



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS

BOARD PACKET

July 28, 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, July 28, 2010

The Board of Commissioners of the Housing Authority of the City of Tacoma will hold their Regular Meeting on **Wednesday, July 28, 2010 at 4:00 p.m.**

The meeting will be held at:

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

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

I, Christine Wilson, certify that on or before Friday, July 23, 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
July 28, 2010, 4:00 PM
902 South L Street

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING**
 - 3.1 Minutes of June 23, 2010 Regular Meeting
- 4. GUEST COMMENTS**
- 5. COMMITTEE REPORTS**
- 6. ADMINISTRATION REPORTS**
 - 6.1 Finance and Administration
 - 6.2 Real Estate Management and Housing Services
 - 6.3 Real Estate Development
 - 6.4 Community Services
 - 6.5 Human Resources, No Report
- 7. OLD BUSINESS**
- 8. NEW BUSINESS**
- 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, June 23, 2010

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at Hillside Terrace 2300 Community Room, 2330 South G Street Tacoma, WA at 4:00 PM on Wednesday, June 23, 2010.

1. CALL TO ORDER

Chair Miller called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:03 PM.

2. ROLL CALL

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

PRESENT

ABSENT

Commissioners

Ken Miller, Chairman

Janis Flauding, Vice Chair

Arthur Banks, Commissioner

Greg Mowat, Commissioner

Stanley Rumbaugh, Commissioner

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

Chair Miller declared there was a quorum present @ 4:04 PM and proceeded.

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Chair Miller asked for any corrections to or discussion of minutes for the regular meeting of the Board of Commissioners of Wednesday, May 26, 2010. Commissioner Mowat moved to adopt the minutes, Commissioner Flauding seconded.

Upon roll call, the vote was as follows:

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

Motion approved.

4. GUEST COMMENTS

Mr. Hope Rehn from Wright Street Apartments spoke on behalf of Joan and Jerry Baze who recently received a 10-day notice from Property Management. Ms. Rehn presented the Baze’s concerns stating that Ms. Baze was in the audience. Ms. Rehn explained that the Bazes requested a a grievance hearing . She also said that staff denied the hearing. Chair Miller asked ED Mirra to inquire into the matter. ED Mirra asked Ms. Rehn and Ms. Blaze if they can linger after the meeting to confer with him and Property Manager Pat Patterson...Ms. Rehn also reported that SAFE will hold their annual picnic at People’s Park on Friday, July 30th from 12-2 PM and that the THA Board is invited. She also reported that SAFE coordinated a tour of Pike Place Market in Seattle and traveled with 31 tenants to Seattle; they all had a wonderful time.

5. COMMITTEE REPORTS

HOPE VI Community Task Force – No Report

Finance Committee – Commissioner Mowat met several times with staff discussing the proposed FY2011 budget. He went on to state that the budget will be presented this evening and believes it is in good workable order for the coming year.

6. ADMINISTRATIVE REPORTS

Finance Administration

Commissioner Mowat moved to ratify the payment of cash disbursements totaling \$5,699,867 for the month of May, 2010, Commissioner Banks seconded.

Upon roll call, the vote was as follows:

AYES: 4

NAYS: None
Abstain: None
Absent: 1

Motion approved.

Finance Manager Duane Strom directed the board to Director Shalik's report. Director Shalik is attending the CLPHA conference in Denver. Mr. Strom stated the budget situation is looking much better than originally anticipated. Chair Miller asked if there is a way to isolate I.T. dollars and compare IT expenditures from 2010 to what we anticipate for 2011? Mr. Strom thought that was possible and he will arrange for the Board to get that information. Mr. Strom added that VisualHomes is improving, the Finance Department is currently closing year end, and the Desk Manual project is moving along nicely.

Real Estate Management and Housing Services

Property Manager Pat Patterson directed the board to Director Davis' report. Director Davis is also attending the CLPHA Conference in Denver. Mr. Patterson reported our properties are gearing up for REAC inspections which will occur in a short 45 day window. Discussion ensued related to how high performer status links to MTW. ED Mirra explained that that link for MTW agencies is the subject of negotiations between those agencies and HUD. A discussion also ensued related to renters insurance and whether THA tenants use it or know about it. Mr. Patterson will look into this issue and report back to the board. ED Mirra thanked Property Management staff for the reduction in the number of turn days. Mr. Patterson underscored Ms. Julie LaRocque and her leasing team for stepping up their efforts to solve the number of days it is taking to turning a unit.

Real Estate Development

Interim Director Hansen referred the board to her report. Salishan 7 has a large amount of construction taking place and it is evident from Portland Avenue. She reported we are anticipating \$750,000 more capital fund dollars from HUD than we initially expected. A brief discussion ensued regarding the HOPE VI grant we did not receive. Director Hansen and ED Mirra mentioned that staff will be debriefing with HUD and we will share what we learn with the board. Chair Miller requested a list of development projects in THA's pipeline .

Community Services

Director Vignec referred the board to her report. Discussion ensued related to the FIT program. Chair Miller asked if we are taking enough risk with our FIT families and are families remaining in the program. Director Vignec stated the families must be willing to participate in FSS.

7. NEW BUSINESS

7.1 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

Commissioner Mowat motioned to approve the resolution. Commissioner Banks seconded the motion.

Upon roll call, the vote was as follows:

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

Motion approved

**7.2 RESOLUTION 2010-6-23(2)
RESTRUCTURING INFRASTRUCTURE IMPROVEMENT REVENUE
BONDS**

A RESOLUTION providing for the restructuring of the Housing Authority of the City of Tacoma Infrastructure Improvement Revenue Bonds, Series 2008 issued and currently outstanding in the aggregate principal amount of \$13,200,000, the proceeds of which were used to finance the construction of infrastructure improvements on property owned by the Authority as part of the Salishan redevelopment project; approving the forms of a supplemental trust indenture and other agreements and documents; and authorizing the execution and delivery of the supplemental trust indenture, amended and restated bonds and other agreements, documents and certificates.

Whereas, the Housing Authority of the City of Tacoma (the “Authority”) seeks to encourage the provision of long-term housing for low-income persons residing in the City of Tacoma, Washington;

Whereas, RCW 35.82.070(2) provides that a housing authority may “prepare, carry out, acquire, lease and operate housing projects” and “provide for the construction, reconstruction, improvement, alteration or repair of any housing project or any part thereof . . .”;

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

Whereas, RCW 35.82.020(11) and 35.82.130 together provide that a housing authority may issue bonds, notes or other obligations for any of its corporate purposes;

Whereas, RCW 35.82.070(5) provides that a housing authority may pledge any interest in real property;

Whereas, 42 USC 1437z-2 permits the Secretary of the United States Department of Housing and Urban Development (“HUD”) to authorize a public housing agency to

mortgage or otherwise grant a security interest in a public housing project or other property of the public housing agency;

Whereas, pursuant to Resolution No. 2007-10-24(1) adopted on October 24, 2007, as amended and supplemented by Resolution No. 2007-12-12(2) adopted on December 12, 2007, the Authority issued its Infrastructure Improvement Revenue Bonds, Series 2008 (the “Bonds”), in the original aggregate principal amount of \$13,200,000, to provide part of the funds with which to construct infrastructure improvements on property owned by the Authority, as part of the Salishan redevelopment project, to provide housing for low-income persons within the City of Tacoma, Washington (the “Project”);

Whereas, the Bonds are payable, in part, from the net proceeds from the sale of 182 certain individual lots, as depicted on Plat of Salishan Division 3, prepared by Parametrix, dated December 4, 2007 (the “Lots”); and

Whereas, because of certain changes in expectations regarding the timing of the sale of the Lots and the amount of net proceeds to be received from the sale of those Lots, the Authority and Citicorp Municipal Mortgage Inc. (the “Bondowner Representative”), as the owner of all of the outstanding Bonds, have agreed to restructure certain provisions of the Bonds and the related documents to, among other things, extend the maturity date of the Bonds, modify the redemption provisions of the Bonds, revise minimum Lot sale prices and certain provisions relating to the release of Lots from the lien of the Deed of Trust, and provide for future pledges of security interests in certain individual lots located in Salishan Division 4 or Area 2b (“Additional Collateral – Area 2b”) as additional security for the Bonds; and

Whereas, in order to effect the modification of the terms of the Bonds agreed to by the Authority and the Bondowner Representative, it is necessary to amend certain provisions of the Bonds, the Trust Indenture (as amended from time to time, the “Indenture”) relating to the Bonds between the Authority and The Bank of New York Mellon Trust Company, N.A., as successor trustee (the “Trustee”); and certain other documents and agreements; and

Whereas, it is in the best interest of the Authority to modify the terms of the Bonds and amend the Indenture and certain other documents relating to the Bonds;

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

1. Definitions. As used in this resolution, the following words have the following meanings:

“Additional Collateral - Area 2b” means such individual lots located in Salishan Division 4 or Area 2b, as shown on the Plat of Salishan Division 4 prepared by Parametrix, dated June 21, 2010, as may be added to the Deed of Trust Property from time to time.

“Authority” means the Housing Authority of the City of Tacoma, a public body corporate and politic duly organized and existing under and by virtue of the laws of the State of Washington.

“Board” means the Board of Commissioners of the Authority.

“Bondowner Representative” means Citicorp Municipal Mortgage, Inc.

“Bond” or “Bonds” means one or more of the Housing Authority of the City of Tacoma Infrastructure Improvement Revenue Bonds, Series 2008, or any replacement thereof authorized by, and at any time outstanding pursuant to, under the authority of and for the purposes provided in the Bond Resolution and the Indenture.

“Bond Resolution” means, collectively, Resolution No. 2007-10-24 (1) adopted by the Authority on October 24, 2007, as amended and supplemented by Resolution No. 2007-12-12(2) adopted by the Authority on December 12, 2007, and this resolution.

“Code” means the Internal Revenue Code of 1986, as amended.

“Deed of Trust” means the Construction Deed of Trust, with Assignment of Rents, Security Agreement and Fixture Filing made by the Authority for the benefit of the Trustee, as beneficiary, as it may be amended from time to time.

“First Supplemental Indenture” means the First Supplemental Trust Indenture between the Authority and the Trustee relating to the Bonds and approved by this resolution.

“HUD” means the Secretary of the United States Department of Housing and Urban Development and his designees.

“Indenture” means the Trust Indenture dated as of January 1, 2008, between the Authority and the Trustee relating to the Bonds, as it may be amended from time to time, including by the First Supplemental Indenture.

“Lots” means the 182 individual lots to be subdivision, composing the original Deed of Trust Property as of January 22, 2008, as depicted on Plat of

Salishan Division 3, prepared by Parametrix, dated December 4, 2007. “Lots” expressly excludes Additional Collateral – Area 2b.

“Project” means, depending on the context, (i) the construction of infrastructure improvements on certain property constituting “Area 3” of the Authority’s Salishan redevelopment project, or (ii) such improvements and property.

“Sale Proceeds” means the net proceeds, if any, from the sale of lots in Area 3 of the Salishan redevelopment project designated for home ownership.

[“Security Document Amendments” *any amendments, supplements or modification of the original Security Documents, (as defined in the indenture) that the Executive Director determines to be necessary or desirable in connection with the modification of the Bonds authorized by this resolution.*

“Trustee” means the trustee under the Indenture, currently The Bank of New York Mellon Trust Company, N.A., as successor to The Bank of New York Trust Company, N.A.

All capitalized terms used but not defined herein shall have the meanings assigned to them in the Indenture.

General Approval of Modification of Bonds. The Authority hereby approves the modification of the terms of the Bonds substantially as described in the form of the First Supplemental Indenture on file with

2. the Executive Director of the Authority, with additional or alternative modifications as the Executive Director of the Authority shall deem necessary or appropriate.

3. Approval of Pledge of Additional Security for the Bonds. The Bonds are currently secured by a pledge of the Sale Proceeds received by the Authority, by amounts held by the Trustee under the Indenture; the General Revenues of the Authority up to a maximum amount of \$3,300,000, subject to the parity lien of other obligations; and by other funds and assets, all as set forth in the Indenture. In connection with the modification of the terms of the Bonds, the Authority approves the grant of security interests in Additional Collateral – Area 2b from time to time, as described in the First Supplemental Indenture. Until HUD approves the use of Area 2B lots as collateral, THA

will provide \$830,000 in cash to be held by the trustee. Upon HUD's approval, the Trustee will return this cash to THA.

4. Form and Execution of Bonds. The amended and restated Bonds shall be in a form consistent with the provisions of the Bond Resolution, the Indenture and state law, shall bear the manual or facsimile signatures of the Chair of the Board and Executive Director of the Authority and shall be impressed with the seal of the Authority or shall bear a facsimile thereof. The amended and restated Bonds shall be authenticated by the Bond Registrar as set forth in the Indenture. No Bonds shall be valid for any purpose until so authenticated.

The authorized signing of a Certificate of Authentication shall be conclusive evidence that the Bond so authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of the Bond Resolution.

