



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
Commissioners	
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
Staff	
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. Commissioner 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


Janis Flauding, Chair