



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, MAY 23, 2018

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at 401 North G. Street, Tacoma, WA 98403 at 4:45 PM on Wednesday, May 23, 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 4:47 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
Commissioner Stanley Rumbaugh (arrived late at 4:56 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	
Sandy Burgess, Administrative Services Director	
Julie LaRocque, Rental Assistance Director	
Cacey Hanauer, Community Services Director	

Chair Flauding declared there was a quorum present @ 4:48 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, April 25, 2018. Commissioner Young 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

Motion approved.

4. GUEST COMMENTS

Terri Csonka

Terri thanked the Board for the beautification of North G and for allowing her to garden. Property Management Director Frankie Johnson commented that Terri dedicates her time to the beautification of the property.

Edna Baldwin

- Edna thanked the maintenance crew (Leonard, Isaias, and Ron) for being polite and getting the work done.
- She can smell marijuana when she walks out of the building late in the evening. She thinks it is coming from the first floor of the west wing.
- There are a lot of strangers who come and go all evening. The building is not secured because doors are propped open with newspaper.

Director Frankie Johnson will confer with her after the Board meeting.

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 announced Property Management's (PM) success in achieving a rate of turning units below 20 days for three months in a row. "This shows good leadership and planning."

ED Mirra introduced THA's new Director Cacey Hanauer, who will be overseeing a department which does not yet have a name but will be responsible for what we now call the Division of Community Services. Cacey comes to THA from the YMCA of King County where she ran youth services department. Her expertise in services to youth and young adults will fit well with THA's Arlington Drive Youth Campus project. Cacey will be responsible for arranging the services on that campus.

During the search for Cacey, ED Mirra explained, THA staff decided to split the Department of Client Services into two departments. Cacey will direct one of them. We will call the other the Department of Rental Assistance. Julie LaRocque will direct it. He asked Julie to come forward and so the Board can acknowledge her as the department's new director.

7. ADMINISTRATIVE REPORTS

Finance

Finance Department (FD) Director Ken Shalik directed the Board to the finance report. THA is still waiting for the RAD project to deliver its developer fees. Difficulty closing out the project is delaying matters so the income side of the budget is lower than anticipated.

HUD has announced the allocation to the housing authorities resulting from the recent 2018 Congressional appropriation. It appears that THA will receive about \$1 million more than we budgeted to receive.

ED Mirra distributed the House Appropriations Committee proposal for HUD's budget in 2019. The proposal would retain the increase that Congress provided in 2018. The Senate Appropriations Committee will reveal its proposal shortly. Traditionally, the Senate has proposed a higher amount than the House for HUD's budget. ED Mirra conveyed the caution he heard from the Congressional staff that 2020 will likely be a hard budget year. By then the two year budget deal will have expired.

Total operating expenses are significantly lower than budgeted but will go up at the end of the year. Surplus/Deficit Before Capital Expenditures shows a surplus even without the developer fees for Renew Tacoma.

Finance is working on making and providing a meaningful report to the Board that provides information on each tax credit property.

Vice Chair Hodge moved to ratify the payment of cash disbursements totaling \$4,886,511 for the month of April 2018. Commissioner Young seconded.

Upon roll call, the vote was as follows:

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

Motion Approved.

Client Services

Deputy Executive Director April Black directed the Board to the Client Services (CS) report. Staff will redesign the Board report to account for the department's split into two. She proposed and the Board approved to forego any report in June from the two new departments. That will help the new department directors to settle in.

Director Black recounted her negotiations with a new owner of an apartment building that the new owner is fixing up. THA is hoping for a long term deal that will have THA pay down the rents to affordable levels for very low income tenants. It is not a use of project based vouchers but it is similar. The Board expressed support for the arrangement and will await further details.

Property Management

Property Management (PM) Director Frankie Johnson introduced her staff and thanked them for their hard work that resulted in a unit turn average of less than 20 days for the third month in a row. Director Johnson also noted the recent high REAC inspection scores: Hillside Terrace – 92; Sal 6 - 95, Sal 2 – 86. She noted that Sal 3's score was so high that HUD, by its internal procedures, will recheck the score to make it there is no mistake. That will take a while. Frankie introduced the Leasing team: Tonya Coleman, Marquis Jenkins, and Regina Rios. She introduced the Turn team: Justin Gonzales, Ryan Green, Mike Cox, Nick Real, and Dave Doty. Commissioners congratulated the staff. Frankie also informed the Board that all tenant concerns from the last meeting have been resolved.

Real Estate Development

Real Estate Development (RED) Director Kathy McCormick directed the Board to her report. RED will be submitting an application for tax credits by the end of June for Arlington Drive Youth Campus. According to ED Mirra, THA also needs to confirm the City's commitment for another \$800K on top of the \$1M for Arlington Drive. He is meeting with the Mayor the following day to discuss it.