5. Preservation of Tax Exemption for Interest on Bonds. The Authority covenants that it will take all actions necessary to prevent interest on the Bonds from being included in gross income for federal income tax purposes, and it will neither take any action nor make or permit any use of proceeds of the Bonds or other funds of the Authority treated as proceeds of the Bonds at any time during the term of the Bonds which would cause interest on the Bonds to be included in gross income for federal income tax purposes. The Authority also covenants that, to the extent arbitrage rebate requirements of Section 148 of the Code are applicable to the Bonds, it will take all actions necessary to comply (or to be treated as having complied) with those requirements in connection with the Bonds, including the calculation and payment of any penalties that the Authority has elected to pay as an alternative to calculating rebatable arbitrage, and the payment of any other penalties if required under Section 148 of the Code to prevent interest on the Bonds from being included in gross income for federal income tax purposes.

6. Authorization of Documents and Execution Thereof. The Board approves the First Supplemental Indenture and, substantially in the forms on file with the Executive Director of the Authority, with such changes as the Executive Director of the Authority shall deem necessary or appropriate. The Board authorizes and approves the execution by the Executive Director of the Authority and delivery of the amended and restated Bonds, the First Supplemental Indenture, the [Security Document Amendments] any other documents reasonably required to be executed by the Authority to carry out the transactions contemplated by this resolution or, the First Supplemental Indenture. The Board authorizes and approves the performance by the Authority of its obligations contained in, and the consummation by the Authority of all other transactions contemplated by the Bond Resolution, the

Indenture as amended by the First Supplemental Indenture and the Security Documents as amended by the [Security Document Amendments]. The appropriate Authority officials are authorized and directed to do everything necessary in connection with the modification of the Bonds and the execution and delivery of the amended and restated Bonds, including the execution and delivery of the First Supplemental Indenture, the [Security Document Amendments] and any other documents that may be useful or necessary in connection with the modification of the Bonds.

7. HUD Approvals. The Authority shall submit documents and materials to HUD as necessary to obtain approval for the modification of the Bonds, if necessary, and for the pledge of the Additional Collateral – Area 2b, and shall take any other actions as necessary to obtain HUD approval of the transactions contemplated by this resolution and the First Supplemental Indenture.

8. Designation of the Bonds as a “Qualified Tax-Exempt Obligation.” It is anticipated that the Bonds will be treated as reissued under the Code. The Authority has determined and certifies that (a) the Bonds are not “private activity bonds” within the meaning of Section 141 of the Code; (b) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds and other obligations not required to be included in such calculation) that the Authority and all entities subordinate to the Authority (including any entity that the Authority controls, which derives its authority to issue tax-exempt obligations from the Authority or that issues tax-exempt obligations on behalf of the Authority) will issue during the calendar year in which the Bonds are issued will not exceed \$30,000,000; and (c) the amount of tax-exempt obligations, including the Bonds but excluding qualified 501(c)(3) bonds, designated by the Authority as “qualified tax-exempt obligations” for the purposes of Section 265(b)(3) of the Code during the calendar year in which the Bonds are issued, does not exceed \$30,000,000. The Authority designates the Bonds as a “qualified tax-exempt obligation” for the purposes of Section 265(b)(3) of the Code.]

9. Acting Officers Authorized. Any action required by this resolution to be taken by the Chair of the Board or Executive Director of the Authority may in the absence of such person be taken by the duly authorized acting Chair of the Board or acting Executive Director of the Authority, respectively.

10. Ratification and Confirmation. 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.

11. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

Approved: June 23, 2010

Ken Miller, Chairman

Commissioner Mowat motioned to approve the resolution. Commissioner Banks seconded the motion.

Upon roll call, the vote was as follows:

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

Motion approved

7.3 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

Client Number	Housing Program	Total Debt
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

Client Number	Housing Program	Total Debt
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

Commissioner Mowat motioned to approve the resolution. Commissioner Banks seconded the motion.

Upon roll call, the vote was as follows:

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

Motion approved

**7.4 RESOLUTION 2010-6-23(4)
MOVING TO WORK AGREEMENT**

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

Commissioner Banks motioned to approve the resolution. Commissioner Mowat seconded the motion.

Upon roll call, the vote was as follows:

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

Motion approved

7.5 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

Commissioner Banks motioned to approve the resolution. Commissioner Mowat seconded the motion.

Upon roll call, the vote was as follows:

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

Motion approved

7.6 RESOLUTION 2010-6-23(6)

SALISHAN DIVISION 3 HABITAT FOR HUMANITY LOT PURCHASE AND SALE AGREEMENT

Whereas, The Salishan Revitalization Plan sets aside 25% of the homeownership lots for affordability. Salishan Division 3 is programmed for one hundred and eighty two (182) homeownership lots of which forty-six (46) will meet the 25% threshold;

Whereas; Pursuant to RCW 35.82.070(5), which permits Seller to sell property to a nonprofit corporation at less than fair market value if the nonprofit corporation agrees to sell the property to a low-income person or family;

Whereas, Habitat for Humanity is interested in purchasing thirteen of the affordable lots

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

1. Approve Resolution 2010-6-23 (6) authorizing the Executive Director to execute the Purchase and Sale agreement with Habitat for Humanity for the sale of these Thirteen (13) Salishan Division 3 affordable lots.

Approved: June 23, 2010

Ken Miller, Chairman

Commissioner Mowat motioned to approve the resolution. Commissioner Banks seconded the motion.

Upon roll call, the vote was as follows:

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

Motion approved

8. COMMENTS FROM COMMISSIONERS

None.

9. COMMENTS FROM THE EXECUTIVE DIRECTOR

ED Mirra referred the board to his report.

10. EXECUTIVE SESSION

None

11. ADJOURNMENT

There being no further business to conduct, Commissioner Banks moved to adjourn, Commissioner Mowat seconded the motion. Meeting adjourned at 5:53 PM.

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 \$5,202,892 for the month of June, 2010.

Approved: July 28, 2010

Ken Miller, Chairman



TACOMA HOUSING AUTHORITY

Date: July 28, 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 June, 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 \$68,239 for the month, and \$435,459 year to date. The current projection for FY ending 06/30/10 is for an operating deficit of approximately \$97,827 as opposed to a budgeted operating deficit of \$1,007,762. Including our transfer to Development projects and Reserve Appropriations, we are projecting a \$346,395 surplus at year end. As we make our Year End clean up and final adjustments this number could change.

Overall, the budget is in good shape. On the income side, line 6, Community Service grants is significantly under from projected income. This is not a concern, as it is a one for one reimbursement of expenses. Line 7, Capital Fund income is high, but the overage consists primarily of reimbursement of relocation expenses associated with CFP ARRA. The expense is reflected on line 38, Relocation Costs. Line 8, Management Fee income is above budget because we are receiving higher management fees for our Tax Credit units than budgeted. On Line 13, Developer Fee Income, we will receive approximately \$130K less for Salishan 6 due to lower than budgeted construction cost. Also, we will not have received all the development fees due by June 30th, but will book the remaining amount in FY 2010 as a receivable. On the expense side, we were under in all major categories. Due to both the cost savings for the Salishan infrastructure for Area 2B, and the million dollars that we 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, so the money that was budgeted for interest expense in line 56 for Area 3 will not come out of operations.

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 .51%. The Washington State Investment pool meets the state requirements with interest rates a little higher than .2%.

3. INFORMATION TECHNOLOGY/SOFTWARE IMPLEMENTATION

Information Technology is working with our MTW Consultant John Seasholtz to provide baseline information. Jennifer Minogue, Technical Analyst has been instrumental in providing initial baseline information to John in a timely manner.

Information Technology received 7 proposals to provide Network Support Services. The proposals are currently being reviewed and interviews will be scheduled within the month.

Jennifer Minogue, Todd Craven and Dave Gjerstad will represent the agency at the annual Visual Homes User's Conference in November.

Significant Software and Hardware Initiatives Underway

- Testing of Purchase Requisitions – PRQ .net
- Planning for LRTran07 Upgrade – September Kickoff
- Analysis and Review of Tax Credit Upgrade Module
- THA Analysis and Review of Grants Processing and Reporting
- Phone Billing Review
- Phone System Hardware Upgrade – Scheduled for August 2010
- Cell Phone Review
- Document Management Project Review
- MTW Software Module Purchase and Installation

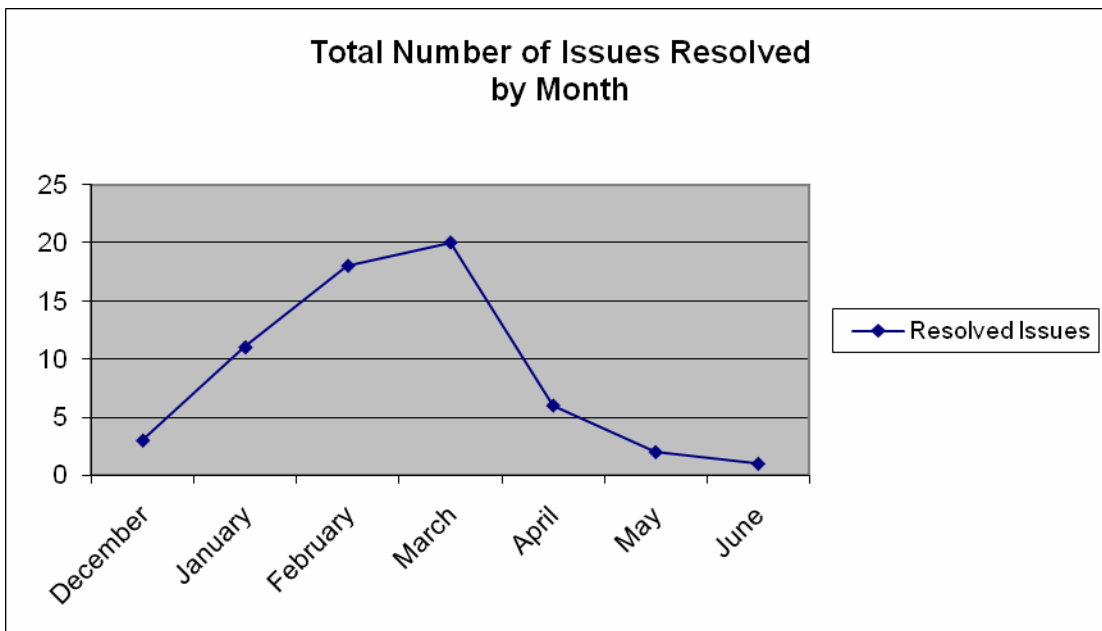
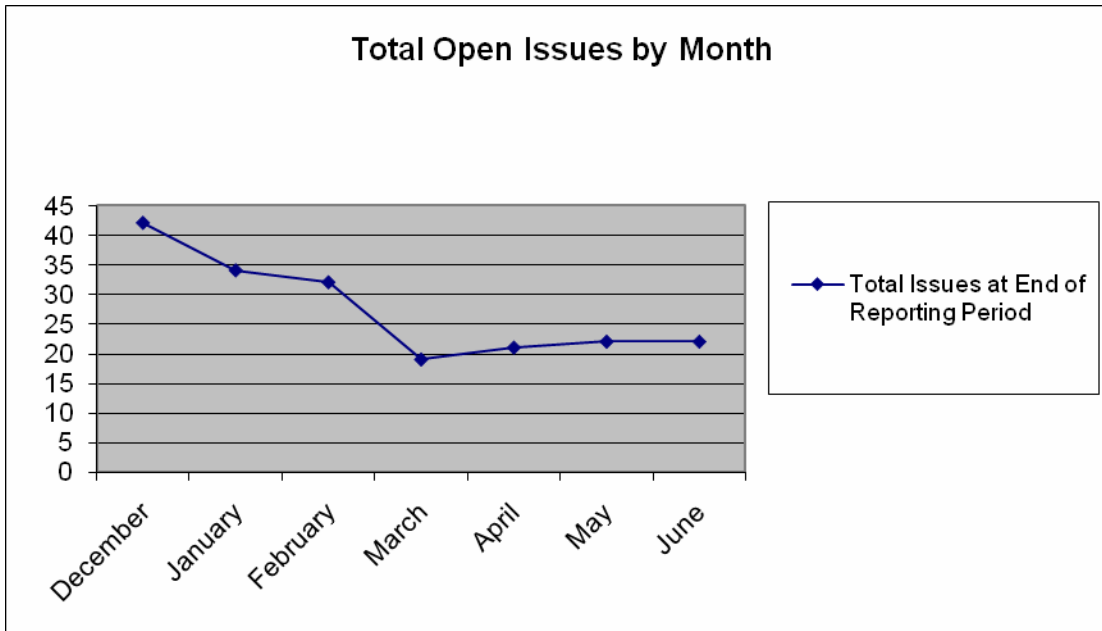
We experienced one new issue for the month of July. Visual Homes resolved one issue during the month and we currently have twenty two outstanding issues with Visual Homes support. The majority of outstanding issues are related to enhancement requests. We are expecting a number of issues to be resolved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

