



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS

BOARD PACKET

June 23, 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, June 23, 2010

The Board of Commissioners of the Housing Authority of the City of Tacoma will hold their Regular Meeting on **Wednesday, June 23, 2010 at 4:00 p.m.**

The meeting will be held at:

**Hillside 2300 Community Room
2330 South G 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, June 18, 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	email: tips@q13fox.com
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
BOARD OF COMMISSIONERS
June 23, 2010, 4:00 PM
Hillside 2300 Community Room
2330 South G Street

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING**
 - 3.1 Minutes of May 26, 2010 Regular Meeting
 - 3.2 Minutes of June 5, 2010 Board Retreat
- 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, No Report
- 7. OLD BUSINESS**
- 8. NEW BUSINESS**
 - 8.1 THA Resolution 2010-6-23 (1), 2011 THA Budget
 - 8.2 THA Resolution 2010-6-23 (2), Citibank Sal. Area 3 Infrastructure Loan - Restructure
 - 8.3 THA Resolution 2010-2-24 (3), Approval of Tenant Account Receivable Write-off's
 - 8.4 THA Resolution 2010-6-23 (4), Moving to Work Contract
 - 8.5 THA Resolution 2010-2-24 (5), AMP 3 Dixon Village Boiler Replacement
- 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, May 26, 2010

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at 902 S L Street, Tacoma, WA at 4:00 PM on Wednesday, May 26, 2010.

1. CALL TO ORDER

Commissioner Rumbaugh (acting chair) called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:07 PM.

2. ROLL CALL

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

PRESENT	ABSENT
Commissioners Arthur Banks, Commissioner Greg Mowat, Commissioner Stanley Rumbaugh, Commissioner	Ken Miller, Chairman Janis Flauding, Vice Chair
Staff Michael Mirra, Executive Director Christine Wilson, Executive Administrator Ken Shalik, Finance and Administration Director April Davis, REMHS Director Nancy Vignec, Community Services Director Barbara Tanbara, Human Services Director Tina Hansen, Interim RED Director	

Commissioner Rumbaugh declared there was a quorum present @ 4:08 PM and proceeded.

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Commissioner Rumbaugh asked for any corrections to or discussion of minutes for the regular meeting of the Board of Commissioners of Wednesday, April 28, 2010.

Commissioner Mowat moved to adopt the minutes, Commissioner Banks seconded.

Upon roll call, the vote was as follows:

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

Motion approved.

4. GUEST COMMENTS

Mr. Ronald Evans from E.B. Wilson attended the meeting and addressed the board requesting a copy of his rental agreement. Mr. Evan has concerns related to other tenants in the building and staff follow-up with these issues. ED Mirra told the board that he will ask Director Davis to look into the situation and get back to Mr. Evans.

5. COMMITTEE REPORTS

HOPE VI Community Task Force – None

Finance Committee – Commissioner Mowat stated that his meeting with staff went well and we are ready for our June 5th budget retreat.

6. ADMINISTRATIVE REPORTS

Finance Administration

Commissioner Banks moved to ratify the payment of cash disbursements totaling \$5,190,930 for the month of April, 2010, Commissioner Mowat seconded.

Upon roll call, the vote was as follows:

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

Motion approved.

Director Shalik directed the board to his report. Director Shalik introduced Jeri Seamands, THA Technical Writer who is the lead for the THA Desk Manual project. Ms. Seamands reviewed her Desk Manual presentation with the board stating that she has approached this project by providing a baseline for positions within THA. There is a certain level of expectation for these manuals and anticipates that innovation will come later. She added that staff can address the expectations outside of process mapping. Commissioner Rumbaugh agreed that standardization is good for interdepartmental communication as long as it leaves room for people to think creatively. He noted that individual subjectivity and innovation is often a necessary part of the creative process. Ms. Seamands agreed but said you have to know what the rules are in order to break them.

Real Estate Management and Housing Services

Director Davis directed the board to her monthly report. She stated that HUD will inspect all of our properties in June; thus, staff is very busy getting ready. Leasing and maintenance are continuing to improve their unit turn numbers. She has added a new section to her board report to cover MTW topics. She hopes to have the MTW contract ready for the BOC at the June board meeting.

Real Estate Development

Interim Director Hansen referred the board to her report. She conveyed thanks and compliments from the contractor on site to the AMP 3 staff for their hardwork getting ready for the ARRA remodeling projects. Commissioner Rumbaugh asked that staff be commended for their good work from the board. She stated that staff is still preparing its recommendation on the scattered site properites. Staff will likely recommend that we not sell them. It is a different and more nuanced question whether to dispense with their public housing status.

Community Services

Director Vignec referred the board to her report. She stated that staff is working with our community partners on the Promise Neighborhoods NOFA. Commissioner Mowat stated that our employment specialist attended the quarterly Construction Partnership meetings and with that position not being filled he is recommending that someone else attend on THA's behalf, Director Vignec stated that she will address this with her staff.

Human Resources

Director Tanbara referred the board to the Human Resources Policies summary and provided copies of 13 of the 27 policies adopted by the board in November, 2009. Commissioner Rumbaugh stated that it is good to have clear HR policies for our employees and prospective employees.

7. NEW BUSINESS

8.1 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 modernization and replacement housing 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

8.2 RESOLUTION 2010-5-26(2)

SALISHAN SIX: REVISION OF AUTHORITY LOAN DOCUMENTS

Whereas, the Housing Authority of the City of Tacoma (the “Authority”) is the managing member of Salishan Six LLC, a Washington limited liability company that has constructed 90 rental dwelling units as part of the Salishan Six component of the Authority’s Salishan redevelopment project (the “Project”);

Whereas, pursuant to Resolution 2008-9-24(1) of the Authority’s Board of Commissioners (the “Board”), the Authority and Salishan Six LLC entered into loan documents on October 15, 2008, evidencing a \$5,624,975 program income loan and a \$764,440 master loan from the Authority’s capital funds, HOME program funds and United Way funds;

Whereas, because of costs savings experienced by Salishan Six LLC during the construction of its project, the Authority's receipt of a State of Washington Housing Trust Fund loan in March 2009, the amount drawn by Salishan Six LLC under the Authority's program income loan was \$2,901,216 less than the maximum authorized amount and, based in part on the authority granted by Resolution No. 2009-11-18(6) of the Board, the master loan was increased by \$288,473, such that the aggregate amount drawn by Salishan Six LLC under the loans was \$3,776,672;

Whereas, as consideration for the amendments to the various loan documents requested, and the Authority's continued willingness to provide subordinated loans to finance the Salishan Six project, Salishan Six LLC has agreed to certain changes to the rates at which interest accrues under the loans; and

Whereas, the Board finds it is necessary and desirable to amend the final terms of the Authority's loans to Salishan Six LLC; NOW, THEREFORE,

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

1. The Executive Director is authorized to execute and deliver, on behalf of the Authority in its own behalf or as managing member of Salishan Six LLC and, if applicable, file (or cause to be executed, delivered and, if applicable, filed), on behalf of the Authority, in its own behalf or as managing member of Salishan Six LLC, each of the following documents in the forms presented to the Board at this meeting:
 - First Amendment to Loan Agreement (Salishan Six Program Income Loan);
 - First Amendment to Master Loan Agreement (Salishan Six);
 - Amended and Restated Promissory Note (Salishan Six – Program Income Loan – Program Income Note);
 - Amended and Restated Promissory Note (Salishan Six – Omnibus Loan – THA Capital Fund);
 - Amended and Restated Promissory Note (Salishan Six – Re-Loan of HTF Funds); and
 - First Amendment to Third Leasehold Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing (Salishan Six – Master Loan);
2. Pursuant to certain of the agreements listed in Section 1, the Authority is authorized to increase the amount of the Authority's capital funds that can be loaned pursuant to the master loan documents to \$542,913;

3. Any action required by this resolution to be taken by the Executive Director of the Authority may in his absence be taken by either the Chairman of the Board or the duly authorized acting Executive Director of the Authority;
4. Any actions of the Authority or its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed; and
5. This resolution shall be in full force and effect from and after its adoption and approval.

Approved: May 26, 2010

Ken Miller, Chairman

CERTIFICATE

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

1. That the attached Resolution 2010-5-26(____) (the "Resolution") is a true and correct copy of the resolution of the Board of Commissioners of the Authority (the "Board"), as adopted at a regular meeting of the Authority held on May 25, 2010, and duly recorded in the minute books of the Authority.
2. That such meeting was duly convened and held in all respects in accordance with law, and, to the extent required by law, due and proper notice of such meeting was given; that a quorum was present throughout the meeting and a majority of the members of the Board of Commissioners of the Authority present at the meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of May, 2010.

HOUSING AUTHORITY OF THE
CITY OF TACOMA

Michael Mirra, Executive Director

8. COMMENTS FROM COMMISSIONERS

None.

9. COMMENTS FROM THE EXECUTIVE DIRECTOR

ED Mirra referred the board to his report.

10. EXECUTIVE SESSION

The board moved into executive session at 5:15 PM to discuss a potential restructuring of Salishan Area 3 Citibank real estate loan for 20 minutes. At 5:35 PM the executive session was extended for an additional 5 minutes. Executive Session ended at 5:40 PM.

11. ADJOURNMENT

There being no further business to conduct, Commissioner Banks moved to adjourn, Commissioner Mowat seconded the motion. Meeting adjourned at 5:41 PM.

APPROVED AS CORRECT

Adopted: May 26, 2010

Ken Miller, Chair



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES BUDGET RETREAT MEETING MINUTES SATURDAY, June 20, 2010

The Commissioners of the Housing Authority of the City of Tacoma met in Budget Retreat at 902 South L Street, Tacoma, WA at 8:00 AM on Saturday, June 5, 2010.

1. CALL TO ORDER

Vice Chair Flauding called the budget retreat meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 8:10 AM.

2. ROLL CALL

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

PRESENT	ABSENT
Commissioners	
Janis Flauding, Vice Chair	Ken Miller, Chairman
Greg Mowat, Commissioner	Arthur Banks, Commissioner
Stanley Rumbaugh, Commissioner	
Staff	
Michael Mirra, Executive Director	
Christine Wilson, Executive Administrator	
Ken Shalik, Finance and Administration Director	
Barbara Tanbara, Human Resources Director	
Tina Hansen, Interim RED Director	
Nancy Vignec, Community Services Director	
April Davis, REMHS Director	

Vice Chair Flauding declared there was a quorum present @ 8:11 AM and proceeded.

3. OPENING

Executive Director Michael Mirra welcomed everyone to the budget retreat and wished for a productive day.

4. FY 2010 BUDGET REVIEW

ED Mirra asked Director Shalik to lead the discussion and review the proposed 2011 budget documents presented to the BOC. Part of the budget proposal contemplates that the Board in October would change the occupancy standards for the voucher program and the minimum rent/utility payment policy for the voucher and public housing programs. Director Davis led a discussion of these proposals. Commissioner Rumbaugh stated his concerns about children/teenager's of opposite sex sharing a room. Commissioner Mowat requested to know the availability in the rental market of units affordable to voucher families who may wish to pay the difference from their own pocket in order to have a larger unit than the new proposal standards would subsidize. Vice-Chair Flauding stated her concerns about this occupancy increase and directed staff to provide a broader discussion on this issue. The Board expressed general support for the changes in the minimum rent/utility payment policy. The BOC also requested to know what a budget without these cost savings would mean.

There was a discussion regarding Moving to Work (MTW) and Commissioner Mowat requested an executive summary of MTW for the board to review. Director Davis will provide this document.

5. EXECUTIVE SESSION

The board moved into executive session at 10:22 AM to discuss a potential land acquisition for 30 minutes. At 10:52 the executive session was extended for an additional 30 minutes. Executive Session ended at 11:22 AM.

6. ADJOURNMENT

There being no further business to conduct, the Board of Commissioners meeting adjourned at 11:23 AM.

APPROVED AS CORRECT

Adopted: June 23, 2010

Ken Miller, Chairman

HOPE VI Community Task Force
Commissioner Banks

Finance Committee
Commissioner Mowat

ADMINISTRATION REPORTS

FINANCE
AND
ADMINISTRATION



TACOMA HOUSING AUTHORITY

Motion

Adopt a consent motion ratifying the payment of cash disbursements totaling \$5,699,867 for the month of May, 2010.

Approved: June 23, 2010

Ken Miller, Chairman



TACOMA HOUSING AUTHORITY

Date: June 23, 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 May, 2010 disbursement report for your approval.

The Finance Department is submitting the financial statement for the month of April, 2010. April ended up with an operating deficit of \$313,527 for the month, and \$367,220 year to date. The current projection for FY ending 06/30/10 is for an operating deficit of approximately \$262,749 as opposed to a budgeted operating deficit of \$1,007,762. Including our transfer to Development projects and Reserve Appropriations, we are projecting a \$187,907 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 final stages 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. This was also a 3 pay period month which is reflected in a higher than normal expense in all Salary line items.

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

Our Information Technology Manager visited Seattle Housing Authority to see a demo of their document management system. SHA has committed a significant amount of resources to their document management project. This system using OnBASE software is labor intensive requiring a substantial amount staff time to load and index documents. Information Technology will be creating a preliminary project plan for a proposed THA document management project by September 1st.

Information Technology is working with our business and cell phone vendors to identify ways to reduce costs associated with our business and cell phone lines.

Information Technology issued an RFP for Network Services. A pre-proposal conference was held on June 5 with proposals due by June 25th.

Significant Software and Hardware 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
- Phone Billing Review
- Phone System Hardware Upgrade
- Cell Phone Review
- RFP for Network Services
- Document Management Project Review
- SharePoint Management Review
- Managed Print Implementation

We experienced three new issues for the month of June. Visual Homes resolved 2 issues during the month and we currently have twenty two outstanding issues in Visual Homes support. The majority of outstanding issues are related to enhancement requests. We are expecting a number of issues to be resolved in the next software release due out next month.

Outstanding Issues List Matrix

Current Month Scorecard	Priority				
	Low	Medium	High	Critical	Total
Support issues brought forward	4	13	4	0	21
+ New issues this period	1	2	0	0	3
- Total Issues resolved this period	<u>1</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>2</u>
= Outstanding issues– end of period	4	14	4	0	22
% of Outstanding resolved this period	33%	27%	60%	100%	31%
Bug report submitted	2	4	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	14	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

We continue to work diligently in Asset Management and Compliance to improve efficiencies, analyze work flow, and make a positive impact on the operation of the agency. This area is responsible for Asset Management, Risk Management, Financial Reporting, Procurement, Compliance.

5. YEAR-END UPDATE

June 30th is upon us, and we are heading into the close of FY 2010. Staff is all ready gearing up for closing the books with the year end schedule tasks set. The unaudited Financial Data Schedule (FDS) submission of the agency's financials are due into HUD REAC by August 31.

6. BUDGET

My memo accompanying the budget resolution provides the details of the budget we are asking the Board to adopt. Staff have worked very hard on this challenging budget and believe we have found an appropriate balance of the various needs.

7. DESK MANUAL PROJECT

The desk manual project is moving along well. To date, we have mapped most of the major processes, with twelve. The process maps provide a clear picture of how we currently operate and where we are able to make improvements and increase efficiencies.

**TACOMA HOUSING AUTHORITY
AGENCY WIDE**

		April, 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	222,479	2,152,347	2,015,316	6.80%	2,582,816	2,418,379	6.80%
2	Tenant Revenue - Other	3,576	53,782	40,417	33.07%	64,538	48,500	33.07%
3	HUD grant - Section 8 HAP reimbursemen	2,515,588	25,206,101	25,323,965	-0.47%	30,247,321	30,388,758	-0.47%
4	HUD grant - Section 8 Admin fee earned	205,363	2,114,074	2,073,068	1.98%	2,536,889	2,487,681	1.98%
5	HUD grant - Public Housing subsidy	195,699	2,213,626	2,110,950	4.86%	2,606,351	2,533,140	2.89%
6	HUD grant - Community Services/HOPE	56,370	528,673	766,295	-31.01%	634,408	919,554	-31.01%
7	HUD grant - Capital Fund Operating Reve	110,860	293,548	282,669	3.85%	352,258	339,203	3.85%
8	Management Fee Income	164,122	1,480,843	1,445,705	2.43%	1,777,012	1,734,846	2.43%
9	Fee For Service Income	14,729	175,241	201,796	-13.16%	210,289	242,155	-13.16%
10	Other Government grants	10,349	110,052	80,833	36.15%	120,052	97,000	23.76%
11	Investment income	3,322	42,888	50,521	-15.11%	51,466	60,625	-15.11%
12	Fraud Recovery Income - Sec 8	47	21,664	14,583	48.55%	25,997	17,500	48.55%
13	Other Revenue- Developer Fee Income	0	880,000	1,478,223	-40.47%	1,773,867	1,773,867	0.00%
14	Other Revenue	10,014	304,604	267,483	13.88%	265,525	320,980	-17.28%
15	TOTAL OPERATING RECEIPTS	3,512,518	35,577,443	36,151,823	-1.59%	43,248,788	43,382,188	-0.31%
	OPERATING EXPENDITURES							
	<i>Administrative Expenses</i>							
16	Administrative Salaries	383,776	2,742,514	2,793,953	-1.84%	3,291,017	3,352,743	-1.84%
17	Administrative Personnel - Benefits	110,056	976,109	1,047,841	-6.85%	1,171,331	1,257,409	-6.85%
18	Accounting & Audit Fees	2,594	64,933	58,255	11.46%	69,906	69,906	0.00%
19	Management Fees	163,894	1,247,398	1,268,624	-1.67%	1,571,878	1,522,349	3.25%
20	Advertising	0	8,008	10,833	-26.08%	9,610	13,000	-26.08%
21	Data Processing Expenses	11,986	141,005	203,918	-30.85%	244,206	244,701	-0.20%
22	Office Supplies	3,423	70,557	89,968	-21.58%	84,668	107,962	-21.58%
23	Publications & Memberships	180	35,809	33,021	8.44%	40,471	39,625	2.13%
24	Telephone	8,315	78,302	87,083	-10.08%	93,962	104,500	-10.08%
25	Postage	2,329	31,205	40,341	-22.65%	37,446	48,409	-22.65%
26	Leased Equipment & Repairs	820	36,705	47,967	-23.48%	44,046	57,560	-23.48%
27	Office Equipment Expensed	251	27,690	79,917	-65.35%	33,228	95,900	-65.35%
28	Legal	17,160	90,920	77,167	17.82%	109,104	92,600	17.82%
29	Local Milage	616	7,649	18,943	-59.62%	9,179	22,731	-59.62%
30	Staff Training/Out of Town travel	20,572	96,775	149,396	-35.22%	136,130	179,275	-24.07%
31	Contract Services	68,982	310,554	324,683	-4.35%	422,665	389,619	8.48%
32	Other administrative expenses	14,680	94,162	110,958	-15.14%	112,994	133,150	-15.14%
33	Due diligence - Development projects	0	2,161	41,667	-94.81%	25,000	50,000	-50.00%
34	Contingency	0	0	2,083	-100.00%	0	2,500	-100.00%
35	Total Administrative Expenses	809,634	6,062,456	6,486,616	-6.54%	7,506,840	7,783,939	-3.56%

		April, 2010				Thru 06/30/2010		
		CURRENT MTH ACTUAL	YEAR TO DATE ACTUAL	BUDGETED	VARIANCE	PROJECTED ACTUAL	BUDGETED	VARIANCE
	Tenant Service							
36	Tenant Service - Salaries	95,224	671,247	607,240	10.54%	805,496	728,688	10.54%
37	Tenant Service Personnel - Benefits	26,528	244,509	222,138	10.07%	293,411	266,565	10.07%
38	Relocation Costs	32,158	123,450	79,167	55.94%	148,140	95,000	55.94%
39	Tenant Service - Other	13,632	250,411	406,752	-38.44%	300,493	488,102	-38.44%
40	Total Tenant Services	167,542	1,289,617	1,315,296	-1.95%	1,547,540	1,578,355	-1.95%
	Project Utilities							
41	Water	4,778	79,492	82,928	-4.14%	95,390	99,513	-4.14%
42	Electricity	12,323	154,553	191,971	-19.49%	185,464	230,365	-19.49%
43	Gas	3,333	51,657	65,703	-21.38%	61,988	78,843	-21.38%
44	Sewer	14,358	242,247	225,420	7.46%	290,696	270,504	7.46%
45	Total Project Utilities	34,792	527,949	566,021	-6.73%	633,539	679,225	-6.73%
	Ordinary Maintenance & Operations							
46	Maintenance Salaries	76,693	580,567	583,165	-0.45%	696,680	699,798	-0.45%
47	Maintenance Personnel - Benefits	19,195	194,178	193,895	0.15%	233,014	232,674	0.15%
48	Maintenance Materials	7,391	132,599	142,288	-6.81%	159,119	170,745	-6.81%
49	Contract Maintenance	40,079	686,454	738,190	-7.01%	823,745	885,828	-7.01%
50	Total Routine Maintenance	143,358	1,593,798	1,657,538	-3.85%	1,912,558	1,989,045	-3.85%
	General Expenses							
51	Protective Services	14,417	143,132	155,350	-7.86%	171,758	186,420	-7.86%
52	Insurance	14,752	172,547	166,363	3.72%	207,056	199,636	3.72%
53	Other General Expense	12,212	559,972	712,947	-21.46%	671,966	855,536	-21.46%
54	Payment in Lieu of Taxes	1,198	10,788	8,125	32.78%	12,946	9,750	32.78%
55	Bad Debt - Tenant Rents	0	6,210	15,417	-59.72%	18,500	18,500	0.00%
56	Interest Expense	112,552	357,396	500,655	-28.61%	498,875	600,786	-16.96%
57	Total General Expenses	155,131	1,250,045	1,558,857	-19.81%	1,581,102	1,870,628	-15.48%
58	TOTAL OPERATING EXPENSES	\$ 1,310,457	\$ 10,723,865	\$ 11,584,327		\$ 13,181,579	\$ 13,901,192	
	Nonroutine Expenditures							
59	Ext. Maint/Fac Imp/Gain/Loss Prop Sale	0	14,697	62,500	-76.48%	57,636	75,000	-23.15%
60	Casualty Losses	0	0	20,833	-100.00%	25,000	25,000	0.00%
61	Sec 8 HAP Payments	2,515,588	25,206,101	25,323,965	-0.47%	30,247,321	30,388,758	-0.47%
62	Total Nonroutine Expenditures	2,515,588	25,220,798	25,407,298	-0.73%	30,329,958	30,488,758	-0.52%
63	TOTAL EXPENDITURES	3,826,045	35,944,663	36,991,625	-2.83%	43,511,537	44,389,950	-1.98%
64	OPERATING SURPLUS/(DEFICIT)	(313,527)	(367,220)	(839,802)	-56.27%	(262,749)	(1,007,762)	-73.93%
	Reserve/Capital Affecting Operations							
65	THA transfer to development projects	(3,267)	(1,617,629)	(3,542,000)	-54.33%	(2,087,419)	(4,250,400)	-50.89%
66	Reserve Appropriations	1,202	1,915,232	4,400,598	-56.48%	2,538,075	5,280,717	-51.94%
67	THA SURPLUS/(DEFICIT)	(315,592)	(69,617)	18,796		187,907	22,555	

TACOMA HOUSING AUTHORITY

CASH BALANCES - May 31, 2010

Account Name	Current Balance	Interest
HERITAGE BANK		
Accounts Payable	\$ 5,473,567	0.510%
Section 8 Checking	2,216,683	0.510%
THA Investment Pool	283	0.510%
THA LIPH Security Deposits	87,308	0.510%
THDG - Tacoma Housing Development Group	1,284	0.510%
LF - Windstar	1,175	0.510%
LF - Stewart Court	56,367	0.510%
LF - Stewart Ct Security Deposit Account	13,782	0.510%
LF - SF 9Homes Alaska	165,031	0.510%
LF - SF 9Homes Alaska Sec Dep Acct	14,831	0.510%
LF - SFH No. Shirley	4,205	0.510%
LF - SFH N Shirley Security Deposit Acct	1,037	0.510%
LF - Wedgewood Homes	247,532	0.510%
LF - Wedgewood Homes Security Deposit Acct	16,843	0.510%
General Fund Money Market	3,483,592	0.510%
WASHINGTON STATE		
Investment Pool	\$ 1,165,912	0.270%
US BANK		
Payroll Account	\$ 7,067	
CHASE		
IDA Account	91,900	0.01%
TOTAL THA CASH BALANCE	\$ 13,048,398	
LESS:		
Restrictions:		
HAP Reserves	\$ 1,360,517	
Section 8 Voucher Operating Reserves	30,476	
FSS Escrows	263,482	
Mod Rehab Operating Reserves	154,772	
PH Operating Reserves	4,054,877	
Security Deposit Accounts	127,563	
Salishan Sound Families - 608	264,941	
IDA Accounts - 604,605,611	91,900	
THDG - 048	1,284	
Wedgewood Operating Reserve	-	
Agency Liabilities:		
Windstar Loan - 042	339,547	
Local Fund Debt Service	235,223	
Citibank Loan for Area 3	3,300,000	
(\$3.3 million due Citibank Jan, 2011 if lots not sold)		
Total Restrictions	\$ 10,224,582	
THA UNENCUMBERED CASH		
	\$ 2,823,816	
Agency Current Commitments:		
	Commitment	Expended
Salishan Infrastructure Area 2B (532) Budgeted	\$ 4,075,000	\$ 1,598,362
Salishan Infrastructure Area 2B - Latest	\$ 1,993,152	\$ 1,614,057
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	\$	379,095

REAL ESTATE MANAGEMENT
AND
HOUSING SERVICES



TACOMA HOUSING AUTHORITY

Date: June 23rd, 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 June 2010.

