



# **TACOMA HOUSING AUTHORITY**

## **BOARD OF COMMISSIONERS**

### **BOARD PACKET**

**March 28, 2018**



Michael Mirra  
*Executive Director*

# TACOMA HOUSING AUTHORITY

## BOARD OF COMMISSIONERS

Janis Flauding, Chair  
Minh-Anh Hodge, Vice Chair  
Dr. Arthur C. Banks  
Stanley Rumbaugh  
Derek Young

## REGULAR MEETING Board of Commissioners

**WEDNESDAY, March 28, 2018**

The Board of Commissioners of the Housing Authority of the City of Tacoma will hold its Regular Meeting on **Wednesday, March 28, 2018, at 4:45 pm.**

The meeting will take place at:

**911 North K. Street  
Tacoma, WA 98403**

The site is accessible to people with disabilities. Persons who require special accommodations should contact Sha Peterson (253) 207-4450, before 4:00 pm the day before the scheduled meeting.

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I, Sha Peterson, certify that on or before March 28, 2018, I faxed / EMAILED, PUBLIC MEETING NOTICE before:

City of Tacoma	747 Market Street Tacoma, WA 98402	fax: 253-591-5123 email: <a href="mailto:CityClerk@cityoftacoma.com">CityClerk@cityoftacoma.com</a>
Northwest Justice Project	715 Tacoma Avenue South Tacoma, WA 98402	fax: 253-272-8226
KCPQ-TV/Channel 13	1813 Westlake Avenue North Seattle, WA 98109	email: <a href="mailto:tips@q13fox.com">tips@q13fox.com</a>
KSTW-TV/Channel 11	1000 Dexter Avenue N #205 Seattle, WA 98109	fax: 206-861-8865
Tacoma News Tribune	1950 South State Tacoma, WA 98405	fax: 253-597-8274
The Tacoma Weekly	PO Box 7185 Tacoma, WA 98406	fax: 253-759-5780

and other individuals and organizations with residents reporting applications on file.

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Sha Peterson  
Executive Assistant



# TACOMA HOUSING AUTHORITY

## AGENDA

### REGULAR BOARD OF COMMISSIONERS MEETING

March 28, 2018, 4:45 PM

911 North K. Street, Tacoma, WA 98403

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1. **CALL TO ORDER**
2. **ROLL CALL**
3. **APPROVAL OF MINUTES**
  - 3.1 Minutes of February 22, 2018—Study Session
  - 3.2 Minutes of February 28, 2018—Regular Meeting
4. **GUEST COMMENTS**
5. **COMMITTEE REPORTS**
6. **COMMENTS FROM THE EXECUTIVE DIRECTOR**
7. **ADMINISTRATION REPORTS**
  - 7.1 Finance
  - 7.2 Client Services
  - 7.3 Property Management
  - 7.4 Real Estate Development
8. **OLD BUSINESS**
9. **NEW BUSINESS**
  - 9.1 2018-03-28 (1) Extension of Project Based Voucher Contract: Salishan 4
  - 9.2 2018-03-28 (2) Termination of Project Based Voucher Contract: Pacific Courtyard
  - 9.3 2018-03-28 (3) Amendment to Buchanan General Contracting Company to Replace Roof at the Family Investment Center (FIC)
  - 9.4 2018-03-28 (4) Approval to Execute Memorandum of Understanding with Community Youth Services to Operate the Crisis Residential Center
  - 9.5 2018-03-28 (5) Approval to Submit Proposal to Metro Parks in Partnership with the Korean Women's Association for the Portland Avenue Community Center
10. **COMMENTS FROM THE COMMISSIONERS**
11. **EXECUTIVE SESSION**
12. **ADJOURNMENT**



# **TACOMA HOUSING AUTHORITY**

## **MINUTES**



# TACOMA HOUSING AUTHORITY

## BOARD OF COMMISSIONERS MEETING MINUTES STUDY SESSION THURSDAY, FEBRUARY 22, 2018, 12:00 PM

The Commissioners of the Housing Authority of the City of Tacoma met in Study Session at 902 South L. Street, Tacoma, WA 98405 at 12:00 PM on Thursday, February 22, 2018.

### 1. CALL TO ORDER

Chair Flauding called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 12:05 PM.

### 2. ROLL CALL

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

PRESENT	ABSENT
<b>Commissioners</b>	
Chair Janis Flauding	
Vice Chair Minh-Anh Hodge (called in late at 12:30 pm)	
	Commissioner Arthur Banks
Commissioner Stanley Rumbaugh (arrived late at 12:09 pm)	
	Commissioner Derek Young
<b>Staff</b>	
Michael Mirra, Executive Director	
Sha Peterson, Executive Assistant	
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
	Greg Claycamp, Client Services Director
	Sandy Burgess, Administrative Services Director

Chair Flauding proceeded at 12:06 pm. She declared there was a quorum present @ 12:30 pm and continued with the meeting.

### 3. HOUSING OPPORTUNITY PROGRAM (HOP) PUBLIC MEETING RECOMMENDATIONS

Executive Director Michael Mirra reviewed the decisions the board will need to make at the February 28 meeting and other decisions that will come to the board later in the year after staff conduct more study. All decisions relate in some way to THA's efforts to manage its rental assistance programs in Tacoma's new and increasingly unaffordable rental market while its funding for those programs remains flat. He noted that he has reviewed these issues with Commissioners Banks and Young.

The decisions to make in February are as follows:

- I. The first decision the board will need to make is what to do with the Department of Housing and Urban Development's (HUD) expectation that THA serve the same baseline number of households HUD had assigned to THA in 2010. He noted that THA has been able to do this easily enough until about 3 years ago. Then Tacoma's rental market took off. The rental assistance programs, in THA's effort to keep up with the market, have been costing THA \$600,000 more each year. Yet THA's funding has remained flat. This is not sustainable. THA has four options

#### **The Four Options:**

- *"Thinning the Soup"*: Reducing the rental subsidy further to serve more households;
- *"Favor Higher Income Households"*: Redirecting vouchers to higher income households, which cost less to serve, and so serve more of them;
- *"Cannibalizing Other Services"*: Redirecting money from other programs or capacities to pay for more vouchers;
- *"Face the Arithmetic"*: Maintaining the present subsidy levels but budget to serve less than 100% of HUD's baseline.

ED Mirra said that he recommends the fourth option. It would have THA "face the arithmetic." He feels that HUD will be okay with this decision for several reasons: THA has been thoughtful about its analysis; THA consulted widely in the community and has received strong support for this option; HUD understands the arithmetic and must face it as well.

Project Manager Aley Thompson reviewed THA's community consultation. She reviewed THA consulted widely and received 100% support for THA to face the arithmetic and adopt a 95% utilization rate. ED Mirra added that THA also has strong support from the City Council. He feels that the fourth option is not only the best choice but a safe one as well. Chair Janis Flauding supports the fourth option and added that the board has had numerous discussions regarding this topic. As long as THA has the support of the residents, the City and staff, she

feels THA will be okay. Vice Chair Minh-Anh Hodge feels this is a sensible choice given the many difficult decisions THA has had to make. Commissioner Rumbaugh concurred.

## **II. Five-Year Time Limit for Work-Able Households, with Extensions**

ED Mirra noted that nearly 5 years ago, THA adopted a 5-year time limit for work-able HOP families. He reviewed the two main reasons THA did so. The **first** reason is to give work-able families another reason to strive to increase their earned income. After nearly 5 years, their income has increased on average by 45%. As impressive as that is, it is not enough to keep up with Tacoma's hot rental market. Most HOP households will pay more than half their income in rent once they lose their rental assistance upon the expiration of their 5-year term. This brings us to the **second** reason for time limits: it gives other people a turn to receive the assistance.

ED Mirra noted that the first of the time limits will begin expiring in April. THA has been sending households repeated reminders about their approaching time limit, and renewing offers of support to help them increase their income. The Board needs to decide in February whether it wants to stick with the time limits and allow them to expire or change them in some way.

ED Mirra said that he recommends that the board stick with the 5-year time limit. He reports that THA has been consulting widely in the community about this issue as well. The Board would have strong support in sticking with the time limits.

According to Aley, although some staff recommend shortening the time limit, THA received a general community consensus to stick with the 5-year limit. Chair Flauding supports keeping the 5-year time limit, but would like THA to consider an extension for when people lose their jobs. Commissioner Rumbaugh supports keeping the 5-year time limit as well and noted that THA also provides job skills, employment, and educational opportunities. Vice Chair Hodge is confident in staff's decision, especially since THA will be giving others a turn. Commission Rumbaugh also favored sticking with the time limits.

## **III. Housing Opportunity Program (HOP) Hardship Extension Policy**

Staff previewed its proposal for the February board meeting to expand the availability of extensions on the 5-year time limit. Under present rules, households can apply for a 1-year extension if at least 6 months prior to the scheduled end of their initial 5-year term the household enrolls in a qualified program to increase earned income but only if the program does not last more than 1 year. Staff propose to do away with the 6-month rule and the 1-year limit on the program's duration. The extension would still not last longer than 1 year. Commissioner Rumbaugh supports this, but recommends households be required to maintain satisfactory progress in the program until completion. Commissioners Flauding and Hodge agreed.

#### **IV. Expand Exemption from Time Limit**

Under present rules, the 5-year time limit does not apply to the elderly and disabled. THA defines disability for these purposes as receiving income from a governmental program whose eligibility is based upon disability, *e.g.* SSI, SSD. ED Mirra is recommending that the board expand the exemption from the time limit to include people whom DSHS exempts from the TANF time limit.

According to Aley, this would include adult caretakers for a disabled child or a disabled adult, and relatives providing care for a child. Commissioner Rumbaugh expressed concern with the administrative burden on staff that this will impose, as well as potential for manipulation. He would like more clarification, *e.g.* can caregivers be family members.

#### **V. When a Work-Able Adult Joins a Senior/Disabled Household**

When a work-able adult joins a senior/disabled household and triggers the 5 year time limit applied. This would happened, for example, when a household member turns 18 years of age. Under present rules, the 5-year time limit applies retroactively to count all the time the senior/disabled person was on HOP. Staff propose in such circumstances to start the 5-year countdown from zero. ED Mirra and Commissioner Rumbaugh are worried about the risk of a household manipulating its composition. According to Aley, staff and others have been debating this matter as well. Commissioner Rumbaugh did note that starting the 5-year time limit does not change the cost to THA.

ED Mirra noted that the Board must consider other changes to HOP and asked the board to direct staff to study them and present the board with proposal. Some changes may be necessary in order to keep HOP affordable to administer as the market continues to rise. The main issue is whether THA should move Housing Choice Voucher (HCV) legacy households to HOP and its fixed subsidy, which will save money. It would also impose the 5-year time limit on the work-able households. Another issue is whether to keep seniors and disabled households on the fixed subsidy or move them back to an income based rent or at least a higher fixed subsidy. Chair Flauding and Commissioner Rumbaugh asked for additional information regarding costs.

#### **4. COMMENTS FROM COMMISSIONERS**

Vice Chair Hodge received a complaint letter from a tenant at Bergerson. It seems urgent and it involves problems regarding parking and activities on the property. She will email the letter to ED Mirra.

#### **10. ADJOURNMENT**

There being no further business to conduct, the meeting ended at 12:53 pm.

#### **APPROVED AS CORRECT**

**Adopted:** March 28, 2018

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Janis Flauding, Chair





# TACOMA HOUSING AUTHORITY

## BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, FEBRUARY 28, 2018

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at E.B. Wilson, 1202 South M. Street, Tacoma, WA at 4:45 PM on Wednesday, February 28, 2018.

### 1. CALL TO ORDER

Chair Flauding called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 5:02 PM.

### 2. ROLL CALL

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

PRESENT	ABSENT
<b>Commissioners</b>	
Chair Janis Flauding	
Vice Chair Minh-Anh Hodge (arrived late at 5 pm)	
	Commissioner Arthur Banks
Commissioner Stanley Rumbaugh (arrived late at 5 pm)	
Commissioner Derek Young	
<b>Staff</b>	
Michael Mirra, Executive Director	
Sha Peterson, Executive Assistant	
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	
Greg Claycamp, Client Services Director	
Sandy Burgess, Administrative Services Director	

Chair Flauding declared there was a quorum present @ 5:03 pm and proceeded.

### 3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Chair Flauding asked for any corrections to, or discussion of the minutes for the Regular Session of the Board of Commissioners on Wednesday, January 24, 2018. Commissioner Rumbaugh moved to adopt the minutes, Vice Chair Hodge seconded.

Upon roll call, the vote was as follows:

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

<b>Motion approved.</b>
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### 4. GUEST COMMENTS

#### **Susan Harmon Payne—6<sup>th</sup> Avenue Resident**

Ms. Payne expressed her concerned about Tacoma Housing Authority's (THA) financial future in light of the federal budget. Ms. Payne is grateful to THA for a place to stay, but she can see ways where THA can save money; she recommended having signs in the buildings informing tenants that if they have a fire in their unit, they will be responsible for damage expenses and fire truck charges. She is also concerned for safety reasons about bicycles being left out. Director Johnson will look into the fire truck charges and noted that THA does charge tenants for damage expenses when they have a fire in their units.

#### **Karen Scott—North G**

Ms. Scott agrees with Ms. Payne and feels it would also be beneficial in her building to have signs reminding tenants of their responsibilities. She is happy that a nightmare tenant is finally gone from her building. The tenant used to deal drugs through her window. Ms. Scott asked why tenant leases do not seem to matter. The nightmare tenant managed to not pay her rent for 8 months.

Before the renovation, tenants were told that building cameras would make a difference; yet there is a naked man with a baseball bat roaming the halls at 3 am. She believes he needs to take his medication and that he is in the wrong facility. She feels that THA can solve the problem by enforcing the lease. Ms. Scott also mentioned that they have bed bugs again at her building and would like more information.