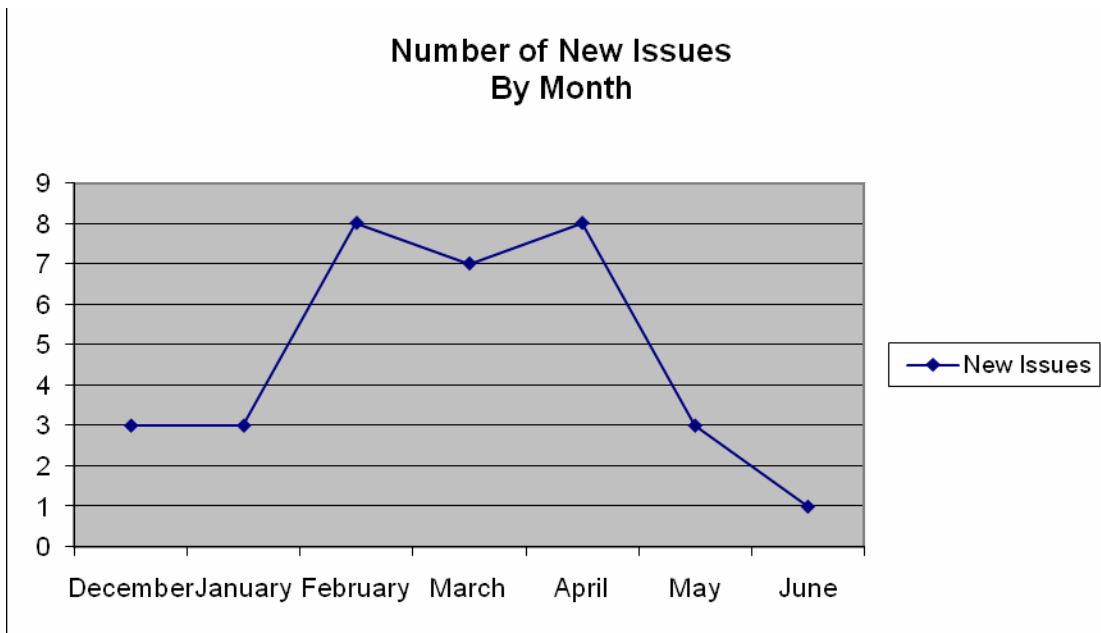
THA has purchased a new Visual Homes software module for Moving-to-Work(MTW). Information Technology will be coordinating with Visual Homes to install this new software module. Installation and testing will occur during late July and August.

Outstanding Issues List Matrix

Current Month Scorecard	Priority				
	Low	Medium	High	Critical	Total
Support issues brought forward	4	14	4	0	22
+ New issues this period	0	0	1	0	1
- Total Issues resolved this period	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>
= Outstanding issues– end of period	4	14	4	0	22
% of Outstanding resolved this period	0%	0%	25%	0%	5%
Bug report submitted	2	4	1	0	7
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	22

- **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 resolved this month** – Percentage of issues by priority resolved this month.





4. ASSET MANAGEMENT AND COMPLIANCE

The Asset Management and Compliance area is responsible for Asset Management, Risk Management, Financial Reporting, Procurement, Compliance, and oversight of the Desk Manual Project. Operationally, we continue to work with staff throughout the agency to ensure that needs are being met in both Finance and the respective departments.

In the last month, we completed the agency inventory, worked with site staff on their budgets, created Open PO's for staff in other departments to use to purchase goods, and continue to work on getting contracts in place for necessary services at our sites.

We have also been working closely with the RED and REMHS departments to define metrics for measuring the performance of our properties. Part of this effort has involved the creation of a series of new asset management reports that will help us better understand the overall operations of our properties, how they perform against other properties in the area as well as the HUD benchmarks, and where there is room for improvement.

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

The Finance staff is in the middle of closing the financial information for FY 2010. The unaudited Financial Data Schedule (FDS) submission of the agency’s financials are due into HUD REAC by August 31.

6. BUDGET

The budget has been passed for FY 2011. We are in the process of attempting to change our Fiscal Year to a Calendar Year. We are working on a Moving to Work Plan for 2011, and I will need to provide high level projections of income and expense on a Calendar Year basis.

7. DESK MANUAL PROJECT

The desk manual project continues to progress positively. To date, all major agency processes (including administrative processes) are either mapped or scheduled to be mapped. Staff schedules and backlog necessitated a revision of the original June completion date – all mapping is now expected to be complete by mid-August. Additional mapping sessions will be performed as processes are identified and/or as needs arise (during the Moving to Work implementation, for example.)

Detailed content generation for the mapped processes will be commencing in August. This will involve Process Owners and subject matter experts (SMEs), with the Technical Writer overseeing standardization, formatting, and publication.

Because the process maps make the agency’s processes more transparent, SMEs and managers began a grass-roots effort to improve their processes. This is an exciting by-product of the Desk Manual Project.

A list of completed and upcoming mapping sessions is provided below.

Mapped Processes	Scheduled Processes (Pending Mapping)
New Hire & Orientation	Asset Management
Procurement/Contracting	Investor Reporting
Accounts Receivable	Web Site Update
Grant Accounting	Internal Training
Tenant Housing - Financial Transactions	Grants Application
IT Help Desk	Regulatory Compliance - Internal Audit
Homeless/Family Placement (FIT)	Accounts Payable
Case Management (Financial/Life Skills Assistance)	Ad-Hoc Reporting
Tenant Housing: Recertification	Payroll
Tenant Housing: Move-In & Waitlist	Project Delivery/Construction

FINANCE DEPARTMENT MONTHLY REPORT

July 2010

Page 7

Mapped Processes	Scheduled Processes (Pending Mapping)
Tenant Housing: Property Inspection	Insurance Claims
Purchasing	
Tenant Housing: Client Termination	
Porting/Absorption	
Tenant Housing: Maintenance/Unit Repair	
Tenant Housing: Move-Out	
Regulatory Compliance - Liason (Audit Management/Response)	
Tenant Housing: Rehab & Construction	

**TACOMA HOUSING AUTHORITY
AGENCY WIDE**

		May, 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	217,077	2,369,424	2,216,847	6.88%	2,584,826	2,418,379	6.88%
2	Tenant Revenue - Other	4,666	58,448	44,458	31.47%	63,761	48,500	31.47%
3	HUD grant - Section 8 HAP reimbursemen	2,563,911	27,770,012	27,856,362	-0.31%	30,294,559	30,388,758	-0.31%
4	HUD grant - Section 8 Admin fee earned	209,592	2,323,666	2,280,374	1.90%	2,534,908	2,487,681	1.90%
5	HUD grant - Public Housing subsidy	195,699	2,409,325	2,322,045	3.76%	2,598,355	2,533,140	2.57%
6	HUD grant - Community Services/HOPE	32,486	561,159	842,925	-33.43%	612,173	919,554	-33.43%
7	HUD grant - Capital Fund Operating Reve	134,146	427,694	310,936	37.55%	466,575	339,203	37.55%
8	Management Fee Income	198,448	1,679,291	1,590,276	5.60%	1,831,954	1,734,846	5.60%
9	Fee For Service Income	11,849	187,090	221,975	-15.72%	204,098	242,155	-15.72%
10	Other Government grants	9,402	119,454	88,917	34.34%	130,313	97,000	34.34%
11	Investment income	3,538	46,426	55,573	-16.46%	50,647	60,625	-16.46%
12	Fraud Recovery Income - Sec 8	231	21,895	16,042	36.49%	23,885	17,500	36.49%
13	Other Revenue- Developer Fee Income	0	880,000	1,626,045	-45.88%	1,653,386	1,773,867	-6.79%
14	Other Revenue	73,527	378,131	294,232	28.51%	412,507	320,980	28.51%
15	TOTAL OPERATING RECEIPTS	3,654,572	39,232,015	39,767,006	-1.35%	43,461,948	43,382,188	0.18%
OPERATING EXPENDITURES								
Administrative Expenses								
16	Administrative Salaries	247,659	2,990,173	3,073,348	-2.71%	3,262,007	3,352,743	-2.71%
17	Administrative Personnel - Benefits	93,251	1,069,360	1,152,625	-7.22%	1,166,575	1,257,409	-7.22%
18	Accounting & Audit Fees	1,099	66,032	64,081	3.05%	69,906	69,906	0.00%
19	Management Fees	166,922	1,414,320	1,395,487	1.35%	1,542,895	1,522,349	1.35%
20	Advertising	2,211	10,219	11,917	-14.25%	11,148	13,000	-14.25%
21	Data Processing Expenses	14,644	155,649	224,309	-30.61%	219,799	244,701	-10.18%
22	Office Supplies	4,654	75,211	98,965	-24.00%	82,048	107,962	-24.00%
23	Publications & Memberships	526	36,335	36,323	0.03%	37,138	39,625	-6.28%
24	Telephone	7,976	86,278	95,792	-9.93%	94,121	104,500	-9.93%
25	Postage	4,112	35,317	44,375	-20.41%	38,528	48,409	-20.41%
26	Leased Equipment & Repairs	3,655	40,360	52,763	-23.51%	44,029	57,560	-23.51%
27	Office Equipment Expensed	3,847	31,537	87,908	-64.13%	34,404	95,900	-64.13%
28	Legal	6,072	96,992	84,883	14.27%	115,809	92,600	25.06%
29	Local Milage	334	7,983	20,837	-61.69%	8,709	22,731	-61.69%
30	Staff Training/Out of Town travel	7,611	104,386	164,335	-36.48%	133,876	179,275	-25.32%
31	Contract Services	15,078	325,632	357,151	-8.83%	405,235	389,619	4.01%
32	Other administrative expenses	6,299	100,461	122,054	-17.69%	109,594	133,150	-17.69%
33	Due diligence - Development projects	0	2,161	45,833	-95.29%	25,000	50,000	-50.00%
34	Contingency	0	0	2,292	-100.00%	0	2,500	-100.00%
35	Total Administrative Expenses	585,950	6,648,406	7,135,277	-6.82%	7,400,820	7,783,939	-4.92%

	May, 2010				Thru 06/30/2010			
	CURRENT MTH ACTUAL	YEAR TO DATE ACTUAL	BUDGETED	VARIANCE	PROJECTED ACTUAL	BUDGETED	VARIANCE	
Tenant Service								
36	Tenant Service - Salaries	51,457	722,704	667,964	8.20%	788,404	728,688	8.20%
37	Tenant Service Personnel - Benefits	21,632	266,141	244,351	8.92%	290,336	266,565	8.92%
38	Relocation Costs	22,190	145,640	87,083	67.24%	158,880	95,000	67.24%
39	Tenant Service - Other	9,441	259,852	447,427	-41.92%	283,475	488,102	-41.92%
40	Total Tenant Services	104,720	1,394,337	1,446,825	-3.63%	1,521,095	1,578,355	-3.63%
Project Utilities								
41	Water	9,427	88,919	91,220	-2.52%	97,003	99,513	-2.52%
42	Electricity	16,457	171,010	211,168	-19.02%	186,556	230,365	-19.02%
43	Gas	7,022	58,679	72,273	-18.81%	64,013	78,843	-18.81%
44	Sewer	30,167	272,414	247,962	9.86%	297,179	270,504	9.86%
45	Total Project Utilities	63,073	591,022	622,623	-5.08%	644,751	679,225	-5.08%
Ordinary Maintenance & Operations								
46	Maintenance Salaries	50,558	631,125	641,482	-1.61%	688,500	699,798	-1.61%
47	Maintenance Personnel - Benefits	16,335	210,513	213,285	-1.30%	229,651	232,674	-1.30%
48	Maintenance Materials	12,376	144,975	156,516	-7.37%	158,155	170,745	-7.37%
49	Contract Maintenance	70,282	756,736	812,009	-6.81%	825,530	885,828	-6.81%
50	Total Routine Maintenance	149,551	1,743,349	1,823,291	-4.38%	1,901,835	1,989,045	-4.38%
General Expenses								
51	Protective Services	8,607	151,739	170,885	-11.20%	165,533	186,420	-11.20%
52	Insurance	15,299	187,846	183,000	2.65%	204,923	199,636	2.65%
53	Other General Expense	195,864	755,836	784,241	-3.62%	824,548	855,536	-3.62%
54	Payment in Lieu of Taxes	1,199	11,987	8,938	34.12%	13,077	9,750	34.12%
55	Bad Debt - Tenant Rents	0	6,210	16,958	-63.38%	18,500	18,500	0.00%
56	Interest Expense	26,779	384,175	550,721	-30.24%	489,100	600,786	-18.59%
57	Total General Expenses	247,748	1,497,793	1,714,742	-12.65%	1,715,681	1,870,628	-8.28%
58	TOTAL OPERATING EXPENSES	\$ 1,151,042	\$ 11,874,907	\$ 12,742,759		\$ 13,184,183	\$ 13,901,192	
Nonroutine Expenditures								
59	Ext. Maint/Fac Imp/Gain/Loss Prop Sale	0	14,697	68,750	-78.62%	56,033	75,000	-25.29%
60	Casualty Losses	7,858	7,858	22,917	-65.71%	25,000	25,000	0.00%
61	Sec 8 HAP Payments	2,563,911	27,770,012	27,856,362	-0.31%	30,294,559	30,388,758	-0.31%
62	Total Nonroutine Expenditures	2,571,769	27,792,567	27,948,028	-0.56%	30,375,592	30,488,758	-0.37%
63	TOTAL EXPENDITURES	3,722,811	39,667,474	40,690,788	-2.51%	43,559,775	44,389,950	-1.87%
64	OPERATING SURPLUS/(DEFICIT)	(68,239)	(435,459)	(923,782)	-52.86%	(97,827)	(1,007,762)	-90.29%
Reserve/Capital Affecting Operations								
65	THA transfer to development projects	0	(1,617,629)	(3,896,200)	-58.48%	(2,087,419)	(4,250,400)	-50.89%
66	Reserve Appropriations	114,330	2,029,562	4,840,657	-58.07%	2,531,641	5,280,717	-52.06%
67	THA SURPLUS/(DEFICIT)	<u>46,091</u>	<u>(23,526)</u>	<u>20,675</u>		<u>346,395</u>	<u>22,555</u>	

