



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, FEBRUARY 24, 2021

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session via Zoom at 4:45 PM on Wednesday, February 24, 2021.

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 4:45 PM.

2. ROLL CALL

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

PRESENT	ABSENT
Commissioners	
Chair Stanley Rumbaugh	
Vice Chair Shennetta Smith (arrived late at 5:34 pm)	
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 @ 4:46 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, January 27, 2021. Commissioner Hodge moved to adopt the minutes. Commissioner Young seconded.

Upon roll call, the vote was as follows:

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

Motion approved.

4. GUEST COMMENTS

None.

5. COMMITTEE REPORTS

Real Estate Development Committee—Chair Rumbaugh, Commissioner Young

The committee did not meet since last month, but proceeding with various development plans, acquisitions, and proceeding with the Trees issue that was discussed at the last meeting.

Finance Committee—Commissioner Hodge and Commissioner Young

The committee did not meet.

Education Committee—Vice Chair Smith, Commissioner Hodge

The committee met with staff Friday, discussed CHAP, and went over all the information reported. The evaluation report has not been finalized and not ready for public dissemination. Director Black and staff will draft a memo of options to consider based on the final report. Chair Rumbaugh is looking forward to hearing the recommendations.

The committee also talked about the Bezos Academy contract. ED Mirra is beginning to negotiate the contract. The lease agreement will include composition of an advisory board and hiring of staff.

Citizen Oversight Committee—Vice Chair Smith, Commissioner Purter

The committee had an opportunity to briefly meet. The committee is thinking of putting together virtual tours of each of the THA properties owned and leased. This will let organizations know all projects led by THA in the City to provide housing for families and youth. This will take time to launch, and other fingerprints are needed. Chair Rumbaugh thinks it is a great idea and added that public outreach is always important. There will be cost implications putting it together, but it should not cost that very much.

ED Mirra stated that the suggestion is very timely. THA is rebuilding its website and has hired a new marketing manager who will get this done and will help with Director Johnson's project to show THA portfolios virtually. Director Johnson agreed. "It will provide people the opportunity with the commitment they are making when they lease with THA," she noted. Chair Rumbaugh stated that it appears staff have already generated momentum and likes the idea.

Diversity, Equity and Inclusion Committee—Vice Chair Smith, Commissioner Hodge
The committee has not heard anything new.

6. COMMENTS FROM THE EXECUTIVE DIRECTOR

Executive Director (ED) Michael Mirra directed the board to his report. The effort to preserve the Arlington Drive operation funding with the state Legislature is going well. THA is earning support from the right people. THA is also getting a lot of community voices speaking up. The most recent was another ten organizations writing their letter of support. The Legislature is starting to turn its attention to the budget and ED Mirra will have a better idea of how THA is doing in March.

Chair Rumbaugh inquired about the end of the eviction moratorium. ED Mirra stated that the moratorium is presently due to end April 1.

ED Mirra confirmed that he is negotiating a lease with the Bezos Academy and has sent them the next draft showing what THA needs. There are three main areas that remain in contention: (1) preference by income, (2) preference in hiring for residents of Salishan, and (3) should it convene a community advisory group. He will have a good sense of where the discussion is going by next week.

This is the last board meeting with Human Resources Director Barbara Tanbara and Finance Director Ken Shalik. They will each introduce their interim directors who will succeed them.

7. ADMINISTRATIVE REPORTS

Finance

Finance Department (FD) Director Ken Shalik directed the board to the finance report. THA ended up with surplus both in operation and total budget, including capital funds. THA ended up with reserves of \$1.399M, including \$1.5M in capital. 2020 was an interesting year -- COVID factored into THA's financial performance. It did not affect finances as much as we feared but it also created challenges for the future. Housing Assistance Program (HAP) reimbursement was budgeted at \$50.1M. Expenditures is at \$44.275M, which is what finance drew down. For Cash Position, THA ended up with \$8.7M of HAP funds retained at HUD at the end of the year. Finance contemplated \$1.5M in eviction prevention using Moving to Work (MTW) funds. THA needs to look at its MTW balance and determine what to do with it. MTW funds on properties provides

