



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, MAY 27, 2020

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session via <https://us02web.zoom.us/j/6267029359> / Mtg ID: 626 702 9359 / Dial 253 215 8782 at 4:45 PM on Wednesday, May 27, 2020.

1. CALL TO ORDER

Chair Young called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:57 PM.

2. ROLL CALL

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

PRESENT	ABSENT
Commissioners	
Chair Derek Young	
	Vice Chair Stanley Rumbaugh
Commissioner Dr. Minh-Anh Hodge	
	Commissioner Dr. Arthur C. Banks
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 Young declared there was a quorum present @ 4:58 pm and proceeded.

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Chair Young asked for any corrections to, or discussion of the minutes for the Regular Session of the Board of Commissioners on Wednesday, April 22, 2020. Commissioner Hodge moved to adopt the minutes, Commissioner Smith seconded.

Upon roll call, the vote was as follows:

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

Motion approved.

4. GUEST COMMENTS

There were no guest comments.

5. COMMITTEE REPORTS

Real Estate Development Committee—Vice Chair Rumbaugh

The Real Estate Development Committee met to discuss the development projects on Hilltop. Director McCormick also provided a recap on the development with Inland; a proposal is expected in late August or early September. Chair Young is interested in the partnership with Inland. Overall it sounds like a good plan. He added that of all THA projects, he believes the ones at Hilltop are critical.

Finance Committee—Commissioner Hodge and Chair Young

Nothing to report.

Education Committee—Commissioner Hodge

Commissioners Hodge and Smith met with Policy, Innovation and Evaluation Project Manager Jess Thompson. They discussed transferring the Children's Savings Account to a 529 account, which will provide an opportunity for families to participate in the college fund.

Citizen Oversight Committee—Commissioner Banks

Commissioner Banks was not in attendance.

6. COMMENTS FROM THE EXECUTIVE DIRECTOR

Executive Director (ED) Michael Mirra directed the board to his report. ED Mirra noted how the state legislature appropriated funds to operate Arlington Drive Campus for Homeless Youth and Young Adults. He also noted the state's very large budget deficit

due to the economic shutdown during the pandemic. He reviewed the effort to preserve the appropriation.

The Arlington Drive construction is going well. ED Mirra and Commissioner Smith toured the site. According to Commissioner Smith the tour was great and Arlington Drive is COVID-19 ready. They also had a chance to go to the Crisis Residential Center, which was beautiful with big windows. Director McCormick and staff did a really good job. ED Mirra also gave a tour yesterday to the city mayor and council members.

ED Mirra reviewed the project to distribute sidewalk chalk to every THA residents in the family properties, with a warm invitation to children to spread the color around. Commissioner Smith is organizing residents at Salishan for the distribution. The Greater Tacoma Community Foundation provided the funds to buy the chalk and other supplies. There will also be special packets for residents at senior buildings containing bubbles.

7. ADMINISTRATIVE REPORTS

Finance

Finance Department (FD) Director Ken Shalik directed the board to the finance report. The goal by the end of the year is to show financials on the big screen using the new budget software. The first quarter reported this month is just a snapshot and does not provide a good representation of the financials. This quarter, THA is in a deficit situation but Director Shalik is not concerned. Although it shows a \$1M shortfall, there will be a \$5M surplus at the end of the year. He reviewed the various sources of income scheduled to arrive later. Director Shalik is not seeing any challenges. There are additional expenses in HAP, Administrative and Property Expenses due to COVID-19. THA is receiving additional funds from the Cares Act for COVID-19 expenses. Property expenses will increase this year but will be reimbursed with the Cares funding. THA has been receiving a decrease in rental income from its properties and it is increasing its share of rent for the voucher programs.

THA has not received waterfall payments since transitioning to Rental Assistance Demonstration (RAD). THA should have the funds within the next month and will be part of the cash position.

REAC is typically due to HUD by September, but due to COVID-19, HUD extended the deadline for financial submission to March 31, 2021, which is a 6-month extension. There is no start date for when the audit will happen.