TACOMA HOUSING AUTHORITY
CASH BALANCES - June, 2010

Account Name	Current Balance	Interest	
HERITAGE BANK			
Accounts Payable	\$ 5,870,503	0.510%	
Section 8 Checking	2,125,326	0.510%	
THA Investment Pool	283	0.510%	
THA LIPH Security Deposits	104,866	0.510%	
THDG - Tacoma Housing Development Group	6,286	0.510%	
LF - Windstar	1,175	0.510%	
LF - Stewart Court	34,598	0.510%	
LF - Stewart Ct Security Deposit Account	13,788	0.510%	
LF - SF 9Homes Alaska	182,271	0.510%	
LF - SF 9Homes Alaska Sec Dep Acct	8,656	0.510%	
LF - SFH No. Shirley	2,664	0.510%	
LF - SFH N Shirley Security Deposit Acct	1,000	0.510%	
LF - Wedgewood Homes	282,896	0.510%	
LF - Wedgewood Homes Security Deposit Acct	16,599	0.510%	
General Fund Money Market	3,486,563	0.510%	
WASHINGTON STATE			
Investment Pool	\$ 1,166,201	0.270%	
US BANK			
Payroll Account	\$ 7,268		
CHASE			
IDA Account	79,449	0.01%	
TOTAL THA CASH BALANCE	\$ 13,390,390		
LESS:			
Restrictions:			
HAP Reserves	\$ 1,468,769		
Section 8 Voucher Operating Reserves	31,068		
FSS Escrows	233,152		
Mod Rehab Operating Reserves	118,861		
PH Operating Reserves	4,075,655		
Security Deposit Accounts	140,564		
Salishan Sound Families - 608	259,703		
IDA Accounts - 604,605,611	79,449		
THDG - 048	6,286		
Wedgewood Operating Reserve	-		
Agency Liabilities:			
Windstar Loan - 042	338,318		
Local Fund Debt Service	235,223		
Citibank Loan for Area 3 (\$3.3 million due Citibank Jan, 2011 if lots not sold)	3,300,000		
Total Restrictions	\$ 10,287,047		
THA UNENCUMBERED CASH	\$ 3,103,342		
Agency Current Commitments:			
	Commitment	Expended	Balance
Salishan Infrastructure Area 2B (532) Budgeted	\$ 4,075,000	\$ 1,598,362	
Salishan Infrastructure Area 2B - Latest	\$ 1,993,152	\$ 1,615,723	\$ 377,429
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			\$ 377,429

REAL ESTATE MANAGEMENT
AND
HOUSING SERVICES



TACOMA HOUSING AUTHORITY

Date: July 28th, 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

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.

PROPERTY MANAGEMENT DIVISION

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	6/14/2010	94	High
8	Hillside 2 Tax Credit	6/18/2010	93	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. Performance Report Summaries:

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 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%	97.7%
Tax Credit Units	602	29	573	94.5%	96.2%
Local fund units	119	14	105	88.0%	88.2%
All Total	1315	55	1260	95.9%	97.1%

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.

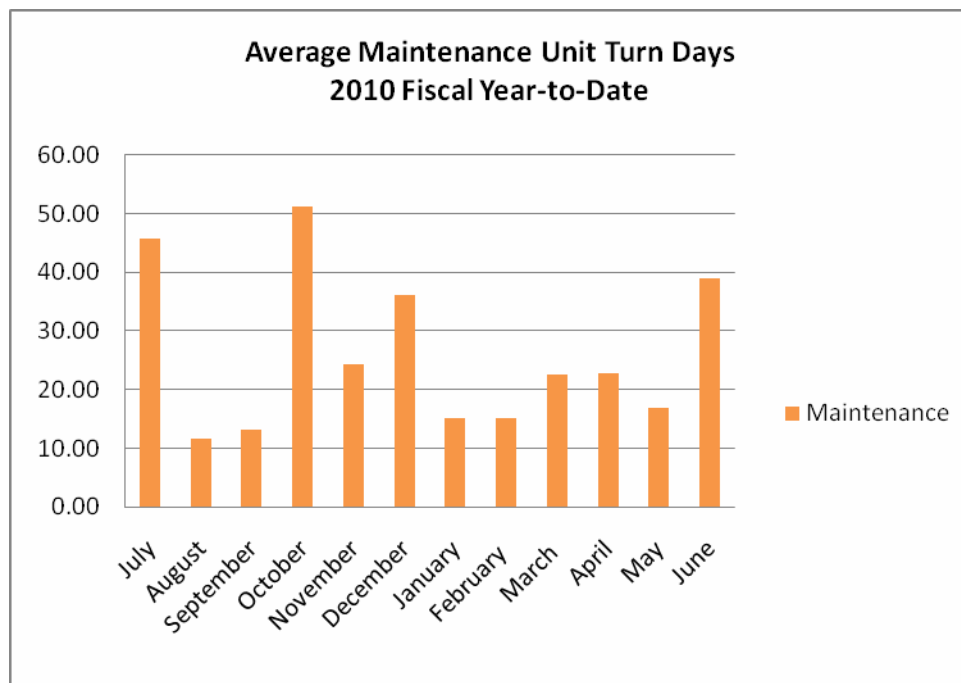
THA closed its 2011 fiscal year with average unit turns across all AMPs at 47 days per turn.

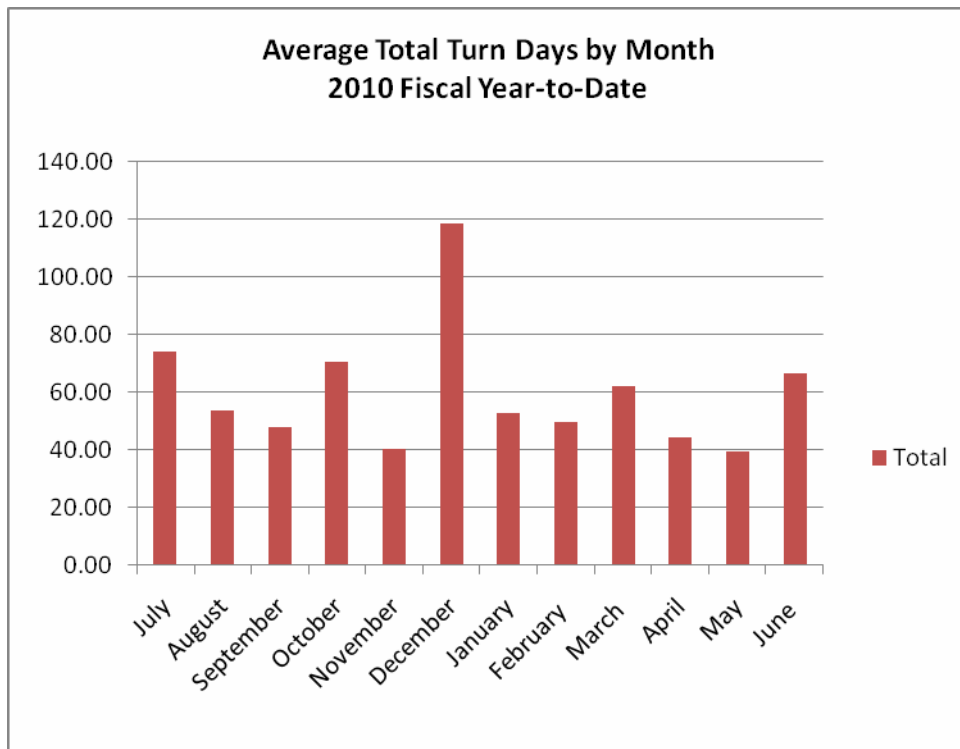
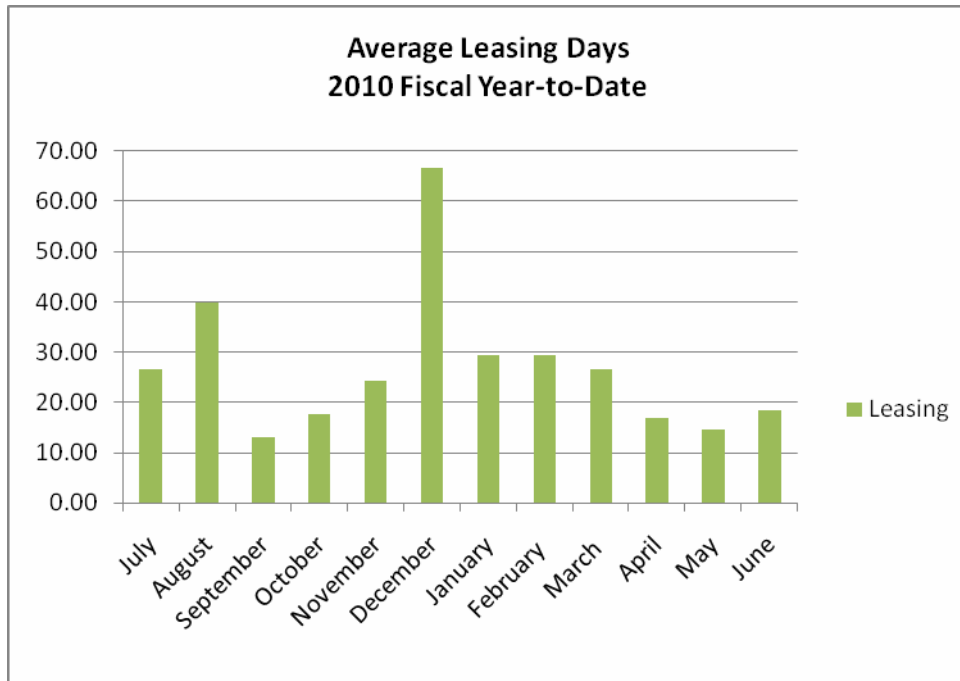
JUNE 2010 FYTD VACANT UNIT TURN REPORT (MASS #1)							
AMP # *	Units Turned	Down Time	Make Ready	Lease Up	Days to Turn	Exempt Days	Avg Turn
AMP 1	18	4	88	582	674		37.44
AMP 2	36	16	334	1001	1351		37.53
AMP 3	36	49	671	750	1506	36	41.83
AMP 4	18	15	397	393	805		44.72
AMP 6	7	8	253	84	345		49.29
AMP 7	5	99	24	184	307		61.40
AMP 8	3	150	0	69	219		73

JUNE 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 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	7	79	434	167	680		97
Amp 14	7	163	328	185	678		97
AMP 15	0	0	0	0	0		0
TOTALS	144	614	2602	3442	6696	36	47

*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. There was a spike in the number of days to complete unit turns during the month of June. This is due to completion of a number of aged vacant units.





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 June, all emergency work orders were completed within 24 hours. Open work orders increased at amps 10- 15 as a result of staff inviting tenants to report work orders that for any reason were not completed or recorded in Visual Homes. Most work orders are appliances that have still not been repaired. We are moving through these as quickly as we can with the appliance contractor we now have in place.

