



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, DECEMBER 9, 2020

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session vis Zoom at 4:45 PM on Wednesday, December 9, 2020.

1. CALL TO ORDER

Chair Rumbaugh called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:47 PM.

2. ROLL CALL

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

PRESENT	ABSENT
Commissioners	
Chair Stanley Rumbaugh	
Vice Chair Shennetta Smith	
Commissioner Derek Young	
Commissioner Dr. Minh-Anh Hodge	
Commissioner Pastor Michael Purter	
Staff	
Michael Mirra, Executive Director	
Sha Peterson, Executive Administrator	
April Black, Deputy Executive Director	
Ken Shalik, Finance Director	
Barbara Tanbara, Interim 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 Rumbaugh declared there was a quorum present @ 4:48 pm and proceeded.

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Chair Rumbaugh asked for any corrections to, or discussion of the minutes for the Regular Session of the Board of Commissioners on Wednesday, November 18, 2020. Vice Chair Smith moved to adopt the minutes. Commissioner Young seconded.

Commissioner Hodge noted that under the Education Committee, the minutes noted that the committee did not meet. The committee was scheduled to meet but canceled the meeting due to no new business. The commissioners approved the minutes with that modification.

Upon roll call, the vote was as follows:

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

Motion approved.

4. GUEST COMMENTS

None.

5. COMMITTEE REPORTS

Real Estate Development Committee—Chair Rumbaugh, Commissioner Young

The committee did not meet last month. Chair Rumbaugh asked ED Mirra to schedule a meeting before the January Board meeting. He saw an article about Gault Middle School. Commissioner Young stated that he was asked by some people to see how THA can get back into the discussion. Director McCormick said that she has been in conversations with the City and school district about a private partnership. THA is also part of Anchor community discussions led by Tanisha Jumper of the City and Gault has come up in those discussions. THA has been very clear that it cannot cover the \$8M needed to stabilize the property. Commissioner Hodge asked if there is a compelling reason to be part of the partnership for Gault. Chair Rumbaugh responded that there is no compelling reason outside of THA's mission. Commissioner Young said the big motivation to stay involved is that it might be a good opportunity for THA to help the community to resolve the use of an important piece of property. Director McCormick stated that THA has a seat at the table.

Finance Committee—Commissioner Hodge and Commissioner Young

The committee had an exit conference with the auditor and there were no findings. The committee also had a discussion about the 2021 budget. Information was also provided at the Friday study session. Commissioner Young stated it is always good to have a clean audit, which makes for an easy conversation with the auditors. He gave full credit to

Director Shalik, Duane Strom and others. Chair Rumbaugh agreed and added that especially since there have been no findings for several years in a row and thanked Director Shalik and his team.

Education Committee—Vice Chair Smith, Commissioner Hodge

The committee will be meeting in January.

Community Partnership Committee—Vice Chair Smith, Commissioner Purter

Commissioner Purter and Vice Chair Smith have not had an opportunity to sit down but will plan on meeting in 2021 to have a more structured plan to present to the Board and discuss a few things in the community. Chair Rumbaugh thanked Pastor Purter and added that this requires a lot more planning now because of the pandemic. Vice Chair Smith stated that everyone is making adjustments because it has been a crazy year. The committee will also be joining the effort to ask the legislature to fund Arlington Drive.

Diversity, Equity and Inclusion Committee—Vice Chair Smith, Commissioner Hodge

According to Commissioner Hodge, she and Vice Chair Smith are members of the committee as a sounding Board. Staff can consult with them as necessary but they do not plan on meeting on a regular basis. Vice Chair Smith confirmed.

6. COMMENTS FROM THE EXECUTIVE DIRECTOR

Executive Director (ED) Michael Mirra directed the Board to his report. Arlington Drive discussions with legislators continue. ED Mirra reviewed them. He received letters of support from Sequoia Foundation and Heritage Foundation.

He said that writing the budget was a notable exercise using the new software. He hopes that the Board will appreciate it when they get to that part of the agenda. THA is in good shape. Chair Rumbaugh agreed and added that THA has usually had to budget without knowing from Congress what the funding would be. Accordingly, we will presume on flat funding. The Chair also appreciated the Op-Ed letter ED Mirra submitted offering a view on the Pierce County Council proposal to turn Tacoma Health Department into an executive department of the county.