THA remains in good cash position with stable balances. There is not a lot of Moving to Work (MTW) cash, which is normal. There is approximately \$3.5M sitting with HUD. Director Shalik will be drawing that down soon. Unencumbered cash is at \$6.8M, considered the sweet spot. Director Shalik believes THA can purchase properties with the Renew Tacoma development fee and waterfall payments. Chair Young is curious to find

out what COVID-19 will do for THA expenses. Director Shalik said finance created a tracker for COVID-19 expenses and will report on that next month.

Commissioner Hodge moved to ratify the payment of cash disbursements totaling \$5,181,190 for the month of April 2020. Commissioner Smith seconded.

Upon roll call, the vote was as follows:

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

Motion Approved.

Client Support and Empowerment

Client Support and Empowerment (CSE) Director Cacey Hanauer directed the board to her report. CSE hired DaVonya Jackson as a new case worker. She worked with domestic violence victims and will be a great addition to the CSE team. Director Hanauer continues to be impressed with the fortitude of the CSE team. The team saw ten times more referrals and still continues to operate with a sense of humor, professionalism, and great attitude. CSE also tried a new onboarding process that made it less of an ad hoc process. Director Hanauer is focused on the Arlington Drive project.

Rental Assistance

Rental Assistance (RA) Director Julie LaRocque directed the board to her report. The RA team has been all about COVID-19 all day with regular work. THA is still at 100% utilization, and Project Based Vouchers are going well. RA is still working with Property Based Subsidy audits; Highland Flats and Crosspointe both requested extensions. Director LaRocque is hoping to report more next month. THA received 60 more mainstream vouchers a few months ago with a set aside of 18 vouchers for Non-elderly/Disabled. RA has not added the extra 75 Family Unification Program (FUP) vouchers to the chart. Those will be added for next month's report. There are already 26 shopping for the program. The project lease up strategy for The Rise has become a big project for the RA team. A memo is included with the RA report regarding the plan for that lease up. Director LaRocque wants to know how the board feels about the process. The main goal is to make the transfer list much smaller than it is, which is currently large due to people qualifying for one bedroom units and THA not having any. THA is taking this opportunity to transfer folks and rightsize them. The lease allows THA to oblige these families to move. Staff are looking for ways to make the move attractive. Staff is considering a plan that would offer people a choice of transfer to The Rise or a housing choice voucher. This may require up to 76 housing choice vouchers for folks not interested in moving to The Rise. Majority of the folks live in Salishan and have lived there for many years. Staff will begin contact with people next week and be cognizant of

being humane and considering family needs. The project involves a lot of different departments. Chair Young asked how the cost for the 76 households are broken out. According to Director LaRocque, it will be based on bedroom sizes and will increase utilization by a percentage or so. There are concerns with people leaving the program. THA may potentially be over utilized. She will have more cost information for the board next month.

ED Mirra noted that right sizing generally refers to an individual who is by themselves in a 2- or 3-bedroom apartment because the household got smaller. That is not a good use of that unit. The transfer can be hard on the person. It asks them not only to move but to give up a larger space they have grown accustomed to. THA's web site will soon allow people to view The Rise and the amenities it offers. Commissioner Hodge commented that it is unfortunate but something needs to be done. According to Director LaRocque this project started in January so staff have a headstart on things. Commissioner Smith thinks most of the anxiety will relate to the pandemic and asking people to shop for an apartment when they are scared to go out of their house. RA has a new landlord engagement specialist who will help people find places or landlords who have openings.

Property Management

Property Management (PM) Director Frankie Johnson directed the board to her report. The PM team has been all about COVID-19 all the time. It dominates PM because they have to be prepared in a lot of different ways. Maintenance continues to do sanitization rotation in senior buildings and common areas. The administration team has also been busy processing 76 hardships and are expecting more. PM is also making adjustments to annual certifications for June, July, and August to comply with the increase in rent moratorium.