Work Order Completion Table:

WORK ORDER COMPLETION REPORT (PHAS/MASS #4)								
	Emergency				Non Emergency			
	June 2010		FYTD		June 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	41	100%	21	1.95	438	4.26
AMP 2	3	100	19	100%	39	4.10	392	4.24
AMP 3	11	100%	69	100%	54	2.87	545	8.92
AMP 4	2	100%	46	100%	14	3.36	364	17.39
AMP 6	2	100	19	100%	16	1.13	187	11.55
AMP 7	0	0	0	N/A	1	1	27	4.93
AMP 8	0	NA	0	N/A	0	1	21	6.76
AMP 9	0	NA	0	N/A	0	0	3	6.33
AMP 10	0	NA	0	N/A	6	16.67	98	56.18
AMP 11	0	NA	0	N/A	9	15.67	90	38.27
AMP 12	1	100%	4	100%	4	14	86	28.14
AMP 13	0	NA	0	N/A	5	42.80	93	29.12
AMP 14	0	NA	0	N/A	6	28.83	43	11.74
AMP 15	0	N/A	1	100%	1	3	18	3.28
Non-AMP	0	NA	4	100%	1	0	161	2.77
TOTALS	20	100%	203	100%	176	6.30	2566	12.57

*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 June 30, 2010			
AMP #	Open Non-Emergency	<25 Days open	>25 Days open
AMP 1	32	22	10
AMP 2	9	9	0
AMP 3	18	17	1
AMP 4	5	5	0
AMP 6	4	3	1
AMP 7	11	11	0
AMP 8	5	1	4
AMP 9	7	1	6
AMP 10	29	18	11
AMP 11	36	14	22
AMP 12	16	4	12
AMP 13	47	31	16
AMP 14	45	27	18
AMP 15	30	19	11
Non-AMP	6	1	5
TOTALS	300	183	117

3. Salishan Association

3.1 Salishan Association Board:

(a) Elections

The Board of Directors will have their elections at our August 16th meeting. The positions include a Board President, Treasurer and Secretary. The Secretary position will no longer be held by the CAM but by someone on the board.

4. Community Development and Safety

.4.1 Salishan Association:

(a) As part of the Eastside Tacoma Community Based Services (CBS), we held our first Safe Streets Youth Night on July 9th with approximately 20 kids in attendance. There were games and movies for the kids to enjoy.

- (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 by August 1st. The grant would be used for the formation of youth baseball and softball teams with the first pitch thrown spring 2011.

.4.2 Comprehensive Health & Education Foundation (CHEF) Funding:

CHEF, in an effort to provide support for strong FDA and state regulations limiting the advertising of tobacco near public housing, has collaborated with the Salishan Association and the Department of Health to conduct a tobacco industry marketing assessment project. Twelve youth from Salishan will be joining this project to learn about media literacy and will then go out into the community to take pictures of store fronts specifically targeting tobacco and alcohol advertising. Once this is completed, they will work up a story board which can be used by CHEF to support stronger FDA and state regulations limiting this type of advertising.

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 96.69% for the month of June and 97.18% for calendar year to date. Budget utilization is reported at 96.80% for calendar year to date.

HCV UTILIZATION SUMMARY REPORT					
Voucher			HAP		
	Month			Month	
Voucher Allocation	3,543		Budget	2,556,618	
Voucher Leased	3,425		Actual	2,370,056	
% Utilized	96.69		% Utilized	93%	

MOVING TO WORK (MTW)

An overview of MTW and an update on where we are to date is included as a separate memo in your board packet.



TACOMA HOUSING AUTHORITY

To: THA Board of Commissioners
From: April Davis, Director of Real Estate Management and Housing Services
Date: July 28, 2010
Re: Moving to Work Overview

During the June 5, 2010 budget retreat the board asked for an overview of the Moving to Work (MTW) program. Included in this memo is a brief schedule of the MTW implementation, an overview of the activities that THA currently has planned, and frequently asked questions and answers that are published on the HUD MTW website.

MTW Implementation

During the June meeting, the board approved THA to execute the MTW Amended and Restated Agreement. HUD is still in the process of revising the language in the contract that impacts future funding for the agency. Once that language has been finalized, the contract will be signed by THA and HUD. We are hopeful that this will occur some time in August.

Once the contract is signed, THA will be able to begin operating as a MTW agency. THA has submitted a first-year MTW Plan that will allow it to begin exercising single-fund flexibility. This is the only flexibility THA will be exercising in the first year. The first year will be from the date the contract is executed through December 31, 2010.

We are now in the process of completing the second-year MTW Plan which will allow THA to undertake a variety of activities that will be discussed in the next section of this memo. This Plan will be effective January 1-December 31, 2011. Below is the schedule for submission of this Plan:

- August 10: post a draft plan to the website
- August 31: finalize activities and answer HUD questions/comments
- September 1-6: hold public meetings
- September 7: hold public hearing
- September 22: Board approves Plan
- October 15: THA deadline to submit Plan to HUD
- January 1: Plan effective

Overview of Activities

Below is a table with the name and brief description of each activity that is planned to be in the second-year MTW Plan. Each activity is currently being evaluated by a third-party consultant to determine the financial and administrative burden of each activity. We may remove activities from this list if there is too great an impact on THA or its customers.

Activity #	Activity Name	Description of Activity
1	Create a Pilot of Three Alternate Rent Formula	Households who are considered "work able" will be given the option of choosing one of the three rent alternatives listed below.

Activity #	Activity Name	Description of Activity
Rent Alternate 1.1	Replace Earned Income Disallowance with Flexible Enrollment in Family Self Sufficiency (FSS) program	HUD requirements currently require THA to exclude new income earned by previously unemployed participants. THA is proposing to discontinue this exclusion and allow participants to participate in the FSS program instead. Participants will build escrow on this earned income rather than having it excluded.
Rent Alternate 1.2	Redefine Adjusted Income and Expenses	Allow more deductions from annual income for households. Make changes to the frequency that THA will process increases and decreases in tenant income.
Rent Alternate 1.3	Offer flat subsidy as an option in Housing Choice Voucher program	For households that are working at least 20 hours per week, households may opt to have their rent amount “locked” for a two year period. This would allow them to benefit from any increases in earned income.
2	Extend Allowable Tenant Absence from Unit for Active Duty Soldiers	In households where military deployment causes a loss of assisted housing, THA will reinstate these households once the deployed member returns to the US.
3	McCarver Elementary School Project: Housing and Education	THA will set aside 50 vouchers for households who have children enrolled in kindergarten at McCarver elementary. Eligibility for the voucher will be contingent upon the child continuing their education at McCarver and the adults participating in economic self-sufficiency programs.
4	Local Project-based Voucher Program	THA will increase the number of vouchers that it will project-base. It will also reevaluate the requirements to issue tenant-based vouchers to project-based households.

Activity #	Activity Name	Description of Activity
5	Allow Transfers Between Public Housing and Voucher Programs	In cases where households are under or overhoused or in need of a reasonable accommodation, THA will allow transfers between the public housing and voucher programs to accommodate.
6	Triennial recertifications for fixed-income households	For households whose sole source of income is from a fixed-income source, THA will complete recertifications every three years as opposed to annually.
7	Local Verification Policies for Housing Choice Vouchers and Public Housing	THA will adopt verification policies to allow for more streamlined processing.
8	Modified Housing Choice Voucher inspection process	THA will inspect units with a history of passed inspections on every two years as opposed to annually. It will also begin inspecting units based on geographic location as opposed to when the annual inspection is due.
9	Limit on number of moves by Housing Choice Voucher household	Households will be limited to one move every two years.
10	Implement minimum rent	Households will be required to pay a minimum of \$50 for rent.

Each activity was discussed in detail with board either at the time the MTW application was submitted or during the June board meeting.

Frequently Asked MTW Questions and Answers from the HUD website

What are MTW agencies permitted to do under MTW?

PHAs selected for the demonstration are permitted to seek exemption from many existing Public Housing and Housing Choice Voucher program rules found in the United States Housing Act of 1937 in pursuit of the three MTW statutory objectives:

- Reduce cost and achieve greater costs effectiveness in Federal expenditures;
- 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

- Increase housing choices for low-income families.

PHAs in the MTW Demonstration also have the flexibility to combine Federal funds from the public housing operating and modernization programs and Housing Choice Voucher program into a "block grant" to help them better meet the purposes of the demonstration and the needs of their communities.

While MTW agencies have considerable flexibility, they must still abide by all other federal rules and regulations, including the Fair Housing Act, the Civil Rights Act, labor standards, environmental rules, procurement guidelines, demolition and disposition procedures and relocation regulations. For all activities that affect their residents' rent payments, PHAs must also conduct an impact analysis that recognizes the unforeseen circumstances that may affect their residents and develop an appropriate hardship policy. These safeguards help minimize any potentially negative impact of MTW on residents and communities.

What is the MTW "Block Grant" approach?

MTW PHAs are permitted to combine their Public Housing Operating and Capital funds and Housing Choice Voucher funds and use these funds interchangeably. For example, an MTW agency could use public housing capital funds to issue additional vouchers or use voucher funds to develop more public housing to better fit the needs of its community.

MTW agencies also have the authority to use their funds to implement innovative policies that go beyond these two traditional forms of housing assistance to serve more low-income families. For instance, an MTW Agency can use funds from its block grant to replace decaying public housing with mixed-income communities, increase the percentage of project-based vouchers to bring more affordable housing to compact markets, and reach special needs populations through the use of provider-based vouchers paired with supportive services.

The caveat to this flexibility is that MTW PHAs "assist substantially the same total number of eligible low-income families as would have been served had the funding amounts not been combined." This provision helps ensure accountability of MTW agencies to HUD and their communities. In most cases, more families are served when an MTW Agency shifts funds between programs through the use of the MTW block grant.

Do PHAs in the MTW Demonstration receive additional funding?

No. Under the MTW Demonstration, PHAs receive funding that is equivalent to what they would have received had they not participated in MTW.

What kinds of activities have MTW Agencies implemented?

MTW Agencies can only use MTW flexibility in pursuit of the three MTW statutory objectives. Below is a list of the kinds of activities that MTW PHAs have implemented, organized by statutory objective.

Cost Savings	Self Sufficiency	Housing Choices
<ul style="list-style-type: none"> • Using the MTW block grant to leverage funds • Streamlining HUD processes • Redesigning HUD forms • Risk-based inspections • Rent simplification 	<ul style="list-style-type: none"> • Linking rental assistance with supportive services • Escrow accounts • Earned income exclusions • Increased case management services • Self sufficiency requirements 	<ul style="list-style-type: none"> • Developing mixed-income and tax credit properties • Foreclosure prevention, mortgage assistance and homeownership programs • Increasing the percentage of project-based vouchers

Is the MTW Demonstration being evaluated? What are the results to date?

Yes. HUD is moving forward with a Congressionally-mandated evaluation of MTW in 2010. A Congressionally-mandated evaluation by the Urban Institute of the MTW Demonstration, covering the earliest MTW sites, was delivered to Congress in January 2004.

The Promising Practices Reports for each PHA also offer a snapshot of the successes of each MTW Agency.

How do MTW Agencies measure and report on their activities?

Recognizing that MTW Agencies operate differently from other PHAs, MTW Agencies have different reporting requirements that allow HUD to learn from their activities. Unlike other PHAs, MTW PHAs are required to submit a comprehensive framework for their MTW program in their Annual MTW Plans and Reports to HUD, which includes outcome measures for all proposed activities and reports on the progress of all MTW activities. The purpose of the Annual MTW Plans and Reports is to provide local stakeholders and HUD with a clear understanding of the Agency's activities. In addition to MTW Plans and Reports, MTW Agencies are also required to report into most of the same HUD reporting systems as other PHAs.

Though HUD approves MTW Plans and Reports, HUD approval does not supersede any of the terms of an agency's Moving to Work Agreement, and the approval does not necessarily constitute an endorsement of any particular policies described in an agency's Plan.

The Standard MTW Agreement (also known as the Amended and Restated MTW Agreement), executed in 2008, standardized reporting requirements for all MTW Agencies and allowed for better cross-site comparisons. For all activities, MTW PHAs now outline baselines, benchmarks, and data collection methods to measure the progress of each activity in meeting the three MTW statutory objectives.

In 2009, HUD developed an internal database designed to capture information from Annual MTW Plans and Reports that will eventually allow HUD to analyze the types of activities implemented by MTW agencies and to track reporting metrics within and across sites. A full-time staff is dedicated to monitoring MTW agencies, working with them to measure the impacts of their activities and providing them with technical assistance.

How does HUD know if an MTW activity works, and what happens if it doesn't?

Because MTW PHAs differ in terms of size and communities served, there is no one standard measure of success for all MTW activities. Each MTW Agency outlines its own measures of success, based on local and community standards, in its Annual MTW Plans and reports on their progress in their Annual MTW Report.

Because the purpose of a demonstration is to replicate successes and learn from failures, punishing agencies for unsuccessful practices would prevent agencies from implementing untested, innovative activities. MTW agencies are, however, expected to explain discrepancies between intended and actual outcomes, change or eliminate an activity if necessary, and report on challenges faced so that HUD can learn from their experience.

Conclusion

Moving to Work will allow THA to have more administrative flexibility with how it runs its programs. However the flexibility we use will need to be approved by HUD and meet one of the statutory objectives listed above. The annual planning process for activities will provide the road map for the following year. It will be important that the staff, community and board are clear about what it wishes to accomplish year-to-year at the time of the annual planning.

MTW will also give THA more flexibility with how it spends its funds. Funds will also be more predictable.

REAL ESTATE

DEVELOPMENT



TACOMA HOUSING AUTHORITY

DATE: July 28, 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. Recent inquiries include Key Bank and the Asian Pacific Cultural Center. Staff also continues to pursue various funding opportunities and will 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 nearing completion of the next six. Staff executed a Purchase and Sale Agreement for an additional thirteen lots with Habitat, and closed on the first two of the thirteen. Staff continues to pursue homebuilders for additional lot sales in Area 3.

