



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS

BOARD PACKET

May 26, 2010



TACOMA HOUSING AUTHORITY

Michael Mirra
Executive Director

BOARD OF COMMISSIONERS

Ken Miller, Chair
Janis Flauding, Vice Chair
Dr. Arthur C. Banks
Greg Mowat
Stanley Rumbaugh

REGULAR MEETING BOARD OF COMMISSIONERS

WEDNESDAY, May 26, 2010

The Board of Commissioners of the Housing Authority of the City of Tacoma will hold their Regular Meeting on **Wednesday, May 26, 2010 at 4:00 p.m.**

The meeting will be held at:

**902 South L Street
Tacoma, WA 98405**

The site is accessible to persons with disabilities. Persons requiring special accommodations should contact Christine Wilson at (253) 207-4421, before 4:00 p.m. the day before the scheduled meeting.

I, Christine Wilson, certify that on or before Friday, May 21, 2010, I FAXED/EMAILED, the preceding PUBLIC MEETING NOTICE to:

City of Tacoma	747 Market Street Tacoma, WA 98402	fax: 253-591-5123
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	fax: 206-674-1713
KSTW-TV/Channel 11	602 Oaksdale Avenue SW Renton, WA 98055-1224	fax: 206-861-8915
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 resident organizations with notification requests on file

Christine Wilson
Executive Administrator



TACOMA HOUSING AUTHORITY

**AGENDA
ANNUAL MEETING
BOARD OF COMMISSIONERS
May 26, 2010, 4:00 PM
(902 South L Street)**

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING**
 - 3.1 Minutes of April 28, 2010 Regular Meeting
- 4. GUEST COMMENTS**
- 5. COMMITTEE REPORTS**
- 6. ADMINISTRATION REPORTS**
 - 6.1 Finance and Administration
 - 6.2 Real Estate Management and Housing Services
 - 6.3 Real Estate Development
 - 6.4 Community Services
 - 6.5 Human Resources
- 7. OLD BUSINESS**
- 8. NEW BUSINESS**
 - 8.1 THA Resolution 2010-5-26 (1), CFP and RHF Grants
 - 8.2 THA Resolution 2010-5-26 (2), Sal Six Revision of Authority Loan Documents
 - 8.3 THA Resolution 2010-5-26 (3), Moving to Work
- 9. COMMENTS FROM THE COMMISSIONERS**
- 10. COMMENTS FROM THE EXECUTIVE DIRECTOR**
- 11. EXECUTIVE SESSION**
- 12. ADJOURNMENT**

MEETING MINUTES



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, April 28, 2010

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at 5420 S Stevens Street, Tacoma, WA at 4:00 PM on Wednesday, April 28, 2010.

1. CALL TO ORDER

Chairman Miller called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:00 PM.

2. ROLL CALL

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

PRESENT

ABSENT

Commissioners

Ken Miller, Chairman

Janis Flauding, Vice Chair

Arthur Banks, Commissioner

Greg Mowat, Commissioner

Stanley Rumbaugh, Commissioner (arrived at 4:10)

Staff

Michael Mirra, Executive Director

Christine Wilson, Executive Administrator

Ken Shalik, Finance Director

April Davis, REMHS Director

Nancy Vignec, Community Services Director

Barbara Tanbara, Human Services Director

Tina Hansen, Interim RED Director

Chairman Miller declared there was a quorum present @ 4:01 PM and proceeded.

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Chair Miller asked for any corrections to or discussion of minutes for the regular meeting of the Board of Commissioners of Wednesday, March 24, 2010. Commissioner Mowat moved to adopt the minutes, Commissioner Flauding seconded.

Upon roll call, the vote was as follows:

AYES: 3
NAYS: None
Abstain: None
Absent: 2

Motion approved.

4. GUEST COMMENTS

None

5. COMMITTEE REPORTS

HOPE VI Community Task Force – None

Finance Committee – None

6. ADMINISTRATIVE REPORTS

Finance Administration

Commissioner Moved moved to ratify the payment of cash disbursements totaling \$5,491,676 for the month of March, 2010, Commissioner Mowat seconded.

Upon roll call, the vote was as follows:

AYES: 3
NAYS: None
Abstain: None
Absent: 2

Motion approved.

I.T. Division Manager Dave Gjerstad referred the board to Director Shalik’s report, Director Shalik is attending the NAHRO Conference. Discussion ensued related to VisualHomes. Mr. Gjerstad reported that the software issues are being addressed and resolved in a timely manner. Chair Miller asked Mr. Gjerstad to convey to Director Shalik the Board’s appreciation for the additional information provided in his monthly report.

Real Estate Management and Housing Services

Director Davis directed the board to her monthly report. Chair Miller stated his appreciation to Director Davis for including the updated tables that provides a further level of clarity for the board. Director Davis stated how proud she is of staff and their work to improve efficiencies in her department. She reviewed some matters related to the Salishan Association, including the concerns expressed by some homeowners of the recent dues increase and the Association's selection of a new landscape company.

Real Estate Development

Interim Director Hansen referred the board to her report. She updated the board on the Area Three lot sales. Habitat for Humanity will purchase a total of 22 lots in Area Three. Commissioner Rumbaugh asked if the community was involved in Habitat's home construction. Director Hansen reported that many volunteers have signed up to assist in these efforts. At Commissioner Rumbaugh's request Director Hansen updated the board generally about the talks with Citibank to renegotiate the Area Three loan.

Community Services

Director Vignec referred the board to her report. Chair Miller asked if Bates' budget woes would have a negative impact on the programs that Bates currently provides to our participants. Commissioner Rumbaugh stated that he does not foresee any negative impacts at this time. Bates may look at handing off their parenting classes and child bearing classes to another agency.

Human Resources

Executive Director Mirra filled in for Director Tanbara until she arrived. He referred the board to her report. Commissioner Rumbaugh asked if THA staff were able to bid on the groundskeeping work we had contracted out. Executive Director Mirra explained that we did propose to the union the creation of a separate groundskeeping job classification at a lower pay scale that would have allowed us to consider whether we could be competitive. He noted, however, that the union did not favor doing this. Mr. Troy Andrews, President of Laborers Local 252, was in the audience and was asked to comment. Mr. Andrew's stated that his goal is to keep people employed. He mentioned his concern about about sub-contracting for the grounds maintenance positions. He also stated that he understood the financial pressures that THA faces and thanked Director Tanbara and the agency for the positive tone of the discussion. Director Tanbara passed out a draft process mapping from HR for the commissioners to review. This exercise has been beneficial for all of us involved.

7. NEW BUSINESS

There were no resolutions offered for consideration.

8. COMMENTS FROM COMMISSIONERS

None.

9. COMMENTS FROM THE EXECUTIVE DIRECTOR

ED Mirra referred the board to his report. He reported that the legislature awarded \$1M in the 2010-2011 budget to Salishan. Chair Miller requested that ED Mirra extend his thanks to staff for their work on this important state allocation. ED Mirra also reported that the CPARB legislation passed during the Legislature's Special Session. He and staff will meet tomorrow with the Gates Foundation regarding THA's Education Program. He will then travel next week with representatives from the Gates Foundation and others to Washington, D.C. to share news about the Puget Sound initiatives concerning family homelessness. He also reported that Senator Murray and Representative Dicks have added a \$3M earmark to both the Senate and House budgets for FFY 2011. ED Mirra reminded the board that a May 7th Study Session was scheduled. After some discussion about scheduling conflicts, the Board decided to cancel the Study Session.

10. EXECUTIVE SESSION

None

11. ADJOURNMENT

There being no further business to conduct, Commissioner Flauding moved to adjourn, Commissioner Rumbaugh seconded the motion. Meeting adjourned at 4:59 PM.

APPROVED AS CORRECT

Adopted: May 26, 2010

Ken Miller, Chair

HOPE VI Community Task Force
Commissioner Banks

Finance Committee
Commissioner Mowat

ADMINISTRATION REPORTS

FINANCE
AND
ADMINISTRATION



TACOMA HOUSING AUTHORITY

Motion

Ratify the payment of cash disbursements totaling \$5,190,930 for the month of April, 2010.

Approved: May 26, 2010

Ken Miller, Chairman



TACOMA HOUSING AUTHORITY

Date: May 26, 2010

To: THA Board of Commissioners

From: Ken Shalik
Director of Finance and Administration

Re: Finance & Administration Department Monthly Board Report

1. FINANCIAL STATEMENT COMMENTS

I present the April, 2010 disbursement report for your approval.

The Finance Department is submitting the financial statement for the month of March, 2010. March ended up with an operating deficit of \$137,428 for the month, and 53,693 year to date. The current projection for FY ending 06/30/10 is for an operating deficit of approximately \$260,917 as opposed to a budgeted operating deficit of \$1,007,762. Including our transfer to Development projects and Reserve Appropriations, we are projecting a \$345,113 surplus at year end.

Overall, the budget is in good shape, as we are significantly under in a number of expense items. Also, due to both the cost savings for the Salishan infrastructure for Area 2B, and the million dollars that we just received from the state of Washington for Salishan, THA will only be transferring approximately \$2 million dollars of its funds for the infrastructure, rather than the \$4 million that had been budgeted. On the Salishan Area 3 bond issue we “were” to start making interest payments out of operations in March. Due to the language of the bond issue, the interest payments are still being made out of the unspent funds in the bond issue. We are in the process of renegotiating (restructuring) the loan and determining how interest payments will be made. I have reduced the projected actual amount on line 56 to reflect what is currently occurring. As just stated, we are in the process of working with Citibank to restructure the Area 3 loan. We are working with our finance advisors, (CSG), and our legal representatives for our real estate deals (Foster Pepper). There will be both Contract Services in the amount of approximately \$20,000 (line 31) and Legal costs in the amount of approximately \$15,000 (line 28) that we will incur before the end of the year that are not budgeted. Another area that I have not identified in the area of costs are ones that may be associated with transitioning to Moving to Work that we may expend this Fiscal Year. Costs that may occur this Fiscal Year may be for IT changes, training, and possibly the impact analysis of our Moving to Work activities.

2. INVESTMENTS

Surplus funds had been invested in Heritage checking, Money Market accounts and the Washington State Investment Pool. There is no change in the current Washington state collateralization policy and rates remain at .5%. The Washington State Investment pool meets the state requirements with interest rates a little higher than .2%.

3. INFORMATION TECHNOLOGY/SOFTWARE IMPLEMENTATION

THA is reviewing data requirements with our counterparts at HUD for the new MTW 50058's which will need to be in a modified format. This will require termination of clients in the current 50058 format and transferring those clients into the MTW database. Testing of this new format is scheduled for June 2010. Visual Homes participated with us in a conference call with the MTW staff. We are one of two agencies currently going through the conversion, the other being Orlando, FLA. Lorraine Jones from Visual Homes has recently been through this process with San Bernadino and will share her knowledge which she gained from that previous conversion to assist us as we go live into an MTW environment.

Dave Gjerstad Information Technology Manager met with Marianne Emerson, CIO from Seattle Housing Authority. They currently use On-Base software for document management and we have scheduled a demo with Seattle Housing to evaluate the software for potential use by THA.

Information Technology completed significant upgrades to the server room including new HVAC units, Uninterruptible Power Supply (UPS) and reconfiguration of the servers and racks.

We experienced eight new issues for the month of April. Visual Homes resolved six issues during the month and we currently have twenty one outstanding issues in Visual Homes support. Since January Visual Homes has addressed 55 issues and resolved 62% of those issues. The vast majority of outstanding issues are related to enhancement requests.

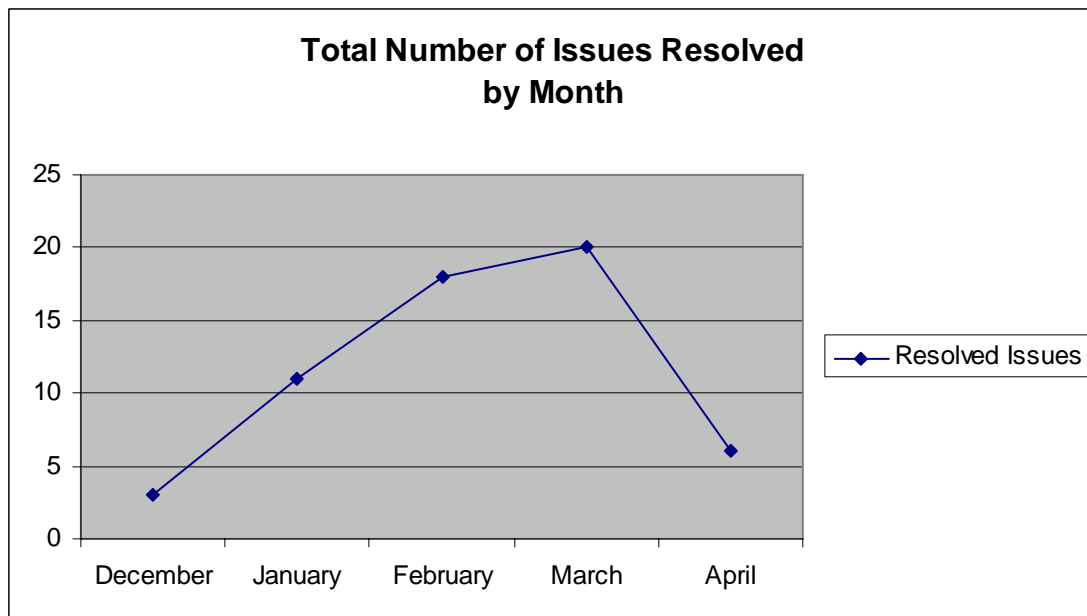
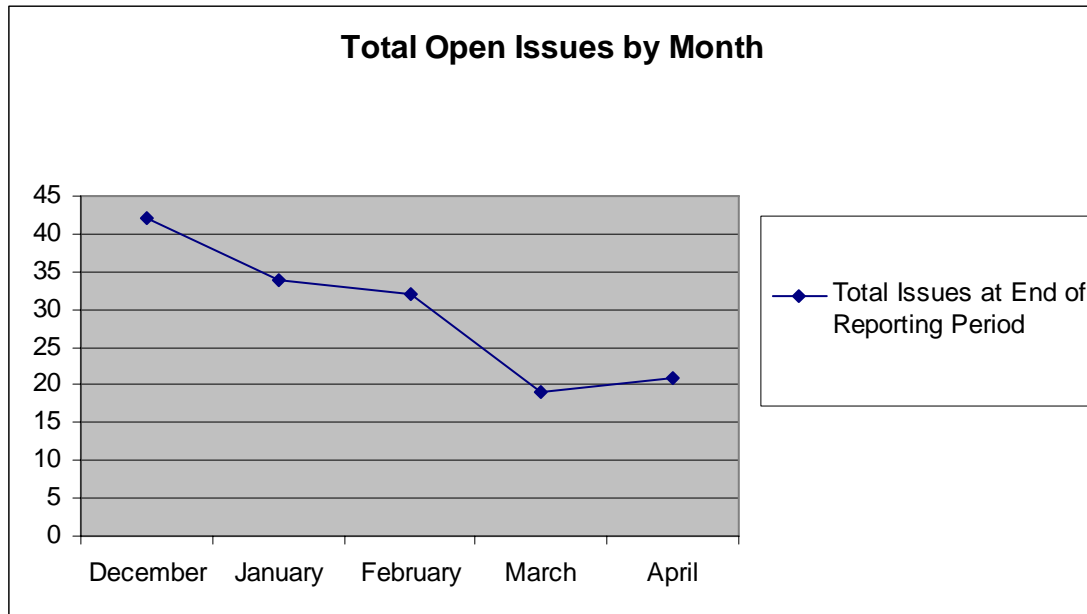
Significant Software Initiatives Underway