Director Shalik added that if the government shuts down, the plan is for THA to do nothing out of the ordinary. We have enough reserves to last two months. ED Mirra thanked the Board and stated that THA staff feel lucky with the Commissioners and the support they give to staff. Chair Rumbaugh responded that it is one of mutual respect and support—remarkably collaborative and supportive.

7. ADMINISTRATIVE REPORTS

Finance

Finance Department (FD) Director Ken Shalik directed the Board to the finance report. He does not see any challenges going through year end. He did not present the Cash

Position this month due to a quick turn around for the report, but noted that Cash is in good shape. He will be presenting the 2021 budget as a resolution. Chair Rumbaugh asked if forward funding on Housing Assistance Program (HAP) vouchers is the same as last year's. Director Shalik confirmed.

Commissioner Hodge moved to ratify the payment of cash disbursements totaling \$5,400,168 for the month of November 2020. Commissioner Purter seconded.

Upon roll call, the vote was as follows:

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

Motion Approved.

Policy, Innovation and Evaluation

Director Black was able to meet with the partners for Tacoma Schools Housing Assistance Program (TSHAP) and its expansion. The expanded TSHAP has housed its first family. The family was stabilized the week of Thanksgiving with one-time assistance. There are currently 43 families enrolled in the caseload. Chair Rumbaugh inquired about the absorption rate. Director Black responded that it is a tough market, but it takes 45-60 days from referral to housing. There is less turnover in the market than usual. Chair Rumbaugh stated that the court's unlawful detainer mediation program is underway. After the first year it will be a prerequisite. He inquired about the eviction moratorium. According to Director LaRocque, THA is providing direction to landlords and dispute resolution groups. There is pushback from landlords but staff started early enough that landlords are comprehending it. Chair Rumbaugh added that there is an incentive for everybody. He noted that the proposed THA budget has a million or so dollars to supplement rent shortfalls. Director Black stated that THA moved back to Stage 1 operation as an agency, so it is essentially closed with the exception of work that cannot be performed at home. With the government extension or restriction on indoor gatherings and retail space, THA will be staying in Stage 1 until January 1st. Chair Rumbaugh asked how THA is addressing emergency maintenance. Director Black said THA counts that as essential work that maintenance staff is ready to perform.

The Arlington grand opening event is scheduled. Marketing and Communications Manager Brandon Wirth has been working with different departments to get it off the ground. THA has not done anything like this (virtual grand opening), and Brandon has been managing this while also being THA's communications expert on the Emergency Operations Committee (EOC). The big event will be posted live on Facebook on Tuesday, January 12 at 10 AM. Staff will answer questions live. Chair Rumbaugh asked for the occupancy rate at the permanent housing side. Director Johnson said all fifty-eight (58) units in Arlington Apartments are spoken for but the actual move ins are staggered

because of COVID. The building has just reached 50% occupancy this week. According to ED Mirra, Arlington's Crisis Residential Center is at a reduced capacity (8 beds instead of 12) due to COVID.

Commissioner Hodge asked if THA has considered paying a bonus for essential workers who are on site everyday. Commissioner Smith also asked if it should be allowed for workers having to be out in the public as essential workers vs. those at home. According to Director Black, the EOC discussed this and decided against it. It judges that THA is making adequate efforts to protect staff. She also noted the bonus awards given to all staff and the generous leave measures. ED Mirra noted that it would be hard to make distinctions among the various staff positions. Chair Rumbaugh shares ED Mirra's concern with the distinctions.

Client Support and Empowerment

Director Hanauer is grateful to all staff and her staff who show up everyday with good humor and work with people in crisis. She is also grateful working amongst her colleagues. The last few weeks have been busy with her staff working with the Rental Assistance team. Martha Mathias is being creative with the apartment decorating contest. Director Hanauer has been spending a lot of time with the EOC, Arlington money hunt, and, Day One fund, which is part of the Bezos Foundation. Chair Rumbaugh inquired about engagement with the Bezos Foundation. Director Hanauer responded that it is a large undertaking by THA. CSE staff is engaging with community providers, understanding THA's role, asking questions and finding lessons to learn from. ED Mirra stated that he received a response from Scott Edison of Bezos Foundation who replied to the draft letter of intent with requested changes. Most are manageable. Chair Rumbaugh asked for the rollout date. ED Mirra stated the hope that the school will open September 2021. The main uncertainty is the amount for construction that the school will need. Director Hanauer thanked the Board for their support.

