Hanauer directed the board to her report. She has been attending a lot of meetings to line up a community-wide approach to address youth homelessness. She will be meeting with the City, County, and providers to figure out the right approach and help everybody understand that we are all trying to do the same thing. She is also working with the Y and Community Youth Services (CYS) to line up funding for Arlington. There are a lot of funding coming down the pipeline; there are a couple of grants open that are due around the same time. Director Hanauer spent time strategic planning with her team last week to discuss their work, accomplishments, reflect on the great work they have done, and think about what to look forward to next year. Finally, she is working with United Way of Pierce County and Sound Outreach with leadership changes.

Rental Assistance

Rental Assistance (RA) Director Julie LaRocque was not in attendance. Director Black addressed the board on her behalf. Highland Flats and Crosspointe continue to fill units. RA issued a Request for Proposal (RFP) for awarding up to 200 more property based subsidies. Responses are due April 30th. Staff will review them and present recommendations to the board in May. RA staff meet regularly with Veterans Affairs to help with their utilization of VASH vouchers. RA is also scheduled to meet with the Washington State Department of Children, Youth and Families; they have a new contact who seems enthusiastic. ED Mirra noted the additional \$2 M THA is receiving in voucher funding. He asked if this also increases the utilization rate baseline. Director Black said it wouldn't, but it would allow THA to serve more families.

Property Management

Property Management (PM) Director Frankie Johnson directed the board to her report. PM continue to focus on turn numbers to get to their target rate. The team has been focusing on engaging the community for the last couple of months. One of the projects on the west portfolio was Movie Night, which turned out very well. Page 6 shows a couple of pictures from the event. Another Movie Night is scheduled for Monday at Bay Terrace and the following day at Dixon Village. Movie Night will be done at every property, and there will be a community vote on what movie to watch.

Real Estate Development

Real Estate Development (RED) Director Kathy McCormick directed the board to her report. There was a change in leadership at the Korean Women's Association (KWA). ED Mirra and Director McCormick met with a KWA board representative and new Executive Director Peter Ansara and had a good conversation. THA and KWA agreed to reconsider the Hillside Heights Project until the litigation issues is resolved.

RED is all things Arlington and 1800 Block. They are trying to get everything ready to close on both projects in June, as well as Rental Assistance Demonstration (RAD).

Director McCormick noticed an interesting phenomena in the last few weeks—there have been a lot of properties for sale on the market (4 downtown and one in the Stadium area). She finds it interesting that they are all on the market at the same time.

8. OLD BUSINESS

None.

9. NEW BUSINESS

9.1 RESOLUTION 2019-04-24 (1) (THA's Roster of Financial Consultants)

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

WHEREAS, On March 1, 2019, Tacoma Housing Authority (THA) staff issued a Request for Proposals (RFP) from firms interested to provide Financial Advisor Service for THA's Real Estate Development and Asset Management; and

WHEREAS, The RFP was posted on the Washington Electronic Business Solutions and THA's websites on March 1, 2019; and

WHEREAS, Three firms submitted proposals by the deadline of March 25, 2019, all were deemed responsive and responsible; and

WHEREAS, An evaluation team, comprised of five (5) THA staff reviewed and scored the proposals according to evaluation criteria listed in the RFP; and

WHEREAS, The evaluation team voted unanimously in favor of awarding contracts to the firms of Community Economics and CSG Advisors; 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 negotiate, and if those negotiations are successful, to execute separate contracts for the finance advising services with Community Economics and CSG Advisors each for an annual not to exceed amount of up to \$200,000. Each will have a twenty-seven (27) month term.

