



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, JUNE 24, 2020

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session via Zoom at 4:45 PM on Wednesday, June 24, 2020.

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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 4:49 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 @ 4:50 pm and proceeded.

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Chair Young asked for any corrections to, or discussion of minutes for the Regular Session of the Board of Commissioners on Wednesday, May 27, 2020. Commissioner Banks moved to adopt the minutes. Commissioner Hodge seconded.

Upon roll call, the vote was as follows:

AYES: 4
NAYS: None
Abstain: None
Absent: 1

Motion approved.

4. GUEST COMMENTS

There were no guest comments.

5. COMMITTEE REPORTS

Real Estate Development Committee—Vice Chair Rumbaugh
Nothing to report.

Finance Committee—Commissioner Hodge and Chair Young
Nothing to report.

Education Committee—Commissioner Hodge
The Education Committee was going to meet on June 12, but staff were released early due to protests. Karen Bunce will provide an update during the Policy, Innovation and Evaluation department report portion.

Citizen Oversight Committee—Commissioner Banks
Nothing to report.

6. COMMENTS FROM THE EXECUTIVE DIRECTOR

Executive Director (ED) Michael Mirra directed the board to his report. He noted that staff were beginning the process to present a proposed 2021 budget to the Board by December. Congress was also beginning its work on a 2021 federal budget. It has until October 1st to do that. He noted that in most years recently Congress has not adopted a federal budget by the deadline or even soon enough for the THA Board to account for it when adopting a THA budget. He reminded the Board of one of the budget drafting principles that has served us well amid such uncertainty: we will draft to the worst of the plausible budget proposals making its way through Congress.

To make that judgment, we consult with our Congressional delegation, CLPHA, and our liaisons in Washington, D.C.. They all presently expect that the worst of the plausible budgets for Housing and Urban Development (HUD) would mean flat funding. They think that Congress this year will again fail to adopt a budget on time. They do not expect that the government will shut down. Instead, we should expect a continuing resolution continuing expenditures at this year's levels. The harder question to answer is how long the continuing resolution will go. Our sources expect that, once Congress does pass a real budget, serious cuts in social programs are not likely.

Executive Director Mirra reviewed the efforts with the state legislature to preserve its funding for the operation of Arlington Drive Campus for Homeless Youth and Young Adults.

THA is underway with its Equity, Diversity and Inclusion (EDI) plan. Directors Johnson and Hanauer will be the Cabinet sponsors for the EDI Committee. The discussions are hard but staff's willingness and ability to engage are good signs. Director Hanauer added that she and Director Johnson are receiving awesome interest from staff; a really diverse group from different departments. Commissioner Hodge noted that this is a complex issue and discussions can get emotional; it takes a lot of thought and planning. Director Johnson added that she and Director Hanauer will direct the path for the committee but not assign what they should do. The committee will let the cabinet sponsors know what they need from them and are open to the idea of an outside facilitator. Commissioner Hodge recommended viewing Tacoma Public School's virtual seminar. Vice Chair Rumbaugh added that it has been hard, but useful work. The Courthouse has a 15-20 minute long equity video that is used for jurors and is quite good. Director Johnson will take a look at both the TPS's and Courthouse's training videos.

7. ADMINISTRATIVE REPORTS

Finance

Finance Department (FD) Director Ken Shalik directed the board to the Cash Position and Expense reports. The next finance report will be submitted in August. THA is in good shape financially, according to Director Shalik. THA received \$750K from the Cares Act. We have already spent \$500K, mostly for security, maintenance staff and sanitation. There are more funds coming for the Cares Act for Housing Assistance Program (HAP) expenditures but Director Shalik does not know how much.

THA is normally in the middle of an audit by this time, but because of the pandemic, audit submission is now due March 31, 2021, instead of September 30, 2020. We still do not know when the audit will begin.

Finance started the budget process for 2021, which will be presented to the board in December this year. The budget is in good shape, and the Cash Position for May is also in good shape. He reviewed the various balances. He also reviewed the additional balances we expect to receive later this year in RAD developer fees. Vice Chair

Rumbaugh noted that the Cares funds have to be expensed by the end of the year. Director Shalik confirmed and stated that we are on course to do that. Finance has identified all COVID-19 expenses and are looking at IT needs for teleworking and document management system. Commissioner Hodge noted that in the policy report, there is an item that correlates with COVID-19 for education and asked if some of the Cares funds may be spent on that. She added that some families do not have internet and devices. Director Shalik responded that these would be eligible expenses for Cares Act funds and he will bring this to the discussion.