OCCUPANCY SUMMARY REPORT					
PROGRAM	UNITS AVAILABLE	UNITS VACANT	UNITS OCCUPIED	% MTH OCCUPIED	% YTD OCCUPIED
AMPs 1-6	594	12	582	98.0%	97.5%
Tax Credit Units	602	25	577	96.5%	95.7%
Local fund units	119	14	105	88.2%	88.7%
All Total	1315	51	1264	96.1%	96.7%

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.

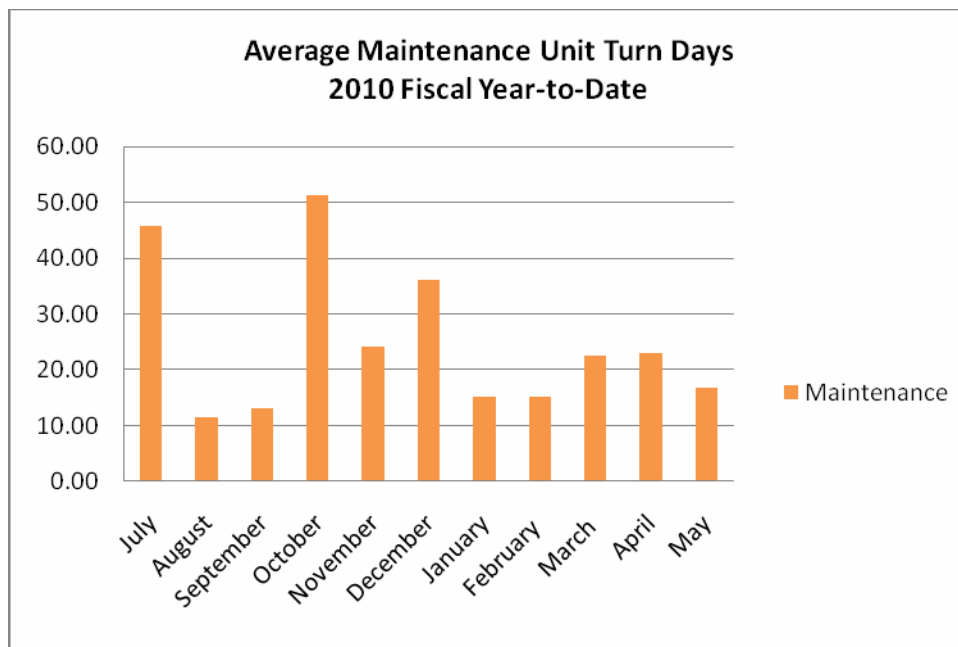
For the fiscal year, the average unit turns across all AMPs was 43 days per turn. Management continues to track this data on a monthly basis. Improvement has been noted month to month.

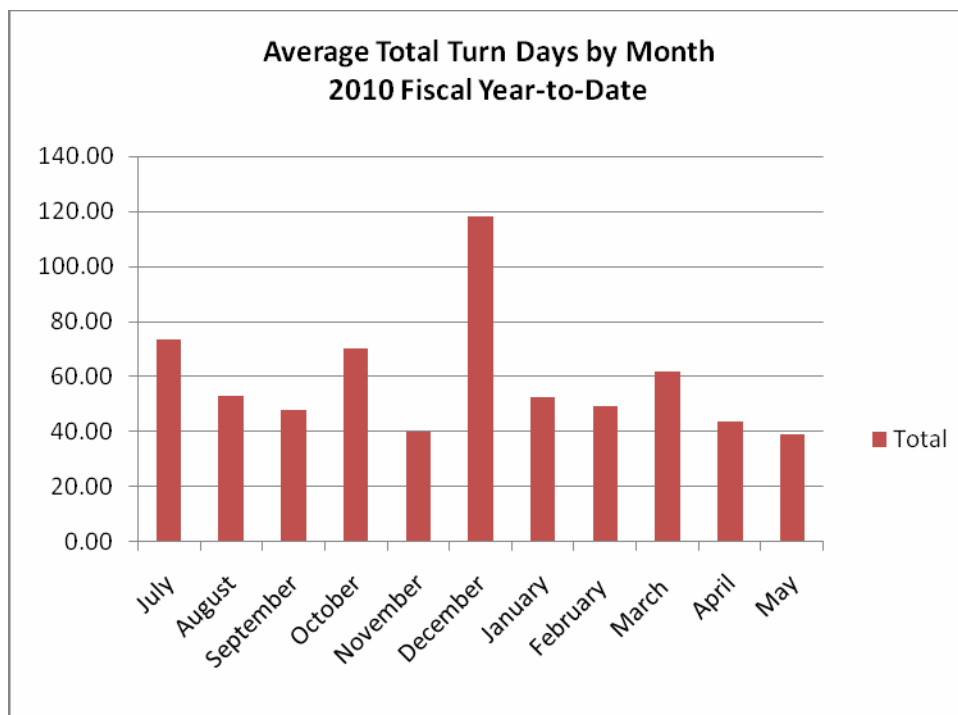
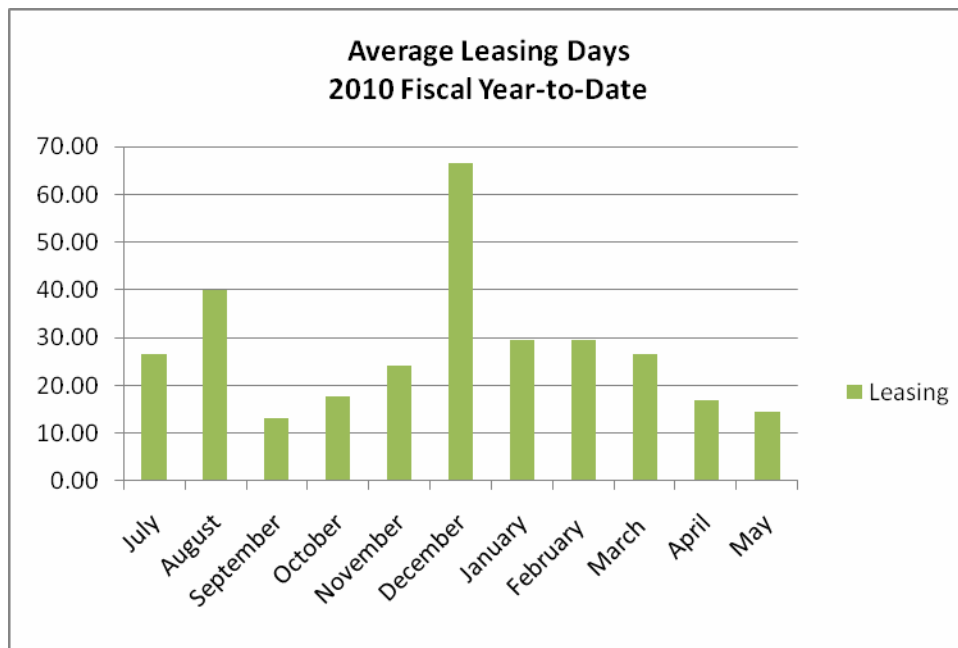
MAY 2010 FYTD VACANT UNIT TURN REPORT (MASS #1)							
AMP # *	Units Turned	Down Time	Make Ready	Lease Up	Days to Turn	Exempt Days	Avg Turn
AMP 1	17	4	86	539	629		37
AMP 2	31	16	266	923	1205		38.87
AMP 3	34	49	655	736	1476	36	43.41
AMP 4	17	15	375	388	778		45.76
AMP 6	7	8	253	84	345		49.29
AMP 7	5	99	24	184	307		61.40

MAY 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 8	3	150	0	69	219		73
AMP 9	0	0	0	0	0		0
AMP 10	1	0	0	0	0		0
AMP 11	5	31	73	11	115		23
AMP 12	1	0	0	0	16		16
AMP 13	4	79	77	164	320		80
Amp 14	19	0	93	1	94		94
AMP 15	0	0	0	0	0		0
TOTALS	126	451	1902	3115	5504	36	43

*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 May, all emergency work orders were completed within 24 hours.

Work Order Completion Table:

WORK ORDER COMPLETION REPORT (PHAS/MASS #4)								
	Emergency				Non Emergency			
	February 2010		FYTD		February 2010		FYTD	
AMP # *	# 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	2	100	39	100%	17	3.65	416	4.39
AMP 2	4	100	16	100%	22	2.36	353	4.26
AMP 3	1	100%	58	100%	36	2.64	491	9.58
AMP 4	3	100%	44	100%	31	1	349	17.99
AMP 6	0	100	17	100%	19	3.11	171	12.52
AMP 7	0	0	0	N/A	1	1	27	4.93
AMP 8	0	NA	0	N/A	1	1	20	7.05
AMP 9	0	NA	0	N/A	0	0	3	6.33
AMP 10	0	NA	0	N/A	1	1	92	58.76
AMP 11	0	NA	0	N/A	1	2	78	40.51
AMP 12	1	100%	4	100%	3	7	81	27.94
AMP 13	0	NA	0	N/A	0	0	84	28.68
AMP 14	0	NA	0	N/A	4	8	37	9
AMP 15	0	N/A	1	100%	1	0	17	3.29
Non-AMP	0	NA	4	100%	8	1.13	160	2.79
TOTALS	11	100%	183	100%	145	2.52	2379	12.95

*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 May 31, 2010					
AMP #	Open Emergency WO	Days Open	Open Non-Emergency	<25 Days open	>25 Days open
AMP 1	0	0	16	16	0
AMP 2	0	0	2	2	0
AMP 3	0	0	10	9	1
AMP 4	0	0	3	3	0
AMP 6	0	0	3	3	0
AMP 7	0	0	0	0	0
AMP 8	0	0	5	1	4
AMP 9	0	0	6	0	6
AMP 10	0	0	15	4	11
AMP 11	0	0	25	5	20
AMP 12	0	0	11	5	6
AMP 13	0	0	14	5	9
AMP 14	0	0	13	2	11
AMP 15	0	0	10	2	8
Non-AMP	1	0	5	2	3
TOTALS	1	18.62	138	59	79

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. Chhan's failed to keep up with the contract and the Association had to let them go at the end of May. Brickman was then awarded the contract to start June 1st.

2.4 Community Development and Safety

2.4.1 Salishan Association:

- (a) As part of the Eastside Tacoma Community Based Services (CBS), we are working with Safe Streets to hold a Youth Night on July 9th.

- (b) 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. The LOI was sent and accepted. Metro Parks will be filling out the grant paperwork and submitting it within the next two months. 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. On June 4th the Association and CHEF invited several key people from United Way and Patty Hayes (Within Reach Program) to a meeting to discuss a possibly partnership and funding for the Community Health Care Worker Program. They made several suggestions for community partnerships, which we will be working on in the next month or two.

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 final stages of negotiating the MTW contract. All issues should be resolved during the week on June 14, 2010. We anticipate having the final contract available for review and authorization in the June 23rd meeting. A draft of the contract is included as a separate resolution. The changes that are being negotiated only effect Attachment A.

HUD will be visiting THA to conduct a second technical assistance visit on June 30, 2010. Since we are in the process of changing THA's fiscal year from July-June to a calendar year, we have negotiated with HUD to submit an activity that outlines THA's proposed activities in a second year MTW Plan that will be effective January 1, 2011-December 31, 2011. This plan will come to the board for review and approval in the September board meeting.

REAL ESTATE

DEVELOPMENT



TACOMA HOUSING AUTHORITY

DATE: June 23, 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 continues to pursue prospective tenants and programs for the Education Training and Retail Center. Staff also continues to pursue various funding opportunities including new market tax credits and is preparing application to apply for the “Building Communities Fund” (BCF) through Washington State’s Department of Commerce. Staff will also be researching HUD’s NOFA for Capital Fund Education and Training Facilities due out later this summer.

1.1.2 Area 3

- *Lot Sales:* Habitat for Humanity has completed the first three homes in Area 3 and is underway with the construction of the next six. Staff expects to execute a Purchase and Sale Agreement for an additional thirteen lots, and to close on the first two of the thirteen during the week of June 15, 2010. Staff continues to pursue homebuilders for additional lot sales in Area 3 including Habitat and Homeownership, as well as national, regional and local “for-profit” homebuilders.

1.1.3 Area 2B

- *Infrastructure:* The contractor has completed most of the bioswales construction, installing underdrains, importing drain rock and placing biosoils
- *Salishan 7:* Current program plans include (90) project-based Section 8 rental units and (1) unrestricted manager’s unit. All foundations and footings are complete. The floor slabs are 95% complete. Framing is ongoing in blocks 24 and 25. Siding work is

underway and is complete in block 25 lots 10-13. Mechanical, electrical and plumbing is on going through out the site. Roofing is underway. The first 18 units are schedule for turnover on September 29, 2010.

1.1.4 Arlington Rd

Staff will be reevaluating the best use and development of the Arlington Road Property. There have been a few inquiries as of late.

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. Staff is working with Citibank to convert to the permanent loan by July 1. The next capital contribution will be received in conjunction with that closing in order to pay-off the construction loan. The main factor that will determine whether or not we close on schedule will be obtaining the cost certification. The construction loan matures on July 1.

1.2.2 Salishan Six: Staff worked with RBC to amend the documents approved by the board at the May board meeting which enabled RBC to close with the end investor with Salishan Six in the investment fund. The fourth capital contribution was received in June (\$4.8 million).

1.2.3 Salishan Seven: As was mentioned above, the construction of Salishan Seven is proceeding on schedule. There is no finance news at this time.

1.2.4 Area 3 Citi Bank Loan: The terms of the proposed restructured loan with Citi Bank were presented to Citi's loan review committee for final approval on June 11, 2010. Staff, CSG, Foster Pepper and Citi are preparing final documents for the restructuring and anticipate presenting a resolution to the Board for approval this month.

1.3 Construction Oversight Committee

The June Construction Oversight Committee (COC) was held as scheduled on June 10, 2010. The committee was updated on all elements of Salishan. They were also informed that THA did not receive the Hillside Terrace Hope VI award. The next meeting is scheduled for September 9, 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 has prepared a recommendation to the Executive Director to stop the disposition process at this time.

2.2 1800/2500 Hillside Terrace

2.2.1 Financing: On June 1, 2010 staff was notified by HUD that THA was not successful in receiving a 2009 HOPE VI grant award. HUD announced awards to (6) six Housing Authorities. Awards went to Housing Authorities in: Charlotte, NC, Covington, KY, Dallas, TX, Jersey City and Trenton, NJ. And Memphis, TN.

Staff has requested a debrief with HUD staff to understand the scoring THA received on the grant application. This meeting is scheduled for June 22, 2010.

2.2.2 Architecture: On hold.

2.2.3 Construction: On hold

3. CAPITAL FUNDS & AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) CAPITAL 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 AMPI: K Street Apartments; Tatley-Grund (TGI), the General Contractor has completed installation of all the windows and sliding doors. They have installed 90% of the new siding and related envelope protection. 30% of the

painting is completed. Deficiencies in the decks on the south side have been repaired.

G Street Apartments; Demolition of the siding is 50% complete and window removal, reframing and installation of the new windows is 20% complete.

- 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; Removal and replacement of the VCT flooring in the common areas on the ground floor and second floor are finished.

6th Avenue; Tree removal work is scheduled for the middle of June. Window repairs are underway with 25% completed. Sidewalk and driveway repairs are scheduled for June 18th.

- 3.3.3 *AMP3*: Renovations are continuing at Bergerson Terrace. Bridge and deck repairs are completed. Roof repairs and flooring replacement has been completed at Ludwig. 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 system. All units but nine (9) will be fitted with the electronic strip system that will be adaptable to a more energy efficient heat pump in the future. 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 July, 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 thru October.

- 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: All of the NSP 1 funds were committed with the purchase of the fifth house at 2012 Martin Luther King Way. By the end of June four of the houses should be ready to sell. RED Staff is working with CSS staff to market the houses to those families in THA's homeownership program first. If those families are not interested, the houses will be placed on the Multiple Listing Service.
- 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.

4. M/WBE CONTRACT COMPLIANCE and SECTION 3 HIRING

- 4.1 The Salishan Hope VI Construction Oversight Committee met on June 10, 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-six percent (26%) of all contract dollars have been awarded to MBE firms, and nine percent (9%) to WBE firms. Thirty-four percent (34%) of all contracts have been awarded to Tacoma based companies, and forty-three percent (43%) have been awarded to Pierce County based companies. Section 3 results to date total 202. The project goal was 150. The next meeting is scheduled for September 9, 2010.
- 4.2 ARRA AMP 1: Tatley-Grund hired another Section 3 employee in May for a total of two Section 3 employees thus far in the project.

5. PHAS INDICATOR FOR MODERNIZATION ACTIVITIES

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

<u>Grant</u>	<u>Total Grant</u>	<u>Obligated</u>	<u>% Obligated</u>	<u>Expended</u>	<u>% Expended</u>	<u>Obligation Start Date</u>	<u>Obligation End Date</u>	<u>Disbursement End Date</u>
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	\$1,849,412	100%	\$1,480,475	80%	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%	\$118,764	.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	4/12/10	4/12/12	4/12/14
CFRG*	\$4,096,616	\$4,096,616	100%	\$1,015,914	25%	3/18/09	3/17/10	3/17/12

*ARRA Capital Fund Recovery Grant

COMMUNITY SERVICES



TACOMA HOUSING AUTHORITY

DATE: June 23, 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 May 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 May. During the month of May, three clients were placed in jobs and experienced an increase in earned income.

Activities	Month	YTD	Annual Goal	% Goal
Enrolled in vocational training program	5	7	20	35%
Completed vocational training program	1	2	12	17%
Enrolled in employment readiness soft skills program	7	35	52	67%
Completed employment readiness soft skills program	0	1	44	2%
Job Placement	3	26	60	43%
Earned Income Increased	3	26	30	87%
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 May, thirteen 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	13	46	18	256%
Completed one or more GED tests	0	8	3	267%
Attained GED	0	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.

Activities	Month	YTD	Annual Goal	% Goal
Current Participants	120	129	153	84%
Graduates	0	7	5	140%
Removed/Voluntarily Withdrawn	1	2	n/a	n/a
New Contracts Signed	0	10	10	100%
Escrow Balance	\$294,880.36			

1.4 Life Skills and Parenting Classes

THA contracts with Bates Technical College for Life Skills and Parenting classes and parenting support groups. The Exodus Housing Domestic Violence support group started April 19th and has seven participants.

Activities	Month	YTD	Annual Goal	% Goal
Life Skills Enrollment	3	13	20	65%
Life Skills Completion	0	13	15	87%
Parenting Enrollment	0	9	25	36%
Parenting Completion	0	13	20	65%

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	6	20	120	17%
Financial Literacy Completion	4	9	72	13%
Credit Counseling Enrollment	0	0	17	0%
Credit Counseling Completion	0	1	10	10%
Homeownership Counseling	2	19	17	112%
Individual Development Account Participants	0	47	30	157%
Qualified Withdrawals	3	5	30	17%
Home Purchase	1	2	10	20%
Other Asset Purchases	2	4	20	20%

1.5 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. In May, the AmeriCorps member offered information nights at Hillside Terrace, Bergerson Terrace and Dixon Village. Participants learned about programs available at the labs. They also had opportunity to sign up for the summer lunch program THA will offer at these three housing communities in partnership with the Food Connection.

Activities	Month	YTD	Annual Goal	% Goal
Computer Lab Participation	52	85	150	57%
VITA Tax Returns for THA clients	0	55	125	44%
EITC Received (PH only)	0	17	85	20%

1.6 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% 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% on life skills/financial literacy post-test	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 6 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 serve the 350 residents of THA's seven senior apartment buildings. During the month of May, the Specialist had 139 client contacts (100 unduplicated). In addition, 15 unduplicated home visits were made, 12 residents received 1:1 situational and wellness counseling, and four residents received correspondence assistance.

Activities	Month	YTD	Annual Goal	% Goal
Unduplicated client contacts	100	186	260	72%
Referrals	2	13	55	24%
Unduplicated situation/wellness counseling	12	73	150	49%
Assistance with correspondence for Entitlement Programs	1	13	40	33%

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 2009 FIT program staff determined to decrease the failure rate among FIT participants during their first six months in the program. Staff took several steps to reach this goal:

- ▶ Reveiwed and strengthened initial screening and application process.
- ▶ Offer a more thorough FIT program orientation
- ▶ More frequent monitoring of new clients during the first six months in the program.

Over the course of the 12 month period, the FIT program decreased the failure rate to zero. Fifteen families entered into the program during the past year. None of these families were terminated during their first six months in the program.

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

2. EDUCATION PROJECT UPDATES

THA's Education Project includes an initiative to make THA a reading-oriented environment. THA's Manager for Educational Programs made an arrangement with Tacoma Public Schools (TPS) to make books available at our housing communities and in our offices. TPS delivers to THA books which are surplussed from the school libraries. THA distributes the books to our clients and visitors free of charge.

Libraries surplus books for a variety of reasons, including duplicate copies, age, and slight damage to the book. The majority of the surplussed books are in excellent condition. Many are of high interest to our young folks such as copies of "Harry Potter" and "Goosebumps." There are also many fiction and non-fiction books which are of interest to adults. Because these books are vetted before they are placed into the school libraries, we

can be assured that they are appropriate for families. We received an initial shipment of two pallets of books since the district was clearing out a backlog, and we have distributed dozens of books already. We will continue to receive smaller shipments of books from TPS at regular intervals.