Rental Assistance

THA is still over 100% utilized. The main focus for Rental Assistance (RA) staff has been administering the rental assistance for Pierce County. Last month \$429k of rental assistance was provided, now at \$607k. THA is on track to spend it all by the end of the year, the Congressional deadline. This has been due to a great team effort with RA, Finance and CSE to convince people to take the funds. The total number of applications as of yesterday was 942 and staff will probably end the application process by the end of the week. EOC has been taking up a lot of Director LaRocque's time. RA is down to one person coming to the office everyday for mail and it seems to be working. Staff are missing the work environment. RA has had more cases of COVID but the good news is that everyone is getting better. It is quite shocking when it hits close to home.

Property Management

There have been challenges with staff working in the office one person at a time. This is particularly challenging for Property Management (PM) staff who are very hands-on with their work. Director Johnson is trying to support her staff to stay safe and has emphasized proper Personal Protective Equipment (PPE) for the work they do. Staff are continuing to do emergency and urgent work orders, but still not looking at regular routine work orders at this time. Staff are experiencing a little COVID exhaustion. PM staff have a huge responsibility for what they do and are eager to get back in the office. The turn team of six people is hard to keep on task. PM had a Skip meeting. Management was able to reassure staff that THA will understand the normal metrics with a necessary flexibility to account for the pandemic, such as unit turn times and time it takes to complete a work order or an inspection.

Arlington Drive is 50% leased with all other units spoken for. Marquis, Trina and Sherri, including the Y and CSE are all doing a great job. According to Marquis, 29 units were leased this week and she is doing more lease ups next week. Every unit has been spoken for with 231 people on the waitlist. For The Rise on 19th, 25 households are pre-approved to move into the property. Chair Rumbaugh asked how applications are prioritized for Arlington Drive. Marquis responded that the Y meets with the applicants and uses a priority system-based assessment to make sure there is a good match between service needs and the services available. The Y then tells THA who have been approved and who THA must now approve. Chair Rumbaugh asked for the Y's priorities. Director Hanauer stated that the Y developed a scoring rubric that takes into account vulnerabilities to make it as objective as possible. THA trusts the Y to fill the building with the most vulnerable yet stay within the service capacity of the building. Chair Rumbaugh asked what happens to those screened out. Director Hanauer responded that staff are trying to house as many as they can and the Y is working really hard to make sure the young people are hooked up with services beyond the Y, connected to Coordinated Entry and other housing options. 231 is a lot of people and that is why they closed the waitlist. Chair Rumbaugh asked how the juvenile justice system plays a role. It is an element of scoring criteria, according to Director Hanauer.

Real Estate Development

Real Estate Development (RED) staff reported that Arlington Drive has been the smoothest turnover working with PM. The credit goes to Marquis for her leadership. It has not always been easy turning over a building. The Rise is behind schedule because it ran into more COVID issues than Arlington. Staff are getting it ready to turn it over to PM next week. PM staff have been doing a great job and RA staff are getting people lined up. RED staff are continuing to work on the Hilltop project.

RED staff are meeting with Bob Fredrickson, THA's real estate broker, to strategize how to sell the lots at James Center North. Staff are closing out projects and getting things lined up for 2021. Chair Rumbaugh requested to meet with the Real Estate Development Committee.

The Trees project will close late January, which is good, and works well with everybody. The PBRA review with Housing and Urban Development (HUD) is going well. Staff engaged Ballard Spar. The first inspection on two buildings were done and staff are getting ready for the third, so moving right along. A Trees resolution will be submitted later for the \$2M restricted funds to be used to pay off the loan. RED had a meeting with the head of housing at the City and they want to give \$1.5M in CDBG funds. Jeff Robinson is leading the economic development and has been talking with Director McCormick. ED Mirra added that this is good news and all the credit to Director McCormick and how effective she is with relationships.