Vice Chair Rumbaugh moved to ratify the payment of cash disbursements totaling \$5,769,633 for the month of May 2020. Commissioner Hodge seconded.

Upon roll call, the vote was as follows:

AYES:	4
NAYS:	None
Abstain:	None
Absent:	1

Motion Approved.

Policy, Innovation and Evaluation

Policy, Innovation and Evaluation (PIE) Director April Black was not in attendance. PIE Department Manager Karen Bunce addressed the board on her behalf. She reviewed the work of the Emergency Operations Committee (EOC) and its Re-Opening team subcommittee. She thanked the sub-committee and added that THA has been thoughtful in reopening.

Amy Van is leading the redesign of the Tacoma Schools Housing Assistance Program (TSHAP). Pierce County Human Services announced in late May that they awarded the TSHAP service contract to Wellspring Family Services. THA received a proposal from TCC for the use of the 25 housing vouchers for students coming from the Department of Corrections (DOC). The PIE team is reviewing the proposal. PIE will keep the board informed on these discussions.

The PIE team is working with Client Support and Empowerment on how to implement the Ballmer grant. Administrative Services has been discussing potentially bringing internet to THA properties; families can certainly use it. PIE is also reviewing a proposal to rebuild THA's website. Brandon Wirth is leading this work. There are two interns that Brandon will be supervising.

Karen introduced Policy and Planning Analyst Ava Pittman. Ava discussed THA's proposed changes to THA's policy governing how it uses criminal history when screening applications to its housing. Ava stated that the proposals are based on research and literature review that shows the limits on the value of criminal history as a predictor

of whether someone will be a good tenant. The data also shows how unwarranted use of criminal history as a screening criteria excludes people of color in disproportionate extends. Changes PIE is considering include:

- Reduce criminal history lookback period. Reduce the 5-year lookback to 1 year from the date of the application review. Vice Chair Rumbaugh noted that a person who has been convicted of a felony will likely have served more than a year in prison. This means that a one year lookback will not be too relevant. According to Vice Chair Rumbaugh the most telling predictor of recidivism is stable and secure housing.
- Reduce the scope of criminal history review.
- Applicant to meet with THA staff for an individualized review before deciding if an applicant has a disqualifying criminal history.
- Automatic case management referral for applicants admitted with criminal histories through the individualized review process. Vice Chair Rumbaugh asked that the case worker communicate with the parole community officer.

Vice Chair Rumbaugh inquired how long the public comment period will be. Ava responded that public comments are always thirty days or longer if necessary but PIE would like to start with an online approach. The recommendations will be posted on the THA website. PIE will also reach out to community members, stakeholders and service providers. Vice Chair Rumbaugh stated that thirty days may be too optimistic but looks forward to hearing back. Commissioners and ED Mirra thanked Ava for her work. The board unanimously approved PIE going out to the public and thinks it is well overdue.

Administrative Services

Administrative Services (AS) Director Sandy Burgess directed the board to her report. The property expense report includes 2019 and the first quarter of 2020. While 2019 was not a great year for operational budget, there was a lot of time spent in 2019 trying to find ways to reduce and control expenses. The result is THA operating within budget for the first quarter of 2020. The first quarter did not include many COVID-19 expenses but these expenses are tracked separately and will be reported on the Per Unit Per Year (PUPY) operating expense going forward to see the impact. THA also improved attention to problems in portfolio which impacted unit turns. Chart 2 shows the rest of the portfolio and Renew Tacoma housing is combined into one bar graph. Vice Chair Rumbaugh asked what the main ways THA has been saving money. According to Director Burgess, the new software is easier for staff to use and there is a lot more attention and commitment to reducing costs. Director Johnson added that the budget software has really helped. Staff were able to identify some charges that were not going to repeat. Director Burgess stated, for example, that if staff see that landscaping is expensive THA can look at internal training to do the work. Paying attention in real time and using that attention to make decisions have helped a lot. According to Director Shalik, 2019 had

public housing units with a lot of maintenance expenses related to REAC and later in the year, THA transitioned to Rental Assistance Demonstration (RAD) at Salishan and Hillsides and needed to have inspections done quickly, which increased work orders and expenses.