- Testing of Purchase Requisitions – PRQ .net
- Planning for LRTran07 Upgrade
- Analysis and Review of Tax Credit Upgrade Module
- THA Analysis and Review of Grants Processing and Reporting
- MTW Data Conversion

Outstanding Issues List Matrix

Current Month Scorecard	Priority				
	Low	Medium	High	Critical	Total
Support issues brought forward	3	11	5	0	19
+ New issues this period	1	5	2	0	8
- Total Issues resolved this period	<u>0</u>	<u>3</u>	<u>3</u>	<u>0</u>	<u>6</u>
= Outstanding issues– end of period	4	13	4	0	21
% of Outstanding resolved this period	33%	27%	60%	100%	31%
Bug report submitted	2	3	1	0	6
Modification needed	1	10	3	0	14
Training required	0	0	0	0	0
Upgrade available	0	0	0	0	0
Action required from THA	0	0	0	0	0
Under VH review	0	0	0	0	0
In VH development	1	0	0	0	1
In THA testing	0	0	0	0	0
Total Outstanding Issues	4	13	4	0	21

- **Total Support Requests Beginning Number** – This is the beginning number from the prior months ending numbers.
- **New this Month** – Issues, bugs and modifications requests submitted this month.
- **Bug Report Submitted** – Bugs are considered errors within the current functionality. Please note enhancements to current functionality should not be categorized as bugs.
- **Modification Needed** – This category should include all requests for new functionality or enhancement of current functionality
- **Training Required** - A lack of understanding in the software has resulted in need for THA to schedule training. Issues in this category need to be addressed with staff training.
- **Upgrade Available** - The solution to the reported issue has already been resolved in a new release. THA needs to schedule an upgrade with VisualHOMES Support.
- **Action Required from THA** – VisualHOMES has requested additional information to provide clarification of the reported issue
- **Under VH Review**– VisualHOMES support staff handles issues related to minor system bugs, data issues and training. When in this category, the issue is being worked on.
- **In VH Development** – Issues (Bugs and/or Approved Modifications) in development will be addressed in future releases (builds) or added to technical specs of future enhancements.
- **In THA Testing** - VisualHOMES has tested and delivered the requested changes to THA for Acceptance Testing. THA will test the required changes and provide documented feedback/approval.
- **Total Issues Resolved** – Issues in the category have been resolved and a solution implemented by VH and THA.
- **Total Outstanding Issues** – Issues yet to be resolved or awaiting modification of software by Visual Homes Development Team. This will be next months beginning number.
- **Percentage by Priority** – Percentage of total issues by priority still to be resolved.



4. ASSET MANAGEMENT AND COMPLIANCE

Some of the current projects in the Asset Management and Compliance area include:

- Working with REMHS staff to put necessary contracts in place for the coming fiscal year;
- Cleaning up historical PIC data, readying ourselves for the PIC MTW data conversion;
- Working with HUD, VisualHOMES, and our IT department to determine the best strategy for converting to MTW;
- Reviewing our HARRP insurance in preparation for our July 1 renewal; and
- Working closely with Finance and REMHS to prepare and review the AMP budgets.

In addition, we continue to make progress in other areas of purchasing, compliance, and asset and risk management by increasing efficiencies, creating awareness, and improving our asset management reporting systems.

5. YEAR-END UPDATE

The State Auditor's Office completed the FY 2009 audit during the last week of March and provided the Exit Conference on April 30th, which was attended by Chair Ken Miller. The auditors indicated they were very satisfied with the progress made in the Finance Department and with inter-departmental communications between the Finance Department and the Real Estate Development Department. As indicated in last month's update, they were required to report an audit finding for one of THA's tax credit entities (Salishan Four) for the period that ended December 31, 2008. The audit of Salishan Four for CY 2008 was conducted by Finney, Neill & Company and while Finney did not include an audit finding, it included a letter to THA (SAS 112/Management Letter) that disclosed what was deemed a material weakness. The State Auditors included a review of the CY 2008 audits in the FY 2009 audit of THA and were by Governmental Auditing Standards required to report this management letter as a finding.

The issue that caused the Salishan Four SAS 112 Letter was the fact that THA provided Finney, Neill & Company with an unadjusted trial balance that did not include approximately \$18 million in capital assets and the related depreciation of about \$255 thousand, as well as about \$40 thousand in management fees. This was due to THA taking the same approach it had in prior years when new projects came online; THA always relied on the auditors to complete the recording of the capital asset and management fee activities. With the passing of newer, more stringent audit standards (SAS 112), the auditors were required to report to THA this issue as a material weakness in a management letter. Unfortunately, Finney, Neill & Company never communicated these stricter audit standards to THA, other than after the fact with the SAS 112 Letter.

Upon questioning by Chair Ken Miller, the auditors indicated they believed that the Finance Department had significantly improved its processes since the CY 2008 period and that it was unlikely that such a material weakness would be reported again for these issues.

The auditors also indicated that during the audit they reviewed THA operations in the areas of tenant cash receipting, fuel card usage, insurance coverage, community development authority, tenant vacancies, open public meetings, conflict of interests of board members, CFP grant cost certifications, and community relations disbursements. They indicated that no material exceptions were noted in any of these areas

6. BUDGET

The FY 2011 Budget Process is well underway. All departments have provided information, and the initial negotiations are completed. Department heads have worked with staff to help develop the budget. The cabinet is working with the Executive Director to finalize a balanced budget that meets all the agency needs for FY 2011. The budget should be ready for board approval at the June 25th meeting. A board retreat to include additional budget discussions is scheduled for Saturday, June 5.

7. DESK MANUAL PROJECT

The desk manual project is moving along well. To date, we have mapped four major agency processes and are on schedule to finalize the mapping sessions for all major processes by the end of June. The process maps provide a clear picture of how we currently operate and where we are able to make improvements and increase efficiencies. Jeri Seamands, our Technical Writer, will fill the Board in with more detail during her presentation at the Board meeting in May.

**TACOMA HOUSING AUTHORITY
AGENCY WIDE**

		March, 2010				Thru 06/30/2010		
		CURRENT MTH ACTUAL	YEAR TO DATE ACTUAL	BUDGETED YTD	VARIANCE	PROJECTED ACTUAL	BUDGETED	VARIANCE
OPERATING RECEIPTS								
1	Tenant Revenue - Dwelling rent	216,717	1,929,868	1,813,784	6.40%	2,573,157	2,418,379	6.40%
2	Tenant Revenue - Other	2,067	50,206	36,375	38.02%	66,941	48,500	38.02%
3	HUD grant - Section 8 HAP reimbursemen	2,582,077	22,690,513	22,791,569	-0.44%	30,254,017	30,388,758	-0.44%
4	HUD grant - Section 8 Admin fee earned	189,050	1,908,711	1,865,761	2.30%	2,484,948	2,487,681	-0.11%
5	HUD grant - Public Housing subsidy	250,479	2,017,927	1,899,855	6.21%	2,515,569	2,533,140	-0.69%
6	HUD grant - Community Services/HOPE	38,130	472,303	689,666	-31.52%	629,737	919,554	-31.52%
7	HUD grant - Capital Fund Operating Reve	2,052	182,688	254,402	-28.19%	293,584	339,203	-13.45%
8	Management Fee Income	137,173	1,316,721	1,301,135	1.20%	1,755,628	1,734,846	1.20%
9	Fee For Service Income	9,242	160,512	181,616	-11.62%	214,016	242,155	-11.62%
10	Other Government grants	5,395	99,703	72,750	37.05%	109,703	97,000	13.10%
11	Investment income	3,289	39,566	45,469	-12.98%	52,755	60,625	-12.98%
12	Fraud Recovery Income - Sec 8	2,603	21,617	13,125	64.70%	28,823	17,500	64.70%
13	Other Revenue- Developer Fee Income	0	880,000	1,330,400	-33.85%	1,773,867	1,773,867	0.00%
14	Other Revenue	10,015	294,590	240,735	22.37%	292,787	320,980	-8.78%
15	TOTAL OPERATING RECEIPTS	3,448,289	32,064,925	32,536,641	-1.45%	43,045,533	43,382,188	-0.78%
OPERATING EXPENDITURES								
Administrative Expenses								
16	Administrative Salaries	254,475	2,358,738	2,514,557	-6.20%	3,144,984	3,352,743	-6.20%
17	Administrative Personnel - Benefits	97,523	866,053	943,057	-8.17%	1,154,737	1,257,409	-8.17%
18	Accounting & Audit Fees	12,548	62,339	52,430	18.90%	69,906	69,906	0.00%
19	Management Fees	110,047	1,083,504	1,141,762	-5.10%	1,519,672	1,522,349	-0.18%
20	Advertising	1,817	8,008	9,750	-17.87%	10,677	13,000	-17.87%
21	Data Processing Expenses	11,100	129,019	183,526	-29.70%	247,025	244,701	0.95%
22	Office Supplies	8,648	67,134	80,972	-17.09%	89,512	107,962	-17.09%
23	Publications & Memberships	1,863	35,629	29,719	19.89%	40,005	39,625	0.96%
24	Telephone	7,385	69,987	78,375	-10.70%	93,316	104,500	-10.70%
25	Postage	3,411	28,876	36,307	-20.47%	38,501	48,409	-20.47%
26	Leased Equipment & Repairs	2,779	35,885	43,170	-16.88%	47,847	57,560	-16.88%
27	Office Equipment Expensed	3,237	27,439	71,925	-61.85%	36,585	95,900	-61.85%
28	Legal	3,254	73,760	69,450	6.21%	98,347	92,600	6.21%
29	Local Milage	522	7,033	17,048	-58.75%	9,377	22,731	-58.75%
30	Staff Training/Out of Town travel	1,837	76,203	134,456	-43.33%	131,604	179,275	-26.59%
31	Contract Services	46,846	241,572	292,214	-17.33%	407,096	389,619	4.49%
32	Other administrative expenses	(10,654)	79,482	99,863	-20.41%	105,976	133,150	-20.41%
33	Due diligence - Development projects	2,161	2,161	37,500	-94.24%	25,000	50,000	-50.00%
34	Contingency	0	0	1,875	-100.00%	0	2,500	-100.00%
35	Total Administrative Expenses	558,799	5,252,822	5,837,954	-10.02%	7,270,169	7,783,939	-6.60%

	CURRENT MTH ACTUAL	March, 2010			Thru 06/30/2010			
		YEAR TO DATE ACTUAL	BUDGETED	VARIANCE	PROJECTED ACTUAL	BUDGETED	VARIANCE	
Tenant Service								
36	Tenant Service - Salaries	67,740	576,023	546,516	5.40%	768,031	728,688	5.40%
37	Tenant Service Personnel - Benefits	25,160	217,981	199,924	9.03%	290,641	266,565	9.03%
38	Relocation Costs	21,366	91,292	71,250	28.13%	121,723	95,000	28.13%
39	Tenant Service - Other	7,810	236,779	366,077	-35.32%	315,705	488,102	-35.32%
40	Total Tenant Services	122,076	1,122,075	1,183,766	-5.21%	1,496,100	1,578,355	-5.21%
Project Utilities								
41	Water	8,182	74,714	74,635	0.11%	99,619	99,513	0.11%
42	Electricity	17,930	142,230	172,774	-17.68%	189,640	230,365	-17.68%
43	Gas	6,225	48,324	59,132	-18.28%	64,432	78,843	-18.28%
44	Sewer	32,106	227,889	202,878	12.33%	303,852	270,504	12.33%
45	Total Project Utilities	64,443	493,157	509,419	-3.19%	657,543	679,225	-3.19%
Ordinary Maintenance & Operations								
46	Maintenance Salaries	45,599	503,874	524,849	-4.00%	671,832	699,798	-4.00%
47	Maintenance Personnel - Benefits	15,532	174,983	174,506	0.27%	233,311	232,674	0.27%
48	Maintenance Materials	16,614	125,208	128,059	-2.23%	166,944	170,745	-2.23%
49	Contract Maintenance	73,702	646,375	664,371	-2.71%	861,833	885,828	-2.71%
50	Total Routine Maintenance	151,447	1,450,440	1,491,784	-2.77%	1,933,920	1,989,045	-2.77%
General Expenses								
51	Protective Services	10,111	128,715	139,815	-7.94%	171,620	186,420	-7.94%
52	Insurance	15,661	157,795	149,727	5.39%	210,393	199,636	5.39%
53	Other General Expense	53,025	547,760	641,652	-14.63%	730,347	855,536	-14.63%
54	Payment in Lieu of Taxes	1,199	9,590	7,313	31.15%	12,787	9,750	31.15%
55	Bad Debt - Tenant Rents	96	6,210	13,875	-55.24%	18,500	18,500	0.00%
56	Interest Expense	26,783	244,844	450,590	-45.66%	466,459	600,786	-22.36%
57	Total General Expenses	106,875	1,094,914	1,402,971	-21.96%	1,610,105	1,870,628	-13.93%
58	TOTAL OPERATING EXPENSES	\$ 1,003,640	\$ 9,413,408	\$ 10,425,894		\$ 12,967,837	\$ 13,901,192	
Nonroutine Expenditures								
59	Ext. Maint/Fac Imp/Gain/Loss Prop Sale	0	14,697	56,250	-73.87%	59,596	75,000	-20.54%
60	Casualty Losses	0	0	18,750	-100.00%	25,000	25,000	0.00%
61	Sec 8 HAP Payments	2,582,077	22,690,513	22,791,569	-0.44%	30,254,017	30,388,758	-0.44%
62	Total Nonroutine Expenditures	2,582,077	22,705,210	22,866,569	-0.71%	30,338,613	30,488,758	-0.49%
63	TOTAL EXPENDITURES	3,585,717	32,118,618	33,292,463	-3.53%	43,306,450	44,389,950	-2.44%
64	OPERATING SURPLUS/(DEFICIT)	(137,428)	(53,693)	(755,822)	-92.90%	(260,917)	(1,007,762)	-74.11%
Reserve/Capital Affecting Operations								
65	THA transfer to development projects	0	(1,614,362)	(3,187,800)	-49.36%	(2,084,152)	(4,250,400)	-50.97%
66	Reserve Appropriations	0	1,914,030	3,960,538	-51.67%	2,690,182	5,280,717	-49.06%
67	THA SURPLUS/(DEFICIT)	(137,428)	245,975	16,916		345,113	22,555	