We set up bookcases in the reception area at 902, in the lobby of the Family Investment Center, and at Hillside Terrace, Bergerson Terrace, and Dixon Village community rooms. At a recent open house at Hillside Terrace, five boys rushed in as soon as the door to the community room was opened and they stared wide-eyed at the books. One boy yelled, "Free books! Free books!" and they left with armloads. An adult client went into her appointment at 902 recently carrying a stack of art related books. She told Rental Assistance Manager Julie LaRocque, "I need these books! I'm studying art!"

3. BASEBALL GRANT OPPORTUNITY

THA's Manager for Education Programs, Lisa Zahn of the Salishan Community Association and MetroParks Foundation are coordinating to secure a grant to support youth baseball in the Salishan community. MetroParks has taken the lead on the application and submitted a letter of intent to the Baseball Tomorrow Fund. The Fund responded with an invitation to submit a grant request.

The Baseball Tomorrow Fund was established by Major League Baseball and the Major League Baseball Players Association. The Fund generally considers projects that include capital expenditures for youth baseball and softball programs such as baseball/softball equipment and uniforms, basic baseball/softball field renovations and construction (e.g., infield mix, sod/seeding, bases, dugouts, fencing, field lighting, irrigation system, and grading).

The average grant award from the Fund is approximately \$39,000. We plan to ask for \$40,000. We will develop our plans for this project over the next several months and hope to submit the grant application in October. If our application is successful the funds would be available in January 2011.

NEW BUSINESS

RESOLUTION #1



TACOMA HOUSING AUTHORITY

Date: June 23, 2010

To: THA Board of Commissioners

From: Ken Shalik, Director of Finance and Administration

Re: Fiscal Year 2011 Agency Budget Resolution No. 2010-6-23(1)

Background

Each year the Housing Authority of the City of Tacoma (THA) prepares a budget for the upcoming fiscal year. The Annual Budget reflects an estimate of the expected revenues and expenditures for each of its departments and major programs. The overall agency budget is based on individual department expense budgets for management purposes, with the expectation that each department director will manage and control their department budget in accordance with Federal, State and Local regulations.

The budget is based on numerous estimates and significant assumptions. I set out below the choices and principles we used to prepare this budget, some significant assumptions, and the main features of the budget. I also remain uncertain that will unfold through the year that require monitoring.

Budget Choices and Principles:

We propose this budget upon the following choices and principles:

- *Reserves:* We will balance this budget without dipping into reserves. We spent down our reserves last year to keep Salishan going. Instead, we must rebuild them.
- *Salishan:* We will continue with Salishan's rental construction. We cannot afford a stall this year any more than we could last year. We will finish all rental phases by the end of FY 2011.
- *Spend Non-Recurring Income:* This year we will have about \$750,000 net non-recurring income. We propose to spend it this year.
- *Limited Layoffs/Position Cuts:* We have cut about 10% from our operational expenses. This has required a layoff of three staff and will keep 6 other positions vacant. We have tried to limit these staffing cuts to preserve our level of service to families and our operational progress.

Some Budget Assumptions:

- We calculate the Public Housing Subsidy at 100%. We think this is likely because HUD recalibrated this subsidy and saved significant amounts.
- HAP Income calculated with a 2.0% increase and prorated at 99.5% for CY 2011.
- For the Housing Choice Voucher Program (Section 8), THA receives two separate types of funding: (1) Housing Assistance Payments (HAP), and (2) Administrative Fees. Funding has been calculated by HUD thorough December 31st. In CY 2011, our base funding will be set by HUD for the remainder of the Moving to Work contract (through 2018) and will be adjusted annually based on the Annual Adjustment Factor (AAF) for HAP and prorated at the same level as all other Housing Authorities. For CY 2011, HAP is being budgeted with a 2% increase in funding at a 99.5% pro-ration. Administrative fees are budgeted with a 1% increase in HUD funding, and a 92.5% proration factor. This reflects a loss of approximately \$203,000 of calculated administrative fees earned.
- The rental income for our LIPH and Local fund (Wedgewood, Stewart Court, Alaska 9 Homes, and North Shirley) properties is based on the January, 2010 rent roll and assumes 97% occupancy.
- Benefits were calculated based on the following assumptions:
 - Health Care benefits – Laborers trust for our maintenance staff has a 5% increase effective July 1st. We are calculating a 15% increase for benefit increases for the remainder of the staff effective January 1st.
 - Dental – 6% budgeted increase effective January 1st.
 - Retirement – Washington State employer portion of retirement plan remains budgeted at the current 5.29% level.

Major Budget Features

- *Salishan Developer Fee:* THA will receive approximately \$1,270,000 net income Development fees for Salishan 5, 6, and 7. These amounts represent the final development fee payments to THA.
- *Salishan Lot Sales Expenses:* Approximately \$560,000 is budgeted for expenses related to lots for sale in Salishan.
- *Changes to Voucher Occupancy Standards and minimum rents:* The budget contemplates a change to the Voucher Occupancy standards and the adoption of a minimum rent of \$50 per unit with an elimination of the related utility payment. The Board packet contains a memo from April with more detail on the policy reasons for the changes, responding to the Board discussion on June 5th.

-

We know the Board will require some additional discussion before deciding on some of these changes, especially the ones relating to the occupancy standards. We do not need the Board to decide on those changes now. Instead we will bring those proposals to the Board later this year. For purposes of the Budget, it is only necessary to expect that some combination of the changes will be acceptable to achieve the following savings: \$250,000 this year and \$750,000 per year going forward starting next year.

This should be a very plausible outcome because adopting both changes in their full form would give us more than enough savings for these purposes. It is likely therefore that the Board will find some version of each change that is both acceptable as a matter of policy and is enough to provide the savings we need:

These savings are important this year and following, for two reasons:

For this year and next year, they are necessary to sustain the level of services to present families. They would allow THA to serve more families once the full savings phase in over the next 2 – 3 years.

Without these savings, THA would layoff at least an additional 4 staff persons this year. This is additional to the 10% cut in expenses and loss of positions already built into this budget. These additional losses would notably diminish THA's level of services to families in case management and property management, and slow down our effort to improve our operations.

In addition, as explained above, THA faces a \$750,000 operational deficit in Fiscal Year 2012. The savings from these changes will fill that deficit. Because it takes at least two years to phase in the change, we need to begin the change this year if we are to realize the savings next year.

These savings and their use is one reason why THA sought MTW status, and is a common approach among other MTW agencies.

We ask the Board to adopt the budget as presented with the assumption of these changes. Please note that the Board must still adopt those changes in October as amendments to the various operational plans. If the Board does not adopt the changes then, we will use that occasion to review the budget and adjust it accordingly.

- *Capital Fund Program (CFP) Money for Operations:* Even under HUD's regular rules, a PHA can use up to 20% of its CFP funds for operations. THA has not used this authority to a significant extent. The last time THA used CFP for operations was in 2003, when we used \$90,000. We now propose to use \$309,000 of CFP funds for public housing operations, \$91,000 for Community Services, and \$45,000 for the Desk Manual Technical Writer

- *Limited Lay Offs/Positions Left Unfilled:* The budget proposes to remove funding for a net of 6 regular positions and 3 temporary positions. The 3 temporary positions will end at the end of the current fiscal year and the staff occupying them have already been notified. The lack of funding for the regular positions results in part from the disappointing news that we did not get the HOPE VI grant for Old Hillside Terrace. To make these cuts, we will leave some open positions unfilled and will lay-off other positions. We will extend one sunset position and fill the new position for Moving to Work Coordinator. These are critical positions for moving our projects forward.

We avoid more layoffs this year by the savings resulting from the changes to the occupancy standards and minimum rent policy, the spending of the non-recurring income and the use of the CFP funds for operational purposes.

In the meantime, we will watch our budget carefully throughout FY 2011. As part of this scrutiny, the Board will review the budget in January 2011. we also will carefully scrutinize any request to fill a vacancy.

- *Reserves:* This budget will leave us with the following reserves as indicated in Attachment A:
~ Public Housing/Voucher HAP Reserves \$5.241 million
~ Unrestricted Reserves: \$2.794 million
Please Note: These reserves do **not** include an additional \$3.3 million we have set aside, should it be necessary, for the cash pledge to Citibank for the Salishan infrastructure loan.

Budget Uncertainties

Here are the notable and largely unavoidable uncertainties about our budget:

- *Congressional Appropriations:* As always, we will not know our congressional appropriations for the second half of our budget year starting January 1st. Congress is due to pass its budget for that period by October 1st. It usually misses that deadline. This year is an election year so the federal budget may be later than usual.
- *Wage and Health Insurance Costs Reopeners:* THA and its two unions will be conferring about wage and health insurance reopeners. Any changes would be effective on July 1, 2010 for the Trades and January 1, 2011 for OPEIU.
- *Moving to Work:* We have only begun to explore our MTW flexibilities. As we learn, we may find other ways to use or save money.
- *Old Hillside Terrace:* We did not receive the Hillside HOPE VI grant. In the short term, this will require us to eliminate some positions (see above). We are devising a "Plan B" for the property. This may require further expenditures to pursue other

- sources of money and would save or bring in more money if we are successful. The possibilities include:
 - ~ apply for the next round of HOPE VI funding;
 - ~ apply for a Choice Neighborhoods grant;~ demolish Old Hillside Terrace in the meantime, for two reasons: (i) doing so would make us more competitive for HOPE VI or Choice Neighborhood funding because HUD regards vacant land as an advantage in making a project “ready” to go; (ii) Old Hillside is very expensive to operate. However, demolishing housing before we arrange the financing for its rebuilding will require extensive thought and community consultation.

Recommendation

I recommend that the Board adopt Resolution 2010-6-23(1) to formally approve THA’s Fiscal Year 2011 Annual Budget.



TACOMA HOUSING AUTHORITY

To: Tacoma Housing Authority Board of Commissioners

From: Michael Mirra, Executive Director
April Davis, Director of Real Estate Management and Housing Services

Date: June 23, 2010

Re: Pending proposal to change occupancy standards and minimum rent policies

1. INTRODUCTION

We write to further explain the proposal we expect to make to the Board making two changes in our housing programs. These changes will provide a smaller housing subsidy to some households. We believe these changes are necessary for two main purposes: (1) to accurately reflect the occupancy standards in the private market and encourage resident self-sufficiency; and, (2) to save THA money we need to preserve our level of service to present client households and, once the changes take full effect in three years, to increase the number of households we can serve.

This memo supplements my memo of June 5, 2010. I also respond to some of the questions and requests for information Commissioners posed at the June 5th discussion. The Board will have to approve these changes. I expect to ask that we seek this approval in October. By then we will have completed our community consultation and further analysis.

2. PROPOSAL

We expect to propose versions of two changes:

2.1 Occupancy Standards for the Housing Choice Voucher Program

The value of a Housing Voucher depends in part on the number of bedrooms it will cover. This in turn depends on the family size and composition. In general, the larger the family the more bedrooms its voucher will pay to rent. Presently, THA's occupancy standards generally allow one bedroom per family member, with exceptions. I propose we change the standard so that, in general but with exceptions, the voucher will pay for one bedroom for two persons. These are the changes.

THA Housing Choice Voucher Occupancy Standards		
Household Composition	Number of Bedrooms a Voucher Will Pay For	
	Present Policy	Proposed Policy
1 or 2 adults, no children	1	1
1 adult and:		
1 child	2	1
2 children, same gender	2	2
2 children, male and female	2 or 3	2
3 children, same gender	3	2
3 children, male and female	3	2
2 adults and:		
1 child	2	2
2 children, same gender	2 or 3	2
2 children, male and female	3	2
THA will allow exceptions as a reasonable accommodation to disabilities or to address hardships.		

2.2 Increase in Minimum Rents/Elimination of Utility Payments for Voucher and Public Housing Programs

Presently, THA charges no minimum rent for either its Voucher or Public Housing program. This means that households that report zero income pay zero. In addition, THA pays a utility reimbursement payment to these families and to others whose rent contributions are lower than the allowance. In effect, THA pays them to live in subsidized housing.

We will propose that THA eliminate any utility reimbursement payment to a tenant, and institute a minimum of \$50 actual tenant payment to the landlord per month.

FACTORS TO CONSIDER

We believe that several factors, taken together, support these proposals.

2.3 Effect on Participating Families

Both of these changes will reduce the amount of subsidy we provide to some households presently participating in our programs.

- The occupancy standard change will mean that some families will have a voucher that will diminish in value because it will pay for one less bedroom than presently. This will affect over one-third of THA voucher households. In those cases, the family will have the following choices:
 - ~ It can remain in its current unit and pay the difference out of its pocket. This difference will average about \$200 per month.
 - ~ It can move to another unit of the same number of bedrooms but that is less expensive so that its rent falls within the 2 bedroom payment standard or that the difference between its rent and the payment standard is less than the difference between 30% and 40% of the household's monthly adjusted income. Tacoma's rental market is presently fairly hospitable to voucher holders, in part because the vacancy rate is high, over 9%.
 - ~ The family can also move to another unit with fewer bedrooms and continue to pay the same amount as before.

These are trade-offs that a typical family would make. Families make the decision on a daily basis to reside in a smaller unit, with lower utilities, in an effort to live within their means.

In any case, the family would have ample time to prepare. The change would not take effect until the sooner of: (i) the family's move to another unit; (ii) the passage of two annual certifications. This means, for example, if the family has an annual

certification right after the change in policy, then it will have about a year before the change affects it. If its annual certification occurs just before the policy change, it will have about two years. This means that families who do not move will have an average of about 18 months to prepare for the change. They will have that time to budget to pay the difference, perhaps by increasing their earned income, or finding another unit.

Please note that the standards do not dictate how a household should assign bedrooms. The household that does not pay the difference to keep the larger unit and moves to a smaller unit can do what unsubsidized families do: use a living room as a sleeping area; a parent and a child may share a bedroom; two or even three children may do so.

We note the concern whether such arrangements may invite sexual misconduct, including incest. We did not receive reports of such incidents when THA used these tighter occupancy standards in 2004. King County Housing Authority, which uses these tighter standards, has not heard of such problems. A parent with a reason to fear such pathological disorders will still have the alternatives: sharing a room with a child, using the living room as a sleeping room, moving to a less expensive but larger unit, or paying the difference for a larger unit. Such troubled families facing such serious psychological or emotional disorders may also seek an exception from THA allowing for a larger voucher on those grounds.

- The change in minimum rents will require a \$50 monthly rental payment from families who presently pay zero for their housing and will ask them to forego a utility allowance payment they presently receive in an average amount of \$75 per month. Currently, 575 households pay zero rent and/or receive a utility reimbursement payment from THA.

These changes will no doubt pose a challenge to families, many of whom are already struggling on a tight budget. If there were no other factors to consider, we would probably not consider these changes. However, other important factors do recommend the change.

2.4 Occupancy Standards of the Community

The occupancy standards we use should account for those reasonable standards that our client population experiences on the private rental market and those it will experience when it leaves the program. This requires a balance. On the one hand we do not wish to adopt those aspects of the private rental market that our program is meant to relieve: unaffordable rent burden, excessive overcrowding, unsafe and unsanitary living conditions. On the other hand, we should not use standards that are unrealistically generous or unsustainable, especially if they are unaffordable for THA to subsidize. We believe that our proposed occupancy standard is a good balance.

Our present occupancy standards are considerably more generous than what most of our clients face in the unsubsidized private rental market. This would remain true even with the

changes I propose. Many families come to us from overcrowded housing, with families of four or more living in a one or two bedroom unit. Families also double or triple up with other families. Their receipt of our housing voucher under any standard is a very valuable relief to them.

Our proposal also is well within the norm of other PHAs and within our own past practice. The Seattle Housing Authority and the Pierce County Housing Authority use a standard similar to what THA presently uses. The King County Housing Authority uses a standard similar to what we will propose. THA has previously used a standard similar to what we now propose. In 2004, when we faced a serious shortfall of funding, we adopted such a standard to save money.

We must also note a point that resonates deeply with our staff. Presently, a mother and two children on our program would get a 3 bedroom voucher. This family would be eligible to keep the voucher until its income reached \$48,000 year. THA's Leasing and Occupancy Specialist or Case Worker positions earn salaries that start just under \$36,000 per year. Clerks and other staff earn less.

2.5 Standards of Self-Sufficiency and Focusing Assistance on the Neediest

Helping our families become self-sufficient and able and willing to live without our assistance is a primary THA goal, and an important statutory goal we accepted when we became an MTW agency. A companion goal is then to recycle our assistance to other lower income families.

The standards we will propose will support these efforts in two ways. **First**, the current standards keep a family on the program longer as its income rises and prevent THA from recycling the voucher to a lower income family. For example, two parents with a son and a daughter would currently receive a three bedroom voucher covering a unit that costs around \$1,200 per month. This family could earn up to \$48,000 annually before it was paying the full rent and receiving no subsidy under the voucher program (paying 30% of household income to rent). Only at that point would we withdraw the voucher and give it to another lower income family. If this same household were issued a two bedroom voucher they would be renting a unit that costs roughly \$900 per month. This household would then give up the voucher when its income reached \$36,000 per year. As we noted, this is also more than what many THA staff earn. The present standard allows families to stay in the larger sized unit and longer on the program when it is not really needed.

Second, our present occupancy standards set a standard of self-sufficiency that households are not likely to achieve or sustain.

Third, my proposed change would also impel families to increase their earned income as a way to keep that extra bedroom. To earn the additional \$200 per month it would require would take an additional 25 hours of work a month at minimum wage. If families with work able but unemployed or underemployed members respond to this by working more, we would count that as a positive effect.

2.6 Cost Savings that Would Preserve Levels of Service and Increase Numbers of Families Served

Our two proposals will save THA substantial sums of money that we need for two reasons this year and in the following years: (i) it will fill an operational shortfall this year of \$250,000 and preserve our level of service to families. Otherwise, we will have to lay off another 4 staff, on top of the 10% cut this year's budget imposes. As the changes take effect over the next two years, they will save more money annually and fill the \$750,000 shortfall we will have next year. Otherwise, we will face much deeper cuts in staff and in the levels of service to families. To have these savings next year, we need to start the phase in of these changes this year; (2) once the changes are fully effective in three years, the savings will then be enough to fill those shortfalls and also allow us to increase the number of families we serve.

Project Annual Savings from Changes			
Fiscal Year	Change in Occupancy Standards	Implementation of \$0 minimum rent (including eliminating utility payments)	Total Savings
FY 2011	\$250,000 (effective 10/1/10)	\$86,250 (effective 1/1/11)	\$336,250
FY 2012	\$500,000	\$350,000	\$850,000
FY 2013	\$750,000	\$350,000	\$1.1 million

3. NOTICE AND CONSULTATIONS

Before we propose these changes formally to the Board, we will notify our client families and invite their comments. We will also consult with our Landlord Advisory Committee and with legal services. We have already begun these consultations. We have met with the Landlord Advisory Committee, which is generally supportive. One landlord stated that it is very common for him to see a single mother occupying a one bedroom unit with her children. They understand that people renting market rate units choose units with fewer bedrooms because that is what they can afford. The proposed new standards resemble what they already see in the market.

4. CONCLUSION

The changes fully support THA's Moving-to-Work initiatives and encourage resident self-sufficiency. They also allow THA to fill current and future operational gaps while setting the agency up to serve more low-income households in the future. In fact, we presently have no other way to do that.



TACOMA HOUSING AUTHORITY

RESOLUTION 2010-6-23 (1)

FISCAL YEAR 2011 ANNUAL BUDGET

Whereas, The Housing Authority of the City of Tacoma (“Authority”) intends to incur expenses and other cash outflows for Fiscal Year 2011; and

Whereas, The U.S. Department of Housing and Urban Development (HUD) requires the Authority’s Board to approve it’s annual Site-based budgets;

Whereas, Authority staff has prepared and the the Board of Commissioners of the Housing Authority of the City of Tacoma as reviewed and provided input to the proposed Fiscal Year 2011 annual budget,

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

1. The Board of Commissioners of the Housing Authority of the City of Tacoma adopts the attached FY 2011 Agency wide budget. The HUD required site-based budgets are also approved and are a subset of the overall agency wide budget. The Board of Commissioners hereby authorizes the Executive Director to implement and execute said budget. Expenses and other cash outflows are projected as follows:

<u>Expenses</u>	
Executive	436,379
Human Resources	355,111
Finance & Administration	1,588,076
Community Services	1,340,086
Development	1,683,986
Rental Assistance	34,066,594
Property Management	5,628,925
Moving to Work	<u>232,107</u>
Subtotal	45,331,264
<u>Additional Cash Outflows</u>	
Capital Expenditures	31,611,629
Debt Service	<u>157,833</u>
Subtotal	31,769,462
TOTAL APPROVED BUDGET	<u>77,100,726</u>

Approved: June 23, 2010

Ken Miller, Chairman

Attachment A. THA Resources and Planned Uses: FY 2011 Budget

	Restricted Programs						Unrestricted Programs					L. TOTAL (Column F + K)
	A. Rental Assistance - HAP (Non MTW)	B. Rental Assistance MTW	C. Low Income Public Housing	D. MTW Demonstration	E. Total MTW	F. Total Reserve with Restrictions	G. Local Funds	H. Community Service HUD Grants	I. Business Activities	J. Central Office Cost Center	K. Total Reserve without Restrictions	
1 Beginning Reserve - 07/01/10	328,750	1,180,000	3,478,000	0	4,658,000	4,986,750	739,000	0	5,890,000	0	6,629,000	11,615,750
2 Projected HUD HAP Funding	1,021,310	30,986,204			30,986,204	32,007,514						32,007,514
3 Projected HUD HAP Expense	(1,021,310)	(30,482,645)			(30,482,645)	(31,503,954)						(31,503,954)
4 Projected FYE 2011 HAP Surplus/(Deficit)	0	503,559	0	0	503,559	503,559						503,559
5 Projected Operating Income		2,766,268	4,197,239	602,804	7,566,311	7,566,311	1,001,975	381,332	3,024,529	2,623,243	7,031,079	14,597,390
6 Projected Operating Expense		(2,522,160)	(4,274,138)	(1,019,312)	(7,815,610)	(7,815,610)	(798,851)	(381,332)	(1,623,596)	(3,207,921)	(6,011,700)	(13,827,311)
7 Projected FY 2011 Operational Surplus/(Deficit) (lines 4 + 5 + 6)		747,668	(76,899)	(416,509)	254,260	254,260	203,124	0	1,400,933	(584,678)	1,019,379	1,273,639
8 FY 2011 projected transfer for Development Loans/Capital Expenses									(1,320,226)		(1,320,226)	(1,320,226)
9 Projected FY 2011 Operating Surplus/(Reserve Appropriation) (lines 7 + 8)		747,668	(76,899)	(416,509)	254,260	254,260	203,124	0	80,707	(584,678)	(300,847)	(46,587)
10 Salishan Area 3 Pledged Reserves *									(3,300,000)		(3,300,000)	(3,300,000)
11 FY 2011 Available Resources before projects/initiatives (Lines 1 + 9 + 10)	328,750	1,927,668	3,401,101	(416,509)	4,912,260	5,241,010	942,124	0	2,670,707	(584,678)	3,028,153	8,269,163
FY 2011 Projects/Initiatives/Funding												
Salishan Development												
12 Education Training & Retail Center									(234,000)		(234,000)	(234,000)
Other Initiatives												
13											0	0
14 Total FY2011 Initiatives	0	0	0	0	0	0	0	0	(234,000)	0	(234,000)	(234,000)
15 Ending Reserve (line 11 + 14)	328,750	1,927,668	3,401,101	(416,509)	4,912,260	5,241,010	942,124		2,436,707	(584,678)	2,794,153	8,035,163