Client Support and Empowerment

Client Support and Empowerment (CSE) Director Cacey Hanauer directed the board to her report. CSE staff have had hard conversations about race. They are showing courage during the conversations and doing hard work and managing the issues. It has been an honor to work alongside CSE and Cabinet. There have been some staff changes at CSE. Nicole Meshesha left early June and Kye Hillig has been hired as her replacement. He has been unbelievably good in his past position. It is a big deal to put Kye in a supervisory position. CSE also hired DaVonya Johnson who has worked with domestic violence victims; CSE is excited that she's joining the crew. The Arlington contract continues to chug along. CSE staff are managing ten times more referrals than this time last year, and the team has been meeting each morning. Staff morale has been really good and they are making plans to hire more staff with the upcoming Ballmer funds.

Rental Assistance

Rental Assistance (RA) Director Julie LaRocque directed the board to her report. Utilization is at 101%. RA staff are working on lease up for The Rise @ 19th and staff are reaching out to folks on the transfer list to discuss the potential of moving and what to expect. People have a lot of questions and they are excited about the building. There are quite a lot of people interested. Many staff are involved with the EOC and Re-opening committee which is taking a bit of staff time. ED Mirra asked if there are signs that landlords are appreciating THA more because THA is paying its share of the rent on time and in full when so many other tenants are defaulting because of the economic shutdown. According to Director LaRocque, yes there has been quite a bump of landlords reaching out. RA has a new landlord engagement specialist who is doing a lot of outreach to landlords. THA has become more attractive to landlords, which will help with voucher issuance. Vice Chair Rumbaugh asked if THA tracks regular and property based utilization rates. Director LaRocque responded that her report shows that data. RA is close to finishing the Tiki audit. Staff received the information from the property and a call from the owner. Director LaRocque wanted to prepare him for the news that there will be a large recoup as expected. The longer it goes, the larger the recoup will be. Vice Chair Rumbaugh asked if this is a unique circumstance or if it is a program-wide trouble that can be fixed. Director LaRocque stated it was peculiar to this property.

Property Management

Property Management (PM) Director Frankie Johnson directed the board to her report. PM staff completed the installation of the safety guards at 902, Bay Terrace and at the Family Investment Center, as well as floor directives for social distancing. Staff are discussing how to properly utilize face coverings and Personal Protective Equipment

(PPE). Routine work orders have been on hold for a couple of months. Once staff return to regular work, routine work orders will increase and inspections will need to start taking place.

PM has had some staffing changes. The recruitment for The Rise and Arlington have been positive, and two internal candidates have been hired. Cindy Bergee, who has been with Salishan for 10 years has been hired for The Rise, and Trina Atkins, who has been with THA for four years has been hired for Arlington. Lester Pogue, who has been with THA for almost two years, has been hired as the maintenance tech for both The Rise and Arlington. Chair Young inquired about the high number of work orders last month (23). Director Johnson responded that emergency work orders escalated from routine work orders. Children have not been able to get out of their homes and PM believes there is an impact in work orders due to that. ED Mirra announced three notable achievements by Director Johnson: (1) three quarters of the portfolio are coming in under budget, (2) unit turn time is now down to 13 days this month and (3) the portfolio is 99% occupied. All of these are notable victories, according to ED Mirra who thanked Director Johnson for her hard work. The board thanked her as well, especially in this environment. Vice Chair Rumbaugh agreed and added that when normal routine work orders come in, that will have an impact on cash flow. Director Johnson stated that routine work orders will definitely ramp up. There have been four months in a row with less than 20 days. It is going to be difficult when leasing The Rise and preparing for rush work orders. It may be a challenge to meet 20 days during that period especially going in to the year end. She wants the board to be prepared for this possibility.

Real Estate Development

Real Estate Development (RED) Director Kathy McCormick directed the board to her report. The RED team is looking forward to doing more in the community, as well as development work. They are in the brainstorming session right now. The team is continuing to be ahead of schedule for Arlington's construction, and under budget. The Crisis Residential Center (CRC) is open and they have kids 12-17 years old that are moving in and living there. The RED team is really glad to see it is up and running. The team is getting estimates and work done to decide how to move forward with Gault. They just received roof and window replacement estimates and what it would take to demo the out buildings. RED is in conversation with the City regarding funding sources for the work. SMR did a building study analysis on Gault to see how many units can be put on the property.