TACOMA HOUSING AUTHORITY
CASH BALANCES - April 30, 2010

Account Name	Current Balance	Interest	
HERITAGE BANK			
Accounts Payable	\$ 3,882,567	0.500%	
Section 8 Checking	2,223,011	0.500%	
THA Investment Pool	282	0.500%	
THA LIPH Security Deposits	87,238	0.500%	
THDG - Tacoma Housing Development Group	10,474	0.500%	
LF - Windstar	12,064	0.500%	
LF - Stewart Court	147,434	0.500%	
LF - Stewart Ct Security Deposit Account	14,020	0.500%	
LF - SF 9Homes Alaska	165,853	0.500%	
LF - SF 9Homes Alaska Sec Dep Acct	14,669	0.500%	
LF - SFH No. Shirley	14,293	0.500%	
LF - SFH N Shirley Security Deposit Acct	1,035	0.500%	
LF - Wedgewood Homes	536,704	0.500%	
LF - Wedgewood Homes Security Deposit Acct	14,774	0.500%	
General Fund Money Market	3,482,132	0.500%	
WASHINGTON STATE			
Investment Pool	\$ 815,341	0.280%	
US BANK			
Payroll Account	\$ 7,759		
CHASE			
IDA Account	89,270	0.01%	
TOTAL THA CASH BALANCE	\$ 11,518,919		
LESS:			
Restrictions:			
HAP Reserves	\$ 1,142,644		
Section 8 Voucher Operating Reserves	27,908		
FSS Escrows	227,449		
Mod Rehab Operating Reserves	146,248		
PH Operating Reserves	4,414,481		
Security Deposit Accounts	127,163		
Salishan Sound Families - 608	269,990		
IDA Accounts - 604,605,611	89,270		
THDG - 048	10,474		
Wedgewood Operating Reserve	-		
Agency Liabilities:			
Windstar Loan - 042	339,190		
Local Fund Debt Service	235,223		
Citibank Loan for Area 3 (\$3.3 million due Citibank Jan, 2011 if lots not sold)	3,300,000		
Total Restrictions	\$ 10,330,040		
THA UNENCUMBERED CASH			
	\$ 1,188,879		
Agency Current Commitments:			
	Commitment	Expended	Balance
Salishan Infrastructure Area 2B (532) Budgeted	\$ 4,075,000	\$ 1,598,362	
Salishan Infrastructure Area 2B - Latest	\$ 1,993,152	\$ 1,598,362	\$ 394,790
Habitat for Humanity Loan	\$ 135,000	\$ 135,000	-
Salishan Education & Training - On hold	\$ 234,000		-
Salishan 5 (905) - Not needed for Sal 5			-
Salishan 6			
Salishan 7			
Other Development Projects			
Total Current Commitments outstanding			\$ 394,790

REAL ESTATE MANAGEMENT
AND
HOUSING SERVICES



TACOMA HOUSING AUTHORITY

Date: May 26th, 2010

To: THA Board of Commissioners

From: April Davis
Director of Real Estate Management and Housing Services

Re: Department of Real Estate Management and Housing Services Monthly Board Report

1. HUD 5-YEAR AND ANNUAL PLAN

THA received confirmation from HUD that THA will no longer be required to submit an Annual Plan. The Annual Moving-to-Work (MTW) Plan will replace the Annual Plan for FY2011 forward.

Any revisions to the Annual MTW Plan that was prepared for THA's MTW application will go through a public review process and be presented to the Board of Commissioners for approval.

2. PROPERTY MANAGEMENT DIVISION

2.1 Physical Inspection Assessment Sub-System (PASS)

THA has received from HUD its PASS score for the following Asset Management Projects (AMP):

PASS INSPECTION REPORT				
AMP	Properties	Inspection Date	Score	Performance (High/Std/Troubled)
1	K Street, G Street, EB Wilson	11/21/2008	92	High
2	6th Ave, Wright, Fawcett	10/27/2008	86	Standard
3	Ludwig, Bergerson, Dixon	10/23/2008	93	High
4	Hillside 1800, Hillside 2500	3/6/2009	84	Standard
6	LIPH Scattered Sites	10/27/2008	70	Standard
7	Hillside 1 Tax Credit	1/27/2009	97	High
8	Hillside 2 Tax Credit	1/27/2009	99	High
9	Hillside 1500 Tax Credit	1/27/2009	99	High
10	Salishan 1 Tax Credit	1/28/2009	94	High
11	Salishan 2 Tax Credit	5/5/2009	75	Standard
12	Salishan 3 Tax Credit	TBD		
13	Salishan 4 Tax Credit	TBD		
14	Salishan 5 Tax Credit	TBD		
15	Salishan 6 Tax Credit	TBD		

2.2 Performance Report Summaries:

2.2.1 Public Housing Information Center (PIC) reporting:

THA's reporting rate for accurately submitting public housing program participation data (50058) to HUD is at 99% HUD requires a housing authority to accurately submit at 95% or better.

2.2.2 Occupancy:

Unit occupancy is reported for the first day of the month. This data is for the month of May 2010.

OCCUPANCY SUMMARY REPORT					
PROGRAM	UNITS AVAILABLE	UNITS VACANT	UNITS OCCUPIED	% MTH OCCUPIED	% YTD OCCUPIED
AMPs 1-6	594	12	582	98.0%	97.6%
Tax Credit Units	602	20	582	96.5%	95.7%
Local fund units	119	13	106	89.1%	88.2%
All Total	1315	45	1270	96.6%	96.9%

Vacancy Unit Turn (PHAS/MASS Indicator #1):

- (a) To earn maximum points for this sub-indicator housing authorities must complete unit turns at an average rate of 20 days or less per AMP.

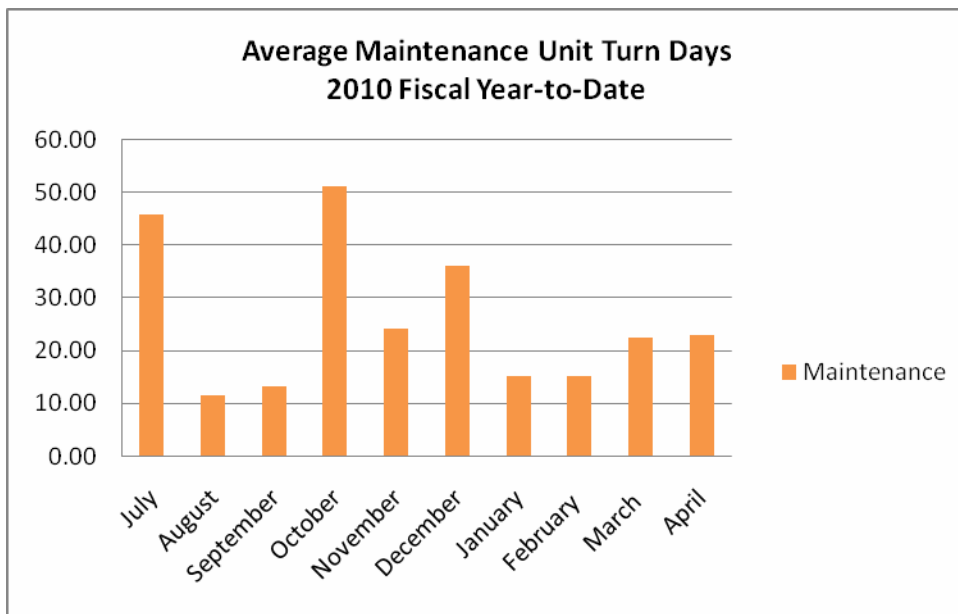
For the fiscal year, the average unit turns across all AMPS was 44.9 days per turn. Management continues to track this data on a monthly basis. Improvement has been noted month to month. Total turn time is not reflected in this calculation until unit is occupied.

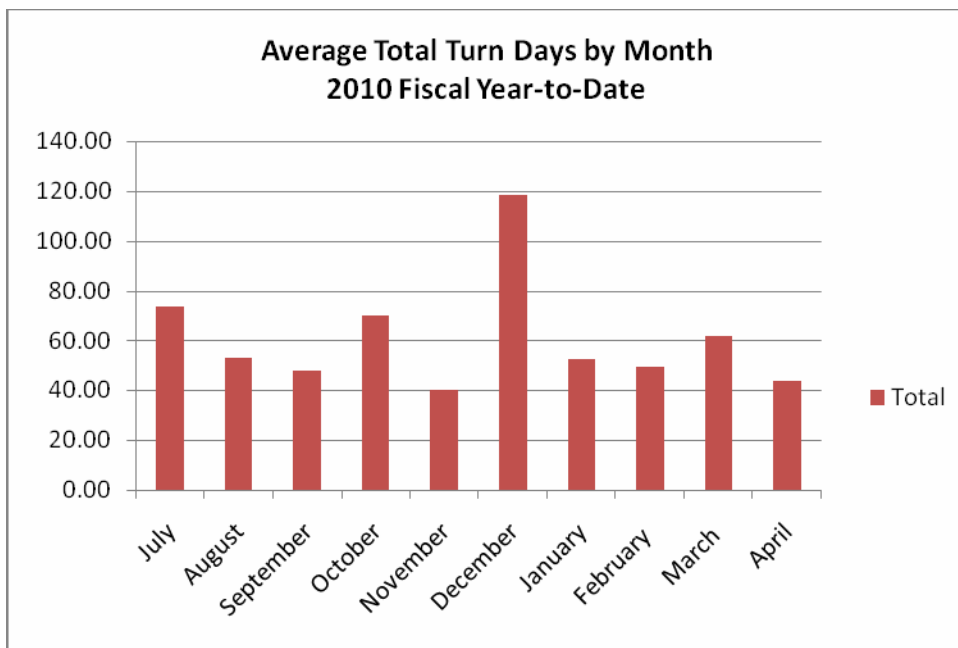
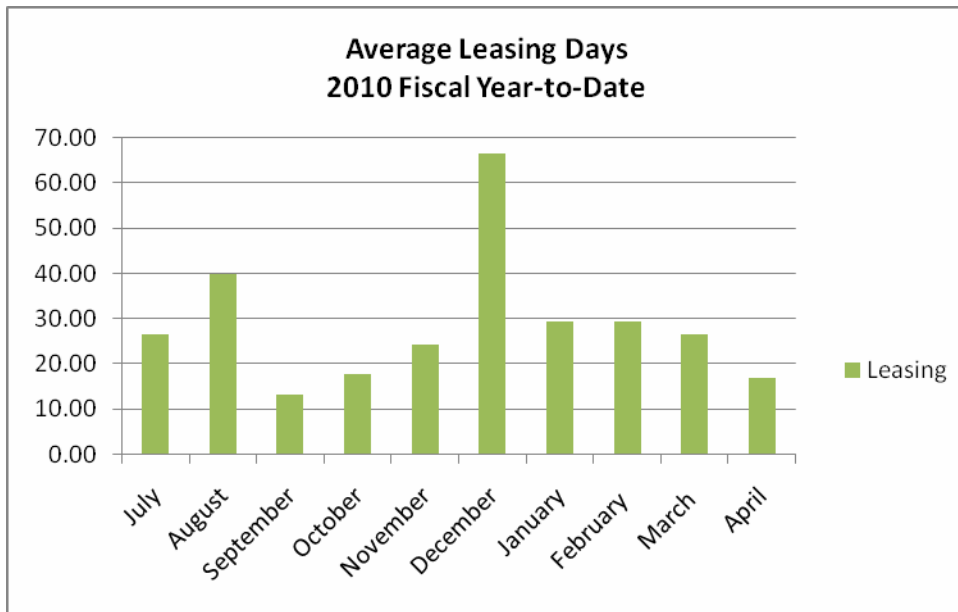
APRIL 2010 FYTD VACANT UNIT TURN REPORT (MASS #1)							
AMP # *	Units Turned	Down Time	Make Ready	Lease Up	Days to Turn	Exempt Days	Avg Turn
AMP 1	15	4	81	523	606		40.53
AMP 2	29	16	239	911	1166		40.21
AMP 3	31	45	629	672	1382	36	44.58
AMP 4	16	15	361	366	742		46.38
AMP 6	7	8	253	84	345		49.29

APRIL 2010 FYTD VACANT UNIT TURN REPORT (MASS #1)							
AMP # *	Units Turned	Down Time	Make Ready	Lease Up	Days to Turn	Exempt Days	Avg Turn
AMP 7	4	68	24	158	250		62.50
AMP 8	2	88	0	49	137		68.50
AMP 9	0	0	0	0	0		0
AMP 10	0	0	0	0	0		0
AMP 11	5	31	73	11	115		23
AMP 12	0	0	0	0	0		0
AMP 13	4	79	77	164	320		80
Amp 14	1	0	93	1	94		94
AMP 15	0	0	0	0	0		0
TOTALS	114	354	1830	2939	5123	36	44.94

*Please refer to the table in Section 2.1 for a list of the properties associated with each AMP.

