



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, MARCH 28, 2018

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at 911 North K. Street, Tacoma, WA 98403 at 4:45 PM on Wednesday, March 28, 2018.

1. CALL TO ORDER

Vice Chair Hodge 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
Commissioners	
	Chair Janis Flauding
Vice Chair Minh-Anh Hodge	
Commissioner Arthur Banks (left early at 6:15 pm)	
Commissioner Stanley Rumbaugh (arrived late at 5:06 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	

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

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Vice Chair Hodge asked for any corrections to, or discussion of the minutes for the Special Session of the Board of Commissioners for Thursday, February 22, 2018. Commissioner Banks moved to adopt the minutes, Commissioner Young seconded.

Upon roll call, the vote was as follows:

AYES: 3
NAYS: None
Abstain: None
Absent: 2 (Commissioner Rumbaugh was not yet in attendance.)

Motion approved.

Vice Chair Hodge asked for any corrections to, or discussion of the minutes for the Regular Session of the Board of Commissioners for Wednesday, February 28, 2018. Commissioner Banks moved to adopt the minutes, Commissioner Young seconded.

Upon roll call, the vote was as follows:

AYES: 3
NAYS: None
Abstain: None
Absent: 2 (Commissioner Rumbaugh was not yet in attendance.)

Motion approved.

4. GUEST COMMENTS

Steve Wells, Wright Avenue Tenant Tenant Residents Action Coalition (TRAC) Treasurer

Steve informed the board that he has someone at his building and others from different buildings struggling with drug addiction and bringing outsiders to their units. He will have a proposal to present to Tacoma Housing Authority's (THA) community services with ways to assist tenants with drug addiction. He is hoping that THA can provide more assistance and resources. Property Management Director Frankie Johnson will consult with Steve.

5. COMMITTEE REPORTS

Real Estate Development Committee—Commissioner Rumbaugh

Nothing to report.

Finance Committee—Vice Chair Hodge and Commissioner Young

Nothing to report.

Education Committee—Vice Chair Hodge

Nothing to report.

Citizen Oversight Committee—Commissioner Banks

Nothing to report.

6. COMMENTS FROM THE EXECUTIVE DIRECTOR

Executive Director (ED) Michael Mirra informed the board that Congress passed a real budget on Friday, March 23, showing a funding increase for housing. Director Shalik said that THA will receive 100% funding, which is a 6% increase for the Housing Choice Voucher Housing Opportunity Program from 2017.

Deputy Executive Director April Black reported that THA had a utilization rate of 98%, which is good, but not good enough to meet HUD's expectations of 100%. She also reported that, pursuant to the Board's direction, THA submitted to HUD an amendment to its MTW plan that contemplates a utilization rate of 95%. ED Mirra expressed confidence in HUD that it will understand THA's struggle in its rental market and will face the facts with THA.

7. ADMINISTRATIVE REPORTS

Finance

Finance Department (FD) Director Ken Shalik directed the board to the cash position and expense report. Finance closed its year end on March 17. He anticipated that the next annual audit will be a test of the new IT system.

THA has a total cash balance of \$16 million --\$11 million in non-MTW cash restrictions and \$5 million in unencumbered cash. THA will receive \$5 million from Renew Tacoma Rental Assistance Demonstration (RAD) project, and a developer fee when Bay Terrace II closes.

THA is still looking to buying out Boston Financial Investment Management (BFIM) ownership of several tax credit partnerships. This will cost about \$528,000. In addition, BFIM is requiring THA to establish a \$2.5 million line of credit (at a cost of \$50,000) to cover BFIM's tax credit losses over the remaining 2 – 3 years of the compliance period should THA mismanagement tax credit compliance. THA will establish this line of credit with Heritage Bank. Heritage, in turn, will require THA to keep an ongoing balance of \$2.5M in unrestricted funds.

ED Mirra updated the board on the Office of Inspector General (OIG) audit of RAD. The audit looked at eight areas. The auditors appear to be recommending findings in two areas, which ED Mirra described. He also noted the reasons why the auditors may be mistaken. We look forward to receiving the formal letter, and replying to it.