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

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

Motion Approved: April 24, 2019

Dr. Minh-Anh Hodge, Chair

**9.2 RESOLUTION 2019-04-24 (2)
(Tenant Account Receivable Write Offs)**

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

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

WHEREAS, Each individual included in this tenant account write off has been notified of their debt and given the opportunity to pay prior to this resolution; now, therefore, be it

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

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

THA Projects Write offs and to Collections

THA - Salishan VII	Client #	Balance
	LD-2017-029926	\$ 125.00
	LD-2017-029920	\$ 382.38
	LD-2017-029981	\$ 4,372.90
		<u>\$4,880.28</u>

Section 8	Client #	Balance
	LD-2017-031966	\$2,030.00
	LD-2017-034091	\$442.00
	*LD-2017-031162	\$839.00
	LD-2017-034093	\$2,280.00
	LD-2017-031372	\$393.00
	LD-2017-034096	\$215.00
	*LD-2017-019471	\$998.00
	LD-2017-019168	\$360.00
	LD-2017-019465	\$880.00
	LD-2017-032287	\$1,052.00
	LD-2017-033462	\$1,605.00
		<u>\$11,094.00</u>

Total THA for Write Off: \$15,974.28

***Total THA to Collections: \$14,137.28**

** Uncollectable accounts where tenant is deceased, in bankruptcy, or old balance is under \$50.00*

Comments: ED Mirra thinks that sending these accounts to collections is a lot of work. Director Shalik responded that Finance only sends accounts to collections if they are over \$50. Section 8 it is costing THA a lot of money and prevents THA from housing more people. He believes these families should pay the agency what they owe. For public housing, he believes it is important for clients to understand that they need to give up the property and pay their rent. He believes it sets a standard and that THA should treat them as others are treated in the market. Chair Hodge suggested that instead of turning it over to collections, THA should negotiate with the families. Director Shalik responded that this would take additional staff time and one of the challenges is finding out where the families have moved. He added that THA provides the families different chances and opportunities and most of the time, THA does not receive a response. Chair Hodge noted that some of the amounts are minimal. Perhaps THA should not send accounts that are lower than \$1,000 to collection. Director Shalik agreed. Finance will write off those amounts and show the balance in the books but will not send them to collections. Vice Chair Young stated that the idea of walking away from it does not seem right. Director Shalik informed the board that this does not include tax credit properties, only THA properties. ED Mirra informed the board that a proposal will be going to the board that will cover tax credit portfolio since the issues are the same.

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

Upon roll call, the vote was as follows:

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

Motion Approved: April 24, 2019

Dr. Minh-Anh Hodge, Chair

**9.3 RESOLUTION 2019-04-24 (3)
(2019 MTW Plan Amendment to Modify HQS)**

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

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, THA seeks to streamline its HQS processes by seeking HUD approval to permit THA to conduct its own HQS inspections, contract rent negotiations and determining rent reasonableness in lieu of a HUD approved independent entity; and

WHEREAS, Changes to the MTW Plan must be approved by the 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 submit this amendment to THA 2019 MTW Plan.

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

Upon roll call, the vote was as follows:

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

Motion Approved: April 24, 2019

Dr. Minh-Anh Hodge, Chair

**9.4 THA BOC Resolution 2019-04-24 (4)
(Renew Tacoma Housing LLLP Portfolio Loan Conversion)**

A **RESOLUTION** of the Housing Authority of the City of Tacoma authorizing extension of the conversion date for the Multifamily Mortgage Revenue Note, 2016 (Renew Tacoma Housing Portfolio) and amendments to the Amended and Restated Agreement of Limited Partnership of Renew Tacoma Housing LLLP, and determining related matters.

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

WHEREAS, Pursuant to Resolution 2015-12-16(9) of the Authority’s Board of Commissioners (the “Board”), the Authority formed Renew Tacoma Housing LLLP (the “Partnership”) for the purpose of acquiring, rehabilitating and operating nine affordable rental housing complexes containing a total of 456 units, including the K Street Apartments, the G Street Apartments, the EB Wilson Apartments, the Fawcett Apartments, the Ludwig Apartments, the Sixth Avenue Apartments, the Wright Street Apartments, the Bergerson Terrace Apartments, and the Dixon Village Apartments (collectively, the “Projects”); and

WHEREAS, The Board previously adopted Resolution 2015-12-16(9) authorizing lease of the land and improvements constituting the Projects to the Partnership and execution of documents related to the financial closing of low-income housing tax credit financing and various other funding sources for the Projects, as well as conversion of each of the Projects from Public Housing to Project Based Section 8 under HUD’s Rental Assistance Demonstration program; and