Below are trend reports for maintenance unit turn time (reflected as “make ready” in the chart above), average leasing days and average days to turn a unit.





2.2.3 Work Order Report (PHAS/MASS Indicator #4):

The work order report accounts for two separate performance indicators in work order management, time to complete emergency work orders and

average time to complete non-emergency work orders (routine). The performance indicators are recorded per AMP. HUD requires housing authorities to complete at least 99% of its annual emergency work orders within 24 hours.

In the month of April, all emergency work orders were completed within 24 hours.

A contract has been executed with a vendor for appliance repair services in Salishan. For AMPs 10 – 14 the high number of work order turnaround is mainly due to appliances. All outstanding appliance issues have been resolved and work orders closed. These numbers will be reflected in the May Board report. AMPS 10- 14 continue to receive work order requests for all appliances. To keep maintenance staff on unit turns and repairs, the service contract will be extended until THA maintenance can absorb the additional work load.

Work Order Completion Table:

WORK ORDER COMPLETION REPORT (PHAS/MASS #4)								
AMP # *	Emergency				Non Emergency			
	February 2010		FYTD		February 2010		FYTD	
	# Completed	% Completed in 24 hrs	# Completed	% Completed in 24 hrs (99% HUD Std)	# Completed	Avg Completion Days	# Completed	Avg Completion Days (25 days HUD Std)
AMP 1	6	100	37	100%	12	3.08	385	4.57
AMP 2	1	100	12	100%	12	7.75	326	4.41
AMP 3	3	100%	57	100%	43	4.3	453	10.17
AMP 4	6	100%	41	100%	23	3.22	318	19.64
AMP 6	2	100	17	100%	24	1.54	152	13.70
AMP 7	0	0	0	N/A	1	0	26	5.08
AMP 8	0	NA	0	N/A	4	0	19	7.37
AMP 9	0	NA	0	N/A	1	3	3	6.33
AMP 10	0	NA	0	N/A	16	109.13	89	57.90
AMP 11	0	NA	0	N/A	12	13.17	76	41.51
AMP 12	03	100%	3	100%	11	13.09	74	28.53
AMP 13	0	NA	0	N/A	9	14.89	82	28.33
AMP 14	0	NA	0	N/A	3	34.67	29	9.41
AMP 15	0	N/A	1	100%	0	0	14	3.93
Non-AMP	0	NA	4	100%	2	45.50	129	3.39
TOTALS	21	100%	172	100%	173	16.30	2175	13.76

*Please refer to the table in Section 2.1 for a list of the properties associated with each AMP.

Outstanding Work Orders Table:

Outstanding Work Orders as of January 31, 2010					
AMP #	Open Emergency WO	Days Open	Open Non-Emergency	<25 Days open	>25 Days open
AMP 1	0	0	15	13	2
AMP 2	0	0	6	5	1
AMP 3	0	0	13	10	3
AMP 4	0	0	6	6	0
AMP 6	0	0	7	7	0
AMP 7	0	0	0	0	0
AMP 8	0	0	4	0	4
AMP 9	0	0	6	0	6
AMP 10	0	0	14	6	8
AMP 11	0	0	22	4	18
AMP 12	0	0	14	5	9
AMP 13	0	0	10	0	10
AMP 14	0	0	19	10	9
AMP 15	0	0	9	1	8
Non-AMP	0	0	5	2	3
TOTALS	0	0	150	69	81

2.3 Salishan Association

2.3.1 Salishan Association Board:

(a) Budget

The decision by the Board of Directors was made at the Annual Meeting, April 19th and the contract was awarded to Chhan's Lawn & Garden.

The Association had one board position open for a homeowner. Tim Sorenson was elected for this position. Mr. Sorenson was serving on the board to fulfill a two year position that was initially held by another homeowner who ended up withdrawing half way through their two year position. Mr. Sorenson is looking forward to another two years on the Board.

2.4 Community Development and Safety

2.4.1 Salishan Association:

- (a) The Tacoma Community Based Services (CBS) kick-off meeting was held on February 24th at First Creek Middle School. We scheduled an Open Forum for Monday, April 19th as a follow up from the CBS kick-off meeting. The discussion included local gangs in our area, age groups of these gangs and drugs. Attendance was at around 15 people. We are also working with Kristen McClintock, Safe Streets Youth Leading Change Mobilization Specialist, on setting up a youth meeting for some time in June.
- (b) The Salishan Treasure Walk is scheduled for Saturday, June 12th. The Association is currently soliciting for vendors to be a part of our global village. The first one hundred get a t-shirt. This year we held a contest for the best t-shirt design at Lister Elementary. The two winners are Amy Hung, age 11 and Shayla Trinh, age 10. Janis Flauding and I attended an assembly on Friday, April 30th and awarded the two girls a t-shirt with their designs on it and a gift card for \$25 each. We invited the Tacoma Weekly which attended the assembly as well and interviewed the girls and took pictures.
- (c) The Tacoma Housing Authority and the Salishan Association are both collaborating with Metro Parks to submit a letter of interest (LOI) for a Major League Baseball Grant called Baseball Tomorrow in the amount of \$35K. Metro Parks will draft the LOI and plan on submitting it for the July cycle. The grant would be used for the formation of youth baseball and softball teams with the first pitch thrown spring 2011.

2.4.2 Comprehensive Health & Education Foundation (CHEF) Funding:

CHEF has partnered with THA and the Salishan Association to promote resident health and has come up with a Community Health Care Worker Program with the first focus group meeting on May 4th. Through this meeting, small group conversations will be held to discuss what this program would look like and how to identify the “natural helpers” in our community and how to help our residents/homeowners.

3. RENTAL ASSISTANCE DIVISION

3.1 Performance Report Summary:

3.1.1 Public Housing Information Center (PIC) reporting:

THA's reporting rate for accurately submitting HCV program participation data (50058) to HUD is at 97%. HUD requires a housing authority to accurately submit at 95% or better.

3.1.2 Housing Choice Voucher (HCV) Utilization:

Housing Choice Voucher utilization is reported at 97.09% for the month of April and 97.55% for calendar year to date. Budget utilization is reported at 98.12% for calendar year to date.

HCV UTILIZATION SUMMARY REPORT					
Voucher			HAP		
	Month			Month	
Voucher Allocation	3,543		Budget	2,556,618	
Voucher Leased	3,440		Actual	2,389,601	
% Utilized	97.09		% Utilized	93%	

4. MOVING TO WORK (MTW)

THA is in the process of negotiating its MTW contract and first year plan. On May 20th, THA will submit a first year plan that will be effective from July 1, 2010 through September 30, 2010. This plan will have formatting revisions and an updated FY2011 MTW budget. Upon approval of this plan THA will be able to begin using single-fund flexibility which is the key funding flexibility that MTW brings.

On August 20, 2011 THA will be required to submit a second revised first year plan that will be effective October 1, 2010 through June 30, 2011. This plan will provide a detailed plan on how THA will move forward with its first-year activities. All of the revisions that are made to this second version of the plan will go to the board as well as through a 45 day public review process. During the June 5th budget retreat I will discuss some of the items that will be added to this plan such as changes to the Housing Choice Voucher occupancy standards, minimum rents and administrative efficiencies.

In addition to the MTW Plan, THA is negotiating its MTW contract which will be effective July 1, 2010 through June 30, 2018. I do not anticipate that the negotiation will be final prior to the May board meeting however the board will be presented with a resolution requesting that Michael be authorized to execute the agreement once it is finalized. The board will be presented with the most recent iteration of this contract at the May meeting. I

don't anticipate that further negotiation will result in substantial changes to this contract. However we are still in the process of reviewing other MTW housing authority contracts to determine whether THA will request additional administrative flexibility. THA cannot move forward with single-fund flexibility or any MTW activities until this contract is executed.

REAL ESTATE

DEVELOPMENT



TACOMA HOUSING AUTHORITY

DATE: May 26, 2010
TO: THA Board of Commissioners
FROM: Tina Hansen
Interim 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

- *Education, Training and Retail Center:* Staff recently prepared a revised estimate of construction costs based on current pricing.

	<i>Three story</i>	<i>Single story</i>
<i>Acquisition costs</i>	<i>1,203,000</i>	<i>1,203,000</i>
<i>Construction costs</i>	<i>6,904,050</i>	<i>3,248,905</i>
<i>Development costs</i>	<i><u>1,232,000</u></i>	<i><u>734,000</u></i>
<i>Total Costs</i>	<i>9,339,050</i>	<i>5,185,905</i>

The revised construction costs estimate is a reduction of \$1,193,898, and does not include \$1,390,451 for basic tenant improvements that would not be needed if the library was the only tenant. Staff also prepared a rough estimate for a single story building with the same footprint. Staff continues to pursue parties/programs that have been interested for some time as well as newer prospects including Evergreen State College, The Woods Coffee, and occupational training programs. Financially challenging times has been a common response for many. Staff also continues to pursue various funding opportunities including new market tax credits. Staff meets once every two weeks to discuss opportunities for ETRC funding, tenants, and creative alternatives.

1.1.2 Area 3

- *Lot Sales:* The sale of 9 building lots to Habitat for Humanity closed on December 10, 2009. Habitat has completed the first three homes, and is underway with the construction of the other six. .

Habitat has expressed interested in purchasing an additional 13 lot, 2 lots by June 15 and the remaining schedule to be determined. Staff is pursuing numerous builders for additional lot sales including Habitat, Homeownership, Polygon, Bennett, Quadrant and others, as well as Pierce County MBA and local smaller builders.

1.1.3 Area 2B

- *Infrastructure:* The Joint Utility Trench (JUT) is finished. The utility providers are currently pulling cable through the conduits. Tucci is working on the bioswales, installing underdrains and importing drain rock. THA staff has been in ongoing discussions with Walsh construction to determine the most cost-effective way to dispose of the unsuitable and excess soils. The excess soils are a result of LEED requirements for additional topsoil depth and the import of structural backfill material and pea gravel to replace the unsuitable soils at the site. It has been determined by THA staff and Walsh Construction that the most cost- effective means of disposal are to build berms with the soils along 51st Street and to export the remaining soils off site. THA staff received the technical memorandum for the contaminated soil cleanup from Parametrix, completing documentation of the cleanup.
- *Salishan 7:* Current program plans include (90) project-based Section 8 rental units and (1) unrestricted manager's unit. Walsh Construction continues excavation of the foundations in block 28. The foundation footings and walls have been poured in block 24 and the footings are being formed and poured in block 28, lots 19-23. The floor slabs have been poured in block 25 and have started in block 24. Framing continues in block 25, lots 10-13.

1.1.4 Arlington Rd

Staff continues to reevaluate the best use and development of the Arlington Road property.

1.2 Financial

- ### *1.2.1 Salishan Five:*
- All of the placed in service materials for the Housing Trust Fund have been submitted. Staff is working on placed in service materials for the Finance Commission. Once the cost certification is received from the accountant THA will be able to request the third capital contribution (\$2,213,157). THA should be able to request this in the next 30-45 days.

Staff has begun to work with Citibank to convert to the permanent loan. The construction loan matures on July 1.

1.2.2 Salishan Six: As Salishan Six is now completed and occupied, staff requested the next equity installment and is working on the placed in service requirements. Salishan Six will be placed into an investment fund. Staff has been provided the due diligence list from the investor to enable this transaction. Due to significant cost savings in Salishan Six THA worked with the investor to insure THA receives all of the equity committed to the project. THA was able to secure all of the equity. In the board packet are a set of resolutions to amend loan documents to accurately reflect the financial changes to the deal. THA will need to put in less program income than was originally anticipated. .

1.2.3 Salishan Seven: The contract manager from the Housing Trust Fund conducted a site visit on April 14; she was impressed with what she saw. This was her first visit to Salishan. THA learned that it was awarded \$5,000 from the Home Depot Foundation to help cover some of the administrative/compliance costs associated with registering for LEED certification.

1.2.4 Area 3 Citi Bank Loan: Staff is coordinating internally and continues to work with CSG Financial Advisors in planning for and negotiating with Citibank to restructure the existing loan for Salishan Area 3. We expect it will go to Citi's committee for their initial consideration. At the Board meeting, we will brief the Board in detail during an executive session.

1.3 Construction Oversight Committee

The April Construction Oversight Committee (COC) was held as scheduled on April 8 2010. The committee was updated on all elements of Salishan as well as the Hillside Terrace Hope VI progress. The next meeting is scheduled for June 10, 2010.

2. PUBLIC HOUSING PROJECTS

2.1 Scattered Sites

Disposition: Staff has taken another look at the implication, purpose and value of the disposition, and prepared a recommendation to the Executive Director to stop the disposition process at this time. With the recent decrease in property values the current market conditions, THA's site based management now in place, other opportunities for the scattered site properties now (MTW), and that the next step would trigger a need for homeownership counseling services which THA does not

currently have the capacity to deliver, staff believes it s best to stop the disposition process at this time.

2.2 1800/2500 Hillside Terrace

2.2.1 Financing: Staff submitted the HOPE VI application on November 12, 2009. Staff anticipates award notices by HUD anytime.

2.2.2 Architecture: On hold until award of the HOPE VI grant.

2.2.3 Construction: Absher Construction completed the schematic design cost estimate. This estimate is within the original budget submitted in the HOPE VI grant application.