* Total Salishan Area 3 Citibank pledged commitment is for \$3,300,000. Even though included in Operations, based on proposed bond restructuring, interest payments will reduce the pledge amount

Transfer to Development Loans/Capital Expenditures	Amount
<u>Salishan Development</u>	
Salishan 5	0
Salishan 6 - Loan Conversion to Permanent	(80,000)
Salishan 7 - Loan Conversion to Permanent	(1,240,226)
Salishan Infrastructure 2B	0
Line 6 - Projected Transfer to Capital	(1,320,226)

**FY 2011 Tacoma Housing Authority Budget
Agency Total by Department**

Executive	Human	Finance/	Community	Development	Rental	REM	MTW including	Agency
	Resources	Administration	Services		Assistance		Transition	Total

INCOME

1	Tenant Revenue - Dwelling rent	\$0	\$0	\$0	\$0	\$0	\$2,519,913	\$0	\$2,519,913
2	Tenant Revenue - Other	\$0	\$0	\$0	\$0	\$0	\$44,000	\$0	\$44,000
3	HUD grant - Section 8 HAP reimbursement	\$0	\$0	\$0	\$0	\$32,007,514	\$0	\$0	\$32,007,514
4	HUD grant - Section 8 Admin fee earned	\$0	\$0	\$0	\$12,000	\$2,630,264	\$0	\$0	\$2,642,264
5	HUD grant - Public Housing subsidy	\$0	\$0	\$0	\$0	\$0	\$2,279,701	\$0	\$2,279,701
6	HUD grant - Community Services/HOPE	\$0	\$0	\$0	\$425,961	\$0	\$0	\$0	\$425,961
7	HUD grant - Capital Fund Operating Revenue	\$0	\$0	\$45,000	\$91,109	\$345,150	\$0	\$309,000	\$790,259
8	Management Fee Income	\$0	\$0	\$643,297	\$0	\$315,150	\$0	\$1,290,447	\$2,248,893
9	Fee For Service Income	\$0	\$0	\$40,000	\$0	\$0	\$40,596	\$0	\$80,596
10	Other Government grants	\$0	\$0	\$0	\$127,225	\$192,647	\$0	\$0	\$319,872
11	Investment income	\$0	\$0	\$45,000	\$0	\$0	\$8,500	\$0	\$53,500
12	Fraud Recovery Income - Sec 8	\$0	\$0	\$0	\$0	\$31,375	\$0	\$0	\$31,375
13	Other Revenue- Developer Fee Income	\$0	\$0	\$0	\$0	\$2,509,657	\$0	\$0	\$2,509,657
14	Other Revenue	\$0	\$0	\$42,980	\$266,544	\$95,000	\$48,000	\$198,874	\$651,398

TOTAL OPERATING RECEIPTS

\$0	\$0	\$816,277	\$922,840	\$3,457,604	\$34,717,153	\$6,691,031	\$0	\$46,604,904
------------	------------	------------------	------------------	--------------------	---------------------	--------------------	------------	---------------------

OPERATING EXPENDITURES**Administrative**

15	Administrative Salaries	\$211,772	\$154,204	\$939,755	\$90,954	\$326,824	\$911,474	\$773,121	\$55,000	\$3,463,104
16	Administrative Personnel - Benefits	\$72,828	\$64,164	\$351,239	\$26,946	\$120,475	\$392,153	\$334,947	\$22,000	\$1,384,752
17	Accounting & Audit Fees	\$0	\$0	\$12,500	\$0	\$21,500	\$19,500	\$22,000	\$0	\$75,500
18	Management Fees	\$0	\$0	\$0	\$110,593	\$425,134	\$866,290	\$526,472	\$0	\$1,928,489
19	Rent	\$0	\$0	\$0	\$7,014	\$51,830	\$89,906	\$0	\$12,024	\$160,774
20	Advertising	\$0	\$0	\$0	\$4,300	\$2,500	\$0	\$5,750	\$0	\$12,550
21	Data Processing Expenses	\$18,440	\$0	\$80,426	\$31,000	\$10,500	\$37,519	\$56,710	\$70,000	\$304,595
22	Office Supplies	\$7,000	\$1,400	\$12,500	\$17,500	\$5,000	\$32,000	\$22,000	\$0	\$97,400
23	Publications & Memberships	\$30,055	\$5,400	\$3,020	\$350	\$2,500	\$1,000	\$2,550	\$0	\$44,875
24	Telephone	\$3,000	\$1,400	\$28,700	\$7,500	\$3,000	\$1,500	\$44,000	\$0	\$89,100
25	Postage	\$600	\$150	\$2,500	\$8,100	\$750	\$25,000	\$8,550	\$2,000	\$47,650
26	Leased Equipment & Repairs	\$250	\$0	\$21,214	\$4,100	\$16,915	\$18,056	\$11,620	\$0	\$72,155
27	Office Equipment Expensed	\$0	\$0	\$39,500	\$3,000	\$1,000	\$12,000	\$1,000	\$3,500	\$60,000
28	Legal	\$10,000	\$27,000	\$0	\$0	\$50,000	\$3,000	\$24,500	\$5,000	\$119,500
29	Local Mileage	\$500	\$140	\$1,000	\$2,300	\$2,500	\$2,500	\$7,450	\$0	\$16,390
30	Staff Training/ Out of Town Travel	\$28,800	\$16,045	\$43,000	\$7,600	\$19,050	\$16,450	\$31,850	\$17,250	\$180,045
31	Professional Services	\$13,000	\$68,900	\$27,100	\$59,200	\$95,000	\$31,750	\$46,400	\$45,000	\$386,350
32	Other Administrative Expenses	\$23,000	\$15,250	\$2,500	\$8,111	\$2,500	\$8,500	\$29,600	\$0	\$89,461
33	Due Diligence - Development Proj Abandon	\$0	\$0	\$0	\$0	\$50,000	\$0	\$0	\$0	\$50,000
34	Contingency	\$2,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,500
Total Administrative Expenses		\$421,745	\$354,053	\$1,564,954	\$388,568	\$1,206,978	\$2,468,598	\$1,948,520	\$231,774	\$8,585,190

**FY 2011 Tacoma Housing Authority Budget
Agency Total by Department**

	Executive	Human Resources	Finance/ Administration	Community Services	Development	Rental Assistance	REM	MTW including Transition	Agency Total
Tenant Services									
35 Tenant Services - Salaries	\$0	\$0	\$0	\$592,226	\$0	\$0	\$0	\$0	\$592,226
36 Tenant Service Personnel - Benefits	\$0	\$0	\$0	\$227,884	\$0	\$0	\$0	\$0	\$227,884
37 Relocation Costs	\$0	\$0	\$0	\$0	\$25,000	\$0	\$11,500	\$0	\$36,500
38 Tenant Service - other	\$12,000	\$0	\$0	\$116,200	\$0	\$2,000	\$9,100	\$0	\$139,300
Total Tenant Services	\$12,000	\$0	\$0	\$936,310	\$25,000	\$2,000	\$20,600	\$0	\$995,910
Utilities									
39 Water	\$0	\$0	\$0	\$0	\$0	\$0	\$89,126	\$0	\$89,126
40 Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$183,588	\$0	\$183,588
41 Gas	\$0	\$0	\$0	\$0	\$0	\$0	\$61,367	\$0	\$61,367
42 Sewer	\$0	\$0	\$0	\$0	\$30,720	\$0	\$249,684	\$0	\$280,404
Total Project Utilities	\$0	\$0	\$0	\$0	\$30,720	\$0	\$583,765	\$0	\$614,485
Ordinary Maintenance & Operations									
43 Maintenance Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$576,182	\$0	\$576,182
44 Maintenance Personnel - Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$162,941	\$0	\$162,941
45 Maintenance Materials	\$0	\$0	\$0	\$0	\$0	\$6,000	\$169,200	\$0	\$175,200
46 Contract Maintenance	\$0	\$0	\$0	\$0	\$69,000	\$3,900	\$652,500	\$0	\$725,400
Total Routine Maintenance	\$0	\$0	\$0	\$0	\$69,000	\$9,900	\$1,560,823	\$0	\$1,639,723
General Expenses									
47 Protective Services	\$0	\$0	\$0	\$0	\$0	\$0	\$120,400	\$0	\$120,400
48 Insurance	\$2,634	\$1,058	\$23,122	\$15,208	\$4,289	\$27,142	\$122,274	\$333	\$196,059
49 Other General Expense	\$0	\$0	\$0	\$0	\$0	\$55,000	\$815,312	\$0	\$870,312
50 Payment in Lieu of Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$14,843	\$0	\$14,843
51 Collection Loss	\$0	\$0	\$0	\$0	\$0	\$0	\$26,500	\$0	\$26,500
52 Interest Expense	\$0	\$0	\$0	\$0	\$348,000	\$0	\$315,890	\$0	\$663,890
Total General Expenses	\$2,634	\$1,058	\$23,122	\$15,208	\$352,289	\$82,142	\$1,415,218	\$333	\$1,892,003
TOTAL OPERATING EXPENSES	\$436,379	\$355,111	\$1,588,076	\$1,340,086	\$1,683,986	\$2,562,640	\$5,528,925	\$232,107	\$13,727,311
Nonroutine Expenses and Capital Expenditures									
53 Ext Maint/Fac Imp/Gain/Loss prop sale	\$0	\$0	\$0	\$0	\$0	\$0	\$100,000	\$0	\$100,000
54 Casualty Loss	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
55 Section 8 HAP Payments	\$0	\$0	\$0	\$0	\$0	\$31,503,954	\$0	\$0	\$31,503,954
Total Nonroutine Expenditures	\$0	\$0	\$0	\$0	\$0	\$31,503,954	\$100,000	\$0	\$31,603,954
TOTAL EXPENSES	\$436,379	\$355,111	\$1,588,076	\$1,340,086	\$1,683,986	\$34,066,594	\$5,628,925	\$232,107	\$45,331,264
OPERATING SURPLUS/(DEFICIT)	(\$436,379)	(\$355,111)	(\$771,800)	(\$417,246)	\$1,773,618	\$650,558	\$1,062,105	(\$232,107)	\$1,273,640
56 THA Transfer to Development Projects	\$0	\$0	\$0	\$0	(\$1,554,226)	\$0	\$0	\$0	(\$1,554,226)
57 Reserve Appropriations	\$0	\$0	\$0	\$58,333	\$234,000	\$0	\$0	\$0	\$292,333
Surplus/Deficit	(\$436,379)	(\$355,111)	(\$771,800)	(\$358,914)	\$453,392	\$650,558	\$1,062,105	(\$232,107)	\$11,746

**2010 Tacoma Housing Authority Budget
LIPH**

	AMP 1	AMP 2	AMP 3	AMP 4	AMP 5	AMP 6	Tax Credit AMPS	LIPH Total
	K, M & G St. Apts. Elderly Disabled 160 Units	Fawcett, Wright, 6th St. Apts. (Elderly/Disabled) 152 Units	Lawrence, Bergerson Terrace, Dixon Village 144 Units	Hillside Terrace (1800 & 2500 Blocks) 104 Units	Old Salishan (Demo'd)	Single Family Homes 34 Units		
INCOME								
1 Tenant Revenue - Dwelling rent	\$420,252	\$401,902	\$422,746	\$223,873	\$0	\$69,165	\$0	\$1,537,938
2 Tenant Revenue - Other	\$6,000	\$7,500	\$13,000	\$7,000	\$0	\$500	\$0	\$34,000
3 HUD grant - Section 8 HAP reimbursement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4 HUD grant - Section 8 Admin fee earned	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5 HUD grant - Public Housing subsidy	\$362,279	\$308,071	\$313,711	\$279,181	\$0	\$91,084	\$925,375	\$2,279,701
6 HUD grant - Community Services/HOPE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7 HUD grant - Capital Fund Operating Revenue	\$46,942	\$103,688	\$52,571	\$92,079	\$0	\$13,720	\$0	\$309,000
8 Management Fee Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9 Fee For Service Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10 Other Government grants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11 Investment income	\$1,500	\$1,250	\$1,875	\$1,875	\$0	\$0	\$0	\$6,500
12 Fraud Recovery Income - Sec 8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13 Other Revenue- Developer Fee Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14 Other Revenue	\$10,000	\$8,100	\$2,000	\$10,000	\$0	\$0	\$0	\$30,100
TOTAL OPERATING RECEIPTS	\$846,973	\$830,511	\$805,903	\$614,008	\$0	\$174,469	\$925,375	\$4,197,239

OPERATING EXPENDITURES								
Administrative								
15 Administrative Salaries	\$125,245	\$140,329	\$87,714	\$73,981	\$0	\$24,660	\$0	\$451,929
16 Administrative Personnel - Benefits	\$54,411	\$57,763	\$43,231	\$39,570	\$0	\$13,190	\$0	\$208,165
17 Accounting & Audit Fees	\$3,600	\$3,985	\$4,000	\$2,725	\$0	\$890	\$5,000	\$20,200
18 Management Fees	\$113,158	\$107,500	\$101,842	\$73,553	\$0	\$24,046	\$59,074	\$479,173
19 Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20 Advertising	\$1,500	\$500	\$1,000	\$0	\$0	\$0	\$0	\$3,000
21 Data Processing Expenses	\$10,336	\$10,223	\$12,281	\$10,668	\$0	\$1,560	\$0	\$45,068
22 Office Supplies	\$4,513	\$4,513	\$4,012	\$4,259	\$0	\$503	\$0	\$17,800
23 Publications & Memberships	\$200	\$150	\$200	\$0	\$0	\$0	\$0	\$550
24 Telephone	\$14,544	\$12,018	\$8,490	\$4,104	\$0	\$866	\$0	\$40,022
25 Postage	\$1,500	\$800	\$1,500	\$1,000	\$0	\$250	\$0	\$5,050
26 Leased Equipment & Repairs	\$3,392	\$3,361	\$2,142	\$2,784	\$0	\$363	\$0	\$12,040
27 Office Equipment Expensed	\$500	\$0	\$0	\$0	\$0	\$0	\$0	\$500
28 Legal	\$4,000	\$5,000	\$5,000	\$2,500	\$0	\$1,000	\$0	\$17,500
29 Local Mileage	\$804	\$1,052	\$798	\$535	\$0	\$1,211	\$0	\$4,401
30 Staff Training/ Out of Town Travel	\$4,000	\$5,000	\$5,000	\$3,500	\$0	\$750	\$0	\$18,250
31 Professional Services	\$8,733	\$9,870	\$8,060	\$6,383	\$0	\$2,430	\$2,000	\$37,475
32 Other Administrative Expenses	\$7,754	\$6,388	\$6,364	\$4,263	\$0	\$1,086	\$0	\$25,855
33 Due Diligence - Development Proj Abandon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
34 Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Administrative Expenses	\$358,189	\$368,452	\$291,634	\$229,823	\$0	\$72,805	\$66,074	\$1,386,977

**2010 Tacoma Housing Authority Budget
LIPH**

	AMP 1	AMP 2	AMP 3	AMP 4	AMP 5	AMP 6		LIPH Total
Tenant Services								
35 Tenant Services - Salaries	\$21,326	\$20,258	\$5,462	\$0	\$0	\$0	\$0	\$47,045
36 Tenant Service Personnel - Benefits	\$5,681	\$5,396	\$1,455	\$0	\$0	\$0	\$0	\$12,532
37 Relocation Costs	\$1,500	\$2,500	\$2,500	\$2,500	\$0	\$2,500	\$0	\$11,500
38 Tenant Service - other	\$3,847	\$3,794	\$2,712	\$2,727	\$0	\$536	\$0	\$13,615
Total Tenant Services	\$32,353	\$31,948	\$12,129	\$5,227	\$0	\$3,036	\$0	\$84,692
Utilities								
39 Water	\$17,299	\$16,459	\$23,489	\$23,550	\$0	\$311	\$0	\$81,109
40 Electric	\$57,957	\$50,781	\$26,687	\$15,838	\$0	\$2,167	\$0	\$153,430
41 Gas	\$35,444	\$18,249	\$6,993	\$340	\$0	\$711	\$0	\$61,736
42 Sewer	\$49,098	\$50,732	\$65,179	\$58,454	\$0	\$282	\$0	\$223,746
Total Project Utilities	\$159,798	\$136,222	\$122,348	\$98,182	\$0	\$3,472	\$0	\$520,022
Ordinary Maintenance & Operations								
43 Maintenance Salaries	\$94,691	\$98,584	\$138,703	\$94,309	\$0	\$37,536	\$0	\$463,822
44 Maintenance Personnel - Benefits	\$26,024	\$26,606	\$38,482	\$25,936	\$0	\$11,511	\$0	\$128,559
45 Maintenance Materials	\$28,044	\$26,641	\$32,439	\$31,228	\$0	\$8,509	\$0	\$126,862
46 Contract Maintenance	\$116,138	\$121,955	\$117,275	\$102,363	\$0	\$22,273	\$0	\$480,003
Total Routine Maintenance	\$264,896	\$273,786	\$326,900	\$253,836	\$0	\$79,829	\$0	\$1,199,246
General Expenses								
47 Protective Services	\$29,286	\$22,546	\$38,607	\$10,610	\$0	\$2,667	\$0	\$103,717
48 Insurance	\$23,914	\$21,056	\$21,897	\$18,865	\$0	\$8,098	\$0	\$93,830
49 Other General Expense	\$2,200	\$1,000	\$2,000	\$1,000	\$0	\$1,250	\$781,862	\$789,312
50 Payment in Lieu of Taxes	\$2,524	\$2,500	\$2,400	\$1,750	\$0	\$560	\$5,109	\$14,843
51 Collection Loss	\$1,500	\$4,000	\$4,500	\$4,000	\$0	\$2,500	\$0	\$16,500
52 Interest Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total General Expenses	\$59,423	\$51,103	\$69,404	\$36,226	\$0	\$15,075	\$786,971	\$1,018,201
TOTAL OPERATING EXPENSES	\$874,659	\$861,510	\$822,415	\$623,293	\$0	\$174,217	\$853,045	\$4,209,138
Nonroutine Expenses and Capital Expenditures								
53 Ext Maint/Fac Imp/Gain/Loss prop sale	\$20,000	\$20,000	\$10,000	\$10,000	\$0	\$5,000	\$0	\$65,000
54 Casualty Loss	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
55 Section 8 HAP Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Nonroutine Expenditures	\$20,000	\$20,000	\$10,000	\$10,000	\$0	\$5,000	\$0	\$65,000
TOTAL EXPENSES	\$894,659	\$881,510	\$832,415	\$633,293	\$0	\$179,217	\$853,045	\$4,274,138
OPERATING SURPLUS/(DEFICIT)	(\$47,686)	(\$50,998)	(\$26,512)	(\$19,285)	\$0	(\$4,748)	\$72,330	(\$76,899)
56 THA Transfer to Development Projects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
57 Reserve Appropriations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Surplus/Deficit	(\$47,686)	(\$50,998)	(\$26,512)	(\$19,285)	\$0	(\$4,748)	\$72,330	(\$76,899)

FY11 Budget - Supporting Schedule for Housing Development Capital Expenditures
July 1, 2010 through June 30, 2011

[illegible]

Ludwig, Bergerson, Dixon

902 So. L Street

Capital Funds

110,000

110,000

TOTAL

110,000

110,000

10) Area 2B Infrastructure

THA Program Income

-

-

Utility Reimbursements

-

-

City "TIF"

250,000

250,000

EDI YF 09 approp

-

-

FHWY

235,000

235,000

Bridge Loan

-

-

10 Appropriation

-

-

State Cap budget

980,000

980,000

ABHOW

-

-

TOTAL

1,465,000

-

235,000

1,230,000

-

-

11) Salishan Seven

TCAP

1,041,312

1,041,312

Construction Loan

3,078,672

3,078,672

Housing Trust Fund

-

-

City of Tacoma/TCRA HOME

-

-

THA Program Income

1,240,226

1,240,226

TOTAL

5,360,210

3,078,672

-

-

-

1,041,312

-

1,240,226

Grand Total Capital Expenditures:

31,611,629

10,751,124

1,500,000

3,356,472

6,325,501

3,124,306

-

1,554,226

2,000,000

3,000,000

RESOLUTION #2

This will be a walk on Resolution

RESOLUTION #3



TACOMA HOUSING AUTHORITY

RESOLUTION 2010-6-23 (3)

DATE: June 23, 2010
TO: Board of Commissioners
FROM: Michael Mirra, Executive Director
RE: Approval of tenant account receivable write offs

Background

Every so often, THA should write off bad debts left owing by tenants or voucher participants. These debts arise when a program participant leaves the public housing or Housing Choice Voucher program with a balance owing, generally from unit damage, unpaid rent, tenant fraud/unreported income or abandonment of an assisted unit.

Until we write off these debts, they stay on the active tenant ledger in our accounting system and General Ledger (GL). The receivable balance also remains as part of our Tenant receivables that we report to HUD on our year end financials. At year end, we report them as an Allowance for bad debt, which also is reported as a bad debt on the GL. This number gets higher and higher each year when write offs are not done, which does not reflect well on the agency. We present this resolution to write off such bad debts. This is the first time THA has done this is quite a while. For this reason the write off balance is considerably higher then it will be in the future, once we settle into a regular schedule of such write offs. We will present write offs on a more regular basis to keep up on these collections in the future.

Once we write off the debt, we take it off THA's receivable balance and refer it to a collection agency to make an attempt to collect. THA will receive 50% of any proceeds that are collected.

Each individual included in this tenant account write off has been notified of their debt. THA mails two notices to the last known address of the individual. These notices provide the opportunity for the individual to pay the debt or enter into a repayment agreement with THA. Sending a tenant to collections is the last resort for THA to collect the tenant debt.

Recommendation

Approve Resolution 2010-6-23 (3) authorizing THA to write off tenant accounts totaling: \$32,644.01.



TACOMA HOUSING AUTHORITY

RESOLUTION 2010-6-23 (3)

Writing Off Bad Debts

WHEREAS, Tacoma Housing Authority (THA) provided housing services to Housing Choice Voucher and Public Housing participants who discontinued housing assistance with debt owing to THA.

WHEREAS, each individual included in this tenant account write off has been notified of their debt and given the opportunity to pay prior to this resolution.

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

1. Approve Resolution 2010-6-23 (3) authorizing THA staff to “write off” the following accounts and send these debts to an external collection agency to pursue collection action:

Client Number	Housing Program	Total Debt
137363	Housing Choice Voucher	\$1130
142114	Housing Choice Voucher	\$1340.52
135693	Housing Choice Voucher	\$792
139593	Housing Choice Voucher	\$978
129045	Housing Choice Voucher	\$79
130095	Housing Choice Voucher	\$1879.17
133180	Housing Choice Voucher	\$8292
	Total for HCV program	\$14,490.69
102997	Public Housing	\$317.18
141531	Public Housing	\$2177.01
132639	Public Housing	\$1319.83
126458	Public Housing	\$202.56
135748	Public Housing	\$4540
140716	Public Housing	\$565.57
122451	Public Housing	\$145.54

Client Number	Housing Program	Total Debt
139122	Public Housing	\$1420.36
143512	Public Housing	938.21
132738	Public Housing	\$99.81
140770	Public Housing	\$1567.32
125392	Public Housing	\$152.01
122264	Public Housing	\$119.99
112247	Public Housing	\$51.24
139823	Public Housing	\$63.15
130876	Public Housing	\$937.12
126155	Public Housing	\$123.75
143287	Public Housing	\$563.32
136328	Public Housing	\$1001.72
124962	Public Housing	\$69.27
140518	Public Housing	\$862.80
140441	Public Housing	\$170.46
124803	Public Housing	\$559.15
140749	Public Housing	185.95
	Total Public Housing	\$18,153.32
	Total	\$32,644.01

Approved: June 23, 2010

Ken Miller, Chairman

RESOLUTION #4



TACOMA HOUSING AUTHORITY

RESOLUTION 2010-6-23(4)

DATE: June 23, 2010
TO: Board of Commissioners
FROM: Michael Mirra, Executive Director
RE: Moving to Work Agreement

Background

On March 5, 2010 THA received notification that it had been selected to become a Moving to Work (MTW) Agency. Since that time THA has been revising its MTW plan, reviewing the terms of the agreement and negotiating terms related to future funding. This agreement will be effective from July 1, 2010 through the end of the THA's 2018 fiscal year. The agreement will allow THA to use its federal funding more flexibly. It will also allow THA to engage in activities that may have been previously disallowed under federal regulations. These activities would relate to at least one of the three statutory objectives of the MTW program which are:

Objective 1: Reduce cost and achieve greater cost effectiveness in federal expenditures;

Objective 2: Give incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and

Objective 3: Increase housing choices for low-income families.