## 5. COMMITTEE REPORTS

### ***Real Estate Development Committee—Commissioner Rumbaugh***

The committee did not meet, but will have a discussion after the Council of Large Public Housing Authorities (CLPHA) meeting in Washington, D.C.

### ***Finance Committee—Vice Chair Hodge and Commissioner Young***

Nothing to report.

### ***Education Committee—Vice Chair Hodge***

Nothing to report.

### ***Citizen Oversight Committee—Commissioner Banks***

Commissioner Banks was not in attendance.

## 6. COMMENTS FROM THE EXECUTIVE DIRECTOR

Executive Director (ED) Michael Mirra handed the Commissioners a CLPHA summary of the proposal from the Trump Administration for the 2019 Housing and Urban Development (HUD) budget. The administration proposes to cut HUD programs by nearly 15%. This would be very bad for THA, but according to ED Mirra, people in a position to know believe the proposal will not be influential with Congress. Congress has not yet passed a 2018 budget. It has until March 23<sup>rd</sup> to do so.

ED Mirra distributed copies of an article in U.S. News & World Reports on college homelessness. It mentions the THA-TCC partnership.

### **Finance**

Finance Department (FD) Director Ken Shalik directed the board to the finance report. Line 14 shows THA a bit under budget. THA purchased New Look and James Center in 2017, but remained within budget (line 72 shows an overall surplus of \$1.4M).

Director Shalik directed the board to the cash position which shows a balance of \$15M. Line 4.20 shows \$9.4M of restricted cash, and 5.20 shows \$2M of total agency liabilities. THA has a total of \$3.6M in unencumbered cash, which is lower than desired, but we are anticipating \$9M from RAD at close out. Commissioner Rumbaugh would like to see tracking mechanisms in place for property financials. Director Shalik hopes that progress on the software conversion will allow for that in the near term.

ED Mirra inquired about the Boston Financial buyout. According to Director Shalik, THA has approval from Boston Financial on the price, but Boston Financial is asking for either a bond or a line of credit to cover its losses during the remainder of the compliance period should THA mismanagement cause it to lose tax credits. THA has two choices — buy a bond at a cost of \$250k or set-up a \$2.5M line of credit at a cost of \$60k. THA has decided to go with the line of credit option. Director Shalik has a meeting scheduled with

Boston Financial to discuss the details. He hopes to have a resolution for the board to consider at its March meeting.

Vice Chair Hodge moved to ratify the payment of cash disbursements totaling \$5,157,111 for the month of January 2018. Commissioner Rumbaugh seconded.

Upon roll call, the vote was as follows:

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

<b>Motion Approved.</b>
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## **Administrative Services**

Administrative Services (AS) Director Sandy Burgess directed the board to her report. She is excited to report that the Highland Crest and Outrigger acquisitions near Tacoma Community College (TCC) will be housing their first CHAP student.

AS will work on the Rental Assistance Demonstration (RAD) conversion of the remaining public housing units. They are at Salishan 1-6, Hillside Terrace I and Bay Terrace II. THA must first satisfy HUD's requirement for assurance that the conversion will meet the physical needs of the properties over the next 20 years. ED Mirra reminded Director Burgess that THA will not be converting the rest of the housing units without first determining if THA can draw down the remainder of its "Faircloth" public housing subsidies for THA's unsubsidized portfolio, and then converting them under RAD to Section 8 units. According to Director Burgess, staff did the research and results indicate that THA can do this, but will need to go through a mixed-finance application process with HUD.

### *Other Updates from AS:*

- Asset Management is hiring an asset manager. The position has been posted and interviews are scheduled in March with a hire goal of April.
- AS hired a business process improvement analyst who will be presenting his Business Process Improvement rollout to sub-Cabinet.
- Emergency Preparedness Plan is almost done. THA's risk manager has been training tenants on fire prevention and working with property management to identify fire stops, as well as engaging the fire department.
- AS needs to hire a Salesforce process analyst who will work with the Salesforce administrator.

## **Client Services**

Client Services (CS) Director Greg Claycamp was not in attendance. Deputy Executive Director April Black addressed the board on his behalf. Top conversations have been around the waitlist and Housing Opportunity Program (HOP) vouchers. Policy, Innovation and Evaluation (PIE) met this week to complete the policy work. This work should conclude in March.

THA is moving along with CHAP issuance; there is another waitlist opening February 26 to issue CHAP vouchers. TCC increased staff on the program and PIE is happy to have the resources available. The program selects as many people on the waitlist that the market is able to absorb. Chair Flauding asked what happens if THA does not have enough places for tenants to use their vouchers. According to Director Black, THA is watching that carefully and is working on a utilization plan to recruit more landlords.

## **Property Management**

Property Management (PM) Director Frankie Johnson directed the board to her report. She is projecting key-to-key unit turns to reduce to 11-15 days in the March report for February. Commissioner Rumbaugh noted that the board has been waiting for this progress for a long time. He asked if the effort is taking work away from other needs, such as work orders. Director Johnson said it has made an impact but she hopes to find the right balance. She noted that PM continues to address 100% of emergency work order within 24 hours.

Director Johnson informed the board that she reached out to the tenant who had contacted Vice Chair Hodge regarding her concerns at Bergerson Terrace. The PM team is handling the concerns. Vice Chair Hodge thanked Director Johnson.

Chair Flauding asked Director Johnson to extend the board's appreciation to her team for all the work they do.

## **Real Estate Development**

Real Estate Development (RED) Director Kathy McCormick directed the board to her report.

- Financing for Alberta Canada has closed and renovation and demolition have started. Things are going fairly smoothly.
- Staff submitted a 2018 9% tax credit application for 1800 Hillside Terrace, which was successful. The RED team is excited.
- Things are going smoothly at Allenmore Townhomes. It should be complete in May. RED entered into a property management agreement with Quantum

Management. THA is financing the purchase with a loan from Harborstone \$7.5M loan. Staff will bring the documents to the board for approval in March.

- MetroParks has issued a RFP for its Portland Avenue Community Center and adjacent land. THA and KWA are preparing a response. They will propose that MetroParks transfer the land to THA pursuant to an Interlocal Governmental Agreement. THA would then lease the land to KWA, which would manage the center. KWA will invest \$2M in the Community Center, where they expect to serve 250-300 seniors a day. KWA will put also fund a \$5M endowment and will raise another \$5M for operations as part of this program. THA would also lease land to KWA for a senior apartment building. THA would develop it for KWA. RED will present the resolution for the inter-governmental agreement to the board.
- THA will sell 3 acres of Hillsdale Heights property to KWA at market rate. THA will develop a senior apartment building on that parcel. KWA will own and manage the building. This will be a very good way to provide the senior element to the intergenerational campus THA has been planning for the site. ED Mirra inquired about the HUD schedule for issuing invitations to apply for the Section 202 financing for senior housing. According to Director McCormick, there is no schedule but RED will be ready for it when HUD publishes it.
- Commissioner Rumbaugh inquired about the Wright Street dirt contamination. Director McCormick said THA will be purchasing the property next door. Contamination is 40 feet down so there is no serious threat, but THA will dig a well to make sure contamination is not migrating or rising through the soil. Commissioner Rumbaugh is concerned, especially if contamination is floating in the water. According to Director McCormick, staff will be monitoring the issue and also monitoring off gassing, but she will talk with environmental engineering as well.

## **7. OLD BUSINESS**

None.

## **8. NEW BUSINESS**

### **9.1 RESOLUTION 2018-02-28 (1) (2018 MTW Plan Amendment)**

**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**, Rising rental costs in Tacoma’s rental market and stagnant HUD funding make it hard for THA to serve the same number of families with flat funding; and

**WHEREAS**, THA owns property referred to as Arlington Drive. THA had planned to sell this land for future developments, and THA seeks to retain the property to provide a Crisis Residential Center (CRC) and rental housing for housing and social services to assist low income homeless youth without families and homeless young adults; and

**WHEREAS**, THA’s Board of Commissioners must approve any changes proposed to HUD; 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 submit proposals to HUD to amend THA 2018 MTW Plan in two ways:

- Adopt a 95% Moving to Work baseline utilization target. This will require amending “Section II. B Leasing Information” of the 2018 MTW Plan; and
- Retain THA’s property at Arlington Drive. This will require amending “Section II. A. Changes in Housing Stock” of the 2018 MTW Plan.

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

Upon roll call, the vote was as follows:

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

**Motion Approved:** February 28, 2018

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Janis Flauding, Chair

**9.2 RESOLUTION 2018-02-28 (2)**  
**(Updating THA’s Administrative Plan: HOP Changes)**

**WHEREAS**, the Administrative Plan relates to the administration of the Housing Opportunity Program and is required by 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**, Tacoma Housing Authority's Housing Opportunity Program (HOP) has a five-year time limit for work-able households; and

**WHEREAS**, the first of these time limits will expire in April 2018; and

**WHEREAS**, staff completed a full analysis of this program; and

**WHEREAS**, staff consulted a wide array of community members,

**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 18, related to the Housing Opportunity Program in the following ways:

<b>Policy Proposal</b>	<b>Administrative Plan Section Requiring Revision</b>
<p><b>REVISE THE HARDSHIP EXTENSION POLICY</b></p> <p>Housing Opportunity Program (HOP) Rental Assistance Extension Hardship Policy:</p> <p>THA will offer work-able households with extreme shelter burdens two types of limited extensions of the rental assistance. To qualify, a household must experience a shelter burden requiring more than 50% of its income for rent and utilities once the rental assistance ends.</p> <p>Households must also meet one of the criteria below:</p> <p><b>Unexpected Loss of Income: 90 day Extension</b></p> <p><i>Within three (3) months prior to the final housing assistance payment, households may request a 90 day extension by showing:</i></p>	<p>18.XXII "Hardship Policy"</p>



Policy Proposal	Administrative Plan Section Requiring Revision
<p>an extraordinary change in circumstances resulting in an unforeseen loss of income that occurs within the three months prior to voucher expiration.</p> <p>Examples of an extraordinary change may include:</p> <p>One or more household members with income have permanently left the household. A household member's medical or health condition is preventing a work-able adult from working or is causing a reduction in work hours for a currently employed adult.</p> <p><b>Active Participation in a Program or Activity to Increase Earnings: Up to 1 year Extension</b>  <i>Within three (3) months prior to the final housing assistance payment households may request up to a 1 year extension by showing:</i></p> <p>A member of the household must be participating in a qualifying program to increase income; and</p> <p>the household must remain participating in the qualifying program until the end of the shelter burden or the end of the extension (whichever occurs first).</p> <p><i>"Qualifying programs" are any programs or activities that must likely result in the reduction of shelter burden. Examples of qualifying programs include: degree, vocational certificate, workforce development activity and the completion of FSS.</i></p> <p>Households must be in compliance with THA policies.</p> <p>THA staff, in consultation with the household, will determine the duration of the extension but in no case shall it last longer</p>	

Policy Proposal	Administrative Plan Section Requiring Revision
<p>than 1 year beyond the expiration of the 5 year time period.</p> <p>Any adult member of the household may be participating in the qualifying program or activity. This is not restricted to the head of household(s).</p> <p>THA will eliminate the need for households to present their justification for their request to a review committee. Instead, we will use a simplified process to protect the dignity of the participant households and save THA staff time.</p> <p>If an extension request is denied, the household may request an appeal. THA will have up to 20 business days to review the request and make a determination.</p>	
<p><b>REVISE THE POLICY REGARDING HOUSEHOLDS THAT MAY TRANSITION TO WORK-ABLE</b></p> <p>A household can switch over the course of the program from non-work-able to work-able and from work-able to non-work-able.</p> <p>The date the non-work-able household transitions to work-able will be the date used to calculate the five year time-limit. The time limit may be removed if the household transitions back to non-work-able.</p>	<p>18.IV. “Overview of Participant Criteria”</p>
<p><b>EXPAND HOP’S ELDERLY/DISABLED CRITERIA</b></p> <p>THA recommends expanding the HOP’s definition of disability to include those exempt from the TANF work requirement listed in WAC 388-301-0350.2 The approved exemptions are further defined in the WAC and include: an adult (55+) caretaker relative providing kinship care for a child, an adult with a documentable severe and chronic disability, an adult required in</p>	<p>18.IV. “Overview of Participant Criteria”</p>

Policy Proposal	Administrative Plan Section Requiring Revision
the home to care for a child with special needs and an adult required to be in the home to care for another adult with disabilities.	

**Comments:**

PIE Director Black thanked Project Manager Aley Thompson for her hard work on this project, which was larger than anticipated.

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

Upon roll call, the vote was as follows:

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

**Motion Approved:** February 28, 2018

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Janis Flauding, Chair

**9.3 RESOLUTION 2018-02-28 (3)**  
**(Brawner & Company, Financial Advisor Services)**

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

**WHEREAS**, THA's contract with Brawner and Company for financial services for real estate development projects; and

**WHEREAS**, The contract has a limit of \$1,300,000.00; and

**WHEREAS**, THA is reaching this limit and will require more services from Brawner & Company for the HOPE VI RAD conversion project and other development projects; and

**WHEREAS**, THA staff anticipate that THA will need an additional \$526,500.00, for services from Brawner & Company through 2018; and

**WHEREAS**, Brawner & Company's performance under the contract has been satisfactory; and

**WHEREAS**, THA receives reimbursement for its predevelopment costs, such as the cost of services from Brawner & Company, when projects are completed; 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 increase the amount of the contract with Brawner & Company an additional \$526,500.00.