WHEREAS, Pursuant to Resolution 2016-02-24(3) the Authority issued its Multifamily Mortgage Revenue Note, 2016 (Renew Tacoma Housing Portfolio) (the “Governmental Note”) and used the proceeds of the Governmental Note to make a loan (the “Borrower Loan”) to the Renew Tacoma Housing LLLP (the “Borrower Loan”) to finance the acquisition and rehabilitation of the Projects; and

WHEREAS, In the course of rehabilitating the Projects, the Washington State Department of Ecology identified environmental remediation at the K Street Apartments and the Wright Street Apartments in excess of the originally anticipated scope, which has delayed the receipt of no further action letters with respect to such Projects;

WHEREAS, In order to respond to the anticipated delay in receipt of no further action letters with respect to the K Street Apartments and the Wright Street Apartments, the Authority deems it necessary and advisable and in the best interest of the Authority to pursue amendments to the Amended and Restated Agreement of Limited Partnership of the Partnership and/or extension of the conversion date for the

Governmental Note and Borrower Loan, and to authorize the negotiation and execution of documents in connection therewith; NOW, THEREFORE,

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

Section 1. To assist in the continued financing of the Projects, with the public benefits resulting therefrom, the Chair of the Board, the Authority's Executive Director and their respective designees (each, an "Authorized Officer" and, collectively, the "Authorized Officers"), and each of them acting alone, are authorized to negotiate, execute, deliver and, if applicable, file (or cause to be executed and delivered and, if applicable, filed) on behalf of the Authority (acting in its own behalf or as general partner of the Partnership) such documents as an Authorized Officer deems necessary or desirable to extend the conversion date of the Governmental Note and the Borrower Loan, to revise the timing and conditions for investor capital contributions, and to include such other provisions as the Authorized Officer executing such instrument determines necessary or desirable and consistent with the purposes of this resolution. Without limiting the foregoing, the Authorized Officers, and each of them acting alone, are authorized the discretionary authority on behalf of the Authority (acting in its own behalf or as general partner of the Partnership) to extend completion guarantees, deposit money in a construction escrow, to address the additional capital improvements required at or adjacent to the K Street Apartments and the Wright Street Apartments, to take such action as is necessary in order to obtain no further action letters from the Washington State Department of Ecology, and to and to negotiate, execute, deliver and, if applicable, file any agreement or instrument relating to the same. The execution of any agreement or other instrument by an Authorized Officer shall be conclusive evidence of approval by the Authority of the terms set forth therein.

Section 2. The Board authorizes and directs the Authority's Executive Director to cause the Authority (whether acting on its own behalf or in its capacities as general partner of the Partnership) to fulfill the Authority's duties and obligations, and to cause the Partnership to fulfill the Partnership's duties and obligations under the various instruments authorized by this resolution. In furtherance of the foregoing, the Authority is authorized to expend such funds (and to cause the Partnership to expend such funds) as are necessary to pay for all filing fees, application fees, registration fees and other costs relating to the actions authorized by this resolution.

Section 3. Any action required by this resolution to be taken by the Chair of the Board of the Executive Director of the Authority may, in such person's absence, be taken by the Vice Chair of the Board or the Acting Executive Director of the Authority, respectively.

Section 4. Ratification and Confirmation. 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.

Section 5. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

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

Upon roll call, the vote was as follows:

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

Motion Approved: April 24, 2019

Dr. Minh-Anh Hodge, Chair

9. COMMENTS FROM COMMISSIONERS

Commissioner Smith expressed her appreciation to staff who help find solutions for homeless students by working with the Tacoma School District.

Chair Hodge was not able to attend the American Leadership Forum (ALF) Breakfast Presentation regarding Homelessness but heard that ED Mirra did an excellent job and thanked him.

ED Mirra thanked Chair Hodge for her assistance redesigning the educational initiatives with TPS. The next big thing according to ED Mirra, is if the Legislature passes a budget on Sunday and THA receives funding for Arlington.

10. EXECUTIVE SESSION

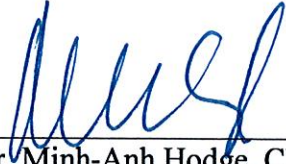
None.

11. ADJOURNMENT

There being no further business to conduct the meeting ended at 5:55 PM.

APPROVED AS CORRECT

Adopted: May 22, 2019



Dr. Minh-Anh Hodge, Chair