



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

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


Janis Flauding, Chair