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

Upon roll call, the vote was as follows:

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

**Motion Approved:** February 28, 2018

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Janis Flauding, Chair

**9.4 RESOLUTION 2018-02-28 (4)**  
**(Amend Foster Pepper PLLC Legal Services Contract)**

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

**WHEREAS**, On March 14, 2017, THA entered into a Contract for Legal Services with Foster Pepper PLLC. The contract stipulates that each engagement under the contract will require a Letter of Engagement (LOE) detailing the Scope of Work and associated fees for services. Section 2.1 of the Contract also indicates that the contract amount "shall not exceed \$150,000 unless approved by the Board of Commissioners"; and

**WHEREAS**, On October 25, 2017, a Resolution of the Board of Commissioners 2017-10-25 (1) was approved for an increase of \$168,500; and

**WHEREAS**, With the approval of Resolution 2017-10-25 (1), the total Not To Exceed of the contract increased to \$316,350.00; and

**WHEREAS**, THA has estimated an additional \$423,000.00 will be needed for the Legal Services contract; now, therefore, be it

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

Authorize THA's Executive Director to increase the contract amount with Foster Pepper LLLP by \$423,000.00 for a total not-to-exceed of \$739,350.00

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

Upon roll call, the vote was as follows:

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

**Motion Approved:** February 28, 2018

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Janis Flauding, Chair

**9.5 RESOLUTION 2018-02-28 (5)**  
**(Approval of Executive Director as THA's Registered Agent for all THA Entities)**

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

**WHEREAS**, On June 27, 2007, THA approved Resolution 2007-06-27(3) directing that THA's Executive Director serve as THA's designated agent pursuant to RCW 4.96.020(2); and

**WHEREAS**, THA's legal counsel recommends that THA's Executive Director also be listed on State and County Records as the registered agent for all entities in which THA holds a managing interest; now, therefore, be it

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

Authorize THA Staff to execute the steps necessary to specify THA Executive Director on State and County Records as the designated agent for THA and as the registered agent for all entities in which THA holds a managing interest.

**Comments:**

Commissioner Rumbaugh asked if THA has a process to track registered agents and the contracts they sign so they are not overlooked. According to Director

Burgess, THA will be creating a process and are watching things carefully. Commissioner Rumbaugh asked that she report on this next month.

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

Upon roll call, the vote was as follows:

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

**Motion Approved:** February 28, 2018

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Janis Flauding, Chair

**9.6 RESOLUTION 2018-02-28  
(ESHAP Legacy Policy for Households Enrolled in the 2017-2018 School Year)**

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

**WHEREAS**, Tacoma Housing Authority (THA) and the Tacoma Public School District (TPS) are redesigning the Elementary School Housing Assistance Program (ESHAP) for expansion in the fall of 2018; and

**WHEREAS**, during this redesign the 38 presently enrolled ESHAP families (legacy families) are experiencing considerable uncertainty about the rules governing their rental assistance and their obligations in the program;

**WHEREAS**, THA and TPS wish to provide these legacy families with more certainty and stability as they recover from their experience of homelessness;

**WHEREAS**, THA and TPS staff consulted with these families on how to do that, and developed recommendations and program changes the purpose to apply only to these families;

**WHEREAS**, Changes to the ESHAP 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:***

Authorize THA's Executive Director to adopt these policy documents and update the ESHAP Program Manual to read substantially as follows:

1. Continue to allow present ESHAP legacy families to attend the school of their choice. Encourage them to opt into their neighborhood school that is closest to their home or verify to THA that they have a reliable method of transportation if they opt to enroll elsewhere.
2. Legacy families must engage in their child's education, at minimum by ensuring that their children are attending school on-time every day. For households with children enrolled in TPS, the ESHAP Education Specialist will gather monthly attendance reports from each TPS school, including excused and unexcused absences, tardies, and early dismissals.

For program families who are enrolled in non-TPS schools, the ESHAP caseworker will assist parents with setting up their parent portal accounts. This is a database school districts use to provide parents access to their child's academic reports. THA will require each household to log into their portal and submit a monthly attendance report to the THA caseworker.

If the parent portal is not actively updated by the school, or if the household does not have device access to log into a portal, THA will require the household to request a monthly attendance report from their school administrator.

3. ESHAP staff will review attendance reports on a monthly basis and identify households with student absences and tardies. ESHAP staff will pursue the following actions if the student is not attending school daily and on time:
  - 2 absences or tardies will trigger THA to issue a "nudge letter" to the household, which is a gentle reminder to families about the importance of on-time school attendance;
  - 5 absences or tardies will trigger an in-person meeting with the ESHAP caseworker and/or a school administrator to address attendance concerns and resolve any barriers that might prevent the student from attending school on time;
  - 7 absences or tardies will trigger a conditional termination letter from THA that will notify the household that they are out of compliance, that THA will terminate them from the program but will offer them a chance to confer about alternative consequences that THA in its sole discretion, may consider. To explore alternatives, the letter will explain, the family must contact ESHAP staff within 10 business days to confer. When determining the consequences, THA will consult with TPS and will consider case-by-case circumstances that may have caused the student's truancy, including tardies that have district-related causes, such as delayed school bus-transportation.
4. Legacy households must engage with the THA caseworker by checking-in at least

once every 30 days using the method of communication identified in each household's individualized training and services plan. Methods of communication may include phone call, in-person meetings, text-message, e-mail or letter.

- If the household fails to check-in with the caseworker after 30 days, THA will issue a reminder letter to the home and the household will receive a phone call. The household will have 10 business days to respond;
  - If the household does not follow up, THA will issue a conditional termination letter that states that THA will terminate them from the program but will offer them a chance to confer about alternative consequences that THA in its sole discretion, may consider. To explore alternatives, the letter will explain, the family must contact ESHAP staff within 10 business days to confer.
5. THA will guarantee eligible legacy program households an extension of the Housing Choice Voucher (HCV) to July 1, 2019. During this time, they will retain a rental subsidy based upon family income. On July 1, 2019, all such households will transition to the HOP. HOP rules and policies shall govern their rental subsidy. They will no longer participate in the ESHAP program.

Households must demonstrate that they are engaged in a qualifying self-sufficiency activity. "Qualifying activities" is any activity in which will increase earned income for a sustained period. Examples of qualifying self-sufficiency activities include: degree, vocational certificate, homeownership programs or completion of Family Self-Sufficiency (FSS) program.

**Comments:**

PIE Director Black thanked Project Manager Amy Van's hard work on this project. This resolution would be for the 40 families in the program until redesign. Chair Flauding asked if the families' 5 years would start over when they receive HOP. According to Director Black, families would have received 3 years of income based housing and 5 in subsidy. PIE did consult with the families who expressed their appreciation. PIE also worked closely with Tacoma Public Schools. Vice Chair Hodge stated that it was a very good idea to include student absentees and tardies requirement.

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

Upon roll call, the vote was as follows:

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



**Motion Approved:** February 28, 2018

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Janis Flauding, Chair

## **9. COMMENTS FROM COMMISSIONERS**

Commissioner Rumbaugh thanked ED Mirra and staff for the tremendous outreach and work they have done to help the community understand the MTW and HOP challenges THA faces. The support letters show THA partners' investment in the programs. Commissioner Rumbaugh added that he attended the Metro Parks luncheon where there was a nice shout out to THA as a community member for this effort.

Chair Flauding thanked everyone for their hard work. She then announced that she is getting married and moving! August will be her last board meeting and last day as commissioner. She is hopeful THA will find someone to replace her after 13 years. According to ED Mirra, staff will provide him with two names for the City Mayor to consider. He also said that before she leaves us we will find a way to thank Chair Flauding for her service to THA. Chair Flauding said that she would like a signed baseball.

## **10. EXECUTIVE SESSION**

## **11. ADJOURNMENT**

There being no further business to conduct the meeting ended at 6:35 PM.

**APPROVED AS CORRECT**

**Adopted:** March 28, 2018

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Janis Flauding, Chair



# **TACOMA HOUSING AUTHORITY**

## **Real Estate Development Committee**

Commissioner Stanley Rumbaugh

## **Finance Committee**

Commissioner Minh-Anh Hodge

Commissioner Derek Young

## **Citizen Oversight Committee**

Chair Arthur C. Banks

## **Education Committee**

Commissioner Minh-Anh Hodge



**TACOMA HOUSING AUTHORITY**

**COMMENTS FROM THE  
EXECUTIVE DIRECTOR**



# TACOMA HOUSING AUTHORITY

**To:** THA Board of Commissioners  
**From:** Michael Mirra, Executive Director  
**Date:** March 20, 2018  
**Re:** Executive Director's Monthly Report

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This is my monthly report for March 2018. It supplements the departments' reports.

**1. ARLINGTON DRIVE YOUTH CAMPUS:  
VISIT FROM COMMUNITY YOUTH SERVICES**

The planning continues for the innovative and ambitious Arlington Drive Youth Campus. This month we learned the good news that the state legislature appropriated \$4.29 million for its construction. Our design work on the 12-bed Crisis Residential Center (CRC) is proceeding. We expect to break ground on the CRC in August. This will be Phase 1. Phase 2 will be the construction of 40 to 60 apartments for rent to homeless young adults, and their children if any, plus a community "equity center".

This project is an example of how THA can serve people – in this case homeless youth and young adults – who need more than housing. They also need services that THA does not provide, does not know how to provide, and does not wish to learn how. Instead, we do this work in partnership with high capacity organizations that do know how. With Arlington Drive, THA is very fortunate to have such a partner in Community Youth Services (CYS).

CYS is one of the nation's premier organizations serving foster children, foster families, homeless youth without families and homeless young adults. CYS has been doing this work in Thurston County since 1984. It uses evidence-based and best practices tied to researchers at the University of Washington, the University of Oklahoma and Portland State University. About 5 years ago, the City of Tacoma and Pierce County chose CYS to manage the city's overnight shelter and related services for homeless young adults and homeless youth ages 12 to 17 years. Two years ago, THA gave CYS the use of a single family home for a 6-bed CRC.

CYS will now manage the 12-bed CRC at Arlington Drive. CYS has helped THA design it. CYS collaborated in the extensive community consultation.

THA and CYS now need to further cement and formalize their partnership. Doing this will help each organization feel more confidence in the investment each is making in their partnership. This is a good time to do this. As I mentioned, the legislature just appropriated \$4.29 million in its own reliance on the partnership. We are about to begin construction. And, I must report, Scott Hanauer, CYS's Chief Executive Officer, will be retiring later this year. When an organization's leadership transitions we must look to its Board for assurances of the continuing commitment. We will do that in two ways:

- This month, the Board will consider a resolution approving a Memorandum

of Understanding between THA and CYS. That MOU memorializes the partnership. It states THA's commitment to build the CRC and CYS's commitment to manage it and fund the services. The MOU contemplates CYS's collaboration with the other organization (which THA has yet to choose) that will provide the services to the young adults in the rental apartments. The MOU further commits THA and CYS to collaborating generally for the overall success of the entire campus. The MOU contemplates that THA and CYS will later sign a more detailed agreement.

- We would like THA and CYS Board members to meet their counterparts and to meet the principal staff of the other organization. April and I were pleased to attend a CYS Board meeting last year. I am pleased to report Scott Hanauer will attend the Board meeting next week. One of his Board members will accompany him. They would like to address the Board. That will be a chance for the THA Board to hear directly from them of the CYS commitment to the partnership, and to ask them questions. In a reciprocal way, they can witness the THA commitment by being present when the Board considers and adopts the resolution approving the MOU.

The CYS Board will consider, and approve, that same MOU at its meeting in Olympia on April 18<sup>th</sup>. I, and perhaps April and Kathy, will attend. I am hopeful that Commissioner Young will be able to join us. Our attendance will be another chance to exchange expressions of commitment to this unique and valuable partnership.

## **2. CONGRESS AND HUD**

We are watching and awaiting some developments in both Congress and HUD. By the time of the Board meeting next week, Commissioner Rumbaugh, April, Frankie, Sandy and I will have returned from a CLPHA meeting and meetings with Congressional staff. Perhaps we will have news to report on the following:

- *2018 HUD Budget:*  
Congress still has not passed a budget for 2018. Instead, the government is operating on a Continuing Resolution, the 5<sup>th</sup> for the year. That one expires midnight on Friday, March 23<sup>rd</sup>. By then Congress must pass either a real budget or another Continuing Resolution. If it does not, the government will shut down, for the third time this year.

Last month Congress approved increases in the expenditure caps for both 2018 and 2019. That was a hopeful sign of both a budget and perhaps even an increase in domestic spending. It is now less clear what will happen.

- *2019 HUD Budget*  
Congress has until October 1<sup>st</sup> to pass a budget for 2019. President Trump's

proposal for HUD's 2019 budget would cut its appropriations by 15%. People who watch Congress closely, including our congressional offices, expect that Congress will ignore that proposal. Instead, the Congress's lifting of the expenditure caps for 2019 is a hopeful sign.

- *HUD and THA's Utilization Rate*  
Last month the Board approved a plan that would have THA serve only 95% of the HUD assigned baseline number of families. The Board did this as a way to manage two things: **first**, Tacoma's steeply rising rental market is costing THA \$600,000 more each year to serve the same number of families; **second**, Congressional funding has been flat and it is likely to remain flat. By its decision, the THA Board is facing this arithmetic. We must now ask HUD to face it as well and to understand that a 95% utilization rate is reasonable. We have submitted the plan to HUD.

We have worried that this decision would risk some type of HUD regulatory penalty or imposition. In D.C. this week, we will have a chance to confer with our HUD partners. We will outline what we sent them: our detailed analysis and the results of our extensive community consultation. We will do the same with our congressional offices.

I judge that HUD will not likely impose on THA for this decision. I judge this for four reasons. **First**, the decision is the right one, and in the market we face with flat funding, it is the only plausible and sustainable one. **Second**, we received very strong community support for this decision. I believe HUD values our efforts to consult in that way. **Third**, we have since learned that other MTW housing authorities are following a similar path. I attach a sheet showing what we have learned about them. **Fourth**, our entire congressional delegation understands the issue and supports our choice. It is on call if we need its help to keep out of the HUD regulatory doghouse, or to get out of it. When we visit with the congressional offices this week, we will be pleased to report that we probably will not need their help.