Attached you will find a draft of the agreement. THA staff is still negotiating the terms of Attachment A, which relates to funding. A final draft of this document will be provided at the June 23rd board meeting.

Recommendation

Approve Resolution 2010-6-23 (4) authorizing the Executive Director to negotiate and execute the Amended and Restated Moving to Work Agreement and First Amendment to the Standard MTW Agreement.



TACOMA HOUSING AUTHORITY

RESOLUTION 2010-6-23(4)

WHEREAS, Tacoma Housing Authority (THA) applied to become a Moving to Work agency;

WHEREAS, THA was awarded MTW authority on March 5, 2010;

WHEREAS, the Department of Housing and Urban Development has offered an Amended and Restated Moving to Work Agreement that will be effective from July 1, 2010 through the end of the THA's 2018 fiscal year;

WHEREAS, execution of this agreement will allow THA to become a Moving to Work agency which allows for funding and regulatory flexibility.

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

Approve Resolution 2010-6-23 (4) authorizing the Executive Director to negotiate and execute the Amended and Restated Moving to Work Agreement and First Amendment to the Standard MTW Agreement.

Approved: June 23, 2010

Ken Miller, Chairman

Amended and Restated Moving to Work Agreement

This Amended and Restated Moving to Work Demonstration Agreement (Restated Agreement) is entered into on this ____ day of ____ by and between the United States of America through the U.S. Department of Housing and Urban Development (HUD) and the Tacoma Housing Authority (Agency). The term of this Agreement shall begin on the Date of Execution by HUD and shall continue until the end of the Agency's 2018 Fiscal Year, subject to meeting the evaluation criteria described in Section IV, unless such term is otherwise extended by HUD; and

WHEREAS, Section 204 of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Pub. L. 104-134) (1996 Appropriations Act) establishes the statutory framework known as the Public Housing/Section 8 Moving to Work (MTW) demonstration program; and

WHEREAS, Section 204(a) of the 1996 Appropriations Act provides that public housing agencies that administer Section 8 and public housing (Agencies) and the Secretary of HUD (Secretary) shall have the flexibility to design and test various approaches for providing and administering housing assistance that: 1) reduce cost and achieve greater cost effectiveness in Federal expenditures; 2) give incentives to families with children whose heads of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient; and 3) increase housing choices for low-income families (the three statutory objectives); and

WHEREAS, pursuant to Section 204(a) of the 1996 Appropriations Act, HUD may permit Agencies to combine funds appropriated under sections 8 and 9 of the 1937 Act, and may exempt Agencies from provisions of the 1937 Act and implementing regulations thereunder pertaining to Public and Indian Housing and section 8 voucher assistance; and

WHEREAS, the Secretary determined that the Agency satisfies the Secretary's selection criteria and selected the Agency to participate in MTW; and

WHEREAS, on [the ____ day of ____], HUD and the Agency executed an MTW Agreement, and on [the ____ day of ____], HUD and the Agency executed an MTW Amendment, and on [the ____ day of ____], HUD and the Agency executed an MTW Extension, (collectively known as the Original MTW Agreement) governing the terms and conditions under which HUD authorizes the Agency to participate in MTW; and

WHEREAS, the parties have previously entered into one or more Annual Contributions Contracts (ACCs) setting forth the terms and conditions under which the Agency participates in the public housing and/or Section 8 Housing Choice Voucher programs administered by HUD; and

WHEREAS, the parties agree to execute this Restated Agreement, which hereby amends and replaces any Original MTW Agreement between HUD and the Agency; and

WHEREAS, it is a goal of the MTW demonstration to design and test innovative methods of providing housing and delivering services to low-income families in an efficient and cost effective manner, and HUD and the Agency agree to fully cooperate with each other in order to make the demonstration a success;

NOW, THEREFORE, in reliance upon and in consideration of the mutual representations and obligations hereunder, the parties do agree as follows:

I. Statutory Authorizations

- A. This Restated Agreement amends and replaces the Original MTW Agreement between HUD and the Agency. This Restated Agreement waives certain provisions of the United States Housing Act of 1937, as amended (1937 Act), and HUD's implementing requirements and regulations thereunder, as are set forth in the Statement of Authorizations (Attachment C), and the Legacy and Community-Specific Authorizations (Attachment D) only to the extent they are necessary to implement the Agency's Annual MTW Plan. Except as noted in Section I.B. below, this Restated Agreement supersedes the terms and conditions of one or more ACCs between the Agency and HUD, to the extent necessary for the Agency to implement its MTW demonstration initiatives as laid out in the Agency's Annual MTW Plan, as approved by HUD.
- B. Notwithstanding the preceding authority waiving certain provisions of the 1937 Act as necessary to implement the Agency's Annual MTW Plan, the following provisions of the 1937 Act, as otherwise applicable, shall continue to apply to the Agency and/or assistance received pursuant to the 1937 Act:
 1. The terms "low-income families" and "very low-income families" shall continue to be defined by reference to Section 3(b)(2) of the 1937 Act (42 U.S.C. § 1437a(b)(2));
 2. Section 12 of the 1937 Act (42 U.S.C. § 1437j), as amended, shall apply to housing assisted under the demonstration, other than housing assisted solely due to occupancy by families receiving tenant-based assistance; and
 3. Section 18 of the 1937 Act (42 U.S.C. § 1437p, as amended by Section 1002(d) of Public Law 104-19, Section 201(b)(1) of Public Law 104-134, and Section 201(b) of Public Law 104-202), governing demolition and disposition, shall continue to apply to public housing notwithstanding any use of the housing under MTW.
- C. This Restated Agreement only waives certain provisions of the 1937 Act and its implementing regulations. Other federal, state and local requirements applicable to public housing shall continue to apply notwithstanding any term contained in this Restated Agreement or any Authorization granted thereunder. Accordingly, if any requirement applicable to public housing, outside of the 1937 Act, contains a provision that conflicts or is inconsistent with any authorization granted in this Restated Agreement, the MTW Agency remains subject to the terms of that requirement. Such requirements include, but are not limited to, the following: Appropriations Acts,

competitive HUD notices of funding availability under which the Agency has received an award, state and local laws, Federal statutes other than the 1937 Act, and OMB Circulars and requirements (including regulations promulgated by HUD thereunder in 24 C.F.R. part 85).

- D. The MTW Agency is authorized to conduct activities in accordance with the Statement of Authorizations (Attachment C) and in accordance with the Legacy and Community-Specific Authorizations (Attachment D), as applicable. In the event of a conflict between Attachment C and Attachment D, the authorizations in Attachment D will supersede those in Attachment C.
- E. Notwithstanding any provision set forth in this Restated Agreement, including without limitations, the term of years and all extensions, renewals and options, and the terms set forth herein otherwise, any federal law that amends, modifies, or changes the aforementioned term of years and/or other terms of this Restated Agreement shall supersede this Restated Agreement such that the provisions of the law shall apply as set forth in the law.

II. Requirements and Covenants

- A. The amount of assistance received under sections 8 or 9 of the 1937 Act by an Agency participating in the demonstration shall not be diminished by the Agency's participation in the MTW demonstration.
- B. The Agency agrees that any HUD assistance that the Agency is authorized to use under the MTW demonstration shall be used in accordance with the Agency's Annual MTW Plans, as may be applicable. The Agency hereby certifies that the Agency's governing board has approved this Restated Agreement, and each Annual MTW Plan issued prior to the date hereof, as applicable, and that a copy of each such board approval has been provided to HUD.
- C. The Agency shall hold at least one public hearing per Annual MTW submission, and make the Annual MTW Plan available for public comment for at least thirty (30) days. The Agency agrees to take into account public comments on the program design, including comments from current tenants/participants, to the extent such comments were provided.
- D. The Agency shall: (i) ensure that at least 75 percent of the families assisted are very low-income families, as defined in section 3(b)(2) of the 1937 Act, (ii) assist substantially the same total number of eligible low-income families under MTW, as would have been served absent the demonstration, and (iii) maintain a comparable mix of families by family size, as would have been served or assisted had the amounts not been used under the demonstration.
- E. When providing public housing, the Agency will ensure that it is safe, decent, sanitary, and in good repair, according to an inspection protocol established or approved by the Secretary. This in no way precludes the Agency from modifying its own inspection

protocol as authorized in Attachments C and/or D as long as such protocol meets the housing quality standards established or approved by the Secretary.¹

- F. The Agency agrees to keep project level budgeting and accounting, report financial statements in the Financial Data Schedule (FDS)², and abide by project level management reviews and fees. The Agency will conform to OMB Circular A-87 and the HUD definition of reasonable fees as defined in 24 CFR part 990, and HUD's Financial Management Guidebook 7475.1 and Supplement, as they may be amended.
- G. HUD will not score the Agency under HUD's Public Housing Assessment System (PHAS) or HUD's Section Eight Management Assessment Program (SEMAP), or their successor systems, unless the Agency elects to be scored. If the Agency elects to be scored, the agency will continue to be scored for the duration of the demonstration.
- H. The Agency agrees to cooperate fully with HUD and its contractors in the monitoring and evaluation of the MTW demonstration, to keep records, and to submit reports and other information to HUD as described in the Restated Agreement.
- I. The Agency shall comply with the requirements of the National Environmental Policy Act (NEPA) and other related federal laws and authorities identified in 24 C.F.R. Part 50 or Part 58, as applicable.
- J. The Agency will comply with all applicable nondiscrimination and equal opportunity requirements set forth in 24 C.F.R. § 5.105(a), and will administer its programs and activities in a manner affirmatively to further fair housing. In particular, the Agency must make reasonable accommodations needed by applicants and residents and must make units accessible in accordance with the Needs Assessment and Transition Plan as required under Section 504 of the Rehabilitation Act of 1973 and its implementing regulations.
- K. The Agency will comply with the terms of any applicable court orders or Voluntary Compliance Agreements that are in existence or may come into existence during the term of the Agreement. The Agency further agrees that it will cooperate fully with any investigation by the HUD Office of Inspector General or any other investigative and law enforcement agencies of the U.S. Government.
- L. Unless otherwise provided herein, this Restated Agreement does not apply to Section 8 assistance that is required:
 - 1. To meet existing contractual obligations of the Agency to a third party (such as Housing Assistance Payment contracts with owners under the Agency's Section 8 Housing Choice Voucher program);
 - 2. For payments to other public housing authorities under Section 8 portability billing procedures; or

¹ Agencies are still subject to state and local building codes, and housing codes, and state and local public housing law on inspections.

² The Agency agrees to comply with FDS submission requirements, including the requirement to submit project level financial data in the FDS.

3. To meet particular purposes for which HUD has expressly committed the assistance to the Agency.

The aforementioned covenants made by the Agency are not exclusive, as the Agency must also comply with all requirements applicable to public housing other than both those provisions of the 1937 Act, as amended from time to time, and its implementing regulations specifically waived by the Authorizations contained in this Restated Agreement.

III. Rent Reform Initiatives

The Agency shall establish a reasonable rent policy that is designed to encourage employment and self-sufficiency by participating families, consistent with the purpose of this demonstration. In developing its rent policy, the Agency must adopt a policy for addressing hardship cases. To meet the Department's purposes of evaluating the MTW demonstration, Agencies may randomly assign new participants into the MTW group, which will provide an alternate program/rent structure, and into a control group, which will continue to operate under the 1937 Act requirements, and collect useful participant data at the point of random assignment.

IV. Evaluation

- A. HUD will consider the following criteria when evaluating whether this Agency shall continue in the MTW Demonstration:
 1. The Agency is in compliance with this Restated Agreement.
 2. The Annual MTW Plans and Reports have been satisfactorily completed and submitted in a timely manner, consistent with this Restated Agreement; and
 3. The Agency has demonstrated, through the Annual MTW Plan and Report, that it has used its MTW designation (i.e., engaged in MTW Activities), as set forth in Section 204 of the 1996 Appropriations Act.
- B. If, after the evaluation during FY 2011 and FY 2014, HUD determines that the Agency fails to meet the above criteria, HUD can terminate this Restated Agreement.

V. Amendments and Continuation of Activities

- A. Amendment of this Restated Agreement. This Restated Agreement may be further amended upon mutual agreement of the Agency and HUD. Proposed amendments by the Agency to the Restated Agreement shall be submitted in writing to HUD's Office of Public and Indian Housing, or its successor, only after the Agency has conducted a public hearing, considered comments from the hearing in drafting the proposed amendment, and obtained an approval from the Agency's Board of Commissioners or Directors, as applicable. HUD will respond to the Agency in writing to either approve and execute or disapprove the amendment request. The Statement of Authorizations (Attachment C) may be unilaterally amended by HUD only in order to add to the existing authorizations. The Legacy and Community-Specific Authorizations (Attachment D) may be amended upon mutual agreement between HUD and the Agency. In the event of a conflict between Attachment C and Attachment D, the authorizations in Attachment D supersede the authorizations in Attachment C.

- B. Amendment of the Annual MTW Plan. Amendments to the Annual MTW Plan only need to be made if the proposed MTW activity falls outside the scope of the HUD-approved Annual MTW Plan. An MTW activity is defined as an activity that an Agency participating in the MTW demonstration is authorized to undertake only by means of invoking an authorization included in Attachment C or Attachment D of this Restated Agreement, as opposed to an activity that a non-MTW agency could undertake pursuant to the conventional public housing and Section 8 Housing Choice Voucher programs' statutory and regulatory requirements. Proposed amendments by the Agency to the Annual MTW Plan shall be submitted in writing to HUD's Office of Public and Indian Housing, or its successor, only after the Agency has conducted a public hearing, considered comments from the hearing in drafting the proposed amendment, and obtained an approval from the Agency's Board of Commissioners or Directors, as applicable. HUD will respond in writing to either approve or disapprove the amendment request.

The letter requesting any amendment to the Annual MTW Plan should include the following information in relation to the proposed MTW Activity:

1. Description of the proposed activity;
 2. Description of how the activity relates to at least one of the three statutory objectives;
 3. Identification and discussion of the anticipated impact of the proposed MTW activity on the stated objective;
 4. Description of the baselines and benchmarks that the Agency will use to measure the performance and progress of the MTW activities;
 5. Description of the data collection process and metrics the Agency will use to measure how this activity will achieve one or more of the MTW statutory objectives; and
 6. The specific provision of the 1937 Act or regulation that is waived under MTW that authorized the Agency to make this change, when applicable.
- C. Continuation of Activities.
1. Not later than one year prior to expiration of this Restated Agreement, the Agency shall submit a transition plan to HUD. It is the Agency's responsibility to plan in such a manner that it will be able to end all features of the MTW Plan upon expiration of the Agreement, as HUD cannot guarantee that it will be able to extend any features of the Plan. The transition plan shall describe plans for phasing out of such authorizations/features. The plan shall also include any proposals of authorizations/features of the Restated Agreement that the Agency wishes to continue beyond the expiration of the Restated Agreement. The Agency shall specify the proposed duration, and shall provide justification for extension of such authorization/features. HUD will respond to the Agency in writing in a timely manner. Only authorizations/features specifically approved for extension shall continue beyond the term of the MTW Restated Agreement.

The extended features shall remain in effect only for the duration and in the manner specified in the approved transition plan.

2. HUD will review and respond to timely-submitted transition plans within 75 days or they are deemed approved. To the extent that HUD has questions or feedback within this 75-day period, HUD will transmit such information within a sufficient time period for the Agency to respond and for HUD to approve a transition plan within 75 days of submission of the plan.

VI. Funding

- A. Funding Methodology. During the term of the MTW demonstration, HUD will provide the Agency with public housing operating subsidies, and modernization or capital funds (including development and replacement housing factor funds), and with tenant-based Section 8 assistance, as provided in Attachment A. If the Agency's Attachment A does not describe the funding methodology for any of these funding streams, the Agency's funding will be calculated according to standard HUD calculations of Agency benefits.
- B. Funding Disbursements. The Agency will receive its public housing operating subsidy and Section 8 tenant-based funding in accordance with the following calculation and disbursement requirements:
 1. Operating Fund subsidies
 - a. HUD shall calculate the allocation of Operating Fund subsidies to the Agency in accordance with Attachment A.
 - b. The Agency may use these funds for any eligible activity permissible under Section 9(e)(1) of the 1937 Act or, if the Agency proposes to use the funding as part of a block grant in its Annual MTW Plan, it may use these funds for any eligible activity permissible under Section 8(o), 9(d)(1) and 9(e)(1) consistent with this MTW Restated Agreement.
 2. Capital Funds and Other Grants
 - a. HUD shall calculate the allocation of Capital Fund grants (including replacement housing factor fund grants) to the Agency in accordance with Attachment A. Capital Funds will be disbursed in accordance with standard HUD procedures for the disbursement of public housing Capital Fund Grants.
 - (i) In requisitioning grant funds, the Agency will not be required to provide line item detail, but will request the funds using a single MTW line item; provided however, that the Agency may not accelerate draw downs of funds in order to fund reserves.

- (ii) The Agency may use these funds for any eligible activity permissible under Section 9(d)(1) of the 1937 Act, or if the Agency proposes to use the funding as part of a block grant in its Annual MTW Plan, it may use these funds for any eligible activity permissible under Section 8(o), 9(d)(1) and 9(e)(1) consistent with this MTW Restated Agreement.
 - (iii) The Agency is subject to the requirements of Section 9(j) of the 1937 Act with respect to its Capital Fund Grants.
- b. Section 8 Tenant-Based Assistance
 - (i) HUD shall calculate the allocation of Section 8 Housing Choice Voucher funding to the Agency in accordance with Attachment A.
 - (ii) The Agency may use tenant-based Section 8 funds included in the MTW block grant for any eligible activity permissible under Section 8(o) of the 1937 Act or, if the Agency proposes to use the funding as part of a block grant in its Annual MTW Plan, it may use the funds for any eligible activity permissible under Section 8(o), 9(d)(1) and 9(e)(1) consistent with this MTW Restated Agreement.
- c. The Agency may submit for HUD consideration and approval alternative schedules for disbursement of public housing operating subsidy and Section 8 tenant-based funding to reduce the number of transactions and to address the time lag between making Housing Assistance Payments (HAP) for the large number of Section 8 participants from other jurisdictions (portables) and reimbursement by those jurisdictions. An Agency's request for consideration and approval of an alternative schedule for disbursement shall be subject to certain administrative limitations, such as only one request will be allowed per year.

VII. Administrative Responsibilities

A. Annual MTW Planning and Reporting.

1. Annual MTW Plans

- a. If the Agency has ten percent or more of its housing stock in MTW, the Agency will prepare and submit an Annual MTW Plan, in accordance with Attachment B, or equivalent HUD form as approved by OMB, in lieu of the Five (5) year and Annual Plans required by Section 5A of the 1937 Act.
- b. If the Agency has less than ten percent of its housing stock in MTW, the Agency will continue to complete the Five-Year and Annual Plans required by Section 5A of the 1937 Act. The Agency will also complete a Supplemental Annual MTW Plan, based on Attachment B, or equivalent HUD form as approved by OMB. Only information not included in either

the Five-Year Plan or the Annual Plan will need to be included in the Supplemental Annual MTW Plan (herein also referred to as the Annual MTW Plan).

- c. Three (3) copies of the Annual MTW Plan shall be submitted to HUD: one copy will be provided to HUD Headquarters in hard-copy, one copy to HUD Headquarters in electronic format (i.e., PDF, or Word), and one copy to the Agency's local HUD Field Office.
- d. The Annual MTW Plan is due not later than seventy-five (75) days prior to the start of the Agency's fiscal year, unless otherwise approved by HUD, except in the first year of this Restated Agreement the Agency may submit an amendment to its MTW Plan if it wants to implement initiatives prior to the due date of the subsequent MTW Plan.
- e. Attachment B of this Restated Agreement, or equivalent HUD form as approved by OMB, provides a detailed description of the required elements of the Annual MTW Plan.
- f. The Annual MTW Plan will be submitted to HUD only after:
 - (i) The Agency has provided for citizen participation through public hearing and other appropriate means and is approved by the Board of Commissioners or Directors, as applicable, and
 - (ii) The Agency has taken into account public comments on the program design, including comments from current tenants/participants, to the extent such comments were provided. To document the foregoing, the Agency will submit with the Annual MTW Plan documentation that at least one public hearing was held, that the Plan was available for public comment for at least thirty (30) days, and that the Agency took no less than fifteen (15) days between the public hearing and the approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan. The Agency will submit these documents to HUD in accordance with Attachment B, or equivalent HUD form as approved by OMB, and will keep these documents on file for HUD review.
- g. HUD shall notify the Agency in writing if HUD objects to any provisions or information therein. When the Agency submits its Annual MTW Plan seventy-five (75) days in advance of its fiscal year, HUD will respond to the Agency within seventy-five (75) days. If HUD does not respond to the Agency within seventy-five (75) days after an on-time receipt of the Agency's Annual MTW Plan, the Agency's Annual MTW Plan is approved and the Agency is authorized to implement that Plan. If HUD does not receive the Agency's Annual MTW Plan seventy-five (75) days before the beginning of the Agency's fiscal year, the Agency's Annual MTW Plan is

not approved until HUD responds. Reasons that HUD may object to a provision or information in the Annual MTW Plan include, but are not limited to, the following:

- (i) The information required in Attachment B, or equivalent HUD form as approved by OMB, is not provided or is deemed insufficient;
 - (ii) The Agency's planned MTW activities are not permissible under MTW Authority or are inconsistent with requirements outside the 1937 Act³;
 - (iii) The Agency's planned MTW activities do not have a clear connection to the statutory goal of the MTW demonstration, which is to provide Agencies with the flexibility to design and test various approaches for providing and administering housing assistance that: (a) reduce cost and achieves greater cost effectiveness in Federal expenditures; (b) give incentives to families with children whose heads of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient; and (c) increase housing choices for low-income families; or
 - (iv) There are other good cause factors, such as material misrepresentation, in the submission.
- h. Once HUD approves an MTW Activity, the activity shall remain approved as long as it is included in the Agency's Annual MTW Plan submissions subsequent to the initial approval of the MTW Activity. The approval shall remain in effect until such time as the Agency proposes to modify the activity, initiative, or program.

2. Annual MTW Reports

- a. The Agency will prepare Annual MTW Reports, which will compare the Agency's activities with its Annual MTW Plan. The Annual MTW Report will provide the information necessary for HUD to assess the Agency's activities, in both regular operations and in activities authorized by MTW.
- b. Three (3) copies of the Annual MTW Report shall be submitted to HUD: one copy will be provided to HUD Headquarters in hard-copy, one copy to HUD Headquarters in electronic format (i.e., PDF, or Word), and one copy to the Agency's local HUD Field Office.
- c. The Annual MTW Report will be submitted to HUD for its review annually, no later than ninety (90) days after the end of the Agency's fiscal year.