Commissioner Rumbaugh moved to ratify the payment of cash disbursements totaling \$4,909,287 for the month of February, 2018. Commissioner Banks seconded.

Upon roll call, the vote was as follows:

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

Motion Approved.

Administration Services

Administration Services (AS) Director Sandy Burgess requested to move to a quarterly board report. She informed the board that AS is close to reporting metrics of cash flow, which may be available in May. The board approved moving to a quarterly report.

Client Services

Client Services (CS) Director Greg Claycamp directed the board to his report. CS sent out the first batch of letters to 83 people on the consolidated waitlist and received 13 responses early this week, 10 of whom indicated they want HOP vouchers.

THA signed a Memorandum of Understanding (MOU) with Workforce Development and United Way for the Center for Strong Families. The Center for Strong Families will give a presentation to the board at its April meeting.

Commissioner Rumbaugh was approached by a credit union that provides assistance to low-income families to try to move them to homeownership. He inquired about THA programs that assist tenants with homeownership. According to Director Claycamp, the Family Self-Sufficiency program is the only one that allows this and THA has actually been considering revamping the program to provide points to families interested in homeownership. He will coordinate a meeting with the credit union and Sound Outreach.

Property Management

Property Management (PM) Director Frankie Johnson directed the board to her report. She thanked Steve Wells for his comments to the board. She understands his concerns. In last month's report, she projected that PM would meet or beat their key to key goals of 20 days. They made 18 days key to key for units turned by THA staff in February. There were 34 days overall with contractor turn, which THA has no control over. Last month PM had 29 days of leasing and they were able to decrease it this month to 6 days. Even downtime days decreased from 7 to 2. For next month, she is projecting 19.5 or 20 days key to key.

PM's pilot projects are doing well but they are still analyzing the data. She thanked her staff, especially Justin Gonzales and Denise Day Joseph, for their hard work. Commissioner Rumbaugh noted how Director Johnson's report represented remarkable progress; she and her staff are trending in the right direction. He asked if there were any other areas that have suffered from having personnel pulled from their regular duties to do unit turns. Director Johnson confirmed that there have been other areas affected. Commissioner Rumbaugh requested the PM plan to note how Director Johnson will address this.

Real Estate Development

Real Estate Development (RED) Director Kathy McCormick directed the board to her report. Due diligence for Allenmore Brownstones was extended to April 15, which will put closing to mid-May. THA will host a ground breaking event at Allenmore Brownstones in August. One issue she needs to discuss with the seller is Davis-Bacon wages; if it applies to Allenmore Brownstones, then THA cannot acquire the property.

RED had a meeting with the City last Friday regarding the Crisis Residential Center. The City is prepared to put THA's request in their 2019-2020 budget to fund half of the gap on CRC, but requested assurance on how funds will be spent. The architects are finalizing drawings and related documents, and RED is waiting for documents back from Housing and Urban Development (HUD), which is taking a while. RED is also preparing to submit 9% tax allocation in June.

THA was allocated tax credits for 1800 block, and RED will talk to the City about additional funding.

The Urban Land Institute (ULI) is a national organization that cares about urban planning and design. They visit sites to understand all the metrics and provide advice. They looked at James Center North. The ULI team made a presentation to THA staff and Commissioner Young. It is planning to present to the full board in May. Commissioner Young attended said that he enjoyed the discussion and was surprised by some of the findings. He was not expecting a mixed-use project. One recommendation was master planning. Commissioner Rumbaugh inquired about THA's engagement with TCC's board. He wants to make sure the board maintains their interest with student housing. According to Director Black, TCC announced their selection of a new president who is scheduled to begin in May. ULI interviewed TCC students and the result of their discussions will be reflected on their report. ED Mirra informed the board that the Bates president is in transition and THA is in communication with the school regarding the eastside location at Salishan. Conversations will resume once a new president is in place, but the search for a new president will certainly slow discussions down.

8. OLD BUSINESS

None.

9. NEW BUSINESS

9.1 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.

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

AYES: 3
NAYS: None
Abstain: None
Absent: 2 (Commissioner Banks left the meeting early)

Motion Approved: March 28, 2018

Janis Flauding, Chair

9.2 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.