1.1.3 Area 2B

- *Infrastructure:* The contractor has completed finish grading of the lots, paving work continues and landscaping is underway. Infrastructure work is scheduled to finish by the end of October.
- *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 100% complete. Framing is ongoing. Siding work is underway. Mechanical, electrical and plumbing is on going through out the site. Roofing is underway. Interior painting and finishing has started in

block 24. The first 18 units are schedule for turnover on September 29, 2010.

1.1.4 Arlington Rd

Staff is conducting preliminary market research into the feasibility of a Senior intermediate care facility and 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: THA requested an extension on the loan conversion to allow time for the Salishan Five cost certification to be completed which was a requirement of both Citibank and the investor in order to close and fund. It is anticipated that the loan conversion will occur at the end of July or beginning of August. Due to the significant cost savings at Salishan Five (\$2 million +), staff needed to work with the Finance Commission to preserve all of the tax credits in order to get the full equity amount.

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). Staff is waiting for the appraisal to be completed by WCRA. Most of the due diligence items have been submitted for review. The loan conversion should happen in the next 30-60 days.

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: THA closed on a portion of the loan restructuring with Citibank. Due to the need for HUD approval on the re-structured financing structure, it was decided to re-issue the bonds and sign the Amended Indenture which allows for the term to be extended as well as the other deal points once HUD's approval has been granted. Citibank has allowed 90 days for THA to secure HUD's approval. The term extension is the only change currently in effect. THA submitted a revised Section 30 submittal, reflecting the new deal terms, to HUD the week of July 12. Staff will be working with its HUD attorney, Ballard Spahr, to obtain HUD's approval by September 30 at which point the remaining deal points (i.e. decreased interest rate, lowered release prices, etc) will take effect.

1.2.5 Area 2B: Staff is working with the Department of Commerce to complete

the documentation for the \$1 million in State capital budget funding that THA received in the most recent state budget. Funds should be available to THA in August.

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. Rationale includes the recent decrease in property values, the current market conditions, THA's site based management currently 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 22, 2010 staff conversed with members of HUD's HOPE VI application review committee and received input on the substance of our 2009 application. In general, the areas we received fewer points were in the categories relating to development and CSS leveraging. For these categories the NOFA required firm commitments from partners which are difficult to obtain in the early stages of a project. HUD also acknowledges the difficulty in obtaining these financial commitments.

Assuming the 2010 HOPE VI NOFA is similar to the 2009 NOFA, THA is not likely to gain enough points in a 2010 application to be competitive. A score in the 91-95 point range is required to be successful. The latest self score considering the feed back from HUD is currently 88 points. Staff will review the 2010 NOFA when it is released and will reevaluate our standing at that time.

In an effort to keep the project in motion, staff is currently planning a

phased approach.

Phase I – 1800 Hillside Terrace

Phase II – 2500 Hillside Terrace 50-unity single building

Phase III – 2500 58 units of row houses

Phase IV – Staff Offices and Community Building

1800 Hillside Terrace will move forward now with the disposition of the property for demolition while the programming and design continues. It would be included in a 2010 application if that is submitted. If not, we will move forward without HOPE IV funding and progress to revitalize these properties will continue in the above phases.

(See attached memo)

2.2.2 *Architecture:* Staff will reengage GGLO to move forward with the programming and design of a new 1800 Hillside Terrace.

2.2.3 *Construction:* Staff will reengage Absher Construction to continue preconstruction services for the 1800 Hillside Terrace.

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 95% of the new siding and related envelope protection. 75% of the exterior painting and roofing repairs are complete.

G Street Apartments; Demolition of the siding is 70% complete and window removal, reframing and installation of the new windows is 75% complete. Weather Resistant Barrier and siding installation is 60% complete. Column and roof framing is 50% complete.

- 3.3.2 *AMP2: Wright Street; Concrete ramp and walkway removal and replacement is complete. Preparations are underway to start the window and siding replacement.*

Fawcett Apartments; Deck removal and replacement is ongoing. The deck railing has been delivered to the site and installation is starting. The sidewalks scheduled for replacement have been completed and pressure washing of the vinyl siding is complete.

6th Avenue; Tree removal and demo, and replacement of the driveway approach are finished. Concrete walkway removal and replacement is completed. Window repairs are underway with 50% completed. Installation of the new roofing repairs has begun.

- 3.3.3 *AMP3: Renovations at Bergerson Terrace and Ludwig apartments are complete. Staff has prepared a Resolution to replace the boiler heating and hot water systems at Dixon Village. This work is being priced by the contractor. Other Dixon Village scope of work is approximately 75% complete.*
- 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 is scheduled to 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 September.*
- 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 five houses are currently listed on the Multiple Listing Service. To date, two offers have been made and accepted by THA; the house at 6514 E. Portland and 2012 Martin Luther King Way. One of the homes will be purchased by a participant in THA's Section 8(y) homeownership program. Once these houses close, THA will be able to look for additional foreclosed houses.
- 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: Three Section 3 employees have been hired to date.

5. PHAS INDICATOR FOR MODERNIZATION ACTIVITIES

The following are the obligated and expenditures as of July 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%	\$1,502,319	81%	6/13/08	06/12/10	06/12/12
2008 CFP (1 st R)	\$1,351,655	\$1,351,655	100%	\$1,351,655	100%	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	\$573,662	24%	\$166,965	7%	9/15/09	9/14/11	9/14/13
2009 CFP (1 st R)	\$703,863	\$703,863	100%	\$278,150	40%	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	\$2,724	100%	0	0	4/12/10	4/12/12	4/12/14
2010 CFP	\$2,345,627	00.00	0%	0	0	7/15/10	7/15/12	7/15/14
2010 CFP (1 st R)	\$1,216,978	\$1,216,978	0%	0	0	7/15/10	7/15/12	7/15/14
2010 CFP (2 nd R)	\$219,721	\$219,721	0%	0	0	7/15/10	7/15/12	7/15/14
CFRG*	\$4,096,616	\$4,096,616	100%	\$1,431,496	35%	3/18/09	3/17/10	3/17/12

*ARRA Capital Fund Recovery Grant

Interoffice Memo

July 19, 2010

RE: 1800 & 2500 Hillside Terrace
From: Real Estate Development
To: THA Department Directors
Subject: 2009 HOPE VI Application HUD Debrief of Scoring and Next Steps

This document serves three purposes; 1). It will identify the differences between our competitive view and HUD's actual assessment of our application. 2). Help THA identify curable deficiencies for any future HOPE VI applications and 3). Provide "Next Steps" and our plan for moving this project forward.

HUD's Application Review and Comments

HUD received 44 applications nation wide. Of that, they awarded 6 applicants \$113MM. The agencies receiving awards scored between 90 to 95 points out of 105 available points. HUD indicated there were several agencies at 90 total points. *HUD scored the THA application at 78 points.* THA staff self-scored our application (during the application development process) at 94 points and felt competitive. With this, there is an apparent difference in the way THA viewed our competitiveness vs. HUD's score of the application.

On June 22, 2010 staff participated in a teleconference with HUD to acquire feedback on our 2009 HOPE VI application. The following table lists the individuals that participated in that conversation.

<u>HUD</u>	<u>Tacoma Housing Authority</u>
Sue Wilson	Tina Hansen
Rosemary Hawking	Nancy Vignec
Leigh Van Rij	Steve Clair
	Michael Power
	Roberta Schur

The below HOPE VI Score Matrix identifies, by category, the total points available from the NOFA, THA's 2009 self-score, HUD's score of our application and a new self-score in anticipation of a 2010 HOPE VI funding round. The areas where HUD scored THA lower than our 2009 self score are marked with blue shading. The yellow shading reflects a new self-score for the category and will help identify our competitiveness for a potential 2010 HOPE VI application.

HOPE VI Score Matrix

Rating Factors	NOFA Available Points	2009 Self Score	2009 HUD Score	2010 Self Score
Capacity				
Capacity of Development Team	5	5	5	5
Public Housing Assessment System	2	2	2	2
Section 8 Management Assessment Program	2	2	2	2
IG Audit Finding	1	1	1	1
Capacity of existing HOPEVI Expenditures	0	0	0	0
Capacity of existing HOPEVI Timeliness	0	-2	-2	-2
CSS Staff experience	2	2	2	2
CSS Impact on existing staff and capacity	1	1	1	1
Past property management experience	2	2	2	2
Property management plan	1	1	1	1
Rating Factor Sub-total	16	14	14	14
Need				
Severe Physical Distress of the PH Project (1)	2	2	2	2
Severe Physical Distress of the PH Project (2)	2	2	2	2
Severe Physical Distress of the PH Project (3)	2	2	2	2
Severe Distress of Surrounding Neighborhood	3	3	3	3
Need for HOPE VI Funding	3	3	3	3
Need for Affordable Accessible Housing in the Community	3	3	3	3
Rating Factor Sub-total	15	15	15	15
Leveraging				
Development Leveraging – commitments of funds	6	4	0	0
CSS Leveraging	4	4	0	1
Anticipatory Resources Leveraging	3	3	3	3
Collateral Investment Leveraging	2	2	2	2
Rating Factor Sub-total	15	13	5	6
Resident and Community Involvement				
Elements 1 – 3	3	3	3	3
Rating Factor Sub-total	3	3	3	3
Community and Supportive Services				
Case Management	2	2	2	2
Needs Assessment and Results	3	3	2	3

Transition to Housing Self-Sufficiency	4	4	3	4
Quality and Results Orientation	2	2	2	2
Rating Factor Sub-total	11	11	9	11
Early Childhood Education				
Existing Neighborhood Strengths	2	2	0	2
Quality and results orientation Pre-revitalization	1	1	0	0
Quality and results orientation Post-revitalization	2	2	0	1
Rating Factor Sub-total	5	5	0	3
Relocation				
Relocation Plan	3	3	3	3
Rating Factor Sub-total	3	3	3	3
Fair Housing and Equal Opportunity				
FHEO Disability Issues	2	1	2	2
Universal Design	1	1	1	1
Fair Housing and Affirmatively Furthering Fair Hsing	1	1	1	1
Section 3 Plan	1	1	1	1
Section 3 Compliance	1	1	1	1
Rating Factor Sub-total	6	5	6	6
Mixed Income Community				
Project Based Affordable housing	1	1	1	1
Off-site Housing	1	1	1	1
LIHTC	1	1	1	1
Market Rate Housing Units	1	1	1	1
Rating Factor Sub-total	4	4	4	4
Soundness of Approach				
Internal Consistency & Organization of Application	2	2	1	2
Appropriateness and Feasibility of the Plan	2	2	2	2
Neighborhood Impact and Sustainability of the Plan	4	2	4	4
Project Readiness – Vacant site	2	0	0	0
Project Readiness – Cleared site	2	0	0	0
Project Readiness – MDA	1	1	1	1
Project Readiness – Public Planning Sessions	1	1	1	1
Program Schedule	3	3	0	3
Design	3	3	3	3
Green Development and Energy Efficiency Strategies	6	6	6	6
Broadband Internet Access	1	1	1	1
Rating Factor Sub-total	27	21	19	23
Total Available Points	105	94	78	88

HUD's Application Comments

During the previously mentioned teleconference HUD provided the following feedback.

Capacity of existing HOPE VI Timeliness – Our application received the anticipated (-2) points due to the length of time THA needed to complete Salishan. The Salishan project has taken more than 7 years to complete. The NOFA required no more than 5 years to complete previously awarded HOPE VI projects. This is not curable unless the 2010 NOFA changes the requirement. The 2010 HOPE VI self-score will remain at (-2) points.

Leveraging

Development Leveraging -firm commitments of funds – To obtain the full (6) points for this category the NOFA states the HA must show firm funding commitments for a 1:3 leveraging of HOPE VI funds to total development sources of funding. This requirement insinuates all other funding for the project is “first money in”. Staff debated this issue and initially thought we would not receive any points for this category. After further debate we raised our self-score to (4) points. We submitted two soft letters from financial institutions that projected an interest in providing financing and equity if the project were to receive a HOPE VI grant award and move forward. This is a typical response from private investors. Typically, subsidy funding starts at the local level and escalates in support from City, County, State & then Federal. To the private investor, this shows community and subsidy support which lessens their risk and increases the potential of the project being real. The investor preference is that their equity be the last dollars into the deal. Another issue is funding application timing. When applying to local jurisdictions for financial support their application cycles do not necessarily coincide with the HUD HOPE VI application cycles. These City, County and State jurisdictions also possess limited resources and are hesitant to fund projects that may not receive the Federal level subsidy. THA staff was overly optimistic when applying points to this category when self-scoring our application. At the time, there was consensus that HUD may accept the soft letters supplied in the application.

HUD acknowledges that many HAs are unable to receive these points due to the obstacles mentioned above. The 2010 HOPE VI self-score has been reduced to (0) points.