³ Even if HUD approves a MTW Plan that is inconsistent with an external requirement, such as a state law requirement, the Agency is still subject to the external requirement.

- d. Attachment B of this Restated Agreement, or equivalent HUD form as approved by OMB, provides a detailed description of the required elements of the Annual MTW Report.
 - e. HUD shall notify the Agency in writing if HUD requires additional information or clarifications to the information provided in the Annual MTW Report.
 - f. All HUD forms and other reporting mechanisms required by this Restated Agreement, including any required certifications, will, where appropriate, be included in either the Annual MTW Plan or the Annual MTW Report.
3. HUD reserves the right to request, and the Agency agrees to provide, any information required by law or required for sound administration of the public housing and Section 8 Housing Choice Voucher programs.

B. Other Data Submission Requirements.

- 1. The Agency will submit HUD-50058 data and/or HUD-50058 MTW (or their replacement forms) data to HUD's Public and Indian Housing Information Center (PIC) system, or its successor. (Note that the use of the HUD-50058 MTW form is restricted to the MTW agencies that have implemented MTW Activities that prevent use of the standard 50058 form.) These submissions will be in compliance with HUD's 50058 and/or 50058 MTW submission requirements for MTW public housing authorities. The Agency will maintain current building and unit information in the development module of the PIC Inventory Management System (IMS).
- 2. The Agency will provide basic data about the Agency (e.g., address, phone number, e-mail address, etc.) to HUD through the PIC/IMS system, or its successor system.
- 3. The Agency will complete an annual audit pursuant to the Office of Management and Budget (OMB) Circular A-133 (including the Compliance Supplement, as determined by the auditor to be relevant to MTW). The A-133 Audit must be submitted to HUD in accordance with HUD regulations; a separate copy of the most recently completed audit must be submitted to the Office of Public Housing Investments, or its successor Headquarters Office responsible for national oversight of the MTW demonstration.
- 4. The Agency will provide data to HUD through FDS, or its successor system, as required by the Public Housing Assessment System (PHAS) regulations and procedures as they may be amended.
- 5. The Agency will provide HUD with an electronic version of the Admissions and Continued Occupancy Policy and Administrative Plan upon HUD's request.
- 6. The Agency will provide HUD with a Performance and Evaluation Report for Capital Fund activities not included in the MTW Block Grant by including this

as a supplement to Attachment B, or equivalent HUD form as approved by OMB.

In addition to the reporting requirements listed above, the Agency is required to comply with any and all HUD reporting requirements that are not specifically waived by HUD.

- C. Annual MTW Monitoring Site Visit. HUD and/or its contractors will conduct at least one formal Site Visit to the Agency each year. The purpose of these visits will be to confirm reported Agency activities, to review the status and effectiveness of the Agency's MTW strategies, and to identify and resolve outstanding MTW related issues. The Agency shall give HUD and/or its contractors unimpeded access to all requested sources of information including access to files, access to units, and an opportunity to interview Agency staff and assisted residents.
- D. Single Point of Contact. HUD and the Agency shall each appoint a liaison as a single point of contact in implementing the Restated Agreement.

VIII. Termination and Default

- A. If the Agency violates this Restated Agreement, HUD is authorized to take any corrective or remedial action described in this Article VIII for Agency default. HUD will give the Agency written notice of any default. The Agency will have the opportunity to cure such default within 30 days of the date of said notice, or to demonstrate within said time period, by submitting substantial evidence satisfactory to HUD, that it is not in default. If the default is not susceptible to being cured within said 30 day period, the Agency will demonstrate, to HUD's satisfaction, that the Agency has taken actions necessary to cure the default and that the default is curable within 90 days from the date of the default notice. Additionally, the Agency must covenant to prosecute such cure diligently and complete such cure within the 90 day period, unless HUD, in its sole judgment, determines that immediate action is necessary, and therefore has discretion to institute the remedies under Section VIII.C. of this Restated Agreement.
- B. The following are reasons that HUD may declare the Agency in default of this Restated Agreement:
 - 1. The Agency has not corrected HUD identified performance deficiencies within a reasonable period of time;
 - 2. Material misrepresentation in the application process that led to the Original MTW Agreement or this current Restated Agreement;
 - 3. Use of funds subject to this Restated Agreement for a purpose other than as authorized by this Restated Agreement;
 - 4. Material noncompliance with legislative, regulatory, or other requirements applicable to this Restated Agreement;
 - 5. Material breach of this Restated Agreement; and/or

6. Material misrepresentation in the Annual MTW Plan or Report submission by the Agency.
- C. If the Agency is in default, HUD may, among other remedies, undertake any one or all of the following remedies:
1. Suspend payment or reimbursement for any MTW activities affected;
 2. Suspend the Agency's authority to make draws or receive or use funds for affected activities;
 3. Change the method of payment to the Agency;
 4. Require additional reporting by the Agency on the deficient areas and the steps being taken to address the deficiencies;
 5. Require the Agency to prepare and follow a HUD-approved schedule of actions and/or a management plan for properly completing the activities approved under this Restated Agreement;
 6. Suspend the MTW waiver authorization for the affected activities;
 7. Prohibit payment or reimbursement for any MTW Activities affected by the default;
 8. Require reimbursement by the Agency to HUD for amounts used in violation of this Restated Agreement;
 9. Reduce/offset the Agency's future funding;
 10. Terminate this Restated Agreement and require the Agency to transition out of MTW;
 11. Take any other corrective or remedial action legally available; and/or
 12. Implement administrative or judicial receivership of part or all of the Agency.
- D. The Agency may choose to terminate this Restated Agreement at any time. Upon HUD's receipt of written notification from the Agency and a copy of a board resolution approving termination, termination will be effective. The Agency will then begin to transition out of MTW, and will work with HUD to establish an orderly phase-out of MTW activities, consistent with Section IV C of this Restated Agreement.

This Agreement, including all Attachments, is effective upon execution, except as otherwise provided herein.

TACOMA HOUSING AUTHORITY

BY: _____

ITS: _____

Date: _____

UNITED STATES DEPARTMENT OF
HOUSING AND URBAN DEVELOPMENT

BY: _____

ITS: Assistant Secretary

Date: _____

ATTACHMENT A
CALCULATION OF SUBSIDIES
TO
MOVING TO WORK AGREEMENT
BETWEEN
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
AND
TACOMA HOUSING AUTHORITY

Upon execution of the Moving to Work (MTW) Agreement (MTW Agreement) between the U.S. Department of Housing and Urban Development (HUD) and the Tacoma Housing Authority (Agency), HUD will provide the Agency with operating subsidy, capital funds, and Housing Choice Voucher Program assistance as described below.

A. Operating Subsidy

1. The calculation of operating subsidy will continue in accordance with applicable operating subsidy formula law and regulations.
2. For operating funds provided in years prior to the execution of the MTW Agreement, the Agency may use any accumulated operating reserves for eligible MTW purposes, subject to applicable provisions of the MTW Agreement.
3. All funds programmed for MTW purposes will be recorded and drawn from MTW designated line items on relevant HUD forms.

B. Capital Funds Program

1. The Agency's formula characteristics and grant amounts will continue to be calculated in accordance with applicable law and regulations.
2. For capital funds provided in years prior to the execution of the MTW Agreement, the Agency may submit, and HUD will, as permitted by law, approve, a request to reprogram, by grant year, any unobligated funds for eligible MTW purposes. Such requests will be made in accordance with current procedures governing amendments to the Annual Plan, except that no public consultation will be necessary prior to submission of the request.
3. All funds programmed for MTW purposes will be recorded and drawn from MTW designated line items on relevant HUD forms.

C. Housing Choice Voucher Program (HCVP) Subsidy

1. For purposes of the Housing Choice Voucher Program (HCVP) funding, the Initial Year is calendar year 2011 (January 1, 2011 through December 31, 2011).
2. For purposes of the Housing Choice Voucher program funding, the base period for calculating initial funding is federal fiscal year 2010 (October 1, 2009 through September 30, 2010).
3. Initial year (CY 2011) HCVP housing assistance payments (HAP) subsidy will be based on the greater of actual HAP expenses incurred by the Agency as reported in the Voucher Management

System (VMS) in the base period (FFY 2010) or what the Agency was eligible to receive in calendar year 2010.

4. Administrative Fee eligibility will be based on voucher leasing during the base period, defined as the calendar year immediately preceding the initial year. For the initial period (CY), the fee eligibility will be calculated by applying the current year's administrative fee rates to that base period's leasing. For subsequent years, the fees will be based upon applying each subsequent year's administrative fee rates to the base period's leasing. This methodology will apply only to those vouchers for which administrative fees are not included in the MTW block grant. In every year, fee eligibility will be pro-rated at the same level as applies to all other agencies. Administrative fees for vouchers added to the agency's inventory after the base period will be paid according to each year's appropriation requirements.
5. If the Agency receives incremental HCVP funding, the Agency must decide to either apply the incremental funding to their MTW block grant or to keep the incremental funding separate, as provided by law. In some cases, incremental funding may not be eligible for inclusion in the block grant as may be dictated by law.
6. All HCVP funding provided by HUD and not restricted under item 5, above, or otherwise prohibited by law in the Initial Year and subsequent years under this agreement may be eligible for inclusion in the MTW flexible block grant.
7. The Agency will be eligible to receive Family Self Sufficiency coordinator funding in accordance with available appropriations and requirements.
8. There will be no year-end settlement of annual funds provided for the MTW HCVP subsidy. All funds provided through this calculation will remain available for authorized purposes.
9. Any sum generated by the Agency in the Net Restricted Assets after the effective date of the Agreement shall remain available and may be used for authorized purposes, subject to applicable provisions of the MTW Agreement and future appropriations statutes. Any sum held by the Agency as excess administrative funds (Net Unrestricted Assets) shall remain available and may be used for authorized purposes subject to applicable provisions of the MTW Agreement and future appropriations statutes.
10. Funding for five-year mainstream vouchers, one-year mainstream vouchers, moderate rehabilitation vouchers, Veteran's Affairs Supported Housing, Non-Elderly Disabled and Family Unification Vouchers, whether new allocations or renewals of existing vouchers, shall not be included in the MTW Block Grant.
11. The Agency is eligible to request Family Self Sufficiency funds, in accordance with laws and regulations in effect. Such fees will be calculated assuming all vouchers are in use.

Form 50900: Elements for the Annual MTW Plan and Annual MTW Report

Attachment B

**to
AMENDED AND RESTATED MOVING TO WORK AGREEMENT
BETWEEN
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
AND
AGENCY**

The information on this form is being collected so the Department is able to respond to Congressional and other inquiries regarding outcome measures obtained and promising practices learned throughout the Moving to Work (MTW) demonstration. The information reported through this form is not confidential. Respondents will report outcome information to accurately evaluate the effects of MTW policy changes on residents, the Agency's operations and the local community. The estimated burden per year per Agency is 81 hours. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The Agency may not conduct or sponsor, and are not required to respond to, a collection of information unless that collection displays a valid OMB control number. All MTW Agencies will provide the following required elements in their Annual MTW Plans and Reports, consistent with the requirements of Section VII of the standard Amended and Restated Agreement, and will follow the following order and format.

Annual MTW Plan		Annual MTW Report
I. Introduction		
A. Table of Contents, which includes all the required elements of the Annual MTW Plan; and		A. Table of Contents, which includes all the required elements of the Annual MTW Report; and

B. Overview of the Agency's MTW goals and objectives for the year, including new and ongoing MTW activities. An MTW activity is defined as any activity the Agency is engaging in that requires MTW flexibility to waive statutory or regulatory requirements.	B. Overview of the Agency's ongoing MTW goals and objectives.
II. General Housing Authority Operating Information	
A. Housing Stock Information:	
Number of public housing units at the beginning of the year;	A. Housing Stock Information: Number of public housing units at the end of the Plan year, discuss any changes over 10%;
General description of any planned significant capital expenditures by development (>30% of the Agency's total budgeted capital expenditures for the fiscal year);	Description of any significant capital expenditures by development (>30% of the Agency's total budgeted capital expenditures for the fiscal year);
Description of any new public housing units to be added during the year by development (specifying bedroom size, type, accessible features, if applicable);	Description of any new public housing units added during the year by development (specifying bedroom size, type, accessible features, if applicable);
Number of public housing units to be removed from the inventory during the year by development specifying the justification for the removal;	Number of public housing units removed from the inventory during the year by development specifying the justification for the removal;
Number of MTW Housing Choice Vouchers (HCV) units authorized;	Number of MTW HCV authorized at the end of the Plan year, discuss any changes over 10%;
Number of non-MTW HCV units authorized; and	Number of non-MTW HCV authorized at the end of the Plan year, discuss any changes over 10%;
Number of HCV units to be project-based during the Plan year, including description of each separate project.	Number of HCV units project-based during the Plan year, including description of each separate project; and
	Overview of other housing managed by the Agency, eg., tax credit, state-funded, market rate.
B. Leasing information, Planned -- this information is estimated and may be subject to change during the Plan year.	B. Leasing Information - Actual

Anticipated total number of MTW PH units leased in the Plan year;	Total number of MTW PH units leased in Plan year;
Anticipated total number of non-MTW PH units leased in the Plan year;	Total number of non-MTW PH units leased in Plan year;
Anticipated total number of MTW HCV units leased in the Plan year;	Total number of MTW HCV units leased in Plan year;
Anticipated total number of non-MTW HCV units leased in the Plan year; and	Total number of non-MTW HCV units leased in Plan year;
Description of anticipated issues relating to any potential difficulties in leasing units (HCV or PH).	Description of any issues related to leasing of PH or HCVs; and
Optional in Plan: Number of project-based vouchers in-use at the start of the Plan year.	Number of project-based vouchers committed or in use at the end of the Plan year, describe project where any new vouchers are placed (include only vouchers where Agency has issued a letter of commitment in the Plan year).
C. Waiting List Information	
Description of anticipated changes in waiting lists (site-based, community-wide, HCV, merged); and	Number and characteristics of households on the waiting lists (all housing types) at the end of the plan year; and
Description of anticipated changes in the number of families on the waiting list(s) and/or opening and closing of the waiting list(s).	Description of waiting lists (site-based, community-wide, HCV, merged) and any changes that were made in the past fiscal year.
III. Non-MTW Related Housing Authority Information (Optional)	
A. List planned sources and uses of other HUD or other Federal Funds (excluding HOPE VI); and	A. List planned vs actual sources and uses of other HUD or other Federal Funds (excluding HOPE VI); and
B. Description of non-MTW activities proposed by the Agency.	B. Description of non-MTW activities implemented by the Agency.
IV. Long-term MTW Plan (Optional)	
Describe the Agency's long-term vision for the direction of its MTW program, extending through the duration of the MTW Agreement.	Describe the Agency's long-term vision for the direction of its MTW program, extending through the duration of the MTW Agreement.

V. Proposed MTW Activities: HUD approval requested (provide the listed items below grouped by each MTW activity)	
A. Describe each proposed MTW activity;	A. Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these activities were not implemented.
B. Describe how each proposed activity relates to at least one of the three statutory objectives;	(All proposed activities that are granted approval by HUD will be reported on in Section VI as "ongoing activities.")
C. Identify and discuss the anticipated impact of each proposed MTW activity on the stated objective;	
D. Describe baselines, proposed benchmarks, and metrics to assess outcomes, include anticipated schedules;	
E. Describe the data collection process and the proposed metrics the Agency will use to measure how this activity will achieve one or more of the MTW statutory objectives;	
F. Cite the authorization(s) detailed in Attachment C or D of this Restated Agreement that give the Agency the flexibility to conduct the activity. Every reasonable effort will be made by the Agency to reference the complete and correct statute or regulation application to a particular initiative; however, failure to cite the correct or entire statute or regulation will not be grounds for disapproval of such initiative in an Annual MTW Plan nor will such failure invalidate the use of the MTW authority necessary to implement and support the initiative; and	
G. Provide the following information for any rent reform initiatives:	
• Agency's Board approval of policy;	
• Impact Analysis;	
• Annual reevaluation of rent reform initiative;	
• Hardship case criteria;	
• Transition period; and	

Documentation of public hearing (may be same as Annual Plan hearing).	
VI. Ongoing MTW Activities: HUD approval previously granted	
(provide the listed items below grouped by each MTW activity)	
A. List activities continued from the prior plan year(s); specify the Plan Year in which the activity was first identified and implemented;	A. List activities continued from the prior Plan year(s); specify the Plan Year in which the activity was first identified and implemented;
B. Provide an update on the status of the activity;	B. Provide detailed information on the impact of the activity and compare against the proposed benchmarks, and metrics to assess outcomes, including if activity is on schedule. For rent reform initiatives, describe the result of any hardship requests. [The Agency will need to develop benchmarks and evaluation metrics for all ongoing MTW activities. For MTW activities that were implemented prior to the execution of this Amended and Restated Agreement, the Agency does not have to provide this information for past years. The Agency will establish the benchmarks and metrics in the first year that it Reports under this new format.];
C. For the Plan year, indicate if the Agency anticipates any changes, modifications, or additions to Attachment C authorizations; and	C. If benchmarks were not achieved or if the activity was determined ineffective, provide a narrative explanation of the challenges, and, if possible, identify potential new strategies that might be more effective;
D. Describe if the Agency is using outside evaluators.	D. If benchmarks or metrics have been revised; identify any new indicator(s) of activities status and impact (e.g. after 2 years of rent reform only 6 hardship cases);
	E. If data collection methodology has changed, describe original data collection methodology and any revisions to the process or change in data collected;
	F. If a different authorization from Attachment C or D was used than was proposed in the Plan, provide the new authorization and describe why the change was necessary; and

	G. Cite the specific provision(s) of the Act or regulation that is waived under MTW (as detailed in Attachment C or D of this Restated Agreement) that authorized the Agency to make the change, and briefly describe if and how the waived section of the Act or regulation was necessary to achieve the MTW activity. With respect to requirements related to statutory or regulatory cites, the following is agreed: Every effort will be made by the Agency to reference the complete and correct statute or regulation application to a particular initiative; However, failure to cite to the correct or entire statute or regulation will not be grounds for disapproval of such initiative in an Annual Plan nor will such failure invalidate the use of the MTW authority necessary to implement and support the initiative.
VII. Sources and Uses of Funding	
A. List planned sources (Operating, Capital, HCV) and uses of MTW funds;	A. List planned vs actual sources (Operating, Capital, and HCV) and uses of MTW Funds (excluding HOPE VI). Provide a narrative description of any major changes from the approved MTW Plan;
B. List planned sources and uses of State or local funds;	B. List planned vs actual sources and uses of State or local funds;
C. If applicable, list planned sources and uses of the COCC;	C. If applicable, list planned vs actual sources and uses of the COCC;
D. If using a cost allocation or fee-for-service approach that differs from 1937 Act requirements, describe the deviations and the reasons therefore; and	D. If using a cost allocation or fee-for-service approach that differs from 1937 Act requirements, describe the actual deviations that were made during the Plan year; and
E. List or describe use of single-fund flexibility, if applicable, describe uses across traditional program lines or special circumstances in support of an MTW activity.	E. List or describe planned vs actual use of single-fund flexibility.
F. Optional - List reserve balances at beginning of the Plan year.	F. Optional - List planned vs actual reserve balances at the end of the plan year.

G. Optional - In Plan Appendix, provide planned sources and uses by AMP.	G. Optional - In plan appendix, provide planned vs actual sources and use by AMP.
VIII. Administrative	
The Agency will provide the following:	
A. Resolution signed by the Board of Commissioners, or other authorized PHA official if there is no Board of Commissioners, adopting the Annual MTW Plan Certification of Compliance (provided at the end of this Attachment B); and	A. Description of progress on the correction or elimination of observed deficiencies cited in monitoring visits, physical inspections, or other oversight and monitoring mechanisms, if applicable;
B. Description of any planned or ongoing Agency-directed evaluations of the demonstration, if applicable.	B. Results of latest Agency-directed evaluations of the demonstration, as applicable;
	C. Performance and Evaluation Report for Capital Fund activities not included in the MTW Block Grant, as an attachment to the Report; and
	D. Certification that the Agency has met the three statutory requirements of: 1) assuring that at least 75 percent of the families assisted by the Agency are very low-income families; 2) continuing to assist substantially the same total number of eligible low-income families as would have been served had the amounts not been combined; and 3) maintaining a comparable mix of families (by family size) are served, as would have been provided had the amounts not been used under the demonstration.

Annual Moving to Work Plan
Certifications of Compliance
U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

Certifications of Compliance with Regulations:
Board Resolution to Accompany the Annual Moving to Work Plan

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the Annual Moving to Work Plan for the PHA fiscal year beginning _____, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

1. The PHA published a notice that a hearing would be held, that the Plan and all information relevant to the public hearing was available for public inspection for at least 30 days, that there were no less than 15 days between the public hearing and the approval of the Plan by the Board of Commissioners, and that the PHA and conducted a public hearing to discuss the Plan and invited public comment.
2. The Agency took into consideration public and resident comment before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan;
3. The PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
4. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
5. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
6. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
7. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 8.
8. The PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F.
9. The PHA will comply with requirements with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment and implementing regulations at 49 CFR Part 24.

10. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
11. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
12. The PHA will provide HUD or the responsible entity any documentation that the Department needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58.
13. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
14. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
15. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.
16. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments.).
17. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the Moving to Work Agreement and Statement of Authorizations and included in its Plan.
18. All attachments to the Plan have been and will continue to be available at all times and all locations that the Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its Plan and will continue to be made available at least at the primary business office of the PHA.

PHA Name	PHA Number/HA Code
I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)	
Name of Authorized Official	Title

Signature

Date

ATTACHMENT C

STATEMENT OF AUTHORIZATIONS

TO
AMENDED AND RESTATED MOVING TO WORK AGREEMENT
BETWEEN
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
AND
AGENCY

A. General Conditions

1. This Statement of Authorizations describes the activities that the Public Housing Authority (Agency) may carry out under the Moving to Work (MTW) Demonstration program, subject to the terms and conditions of the Amended and Restated Moving to Work Demonstration Agreement (Restated Agreement) between the Agency and the U.S. Department of Housing and Urban Development (HUD).
2. Unless otherwise provided in Attachment D of the Restated Agreement, the Agency's MTW Demonstration Program applies to all of the Agency's public housing assisted units (including Agency-owned properties and units comprising a part of mixed-income, mixed finance communities) tenant-based Section 8 voucher assistance (hereinafter referred to as the "Housing Choice Voucher Program"), Section 8 project-based voucher assistance under Section 8(o) and Homeownership units developed using Section 8(y) voucher assistance.
3. The purpose of the Statement of Authorizations is to delegate to the Agency the authority to pursue locally driven policies, procedures and programs with the aim of developing better, more efficient ways to provide housing assistance and incentives to self-sufficiency to low, very-low, and extremely low-income families. The authorizations listed in this Attachment C are granted fully without requiring any additional HUD authorizations, as necessary to implement the activities described in the Annual MTW Plan. The Agency may proceed with activities based upon these authorizations once the activity has been included in the Annual MTW Plan, in accordance with Attachment B, and HUD has approved the Plan and activities. HUD will review and approve these documents to ensure that the Annual MTW Plan has provided meaningful citizen participation, taking into account comments from a public hearing and any other comments on the proposed program, as well as providing for, receiving, and meaningfully considering comments from current and prospective residents who would be affected. HUD will also review in order to ascertain that these activities are within the MTW authorizations provided by HUD.
4. The Agency reaffirms that it will comply with all applicable nondiscrimination and equal opportunity requirements set forth in 24 CFR 5.105(a), and will administer its programs and activities in a manner affirmatively to further fair housing. In particular, the Agency

must make reasonable modifications and accommodations needed by applicants and residents and must make units accessible in accordance with the Needs Assessment and Transition Plan as required under Section 504 of the Rehabilitation Act of 1973 and its implementing regulations.