PM had a successful period of recruitment for four positions for The Rise and Arlington. The first successful candidate is Sheri Tift who will be the property manager for both properties. Sheri comes from RA with a ton of knowledge and experience with leasing. PM also successfully hired two internal property specialists: Cindy Bergee for The Rise and Trina Atkins for Arlington. The maintenance technician position is still open, but there are three internal staff who applied. Interviews will be conducted next week. PM has been focused on team, health and well-being and Director Johnson continues to be impressed with her staff. They are providing what is needed while maintaining good humor. She is making sure to provide information and support for her staff.

PM continues to trend in positive directions with turns now taking under 20 days for this month. Yvonne Ginoulis and David Dailey have been hard at work helping stock supplies. Chair Young asked why there was a rise in emergency and urgent work orders completed per month, and asked if there is a pattern. Director Johnson will drill down and find out how those work orders relate and will provide the information to the board next month. Commissioner Smith asked what type of gear are provided for maintenance and if they are taking steps to protect themselves and clients. Commissioner Hodge asked if all employees are considered essential workers. Director Johnson responded that there is no

report of anyone being sick with COVID-19. Much of PM staff work is considered essential. THA is continuing to lease while following social distancing protocols and limiting unit showings to signing leases only. ED Mirra added that Tacoma Housing Authority in its entirety is essential but THA sent staff home for social distancing purposes.

ED Mirra asked how close THA is to providing a virtual tour of properties to show units. According to Director Johnson, Brandon Wirth is working on this with The Rise as a starting point and learning how to do it; he did something similar for the Crisis Residential Center. ED Mirra noted that the eviction moratorium expires next week but the Governor is likely to extend it. He asked if there have been lease violation behaviors that she attributes to an impunity tenants may feel knowing that they cannot be evicted. Director Johnson said nothing stood out.

Real Estate Development

Real Estate Development (RED) Director Kathy McCormick directed the board to her report. THA has been in an advisory role for Tacoma Community College regarding whether to master lease the property or develop it through their foundation. Staff are excited about it and also looking at options for further development at James Center North. Construction is going well at The Rise and Arlington and the project is ahead of schedule. Korsmo is being cautious regarding contractors who need to be scheduled back in. RED staff are working with Bob Fredrickson to find properties to purchase. Director McCormick has been talking with Pierce County and Kathi Littman regarding funding sources. Alyssa Torrez started this week replacing Chris Govella's position. Felicia Medlen has accepted a position with the City of Tacoma as their housing division manager. Director McCormick will start working with Human Resources to fill that role. RED staff are working on a lot of different projects at once and doing them very well. Staff morale is good and staff are working from home. Commissioner Smith noted that Director McCormick is doing a good job. RED finished all environmental evaluations with Gault and working with Marpac regarding replacing the roof. Community engagement process started, first with a survey and then reaching out to people. Due diligence was extended through the end of July.

Policy, Innovation and Evaluation

Deputy Executive Director (DED) Black announced that THA received news that the funding request from the Ballmer Group has been approved. THA asked for \$1M ask. It will receive \$800,000. The funds will help with Tacoma Schools Housing Assistance Program (TSHAP) and other projects. The Ballmer Group is excited to work with THA. DED Black thanked ED Mirra and Karen Bunce. ED Mirra added that THA will also receive \$400K from the Gates Foundation.

8. NEW BUSINESS

8.1 RESOLUTION 2020-05-27 (1) (Approval of Write Offs - SAL 7 & Section 8)

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

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-2017-029921	\$ 2,263.50
	LD-2017-029915	\$ 1,073.68
		\$3,337.18
Section 8	Client #	Balance
	LD-2017-030827	\$ 24,050.00
	LD-2017-033119	\$ 714.00
	LD-2017-033408	\$ 280.00
		\$ 25,044.00
	Total THA for Write Off:	\$28,381.18
	Total THA to Collections:	\$28,381.18

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

AYES: 3

NAYS: None

Abstain: None

Absent: 2

Motion Approved: May 27, 2020

Derek Young, Chair

8.2 RESOLUTION 2020-05-27 (2)

(Approval to Establish a Guaranteed Education Tuition Master Scholarship Account and Transfer Funds Children's Savings Account Program's Funds)

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

WHEREAS, Tacoma Housing Authority's Children's Savings Account (CSA) Program is currently undergoing redesign for expansion; and