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

Upon roll call, the vote was as follows:

AYES: 3
NAYS: None
Abstain: None
Absent: 2 (Commissioner Banks left the meeting early)

Motion Approved: March 28, 2018

Janis Flauding, Chair

**9.3 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.

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

Upon roll call, the vote was as follows:

AYES: 3
NAYS: None
Abstain: None
Absent: 2 (Commissioner Banks left the meeting early)

Motion Approved: March 28, 2018

Janis Flauding, Chair

9.4 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.

Comments:

The THA board has committed itself to developing Arlington Drive Youth Campus. The Crisis Residential Center (CRC) will be phase one and rental housing will be phase two. Community Youth Services (CYS) will manage the CRC. Resolution 2018-03-28 (4) formalizes the partnership between THA and CYS with a Memorandum of Understanding the board will sign. Another way to support the partnership is by introducing CYS's board members to THA's board members. ED Mirra introduced CYS's Chief Executive Office Scott Hanauer and incoming CYS President Susan Hettinger.

**Scott Hanauer, Chief Executive Officer
Community Youth Services**

Scott thanked the board for allowing CYS to be part of the THA family. Over the last few years the relationship with THA has allowed CYS to develop the Crisis Residential Center. They received funding from the Office of Homeless Youth and Pierce County was identified as the area in need of the center. They had operating funds but did not have a place for the kids. CRC serves children and have to be licensed by the state to ensure facilities are up and running and operating at best practice. CYS has internationally built integrated programs that fit into six constellations. Many programs are built around preventing youth homelessness. They are highly committed to evidence-based research. The common theme that they see in kids across most programs is trauma. In many cases for youths experiencing homelessness the most difficult is being unwanted. CYS served 233 kids in 2013 at Bismarck. They also have a 10-bed CRC in Olympia and 51% of the youth in both facilities are Pierce County kids, which is a significant amount. Moving from a 6- to 12-bed facility will allow them to serve more kids. CRC is part of the continuum of care. CYS believes that once the 12-bed facility is up and running they will have the staff capacity to make it operational.

**Susan Hettinger, Future Chief Executive Officer
Community Youth Services**

Susan has been with the CYS board for 4 years now. The services and the population they will be serving are aligned with CYS's mission. The CYS board reviewed in detail the proposed draft between the two organizations and authorized Scott Hanauer to execute the MOU. They regard this as one more step in formalizing the strong relationship between the two organizations. She thanked the THA board for their confidence in CYS.

Commissioner Rumbaugh asked what degree of CYS intends to interface with the Pierce County regional courts and inquired about juvenile youth services. According to Mr. Hanauer, there are many challenges, including youth ready for discharge from detention and their families not wanting them back, and a recognized crisis in the foster care system in Washington. Kids are being placed in locked and far away institutions because Pierce County has no room. CYS is in partnership with foster care funding organizations such as Amara that provide juvenile youth services but do not engage with the kids early enough.

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

Upon roll call, the vote was as follows:

AYES: 4 (This resolution was introduced early in the meeting when
Commissioner Banks was still in attendance)
NAYS: None
Abstain: None
Absent: 1

Motion Approved: March 28, 2018

Janis Flauding, Chair

**9.5 RESOLUTION 2018-03-28 (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.

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

Upon roll call, the vote was as follows:

AYES: 3
NAYS: None
Abstain: None
Absent: 2 (Commissioner Banks left the meeting early)

Motion Approved: March 28, 2018

Janis Flauding, Chair

9. COMMENTS FROM COMMISSIONERS

None.

10. EXECUTIVE SESSION

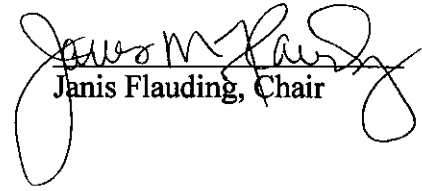
None.

11. ADJOURNMENT

There being no further business to conduct the meeting ended at 6:49 PM.

APPROVED AS CORRECT

Adopted: April 25, 2018


Janis Flauding, Chair