RED is starting to show James Center North property again and people are interested. Vice Chair Rumbaugh asked about resident conversation timetable. According to Director McCormick the team would like to sell the property first. TCC Foundation indicated that they want to do development for student housing but they want an agreement for the units and another year to pay the funds. RED is reaching out to folks who are interested in developing at James Center, specifically Koz and Spectrum. The earliest to break ground is mid to late 2022.

Chair Young asked about the virtual public engagement with Gault. Director McCormick responded that things are going reasonably well and received 150 responses. According to Chair Young the feedback he has been receiving is that things are going well but a few voices were dominating. He will ask for further feedback. BDS is facilitating the conversations and partnered with Safe Streets. Chair Young added that it sounds like they are sympathetic to THA's goals. ED Mirra stated that he and Representative Jake Fey toured Arlington yesterday and it is looking very snappy; Commissioner Smith also toured the property at an earlier date. Now that the property is getting finishing touches, he thinks the other Commissioners might want to have a look. Director McCormick added that RED is setting up Friday afternoon for tours and will include the Commissioners in the communication.

8. NEW BUSINESS

8.1 RESOLUTION 2020-06-24 (1) (Sell Right of Way Land in Salishan and Arlington to the City of Tacoma)

WHEREAS, Tacoma Housing Authority (THA) has received an offer under threat of condemnation from the City of Tacoma for the purchase of land in Salishan and Arlington; and

WHEREAS, The City of Tacoma intends to make pedestrian improvements in the Right of Way (ROW); and

WHEREAS, the improvements will benefit THA properties as well as the Eastside Community by providing better pedestrian access; and

WHEREAS, THA would complete this transaction in its role as landowner and General Managing Member of the LLLP's that own the respective rental housing projects. The limited partners and others who are party to the transaction are amenable to these sales and the proposed improvements; and

WHEREAS, The sale will be negotiated with the City of Tacoma; 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 negotiate and execute documents necessary to complete this transaction.

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

AYES: 4
NAYS: None

Abstain: None
Absent: 1

Motion Approved: June 24, 2020

Derek Young, Chair

8.2 RESOLUTION 2020-06-24 (2)
(Approval to Amend THA's 2020 MTW Plan)

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 remove unnecessary barriers for students applying for assistance within THA's portfolio; and

WHEREAS, Amendments 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's 2020 MTW Plan.

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

Upon roll call, the vote was as follows:

AYES: 4
NAYS: None
Abstain: None
Absent: 1

Motion Approved: June 24, 2020

Derek Young, Chair

8.3 RESOLUTION 2020-06-24 (3)
(Authorization to acquire limited partner interests of the Hillside Terrace 1500 Block Limited Partnership)

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma to acquire the investor interests in Hillside Terrace 1500 Block Limited Partnership, authorizing the execution and delivery of certain agreements and other documents with respect to the acquisition of such interests, and providing for other matters properly related thereto.

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, RCW 35.82.070 authorizes the Authority, among other things, to "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," to "lease or rent any dwellings... buildings, structures, or facilities embraced in any housing project," and to "make and execute contracts and other instruments, including but not limited to partnership agreements"; and

WHEREAS, Pursuant to the authority provided by RCW 35.82.070, the Authority participated in the formation of, and is the general partner of Hillside Terrace 1500 Block Limited Partnership ("LIHTC Entity"); and

WHEREAS, Alliant Capital ("Alliant") owns all the limited partner interests in the LIHTC entity; and

WHEREAS, Alliant is willing to exit the partnership and to transfer its investor interests in the LIHTC Entity to the Authority (and/or an affiliate of the Authority), so long as the Authority agrees to pay Alliant \$65,000 for the purchase of such investor interests; and

WHEREAS, the Board finds and determines that the Authority can obtain greater control of the LIHTC Entity if it acquires such investor interests from Alliant, and that such greater control is in the best interests of the Authority and the persons it serves; now therefore, be it

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

1. The Authority's Executive Director and Deputy Executive Director (each, an "Authorized Officer" and, collectively, the "Authorized Officers"), and each of them acting alone, are authorized on behalf of the Authority to negotiate with Alliant regarding the Authority's acquisition of Alliant's interests in the LIHTC Entity.
2. The Authority is authorized to acquire all of Alliant's interests in the LIHTC Entity and the Authority is authorized to pay Alliant up to \$65,000 of

available Authority funds in connection with the acquisition of Alliant's interests in the LIHTC Entity.