3. CAPITAL FUNDS & AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) CAPTIAL FUNDS

3.1 Planning/Bidding: All Plans, Specifications and Bidding have been completed.

3.2 Capital Fund Construction:

3.2.1 Capital Funds: The G Street Repipe project is complete. Closeout documents are being prepared.

3.3 ARRA Construction

3.3.1 AMP1: K Street Apartments; Tatley-Grund (TGI), the General Contractor has completed demolition of the existing vinyl siding, 90% of the windows and sliding doors. They have installed 90% of the new windows and 35% of the siding and related envelope protection. Deck removal and installation is 100% complete on the north side. Deficiencies were discovered in the decks on the south side and are being removed and replaced. Demolition of those decks is complete.

G Street Apartments; A resident meeting was held to update the residents on the scope of work and the schedule. TGI crews visited the site this week to take measurements of the window rough openings in preparation for ordering the replacement windows. Demolition of the siding is scheduled to begin May 19th.

3.3.2 AMP2: Wright Street; All abatement work is complete, new VCT tile flooring is installed, and all residents have moved back into their homes. Christensen Inc., the general contractor, is creating the schedule for the

exterior work.

Fawcett Apartments; A resident meeting was held to update property management and residents on the scope of work and the schedule. Roof repairs are underway. Removal and replacement of the VCT flooring in the common areas is scheduled to begin May 24th. Residents will be relocated during the abatement activities.

6th Avenue; A resident meeting was held to update property management and residents on the scope of work and the schedule. Tree removal will be the first work completed and Christensen Inc. is currently in contact with the city to schedule a precon meeting. Window repair submittals are being processed and repairs will begin as soon as submittals are approved.

- 3.3.3 *AMP3*: AMP 3 renovations have begun with Bergerson Terrace sidewalk and deck repairs. Roof repairs and flooring replacement has begun at Ludwig. During the Ludwig flooring replacement staff is relocating Ludwig resident's one floor at a time to the APEX Apartments. Staff has prepared a Resolution to replace the boiler heating and hot water systems at Dixon Village. The existing systems have been failing and replacement systems are outdated and not readily available. The replacement system will be a separate forced air heating and domestic hot water heating systems. All units but nine (9) will be fitted with the new system. The nine (9) not scheduled for replacement were upgraded within the last year with the combined boiler system and should provide many years of service.
- 3.3.4 *Asphalt Removal & Replacement (AMPs 1, 2, & 3)*: Northwest Asphalt completed asphalt repairs at Bergerson Terrace, Dixon Village and Ludwig. Sealcoating and Striping will start in June, depending on the weather. Asphalt repairs will be completed at the other sites after the other building construction at each site is finished. This is tentatively scheduled for July and August.
- 3.3.5 Construction on all the ARRA projects will be completed well ahead of the expenditure deadline of March 2012. All activities are scheduled to be complete by late fall early winter 2010.

3.4 Grants

- 3.4.1 NSP 1: Staff continues to finalize the use of approximately \$780,000 in the first round of funding by the City of Tacoma. By the end of May THA will own 5 houses: 6514 E. Portland; 1902 E. 58th; 2323 S Ash; 2012 Martin Luther King Jr Way; and 222 E. 62nd. Most of the homes need minor work. The Portland Avenue house has been repaired and is ready for

re-sale. THA expects the balance to ready for re-sale within 60 days of acquisition. Real Estate Development staff is working with Community Services staff to give first priority to the households in the homeownership program. If they are not interested in the homes, THA will list them on the MLS using the Realtor we procured to assist in purchasing the homes.

3.4.2 *Salishan HOPE VI:* As was mentioned previously, with the turnover of the Salishan Six units THA has completed its development obligations under the HOPE VI grant. Real Estate Development, Community Services and Finance worked together to compile the HOPE VI Grant close out material which was due to HUD March 30, 2010. All items have been submitted. We await HUD's review and approval before the grant audit is done.

3.4.3 *1800 & 2500 Hillside Terrace:* HUD has not made the 2009 HOPE VI award announcement.

4. M/WBE CONTRACT COMPLIANCE and SECTION 3 HIRING

4.1 The Salishan Hope VI Construction Oversight Committee met on April 8, 2010. Salishan M/WBE utilization numbers incorporate site activity in Area 1, Area 2a and 2b, and Area 3. To date, the total minority and women-owned business (M/WBE) subcontracting equals about Thirty-five percent (35%) of total contract dollars awarded. Twenty-five percent (27%) of all contract dollars have been awarded to MBE firms, and ten percent (8%) to WBE firms. Forty percent (37%) of all contracts have been awarded to Tacoma based companies, and forty-nine percent (46%) have been awarded to Pierce County based companies. Section 3 results to date total 178. The project goal was 125. The next meeting is scheduled for April 8, 2010.

4.2 G Street Re-pipe Project: WG Clark, has a MBE Participation of 2%

4.3 ARRA AMP 1: Tatley –Grund, has one Section 3 employee who was previously on unemployment and may be hiring one more employee who is also on unemployment, next month.

5. PHAS INDICATOR FOR MODERNIZATION ACTIVITIES

The following are the obligated and expenditures as of May 12, 2010

May 2010 Board of Commissioners Meeting
 REAL ESTATE DEVELOPMENT DEPARTMENT MONTHLY REPORT
 Page 7

Grant	Total Grant	Obligated	% Obligated	Expended	% Expended	Obligation Start Date	Obligation End Date	Disbursement End Date
2007 CFP (P)	\$2,909,072	\$ 2,909,072	100%	2,909,072	100%	09/13/07	09/12/09	09/12/11
2008 CFP (P)	\$1,849,412	\$1,809,059	98%	\$1,446,620	78%	6/13/08	06/12/10	06/12/12
2008 CFP (1 st R)	\$1,351,655	\$1,351,655	100%	\$1,064,030	79%	6/13/08	06/12/10	06/12/12
Sal. HOPE VI (Revitalization)	\$35,000,000	\$35,000,000	100%	\$35,000,000	100%	04/26/01	12/31/10	12/31/10
2009 CFP	\$2,410,953	\$ 550,237	23%	\$86,610	.18%	9/15/09	9/14/11	9/14/13
2009 CFP (1 st R)	\$703,863	\$708,863	100%	0	0	9/15/09	9/14/11	9/14/13
2009 CFP (2 nd R)	\$54,932	\$54,932	100%	0	0	9/15/09	9/14/11	9/14/13
2009 CFP (3 rd R)	\$2,724	\$00.00	0%	0	0	4/12/09	4/12/09	4/12/13
CFRG*	\$4,096,616	\$4,096,616	100%	\$688,684	17%	3/18/09	3/17/10	3/17/12

*ARRA Capital Fund Recovery Grant

COMMUNITY SERVICES



TACOMA HOUSING AUTHORITY

DATE: May 26, 2010
TO: THA Board of Commissioners
FROM: Nancy Vignec
Community Services
RE: Monthly Board Report

STRATEGIC OBJECTIVE: ASSISTANCE

THA will provide high quality housing and supportive services. Its supportive services will help people succeed as residents, neighbors, parents, students, and wage earners who can live without assistance. It will focus this assistance to meet the greatest need.

1. 2010 GOALS

Fifteen different major funding sources support the Community Services department's staff and activities. Most of these funding sources identify performance measures and goals. This report groups the various funding sources' annual goals by service area. It summarizes progress toward attaining annual goals during the month of April and for the calendar year 2010.

1.1 Employment

The CS department offers employment services through its case workers and through a contract with Goodwill Industries. The case workers refer clients to local vocational training programs and then track their progress. The Goodwill employment specialist enrolled seven public housing clients in his job preparation program during the month of April. During the month of April, five clients were placed in jobs and experienced an increase in earned income.

Activities	Month	YTD	Annual Goal	% Goal
Enrolled in vocational training program	1	6	20	30%
Completed vocational training program	0	2	12	17%
Enrolled in employment readiness soft skills program	7	28	52	54%
Completed employment readiness soft skills program	0	1	44	2%
Job Placement	5	23	60	38%
Earned Income Increased	5	22	30	73%
Entered Apprenticeship	0	0	2	0%

1.2 Education

Bates continues to offer GED classes at the FIC. Standard class size is 18. During the month of April, eleven participants attended GED classes. A total of 46 participants have attended since January 1, 2010.

Activities	Month	YTD	Annual Goal	% Goal
Participants attending Bates GED classes	11	46	18	256%
Completes one or more GED tests	8	8	3	267%
Attains GED	4	4	3	133%

1.3 Family Self-Sufficiency Program

The THA Family Self-Sufficiency (FSS) program is a five year employment and savings incentive program funded by HUD and the City of Tacoma. During the month of April, three participants graduated increasing the YTD total to seven.

Activities	Month	YTD	Annual Goal	% Goal
Current Participants	122	130	153	85%
Graduates	3	7	5	140%
Removed/Voluntarily Withdrawn	0	1	n/a	n/a
New Contracts Signed	0	10	10	100%
Escrow Balance	\$285,928.03			

1.4 Life Skills and Parenting Classes

THA contracts with Bates Technical College for Life Skills and Parenting classes and parenting support groups. This month eight participants completed the Bates Parenting Support Group. The Exodus Housing Domestic Violence support group started April 19th and had four participants.

Activities	Month	YTD	Annual Goal	% Goal
Life Skills Enrollment	10	13	20	65%
Life Skills Completion	8	13	15	87%
Parenting Enrollment	0	9	25	36%
Parenting Completion	8	13	20	65%

1.5 Asset Building

The department provides financial literacy, credit counseling, homeownership counseling and individual development accounts to help THA clients build assets and prepare to become homeowners.

Activities	Month	YTD	Annual Goal	% Goal
Financial Literacy Enrollment	2	14	120	12%
Financial Literacy Completion	2	5	72	7%
Credit Counseling Enrollment	0	0	17	0%
Credit Counseling Completion	0	1	10	10%
Homeownership Counseling	8	17	17	100%
Individual Development Account Participants	32	47	30	157%
Qualified Withdrawals	1	2	30	7%
Home Purchase	1	1	10	10%
Other Asset Purchases	0	2	20	10%

1.6 Neighborhood Networks and VITA

THA has Neighborhood Networks computer labs at Bergerson Terrace, Dixon Village, and Salishan. The AmeriCorps member assigned to the computer labs is responsible for outreach and computer lab programming. Each lab has scheduled times for adult activities and for youth activities including, resume writing, research, and homework assistance.

The Volunteer Income Tax Assistance (VITA) site located at Salishan ended April 15th. Salishan's VITA site helped a total of 182 low-income clients file their taxes. Fifty-five of those participants were public housing and Housing Choice Voucher residents. The average gross monthly income for the VITA tax clients served was \$18,888. Since February 11, 2010, VITA completed tax returns that totaled \$343,007 in refunds as well as \$123,797 in Earned Income Tax Credit (EITC). The number of VITA participants for 2010 year was lower than previous years because THA did not host the KeyBank super refund Saturday in 2010 as it had done in the past.

Activities	Month	YTD	Annual Goal	% Goal
Computer Lab Participation	38	85	150	57%
VITA Tax Returns for THA clients	4	55	125	44%
EITC Received (Public Housing only)	1	17	85	20%

1.7 Youth Activities

THA contracts with Girl Scouts of Western Washington to provide a youth mentoring program for Hillside Terrace, Bergerson Terrace and Salishan. There are currently 120 troop members, 70 of which are THA residents.

Northwest Leadership Foundation (NLF) provides youth tutoring and after school programming at Lister Elementary school during the 2009/2010 academic year. There are currently 19 THA residents attending this activity.

Activities	Month	YTD	Annual Goal	% Goal
Youth tutoring	19	19	35	54%
80% or better on computer skills post-test	0	0	25	0%
GPA improved .5 or more	0	0	15	0%
Life skills/financial literacy completed	0	0	75	0%
80% or better on life skills/financial literacy	0	0	45	0%
Summer Program Enrollment	0	0	55	0%
Youth mentoring - Girl Scouts (PH only)	46	48	45	107%
Youth mentoring ongoing more than six months	0	30	40	75%
Youth Section 3 employed	0	0	4	0%

1.8 Senior and Disabled Services

The Specialist links residents with services to help them succeed as tenants. The services help elderly residents age in place. These services include COPEs, State Health Insurance Benefits Advisors (SHIBA), a home delivery food bank (BASH) that delivered food baskets to 225 senior apartment residents, housekeeping, transportation, and social resources. Tacoma Art Place offers arts and crafts on site at the senior buildings on a weekly basis.

The Senior and Disabled Services Program Specialist serves the 350 residents of THA's seven senior apartment buildings. During the month of April, the Specialist had 124 client contacts (81 unduplicated). In addition, 21 unduplicated home visits were made, 23 residents received 1:1 situational and wellness counseling, and four residents received correspondence assistance.

Activities	Month	YTD	Annual Goal	% Goal
Unduplicated client contacts	81	186	260	72%
Referrals	2	11	55	20%
Unduplicated situation/wellness counseling	23	61	150	41%
Assistance with correspondence for Entitlement Programs	4	12	40	30%

1.9 Families in Transition (FIT)

The Community Service Department’s FIT program is funded by Washington Families Fund and Sound Families grants. FIT caseworkers help participants succeed as tenants, parents and wage earners.

In April, FIT program staff was trained in using the Homeless Management Information System (HMIS) to record data on all of the families in the program. The three FIT caseworkers were trained as end users of the system. Colin DeForrest, Lead caseworker and Program Manager Mary Syslo-Seel participated in the agency administrator training.

HMIS is used throughout the state by shelters and transitional housing services to track homeless individuals. Building Changes, Washington Families Fund administrator, requested that we use HMIS to enter data on the FIT families. In the past, FIT case workers used Survey Monkey to track information and submit reports to Building Changes. Using HMIS will bring our program into sync with other homeless housing programs in the state. We will be able to run reports on our FIT program which will help us assess our services and make changes to improve the assistance we provide our formerly homeless families.