CSS Leveraging – To receive the maximum (4) points for this category the project needed a 1:2 ratio for CSS leveraging. Staff self-scored the 2009 application at (4) points. HUD calculated our leveraging ratio at 1:1.19 which fell below any of the ranges to receive points. When determining the 2009 self-score, staff interpreted the calculation to include a deduction of 5% of the total grant amount from the total CSS grant request to establish the ratio. This was not correct. In addition, HUD deducted \$108,300 from the calculation because the Bates commitment letter did not clearly state how many years their commitment covered. The reviewers stated the wording on the other commitment letters was good because clearly showed how the in-kind match amounts were calculated. The

2010 self-score has been adjusted to (1) point. This would be accomplished by maintaining the current partners' cash or in-kind commitments, correcting the wording in the Bates commitment letter and maintaining the overall CSS budget at \$1.9MM. The ratio would become 1:1.27.

Community and Supportive Services

Needs Assessment and Results – In this category the application received (2) of the (3) possible points. HUD's explanation indicated the description of the Needs Assessment wasn't clear to how many families would be served. The Logic Model indicated 100 families to be served, while the Needs Assessment indicated 109 families. Because of these inconsistencies, HUD determined the Needs Assessment was not comprehensive. The narrative wasn't clear who would be served. The 2010 self-score is the maximum (3) points. This is a curable issue.

Transition to Housing Self-Sufficiency - In this category the application received (3) of the (4) possible points. The 2009 self-score thought the application would receive a maximum of (4) points. The application only referenced a transition into homeownership and did not include opportunities to transition into affordable or market rate rental housing. The 2010 self-score could be raised to the full (4) points by describing the other options in the application.

Early Childhood Education

Existing Neighborhood Strengths – In this category the application received (0) of the (2) possible points. HUD indicated that the application was not responsive to the NOFA. The MOU from Tacoma Public Schools (TPS) did not indicate where programs would be located or any of the language from the NOFA. The Narrative portion of the application was not specific enough about the parenting commitment. The MOU with TPS said "when possible" they would provide parent services. The application did not clearly identify a strong, anchor institution in the community. There was no reference to a high quality results oriented program or a commitment to enroll families of the revitalized neighborhood. Staff has placed (2) points in the 2010 self-score believing that this category could be cured by strengthening the language in the Narrative and MOU's.

Quality and results orientation Pre-revitalization - In this category the application received (0) of the (1) possible point. The needs assessment was good. The application did not demonstrate a commitment for outreach to resident families. A commitment to enroll, track and support students was lacking from the TPS MOU. The application was lacking comprehensiveness for the TPS programs. THA did not supply an MOU with Puget Sound ESD for Early Head Start. We could get an MOU with PSESD, but HUD is looking for a firm commitment to providing all the children with early childhood services during relocation. It is highly unlikely that PSESD could make a commitment two years in advance to provide home-based services at a variety of locations throughout the city. This would be very staff intensive for them compared to a site-based program and the number

of students they can serve is fixed by Head Start. The 2010 self-score is (0) points with no current solution.

Quality and results orientation Post-revitalization - In this category the application received (0) of the (2) possible points. The needs assessment was good. Similarly to the pre-revitalization section above, the application was not responsive to the NOFA due to a lack of detailed information in the MOU's with TPS. There was not a clear enough commitment to hold slots for Hillside Terrace children in the Early Childhood Education program. TPS's role in tracking outcomes was not stated in the MOU. In addition, HUD stated the commitment to fund the program after the term of the grant was not firm enough. There is a lack of information for sustainability of the Early Childhood Education component. There was no indication that the evaluator will track children's outcomes throughout the life of the grant and beyond. We can resolve the issues with the TPS commitment and tracking outcomes, but we will continue to lose a point on sustainability because TPS is not likely to be able to make a firm commitment that exceeds the 4.5 years of the grant until after the Hillside Terrace Early Childhood Development Center is built. The 2010 self-score is (1) point with no current solution for full points.

Soundness of Approach

Internal Consistency & Organization of Application - In this category the application received (1) of the (2) possible points. HUD stated a deduction of 1 point was due to several inconsistencies in the application.

- United Way was listed as a source of funding in the narrative but not listed as a source in Attachment 7.
- The Attachment 5 –Narrative, indicated “No market rate units”. Comment: This section was thought to mean market rate rental. HUD indicated that the (8) market rate homeownership units needed to be discussed here. These homeownership units were discussed appropriately under “off-site housing”.
- Attachment 1 did not show the (2) 60% homeownership units. Comment: They were shown but, not in the 60% units line item. They were shown under the ‘homeownership housing units’ section.

With the exception of missing United Way in Attachment 7, HUD concurred that we could dispute the other two items and most likely gain this point back. It was mutually acknowledged that it probably is not worth the effort at this point.

Project Readiness, Vacant Site - In this category the application received (0) of the (2) possible points. Staff self-scored the 2009 application as (0) points. To achieve these points residents would need to vacate the premises. The 2010 self-score remains at (0) points in the anticipation that relocation could not happen soon enough.

Project Readiness, Cleared Site - In this category the application received (0) of the (2) possible points. Staff self-scored the 2009 application as (0) points. To achieve these points residents would need to be relocated, and the existing dwelling units would need to be demolished. The 2010 self-score remains at (0) points in the anticipation that this could not happen soon enough.

Program Schedule – In this category the application received (0) of the (3) possible points. Staff self-scored the 2009 application as (3) points. The NOFA requested applicants to submit a complete program schedule. Our application included a comprehensive schedule from the anticipated Notice of Grant Award through the design process including community outreach, permitting and the build out phase. The NOFA required the program schedule to also show supplemental submissions such as the disposition of existing units and tasks related to Community Service programming. These components were missing from the program schedule THA provided. The 2010 self-score will be (3) points. This category is curable.

Conclusion

Assuming the 2010 NOFA is similar to the 2009 NOFA, THA is not likely to gain enough points in a 2010 HOPE VI application to be competitive. If we gained the additional points we project in our 2010 self-score, and if the reviewers grant us all the points awarded for our 2009 application, we would still be two points lower than any of the applications that were selected for funding in 2009. Other 2009 applicants have also conducted debriefings and will improve their scores with this information. It is likely the 2010 awardees will have higher scores than the 90 – 95 point range for the 2009 awardees.

Next steps

1. Staff will do a thorough review of the 2010 HOPE VI NOFA as well as the Choice Neighborhoods NOFA when they are available. Staff will weigh any differences between the two NOFAs and evaluate any change in our self score. This will lead to a determination to update our application and reapply or not.
2. Additional, we plan to proceed with a modified approach to the 1800 and 2500 Hillside Terrace project. The Real Estate Development Department plans to proceed with a phased approach. The phases are currently envisioned as follows:

Phase I – 1800 Hillside Terrace
Phase II – 2500 50-Unit Single Building
Phase II – 58 Units Row Houses
Phase III – Community Building

In an effort to keep the project in motion, THA will continue with the programming and design of the 1800 Hillside Terrace property now. If the decision is to reapply for HOPE VI,

the additional work on Phase I would be included in the application and would show additional progress. It is estimated that another HOPE VI application could take 6-9 months from the NOFA being issued through awards being announced. If we apply we will still continue to develop Phase I. If we are not successful, we will have at least continued to move forward on Phase I.. If the decision is to not reapply, this phase of the project would continue and THA would be moving forward towards construction and completion of this first phase.

COMMUNITY SERVICES



TACOMA HOUSING AUTHORITY

DATE: July 28, 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 June 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 one public housing client in his job preparation program during the month of June. During the month of June, two clients were placed in jobs and experienced an increase in earned income.

Activities	Month	YTD	Annual Goal	% of Goal
Clients enrolled in vocational training program	0	7	20	35%
Clients completed vocational training program	0	4	12	33%
Clients enrolled in employment readiness soft skills program	1	36	52	69%
Clients completed employment readiness soft skills program	0	1	44	2%
Job Placement	2	28	60	47%
Earned Income Increased	2	28	30	93%
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 June, nineteen participants attended GED classes. A total of 49 participants have attended since January 1, 2010.

Activities	Month	YTD	Annual Goal	% of Goal
Participants attending Bates GED classes	19	49	18	272%
Completes one or more GED tests	0	8	3	267%
Attains 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.

Status	Month	YTD	Annual Goal	% of Goal
Current Participants	116	128	153	84%
Graduates	1	7	5	140%
Removed/Voluntarily Withdrawn	3	5	n/a	n/a
New Contracts Signed	0	10	10	100%
Escrow Balance	\$300,603.27			

THA submitted the final closeout report for its 2008 public housing FSS grant. The \$56,238 PH FSS grant served 44 households during the grant period April 2009 – April 2010.

- Eight households increased their income during the grant period.
- The average dollar increase in annual household income was \$13,056.
- Nine households reduced their case welfare assistance to zero.
- Five households established new FSS escrow accounts.
- Five households moved to non-subsidized housing.

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 had eight participants who completed the program.

Activities	Month	YTD	Annual Goal	% of Goal
Life Skills Enrollment	8	13	20	65%
Life Skills Completion	8	13	15	87%
Parenting Enrollment	3	9	25	36%
Parenting Completion	0	13	20	65%

1.5 Asset Building

The department provides financial literacy, credit counseling, homeownership counseling and individual development accounts to help THA clients build assets and prepare to become homeowners. In June, THA signed an extension to its contract with the Washington State Department of Commerce for the IDA program. The end date of the contract is extended through June 30, 2011. The extension will allow adequate time for current participants to complete purchase of the assets identified in their savings plans.

Activities	Month	YTD	Annual Goal	% of Goal
Financial Literacy Enrollment	5	21	120	18%
Financial Literacy Completion	2	9	72	13%
Credit Counseling Enrollment	0	0	17	0%
Credit Counseling Completion	0	1	10	10%
Homeownership Counseling	12	19	17	112%
Individual Development Account Participants	34	45	30	150%
Qualified Withdrawals	4	5	30	17%
Home Purchase	3	5	10	50%
Other Asset Purchases	1	5	20	25%

1.6 Neighborhood Networks and VITA

THA has Neighborhood Networks computer labs at Bergerson Terrace, Dixon Village, and Salishan. The AmeriCorps member assigned to the computer labs is responsible for outreach and computer lab programming. Each lab has scheduled times for adult activities and for youth activities including, resume writing, research, and homework assistance. In June, the AmeriCorps member offered information nights at Hillside Terrace, Bergerson Terrace and Dixon Village. Participants learned about programs available at the labs. They also provided information about the summer lunch program THA offers at these three housing communities in partnership with the Food Connection.

Activities	Month	YTD	Annual Goal	% of Goal
Computer Lab Participation	47	111	150	74%
VITA Tax Returns for THA clients	0	55	125	44%
EITC Received (PH only)	0	17	85	20%

1.7 Youth Activities

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

Northwest Leadership Foundation (NLF) began its summer camp at Lister Elementary school on June 21. NLF will serve 40 public housing youth through the summer camp.

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

1.8 Senior and Disabled Services

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

The Senior and Disabled Services Program Specialist serve the 350 residents of THA's seven senior apartment buildings. During the month of June, the Specialist had 185 client contacts (115 unduplicated). In addition, 13 unduplicated home

visits were made, 19 residents received 1:1 situational and wellness counseling, and 21 residents received correspondence assistance.

Activities	Month	YTD	Annual Goal	% of Goal
Unduplicated client contacts	115	223	260	86%
Referrals	1	14	55	25%
Unduplicated situation/wellness counseling	19	73	150	49%
Assistance with correspondence for Entitlement Programs	2	15	40	38%

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.

	WFF/Sound Families		Hillside Terrace		Tax Credit	
	Month	YTD	Month	YTD	Month	YTD
Total Current Caseload	20		4		6	
Entrances	2	4	0	0	1	1
Graduations	1	1	0	0	0	0
Exits	0	0	0	0	0	0
Terminations	0	1	0	0	0	0

HUMAN RESOURCES



TACOMA HOUSING AUTHORITY

Date: July 21, 2010
To: THA Board of Commissioners
From: Barbara Tanbara, HR Director
Re: July HR Department Board Report

1. EMPLOYEE RELATIONS

1.1. Employee Opinion Survey (EOS): We were excited to have our employees at the All-Staff Retreat in early June. At the retreat, we continued our work on identifying what the agency could do to improve in the areas identified in our Employee Opinion Survey as needing improvement. We worked specifically on *Culture of Respect* and *Accountability*. Our staff was guided through their work by a facilitator and then divided into department teams to create goals for their dept. The retreat was well received and employees were energized by their work. The departments will report out to the agency on their progress working towards their goals at our Directors BBQ in September.

1.2. THA Employee Newsletter – our Employee Newsletter will be published next in August.

1.3. THA Employee Summer Event – Our annual summer event is on Thursday, August 5th at Owens Beach from 11:30 – 4 pm. Our Commissioners are always welcome to attend!

1.4. Grievances and Complaints - For CYTD 2010, we have no union grievances, no City of Tacoma Human Rights/EEOC complaints and no lawsuits.