3. Each Authorized Officer is authorized on behalf of the Authority (in its individual capacity and/or in its capacity as the LIHTC Entity's general partner) with respect to any acquisition to be made pursuant to this resolution to: (i) execute, deliver and file (or cause to be executed, delivered and filed), to the extent required by law, such agreements, certificates, documents and instruments as are necessary or appropriate in each Authorized Officer's discretion to give effect to this resolution and to consummate such acquisition; and (ii) take any other action that each Authorized Officer deems necessary and advisable to give effect to this resolution and consummate the transactions contemplated herein.
4. Each Authorized Officer is authorized on behalf of the Authority (in its individual capacity and/or in its capacity as the LIHTC Entity's general partner) to cause Alliant to transfer all of its interests in the LIHTC Entity to the Authority and/or an affiliate of the Authority, including but not limited to Tacoma Housing Development Group.
5. 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.
6. This resolution shall be in full force and effect from and after its adoption and approval.

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

Upon roll call, the vote was as follows:

AYES:	4
NAYS:	None
Abstain:	None
Absent:	1

Motion Approved: June 24, 2020

Derek Young, Chair

8.4 RESOLUTION 2020-06-24 (4)
(Updating THA's Administrative Plan: Transfer Waitlist Changes)

WHEREAS, The Administrative Plan relates to the administration of THA's Transfer Waitlist and is required by Housing and Urban Development (HUD); and

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

WHEREAS, THA's transfer waitlist is long; and

WHEREAS, THA seeks to "right-size" families in order to serve more people; and

WHEREAS, Offering an HCV vouchers may incentivize households to move out using the voucher rather than waiting for a right-sized unit. That will free up the unit to house a household that needs it. It will also reduce the size of the transfer waitlist; 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, that:

THA's Executive Director is authorized to revise THA's Administrative Plan Chapter 4 and 10, related to the Transfer Waitlist in the following ways:

Policy Proposal	Administrative Plan Section Requiring Revision
<p><i>THA will allow those on the transfer waitlist to be served ahead of those on the regular waitlist in accordance with Chapter 12 of THA's ACOP.</i></p> <p>As of July 1, 2020m THA may offer a Housing Choice Voucher subsidy to households on the transfer waitlist for the following reasons:</p> <ul style="list-style-type: none"> • Emergency Transfer • Reasonable Accommodation • Over-housed • Under-housed <p>Until a comprehensive transfer waitlist policy revision is completed, households that refuse a Housing Choice Voucher offer will remain on THA's transfer list.</p>	<p>4-III.C. SELECTION METHOD</p>
<p><i>THA seeks an enhanced transfer policy that allows families to access the program that best fits their individual circumstances by combining the public housing transfer list and the list of HCV movers who are having difficulties finding a unit that meets their needs on the private rental market. This combined transfer list will be managed as outlined in Chapter 12 of THA's Admissions and Continued Occupancy Policy (ACOP).</i></p> <p>As of July 1, 2020, THA may offer a Housing Choice Voucher subsidy to household on the transfer waitlist for the following reasons:</p> <ul style="list-style-type: none"> • Emergency Transfer • Reasonable Accommodation • Over-housed • Under-housed <p>Until a comprehensive transfer waitlist policy revision is completed, households that refuse a Housing Choice Voucher offer will remain on THA's transfer list.</p>	<p>10-I.C. MOVING PROCESS</p>

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

Upon roll call, the vote was as follows:

AYES: 4
 NAYS: None
 Abstain: None
 Absent: 1

Motion Approved: June 24, 2020

Derek Young, Chair

9. COMMENTS FROM COMMISSIONERS

Commissioner Hodge thanked ED Mirra and staff for running THA operations and keeping everything intact. THA responded appropriately to the current racial issue and protests within the community. She admires THA's work and being a contributing part of the community and making sure that our community is safe, just, and a peaceful place for all of us. Vice Chair Rumbaugh endorsed every word. Commissioner Banks commended ED Mirra for keeping staff safe. ED Mirra thanked the Board on behalf of THA staff. Their words are meaningful.

10. EXECUTIVE SESSION

The board went into executive session at 6:43 pm for fourteen minutes to discuss real estate acquisitions and came back into regular session at 6:57 pm.

11. ADJOURNMENT

There being no further business to conduct, the meeting ended at 6:58 PM.

APPROVED AS CORRECT

Adopted: July 22, 2020

Derek Young, Chair