Kathy will present a resolution to the Board requesting to sell a portion of Hillsdale to the Korean Women's Association (KWA). KWA will commit to building a senior building as part of the inter-generational campus on the property. RED is also working with KWA on the inter-governmental transfer of Portland Community Center from Metro Parks to THA.

Kathy recounted that the owner has elicited THA's interest in buying a tax-credit property in southwest Tacoma with 166 units. Discussions will follow.

8. OLD BUSINESS

None.

9. NEW BUSINESS

9.1 RESOLUTION 2018-05-23 (1) (1800 Hillside Terrace A&E Services)

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

WHEREAS, On March 20, 2018, Tacoma Housing Authority (THA) Staff issued a Request for Qualifications (RFQ) from firms interested in providing architectural and engineering services for the 1800 Hillside Terrace Redevelopment; and

WHEREAS, The RFQ was posted on the Washington Electronic Business Solutions and THA's websites; and

WHEREAS, Nine (9) firms submitted proposals by the deadline of April 17, 2018, all were deemed responsive and responsible; and

WHEREAS, An evaluation team, comprised of THA staff reviewed and scored the proposals according to evaluation criteria listed in the RFQ; and

WHEREAS, The evaluation team voted unanimously in favor of awarding a contract to the firm of SMR Architects; now, therefore, be it

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

Negotiate and award a Contract for the Architectural and Engineering Services for 1800 Hillside Terrace Redevelopment in an amount not-to-exceed of \$900,000 to SMR Architects. If staff is unable to negotiate a contract with the highest ranking firm of SMR Architects, authorize the Executive Director to negotiate and award a contract with the second highest ranking firm of GGLO Architects.

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

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

Motion Approved: May 23, 2018

Janis Flauding, Chair

**9.2 RESOLUTION 2018-05-23 (2)
(Arlington Youth Campus – Tax Credit Partnership)**

A **RESOLUTION** authorizing the Authority to form a limited liability limited partnership, and providing for other matters properly related thereto.

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 owns approximately 3.5 acres of land on Arlington Drive, in Tacoma, Washington, upon which the Authority intends to develop a rental housing project for youth ages 18 to 24 experiencing homelessness (the “Project”), and a Crisis Residential Center for youth ages 12 to 17 experiencing homelessness; and

WHEREAS, The anticipated financing for the Project will come from various sources, including low-income housing tax credits, commercial loans, and state and local funds, and certain of these funding sources will require the formation of a limited liability limited partnership to maximize the benefits and minimize the risks to the Authority; and

WHEREAS, RCW 35.82.020 defines “housing project” to include, among other things, “any work or undertaking . . . to provide decent, safe and sanitary urban or rural dwelling apartments, mobile home parks or other living accommodations for persons of low income;” and

WHEREAS, RCW 35.82.070 authorizes the Authority, among other things, to “prepare, carry out, acquire, lease and operate housing projects; [and] to provide for the construction, reconstruction, improvement, alteration or repair of any housing project or any part thereof,” “lease or rent any dwellings . . . buildings, structures or facilities embraced in any housing project,” “make and execute contracts and other instruments, including but not limited to partnership agreements,” and “make . . . loans for the . . . acquisition, construction . . .

rehabilitation, improvement . . . or refinancing of land, buildings, or developments for housing of persons of low income;” and

WHEREAS, RCW 35.82.040 authorizes the Authority to “delegate to one or more of its agents or employees such powers or duties as it may deem proper;” and

WHEREAS, The Board finds and determines that both the Partnership (as defined below) and the Project will provide for the necessary support of the poor within the City, and that any financing provided by the Authority for the Project is important for project feasibility and is necessary to enable the Authority to carry out its powers and purposes under chapter 35.82 RCW; and

WHEREAS, Based on the consideration of funding sources available for the Project, the need for affordable housing in the City, and other matters, it is necessary that the Authority proceed with the transactions described in this resolution; now, therefore, be it