B. Authorizations Related to Both Public Housing and Section 8 Housing Choice Vouchers

1. Single Fund Budget with Full Flexibility

This authorization waives certain provisions of Sections 8 and 9 of the 1937 Act and 24 C.F.R. 982, and 990 as necessary to implement the Agency's Annual MTW Plan.

- a. The Agency may combine funding awarded to it annually pursuant to Section 8(o), 9(d) and 9(e) of the 1937 Act into a single, authority-wide funding source ("MTW Funds"). However, section 9(d) funds are still subject to the obligation and expenditure deadlines and requirements provided in section 9(j) despite the fact that they are combined in a single fund. The funding amount for the MTW Funds may be increased by additional allocations of housing choice vouchers to which the Agency is entitled over the term of the Agreement. Special purpose vouchers will not be included in the MTW Funds during their initial term, though some may be included in the MTW Funds upon renewal.
- b. The Agency may use MTW Funds for any eligible activity under Sections 9(d)(1), 9(e)(1) and Section 8(o) of the 1937 Act. Within the scope of the permissible eligible activities, the Agency can carry out the purposes of the MTW Demonstration Program to provide flexibility in the design and administration of housing assistance to eligible families, to reduce cost and achieve greater cost effectiveness in Federal expenditures, to give incentives to families with children where the head of household is working, seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient, and to increase housing choices for low-income families, through activities that would otherwise be eligible under sections 8 and 9 of the 1937 Act, including, but not limited to, the following activities:
 - i. Provision of Capital funds or operating assistance to housing previously developed or operated pursuant to a contract between HUD and the Agency or newly acquired or developed pursuant to section ii below.
 - ii. The acquisition, new construction, reconstruction or moderate or substantial rehabilitation of housing (including, but not limited to, assisted living, or other housing as deemed appropriate by the Agency, in accordance with its mission), or commercial facilities consistent with the objectives of the demonstration. Such activities may include but are not limited to real property acquisition, site improvement, development of utilities and utility services and energy efficiency systems, conversion, demolition, financing, administration and planning costs, relocation and other related activities; provided, however, that prior HUD

approval is required for the development of any incremental public housing units, pursuant to Section 9(g)(3) of the 1937 Act.

- iii. The provision of housing or employment-related services or other case management activities, such as housing counseling in connection with rental or homeownership assistance, energy auditing, activities related to the provision of self-sufficiency and other services, employment counseling, education, training and other services related to assisting tenants, owners, contractors, and other persons or entities participating or seeking to participate in other housing or training and educational activities assisted pursuant to this section.
- iv. The provision of management services, including preparation of work specifications, loan processing, inspections, tenant selection, management of tenant and project-based rental assistance and management of housing projects or other facilities or operations developed under this program.
- v. The provision of safety, security, and law enforcement measures and activities appropriate to protect residents of housing from crime.
- vi. The provision of Housing Choice Voucher assistance or project-based rental assistance (under Section 8(o)), alone or in conjunction with other private or public sources of assistance.
- vii. The preservation of public housing and/or Housing Choice Voucher units currently serving people of low income or the acquisition and/or development of new units for people of low income, provided that all rehabilitation and construction is done in accordance with the requirements of Section 504 of the Rehabilitation Act and where applicable, the design and construction requirements of the Fair Housing Act.
- viii. If the Agency chooses to establish single fund flexibility, the Agency is authorized to use housing assistance payments for purposes other than payments to owners, so long as these purposes are consistent with other eligible uses of section 8 and section 9 funds.
- c. These activities may be carried out by the Agency, by an entity, agent, or instrumentality of the Agency, a partnership, a grantee, contractor, or other appropriate party or legal entity.
- d. The Agency's expenditures must comply with OMB Circular A-87, which provides basic guidelines for the use of federal funds, and with this MTW Agreement.
- e. The Agency may use capital funds (including development and replacement housing factor funds) in accordance with this Agreement.

2. Partnerships with For-Profit and Non-Profit Entities

The Agency may partner with for-profit and non-profit entities, subject to 24 C.F.R. Part 85 and 941.602(d), including, mixed-income, mixed-finance development partners and third party management companies, as well as affiliates and instrumentalities of the Agency ("Agency Partners"), to implement and develop all or some of the initiatives that may comprise the Agency's MTW Demonstration Program. The Agency may, with respect to MTW eligible activity and when working with or partnering with such partners, make available to Agency Partners the least restrictive regulatory requirements allowable based on Agency's participation in the MTW Demonstration Program and that agreements with Agency Partners may reflect the implementation of less restrictive regulatory requirements. *This authorization waives certain provisions of Sections 13 and 35 of the 1937 Act and 24 C.F.R. 941 Subpart F as necessary to implement the Agency's Annual MTW Plan.*

3. Definition of Elderly Family

The Agency is authorized to amend the definition of elderly to include families with a head of household or family member who is at least 55 years old, and must be in compliance with the all Fair Housing Requirements, in particular the Housing for Older Persons Act of 1995. *This authorization waives certain provisions of Section 3 (b)(3) and (G) of the 1937 Act and 24 C.F.R. 5.403 as necessary to implement the Agency's Annual MTW Plan.*

4. Transitional/Conditional Housing Program

The Agency may develop and adopt new short-term transitional housing programs, consistent with an eligible use of section 8 and 9 funds, with supportive services in one or more buildings in collaboration with local community-based organizations and government agencies. Successful participants in these programs will be eligible for transfer to the Agency's public housing or housing choice voucher programs. The Agency will ensure that these programs do not have a disparate impact on protected classes, and will be operated in a manner that is consistent with the requirements of Section 504 of the Rehabilitation Act. More specifically, under no circumstances will residents of such programs be required to participate in supportive services that are targeted at persons with disabilities in general, or persons with any specific disability. In addition, admission to any of the programs developed under this section will not be conditioned on the presence of a disability or a particular disability. This section is not intended to govern the designation of housing that is subject to Section 7 of the 1937 Act. *This authorization waives certain provisions of Sections 3, 4, 5, 8, and 9 of the 1937 Act and 24 C.F.R. 941, and 960 Subpart B as necessary to implement the Agency's Annual MTW Plan.*

5. Investment Policies

Subject to HUD approval, the Agency is authorized to adopt investment policies consistent with state law to the extent such policies are in compliance with applicable OMB circulars and other federal laws. The Agency shall invest only in securities authorized under state law that will allow the flexibility to invest productively and efficiently. *This authorization waives certain provisions of Section 6(c)(4) of the 1937 Act and 24 C.F.R. 982.156 as necessary to implement the Agency's Annual MTW Plan.*

C. Authorizations Related to Public Housing Only

1. Site Based or Geographic Area Waiting List System

The Agency is authorized to implement a locally designed waiting list system in lieu of the specific procedural requirements of 24 C.F.R. Part 903 provided that it provides applicants with a reasonable choice of location in accordance with title VI of the Civil Rights Act, the Fair Housing Act, and other applicable civil rights requirements. The Agency may implement additional site-based waiting lists under this MTW Agreement. Such additional site-based waiting lists will be developed, at the Agency's option, to address various situations, including, but not limited to the following: (1) any existing or new or mixed-income, mixed finance communities; (2) any on-site and/or off-site public housing replacement units developed in support of the Agency's redevelopment or HOPE VI efforts, if any; (3) any specially designated public housing or project-based communities; and (4) combining or separating waiting lists for Section 8 tenant-based or project-based assistance, public housing rental communities, homeownership opportunities, and mixed-income, mixed-finance communities. *This authorization waives certain provisions of Section 6(r) of the 1937 Act and 24 C.F.R. 903.7 as necessary to implement the Agency's Annual MTW Plan.*

2. Local Preferences and Admission and Continued Occupancy Policies and Procedures

The Agency is authorized to develop and adopt local preferences and admission policies and procedures for admission into the public housing program in lieu of HUD statutes, regulations or other requirements based in the 1937 Act so long as the families assisted qualify as low income, and that the total mix of families assisted meets the requirements of part I.C of the Amended and Restated MTW Agreement. The Agency is required to revise the Admissions and Continued Occupancy Policy (ACOP), to implement changes in public housing occupancy policy as a result of the MTW program. Regardless of changes to the Agency's adopted ACOP policies and procedures, the Agency must comply with Sections I(B)(1) and II(D) of this Agreement. The Agency is subject to state and local preferences law. *This authorization waives certain provisions of Section 3 of the 1937 Act and 24 C.F.R. 960.206 as necessary to implement the Agency's Annual MTW Plan.*

3. Deconcentration Policy

The Agency is authorized to develop and adopt a local policy designed to provide for deconcentration and income mixing in public housing communities. *This authorization waives certain provisions of Section 16(3)(B) of the 1937 Act and 24 C.F.R. 903.2 as necessary to implement the Agency's Annual MTW Plan.*

4. Initial, Annual and Interim Income Review Process

The Agency is authorized to restructure the initial, annual and interim review process in the public housing program in order to affect the frequency of the reviews and the methods and process used to establish the integrity of the income information provided. In addition, the Agency is expressly authorized to adopt a local system of income verification in lieu of the current HUD system. For example, the Agency may implement alternate time frames for validity of verification or adopt policies for verification of income and assets through sources other than those currently allowed under the 1937 Act. *This authorization waives certain provisions of sections 3(a)(1) and 3(a)(2) of the 1937*

Act and 24 C.F.R. 966.4 and 960.257, as necessary to implement the Agency's Annual MTW Plan.

5. Use of Public Housing as an Incentive for Economic Progress

The Agency is authorized to modify current public housing occupancy policies to use housing as an incentive for making economic progress, as long as Section II.C. of the MTW Agreement is adhered to. Such modifications may include revising maximum income limits for admission or continued occupancy. Families denied admission or continued occupancy shall continue to be entitled to the right to an informal hearing. *This authorization waives certain provisions of Section 6(c) of the 1937 Act and 24 C.F.R. 960.201, as necessary to implement the Agency's Annual MTW Plan.*

6. Incentives for Underutilized Developments

The Agency is authorized to develop and offer incentives that will attract applicants to developments, or portions thereof, which have been difficult to market. *This authorization waives certain provisions of Section 3(a)(2) and 3(a)(3)(A) of the 1937 Act and 24 C.F.R. 960, subpart B as necessary to implement the Agency's Annual MTW Plan.*

7. Simplification of the Development and Redevelopment Process for Public Housing

This authorization waives certain provisions of Sections 4, 5, 9, 24, 32 and 35 of the 1937 Act and 24 C.F.R. 941 as necessary to implement the Agency's Annual MTW Plan.

a. The Agency may, at its own discretion, allow any authorizations and regulatory relief granted to the Agency pursuant to this MTW Agreement to inure to the benefit of the Agency's Partners with respect to MTW eligible activities, and HUD hereby agrees to the amendment of any and all evidentiaries necessary to implement the least restrictive regulatory requirements allowable.

b. The Agency is authorized to establish reasonable low-income homeownership programs, such as a lease-to-own program, that are not limited by the existing public housing homeownership requirements, provided that units can only be sold to current public housing residents and that any disposition of current public housing units must be approved in advance by HUD. Any disposition application will be submitted and processed in accordance with this Agreement.

8. Streamlined Demolition and Disposition Procedures

The Agency may choose to follow HUD's "Streamlined Processing Instructions for Disposition, Demolition, and Disposition/Demolition Applications from MTW Agencies."

9. Simplification of Property Management Practices

The Agency is authorized to simplify property management practices as follows:

a. The Agency is authorized to deploy a risk management approach in establishing property and system inspection protocols and frequencies in lieu of the HUD requirements of annual inspections by Agencies, as long as these protocols assure that housing units assisted under the demonstration meet housing quality standards approved or established by the Secretary. *This authorization waives certain provisions of Section 6 (f) of the 1937 Act and 24 C.F.R. 902-Subpart B as necessary to implement the Agency's Annual MTW Plan.*

- b. The Agency is authorized to develop and adopt a new form of local lease and establish community rules, grievance procedures, tenant self-sufficiency requirements and reasonable tenant fees based on proven private management models (subject to State and local laws), provided that no-cause evictions are not permitted. *This authorization waives certain provisions of Section 6 (l) of the 1937 Act and 24 C.F.R. 966 Subparts A and B as necessary to implement the Agency's Annual MTW Plan.*

10. Special Admissions and Occupancy Policies for Certain Public Housing Communities

The Agency is authorized to involve a broad spectrum of community stakeholders, including advocacy groups, in a process to explore and adopt reasonable restrictions for occupancy of specific public housing buildings in the Agency's inventory. Buildings, or portions of buildings (floors, units), may be designated as Smoke-Free, Pet-Free or Assisted Living (or other similar reservations). The Agency may establish admissions preferences in order to establish these special occupancy requirements. A key goal of this initiative will be to ensure that the Agency is able to maintain and improve the quality of life in the Agency communities. These reservations or policies must not have a disparate impact on protected classes and must be operated in a manner that is consistent with the requirements of Section 504 of the Rehabilitation Act. Any such designations or policies will include adequate safeguards for the disabled, including protections for disabled persons who are Agency residents and those seeking housing assistance. Residents can voluntarily participate in any of the services provided. Once adopted, the designations or policies will be updated and reviewed as part of the Annual MTW Plan and Report submitted by the Agency for HUD's review. In particular, the Agency will review the demographic make-up of its current resident population and applicants to assess the need for and support any changes to its designations or policies. *This authorization waives certain provisions of Sections 3, 6, 7, 16, and 31 of the 1937 Act and 24 C.F.R. 945 subpart C, 960 Subparts B, D, E and G as necessary to implement the Agency's Annual MTW Plan.*

11. Rent Policies and Term Limits

The Agency is authorized to determine family payment, including the total tenant payment, the minimum rent, utility reimbursements and tenant rent. The Agency is authorized to adopt and implement any reasonable policies for setting rents in public housing including but not limited to establishing definitions of income and adjusted income, or earned income disallowance that differ from those in current statutes or regulations. The Agency is authorized to adopt and implement term limits for its public housing assistance. Such policies must include provisions for addressing hardship cases. *This authorization waives certain provisions of Section 3(a)(2), 3(a)(3)(A) and Section 6(l) of the 1937 Act and 24 C.F.R. 5.603, 5.611, 5.628, 5.630, 5.632, 5.634 and 960.255 and 966 Subpart A as necessary to implement the Agency's Annual MTW Plan.*

12. Design Guidelines

The Agency is authorized to establish reasonable and modest design guidelines, unit size guidelines and unit amenity guidelines for development and redevelopment activities that will replace HUD guidelines with guidelines that reflect local marketplace conditions for quality construction in its locality so long as all units meet housing quality standards approved by the Secretary. *This authorization waives certain provisions of Sections 4, 5, and 9 of the 1937 Act and 24 C.F.R. 941.202, 941.203, 941.401, and 941.403 as*

necessary to implement the Agency's Annual MTW Plan.

13. Site Acquisition

The agency is authorized to acquire sites without prior HUD approval, provided that the agency certifies that HUD site selection requirements have been met. *This authorization waives certain provisions of 24 C.F.R. 941.401 as necessary to implement the Agency's Annual MTW Plan.*

14. Commercial Business Venture

The Agency is authorized to enter into commercial business ventures as part of its neighborhood revitalization or affordable housing strategies or other strategies designed to serve as catalysts for revitalization of public housing or surrounding communities. Any venture must be consistent with eligible uses of funds under Sections 8 and 9 of the 1937 Act. *This authorization waives certain provisions of 24 C.F.R. 941 subpart F as necessary to implement the Agency's Annual MTW Plan.*

15. Available Property

The Agency is authorized to make available public housing property including dwelling and non-dwelling spaces and vacant land for the purpose of providing services, programs and capital improvements that benefit residents and program participants. *This authorization waives certain provisions of Section 9 of the 1937 Act and 24 C.F.R. 990 Subpart B as necessary to implement the Agency's Annual MTW Plan.*

16. Total Development Cost (TDC) limits

The agency is authorized to establish reasonable cost formulas for development and redevelopment activities that will replace HUD's TDC limits in order to reflect local marketplace conditions for quality construction in its locality. *This authorization waives certain provisions of Section 6(b) of the 1937 Act and 24 C.F.R. 941.306 as necessary to implement the Agency's Annual MTW Plan.*

D. Authorizations Related to Section 8 Housing Choice Vouchers Only

1. Operational Policies and Procedures

The Agency is authorized to determine the following basic operational policies and procedures for all Section 8 assistance the Agency is provided under section 8(o) of the 1937 Act:

- a. The Agency is authorized to determine the term and content of Housing Assistance Payment (HAP) contracts to owners during the term of the MTW demonstration. However, any revised HAP contract must include language noting that the funding for the contract is subject to the availability of Appropriations. *This authorization waives certain provisions of Section 8(o)(7) of the 1937 Act and 24 C.F.R. 982.162 as necessary to implement the Agency's Annual MTW Plan;*
- b. The Agency is authorized to determine the length of the lease period, when vouchers expire and when vouchers will be reissued. *This authorization waives certain provisions of Sections 8(o)(7)(a), 8(o)(13)(F) and 8(o)(13)(G) of the 1937 Act and 24 C.F.R. 982.303, 982.309 and 983 Subpart F as necessary to implement the Agency's Annual MTW Plan;*

- c. The Agency is authorized to define, adopt and implement a reexamination program that differs from the reexamination program currently mandated in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of Section 8(o)(5) of the 1937 Act and 24 C.F.R. 982.516 as necessary to implement the Agency's Annual MTW Plan;*
- d. The Agency is authorized to determine a damage claim and/or vacancy loss policy and payment policy for occupied units that differs from the policy requirements currently mandated in the 1937 Act and its implementing regulations. Damage and vacancy authority are subject to state and local laws. *This authorization waives certain provisions of Section 8(o)(9), of the 1937 Act and 24 C.F.R. 982.311 as necessary to implement the Agency's Annual MTW Plan;*
- e. The Agency is authorized to determine the percentage of housing voucher assistance that it is permitted to project-base, and criteria for expending funds for physical improvements on those units that differs from the percentage and criteria requirements currently mandated in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of Section 8(o)(13) of the 1937 Act and 24 C.F.R. 983 as necessary to implement the Agency's Annual MTW Plan;*
- f. The Agency is authorized to determine property eligibility criteria, including types of units currently prohibited by Section 8 regulations, as well as shared living facilities. If the Agency chooses to use this authorization, it will need to provide a transition plan to both the affected residents and HUD prior to the end of the demonstration. *This authorization waives certain provisions of Section 8(p) of the 1937 Act and 24 C.F.R. 983.53-54 and 982 Subparts H and M as necessary to implement the Agency's Annual MTW Plan; and*
- g. The Agency is authorized to establish its own portability policies with other MTW and non-MTW housing authorities. *This authorization waives certain provisions of Section 8(r) of the 1937 Act and 24 C.F.R. 982 Subpart H as necessary to implement the Agency's Annual MTW Plan.*

2. Rent Policies and Term Limits

- a. The Agency is authorized to adopt and implement any reasonable policy to establish payment standards, rents or subsidy levels for tenant-based assistance that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. The Agency is authorized to adopt and implement any reasonable policies to calculate the tenant portion of the rent that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of Sections 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24 C.F.R. 982.508, 982.503 and 982.518, as necessary to implement the Agency's Annual MTW Plan;*

- b. The Agency is authorized to determine contract rents and increases and to determine the content of contract rental agreements that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of Sections 8(o)(7) and 8(o)(13) of the 1937 Act and 24 C.F.R. 982.308, 982.451 and 983 Subpart E as necessary to implement the Agency's Annual MTW Plan;*
- c. The Agency is authorized to develop a local process to determine rent reasonableness that differs from the currently mandated program requirements in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of Section 8(o)(10) of the 1937 Act and 24 C.F.R. 982.507 as necessary to implement the Agency's Annual MTW Plan;* and
- d. The Agency is authorized to implement term limits for HCV units designated as part of the MTW demonstration. *This authorization waives certain provisions of Sections 8(o)(7) and 8(o)(13)(F)-(G) of the 1937 Act and 24 C.F.R. 982 Subpart L and 983 Subpart E as necessary to implement the Agency's Annual MTW Plan.*

3. Eligibility of Participants

- a. The Agency is authorized to determine income qualifications for participation in the rental assistance program that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations, as long as the requirements that i) at least 75 percent of those assisted under the demonstration are "very low-income" as defined in section 3(b)(2) of the 1937 Act, ii) substantially the same number of low-income persons are assisted under the demonstration as would be without the MTW authorizations contained herein, and iii) a comparable mix of families are assisted under the Agreement as would have been otherwise in Section I.C. of the MTW Agreement are met. *This authorization waives certain provisions of Sections 16(b) and 8(o)(4) of the 1937 Act and 24 C.F.R. 5.603, 5.609, 5.611, 5.628, and 982.201 as necessary to implement the Agency's Annual MTW Plan;* and
- b. The Agency is authorized to adopt and implement any reasonable policy for verifying family income and composition and for determining resident eligibility that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of 24 C.F.R. 982.516 and 982 Subpart E, as necessary to implement the Agency's Annual MTW Plan.*

4. Waiting List Policies

The Agency is authorized to determine waiting list procedures, tenant selection procedures and criteria and preferences, including authorizing vouchers for relocation of witnesses and victims of crime that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of Sections 8(o)(6), 8(o)(13)(J) and 8(o)(16) of the 1937 Act*

and 24 C.F.R. 982 Subpart E, 982.305 and 983 Subpart F as necessary to implement the Agency's Annual MTW Plan.

5. Ability to Certify Housing Quality Standards

The Agency is authorized to certify that housing assisted under MTW will meet housing quality standards established or approved by HUD. The certification form will be approved or provided by HUD. *This authorization waives certain provisions of Section 8(o)(8) of the 1937 Act and 24 C.F.R. 982, Subpart I as necessary to implement the Agency's Annual MTW Plan.*

6. Local Process to Determine Eligibility

The Agency is authorized to adopt a local process for determining whether units meet certain eligibility requirements, provided such requirements are part of the 1937 Act. *This authorization waives certain provisions of Section 8(o)(13) of the 1937 Act and 24 C.F.R. 983 Subpart D as necessary to implement the Agency's Annual MTW Plan.* This includes, but is not limited to, the following:

- a. The minimum expenditure requirement and the timing of rehabilitation and construction of units.
- b. The type of funds that may be used to rehabilitate or construct units.
- c. Procedures to determine whether or not units meet the Agency's requirements regarding rehabilitation and construction, including what information is required to be submitted by owners to the Agency.