8. NEW BUSINESS

8.1 RESOLUTION 2020-12-09 (1) (THA's Conifer South Apartments and Modest Renovation - Use of Restricted Funds)

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

WHEREAS, On March 8, 2016, HUD gave THA Section 32 Approval to dispose of 34 public housing scattered sites; and

WHEREAS, Net proceeds and bank interest for these funds currently equals \$5,873,187; and

WHEREAS, On August 5, 2020, Tacoma Housing Authority (THA) Staff began engaging with consultants and legal representation regarding this project; and

WHEREAS, THA staff expect to use \$2,000,000 for costs associated with the acquisition and modest renovation of the Conifer South Apartments; and

WHEREAS, HUD restricts the use of these funds to increase affordable housing and requires HUD approval to use the funds; and

WHEREAS, All thirty-two (32) of the apartments are subject to a Project Based Rental Assistance contract administered by the Bremerton Housing Authority. This contract ensures affordability to extremely low, and low income households; and

WHEREAS, THA staff expect to be able to meet all HUD affordability requirements and that funds will be approved by HUD to acquire the Conifer South Apartments; now, therefore, be it

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

Apply to HUD for permission to use \$2,000,000 of restricted funds from the sale of public housing scattered sites for the acquisition of Conifer South Apartments and commit that all thirty-two (32) of the units will be affordable to households earning up to 50% AMI.

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

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

Motion Approved: December 9, 2020

Stanley Rumbaugh, Chair

**8.2 RESOLUTION 2020-12-09 (2)
(Fiscal year 2021 Annual Budget)**

WHEREAS, The Housing Authority of the City of Tacoma (“Authority”) intends to incur expenses and other cash outflows for Fiscal Year 2021; and

WHEREAS, Authority staff has prepared and the Board of Commissioners of the Housing Authority of the City of Tacoma as reviewed and provided input to the proposed Fiscal Year 2021 annual budget; now, therefore, be it

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

The Board of Commissioners of the Housing Authority of the City of Tacoma adopts the attached FY 2021 Agency wide budget. Expenses and other cash outflows are projected as follows:

<u>Expenses</u>	
Administration	\$4,315,064
Client Support & Empowerment	4,881,867
Executive	1,485,686
Finance	1,871,396
Human Resources	919,122
Policy, Innovation and Evaluation	865,541
Property Management Overhead	1,880,629
Property Budgets	2,260,505
Rental Assistance	54,408,705
Real Estate Development	<u>2,794,518</u>
Subtotal	\$75,683,033
 <u>Additional Cash Outflows</u>	
Debt Service	137,500
Capital Expenditures	11,540,000

Replacement Reserves	<u>172,652</u>
Subtotal	11,850,152
TOTAL APPROVED BUDGET	<u>\$87,533,185</u>

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

Upon roll call, the vote was as follows:

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

Motion Approved: December 9, 2020

 Stanley Rumbaugh, Chair

8.3 RESOLUTION 2020-12-09 (3)
(Commitment of Agency and Moving to Work Reserves)

WHEREAS, For THA has to be effective in its mission it must plan its use of financial resources over multi-year periods and have assembled reserves for those purposes; and

WHEREAS, The Authority has assembled adequate reserves for those purposes through its responsible prudent, and patient management and budgeting; and

WHEREAS, The attached Schedule of MTW Reserve Commitments updates Resolution 2020-04-22 (2), and reflects the Authority's current plans for such capital and operational expenditures of THA's reserve's, both MTW and Non-MTW; and

WHEREAS, The Authority intends to include a Schedule of Board Commitments in the MTW annual report, including language that allows for shifting monies between the identified commitments; now, therefore, be it

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

1. The Board authorizes commitments of the Authority's Reserves as outlined in the attached Schedule of THA Reserve Commitments, subject to adjustment in future budgets and budget revisions.
2. The Board authorizes the Executive Director to include the latest THA Reserve Commitments in the annual MTW Report submitted to HUD.

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

Upon roll call, the vote was as follows:

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

Motion Approved: December 9, 2020

Stanley Rumbaugh, Chair

9. COMMENTS FROM COMMISSIONERS

Commissioner Young stated that as things move forward with the Bezos Foundation, he is curious to see what they request and what THA's response would be. He wants to make sure THA interprets things appropriately because Amazon as a culture tend to be quite literal in the use of words. Commissioner Young also urged everyone to be safe. COVID numbers do not look good and it is getting more personal. Chair Rumbaugh stated that for months COVID was out of the courthouse, but now jury members are falling sick. It is going to get worse before it gets better. Commissioner Hodge agreed. She thanked ED Mirra and staff who make THA look good. Commissioner Purter wished everyone a Merry Christmas and happy holidays and thanked everyone for their hard work. He echoed what Commissioner Hodge said: staff make THA look good.

10. EXECUTIVE SESSION

None.

11. ADJOURNMENT

There being no further business to conduct, the meeting ended at 6:28 pm.

APPROVED AS CORRECT

Adopted: January 27, 2021



Stanley Rumbaugh, Chair