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

1. The Authority is authorized to participate in the formation of, and become a partner in, a Washington limited liability limited partnership (the “Partnership”). The Board intends that the Partnership will acquire, construct, equip, operate and maintain the Project and receive low-income housing tax credits in connection therewith. The Authority’s Executive Director, the Authority’s Deputy Executive Director and their respective designees (each, an “Authorized Officer” and, collectively, the “Authorized Officers”), and each of them acting alone, are authorized on behalf of the Authority to: (i) execute, deliver and file (or cause to be executed, delivered and filed), to the extent required by law, a partnership agreement, a certificate of limited partnership and all such forms, certificates, applications and other documents that are necessary to form the Partnership; (ii) determine the name of the Partnership; and (iii) take any other action that they deem necessary and advisable to give effect to this resolution and the transactions contemplated herein. The Authority’s Executive Director is delegated the authority to cause, in his discretion, the Partnership to be created as a Washington limited liability company, in which case all references in this resolution to limited liability limited partnership, partnership agreement, general partner, limited partner, chapter 25.10 RCW, and certificate of limited partnership shall be deemed to be references to limited liability company, operating agreement, managing member, investor member, chapter 25.15 RCW and certificate of formation, respectively.
2. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority (in its individual capacity and/or in its capacity as the Partnership’s general partner) to: (i) apply for, and enter into contracts relating

to, such funding for the Project as they deem necessary or desirable, including without limitation public and/or private sector financing, Community Development Block Grant(s), Washington State Housing Trust Fund grant(s) and/or loan(s), an allocation of private activity bond volume cap from the Washington State Department of Commerce (or the Washington State Housing Finance Commission, as applicable), and other federal, state and local funds; (ii) apply for any and all necessary approvals from the U.S. Department of Housing and Urban Development in connection with such funding; (iii) lend or grant all or any portion of the money derived from such funding sources to the Partnership, and/or cause any contracts relating to such funding to be assigned to the Partnership; (iv) apply to the Washington State Housing Finance Commission for an allocation of (or approval of the use of) low-income housing tax credits for the Project (depending on whether the Authorized Officers determine to pursue "9%" or "4%" tax credits), enter into such agreements (including a credit reservation and carryover allocation contract), provide such documents (including cost certifications) necessary to secure such allocation (or approval), and cause such allocation (or any portion thereof) to be assigned to the Partnership if the allocation initially is made to the Authority; (v) seek and approve investors to serve as subsequent limited partners in the Partnership in connection with the receipt of low-income housing tax credits for the Project; (vi) negotiate with potential investors regarding their acquisition of limited partnership interests in the Partnership and, if the Executive Director determines the same to be advisable, limited partner or member interests in limited partnerships and/or limited liability companies formed to finance other Authority tax credit projects; (vii) execute documents pursuant to which Authority funds (including amounts granted or lent to the Authority for the Project) may be lent to the Partnership; (viii) prepare all appropriate resolutions for Board review and approval; (ix) prepare all documents required so that the Authority and the Partnership comply with state and federal securities laws; (x) negotiate contracts relating to the use, management and naming of the Project; (xi) take all necessary and appropriate actions for the Partnership to acquire the Project by sale or lease from the existing owner thereof (including entering into any option to lease, or lease, necessary to provide the Partnership with control of the Project site); (xii) apply for bond insurance and other credit enhancement for any bonds to be issued by the Authority for the Project (but only if the Authority's Executive Director determines such credit enhancement to be cost effective); (xiii) solicit investment banking firms to serve as the lead underwriter(s) and as members of a selling group (if any) for any bonds to be issued for the Project, and select such lead underwriter(s) and the members of any selling group (if the Executive Director determines that a selling group is desirable); (xiv) apply for ratings of any bonds to be issued by the Authority for the Project (but only if the Authority's Executive Director determines such ratings to be desirable); (xv) assist in the preparation of any official statement to be used in connection with the offering of any bonds by the Authority for the Project;

and (xvi) otherwise execute the Authority's rights under the Partnership Agreement. Nothing herein shall commit the Authority to issuing bonds to finance the Project.

3. The Authority is authorized to expend such funds as are necessary to pay for all filing fees, application fees, registration fees and other costs relating to the actions authorized by this resolution. To the extent any fees or predevelopment costs are incurred and payable by the Partnership prior to the time the Authority enters into a formal loan agreement, the Authority may lend money to the Partnership to pay such costs, with the loan bearing interest at such rate that the Executive Director determines, in his discretion (which may be 0% per annum).
4. The Authorized Officers, and each of them acting alone, are hereby directed, and granted the discretionary authority, to execute and deliver any and all other certificates, documents, agreements and instruments that are necessary or appropriate in their discretion to give effect to this resolution and to consummate the transactions contemplated herein, including, but not limited to, a development services agreement between the Partnership and the Authority (and/or others) providing for the development of the Project, contracts with architects, engineers and other consultants, and construction contracts.
5. Any actions of the Authority or its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.
6. This resolution shall be in full force and effect from and after its adoption and approval.

CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Executive Director of the Housing Authority of the City of Tacoma (the "Authority") and keeper of the records of the Authority, CERTIFY:

1. That the attached Resolution No. 2018-05-23(2) (the "Resolution") is a true and correct copy of the resolution of the Board of Commissioners of the Authority as adopted at a meeting of the Authority held on May 23, 2018, and duly recorded in the minute books of the Authority.
2. That such meeting was duly convened and held in all respects in accordance with law, and, to the extent required by law, due and proper notice of such meeting was given; that a quorum was present throughout the meeting and a majority of the members of the Board of Commissioners of the Authority present at the meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand on May 23, 2018.