# TACOMA HOUSING AUTHORITY

## Utilization Matrix: Other MTW Agencies March 16, 2018

	Agency	Utilization Rate	HAP %	HUD Response	Explanation
1.	Tacoma Housing Authority	94.2%	90%	Submitted an amendment to the 2018 MTW plan adopting a 95% utilization rate. Awaiting HUD response.	THA conducted extensive community consultation and received strong support for adopting a 95% utilization rate. This has been conveyed to HUD.
2.	Home Forward	93.5%	106.9%	No issues with HUD reported	Home Forward has tried to focus on opportunity neighborhoods by stratifying their payment standards across neighborhoods, which has had an effect on their ability to lease up within funding.
3.	Vancouver Housing Authority	94%	~92%	HUD approved an amendment to their 2018 MTW plan adopting a 90% utilization rate	
4.	Housing Authority of the County of San Mateo	~ 90%	TBD	HUD accepted a corrective action plan	<p>San Mateo has completed a corrective action plan. The 2-3 page plan emphasized market conditions and detailed action steps to increase utilization. HUD accepted the plan without much comment.</p> <p>Strategies to improve:</p> <ul style="list-style-type: none"> <li>• Increased project-basing to 35% PBVs.</li> <li>• HACSM involved Congresswoman Jackie Spear. She started a “no voucher left behind” campaign to help “message” the issue and to try to attract landlords.</li> <li>• Leasing success activities include housing locator services (contracted out).</li> <li>• Landlord sign-up, continuity &amp; vacancy cash bonus program.</li> <li>• HACSM tries to turn around new unit inspections within 24-48 hours.</li> <li>• Moved to E-sign.</li> </ul>

	Agency	Utilization Rate	HAP %	HUD Response	Explanation
5.	Oakland Housing Authority	Low 90s%	TBD	No issues with HUD reported (they anticipate a corrective action plan request)	<p>Strategies to improve:</p> <ul style="list-style-type: none"> <li>• Project basing several hundred units and taking advantage of a local SRO program. They have been successful going after existing landlords and project-basing.</li> <li>• Approved landlord incentives include: prequalifying inspections, new owner bonus, vacancy payment up to 60 days and a capital improvement loan program which provides up to \$2500 to get a unit in shape to pass HQS (this is then deducted from HAP over the first 6 months). A not yet implemented approved change: possible automatic rent increases based on zip code.</li> <li>• Oakland is starting to get “the Mayor on the megaphone.”</li> </ul> <p>In 2019, they will tell HUD they are shooting for 98% because of the PBVs/SROs that have come online recently.</p>
6.	King County Housing Authority	100%+	81%	N/A	KCHA over-leases the HCV program and is going above their HUD-approved baseline. “It’s a combination of factors including our mix of household sizes, submarket rents in south county and our response with multi-tiered payment standards, and program efficiencies that have led to savings for the program.”
7.	Seattle Housing Authority	91.2%	83%	N/A	
8.	Fairfax County Redevelopment & Housing Authority	95%	100%	No issues with HUD reported	Planning for 95%. Only had one nominal dip prior. Have not used HAP for anything else and they still cannot make 100%. (Average HAP expenditure was more than per unit cost) “Got an inflation factor – which has helped them twice.”





**TACOMA HOUSING AUTHORITY**

**ADMINISTRATION  
REPORTS**



# **TACOMA HOUSING AUTHORITY**

## **FINANCE**



# TACOMA HOUSING AUTHORITY

## **Motion**

Adopt a consent motion ratifying the payment of cash disbursements totaling \$4,909,287 for the month of February, 2018.

**Approved: March 28, 2018**

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Janis Flauding, Chair

**TACOMA HOUSING AUTHORITY**  
**Cash Disbursements for the month of February 2018**

		Check Numbers				
		From	To	Amount	Totals	
A/P Checking Account						
Accounts Payable Checks	Check #'s	91,329	-	91,461		
Business Support Center				392,211	Program Support	
Moving To Work Support Center				241,061		
Moving To Work Buildings (used by Support Center)				126,352		
Tax Credit Program Support Center				6,872		
Section 8 Programs				18,418	Section 8 Operations	
Hillsdale Heights				1,417	Properties	
James Center				2,860		
KeyBank Building				2,388		
Outrigger				7,541		
Salishan 7				50,591		
Salishan Common Areas				532	Development	
Hillside Terrace 1800 Court G Development				3,500		
Salishan Area 4 - Arlington				7,563		
Salishan Developer Fee				1,012		
Bus Development Activity				6,891		
MTW Development Activity				77	Community Service	
Community Services MTW Fund				3,263		
Education Private Grants (Gates, etc.)				949		
HUD-ROSS Svc Coord				40		
AMP 6 - Scattered Sites				5,071	Public Housing	
THA SUBTOTAL				878,608		
Hillside Terrace 1 through 1500				3,457	Tax Credit Projects - Reimbursable	
Bay Terrace 1 & Community Facility				1,439		
Alberta J Canada Bldg				10,530		
Renew Tacoma Housing				7,852		
Salishan I - through Salishan 6				9,233		
TAX CREDIT SUBTOTAL (Operations & Development - billable)				32,511		911,119
Section 8 Checking Account (HAP Payments)						
SRO/HCV/VASH/FUP/NED	Check #'s	482,285	-	482,323	34,123	
	ACH				2,879,699	\$ 2,913,822
Payroll & Payroll Fees - ADP						\$ 584,346
Other Wire Transfers						
						\$ -
TOTAL DISBURSEMENTS						\$ 4,409,287

# TACOMA HOUSING AUTHORITY

## CASH POSITION - February, 2018

Account Name	Current Balance	Interest
<b>HERITAGE BANK</b>		
Accounts Payable	1,342,372	0.33%
Section 8 Checking	4,437,383	0.33%
THA Affordable Housing Proceeds-Salishan	3,433,878	0.33%
THA Scattered Sites Proceeds	3,467,413	0.33%
FSS Escrows	145,743	0.33%
Note Fund Account	101	0.33%
Credit Card Receipts	3,643	0.33%
Key Bank Security Deposits	4,003	0.33%
THA Investment Pool	332	0.33%
THA LIPH Security Deposits	601	0.33%
THA Travel Advance Account	2,004	0.33%
THDG - Tacoma Housing Development Group	748,926	0.33%
Salishan 7	1,625,585	0.33%
Salishan 7 Security Deposit	27,530	0.33%
Salishan 7 Replacement Reserve	242,866	0.33%
Salishan 7 Operating Reserve	200,745	0.33%
Outrigger Operations	114,494	0.33%
Outrigger Security Deposit	25,321	0.33%
Outrigger Replacement Reserve	80,459	0.33%
Highland Crest Operations	247,441	0.33%
Highland Crest Security Deposit	39,880	0.33%
Prairie Oaks Operations	101,921	0.33%
Prairie Oaks Security Deposit	3,555	0.33%
Prairie Oaks Replacement Reserve	15,882	0.33%
Payroll Account	8,943	0.33%
<b>WASHINGTON STATE</b>		
Investment Pool	\$ 99	0.87%
<b>1. TOTAL THA CASH BALANCE</b>	<b>\$ 16,321,120</b>	
<b>Less:</b>		
<b>2. Total MTW Cash Balance</b>	<b>\$ 368,402</b>	
<i>Less Minimum Operating Reserves</i>		
2.01 Public Housing AMP Reserves (4 months Operating Exp.)		
2.02 S8 Admin Reserves (3 months Operating Exp.)	726,000	
2.10 Total Minimum Operating Reserves	\$ 726,000	
<b>3. MTW Cash Available (Lines 2-2.10)</b>	<b>\$ -</b>	
<b>3. MTW Cash Held By HUD</b>		
3.11 Undisbursed HAP Reserves Held by HUD		
3.20 Total MTW Cash Held By HUD	\$ -	

# TACOMA HOUSING AUTHORITY

## CASH POSITION - February, 2018

<b>4. Non MTW Cash Restrictions</b>				
<i>Other Restrictions:</i>				
4.01 Mod Rehab Operating Reserves		109,870		
4.02 VASH, FUP & NED HAP Reserves		150,128		
4.03 FSS Escrows		146,088		
4.04 Security Deposit Accounts		100,890		
4.05 Gates Foundation		110,572		
4.06 Highland Crest Replacement Reserves		200,000		
4.07 Outrigger Reserves		80,459		
4.08 Prairie Oaks Replacement Reserves		55,882		
4.09 Salishan 7 Reserves		783,611		
4.10 THDG		748,926		
4.11 Area 2B Sales Proceeds (Afford Hsg)		3,433,878		
4.12 Scattered Sites Proceeds (Afford Hsg)		3,467,413		
4.20 Total - Other Restrictions			\$ 9,387,717	
<b>5. Agency Liabilities:</b>				
5.13 Agency Contracted or Budgeted Commitments <sup>1</sup>			\$ 1,651,720	
5.12 Development Draw Receipts for Pending Vendor Payments			\$ -	
5.14 Development Advances/Due Diligence Commitments			\$ -	
5.20 Total Agency Liabilities			\$ 1,651,720	
<b>6. Total Non MTW Cash Restrictions (Lines 4.20+5.20)</b>			\$ 11,039,437	
<b>7. THA UNENCUMBERED (Non-MTW) CASH (Lines 1-2-6)</b>			\$ 4,913,281	
<b>8. 2017 Board Reserve Commitments</b>				
8.01 Renovation/Remodel of Salishan FIC/Maintenance Shop			\$ 1,241,650	Under Contract
8.02 Software Conversion			300,000	Ongoing
8.03 Education Projects - McCarver & Others			310,000	Future
8.04 Childrens Savings Cohort payments			270,000	Ongoing
8.05 Development Projects (Hilltop)			2,500,000	Future
8.06 Bay Terrace 3 Funding Gap			2,500,000	2019
8.10 Total Reserve Commitments (Lines 8.01 through 8.04)			\$ 7,121,650	
<b>9. Agency Contracted or Budgeted Commitments remaini</b>	<b>Board Approval</b>	<b>Expended</b>	<b>Balance Remaining</b>	
9.01 Salishan/Maintenance Shop remodel	\$ 1,473,301	\$ 209,009	\$ 1,264,292	
9.02 902 Elevator Modernization	\$ 467,377	\$ 417,377	\$ 50,000	
9.03 James Center North Capital	\$ 350,000	\$ 12,572	\$ 337,428	
<sup>1</sup> Total Contracted or Budgeted Commitments outstanding			\$ 1,651,720	
<b>Agency Advances for Current Development Projects</b>				
			\$ -	
			\$ -	
<b>Total Agency Advances</b>			\$ -	



**TACOMA HOUSING AUTHORITY**

**CLIENT SERVICES**



# TACOMA HOUSING AUTHORITY

**DATE:** March 28, 2018

**TO:** THA Board of Commissioners

**FROM:** Greg Claycamp  
Director of Client Services

**RE:** Client Services Department Monthly Board Report

## 1. STRATEGIC OBJECTIVE: HOUSING AND SUPPORTIVE SERVICES

Tacoma Housing Authority (THA) will provide high quality housing, rental assistance and supportive services. Its supportive services will help people succeed as tenants, parents, students, wage earners and builders of assets who can live without assistance. It will focus this assistance to meet the greatest need.

## 2. DIRECTOR'S COMMENT

### 2.1 New Partnership Agreements

Over the past eighteen months, THA participated in the negotiation of two Memoranda of Understandings (MOU) that will likely form the frameworks for workforce development and collaboration to reduce poverty in Pierce County for the next several years or decades.

One is Pierce County Workforce Development Council's Partnership MOU, **For Implementation of the Workforce Innovation and Opportunity Act (WIOA)**. WIOA envisions an integrated workforce platform that constantly assesses the local employment market, adjusting both large-scale vocational programs and individual employment coaching in response to market needs.

In accordance with the federal WIOA Act and Washington State's policies for enactment, partners in local workforce systems agree to develop and implement a common referral system; common data entry and reporting systems; cross-training and other collaborative features. The partners agree to share costs for these systems, and responsibility for contributing to the market analysis.

Importantly, this is a commitment to developing new systems. Agreeing to participate affords THA the opportunity to help shape them in ways that work



best for housing subsidy participants, as well as for THA and our partners organizationally.

The second is United Way of Pierce County's (UWPC) **Center for Strong Families (CSF) Partnership Agreement**. The CSFs employ an evidence-based practice of bundling three core services: Income Support (access to benefits); Employment Coaching; and Financial Coaching. This model was pioneered by the Local Initiatives Support Corporation (LISC) in Chicago, and is now operating in a number of cities nationally. Other local entities who will operate CSFs include Pierce County Housing Authority, Bethel School District, Goodwill, Clover Park Technical College and Sound Outreach.

The CSF network affords THA opportunities that may prove critical to the success of several of its own initiatives. UWPC recognizes the importance of stable housing as a foundation for other asset building, and wishes to prioritize services to subsidy participants within the CSF network. UWPC wants to build a system that can support 15,000 families in exiting poverty over the next decade. That ambition and system capacity will expand THA's ability to provide supportive services to Housing Opportunity Program (HOP) and Elementary School Housing Assistance Program (ESHAP). Participation in the CSF three core services will also likely strengthen THA's Family Self-Sufficiency (FSS) program.

UWPC has asked to make a brief presentation to the Board and thank THA for the agreement to participate in the CSF network. We are attempting to schedule that presentation for the April BOC meeting.

## **2.2 The Consolidated Waitlist**

Rich Price provides a summary of this project's status in the Rental Assistance section below. We expect to be contacting the first group of Consolidated Waitlist applicants to offer Housing Opportunity Program (HOP) vouchers during the week of March 19.