7. Establishment of an Agency MTW Section 8 Project-Based Program

The Agency is authorized to develop and adopt a reasonable policy and process for project-basing Section 8 tenant-based leased housing assistance, which includes the components set forth below:

- a. The Agency is authorized to project-base Section 8 assistance at properties owned directly or indirectly by the Agency that are not public housing, subject to HUD's requirements regarding subsidy layering. If the Agency chooses to project-base Section 8 assistance at such properties, the Agency recognizes and accepts that such units would no longer be eligible for operating subsidy provided under Section 9(e) of the 1937 Housing Act or for future capital funds provided under section 9(d) for those units if it chooses to use this authorization. Project-based assistance for such owned units does not need to be competitively bid, nor are the owned units subject to any required assessments for voluntary conversion. *This authorization waives certain provisions of Sections 8(o)(13)(B and D) of the 1937 Act and 24 C.F.R. 982.1, 982.102 and 24 C.F.R. Part 983 as necessary to implement the Agency's Annual MTW Plan;*
- b. The Agency is authorized to establish a reasonable competitive process or utilize an existing local competitive process for project-basing leased housing assistance at units that meet existing Housing Quality Standards, or any standards developed by the Agency pursuant to this MTW Agreement and approved by the Secretary, and that are owned by non-profit, or for-profit housing entities. *This authorization waives certain provisions of 24 C.F.R. 983.51 as necessary to implement the*

Agency's Annual MTW Plan;

- c. The Agency is authorized to duly adopt, according to the requirements of local law, alternate standards for determining the location of existing, newly constructed or substantially rehabilitated housing to receive subsidy; provided, however, *that in lieu of the Site Selection Standards currently set forth in 24 C.F.R. Section 983.57*, the agency will comply with the following requirements:
 - i. The Agency will comply with the Fair Housing Act and Title VI of the Civil Rights Act of 1964, and implementing regulations thereto, in determining the location of newly constructed or acquired public housing units.
 - ii. Units may be located in the agency's jurisdiction, including within, but not limited to, the following types of urban areas: (1) an area of revitalization that has been designated as such by the governing jurisdiction, including Redevelopment Areas and Enhanced Enterprise Communities, (2) an area where public housing units were previously constructed and were demolished, (3) a racially or economically impacted area where the agency plans to preserve existing affordable housing, (4) in connection with a HOPE VI or other HUD funded master planned development, (5) in areas where a needs analysis indicates that subsidized housing represents a low percentage of the total number of housing units in the area, or (6) relocating units to an area with a lower concentration of public housing units.
 - iii. Conduct a housing needs analysis indicating that there is a real need for the housing in the area; and
 - iv. When developing or substantially rehabilitating six or more Section 8 project-based units, the agency will: (1) advise current residents of the subject properties and representative community groups in the vicinity of the subject property by letter to resident organizations and by public meeting, of the agency's revitalization plan; and (2) certify to HUD in its Annual MTW Report that the comments from Residents and representative community groups have been considered in the revitalization plan. Documentation evidencing that the agency has met the stated requirements will be maintained at the housing authority and submitted to HUD in its Annual MTW Report.
- d. All units that receive project-based Section 8 assistance must meet either (i) existing HQS standards established by the Secretary or (ii) a local standard for communities receiving project-based Section 8 assistance developed by the Agency and approved by the Secretary pursuant to this MTW Agreement, as applicable. *This authorization waives certain provisions of Section 8(o)(8) of the 1937 Act and 24 C.F.R. 982 Subpart I as necessary to implement the Agency's Annual MTW Plan.*

8. Homeownership Program

- a. The Agency is authorized to establish reasonable Section 8 homeownership programs that are not limited by the existing Section 8 homeownership requirements. *This authorization waives certain provisions of Section 8(o)(15) and 8(y) of the 1937 Act and 24 C.F.R. 982.625 through 982.643 inclusive as necessary to implement the Agency's Annual MTW Plan; and*
- b. The Agency is authorized to permit current public housing residents who are on a merged waiting list to obtain a Section 8 homeownership voucher. *This authorization waives certain provisions of Sections 8(o)(15) and 8(y) of the 1937 Act and 24 C.F.R. 982.625 through 982.643 inclusive as necessary to implement the Agency's Annual MTW Plan.*

E. Authorizations Related to Family Self Sufficiency

The Agency is authorized to operate any of its existing self-sufficiency and training programs, including its Family Self-Sufficiency (FSS) Program and any successor programs exempt from certain HUD program requirements. These may include those requirements governing program size or participation, including whether to establish escrow accounts and other rent incentives and whether to establish mandatory self-sufficiency participation requirements. If the Agency receives dedicated funding for an FSS coordinator, such funds must be used to employ a self-sufficiency coordinator. In developing and operating such programs, the Agency is authorized to establish strategic relationships and partnerships with local private and public agencies and service providers to leverage expertise and funding. However, notwithstanding the above, any funds granted pursuant to a competition must be used in accordance with the NOFA and the approved application and work plan. *This authorization waives certain provisions of Section 23 of the 1937 Act and 24 C.F.R. 984 as necessary to implement the Agency's Annual MTW Plan.*

ATTACHMENT D

LEGACY AND COMMUNITY-SPECIFIC AUTHORIZATIONS

TO
MOVING TO WORK AGREEMENT
BETWEEN
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
AND
TACOMA HOUSING AUTHORITY

Uses of MTW Funds

The Agency and HUD acknowledge that Section 204(a) of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Pub. L. 104-134) provides that an agency participating in the MTW demonstration program may combine public housing operating and capital funds provided under Section 9 of the U.S. Housing Act of 1937 (the "1937 Act") and voucher program funds provided under Section 8 of the 1937 Act "to provide housing assistance for low-income families, as defined in section 3(b)(2) of the 1937 Act, and services to facilitate the transition to work on such terms and conditions as the agency may propose and the Secretary may approve."

Notwithstanding any language to the contrary, those provisions in this Agreement or its attachments that restrict the use of funds to Sections 8 and 9 are repealed, and the Agency may use MTW Funds to provide housing assistance for low-income families, as defined in section 3(b)(2) of the 1937 Act, and services to facilitate the transition to work, whether or not any such use is authorized by Sections 8 or 9 of the 1937 Act, provided such uses are consistent with other requirements of the MTW statute [i.e., including but not limited to the requirements to maintain a comparable mix of families and serve substantially the same number of families as would have been assisted if the Agency were not in the MTW demonstration, assuring that housing assisted under the demonstration meets housing quality standards established or approved by the Secretary, that at least 75 percent of the families assisted be very low income families, that the agency has established a reasonable rent policy that is designed to encourage employment and self-sufficiency by participating families, that the requirements of sections 12 of the 1937 Act are applied to any housing assisted under the demonstration other than housing assisted solely because of occupancy by families receiving tenant-based assistance, and that Section 18 of the 1937 Act shall continue to apply to public housing notwithstanding the use of any use of the housing under the demonstration] and have been proposed in an Agency's Annual MTW Plan and approved by HUD.

Notwithstanding the above, such funds remain Federal funds, and are subject to any and all other Federal requirements outside of the 1937 Act (e.g., including but not limited to Appropriations Acts, competitive HUD notices of funding availability under which the Agency has received an award, state and local laws, Federal statutes other than the 1937 Act, and OMB Circulars and requirements), as modified from time to time.

Suspension of Current Evaluation and Reporting Requirements

The Agency is designated a high performing agency under the current Public Housing Assessment System (PHAS) regulation. The Agency will continue its designation as a high performing agency until such time as the Department adopts a new PHAS regulation and the Agency can be fully scored under that regulation. At that time the Agency will no longer automatically be designated a high performer. Thereafter, should the Agency wish to obtain high performer status, it must elect to be scored under the new PHAS regulation. The Agency may propose an alternative evaluation methodology in lieu of the PHAS regulation for approval by the Department. Such a methodology shall at a minimum incorporate the indicators set forth in Section 6(j) of the 1937 Act, and shall utilize a third party to assess performance.

**FIRST AMENDMENT
TO THE
MOVING TO WORK AGREEMENT**

This First Amendment to the Moving to Work (MTW) Agreement ("Agreement") is entered into by and between the United States of America through the U.S. Department of Housing and Urban Development ("HUD") and _____ ("Agency") and is effective as of the effective date of the MTW Agreement, as defined below. Unless otherwise defined herein, all capitalized terms used herein shall have the same meanings ascribed to them in the Agreement.

AGREEMENT

1. **Termination.** Termination of the Agreement by HUD in accordance with Section IV of the MTW Agreement may only occur in accordance with the default and cure provisions of Section VIII of the Agreement, as modified by this First Amendment. The second sentence of Section VIII of the Agreement is deleted and replaced with the following: "HUD will give the Agency written notice of any default which shall identify with specificity the measures which the Agency must take to cure the default."
2. **Remedies and Due Process.** HUD must follow all applicable statutory and regulatory requirements relating to any defaults and enforcement actions pertaining to this Agreement.
3. **Evaluation of MTW Demonstration.** If developed by HUD, HUD's evaluation plan for the MTW Demonstration may be reviewed by the Agency in advance of implementation by HUD. The Agency has thirty (30) days to review the evaluation criteria and any objections to the evaluation will be forwarded to HUD for further consideration.
4. **Extension of Successful Demonstration Initiatives.** HUD will consider extending successful demonstration activities beyond the term of the MTW demonstration where legally permissible. To the extent that MTW activities will not continue past the term of the demonstration, the Agency shall fully cooperate with HUD in developing and implementing a transition plan for terminating the Agency's MTW demonstration program and providing for the continued administration of the public housing and Section 8 programs, as applicable.
5. **Section I.E.** Section I.E. of the Agreement is deleted.
6. **Local Asset Management Program Within MTW.** Section II.F. of the Agreement is deleted and the following is substituted in lieu thereof:

F. Local Asset Management Program.

1. The Agency may design and implement a local asset management program for its Public Housing Program and shall describe such program in its Annual MTW Plan (or in its Annual MTW Report, if the Agency deems it appropriate). For purposes of this

Agreement, the term "Public Housing Program" means the operation of properties owned or subsidized by the Agency that are required by the U.S. Housing Act of 1937 (42 U.S.C. 1437, et seq.) to be subject to a public housing declaration of trust in favor of HUD. The Agency's local asset management program shall include a description of how it is implementing property-based management, budgeting, accounting, and financial management and any deviations from HUD's asset management requirements, as described below. The Agency may use the Annual MTW Report to provide information on asset management fees, including documentation in support of fees, allocation methodologies, indirect cost rates, and related items in support of the Agency's local asset management program for its Public Housing Program. The Agency agrees that as part of its local asset management program it will adopt cost accounting and financial reporting methods that comply with OMB Circular A-87 (regarding cost allocation, and hereinafter, "A-87"), OMB Circular A-133 (regarding audit requirements), and generally accepted accounting practices ("GAAP").

2. HUD and the Agency agree that the following principles and understandings apply to the Agency's local asset management program for its Public Housing Program:
 - a. Costs incurred by the Agency under this Agreement must be necessary and reasonable, meet the statutory objectives of the MTW program, and be consistent with the single-fund budget authority described in this Agreement.
 - b. Under A-87, there is no universal rule for classifying costs as either direct or indirect. A cost may be direct with respect to some specific service or function, but indirect with respect to the final cost objective.
 - c. Costs shall be accorded consistent treatment. A cost may not be assigned as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated as an indirect cost; each item of cost will be treated consistently in like circumstances as either a direct or indirect cost.
 - d. Costs shall be determined in accordance with GAAP.
 - e. Costs must be adequately documented, as agreed upon by HUD and the Agency.
 - f. Requirements under 24 CFR 990.280 (b) (5) and other HUD guidance pertaining to excess cash flow for purposes of fungibility among projects will not apply to the Agency. The Agency will retain full authority to move MTW funds and project cash flow among projects, without limitation, under its local asset management program.
 - g. The Agency agrees that in designing its local asset management program for its Public Housing Program, it will use HUD's asset management requirements (such as the chart of accounts, balance sheet, and direct/indirect cost determinations) as a starting point; provided, however, that the Agency may, in its discretion, deviate from such requirements if it describes such deviations and the reasons for such deviations in its local asset management program.

- ## First Amendment Moving to Work Agreement

The cost allocation plan along with the indirect cost rate shall be described in the local asset management program. The Agency agrees to justify the indirect cost rate established and that the Annual Audit shall include a review and test of the rate's reasonableness.

5. Establishment of Cost Objectives under MTW

- a. **Multiple cost objectives.** If the Agency establishes multiple cost objectives (such as separate cost objectives for public housing properties, vouchers, capital funds, and services) under its MTW agreement, it may elect to use a fee-for-service methodology for one objective and an indirect cost rate methodology for other objectives, provided that the same cost objective may not use both a fee-for-service and a cost allocation/indirect cost rate methodology.
- b. **Option for a Single Cost Objective.** In accordance with A-87, the Agency may propose in the Annual MTW Plan that its MTW program is a single cost objective and may establish a cost accounting plan that uses a single indirect cost rate for the entire MTW program, which may include operating funds provided for the Public Housing Program. In doing so, the Agency agrees to provide a description of the cost accounting plan as part of its local asset management program, including how the indirect cost rate is determined (such as the grouping of costs and distribution base), and how that rate is applied across major functions. Use of such a single cost objective is subject to the Annual MTW Plan or Report approval process.

7. Financial Reporting. The Agency agrees to describe how it has assigned costs as part of its local asset management program in its Annual MTW Plan. The Agency agrees that irrespective of the cost accounting method selected above, a project-level accounting system will be used to track costs at the asset management property level. Any differences between the local asset management program and HUD's asset management requirements will be described in its Annual MTW Plan and Report in order to facilitate recording of actual property costs and submission of such cost information to HUD.

The Agency agrees to submit information to HUD through the following reporting systems, provided that HUD, in cooperation with the Agency, shall modify such systems, as necessary, so that they are capable of accepting reports from the Agency, as to both form and content, in a manner that is consistent with the Agency's authorizations under this Agreement and with the implementation of MTW:

- (a) PIH Information Center (PIC);
- (b) Voucher Management System (VMS);
- (c) HUD Financial Data Schedule (FDS) on an annual basis; and
- (d) The Annual Audit, with necessary supplemental schedules.

All such reporting shall be to the extent necessary for the Agency to report MTW activities consistent with the MTW Agreement. Should a report not be modified for MTW the Agency will continue to submit information through the Annual MTW Plan and Report.

The Agency may, in satisfaction of the annual audit requirement, submit its independently audited Comprehensive Annual Financial Report (CAFR), prepared consistent with its MTW financial structure and GAAP, and including supplemental un-audited balance sheets and income and expense statements for public housing properties.

All reporting under this section shall be subject to and shall not interfere with the Agency's right to combine and use public housing operating funds, public housing capital funds, and Section 8 voucher funds for the activities and in the manner described in the MTW Agreement.

HUD shall not limit through any asset management requirements or otherwise, including through any other provision of this Addendum or the MTW Agreement to the extent there is a conflict with this Attachment D, the Agency's ability (as provided in the MTW Agreement), to use a single fund budget as an authority-wide funding source for MTW activities.

8. Other Reporting.

Annual Plan and Report Under Attachment B. HUD affirms that it has obtained Office of Management and Budget ("OMB") approval for the information collection currently required by Attachment B to the Agency's Original MTW Agreement (HUD Form 50900, OMB Control Number 2577-0216; and hereafter, "Original Attachment B"). The Agency is not required to use the Attachment B to this Agreement (hereafter, "Revised Attachment B"), until such time as HUD has obtained approval from OMB of such Revised Attachment B.

Subject to the paragraph immediately above, the Agency agrees to submit information in accordance with Revised Attachment B for the fiscal year following such OMB approval; provided, however, that:

- i. if OMB does not approve a Revised Attachment B at least 120 days prior to the date for submission of the MTW Plan, then the Agency may defer compliance with Revised Attachment B until submission of the Annual MTW Plan and Report in the subsequent fiscal year;
- ii. the Annual MTW Report for a given fiscal year will use the same form of Attachment B as was used for that fiscal year's Annual MTW Plan; and
- iii. the Agency and HUD agree to use the first submission of Revised Attachment B to identify any problems and potential improvements in its use, as to both form and substance, and that HUD and the Agency will work together to modify Revised Attachment B, as necessary, in order to improve it as an information tool for subsequent fiscal years. The Agency and HUD further agree that Revised Attachment B may require modifications in subsequent years of the MTW Agreement and that HUD will facilitate a process to solicit comments from the Agency and modify Revised Attachment B as necessary.

CFDA Number. HUD affirms that it has received a Catalog of Federal Domestic Assistance ("CFDA") number from OMB for the MTW program. HUD will create a corresponding compliance supplement to assist auditors in performing the required audits of the Agency. HUD will develop such compliance supplement in consultation with the Agency and shall direct, and hereby does direct, any auditor of the Agency to consider such supplement and other related

supplements and OMB Circulars in determining the compliance requirements that could have a direct and material effect on the Agency's participation in the MTW program. The MTW compliance supplement issued by HUD shall have an effective date that provides the Agency with sufficient notice for implementation.

IN WITNESS WHEREOF, the parties have caused this First Amendment to be executed by their duly authorized representatives.

THE HOUSING AUTHORITY OF

By: _____

Its: _____

Date: _____

UNITED STATES DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT

By: _____

Its: Assistant Secretary

Date: _____

RESOLUTION #5



TACOMA HOUSING AUTHORITY

RESOLUTION 2010-6-23 (5)

DATE: June 23, 2010
TO: Board of Commissioners
FROM: Michael Mirra, Executive Director
RE: AMP3 – Dixon Village Boiler Replacement

Background

The existing heating and ventilating and domestic hot water systems at Dixon Village consists of a combined boiler system. The property has experienced a high failure rate of these systems and staff has replaced nine (9) units over the past year. Currently, the replacement units are not mass produced or readily available with deliveries in the 3-4 week range. This causes staff to temporarily relocate residents that experience a system failure. Each unit costs approximately \$4,000 to replace.

With this, property management staff has requested that the remaining 22 units be fitted with a modern forced air heating and ventilating system separated from the domestic hot water system. Staff has identified \$180,000 of 2008 Capital funds available to convert these systems under the existing AMP 3 renovations project awarded to Construction Enterprise and Constructors (CE&C). Preliminary estimates have indicated a cost of \$179,517 to replace the system. Once the design is complete staff will receive a firm cost from the contractor before proceeding with the work.

Recommendation

Approve Resolution 2010-6-23(5) authorizing the use of \$180,000.00 of Capital Funds to fund a Not-to-Exceed Change Order to replace 22 of the existing boiler heating, ventilation and hot water system's at Dixon Village.



TACOMA HOUSING AUTHORITY

RESOLUTION 2010-6-23(5)

Dixon Village Boiler Replacement

Whereas, The Housing Authority of the City of Tacoma (the “Authority”) has identified a need to replace the aging combined unit and hot water boiler heating systems in 22 units at Dixon village apartments;

Whereas, \$180,000 of 2008 Capital Funds are available to fund the replacement for 22 units and the preliminary estimate for the work is \$179,517; and

Whereas, a firm cost will be received from Construction Enterprise and Constructors prior to commencement of the work;

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

1. \$180,000 of 2008 Capital Funds is approved as a Not-to-Exceed budget to retrofit 22 living units with a new heating and ventilating system to replace the aging combined boiler systems. This authorizes the Executive Director to enter into a Change Order agreement with Construction Enterprise and Constructors for a Not-to-Exceed cost of \$180,000.

Approved: June 23, 2010

Ken Miller, Chairman

EXECUTIVE DIRECTOR REPORT



TACOMA HOUSING AUTHORITY

Michael Mirra
Executive Director

Date: June 15, 2010

To: THA Board of Commissioners

From: Michael Mirra
Executive Director

Re: Executive Director's Report: June 2010

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

1. FY 2011 BUDGET PROPOSAL

The Board packet contains our budget proposal for FY 2011. This was a challenging budget to write and I would like to thank the staff and the Board for the discussions that have informed it. The experience shows that our budget process continues to improve. We are approaching a process that provides a full chance to reflect on what is important and to budget accordingly. This year we also involved staff and union representatives. Further improvements in our process will incorporate a more formal review of our strategic objectives and their performance measures.

This budget proposal was challenging to draft, for several notable reasons:

- we face a notable operational shortfall this year and next;
- we cannot dip into reserves;
- we need to keep Salishan construction going;
- we need to minimize layoffs and the elimination of positions so we can continue to serve the same number of families and continue our operational improvements;
- we are still adjusting to life as an MTW agency and what it means for operations and budgets;

All in all, we think our budget proposal is a very good one denoting good choices among some compelling competing interests. I thank the many people who helped.

2. THA as a PUBLIC DEVELOPMENT ENTITY

I enjoyed the discussion with the Board on June 5th about what we thought was a chance to buy some property along the MLK corridor. (As the Board knows, the offer we were contemplating has since been withdrawn.) Yet we need to continue the larger themes of the discussion: what is THA's appropriate role in community and economic development?; what is the proper relationship between our development activities and development of transit, retail, education and other aspects of community and economic development?; what does it mean for THA to be a public development agency and a community development entity?

These are important and interesting questions that will require our continuing thought. Staff are working on ways to do this with the Board. The next occasion for this discussion will be HUD's release later this summer of its Choice Neighborhoods' NOFA. Stay tuned!

3. THA EDUCATION PROJECT

I am very pleased to confirm what I mentioned in my email of June 1st: the Bill & Melinda Gates Foundation has granted THA an award of \$153,900 towards this year's expenses of our Education Project. I thank Chairman Miller for his help in making our presentation to the Foundation. The Foundation also invited discussions about our request for three years worth of funding.

This grant is a very promising vote of confidence in THA and our exploration of a PHA's role in (i) promoting school success among the children it serves; (ii) helping local public schools succeed.

We are not sure where this effort will lead us but our results are likely to be interesting to PHAs and school districts nationally. We already know that our effort puts us in tune with similar interests of HUD and other funders.

4. MISCELLENEOUS

4.1. All Staff Retreat

On June 9th the staff assembled at Titlow Beach Lodge for an all day retreat. By all accounts, it was a good day. Mayor Strickland visited with us to share her views on THA and its role in the city. She also offered some very gracious words about THA staff and the importance of our work. We also heard from a client who described what it has been like for her and her family to receive assistance from THA. She is the mother of twins who started with THA's Families in Transition Program for homeless families with children. In her time with us, she has moved into a private rental home. She went back to school. Last week she graduated from Tacoma Community College and is now headed to a four year college. She took the chance

at Titlow to thank THA and its staff. It was a poignant and inspiring story to hear from the one person who could tell it with complete conviction and authority.

The main business of the day at the retreat was to continue the work of the Employee Opinion Survey. Taking the cues from the survey results, the Retreat Planning Committee designed a day of discussions among staff on what we need to do as individuals and as departments to strengthen a “culture of respect and accountability.” Although we had a professional facilitator, staff did the work. This is different from previous retreats when we invited a keynote speaker to inspire us. We discovered that we were the best source for our own inspiration. It was a good day.

4.2. A Visit from a Client Family

On Monday, June 14th, we received a visit from a FSS client, Ms. H. and her three teenage children and her mother. The formal reason for her visit was to receive her escrow check upon her graduation from the FSS Program. The check was for \$26,000 denoting her very large increases over the past five years in her earned income.

We could have mailed the check. The real reason for her visit was to allow us to congratulate her on a wonderful and inspiring success. This family started with us when it was on public assistance. The children were living with their grandmother. The mother was struggling with recovery from a substance addiction. In her time with us this mother regained her children, went back to school, got her degree, launched her own professional career and purchased a home.

Ms. H. thanked THA and her caseworker, Markieta Marks. With an eloquence all her own, Ms. H. said that she could not have done it without us. We asked her to explain how THA was helpful. She mentioned the following:

- the housing assistance was of course critical;
- she said that her caseworkers were essential in at least three ways. They treated her “like a human”, with complete respect; they pushed her to succeed; they served as an example to her of how other women, some from similar circumstances, can strive and achieve.

On the day of her visit, her son was graduating from high school. Next year, he will attend college.