WHEREAS, third-party evaluation and research from BERK Consulting has found that close to half of nationwide CSAs operate through a 529 program and its interviews with THA families, stakeholders and community partners suggest general interest in such a pre-paid tuition program and an easily accessible program for families to earn and save for their children's post-secondary education; and

WHEREAS, the Washington Student Achievement Council (WSAC) administers the state's 529 Guaranteed Education Tuition (GET) program and the guarantees that GET units will "keep pace with tuition increases at the state's highest-priced public university," thereby allowing dollars invested today to be worth equivalent to the future tuition cost of the state's most expensive public university, funds will help cover post-secondary educational expenses (including books, fees, supplies, technology, housing and food); and

WHEREAS, THA will be the custodian of the GET Master Account Scholarship and will set the rules for seed, match or incentive earnings as well as fund disbursement for CSA beneficiaries and families who enroll in the CSA will also establish their personal GET account; and

WHEREAS, WSAC will administer and manage the operations of both the THA Master Scholarship Account and family personal GET account; now, therefore, be it

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

The Executive Director is authorized to set up a Guaranteed Education Tuition (GET) Master Scholarship Account through the Washington Student Achievement Council for the purpose of administering the CSA program. As funders permit, THA is authorized to invest current and future funds raised for the CSA into this Master Scholarship Account. THA will open a Master Scholarship

Account by May 31, 2020, and initiate its initial GET unit purchase by June 25, 2020.

Comments:

Chair Young asked what the user experience will be and how much transition this will be for families. PIE Project Manager Amy Van responded that THA sees it as a lot of communication for the current education specialist and can leverage engagement capacity with the Washington Student Achievement Council (WSAC). The technological piece will be minimal because the WSAC has offered a lot of technical assistance. Commissioner Smith asked if 529 will be extended to all kids across age groups. According to Amy, THA hopes to first begin with the current population enrolled in the Children's Savings Account (CSA) and gradually expand it. Currently, not all Salishan students are eligible for the program. Over time, based on outcome and engagement, THA will offer it more widely to other properties and all THA families and kids enrolled at Tacoma Public Schools. Commissioner Hodge asked if the account is held at Heritage Bank. Amy confirmed that currently accounts are held at Heritage Bank for savings for kids K-5 who are CSA participants; accounts for secondary students are held with THA. Commissioner Hodge had a great conversation with Amy and thinks it's a win for THA and saves time and resources. According to ED Mirra, before the funders give their money to THA their money sits in their accounts with great returns. They will not be comfortable giving THA the money if the return is not good. ED Mirra posed a possible reply to the funders—Greater Education Tuition (GET) return is on average 5.5% and they can beat that and get 7% if it sits in the 529 account. According to the Director of College Savings Plan Luke Minor, the benefit of the 529 is that it is tax free and remains tax free. Commissioner Smith asked how user friendly it will be for residents and if there will be someone to walk them through it. Luke Minor assured that there will be a lot of collaboration and engagement with families. College Savings Plan continue to build online tools to engage families and there are numerous programs, materials, and support available. Chair Young sees the potential because it is something the College Savings Plan can do without THA having the need to create it.

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

Upon roll call, the vote was as follows:

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

Motion Approved: May 27, 2020

Derek Young, Chair

9. COMMENTS FROM COMMISSIONERS

Commissioner Hodge thanked THA staff for an outstanding work and for their continued efforts to provide for the agency especially now. ED Mirra expressed the staff's gratitude to the board.

10. EXECUTIVE SESSION

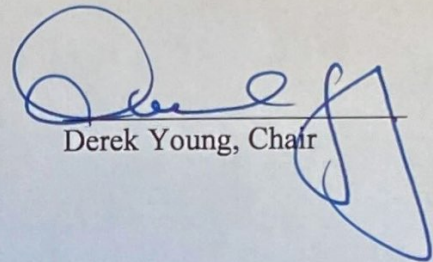
None.

11. ADJOURNMENT

There being no further business to conduct the meeting ended at 6:49 PM.

APPROVED AS CORRECT

Adopted: June 24, 2020



Derek Young, Chair