restrictions that THA has to abide by. Commissioner Young asked if the \$8.5M was on HUD shelf. Yes, confirmed Director Shalik. It can be used for anything in the affordable housing world. For the shortfall for reimbursement rates and market rent, Chair Rumbaugh asked if THA can adjust the formula to alleviate rent burden for tenants. Director Shalik affirmed, but added that there are restrictions because even though THA can assist with Care funds, it cannot do the same with HUD funds. THA is looking into the best way to use the funds to assist landlords and families who are still having challenges paying rent. Director Shalik will draw down funds in a more routine basis.

THA budgeted for flat congressional funding for 2021 so if there are any increases in HAP for 2021, finance needs to factor that into the impact of those dollars. Chair Rumbaugh stated that for Training/Travel the funds are basically none. He thinks training is a critical issue. According to Director Shalik, THA cut back for Training/Travel for 2021 anticipating that COVID would be going on.

Director Shalik does not see any challenges in other categories. HAP actual came in close to budget, which included COVID payments from the County. THA continues to be 100% leased and tracking increases. Once the eviction moratorium ends and landlords are able to increase rents, THA will see a large spike in HAP costs.

Director Shalik needs to look at MTW cash held by HUD, which is at \$8.5M. Finance is proceeding in closing out books for 2020. Rich Deitz and his team have finalized tax credit portfolio financials and is now dealing with auditors. Duane Strom and his team are working on finalizing THA's financial information due to HUD by end of February. It will be submitted in a timely manner.

Director Shalik thanked his team and everyone. He has been incredibly impressed with the board and their commitment to what THA does and care so deeply about THA's mission. He appreciated working with the board. He introduced Rich Deitz who has been in the agency for three years as finance manager. He has worked for housing authorities for fourteen years. His level of knowledge and understanding is incredible. Director Shalik feels he is leaving the reins in capable hands as THA searches for his replacement. Chair Rumbaugh stated that he was around a considerable amount of time before Director Shalik came on board. The reporting from finance department since he took over has been superb—transparent and understandable. He has looked at a lot of balance sheets and this is the best by far. He thanked Director Shalik.

Rich Deitz presented the Property Budget Synopsis, which includes tax credit and THA owned properties. All tax credit property budget was approved by investors. Chair Rumbaugh asked if Arlington and the Rise are performas. Yes, confirmed Rich, and added that those were real numbers plugged in. There are other fees. The remainder is close to performa and he used it as a base.

Commissioner Young moved to ratify the payment of cash disbursements totaling \$5,819,314 for the month of January 2021. Commissioner Hodge seconded.

Upon roll call, the vote was as follows:

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

Motion Approved.

Client Support and Empowerment

Client Support and Empowerment (CSE) Director Cacey Hanauer directed the board to her report. Director Hanauer is working at leadership level around relationship building and how important that is. One they have been working on is understanding what helps each other feel fulfilled and keeping an eye on what makes them feel good. Three case worker positions and one administrative assistant position have been posted. Martha continues to do remarkable work on vaccinations and food deliveries through the whole pandemic. Chair Rumbaugh asked what staff are doing to provide vaccines to residents. According to Director Hanauer, Martha is working closely with the health department to get vaccines delivered to the properties and to get residents signed up. More detail will be provided next month. ED Mirra added that the goal is to bring vaccines to buildings and not require seniors to travel. Director Hanauer is spending a lot of time on Bezos Academy and working with community partners. Chair Rumbaugh asked if the Bezos Academy kick off will be in the fall. Yes, responded Director Hanauer, assuminig we reach an agreement. Commisisoner Smith asked if there are proper steps for residents to report when they are having issues with certain case managers. Director Hanauer responded that residents should be in touch with her directly. Arlington fund hunting continues. CSE is providing a volunteer income tax assistance based out of the Family Investment Center so tenants have virtual access.