### 3. COMMUNITY SERVICES

**Caroline Cabellon, Community Services Program Manager**

#### 3.1 NUMBER OF PEOPLE AND HOUSEHOLDS SERVED

**Program Entries, Exits, and Unduplicated Number of Households Served**

<b>February 2018</b>	<b>Program/ Caseload Entries this Month</b>	<b>Program/ Caseload Exits this Month</b>	<b>Unduplicated Number Served (Month)</b>	<b>Unduplicated Number Served (YTD)</b>
Case Staffing (Eviction Prevention Services)	8	2	8	11
Family Self Sufficiency (FSS)	1	7	204	204
General Services	16	11	69	80
Hardship	0	0	0	0
Housing Opportunity Program (HOP) Case Management	11	5	21	26
Children's Savings Account (CSA) K-5th Grade	1	0	66	66
Children's Savings Account (CSA) 6th - 12th Grade	3	0	55	55
Elementary School Housing Assistance Program (ESHAP)	0	0	35	35
Senior & Disabled	2	0	34	34
<b>DEPARTMENT TOTAL</b>	<b>42</b>	<b>25</b>	<b>492</b>	<b>511</b>

### **3.2 PROGRAM UPDATES**

#### **3.2.1 Partnership Update: KBTC**

Education Project partner, KBTC, hosted Education Program Specialist, Marty Higgins, at a two-day curriculum-testing event in Las Vegas in February. At this event, KBTC highlighted their new PBS Kids Science, Technology, Engineering, Arts and Math (STEAM) technology-based curriculum and apps. Participants were given an opportunity to become familiar with the PBS Kids Early Learning apps and curriculum and then provided feedback to PBS regarding the materials that were being developed.

Additionally, Marty is coordinating with KBTC and McCarver Elementary to offer the 7<sup>th</sup> annual Spring Break Camp for Elementary School Housing Assistance Program (ESHAP) participants. The camp will take place during Tacoma Public School's (TPS) Spring Break and highlight the Early Learning Curriculum from KBTC.

KBTC also helped THA organize a community meal for the clients at Bergerson Terrace. KBTC runs the after-school computer lab for Bergerson students, and children stayed after lab hours to participate. The theme for the meal was community safety and it was attended by representatives of the Tacoma Fire Department and Safe Streets. Forty community members participated.

#### **3.2.2 Programming Updates**

- **Family Self-Sufficiency (FSS)**  
In February, an FSS participant worked with the Sound Outreach-embedded Financial Empowerment Counselor to dispute over \$2,800 in debt. Once the debt was invalidated and removed from her credit report, the participant's score jumped almost 100 points!
- **Children's Savings Account (CSA) Program**  
Education Program Specialist, Trish Mozo, has been working with Tiarra Fentress (YMCA) and Mackenzie Flores (TPS) to organize a special family engagement night event at First Creek Middle School that will be focused on Salishan families only. The goal is to reach

both students and parents and provide an opportunity for awareness of, and on-the-spot enrollment in, the Children's Savings Account (CSA) program.

- **Senior & Disabled Programming**

The Senior & Disabled apartment communities continue to engage in MultiCare grant-funded Fall Prevention classes with local fitness company, B Well (Ground Force). The classes are well-attended and are promoting residents to be more physically active and helping them to navigate physically in a safer fashion.

#### 4. RENTAL ASSISTANCE AND LEASING

##### **Rich Price, Rental Assistance Program Manager**

Housing Choice Voucher utilization is reported at 94.2% for the month of February 2018.

We are about to begin offering HOP vouchers to applicants on the consolidated waiting list. Actual merging of lists was completed the weekend of March 10-11. Testing and verification of the data is currently in process. We are also attempting to upload the letter and documents into Open Door so that they will automatically attach to the clients electronic files when they are pulled for a mailing. If all goes well, we hope to be able to do our first mailing no later than the week of March 19.

Below is a breakdown of the utilization of THA's special programs and project based vouchers:

<b>Program Name</b>	<b>Units Allocated</b>	<b>Units Leased</b>	<b>Shoppers</b>	<b>Percentage Leased</b>
VASH (Veterans Administration Supportive Housing)	177	147	20	83%
NED (Non Elderly Disabled) Vouchers	100	89	7	89%
FUP (Family Unification Program)	50	38	3	76%
CHOP (Child Welfare Housing Opportunity Program)	20	15	3	75%
McCarver Program	50	35	5	70%
CHAP (College Housing Assistance Program)	150	27	60	18%*
<b>TOTAL</b>	<b>547</b>	<b>351</b>	<b>98</b>	<b>64%</b>

*\* The CHAP program is currently over issuing vouchers in an attempt to increase utilization. TCC is taking applications for the CHAP expansion. These numbers make a large impact on the total for these Special Programs. Referrals are coming in quickly which is shown by the number of clients currently shopping.*

<b>Project-Based Properties</b>	<b>Units Allocated</b>	<b>Units Leased</b>	<b>Percentage Leased</b>
Bay Terrace 1 & 2	72	70	97%
Eliza McCabe Townhomes	10	10	100%
Flett Meadows	14	12	86%
Guadalupe Vista	40	37	92%
Harborview Manor	145	144	99%
Hillside Gardens	8	6	75%
Hillside Terrace	12	11	92%
Nativity House	50	45	90%
Pacific Courtyards	23	19	82%
New Tacoma Phase II	8	8	100%
Salishan 1-7	340	336	99%
Tyler Square	15	15	100%
<b>TOTAL</b>	<b>737</b>	<b>713</b>	<b>97%</b>



**TACOMA HOUSING AUTHORITY**

**PROPERTY MANAGEMENT**



# TACOMA HOUSING AUTHORITY

**Date:** March 28, 2018

**To:** THA Board of Commissioners

**From:** Frankie Johnson  
Director of Property Management

**Re:** Property Management Monthly Board Report

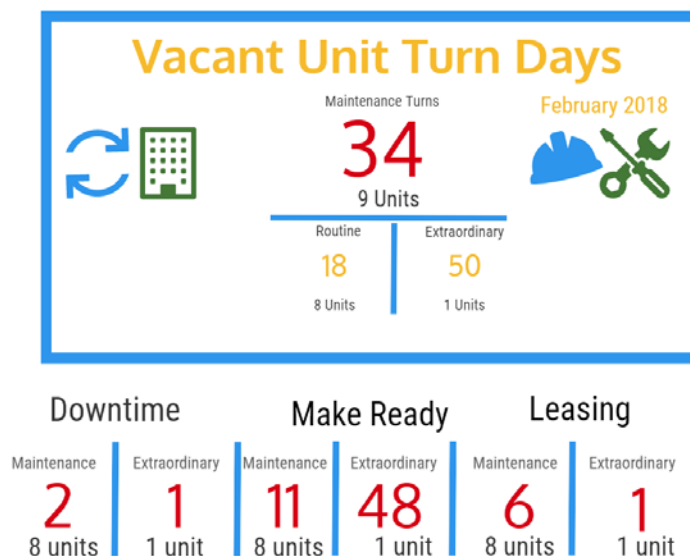
## 1. OCCUPANCY OVERVIEW

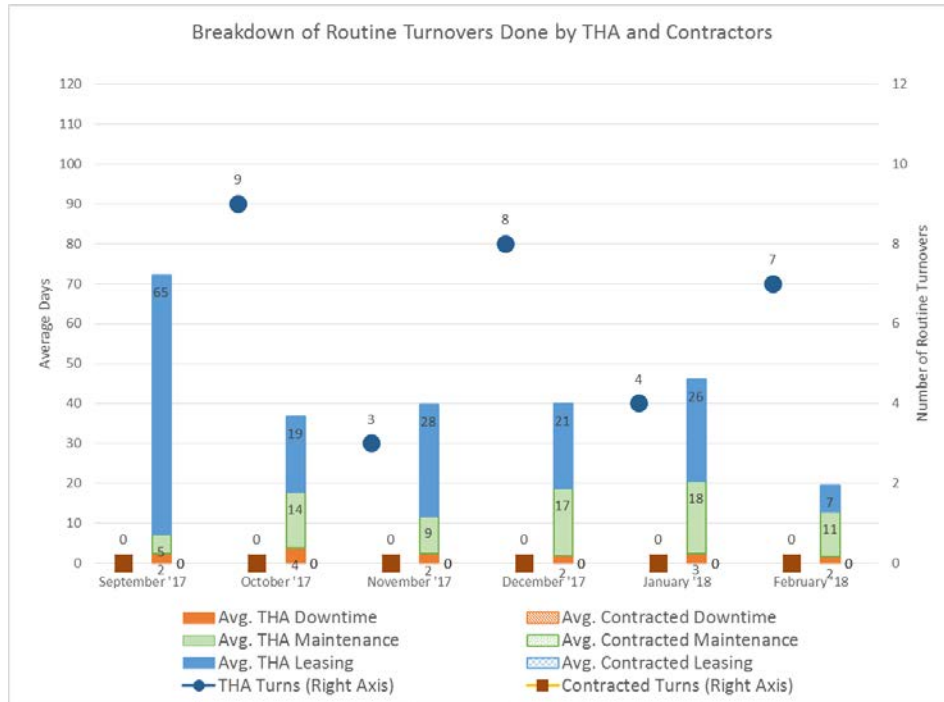
### 1.1 Occupancy

PROPERTY	UNITS AVAILABLE	UNITS VACANT	UNITS OFFLINE	UNITS OCCUPIED	% MONTH OCCUPIED	% YTD OCCUPIED
All Hillside/Bay Terrace	206	1	0	205	99%	99%
Family Properties	118	3	0	115	97%	99%
Salishan	631	3	0	628	99%	99%
Senior/Disabled	353	3	0	350	99%	99%
All Total	1,308	10	0	1,298	99%	99%

Unit occupancy is reported for the first day of the month. This data is for the month of February 2018. The chart above now reflects all of the THA units for a total of 1,308.

### 1.2 Vacant Unit Turn Status





All Turns - Performed by THA and Contractors  
Today's Date 3/12/2018

Select End Month & Year	February	2	2018
	January	1	2018
	December	12	2017
	November	11	2017
	October	10	2017
Beginning Month	September	9	2017

6-months - based on month and year selected from orange cell

		All THA Turnover Information						
Year	Month	Total Number of Turns	Total THA Turns	Total Meth Turns	Avg. Total Days	Avg. Downtime Days	Avg. Maintenance Days	Avg. Leasing Days
2018	February	9	8	0	18.5	1.5	11.1	5.9
2018	January	4	4	0	46.0	2.5	18.0	25.5
2017	December	11	11	0	49.7	2.9	21.2	25.6
2017	November	5	5	0	57.8	2.2	27.0	28.6
2017	October	10	10	0	36.7	3.9	14.6	18.2
2017	September	20	20	0	74.5	2.5	4.7	65.0

		All Contracted Turnover Information						
Year	Month	Total Number of Turns	Total Contracted Turns	Total Meth Turns	Avg. Total Days	Avg. Downtime Days	Avg. Maintenance Days	Avg. Leasing Days
2018	February	9	1	0	50.0	1.0	48.0	1.0
2018	January	4	0	0	0.0	0.0	0.0	0.0
2017	December	11	0	0	0.0	0.0	0.0	0.0
2017	November	5	0	0	0.0	0.0	0.0	0.0
2017	October	10	0	0	0.0	0.0	0.0	0.0
2017	September	20	0	0	0.0	0.0	0.0	0.0

The average unit turn time for the month of February was 11 days for eight (8) routine unit turns by Tacoma Housing Authority (THA) staff, and 50 days for one (1) exempted unit turned by contractor for an insurance claim.

**Routine** - units with repairs that fall under the category of normal wear and tear that can be repaired within 5-15 days.

**Extraordinary**- units with heavy damage as a result of the tenancy, including meth, extensive damage and casualty loss that cannot be repaired in less than 30 days.



**Exempt** - units with special circumstances, such as transfers, temporary hotel holds or moves relating to a Reasonable Accommodation.

**Extraordinary:**

**5309 South Orchard #38:** This unit was heavily damaged by the tenant who was later evicted. An insurance claim was requested due to the amount of damage and the unit was turned by the contractor.

**Proposed Changes for Improvement in Unit Turn Times:**

- **Downtime** - Start the unit turn process within 1 day of vacancy. Reduce downtime to 1 day.
- **Repair make ready**
  - ✓ Identify appropriate staffing levels needed to complete maintenance work during the move-out inspection.
  - ✓ Procure contractors who will respond to request for service if needed that have the appropriate staff to assign multiple units.
  - ✓ Increase inspections to deter heavy damage at move out.
  - ✓ Unit work every working day. Unit is the sole priority by assigned staff.
  - ✓ Use of tracking charts to monitor projected progress.
- **Leasing**
  - ✓ Prescreen to identify ready applicants.
  - ✓ Site-based leasing. Concentrated efforts on units. Each property staff will be responsible for the leasing efforts to fill their units.
  - ✓ THA staff will undergo training to better lease out units that are not subsidized. THA is competing with the open market in some cases. Having better tools and tactics will be helpful to attract applicants that will accept the units in a timelier manner.

**Proposed**

<b>Downtime</b>	<b>Repair Make ready</b>	<b>Vacant</b>	<b>Total days</b>
1	17	2	20

**1.3 THA Meth Data Trends**

Per July 2017 Board discussion, Meth information will be included only when there are updates to report.

## 1.4 Work Orders

**Completed WO's by Priority  
For Month Ending February 2018**

Property Name	Priority			
	Routine	Urgent	Emergency	Grand Total
6th Ave Apartments	10	1	1	12
Bay Terrace Phase One	11		1	12
Bay Terrace Phase Two	11			11
Bergerson Terrace	28	10	3	41
Dixon Village	19	2	1	22
E.B. Wilson	29	1	1	31
Fawcett Apartments	9	1	2	12
Hillside Terrace 1500 Block	6	1		7
Hillside Terrace Ph 1	1			1
Hillside Terrace Ph II	3	1		4
Ludwig Apartments	11	2	1	14
North G St	22	1		23
North K St	10	1	1	12
Salishan Five	25			25
Salishan Four	11		1	12
Salishan One	20			20
Salishan Seven	22			22
Salishan Six	19	1		20
Salishan Three	36	1		37
Salishan Two	26	1		27
Wright Ave	9	1		10
<b>Grand Total</b>	<b>338</b>	<b>25</b>	<b>12</b>	<b>375</b>

In the month of February, 100% of emergency work orders were completed within 24 hours; maintenance staff completed 338 non-emergency work orders with a total of 792 for the calendar year. The year-to-date average number of days to complete a non-emergency work order is 12 days.