HOUSING AUTHORITY OF THE CITY OF TACOMA

By: _____
Michael Mirra, Executive Director

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: May 23, 2018

Janis Flauding, Chair

**9.3 RESOLUTION 2018-05-23 (3)
(1800 Hillside Terrace – Project Based Section 8 Vouchers)**

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

WHEREAS, THA has been awarded 9% Tax Credits for the redevelopment of 1800 Hillside Terrace with approximately 70 affordable apartment units; and

WHEREAS, THA is seeking to subsidize fifty-three (53) 30% & 40% AMI units with Project Based Section 8 Vouchers and contract these vouchers to 1800 Court F LLLP; and

WHEREAS, through THA’s Moving-to-Work (MTW) flexibilities, 1800 Court F LLLP is not required to compete for vouchers; and

WHEREAS, The effective date of the contracts will be up to the discretion of the Executive Director; and

WHEREAS, The contract(s) shall be negotiated with an investor and shall be in effect for up to fifteen years (15); 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 execute an Agreement to Execute a Housing Assistance Payment (AHAP) and Housing Assistance Payment (HAP) contract with 1800 Court F LLLP to subsidize fifty-three (53) 30% & 40% AMI apartment units.

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: May 23, 2018

Janis Flauding, Chair

**9.4 RESOLUTION 2018-05-23 (4)
(Update to Utility Allowance Schedule)**

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma authorizing the THA Executive Director to update THA's utility allowances.

WHEREAS, Utility allowances must be reviewed annually; and

WHEREAS, Public Housing Authorities (PHAs) must revise utility allowances if they change more than ten percent; and

WHEREAS, Changes to the utility allowances must be approved by the Board of Commissioners; now, therefore, be it

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

Authorizes THA to adopt updates to the all bedroom size utility allowances effective October 1, 2018 as set forth in the accompanying memo.

Comments:

Chair Flauding inquired about the change in dollar amount. According to Director Black, there is no set budget change. She is asking the Board to adopt the utility allowance schedule. She added that when the utility allowance goes up, THA pays and when it goes down the tenant pays.

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

AYES: 4
NAYS: None
Abstain: None

Absent: 1

Motion Approved: May 23, 2018

Janis Flauding, Chair

**9.5 RESOLUTION 2018-05-25 (5)
(Conversion of CHAP tenant based vouchers to project based vouchers)**

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

WHEREAS, THA has been providing tenant based voucher assistance to College Housing Assistance Program (CHAP) participants; and

WHEREAS, CHAP tenant based vouchers provides rental assistance to homeless and near-homeless TCC students, and is expanding to also serve recently incarcerated students; and

WHEREAS, Converting tenant-based vouchers to project based vouchers for CHAP participants would guarantee access to housing; and

WHEREAS, THA is committed to increasing access to housing for TCC students, including individuals with convictions histories; now, therefore, be it

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

Authorizes Tacoma Housing Authority to convert up to 50 HOP vouchers for the College Housing Assistance Program to be project based.

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

AYES: 4

NAYS: None

Abstain: None

Absent: 1

Motion Approved: May 23, 2018

Janis Flauding, Chair

WHEREAS, On April 4, 2018 Tacoma Housing Authority (THA) Staff issued a Request for Qualifications (RFQ) from firms interested in providing architectural and engineering services for parcels comprising “the James Center North Master Plan”; and

WHEREAS, The RFQ was posted on the Washington Electronic Business Solutions, Bluebook and THA’s website on April 4, 2018; and

WHEREAS, Eight (8) firms submitted proposals by the deadline of May 4, 2018, seven (7) were deemed responsive; and

WHEREAS, An evaluation team, comprised of three THA staff reviewed and scored the proposals according to evaluation criteria listed in the RFQ; and

WHEREAS, An interview team comprised of three THA staff and two community representatives interviewed four firms; and

WHEREAS, The evaluation and interview team voted unanimously in favor of awarding a contract to the firm of Ankrom Moisan; now, therefore, be it

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

Negotiate and award a Contract for the Architectural and Engineering Services for James Center North in an amount not-to-exceed of \$250,000 to Ankrom Moisan Architects. If staff is unable to negotiate a contract with Ankrom Moisan, authorize the Executive Director to negotiate and award a contract with the second highest ranking firm of Hewitt.

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

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

Motion Approved: May 23, 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 6:17 PM.

APPROVED AS CORRECT

Adopted: June 27, 2018



Janis Flauding, Chair