Rental Assistance

Rental Assistance (RA) Director Julie LaRocque directed the board to her report. RA has new hires and excited about the growth and promotions in their department. RA is happy to have staffing needs fulfilled. THA is still over utilized. RA has not been issuing vouchers from the waiting list. There is a 17-18% turnback rate on vouchers but staff will dig deeper on that information to see who is turning back the vouchers and what people it is impacting. Staff has been talking about the end of the moratorium. Special programs are doing well and Director LaRocque is very happy to report that the 75 extra Family Unification Program (FUP) vouchers are almost all spoken. Staff are now able to start working on family recovery court vouchers (10 set asides and 5 referrals). Chair Rumbaugh stated that Sal 1-7 shows 16 unused vouchers, which is 5%. According to Director LaRocque staff are right sizing people at Salishan and transferred them which generated vacancies.

Property Management

Property Management (PM) Director Frankie Johnson directed the board to her report. In regards to right sizing portfolios, one of the biggest reason for anticipation of the Rise and properties alike is to provide families at Salishan an opportunity to find a 1-2 bedroom units. Arlington is about 83% leased, which is under budget. Staff leased 49 units and looking at three more weeks to be fully occupied with May 1st being the lease up date. This is ahead of time and schedule. Tenants are loving it.

The Rise has a lease up date of April 1st and it is halfway there with 32 of the 64 units leased up. There was a considerable slow down due to changes related to Covid but teams are still moving forward. A tour was given to the Mayor who was very impressed with the property. She loved the layout and all that it offered. Chair Rumbaugh asked if THA has 1% for Arts for the construction project. According to Director McCormick, THA does not set aside 1% because the project was large. THA did work with the city and their art programs and did a call for artists. In her report, she will talk more about the art. Chair Rumbaugh asked if THA has a relationship with the city and their Tree cover program. Director McCormick responded yes, but she is not as familiar with it as the art program. Chair Rumbaugh stated that there are ordinances that require landscape and tree planting and a program to develop 30% canopy in the city by 2030. According to Director Johnson, the city's goal is 35% tree canopy and THA as exceeded that across the portfolio. The city is very pleased with THA as far as the tree canopy program.

Right sizing the portfolio and knowing THA needed to move families from Salishan informed PM that they needed to create a team of people to be the transfer team to work with families to provide them additional time and attention needed moving from a home they lived in for years to a new home at The Rise. With all the positive work staying on top of COVID restriction and sanitizing, a sad news hit the portfolio. There was a shooting at the end of January, which happened on the intersection near Bay Terrace and involved two of the families that lived there. The community is affected by it. Staff was also hit pretty hard by it. PM has been working with staff in the last few weeks to give them support. Director Hanauer and her team have been amazing, reaching out to the families with their questions and resources. Chair Rumbaugh wonders how this was allowed to take place. He was flabbergasted that kids at this age, in a stable housing environment, end up in a murderous situations. He said that the 16-year-old will probably be tried as an adult in court. In addition to services THA offer to residents impacted by this, Chair Rumbaugh asked if there is some kind of accountability. He would be interested to find out what if any impact this has had with regards to housing the families or adjustments to be made. According to Director Johnson, it has been a huge impact for everyone because of the kids' ages. There is a level of accountability. Everything is still unfolding and she will continue to bring the board information. Commissioner Hodge added that the shooting is tragic and everything is complicated. She stated it is sad that families, including empty-nesters, stay so long in THA housing without moving up and on. Director Johnson stated that it is not an easy transition; just because family members are grown up and moved out does not make it easy for the other family members to move on to the next step, which is why the Transfer team is

important. Director Hanauer added that this shows how complicated the systems are. Giving family a boost in one system does not make another system work for them. Assistance is not always enough. Commissioner Smith agreed. People are still in housing because there are many variables including mental illness, budget, and so many other reasons why people are still dependent on housing .