Property Management (PM) continues to bring down the number of outstanding work orders and improve customer service.

**Open Work Orders by Priority BR  
For Month Ending February 2018**

Property Name	Priority		
	Routine	Urgent	Grand Total
6th Ave Apartments	23	0	<b>23</b>
Bay Terrace Phase One	4	0	<b>4</b>
Bay Terrace Phase Two	22	1	<b>23</b>
Bergerson Terrace	5	0	<b>5</b>
Dixon Village	4	2	<b>6</b>
E.B. Wilson	2	0	<b>2</b>
Hillside Terrace 1500 Block	1	0	<b>1</b>
Hillside Terrace Ph II	2	1	<b>3</b>
Ludwig Apartments	1	1	<b>2</b>
North G St	2	0	<b>2</b>
North K St	1	0	<b>1</b>
Salishan Five	24	0	<b>24</b>
Salishan Four	10	0	<b>10</b>
Salishan One	7	0	<b>7</b>
Salishan Seven	7	0	<b>7</b>
Salishan Six	5	1	<b>6</b>
Salishan Three	13	0	<b>13</b>
Salishan Two	34	0	<b>34</b>
Wright Ave	2	0	<b>2</b>
<b>Grand Total</b>	<b>169</b>	<b>6</b>	<b>175</b>

**Processes that PM has implemented to improve customer service are as follows:**

- Make every attempt to address routine work orders within five (5) days. When this is not possible, contact the tenant and provide them an alternate date that they may expect service;
- Improve communication with the tenants when services will be delayed and/or when procurement is needed to service the request; and
- Close work orders within 48 hours of completion.

## **1.5 Pilot Projects**

Unit Turn Team: Property Management created a unit turn team made up of five maintenance staff whose function would be solely to turn a unit once it is vacated.

The project's performance is reflected in the numbers for February, reducing the total days from 54 in January to 34 in March, including a contractor turn. With THA only turns, the days were reduced to 18 days. The pilot is scheduled through the end of

April. We are collecting data to evaluate methods were continued performance at this level.

Leasing Team: Property Mangement created a leasing team to assist PM in minimizing the leasing days that have been problematic for the department this past year. This team's purpose is to have files approved and ready to be leased within 1-3 days of unit turn. There has been a signifcant reduction in the leasing days since the inception of this pilot, but we have not reached our goal. In January, the leasing days were 29. That number has been reduced in February to six (6) days.



**TACOMA HOUSING AUTHORITY**

**REAL ESTATE DEVELOPMENT**



# TACOMA HOUSING AUTHORITY

**DATE:** March 28, 2018

**TO:** THA Board of Commissioners

**FROM:** Kathy McCormick  
Director of Real Estate Development

**RE:** Real Estate Development Department Monthly Board Report

## 1. SALISHAN/HOPE VI

### 1.1 Phase II Construction

#### 1.1.1 Area 2A, Community Core Development

Discussions continue with Bates Technical College and Community Health Services regarding the Salishan Core. Staff also showed space at the Family Investment Center (FIC) to a local child care operator who expressed some interest in providing day care or before/after school programs at this location. These discussions are all in the very early stages.

### 1.2 Salishan Family Investment and Maintenance Shop Renovations

Construction began January 8, 2018, for the renovation of the Family Investment Center (FIC) and the Salishan Maintenance Shop. Demolition is complete with electrical, mechanical, framing and drywall currently in process in the FIC building. Contractor is ahead of schedule and work is satisfactory. Renovation in the Maintenance Shop is scheduled to begin in early March. Staff is on site and working out of two of the three classrooms during the remodel.

The roof on the FIC and walk way will need to be replaced. This is a change order that will be brought to the board at the March 2018 meeting.

## 2. NEW DEVELOPMENT

### 2.1 Bay Terrace – Phase II

*This will be the last update for Phase II, as the project has been turned over to Property Management.*

Construction is 100% complete. We continue to work on a few remaining punch and other owner requested items until all the work has been completed.

### **3. OTHER PROJECTS**

#### **3.1 James Center North**

##### **Background**

THA purchased James Center North as it offers a unique opportunity to acquire a property that is attractive for public and private developers. It is positioned in such a way to be redeveloped to provide both market rate and affordable rental housing in a mixed-use setting that is adjacent to a transit center and within walking distance of grocery stores, parks and Tacoma Community College (TCC).

##### **Capital Improvements**

THA contracted with MRM Services for the demolition of building 1602. Demolition is complete. Grass will be planted on the vacant area. Additional minor capital repairs are to be completed on an as needed basis in order to keep the property functioning but limiting the capital invested into the buildings prior to redevelopment.

##### **Leasing**

CB Danforth continues to market the available property and providing tours to prospective tenants of the vacant spaces.

- Community Youth Services (CYS) is using one of the vacant spaces as storage for their winter donations
- Month-to-month leases are being renegotiated with tenants to extend for 2-3 years at market rents to stabilize cash flow and allow for THA flexibility to redevelop.

##### **Predevelopment**

A contract has been executed with Urban Land Institute (ULI) to host a Technical Advisory Panel as part of the kick off for predevelopment activities. The Panel will initially present its recommendations to a small group of THA staff the afternoon of March 16<sup>th</sup> and a ULI representative will return to present to a larger group at a future time. RED staff would like to have the recommendations presented to the Board at one of its regularly scheduled study sessions.

##### **Finance**

Property cash flow is steady and work orders are minimal. Previously identified capital improvement repair items are being regularly addressed. Repair costs are consistent with feasibility estimates.

##### **Reporting**

The first biannual report has been sent to Enterprise. They are satisfied with our progress and communication. Enterprise staff will be invited to the ULI event as well.

### 3.2 Public Housing Scattered Sites

Former Public Housing Scattered site homes are being rehabilitated and sold at market value. To achieve affordability for households earning 50% to 80% of the Area Median Income (AMI), THA will place a restriction for the difference between market value and the effective sales price on the property. The effective sales price is what a buyer earning 50% to 80% of the AMI can afford. The value of the difference between the market value and effective sales price will be captured in the restrictive covenant in the form of a forgivable loan of which 20% of the loan value will be forgiven every year.

3.2.1 Two homes have been purchased by residents of public housing. One of these buyers was a priority 1 buyer.

3.2.2 The following chart shows the number of units sold, listed, sold price and net proceeds.

Units Sold	Combined Market Value	Combined Sold Price	Combined Rehab Costs	Total Sales Costs	Net Proceeds
21	\$4,355,000.00	\$4,364,964.60	\$510,008.00	\$906,079.16	\$2,943,877.44
Units Listed	Market Value	List Price	Rehab Costs	Sales Costs Estimated	Projected Proceeds
3	\$667,000.00	\$667,000.00	\$94,300.00	\$105,000.00	\$467,700.00
Units in Construction	Scope Preparation	Occupied			
4	5	1			



5814 Swan Creek - Listed



3.2.3 Rehabilitation Work on Scattered Site Units and Sold:

- Bids for the rehabilitation work on 4 houses were received. Libby Builders and Able GC have presented the lowest bids for the next 2 rehabilitation projects. Contracts are being drawn up with these two contractors to begin the rehabilitation work. 6750 E. B Street, 4909 NE 35<sup>th</sup> Street, 618 S. Prospect, and 3008 S. 13<sup>th</sup> St. will be under construction from mid-February to mid-April.



- 21 houses sold, 13 houses remain.
- 3413 S 12<sup>th</sup> St, 3417 S 12<sup>th</sup> St , 1420 S Madison and 6438 S Puget Sound are out to bid.
- Bids are due for 3413 S 12<sup>th</sup> and 3417 S 12<sup>th</sup> on 3/27/18.
- Bids are due for 1420 S Madison and 6438 S Puget Sound on 3/29/18.
- Final 1 house is in scoping process (5801 East Roosevelt).
- All houses are expected to be completed and on the market by the end of June.
- All tenants have been relocated.
- CYS is occupying 120 Bismark to temporarily house homeless youth. They are consistently at capacity. Staff have been asked to research selling this house to CYS for a permanent Crisis Residential Center.
- The price for 2225 E. George Street has dropped to \$219,000.00 from \$225,000.00 due to lack of traffic. The price for 5814 Swan Creek has been dropped to \$199,900.00 from \$215,000.00 also due to lack of traffic.
- 4823 E. M Street is receiving very good traffic and is expected to sell any day at its the listed price.

### **3.3 Consulting and Community Engagement**

Staff is working with the Korean Women's Association (KWA). We are preparing a joint response to Metro Parks for repurposing of the Portland Community Center. KWA would like to relocate their senior programs to the Center and update the facility to support this work. KWA will also offer a host of community-based services and continued programming at the property. THA would enter into an inter-governmental agreement with Metro Parks and then lease the building to KWA.

### **3.4 New Look (aka Alberta J. Canada) Capital Planning and Resyndication**

The closing for the financing occurred and the contractor's notice to proceed was issued on January 22, 2018. The subsidy tied to the Enclave has been transferred to Alberta Canada and will free up the Project Based Vouchers assigned to this property for other uses.

Rehabilitation work is underway, with few issues encountered so far. Construction is currently 6% complete. The contractor has been focusing on demolition. Approximately 80% of the building exterior siding has been demolished exposing approximately 1500 sf of dry rot. This was anticipated and the cost to fix will be covered from the contingency.

### **3.5 Arlington Drive Property**

The City of Tacoma allocated \$700,000 to the Tacoma Community Redevelopment Authority (TCRA) and \$300,000 in CDBG funds for the development of the Crisis Residential Center (CRC). Pierce County is contributing \$250,000. Staff have also

completed a proposal request for another \$500,000 in capital from Pierce County and should know soon if the county will allocate some funds from CDBG to this project. The state legislature has allocated \$4.29M to support the development of the Arlington Drive Project.

SMR Architects has completed the master site planning and related preliminary work. A portion of the SMR work will be reimbursed as part of the City of Tacoma/Pierce County agreement for building the CRC and THA will fund the balance associated with the larger master planning process. THA will also develop a portion of the site for rental housing for homeless young adults ages 18-24. THA will fund this development with LIHTC and related sources. The design development is complete and an initial cost estimate for the CRC has been completed. The cost estimate is significantly higher than anticipated because this project has to meet commercial codes and specific licensing requirements. Staff started conversations with the City of Tacoma, Pierce County and others about covering these additional costs.

THA has engaged the Corporation for Supportive Housing to assist with issuing an RFP for a service provider for the rental housing component of the Arlington Campus. An executed agreement with a service provider is an important factor in obtaining state and local funding, including 9% tax credits. Services to be offered to homeless young adults are a core component of long term success for this project. THA will apply for an allocation of 2019 tax credits for the rental housing component of this project in June 2018.

The firm of BDS Planning and Urban design was selected as the consultant for the community engagement and consultation effort. The fourth Community Advisory Committee meeting was held October 12<sup>th</sup> at the FIC.

### **3.6 Allenmore Brownstones**

The seller of the Allenmore Brownstones accepted THA's offer to purchase the property and the Purchase and Sale Agreement has been executed. We are in the due diligence and financing phase at this time. Harborstone Credit Union's proposed business terms were acceptable to THA. They will provide a loan of up to \$7.5M.

## **4. DEVELOPMENT PIPELINE PROJECTS**

### **4.1 1800 Hillside Terrace Redevelopment**

The 1800 block of Hillside Terrace was demolished during the Bay Terrace Phase I redevelopment. Staff submitted a Housing Trust Fund application to the Department of Commerce on October 9, 2017, in response to a Stage 2 Notice of Funding Availability (NOFA) although at the time, the State did not have an approved budget for funding. A budget has since been approved and staff await a decision on its application for Housing Trust Funds. Staff anticipate an announcement of Housing

Trust Funds Awards sometime in March 2018. Staff submitted a 2018 9% tax credit application and was successful in receiving an allocation of tax credits.

Staff is preparing to procure an architect and contractor.

#### **4.2 Intergenerational Housing at Hillsdale Heights**

Staff will present a recommendation to the board for their consideration to sell a portion of the Hillsdale Heights property to KWA so they may develop a senior housing project. KWA is supportive of an inter-generational housing community and has agreed to use THA as its developer for the senior housing project.

#### **4.3 Hilltop Lofts and THA Owned Properties Master Development Plan**

THA and the City extended the timeline by two years for THA to develop the Hilltop Lofts project. The Council approved the extension request at its November 3, 2015, meeting. The Quit Claim deed was recorded January 18, 2018. According to the Covenants recorded the same day, financial feasibility needs to be determined by April 30, 2018, and permanent financing needs to be in place by June 1, 2020. Staff are reviewing financing options for this site. THA is now managing the lease for the Mr. Mack store.

##### **4.3.1 City of Tacoma 311 Mobilization**

RED, in partnership with the Hilltop Action Coalition, will facilitate the outreach and mobilization so that residents of the Hilltop understand and use the City's 311 customer service line. This will be completed through a series of workshops, events, canvassing and literature creation. The agreement with the City has been executed and planning work initiated. One of the deliverables is a short documentary. The final filming of the documentary will be done on Thursday March 22<sup>nd</sup> at Tacoma Community Arts. It will include an art show by one of the main characters, live music and a representative from the City providing information about 311. The community is welcome. The event starts at 6:30 pm.

