



# TACOMA HOUSING AUTHORITY

## RESOLUTION 2020-12-08 (2)

**Date:** December 8, 2021  
**To:** THA Board of Commissioners  
**From:** April Black  
Executive Director  
**Re:** 2022 Board Commitments

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*This resolution would update the Board's commitment of Tacoma Housing Authority's (THA) reserves. These reserves are essential for purposes vital to THA's mission and to cover important obligations.*

### Background

THA is an MTW agency, and therefore subject to Housing and Urban Development (HUD) Cash Management rules. At the moment, any eligible Housing Assistance Payment funds (HAP) not reported on the agency's monthly report as HAP expenditures remain at HUD until the agency submits a request based on expenditures to draw it down.

Furthermore, HUD is now requiring MTW agencies to include it in HUD's annual MTW plan.

Over the years, THA has built up reserves in both its MTW and Business Activity areas. In doing so, the agency plans for the future in both capital and operational areas, and identifies areas where the Reserve funds will allow THA to move forward on accomplishing its goals.

Formally committing these funds with Board approval is a useful planning tool. It also helps HUD understand their purposes.

This Resolution updates the list of commitments.

### Recommendation

Approve Resolution 2021-12-08 (2) committing THA reserves as identified in the attached Schedule of Board Reserve Commitments.



# TACOMA HOUSING AUTHORITY

## **RESOLUTION 2021-12-08 (2) (COMMITMENT OF AGENCY & 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 2020-12-09 (3) and reflects the Authority's current plans for such capital and operational expenditures of THA' reserve's, both MTW and Non-MTW; and

**WHEREAS**, The Authority has submitted an initial MTW commitment of Reserves in the 2022 MTW plan, and intends to include an updated 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.

**Approved: December 8, 2021**

  
Stanley Rumbaugh, Chair

## 2022 Schedule of Board Reserve Commitments

Board Future Commitments	2021 Commitments	2022 Budget Future Commitments	MTW or Non-MTW	Period
a. Business Process Improvement Project	\$1,260,000	\$1,000,000	MTW	2022-2024
b. Development Projects	\$2,500,000		Non MTW	2021 Forward
c. Education Projects	\$2,400,000		MTW	2021-2025
d. Faircloth RAD units	\$1,500,000	\$1,500,000	MTW	2021-2024
e. James Center North Loan Payment	\$3,000,000	\$3,000,000	Non MTW	2023
f. James Center North Loan Payment	\$2,000,000	\$2,000,000	Non MTW	2025
g. Open Door Future Enhancements	\$2,000,000		MTW	2022-2024
h. Software Platform Conversion/Upgrades		\$2,500,000	MTW	2022 -
i. Property Acquisitions	\$2,000,000	\$2,000,000	MTW/Non MTW	2022 -
j. Section 8 HOPP Increases	\$1,500,000	\$300,000	MTW	2022 -
k. Hillside 2300 Substantial Rehab		\$2,000,000	MTW/Reserves w/ restrictions	2023
l. Reserves				
1. Business Activity Reserves	\$8,000,000	\$8,000,000	Non MTW	In perpetuity
2. MTW Reserves	\$500,000	\$1,000,000	MTW	In perpetuity
3. THA Property Reserves	\$2,600,000	\$2,800,000	Non MTW	In perpetuity
<b>Totals</b>	<b>\$29,260,000</b>	<b>\$26,100,000</b>		