	WFF/Sound Families		Hillside Terrace		Tax Credit	
Total Current Caseload	19		4		6	
	Month	YTD	Month	YTD	Month	YTD
Entrances	2	4	0	0	1	1
Graduations	1	1	0	0	2	2
Exits	0	0	0	0	0	0
Terminations	1	2	0	0	0	0

2. PROMISE NEIGHBORHOODS GRANT APPLICATION

On May 3rd, the US Dept. of Education released the Notice of Funding Availability (NOFA) for grants under the Promise Neighborhoods program. Promise Neighborhoods is an initiative to address poverty through community collations built around struggling schools. The current application is for planning grants of up to \$500,000 which will be awarded to 20 communities throughout the country. The vision of Promise Neighborhoods is: “All children growing up in Promise Neighborhoods have access to effective schools and strong systems of family and community support that will prepare them to attain an excellent education and successfully transition to college and career.”

Michael Power has been working with community partners to prepare for this grant since last fall. Although the final coalition which will participate in this grant will be much more extensive, the core planning team has come from THA, the City of Tacoma, Allen Renaissance, Tacoma Public Schools, the Metropolitan Development Council, the Pierce County Health Department, and Tacoma 360.

There are several direct connections to our work at THA such as the acknowledgement of housing stability as a key component of addressing the needs of low income families, and the emphasis on connecting to ongoing work which is federally funded. HUD-funded projects including HOPE VI are cited specifically.

The goal of the Promise Neighborhood grants is to “Significantly improve outcomes of children in our most distressed communities by:

- ▶ Supporting efforts to improve outcomes that are communicated and analyzed by leaders and members of the community;
- ▶ Identifying and increasing capacity of eligible entities focused on results from cradle through college to career;
- ▶ Building a continuum of academic programs and family and community supports with effective school(s) at the center;
- ▶ Integrating programs and breaking down silos between agencies;
- ▶ Working with local governments to sustain and “scale up” solutions; and
- ▶ Learning about the overall impact of Promise Neighborhoods and the relationship between particular strategies and student outcomes.”

The grant application is due June 25. The Metropolitan Development Council will be the lead agency, grant writer, and fiscal agent for this application.

3. SALISHAN COMMUNITY GARDEN

Lisa Zahn, Salishan Community Association Manager, and Michael Power, Manager of Educational Programs, have been working with Metropolitan Parks and Tacoma Public Schools to revitalize the community garden at 42nd and Roosevelt. This garden was once a key part of the community but fell into disuse while it was inaccessible during construction in that area. We plan to use the approach developed at McCarver Elementary for the design and development of Zina Linnik Park as a model for re-engaging the community with the garden. We are working to develop a partnership among THA, SCA, the school district, and university partners to involve school children in all stages of the restoration and integration of the garden into the life of Salishan. Fifth grade classes at Lister and Roosevelt elementary schools as well as students from First Creek Middle School will work with residents and staff to contribute their ideas and their energy to make the garden a vital part of their learning and the community.

4. CASE STAFFING AND CASEMANAGEMENT INTERVENTION

In April, Community Services and Property Management began monthly case staffing sessions to identify families who could benefit from intervention to help them stabilize their tenancy. CS and PM staff will meet once a month to discuss strategies to assist families whose tenancy is in jeopardy. We will focus on families who could be successful if we intervened early to prevent significant problems from escalating to cause for eviction. Patti Bergrud, caseworker in the FIT program, will be available to work with 5-8 families who are referred by Property Management. The services will be provided on a short term basis. We will assess after 90 days to determine if the family has made significant progress, if additional time would be beneficial or if casework services will be terminated. To date, Patti has helped one family address problems that jeopardized their tenancy. The family followed through with their commitment to improve. We look forward to assisting more families through this joint effort of CS and PM.

5. WORKSOURCE AFFILIATE SITE RECERTIFICATION

In April we received word that our WorkSource Affiliate Site at the Family Investment Center was approved for re-certification. Members of the Tacoma-Pierce County WorkForce Development Council completed a site visit on March 18. The re-certification committee noted they were impressed with THA staff's knowledge of the Work Source system, the variety and placement of our WorkSource signage, and the services available to job seekers who utilize our Affiliate Site. The next round of Affiliate Site re-certifications will be in January 2012.

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TACOMAWEEKLY

BECAUSE COMMUNITY MATTERS



Fair, 38 F Thu - Partly Cloudy. High: 60 Low: 40 Fri - Partly Cloudy. High: 64 Low: 41

News Sports City Scene Blogs Classifieds Info Online Community PCCNG



Student designs make a statement about Salishan

By Clare Jensen
Tacoma Weekly
cjensen@tacomaweekly.com



Two fifth graders from Lister Elementary School got their first foray into clothing design when they were presented with Salishan's official 2010 T-shirt April 30.

The T-shirt contest design winners, Shayla Mai Trinh and Amy Hung, share the credit for the shirt that will be worn by participants in this year's Salishan Treasure Walk.



PHOTO BY CLARE JENSEN

WINNING DESIGNS. Shalya Mai Trinh and Amy Hung are winners of the T-shirt design contest for the third annual Salishan Treasure Walk June 12. Here they hold their designs after being recognized at Lister Elementary School April 30.

This is the third year the Tacoma Housing Authority is hosting such a walk to show off the authority's largest, most impressive project – the new Salishan housing development on the East Side. What was once a depressing site of hundreds of dilapidated homes built as shelter for shipyard workers and military during World War II is now a bright, shiny new icon of hope and revitalization on the East Side.

The development provides housing for low-income families as well as middle-class or first-time homebuyers, creating a diverse mix of economic and cultural backgrounds, which authority officials believe is key in creating a vibrant, healthy community.

The 2010 Treasure Walk will be held June 12 and show off the multi-phased project's various features, such as craftsman inspired homes, and the dental and medical clinic.

Bright yellow T-shirts, with Trinh's neat interpretation of the Salishan buildings on the front with Hung's inclusive list of all the community's diverse cultural origins on the back, serve as another unifying message for the growing neighborhood.

Trinh does not live in Salishan, but Hung, a close friend of hers since kindergarten, does.

Trinh says she knows Salishan as a "big, pretty place," an image that would have been nearly inconceivable to residents and passers by of Salishan prior to the construction of the new development a decade ago.

Salishan's great physical appearance is what inspired Trinh to create her design in its image, with tall, strong structures simply labeled with the word "Salishan."

The housing development's cultural diversity is what prompted Hung to take the approach of simply listing the various cultures and backgrounds of her neighbors.

Janis Flauding, a Tacoma Housing Authority commissioner, said they put the challenge of designing the annual T-shirts to the youth this year as a way to get them involved and garner additional ownership of their school, community and neighborhood.

Originally, the contest sought just one winner.

Flauding said the contest judges had a hard time choosing between Trinh and Hung's simple, yet strong designs, so they opted for both.

"We really wanted to get the youth involved – make them feel proud in the community and make them have an investment in their community," she said.

On June 12, everyone who attends the Treasure Walk will receive the T-shirt designed by the young girls after visiting

all of the cultural substations at the event's Global Village.

"It will be cool to see everyone wearing our T-shirts. It's like we're kind of famous," Trinh said.

Salishan Treasure Walk goes from 9 a.m. to 1 p.m. June 12 and is open to the public and all Salishan residents.

Published on May 5, 2010

Commenting rules

Tacoma Weekly is happy to provide a forum for commenting and discussion. Please respect and abide by the house rules:

Keep it clean, keep it civil, keep it truthful, stay on topic, be responsible, share your knowledge, and please suggest removal of comments that violate these standards.

[Read full commenting rules](#)

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HUMAN RESOURCES



TACOMA HOUSING AUTHORITY

Date: May 16, 2010
To: THA Board of Commissioners
From: Barbara Tanbara, HR Director
Re: May HR Department Board Report

1. POLICIES

Below are two sections of the HR policies that the Board authorized at the November 2009 board meeting. As a reminder, these policies had a thorough vetting- directors, supervisors, both unions and THA employees had a chance to comment and give their input. The policies may be new, but the practices are not. These policies simply put into writing what the HR department has been doing for five years.

These policies are part of our effort to become a great place to work. Employees want to be able to trust that they and their co-workers will be treated fairly and consistently. The policies (along with our collective bargaining agreements) reflect that what we say, we will do.

In my work on employee engagement and retention, I came across a website for the *Great Place to Work Institute*. The website really speaks to the type of organization we want to create. Policies and their execution are part of those efforts.

Excerpt from Great Place to Work Institute

THE DIMENSIONS OF A GREAT PLACE TO WORK®

Trust is the essential ingredient for the primary workplace relationship between the employee and the employer. According to our model, trust is composed of three dimensions: Credibility, Respect, and Fairness.






Credibility

Credibility means managers regularly communicate with employees about the company's direction and plans - and solicit their ideas. It involves coordinating people and resources efficiently and effectively, so that employees know how their work relates to the company's goals. It's the integrity management brings to the business. To be credible, words must be followed by action.



Respect

Respect involves providing employees with the equipment, resources, and training they need to do their job. It means appreciating good work and extra effort. It includes reaching out to employees and making them partners in the company's activities, fostering a spirit of collaboration across departments and creating a work environment that's safe and healthy. Respect means that work/life balance is a practice, not a slogan.

	<p>Fairness At an organization that's fair, economic success is shared equitably through compensation and benefit programs. Everybody receives equitable opportunity for recognition. Decisions on hiring and promotions are made impartially, and the workplace seeks to free itself of discrimination, with clear processes for appealing and adjudicating disputes. To be fair, you must be just.</p>
	<p>Pride and Camaraderie The final two dimensions of the Institute's model relate to workplace relationships between employees and their jobs/company (Pride), and between the employee and other employees (Camaraderie).</p>
	

As companies become great, the division between management and labor fades. The workplace becomes a community. Employees take pride in their job, their team, and their company. They feel that they can be themselves at work. They celebrate the successes of their peers and cooperate with others throughout the organization. People take pleasure in their work - and in the people they work with - in a deep and lasting way. They want to stay around for their careers.

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Policy #	Title
01 Recruitment and Hiring	
01.01	<p>Recruitment, Selection and Hiring Our Recruitment, Selection and Hiring policy helps to ensure consistency, transparency and fairness in the selection and hiring process. This policy covers the Executive Director's (ED's) responsibility to authorize all hiring. It also covers Section 3 hiring, Equal Employment Opportunity and the consideration to be given to internal candidates for open and posted positions.</p>
01.10	<p>Employment of Relatives Our Employment of Relatives policy helps to ensure that THA and its employees are not placed in a compromising position where a supervisor's judgment and fairness is questioned due to a familial relationship. This is a standard nepotism policy. The ED has to approve anyone hired who is from "Immediate Family" or related to a Commissioner. No members of the same family may supervise another family member.</p>
01.15	<p>Probation for Newly Hired or Transferred Staff Our Probation for Newly Hired or Transferred Staff policy helps newly hired, transferred or promoted employees and their supervisor know what to expect during their probationary period. The policy describes probationary periods for newly hired employees and promotions/transfers. It explains about benefit accrual and payout and that if a newly hired employee does not successfully complete probation, they are not eligible to be paid their accrued leave.</p>

10 Work Place Expectations	
10.01	<p>Employment At Will</p> <p>Our Employment At Will policy supports THA’s ability to remain an at-will organization. This is a standard at-will policy for employees not represented by a union.</p>
10.05	<p>General Conduct</p> <p>Our General Conduct policy helps to ensure that THA employees understand what is expected of them in their conduct. It is a general policy that states the expectation for honesty, politeness and respect, compliance with directions from supervisors and compliance with the law. It also is based on trusting our employees to make the right choices.</p>
10.10	<p>Business, Political or Religious Activities</p> <p>Our Business, Political or Religious Activities policy helps to clarify THA’s standards for prohibited and permissible activities related to business, politics and/or religion. We want to ensure our employees and their supervisors know our policy before the actions are taken.</p>
10.20	<p>THA Equipment and Facilities</p> <p>Our THA Equipment and Facilities policy ensures that employees understand how and when to use THA’s equipment and facilities. The policy states that THA tools, equipment and facilities are for business use only except for “incidental use” which is defined in policy. It does not cover vehicles or electronic devises or systems. Those are covered in policies below.</p>
10.25	<p>Staff Driving on THA Business</p> <p>Our Staff Driving on THA Business policy helps to ensure our employees understand THA’s expectations and requirements when they drive on THA business. It covers HARRP-related requirements regarding driving THA vehicles; use of personal vehicles on THA business, passengers, and basic driving safety and requirements. It also covers motor accidents, liability for driving and parking tickets, and the after hours on-call program and use of vehicles.</p>
10.30	<p>Workplace Attire and Assigned Uniforms</p> <p>Our Workplace Attire and Assigned Uniforms policy gives THA’s standards for office attire and work uniforms. It also covers office casual Friday’s. The policy is intended to be clear, but not so prescriptive as to attempt to list all problematic dress issues. Those are to be addressed by supervisors. It explains that THA uniforms are the property of THA, that maintenance personnel are to wear our uniforms while on the job and that the uniforms must be returned at separation.</p>
10.35	<p>Use of Computing & Electronic Resources</p> <p>Our Use of Computing & Electronic Resources policy explains about computer and electronic security and confidentiality. It also formally notifies employees that there is no expectation of privacy, that monitoring may happen, lists some (but not all) improper uses of equipment, and THA’s policy about electronic resources, copyrights and viruses.</p>
10.40	<p>Inclement Weather</p> <p>Our Inclement Weather policy helps to ensure consistency during weather situations that impact our operations. During inclement weather, while the agency is open, hourly employees may arrive up to one hour late without penalty. If the agency closes, employees are paid their regular pay. It also covers essential personnel and their need to report to work, even during tough weather.</p>

10.50	<p>Discipline of Regular Employees</p> <p>Our Discipline of Regular Employees policy states the standards of discipline for regular employees (it does not cover employees who are in newly hired probationary status and temporary employees). The policy also does not conflict with our collective bargaining policies. The policy first describes counseling (non-disciplinary action), then discipline steps - Oral Warning, Written Reprimand, Probation, Suspension, Termination. It gives examples of appropriate levels of discipline, when a supervisor might choose to skip a step, explains at-will employment and union employees coverage. It is intended to allow interpretation depending on the situation and employee.</p>
10.55	<p>Employee or Job Applicant Complaint</p> <p>Our Employee or Job Applicant Complaint policy helps to ensure that there is a consistent and unbiased procedure for employees and job applicant to lodge a legitimate complaint. It explains how to report improper government action and about THA's "Hotline". It explains how informal complaints may be handled, our formal complaint process for employees and job applicants - confidentiality, standards for investigation and response, and actions to be taken if a violation is found. It explains THA's appeal process for the Board of Commissioners and set standards for protection from retaliation.</p>

All of these policies and the forms related to them are on the Share drive. In next month's board report, I will present more of our policies.