##### **4.3.2 Housing Hilltop**

THA has begun conversations with external partners for development of the THA parcels on the Hilltop. The Greater Tacoma Community Foundation is interested in locating on the Hilltop. GTCF is working with Forterra and THA to determine feasibility. The group will be meeting monthly.

THA has also commenced conversations with external partners to develop a homeownership program to help those displaced, or at risk of being displaced, purchase homes at an affordable price and address some of the homes in need of rehabilitation. This group will also be meeting monthly.

#### **5. Renew Tacoma Housing, LLLP**

## 5.1 Construction

Property	Construction start	Construction schedule complete	Units complete	Units underway	Units remaining
Bergerson	5/4/2016	12/27/2016	72	0	0
E.B. Wilson	5/4/2016	12/27/2016	77	0	0
Dixon Village	9/16/2016	12/27/2016	31	0	0
Ludwig	6/23/2016	3/15/2017	41	0	0
Fawcett	1/9/2017	5/24/2017	30	0	0
K Street	10/11/2016	3/27/2017	43	0	0
Wright Street	2/6/2017	10/5/2017	58	0	0
6 <sup>th</sup> Avenue	4/1/2017	9/26/2017	64	0	0
G Street	3/7/2017	9/7/2017	40	0	0

### 2016 Projects: Bergerson, Dixon and E.B. Wilson

The *Certificates of Substantial Completion* were issued on December 27, 2016, for Bergerson, Dixon and E.B. Wilson sites required to be delivered in 2016 and the tax-exempt bond “50% test” was met for each site.

### 2017 Projects: Ludwig, Fawcett, K Street, 6<sup>th</sup> Avenue, Wright, G Street

The *Certificates of Substantial Completion* were issued on December 21, 2017, for Ludwig, Fawcett, K Street, 6<sup>th</sup> Avenue, Wright and G Streets and the tax-exempt bond “50% test” met for each site.

### Project Close-out/Conversion:

It is anticipated that the close-out requirements required to release the second equity installment will be complete by July, 2018. Key variables that can impact the timeframe are resolution/close-out of the environmental escrow, L & I’s release of retention and completion of the Ludwig elevator.

## 5.3 Watch list

### ***Environmental***

#### 6<sup>th</sup> Avenue:

The Department of Ecology (DOE) issued a *No Further Action* letter for 6<sup>th</sup> Street.

#### K Street:

It is anticipated that DOE will issue the *No Further Action* letter for K Street by the end of March, 2018. There is the possibility that the original long-term monitoring requirements for K Street may be waived.

#### Wright Street:

DOE staff stated that removal of contaminated dirt is not required because of the cost. DOE anticipates requiring an Environmental Restrictive Covenant to be filed, issuing of a *No Further Action* letter and long-term monitoring. As stated above, it is

anticipated that the *No Further Action* letter may be available by the end of March, 2018. DOE is considering lengthening the testing intervals of the required long-term monitoring.

Wright Street Neighboring Property:

The environmental condition exists only on the edge adjoining THA property. Of two test bores, one tested clean and the other dirty. The toxic dirt is so far below the surface that no risks for gardening exist right now.

Depending on the DOE's final requirements, THA may buy the neighbor's entire property versus encumbering a portion of the property by filing an Environmental Restrictive Covenant on the contaminated portion of the property. Most likely, the property owner and/or lender will object to the encumbrance.

THA staff made the decision that it will not pursue further legal action against Superior Linen. THA will continue to pursue grants that may reimburse some of the environmental cost.

#### 5.4 Issues Encountered/Status

Elevators

Modernization of elevators is complete with the exception of one of the Ludwig elevators. Ludwig's elevator requires that the single bottom jack be replaced. The cost of the work ranges from approximately \$50,000 to \$175,000. The range is based on whether or not the existing jack hole is plumb and cased or jacketed to prevent hole collapse once the existing jack is removed. These conditions hinder installation of the new jack. There are funds to cover the cost. A separate contract will be entered with Walsh Construction to perform this work so that the project construction completion date is not extended any further by this work.

The following information provides a status as of Draw #19.

<b>Budget</b>	<b>Total budget</b>	<b>Expended</b>	<b>Outstanding</b>
Soft Costs*	\$24,023,498	\$10,533,299	\$13,490,199
Construction (includes owner's contingency)	\$33,155,555 (includes \$500,000 reallocation from Environmental Escrow + \$100,000 seismic bracing release)	\$34,067,779	***(\$312,224)
Environmental Escrow	\$3,500,000	**\$1,100,000	\$2,400,000

\*Excludes \$30,640,000 Site/Building Acquisition expended at closing draw.

\*\*\$600,000 reallocated to construction budget due to 6<sup>th</sup> Avenue "*No Further Action Letter*" issued by DOE. \$500,000 reallocated to construction due to significant progress on K and Wright Street remediation.

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\*\*\*Excess “soft cost” budget will cover the \$312,224. Extra construction work was required to meet the 50% test.

### 5.5 Walsh Construction - MWBE and Section 3 Reporting

	GOAL	ACTUAL AS OF 5/31/2017
MBE	14%	8.78%
WBE	8%	.29%
Section 3 Business	----	7.41%
Section 3 New Hires	30%	27.78% (20 new hires)

#### Section 3 New Hires:

- The above information represents a combination of Section 3 hires that were hired by Walsh prior to the start of Rental Assistance Demonstration (RAD) and subsequently assigned to RAD and new Section 3 hires in which their initial assignment is the RAD project.

Also please note that the above information is a computation of the % of new hires that meet the Section 3 guidelines under RAD. There were 70 hires total for the RAD project.

#### Walsh provided some context for why meeting the Minority and Women Business Enterprise (MWBE) goals is a challenge:

- The small work scope is such that it is difficult to package scopes into smaller packages to achieve minority and MWBE results. This is easier to do on larger, single purpose projects;
- The RAD project is complex and maintaining the aggressive schedule is critical. There are significant consequences to any delays in the work. For example, the investor is expecting delivery of 3 projects by the end of 2016. If any one of the projects is not delivered, there is a serious financial and reputational risk. Also, if there are delays in the work, the project will face increased relocation costs;
- AVA Siding is a Section 3 business; however, due to market conditions and their work load, RDF Builders has had to step in and take over some of the siding scope simply to finish the project on time;
- Cerna Landscaping, WCC’s go-to MBE landscape subcontractor failed on the Bergerson project, again due to an excessive amount of work that they could not complete;
- There has been difficulty identifying MWBE subs; unfortunately Walsh’s outreach results were not what they had hoped; and,

- Walsh's outreach efforts, such as town hall meetings, advertising, speaking at National Association of Minority Contractors (NAMC) meetings, and phone calls were outstanding. We simply had trouble finding MWBE subcontractors. It is possible that this can be attributed to the significant amount of work underway in the South Sound.



**TACOMA HOUSING AUTHORITY**

**NEW BUSINESS**



# Resolution 1



# TACOMA HOUSING AUTHORITY

## RESOLUTION 2018-03-28 (1)

**Date:** March 28, 2018  
**To:** THA Board of Commissioners  
**From:** Michael Mirra  
Executive Director  
**Re:** Extension of Project Based Voucher Contract: Salishan Four

---

*This resolution would extend the Project Based Voucher Housing Assistance Payments contract (PBV HAP) for Salishan Four, LLC's property Salishan Four for fifteen (15) years.*

### Background

Tacoma Housing Authority (THA) has been subsidizing Salishan Four, LLC's property Salishan Four through PBV assistance since April 2008. The project currently provides PBV housing assistance to 45 units at this property. The original PBV HAP contract will expire on March 31, 2018.

A contract extension will allow THA and Salishan Four to continue to provide housing assistance to low-income families in the community. THA will also continue to be the managing partner in this property and continued assistance is essential to the long-term financial health of this portfolio. Staff recommends extending this contract by fifteen (15) years.

### Recommendation

Authorize an extension of THA's PBV HAP Contract with Salishan Four, LLC for fifteen (15) years. With this extension, THA will provide project-based housing assistance for 45 units at Salishan Four. All other terms of the original HAP Contract will remain in effect.



# TACOMA HOUSING AUTHORITY

## **RESOLUTION 2018-3-28 (1)** **(Extension of Project Based Voucher Contract: Salishan Four)**

**WHEREAS**, THA has been providing project based voucher assistance to Salishan Four, LLC's property Salishan Four since 2008; and

**WHEREAS**, Salishan Four provides housing for low-income families in the community; and

**WHEREAS**, A fifteen-year extension will allow THA and Salishan Four to continue to provide housing assistance to low-income families in the community; and

**WHEREAS**, Failure to extend this contract would lead to a loss of affordable housing units; now, therefore, be it

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

The Board authorizes an extension of THA's PBV HAP Contract with Salishan Four, LLC for fifteen (15) years.

**Approved:    March 28, 2018**

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Janis Flauding, Chair

# **Resolution 2**



# TACOMA HOUSING AUTHORITY

## RESOLUTION 2018-03-28 (2)

**Date:** March 28, 2018  
**To:** THA Board of Commissioners  
**From:** Michael Mirra  
Executive Director  
**Re:** Extension of Project Based Voucher Contract: Pacific Courtyard

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*This resolution would extend by 18 months the Project Based Voucher Housing Assistance Payments contract (PBV HAP) for Metropolitan Development Council's (MDC) property Pacific Courtyard.*

### Background

Tacoma Housing Authority (THA) has been subsidizing MDC's Pacific Courtyard through PBV assistance since March 2005. The project currently provides 24-month transitional housing to twenty-three (23) formerly homeless families. The original PBV contract expired in 2015 and was extended for two years to allow THA, MDC, Pierce County and other Pacific Courtyard funders' to plan a transition of the property from transitional housing to another model as federal and Pierce County policy requires.. THA provided the following conditions for continued extension:

- Provide permanent supportive housing or some version of it that we can recognize as including meaningful supportive services for special needs populations that THA does not provide; AND
- Provide some preference for THA households whose need for those services causes them to fail in our housing program, such as the high need families in the McCarver program OR
- We would consider extending the PBV contract for other low-income families only if by doing so we (i) promote their economic integration into market rate housing or neighborhoods or (ii) promote the construction of affordable housing or (iii) preserve affordability that would otherwise be lost.

In 2017, THA's Board agreed to another one (1) year extension of this project based upon the previous resolution. The understanding between THA and MDC was that MDC would convert these units to permanent supportive housing, or face the prospect of losing THA assistance for the 23 units. This Resolution expired on February 28, 2018.

In February, 2018, MDC confirmed to THA that the 23 units were not yet converted to permanent supportive housing and had not met THA's conditions for further assistance. When

THA asked for a timeframe about when this final conversion would occur there was no response from MDC. THA has made multiple efforts since 2015 to engage MDC in a thoughtful process of how to continue PBV assistance to these units at Pacific Courtyard. THA has done this to ensure compliance with policies and regulations, and to further its mission of providing housing to low-income families in the community. At this time, MDC has not followed previous agreements with THA, remaining out of compliance with THA's policies and HUD regulations.

The authority and procedure for terminating a PBV HAP contract can be found at 24 C.F.R. §983.206. This section states that a terminating contract may be renewed to give tenants a one (1) year notice. THA proposes to give MDC and the tenants at Pacific Courtyard an additional eighteen (18) months of PBV assistance on this contract prior to final termination. This will allow six months for MDC to attempt to convert the property per the THA requirements and seek a longer term extension from THA and the Board. Should MDC be unsuccessful in meeting these requirements by September 1, 2018, THA staff will instruct MDC to provide Pacific Courtyard tenants with notification that the project based rental assistance is ending in a year after that. Should the contract terminate, Pacific Courtyard tenants will have the right to tenant based housing assistance.

### **Recommendation**

Authorize the extension of the PBV HAP Contract with MDC's property Pacific Courtyard for eighteen (18) months.



# TACOMA HOUSING AUTHORITY

## **RESOLUTION 2018-3-28 (2)** **(Extension of Project Based Voucher Contract: Pacific Courtyard)**

**WHEREAS**, THA has been providing project based voucher assistance to MDC's Pacific Courtyard since 2005; and

**WHEREAS**, THA provides PBV assistance to 23 units at Pacific Courtyard; and

**WHEREAS**, MDC has been instructed to change the type of housing provided to permanent supportive housing; and

**WHEREAS**, MDC has failed to convert the 23 units at Pacific Courtyard to permanent supportive housing as required by THA; and

**WHEREAS**, THA wishes to give MDC until September 1, 2018, to bring the contract into compliance or, at that time, MDC will need to provide a 1 year written notice of contract termination to its Pacific Courtyard tenant; now, therefore, be it

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

The Board authorizes the extension of the PBV HAP Contract between THA and MDC for Pacific Courtyard to September 30, 2019.

**Approved:    March 28, 2018**

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Janis Flauding, Chair

# **Resolution 3**





# TACOMA HOUSING AUTHORITY

## RESOLUTION 2018-03-28 (3)

**Date:** March 28, 2018

**To:** THA Board of Commissioners

**From:** Michael Mirra  
Executive Director

**Re:** Amendment to Buchanan General Contracting Company to Replace Roof at the Family Investment Center (FIC)

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*This resolution authorizes Tacoma Housing Authority's (THA) Executive Director to amend the contract with Buchanan General Contracting Company to replace the roof at the FIC due to its deterioration and water intrusions discovered during renovations and to increase the project budget by \$99,596 to cover the cost.*

### Background

THA contracted with Buchanan General Contracting Company for the Salishan Family Investment Center and Maintenance Shop renovation project. Work began on January 8, 2018. During construction, the contractor discovered water intrusion on the FIC building in late January. It made temporary repairs in order to proceed with the remodel. THA asked its architect to provide an assessment of the current roof conditions. The assessment reveals that the roof has exceeded its useful life. The roof is failing due to deterioration of portions of the underlayment, missing flashing and leaking gutters and rain leaders.