Real Estate Development

Real Estate Development (RED) Director Kathy McCormick directed the board to her report. She recognized CSE and PM teams who have handled the shooting with a lot of grace and still manage to do their regular jobs. It is impressive.

Director McCormick stated that Harvey Adams, senior construction manager who has been with THA for thirteen years is retiring and will leave a big hole in RED.

RED had four separate debriefs, one with Korsmo Construction where staff learned what to do next time to make it more efficient and effective. Director McCormick will generate a report to share with the departments regarding the RED debriefs.

RED is handing off Arlington to PM. There are two thousand documents associated and affiliated with Arlington being uploaded and RED staff are making sure everyone knows what they are. There are a lot of moving parts to close out Arlington. RED is working with Jim Banner and being careful that there are no downstream issues with investors on the exit.

The art for Arlington had a competition and staff worked with the REACH Center and Oasis to solicit young adults 12 and over to submit art and had a virtual art opening. Winners were judged and the winning art was selected and the winner was paid for the artwork. It will be hung throughout Arlington. A 20-year-old young Puyallup tribe member carved a face on the rock in front of Arlington. RED is excited in engaging young adults.

Chair Rumbaugh asked for an update on the effort to purchase the Trees properties. According to Director McCormick, THA will successfully acquire the property. RED is continuing to work on the transfer of PDA contract. A loan was approved with Banner Bank and there are a few challenges with the owner. It is \$1.5M to acquire Conifer through the City of Tacoma with 1% loan deferred for 10 years. ED Mirra added that Key Bank partners' views will be helpful since they own 99% of the place.

8. COMMENTS FROM COMMISSIONERS

The Board of Commissioners shared their stories and thanked Directors Shalik and Tanbara for all their hard work at THA and their continued support, not only for THA's mission but for staff and their colleagues.

Chair Rumbaugh said that when people you have worked with a long time retire and move on to the next chapter of their lives, you want to wish them all the best, but it is hard to see them go. He has known Barb Tanbara for decades and Ken ran a department with no audit findings for years and years. He is going to miss them both and on behalf of the board, shared his heartfelt appreciation for their work. "Carry on and enjoy the fruits of a lifetime of good work."

Commissioner Purter stated that it has been seven months that he has been a part of the Board of Commissioners. "May the Lord bless them in their future endeavors."

When Commissioner Young saw ED Mirra's email regarding Directors Shalik and Tanbara's retirement it caught him off guard. "Folks like Barb and Ken have been rock solid foundations for the agency through the years." Ken's work with finance has allowed Commissioner Young to sleep at night. He wished them luck.

Commissioner Hodge has such admiration and appreciation for both Directors Shalik and Tanbara. She has known Barb for a long time. "It will be hard to not see them in the meetings, but they will continue to be in the community contributing in different ways."

Vice Chair Smith thanked Directors Shalik and Tanbara for their time serving THA and wished she had a chance to know them better. She thanked Director Shalik. "It has been an honor to be on the Salishan Board with you."

Barb thanked everyone for their kind words. ED Mirra introduced HR Manager Amanda Parent. Amanda comes with a BA in HR Management and Master in Leadership with 12 years of experience. Chair Rumbaugh welcomed Amanda on board and added that there is room in the agency for her to be who she is and manage the department the way she wants to manage it. ED Mirra added that THA is fortunate that both Rich Deitz and Amanda Parent will be applying to be the regular directors for their respective departments.

ED Mirra reminded everyone of how far the agency has come because of Directors Shalik and Tanbara. Director Shalik has been with THA for 13 years and transformed the finances of the agency. He thanked him for his patience with an ED who was not a finance person and withstood his questions with patience and grace. Barb has been with THA for 17 years, almost as long as he has been an ED. He thinks of the time when he knew even less than he presently does about being an ED and how Barb helped him. He will have trouble envisioning THA without either of them.

9. ADJOURNMENT

There being no further business to conduct, the meeting ended at 6:52 pm.

APPROVED AS CORRECT

Adopted: March 24, 2021



Stanley Rumbaugh, Chair