NEW BUSINESS

RESOLUTION #1



TACOMA HOUSING AUTHORITY

RESOLUTION 2010-5-26 (1)

DATE: May 26, 2010
TO: Board of Commissioners
FROM: Michael Mirra, Executive Director
RE: 2010 Capital Fund and Replacement Housing Factor Fund Grants

Background

The US Department of Housing and Urban Development (HUD) annually awards housing authorities operating more than 250 housing units funds for their modernization and replacement under the Capital Fund Program (CFP) and Replacement Housing Factor (RHF) grant programs.

HUD also requires that each housing authority receiving CFP and RHF funds sign and return to the local HUD office, an Annual Contributions Contract no later than 30 days after receipt of notification of grant awards. The ACC is also accompanied by a Capital Fund Annual Statement form 50075.1 for each grant, describing the specific activities that they will undertake utilizing the grant monies.

For the 2010 year HUD has indicated that housing authorities will receive notifications in early to late spring.

HUD also requires a Board Resolution from HA accepting the CFP and RHF grants.

Recommendation

Approve Resolution 2010-5-26 (1) authorizing the Executive Director to sign and submit to HUD the 2010 Annual Contributions Contracts and the 2010 Capital Fund Annual Statement Forms 50075.1 accepting the 2010 Capital Fund Program and Replacement Housing Factor grants.



TACOMA HOUSING AUTHORITY

RESOLUTION 2010-5-26 (1) 2010 Capital Fund Program and Replacement Housing Program Grants

Whereas, The US Department of Housing and Urban Development (HUD) annually awards housing authorities operating more than 250 housing units funds for their modernization and replacement under the Capital Fund Program (CFP) and Replacement Housing Factor (RHF) Fund programs.

Whereas, Each housing authority receiving CFP and RHF funds must sign and return to the local HUD office, an Annual Contributions Contract no later than 30 days after receipt of notification of grant awards. The ACC is accompanied by a Capital Fund Annual Statement form 50075.1 for each grant, describing the specific activities that they will undertake utilizing the grant monies.

Whereas, A Board Resolution from the HA accepting the CFP and RHF funds is required.

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

1. The Executive Director is authorized and directed to sign and submit to HUD, for the 2010 Capital Fund Program and Replacement Housing Factor funds, the 2010 Annual Contributions Contracts and the Capital Fund Annual Statement Forms 50075.1 therefore accepting the grants.

Approved: May 26, 2010

Ken Miller, Chairman

EXECUTIVE DIRECTOR REPORT



TACOMA HOUSING AUTHORITY

Michael Mirra
Executive Director

Date: May 16, 2010
To: THA Board of Commissioners
From: Michael Mirra
Executive Director
Re: Executive Director's Report: May 2010

This is my monthly report for May 2010. It supplements the Departments' reports.

1. PETRA: PRESERVATION, ENHANCEMENT AND TRANSFORMATION OF RENTAL ASSISTANCE ACT OF 2010

I have written previously of the Obama administration's emerging proposals to "transform" public housing. The administration has just formerly issued its proposed Preservation, Enhancement and Transformation of Rental Assistance Act of 2010 (PETRA). I enclose a summary that HUD has issued.

PETRA would be a significant change in how the federal government regards public housing. In general, it would allow PHAs to "trade in" their public housing units for a long-term section 8 subsidy, like a project-based voucher contract.

This can be appealing for two reasons. **First**, the fair-market-rents that section 8 pays have been allot higher than the operating subsidy that Congress has provided for public housing. That is why, for example, we traded in as many public housing units at Salishan for vouchered units as HUD would allow. **Second**, PETRA would allow a PHA to borrow money against the value of the property and in this way raise the funds for the property's capital needs. This is how we financed Salishan. Currently, the law does not permit public housing to incur debt. Currently, a PHA must depend on the Congressional appropriations for capital funds. These appropriations have never been enough.

PETRA would also serve HUD's purpose of reducing the array of different funding streams for affordable housing, combining them into a fewer number of programs that more closely resemble HUD's privately owned subsidized portfolio.

Despite these appealing features, PETRA raises some concerns. In my view, here are the notable ones:

First, the proposal poses the risks of debt. Allowing public housing properties to incur debt exposes the portfolio to the uncertainties of the financial and real estate markets and the prospect of foreclosures should those loans turn out poorly. The risk is compounded if debt service relies on the continued adequacy of congressional appropriation for what would be section 8 rent payments. The proposal does not seem to answer the questions arising from this risk: Will the new law allow for the forced sale of defaulting property? If so, will it allow the new owner to convert the property to market rate purposes? If so, this must count as a notable risk to the nation's affordable portfolio. The recent turmoil in the financial and real estate markets and the ongoing uncertainty about the adequacy of congressional appropriations seem to require attention to this risk.

Second, the proposal would oblige the PHA to give a tenant-based voucher to residents after two years of occupancy. The residents could then take this voucher and move out. In this way, PETRA would confer the important advantage of choice and portability. It would also force PHAs to make their properties appealing places that will compete for residents to remain. Yet the voucher would be a new benefit that residents do not presently have in public housing, in HUD's multifamily portfolio, and in the private market. This feature also raises two concerns. By encouraging residents to move out, it would increase operation expenses and destabilize communities. It would also redirect vouchers away from people on the normal voucher wait list who have no assistance at all. The better answer may be to allow residents of the converted property to apply for a voucher if they want one and to take their place on the waiting list like everyone else.

Third, the PETRA proposal appears premised on the troubling if correct assumption that public housing has not been a financial success and that the "Public Housing" brand name is a failure. It seems to surrender to the expectation that Congress is never likely to adequately fund public housing. In response, the proposal would seek to convert public housing into something that more closely resembles the privately owned subsidized portfolio, which traditionally serves a higher income, less diverse population of households. We cannot be entirely at ease with such a surrender of those aspects of the public housing program that have at least protected it from foreclosure and serve important social goals that no other part of the affordable portfolio addresses.

Fourth, PETRA also poses a question about the continuing role of public housing authorities. HUD appears to envision a national portfolio that resembles the housing in its multifamily programs, which is largely privately owned. What then would remain of the PHA mission that is distinctive? I had the chance to ask this question of senior HUD officials in D.C.. It seemed clear from their struggle to answer that they are still thinking this through. I believe that THA already provides a viable vision for the continuing role of a public housing authority regardless of how the public housing funding stream may change. This vision appears in our Statements of Vision and Mission and our eight strategic objectives. They make clear that we are more than a landlord and that we seek not only to house people. We also seek to so develop our housing that we spur community development and that we want our residents to succeed not just as tenants but as "parents, students and wage earners."

We will be watching this proposal as it works its way through Congress.

2. GATES FOUNDATION SPONSORED TRIP TO D.C.

I spent most of the week of May 3rd in D.C.. I was part of a Puget Sound delegation convened by the Gates Foundation to visit with D.C. officials. The trip served three purposes, all of them worthwhile.

- We were able to listen to senior policy makers in the Obama administration and our congressional delegation and better understand their views and interests.
- We were able to showcase the impressive innovation evident in the Puget Sound region around efforts to address family homelessness. In particular, we reported on what we have learned from the past ten years of the Gates initiative.
- It was a very good chance to spend time with some of our Puget Sound colleagues, who are impressive by their experience, their substantive knowledge and their ability to express themselves with passion and precision. The delegation included:

David Bley	Gates Foundation
David Werthheimer	
Kollin Min	
Teresa Barcus	
Tony Lee	Solid Ground
Ken Stark	Snohomish County Human Services
Terry Mark	King County Human/Community Services
Linda Nguyen	Pierce County Workforce Development Center
Rachel Myers	Washington State Low Income Housing Alliance
Erin McCann	Columbia Legal Services
Betsy Lieberman	Building Changes

It was a very good trip. It was also a gift to each participant from the Gates Foundation of a trip that individually we would not have the ability or occasion to undertake individually.

3. VARIOUS PREOCCUPATIONS

Staff are busy with a variety of work, most of which appear in the department reports in more detail. Here are some notable ones.

- **FY 2011 budget.** The Board's budget retreat is set for June 5 (Saturday) from 8 AM to 2 PM
- **MTW negotiations with HUD:** We are negotiating our MTW contract with HUD. We may have a resolution next week authorizing me to execute the contract.

- **Employee Opinion Survey follow up:** We are preparing our “action plan” to respond to the views we learned in the Employee Opinion Survey. That plan is the main focus of the All Staff Retreat on June 9th.
- **THA Education Project Proposal:** We are continuing to engage the Gates Foundation about its possible willingness to fund our Education Project.
- **Salishan** Salishan continues to be the abiding preoccupation, to get it built and to get it financed.

All in all, staff are working hard.

4. MISCELLEANOUS

Here are some noteworthy events coming up.

4.1. **Salishan Gardens Senior Building Ground Breaking: May 24th at 1 PM**

ABHOW will host a celebration at Salishan for the groundbreaking of Salishan Gardens, its new senior building. Mayor Strickland and other public officials will preside. I hope some of the Commissioners will be able to attend.

4.2. **All Staff Retreat: June 9th, 8 AM to 4 PM**

The staff will have its annual retreat. Commissioners are welcome. We will convene at the lodge at Titlow Beach.

4.3. **Reminder: Brooklyn-Queens Day: June 10th**

Please note that this year Brooklyn-Queens Day will be on June 10th, not June 3rd. While this holiday usually falls on the first Thursday of June, it moves to the second Thursday in those years, like 2010, when the first Thursday in June falls in the same week as Memorial Day.

The Preservation, Enhancement, and Transformation of Rental Assistance Act of 2010

Section-by-Section Summary

Overview

The Preservation, Enhancement, and Transformation of Rental Assistance Act of 2010 (PETRA) would authorize the policies and activities necessary to implement the Department's Transforming Rental Assistance (TRA) initiative. The President's 2011 budget requests \$350 million for the first phase of this initiative. The goals of TRA are to:

- preserve public and assisted housing by providing owners with the opportunity to convert to property-based contracts that will enable them to sustain operations and leverage private financing to address immediate and long-term capital needs and implement energy-efficiency improvements;
- enhance housing choice for recipients of HUD-funded housing assistance;
- increase administrative efficiency at all levels of program operations; and
- create more uniform policies across all HUD-funded rental assistance programs.

The bill would achieve the first goal through a new section 8(n) of the U.S. Housing Act of 1937 that authorizes long-term project-based contracts for converted properties, and modification of the project-based voucher statute at section 8(o)(13).

Through a new section 8(m), PETRA authorizes the conversion process and the use of funds to increase the efficiency of rental assistance administration and promote resident mobility, allows the Secretary to establish certain uniform policies across all HUD-funded rental assistance programs, including the Housing Choice Voucher program, and establishes the right of residents of converted properties to move with available rental vouchers after two years.

Section 1. Short title; table of contents

PETRA contains six sections. The first two are the short title and table of contents and the findings and purposes. Section 3 authorizes a new section 8(m), which contains two parts: 8(m)(1) contains the streamlining and resident choice features described above, and 8(m)(2) governs the conversion process and includes policies that will apply to properties whether the owner converts to assistance under 8(n) or 8(o)(13). Section 4 describes the policies that will apply to properties converting under 8(n), while Section 5 authorizes changes to the project-based voucher statute. Finally, Section 6 includes conforming amendments.

Section 2. Findings and purposes

The findings and purposes section focuses on the complexity of HUD's rental assistance programs, both in terms of how programs are administered and because of their differing legal requirements. The challenges associated with this complexity are spelled out: the transaction costs for developers and compliance and asset management costs for owners, the confusion confronting families as they seek to

apply for rental assistance, and the barriers at the local level to combining rental assistance with other programs intended to support positive outcomes for HUD-assisted families.

Section 3. Transforming rental assistance

Section 3 of PETRA would authorize a new section 8(m) in the U.S. Housing Act of 1937 concerning the Transformation of Rental Assistance. Section 8(m)(1), titled “Transformation Authority,” authorizes activities to streamline policies across rental assistance programs; section 8(m)(2) authorizes the conversion of rental assistance.

Authority to streamline rental assistance. In section 8(m)(1)(A), PETRA would authorize the Secretary to establish uniform policies and procedures across rental assistance programs, including policies and procedures with respect to the following areas:

- Resident choice. Residents of properties converted to project-based contracts under section 8(n) and potentially of other properties receiving project-based rental assistance would have the right to move after residing in a property “for a period of not less than 24 months,” subject to the availability of resources; a public housing agency (PHA) that administers vouchers in addition to public housing would be required, if one or more properties is selected for conversion, to make available not more than one-third of turnover vouchers to support families exercising the choice option. (The right of residents of units with project-based voucher assistance to move after one year with the next available voucher would not change.)
- Tenant organization rights. All tenants with HUD-funded rental assistance would be guaranteed the right to organize independent of owners or public housing agencies. This provision would establish uniform requirements regarding recognition of “legitimate” tenant organizations, including organizations of voucher program participants and jurisdiction-wide or area-wide organizations; and would authorize the use of a portion of rental assistance renewal funding to support tenant organizing.
- Applicant and tenant procedural rights. For properties converting under section 8(n) and for other rental assistance programs designated by the Secretary, this provision would establish uniform procedural rights, including notice requirements for applicants to or tenants of properties under a variety of circumstances, ranging from ineligibility for assistance to eviction, and procedures for the review of actions, including the right to inspect documents, bring a representative, and have a review conducted by an independent person.
- Nondiscrimination and affirmatively furthering fair housing. Compliance with civil rights and fair housing laws and with section 808(e)(5) of the Fair Housing Act with respect to affirmatively furthering fair housing would be required.