THA requested Buchanan to obtain three quotes to replace the FIC roof. The lowest responsive and responsible quote from a qualified sub-contractor is \$99,596 with contingency.

The Board of Commissioners approved a construction budget of \$1,095,716 on November 15, 2017. The additional cost to replace the FIC roof with contingency is \$99,596, bringing the construction budget to \$1,195,312. The overall approved budget for the project, construction and other costs, was \$1,473,301. The increased construction costs will bring the overall budget to \$1,572,897.

### Recommendation

Approve Resolution 2018-03-28 (3) to increase the construction contract \$99,596 to a total amount of \$1,195,312 and bring the overall project budget to \$1,572,897. The total amount of the construction contract will not exceed \$1,195,312 including contingency.



# TACOMA HOUSING AUTHORITY

## **RESOLUTION 20187-03-28 (3)**

### **(Amendment to Buchanan General Contracting Company to Replace Roof at the FIC)**

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

**WHEREAS,** During construction, a water intrusion was discovered on the FIC building in late January; and

**WHEREAS,** The Architect's assessment reveals that the roof has exceeded its useful life. The roof is failing due to deterioration of portions of the underlayment, missing flashing and leaking gutters and rain leaders; and

**WHEREAS,** Buchanan General Contracting Company sought three quotes to replace the roof; and

**WHEREAS,** The lowest responsive and responsible quote is \$99,596 with contingency; and

**WHEREAS,** In order to preserve and protect current interior FIC renovations, the construction contract should be amended to include roof replacement; now, therefore, be it

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

Increase the construction budget \$99,596 for a total overall project budget of \$1,572,897 in order to include the FIC roof replacement.

**Approved: March 28, 2018**

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Janis Flauding, Chair

# **Resolution 4**



# TACOMA HOUSING AUTHORITY

## RESOLUTION 2018-03-28(4)

DATE: March 28, 2018

TO: Board of Commissioners

FROM: Michael Mirra, Executive Director

RE: Memorandum of Understanding with Community Youth Services for Arlington Drive Youth Campus

### Purpose

This resolution would authorize Tacoma Housing Authority's (THA) Executive Director to negotiate and execute a Memorandum of Understanding (MOU) with Community Youth Services (CYS) for their collaboration in the Arlington Drive Youth Campus.

### Background

THA is planning the development of the Arlington Drive Youth Campus. This campus will be on 3.5 acres that THA owns near Salishan. The campus will have a 12-bed Crisis Residential Center (CRC) for homeless youth ages 12 to 17 years, 40 to 60 apartments for rent to homeless young adults ages 18 to 24 years, and a community "equity" center.

These facilities and these young people will need services from partner organizations. Community Youth Services (CYS) will provide the services for the CRC and its residents. It will also collaborate with other providers who will serve the residents of the rental housing and in other ways will collaborate for the success of the entire campus. CYS is one of the nation's premier organizations doing this work using evidenced-based and best practices. It has been providing these services in Thurston County since 1984. Two years ago, THA gave CYS the use of a single-family home in South Tacoma for a 6-bed CRC. Its operation has been a success. The City of Tacoma and Pierce County had chosen CYS to manage overnight shelter and related services to homeless youth and young adults. The THA-CYS partnership has allowed THA to envision and implement its service to the region's population of homeless youth and young adults. The partnership is a very good match of mission, values and capacities.

THA and CYS need an MOU to formally affirm their commitments to their partnership and allow them to invest with confidence in the Arlington Drive campus project. The attached draft MOU will serve that purpose. It provides a general framework for this partnership. It contemplates that THA and CYS will later execute a more detailed agreement.

### Recommendation

Staff recommend that the Board approve this resolution.



# TACOMA HOUSING AUTHORITY

## RESOLUTION 2018-03-28 (4)

### (Approval to Execute Memorandum of Understanding with Community Youth Service to Operate the Arlington Drive Crisis Residential Center)

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

**WHEREAS**, The Housing Authority of the City of Tacoma (the “Authority”) approved resolution 2015-06-22 (5) approving the Arlington Drive Land for Youth Housing and Services; this will include a 12-bed Crisis Residential Center (CRC), 40 to 60 apartments for rent to homeless young adults, and a community “equity center”;

**WHEREAS**, this campus will require services for its residents that THA does not have the capacity or expertise to provide. THA will need highly capable partners with this expertise;

**WHEREAS**, Community Youth Services (CYS) is one of the nation’s premier providers of services for children, youth and young adults in crisis. It uses evidenced-based and best practices to very good effect. It has been doing this work since 1984 in Thurston County. For the past two years, it has operated a 6-bed CRS in Tacoma using one of THA’s single-family homes. The City of Tacoma and Pierce County chose CYS to operate a shelter and related services for homeless youth and young adults.

**WHEREAS**, THA and CYS agree that CYS will operate the Arlington Drive CRC and will collaborate in other ways for the overall success of the campus;

***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 negotiate and execute a Memorandum of Understanding (MOU) with Community Youth Services for the operation of a 12-bed CRC at Arlington Drive Youth Campus and generally for their collaboration for the success of the entire campus. The substantive content of the MOU will substantially resemble the attached draft.

**Approved: March 28, 2018**

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Janis Flauding, Chair

# **TACOMA HOUSING AUTHORITY and COMMUNITY YOUTH SERVICES**

## **MEMORANDUM OF UNDERSTANDING Arlington Drive Youth Campus**

**2018**

### **1. BACKGROUND**

Tacoma Housing Authority (THA) plans to build the Arlington Drive Youth Campus on property it owns in Tacoma's Eastside. It will include a 12-bed Crisis Residential Center (CRC) for youth ages 12 to 17 years of all sexes and genders. It will operate 24-hours a day, 7 days per week. The campus will also have 40-60 units of rental housing for homeless young adults age 18 – 24, a community facility for the campus, and social enterprises to offer job training.

Community Youth Services (CYS) will oversee all operations of the CRC and provide the support services that youth in the CRC require. THA has already provided CYC with a single family home in Tacoma for CYC's operation of a 6-bed CRC. CYC is one of the nation's premier providers of these services using evidence-based practices. It has been doing this work successfully at Haven House in Thurston County since 1984.

THA and CYC intend this MOU to state their respective general commitments to their collaboration to make the Arlington Drive CRC and the larger campus a success. They anticipate reaching and memorializing further more detailed agreements for the same purpose.

### **2. CRC OWNERSHIP**

THA will own the CRC and Arlington Drive. THA funding will restrict the CRC property to use as a CRC and will require that it be well managed and maintained.

### **3. GENERAL RESPONSIBILITIES OF EACH PARTY**

#### **3.1 Community Youth Services (CYS)**

- 3.1.1 CYC will be responsible for providing and funding all services to the youth at the CRC. It will use its model of best, evidenced-based practices, including Positive Youth Development, Solution Focused Case Management, Wraparound Strategies, Trauma-Informed Care; youth guided services.
- 3.1.2 CYC will be responsible for all recruitment, hiring, employment, training and supervision of all CRC staff.
- 3.1.3 CYC will ensure that its staff and practices are culturally appropriate and effective for the population of youth to be served at the CRC, especially for that population's characteristics by race, gender and sexual orientation.

- 3.1.4 CYS will provide all the needed furnishings, appliances and outdoor amenities and other agreed upon fixtures for the CRC and for on-going operations.
- 3.1.5 CYS will have primary responsibility for performing and funding property management for the CRC. This includes property maintenance, grounds maintenance, annual mechanical systems, routine and preventative maintenance, care of all interior appliances (hot water heaters, kitchen equipment, etc.) and payment of all utilities.
- 3.1.6 CYS and THA will enter into a more detailed operating agreement at least three months prior to opening the CRC at Arlington Drive.
- 3.1.7 CYS will assign to THA the \$250,000 in 2160 funds earmarked by Pierce County for the development of the CRC. THA will use these funds to construct the CRC.
- 3.1.8 CYS will advise THA on THA's solicitation and choice of a service provider to provide the services for the young adults who will live in the rental housing portion of the campus. CYS will cooperate with that service provider for the general success of the campus.
- 3.1.9 CYS will collaborate with THA to design and plan the rental housing at the campus, the services for the rental housing residents, and the community center.
- 3.1.10 CYS may use some of its fund raising capacity to generate capital dollars that may be needed to develop the center.
- 3.1.11 CYS will participate in a standing advisory committee to advise on the design and management of the campus.

## **3.2 THA**

- 3.2.1 THA, with CYS's advice, will procure a service provider to provide the required supportive services for the homeless young adults who live in the 40-60 units of rental housing.
- 3.2.2 THA will convene an advisory committee to provide advice, support and guidance on the operations and community interface for the campus.
- 3.2.3 THA will secure all needed capital financing for the construction of the CRC. Primary sources of capital financing may include City, County and State funds, Pierce County and/or City of Tacoma CDBG funds, City of

Tacoma funds administered through Neighborhood Community Services, Pierce County 2160 funds, tax credit equity, and commercial debt.

- 3.2.4 THA will use the 2160 Funds of \$250,000 that Pierce County earmarked for CYS to develop the CRC and will ensure that all legal, programmatic and accounting procedures associated with these funds are met.

#### **4. JOINT RESPONSIBILITIES**

- 4.1 THA and CYS will work collaboratively to find funding to build and operate the CRC and the overall youth campus.
- 4.2 THA and CYS will enter into a further agreement for the following purposes:
- 4.2.1 define, in greater detail, the property management and maintenance expectations;
- 4.2.2 detail the process to determine when and how capital improvements will be made, what constitutes a capital improvement and whose responsibility it will be to make those improvements. THA will prepare a capital plan for replacing major systems in 10-15 years. CYS and THA will collaborate to identify and find funding for the replacement of building systems whose cost will be in excess of \$5,000.
- 4.2.3 ensure that services are offered to youth are evidenced based and/or are research supported and meet best practices, and meets all code, licensing and other service requirements. CYS likely will contract or arrange for services from other service providers. The operating agreement will identify these.
- 4.2.4 provide a process for resolving any disagreement between THA and CYS.

COMMUNITY YOUTH SERVICES

TACOMA HOUSING AUTHORITY

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Scott Hanauer  
Chief Executive Officer

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Michael Mirra  
Executive Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_



# **Resolution 5**



# TACOMA HOUSING AUTHORITY

## RESOLUTION 2018-03-28 (5)

**Date:** March 28, 2018

**To:** THA Board of Commissioners

**From:** Michael Mirra  
Executive Director

**Re:** Korean Women's Association (KWA) Proposal for Portland Avenue Community Center

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### Purpose

The purpose of this resolution is to authorize Tacoma Housing Authority's (THA) Executive Director to submit a proposal, in partnership with KWA, responding to the Request for Proposal issued by Metro Parks for a community based entity to repurpose the Portland Avenue Community Center.

### Background

Metro Parks Tacoma has issued a Request for Proposal seeking interested parties to lease or purchase the Portland Avenue Community Center on Tacoma's Eastside, and to facilitate community based programs and services. The Portland Avenue Community Center is adjacent to Portland Avenue Park located at 3513 East Portland Avenue in Tacoma. This is a 9,326 SF facility built in 1988. It is located on 14 acres of land. Metro Parks will retain public ownership of the grassy areas, parking lot, restrooms, play areas and picnic shelter. Metro Parks is open to relocating these amenities on the site if it will better meet the intentions of the responder.

Metro Park would be able to enter into an inter-governmental transfer of the property with THA. This transfer would ensure continued public involvement and oversight of the property, which Metro Parks would value.

KWA seeks to create a "Lifelong Learning Center" on the site that would consolidate their senior meals program, provide space for large events, offer classes in cooking, and provide mental health services, Tai Chi, programs for seniors to mentor youth, provide youth with specialized services, and support inter-generational learning partnerships. KWA is prepared to remodel the current community center to accommodate these uses. It will pay for the remodeling with their own resources and expect free use of the space in exchange for their investment. THA would provide construction oversight and project management services.

KWA will also establish an endowment to provide the funds for on-going operations and programs and, in addition to consolidating the senior meal programs, will locate its staff to work

out of the new facility.

THA expects to negotiate an agreement with Metro Parks that would allow Metro Parks to take back the facility if programming does not meet their proposal requirements. THA would execute a lease with KWA for managing the program and all building operations and maintenance. KWA has the experience to provide the programming and property management.

Over time, KWA and THA would work together to develop up to 150 units of senior housing on some of the vacant land on the site that will be included in this transaction. The intent to do so will be covered in future agreements with KWA and Metro Parks.

### **Recommendation**

Approve Resolution 2018-03-28 (5) authorizing THA's Executive Director to approve, execute and deliver all documents necessary to respond to the Request for Proposal issued by Metro Parks for the Portland Avenue Community Center.



# TACOMA HOUSING AUTHORITY

## RESOLUTION 2018-0 3-28 (5)

### **(Approval to Submit Proposal to Metro Parks in Partnership with the Korean Women's Center for the Portland Avenue Community Center)**

**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,** The Authority is seeks to support projects and programs that provide continued learning opportunities and meet community needs; and

**Whereas,** Metro Parks Tacoma has issued a Request for Proposal (RFP) for organizations interested in leasing or purchasing the Portland Avenue Community Center to facilitate community-based programs and services; and

**Whereas,** THA has worked with the Korean Women's Association on past projects and knows the organization to be financially strong and capable of renovating the center, offering programs and services and paying for all operating and maintenance costs; and

**Whereas,** The Housing Authority and KWA are respected community organizations in Tacoma and this collaboration will provide Metro Parks with an assurance that the community goals for repurposing this facility will be done; and

**Whereas,** state law allows THA and Metro Parks to enter into an inter-governmental transfer of the property. This will allow Metro Parks to transfer the Portland Avenue site to THA to facilitate the KWA proposal; 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 directed and authorized to submit a proposal, in partnership with KWA, to Metro Parks for repurposing the Portland Avenue Community Center.

**Approved: March 28, 2018**

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Janis Flauding, Chair