- Administration of rental assistance. To streamline the administration of vouchers and other rental assistance, the Secretary is authorized to facilitate the implementation of regional portability agreements, consortia, or other methods to promote efficiency and advance the goal of resident choice, and may allocate funds for these purposes.
- Physical condition standard. The Secretary would be authorized to establish uniform physical condition standards for rental assistance programs.
- Properties in foreclosure or bankruptcy. Like the Protecting Tenants at Foreclosure Act enacted last year, this clause provides that the terms of new rental assistance contracts or use agreements remain in effect in the event of foreclosure or bankruptcy, but the Secretary would be authorized to modify this requirement if the units were not viable or “if necessary to generate sufficient lender participation.” Upon such a determination, the Secretary would be authorized to transfer the contract for assistance to one or more other properties.
- Enforcement. This clause strengthens HUD’s ability to bring legal action “to protect or enforce any right conferred upon the Secretary” in a rental assistance contract “or any statute or regulation applicable to the rental assistance contract or the property assisted under such contract.” The language defines liable parties and violations and authorizes the imposition of a civil money penalty. Applicable procedures and provisions are defined. Upon continued or repeated violations of requirements, or upon a substantial default under a contract or other agreement, the Secretary may transfer assistance to another property or properties that have the capacity to accept the tenants of the property in violation or default as determined by regulation.

Authority for conversion of rental assistance. The remainder of section 8(m)(1) would authorize the Secretary to allocate funds to PHAs and other owners of “eligible properties” for the conversion to properties assisted under sections 8(n) or 8(o)(13). It defines eligible properties as those assisted under sections 8 (various types of project-based contracts, including Moderate Rehabilitation) and 9 (public housing) of the U.S. Housing Act of 1937, the rent supplement program, the rental assistance program, and “other federal affordable housing programs, as identified by the Secretary by notice.” It also authorizes funding for all activities under section 8(m), beginning with \$350,000,000 in FY2011, and authorizes the Secretary, for converting properties, to establish and collect fees, in accordance with a fee schedule established by the Secretary that shall not exceed \$100,000 per property, and to recover previously obligated funds. It would establish a “Rental Assistance Conversion Trust Fund” to hold such funds. Amounts in the Fund shall be available only to the extent provided in advance in appropriations Acts. Finally, it would authorize the Secretary to allocate amounts for the costs of rental assistance administration, the promotion of tenant organizing rights, resident mobility, efforts to affirmatively further fair housing, and the expenses associated with streamlining the delivery of rental assistance.

Conversion of rental assistance. The new section 8(m)(2) authorized by PETRA would establish conditions and procedures to govern the voluntary conversion process, including:

- Required consultation with tenants. The Secretary is authorized to establish a requirement that an owner consult with tenants prior to making application for conversion. For public housing agencies, conversion “shall be considered a significant amendment to the agency plan.”
- One-for-one replacement of assisted units. PETRA places obligations on HUD and owners to avoid a loss of rental assistance. First, HUD’s policies and procedures must assure that there is no reduction in the number of families receiving rental assistance as a result of conversion. Second, owners and HUD have particular obligations with regard to maintaining the number of units with project-based rental assistance. The owner must provide a plan indicating the timely replacement of converted units that are demolished or would not receive rental assistance (as a result of a mixed income plan or other reason). Replacement housing shall reflect the number of bedrooms that are needed to adequately serve returning tenants, waitlist applicants, and future projected need. Off-site replacement housing shall not be located in areas of minority concentration, defined in relation to the metropolitan area or rural county in which the project is located, or in areas of extreme poverty, except in areas that qualify as revitalizing neighborhoods. Only if data demonstrate that the area housing market has consistently high vacancy rates and that vouchers are easy to use, including in neighborhoods of opportunity, would an owner be permitted to replace up to half of converted units with tenant-based vouchers. Less than 10 percent of current project-based assisted units are potentially subject to this exception. HUD would be required to issue new vouchers to replace any such units, regardless of whether the units were occupied at the date of the conversion request.
- Use and affordability restrictions and federal option to purchase. Owners of converting properties must agree to serve income-eligible tenants paying rents at the levels required by the U.S. Housing Act for specified periods. Converting public housing properties will be subject to at least a 30-year use agreement and other housing is subject to a use restriction for the remaining term of any prior restriction or the term of the rental assistance contract, whichever is greater. The bill would authorize the transfer of assistance to another property during the term of the use agreement, subject to the Secretary’s approval and the owner’s payment of tenants’ relocation costs. Owners of converted properties would be required to give notice of their intent not to renew the rental assistance contract after the expiration of the use agreement and would not be permitted to sell a property without offering the Secretary or an assignee of the Secretary the option to purchase it. The federal option to purchase would not apply to properties converted from one of the project-based section 8 programs with long term contracts except by mutual agreement. Tenants of properties converted under section 8(n) would receive vouchers in the event of the non-renewal or non-extension of a contract beyond the term of the use agreement. The Secretary would have the authority to provide replacement vouchers for units vacant at the time of contract termination.

- Tenants residing in units at time of conversion. Residents of converting units will not be subject to re-screening or termination and tenants in occupancy do not count as new admissions with respect to the targeting requirements applicable to the program to which the property is converted.
- Relocation assistance. The Uniform Relocation Act (URA) will apply to displacement and relocation activities pursuant to conversion, including the transfer of assistance to another property. The legislation allows the Secretary to consider a period up to 24 months as temporary relocation during which residents relocated for purposes of rehabilitation and with a right of return will not be considered “displaced.” Owners may use rental assistance funding to cover related costs.
- Tenant rents. Tenants typically will pay 30 percent of adjusted income for rent and utilities, with the remainder of the contract rent met by the rental subsidy. Families that are or become over-income for continuing subsidy (because their rental obligation is more than the contract rent) will pay the contract rent on the unit.
- Security of tenure. Tenants may only be evicted for good cause. Protections apply to victims of domestic violence.
- Special requirements for conversion of public housing. Section 8(m)(2) would establish some requirements specific to converting public housing properties. The legislation streamlines the conversion process by clarifying that properties are not subject to the separate disposition process under Section 18; defines a project or unit owned by a PHA broadly, to include units owned by entities controlled by the PHA; carries forward the requirement related to resident membership on the PHA board; and requires compliance with the terms and conditions of financing and energy performance contracts and similar obligations in effect before conversion.

Transfer and Use of Funds. Owners of converting properties would be permitted to use unexpended assistance provided under prior HUD contracts to pay all or a portion of transaction costs, including upfront costs, required reserve deposits, financing of renovations, initial contract funding, and contract administration. Converting properties would be released from requirements associated with the prior programs (except as specified above regarding public housing) and would become subject to the requirements associated with the assistance under sections 8(n) or 8(o)(13). HUD would also be permitted to transfer amounts among accounts to provide for the more efficient use of funds during and after the conversion process.

Section 4. Property-based contracts

Section 4 of PETRA would establish a new section 8(n) of the U.S. Housing Act of 1937, and authorize the Secretary to enter into a long-term, property-based contract for rental assistance, subject to annual

appropriations, with the owner of a public housing or other eligible property converting to assistance under this subsection.

- Contract term. For converting public housing properties, the initial contract term would be 20 years; for other properties, the term would be at least equal to that of the term remaining on the legacy contract or could be up to 20 years. Contract extensions of up to 20 years would be permitted and could be agreed to in advance (to provide more security to lenders or other reason). Owners of former public housing properties must agree to any extension offered by the Secretary. Other owners may renew expiring contracts in whole or in part, subject to the Secretary's approval and the availability of appropriations.
- Establishment of rents. Unit rents would be established at the level requested by the owner, up to the rents of comparable units in the local marketplace. Rents would not be permitted to exceed 110 percent of the applicable area rental (i.e., the Fair Market Rent (FMR)) without approval by the Secretary. The Secretary may approve "exception rents" above the comparable market rent for preservation-worthy properties, up to the higher of 110 percent of the applicable area rental or 120 percent of the comparable market rent. A below-market rent would be permitted for a property that is physically and financially sustainable at such lower rent, and rents for units that are exempt from local rent control would have to be reasonable in comparison with other exempt units.
- Adjustment of rents. Contract rents would be adjusted annually using an index intended to reflect changes in the rents of multifamily properties. At least every 5 years, rents would be re-benchmarked to market, subject to any applicable caps. Contracts could provide a rent floor at the initial rent level. In the interim, an owner that undertakes significant improvements to a property would be permitted to request an increase above the index, and HUD could reset rents to market based on a comparability study. For units receiving capital subsidy through the Low Income Housing Tax Credit or HOME program, a rent comparability study would not be required if the contract rents requested are equal to or less than rents in other units in the property occupied by unassisted families.
- Selection of tenants. Households eligible for assistance would include those living in units at the time of conversion and "low-income" families (those with incomes not greater than 80 percent of the area median income). At least 40 percent of new admissions annually to each converted property must be "extremely low-income" (with incomes not greater than 30 percent of the area median income). Owners must honor pre-conversion waiting lists, and would be permitted to maintain site-based waiting lists or a single waiting list for multiple properties. Owners and public housing agencies that maintain multiple site-based waiting lists would be required to allow applicants to apply for all properties in one location, and to adopt affirmative marketing procedures. Admissions preferences that comply with civil rights requirements are permitted. Owners would screen and select families.

- Physical and financial requirements. Converted properties would be required to meet physical condition standards at periodic inspections and would be subject to annual financial review. Owners must comply with the operating and replacement reserve requirements and any limitations on the use of cash flow established by the Secretary. Ability to access cash flow may not differ based on the for-profit or non-profit tax status of the owner.

Section 5. Property-based voucher contracts

Section 5 of PETRA would modify the project-based voucher (PBV) statute at subsection 8(o)(13), including by adopting some provisions in H.R. 3045, the version of the Section 8 Voucher Reform Act approved by the House Financial Services Committee. New developments as well as converting properties that meet the revised requirements may receive project-based voucher contracts. Properties initially converted to assistance under section 8(n) may shift to project-based voucher assistance if they meet the applicable conditions.

- Percentage limitation. Section 5 would establish a new limitation on the share of vouchers that may be project-based. The limitation would be determined based on the number of units assisted, rather than the share of funding, to eliminate a disincentive for agencies to project-base assistance in higher rent areas (which are likely to offer greater opportunities). Up to 25 percent (rather than 20 percent) of units may be assisted in housing that serves homeless individuals and families, where supportive services are provided, or that is located in areas where vouchers are difficult to use. An additional exception for agencies administering vouchers for projects converting under section 8(m)(2) would provide that up to 40 percent of the dwelling units assisted by an agency may be project-based.
- Income-mixing. The project-based voucher income-mixing requirement would be modified by Section 5 of PETRA. With some exceptions, PETRA would allow for assistance at the greater of 25 dwelling units or 25 percent of the dwelling units in any project. This limitation would not apply to properties serving elderly families or households eligible for comprehensive social services that are available at the property. (This exception would not apply to more than 40 percent of the dwelling units in the case of properties serving elderly families or households eligible for comprehensive social services converting to PBVs under section 8(m)(2).) The Secretary could establish additional monitoring and oversight requirements for properties that have assistance on more than 40 percent of units at a property. For areas in which vouchers are difficult to use and for census tracts with a poverty rate of 20 percent or less, up to 40 percent of units in a property would be permitted to be assisted without additional conditions.
- Contract term and funding. To create uniformity for contracts under the new section 8(n) and the PBV program, section 5 of PETRA would alter the PBV contract term, extending it from a maximum of 15 to 20 years subject to the availability of funds and the owner's compliance with HUD's physical inspection standard. Continued funding under PBV contracts would be

protected in case of a shortfall in annual voucher renewal funding. The bill would also permit a PHA to decline to offer to extend a contract on a converted public housing property, but only with the advance approval of the Secretary.

- Rents. Unit rents must be “reasonable” in light of comparable unassisted units in the local market, but the Secretary would have new authority to approve a rent above 110 percent of the FMR. Unlike section 8(n), there is no authority for above-market exception rents. The Secretary could require that PBV rents be adjusted annually using an index based on changes in the rents for multifamily properties, but the contract may provide a rent floor at the initial rent level. The same rules as apply under section 8(n) would apply if the Secretary requires the use of an index to adjust rents.
- Tenant selection. Like the policy in H.R. 3045, an owner of a PBV-assisted property would be permitted to establish a site-based waiting list, subject to compliance with civil rights, fair housing, and other requirements. If a voucher is project-based in an occupied unit, the tenant must receive an absolute preference for assistance, if eligible.
- Security of tenure. The termination of leases and tenancy would be permitted only for good cause.

Section 6. Conforming amendments

Section 6 would make the following conforming amendments:

- Definition of a public housing agency. Section 6 would amend the definition of a public housing agency for purposes of section 8 programs to include not-for-profit entities. It would also clarify that a consortium of public housing agencies may designate a legal entity or entities authorized to act as its legal representative, and it would authorize the Secretary to “establish and allocate” a fee for the administration of PBV contracts for converted properties. (PETRA does not change current law that allows PHAs to administer PBV contracts in properties they own, subject to third party inspection and rent determinations.)
- Mainstream voucher renewals. Section 6 would shift authority for Mainstream Vouchers under section 811 of the Cranston-Gonzalez National Affordable Housing Act to the section 8 voucher program, consistent with the proposal in the President’s 2011 budget to shift renewal funding to the tenant-based rental assistance account. Turnover vouchers must continue to serve “qualified persons with disabilities and...qualified non-elderly disabled families.” The language would also make unexpended amounts under section 811 available until expended for renewal vouchers, and it would authorize the Secretary to provide technical assistance to PHAs to assist them in providing permanent supportive housing.

- Income eligibility. The definition of project-based assistance in section 16 of the U.S. Housing Act would be amended to include the new contract under subsection 8(n).
- Enforcement. The availability of civil money penalties is extended to public housing agencies administering rental assistance under section 8.
- Section 3 of the Housing Act of 1968. Converted properties would remain subject to the hiring and contracting requirements that apply under their pre-conversion funding source. That is, public housing converted to section 8 assistance would remain subject to the Section 3 requirements that apply to public housing. Hiring preferences are streamlined into two categories that apply uniformly: (1) recipients of federal rental assistance in the area, and (2) other low- and very-low income residents. The Secretary may add additional preferences by regulation.