2. LABOR RELATIONS

2.1. Labor-Management Committees

THA is continuing our Labor-Management Committee meetings for both OPEIU and Trades Council. Our OPEIU meeting was held on July 20 and the Trades Council meeting is coming up.

2.2. Trades Council Union Negotiations

We will begin our negotiations on Friday, July 30th with the Trades Council to discuss our 2010 salary increase and insurance benefits opener.

3. STAFFING

3.1. Director of Real Estate Development search

Our Director of Real Estate Development search is progressing on schedule. As of Mon, 7/19, the THA website employment page for the position had more than 600 hits and we

have 34 applicants. This week we will evaluate the quality of our candidate pool thus far and decide if any other actions are necessary to broaden the search.

3.2. THA Recruitment/Turnover Report - I have included the *2010 Recruitment/Turnover Report* through June. In the first six months of the year, four employees have separated and one was laid off due to the end of their Sunset period. That puts annualized turnover at 7.3%. By this time last year, we had lost ten employees, so we have cut turnover by more than half thus far. We hope to maintain this trend even when the economy improves.

4. TRAINING

Cabinet Leadership Development project: Waldron and Company continues its work with the Cabinet to help us make progress towards becoming a more effective leadership team. We had a terrific two-day retreat and were able to address some long term issues that plague many organizations – how to improve communication between departments and how to communicate effectively as a team and with each other. We learned how to “dialogue” about challenging topics rather than turn it into a contentious debate.

We are tackling other important topics, such as establishing clear priorities for the agency. On the surface, this appears to be a relatively easy task. But there are so many terrific opportunities that come to our attention; it is sometimes difficult to know which paths are the best for the agency.

5. BENEFITS

Benefit Broker RFP: I had hoped to delay this work however, we got a firm medical premium increase from Group Health that is unacceptably high. Our broker RFP will go out this week and we will be looking at all benefits. We certainly will partner with the employees and unions as we examine our options.

6. POLICIES

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

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

Policy #	Title
15 Staff Development & Performance Evaluation	
15.01	<p>Training</p> <p>Training in THA continues to reside in the individual departments. Whenever training is done, we work to ensure that everyone knows about it. Training plans can also be built into the employee's performance evaluation's Job Objectives. This policy defines responsibility for employee training.</p>
15.15	<p>Performance Evaluation and Job Objectives *In place since 2007</p> <p>This policy explains the process of giving and receiving performance evaluations. There are additional "how to" documents on the Share drive to assist all employees in giving and receiving their performance evaluation. As originally designed, this is an inclusive process.</p>
20 Benefits	
20.01	<p>Employment Benefits</p> <p>This policy describes benefit eligibility for regular employees, temporary employees and domestic partners. It also covers benefit continuation under COBRA, benefit enrollment and benefit changes, and employee benefit contributions.</p>
20.10	<p>Domestic Partner Benefits *In place since 2007</p> <p>This policy explains which benefits may be extended to registered domestic partners, whether they are the same or different genders. <i>Note: This policy will be revised to comply with the new regulations related to the passage of Referendum 71.</i> Until that time, this policy stands as is.</p>
25 Administrative Policies	
25.01	<p>Authority of Personnel Decisions</p> <p>This policy dictates that the Executive Director has the final authority for all personnel decisions. He/she may delegate all or part of that responsibility.</p>
25.10	<p>Working Hours</p> <p>This policy describes THA's typical working hours, requirements for overtime pay, rest periods for hourly employees, lunch breaks, expectations for attendance and tardiness. It also describes THA's alternative work schedules— flextime, compressed workweek, and holiday pay for compressed workweek. Many of our employees are on some type of alternative work schedules.</p>
25.15	<p>Job Descriptions and Employment Status</p> <p>This policy explains regular, sunset, and temporary employee status and full-time and part-time status. It explains about THA's job descriptions and FLSA status for exempt and non-exempt employees.</p>
35 Time Away From THA	
35.01	<p>Time Away From THA</p> <p>This policy covers all leave options that are not related to medical conditions. Covered are holidays, religious holidays, floating holidays, vacation, bereavement, jury or witness leave, time off to vote, and unpaid leaves of absences for THA staff. THA has two vacation cash out options and addresses annual leave carryover restrictions. It also covers the consequences of unauthorized leave and benefit eligibility during leave.</p>
35.15	<p>Family and Medical Leave</p> <p>This policy describes all federal and state leave laws - Family Medical Leave Act (FMLA), Family Leave Act; Family Care Act; Leave for Victims of Domestic Violence, Sexual Assault, & Stalking; Leave for Spouses of Deployed Military Personnel; and Pregnancy, Childbirth, and Pregnancy Related Conditions. It explains different eligibilities, notice requirement, certification requirements, job restoration rights, and benefit eligibility during leave. In addition, it covers sick leave and sick leave cash out at separation. All</p>

Policy #	Title
	recent leave legislation regulations are covered in this policy.
35.35	Military Leave This policy explains THA's obligations under the Veterans' Reemployment Rights (VRR) Statute and the Uniformed Services Employment and Reemployment Rights Act (USERRA). It covers job rights, benefit rights, reinstatement, and prohibition against retaliation.
40 Workplace Health & Safety	
40.05	Workplace Violence and Domestic Violence This policy explains THA's obligation to provide a safe and healthy workplace, free from violence and the threat of violence. It lists prohibited behaviors, assistance available and confidentiality.
40.10	Smoke Free Workplace This policy informs staff about THA's smoking policy. Smoking is not permitted in any THA facility or vehicle. This prohibition does not apply to smoking allowed in tenant apartments.
40.15	Drug and Alcohol Free Workplace The policy explains prohibition against unlawful drug activity, alcohol use, and misuse of medications. THA complies with the Drug Free Workplace Act of 1988. It lists prohibited behaviors and consequences of violating the policy, the voluntary substance abuse program, conditions for drug testing and substance abuse treatment evaluation, referrals to Employee Assistance Program and possible discipline for policy violation.
40.20	Worker's Compensation and Modified Duty This policy explains THA's obligations under Washington Workers' Compensation Insurance, employee and supervisor responsibility, and THA's Modified Duty Program.
45 Labor Relations	
45.01	Relationship Between Personnel Policies and CBA's The policy confirms that THA's personnel policies do not supersede any current THA collective bargaining agreement. If no conflict exists, then the personnel policies govern and guide interpretation of the collective bargaining agreement.
50 Employment Separation	
50.01	Employment Separation The policy lists the different types of separation, the notice required, and the potential for a cash-out of accrued benefits. It also covers exit interviews and post-employment references.

THA Recruitment-Turnover Report 2010

*data reflects regular employees only

	Jan	Feb	March	April	May	June	July	Aug	Sept.	Oct.	Nov.	Dec	YTD	Annualized
Total # Employees	110	110	110	110	109	109							110	109.6
Voluntary Separation	1	1	1	1	0	0							4	8
Involuntary Separation	0	0	0	0	0	0							0	0
Retirement	0	0	0	0	0	0							0	0
Total Separations w/out Lay-Off & Sunset	1	1	1	1	0	0	0	0	0	0	0	0	4	8
End of Sunset Assignment	1	0	0	0	0	0							1	1
Lay-Off	0	0	0	0	0	0							0	0
Total All Separations	2	1	1	1	0	0	0	0	0	0	0	0	5	10
Turnover Rate w/out Lay-off's	0.9%	0.9%	0.9%	0.9%	0.0%	0.0%							3.6%	7.3%
Total Turnover Rate	1.8%	0.9%	0.9%	0.9%	0.0%	0.0%							4.6%	9.1%
2009 T/O Rate w/out Lay-Off's	0.9%	1.8%	4.4%	0.0%	0.9%	0.9%	2.6%	1.8%	0.0%	1.8%	0.0%	0.0%		15.0%
2009 Total Turnover Rate	0.9%	1.8%	4.4%	0.0%	0.9%	1.7%	2.6%	1.8%	0.0%	1.8%	0.0%	0.0%		16.8%
Hires/Promotions														
New or Different Positions	0	0	1	0	0	0							1	
Replacement due to Separation	0	0	1	1	0	1							3	
Replacement due to Promotion/ Transfer	1	0	1	1	1	0							4	
Sunset Positions	0	0	0	0	0	0							0	

No Resolutions for July 28, 2010

EXECUTIVE DIRECTOR REPORT



TACOMA HOUSING AUTHORITY

Michael Mirra
Executive Director

Date: July 20, 2010
To: THA Board of Commissioners
From: Michael Mirra
Executive Director
Re: Executive Director's Report: July 2010

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

1. THA's ADVOCACY AND PUBLIC EDUCATION

One of THA's eight strategic objectives directs us to engage in "advocacy and public education." It reads:

THA will advocate for the value of its work and for the interests of the people it serves. It will be a resource for high quality advice, data and information on housing, community development, and related topics.

This is an important part of our work. It helps to make or maintain our community and political environment hospitable to the work we do. It helps to give THA some influence over public policy that can determine our success. It makes THA useful to policy makers as they confront complex housing and development issues.

I have attached a printout from THA's Project Data Base showing the projects serving the Advocacy and Public Education strategic objective. Some of these initiatives have shown good progress recently in ways I will detail at the board meeting.

2. FEDERAL BUDGET FOR FY011

The Congressional appropriations for HUD programs for FY2011 remain an important uncertainty for THA's budget for our budget year that just started. The House of Representatives has begun to write that budget. In particular the Subcommittee of the House Appropriations Committee that will write HUD's budget has taken its first, and perhaps most important, vote. I attach some analyses of that vote.

In general, under the proposals that this vote approved, HUD's mainline programs do well, in some cases better than President Obama's proposals. Notably, the House subcommittee vote rejects the President's proposal for "Transforming Rental Assistance". This is the proposal I have written about to you that would allow PHAs to "trade in" public housing units for section 8 type rental assistance. The subcommittee also does not fund the President's proposal for Choice Neighborhoods. Instead, it redirects the money to a revived HOPE VI allocation of \$200 million for 2011.

People who track these things continue to expect that Congress will not pass a budget until after the election in November and possibly not until the new Congress convenes in January 2011.



Tacoma Housing Authority
Project Database

ALL ADVOCACY/PUBLIC ED. PROJECTS

July 20, 2010

Project Title	Number	Status Due Date	Summary
1. BILL AND MELINDA GATES FOUNDATION ADVISORY COMMITTEE ON HOMELESS PROGRAMS	EX-2007-14	OPEN 10/1/2011	The Bill and Melinda Gates Foundation has funded the Sound Families Program in Pierce, King and Snohomish Counties. It is about to issue the last grants. It is now planning the successor to that Program. It has convened an advisory committee and asked Michael Mirra to participate. This project pertains to his participation.
2. CITY OF TACOMA HOUSING POLICY	EX-2010-1	OPEN Ongoing	THA seeks to provide the City of Tacoma with useful data and advice on policies for the effective preservation and development of affordable housing for lower income city residents. This project pertains to that effort.

ALL ADVOCACY/PUBLIC ED. PROJECTS

July 20, 2010

Project Title	Number	Status Due Date	Summary
3. CITY OF TACOMA'S SPECIAL NEEDS HOUSING ORDINANCE	EX-2006-32	CLOSED 9/1/2007	The City of Tacoma imposed a moratorium on "special needs housing" throughout the city. It is now considering a permanent ordinance. This project pertains to THA's participation in the City's deliberations. THA's concerns arises from the effect an ordinance may have on its properties and from the restriction generally on housing the City needs.
4. CLARIFY STATE PROCUREMENT LAWS GOVERNING PHAS	EX-2007-19	CLOSED 7/1/2011	AWHA obtained a change in state procurement law to clarify that the state's alternate procurement laws govern PHAs except when federal procurement processes are authorized. The legislature also clarified that state prevailing wages govern PHA's public works unless federal wage rates preempt them. This clarification became necessary when CPARB and the state Attorney General concluded that CPARB governs all PHA work.

ALL ADVOCACY/PUBLIC ED. PROJECTS

July 20, 2010

	Project Title	Number	Status Due Date	Summary
5.	DOWNTOWN, GET DOWN! AFFORDABLE HOUSING IN DOWNTOWN TACOMA	EX-2007-10	CLOSED	A small group of young, professional people who have moved to downtown Tacoma are concerned that the developing downtown housing market remain affordable. They asked THA for help in structuring their advocacy.
6.	FIRE DISTRICT NEGOTIATIONS WITH PUBLIC HOUSING AUTHORITIES FOR PAYMENT FOR FIRE SERVICES	EX-2007-13	CLOSED 9/30/2008	The Fire Districts of Kitsap County are threatening to sue Kitsap County Housing Authority pay payment for fire services. The issue does not directly affect THA or other PHAs who receive services from municipal fire departments. However, THA has agreed to participate in the discussions as a representative of AWhA. The matter settled after some brief litigation.

ALL ADVOCACY/PUBLIC ED. PROJECTS

July 20, 2010

Project Title	Number	Status Due Date	Summary
7. HOMELESSNESS AND FOSTER CARE: STATE LEGISLATIVE SOLUTIONS	EX-2008-1	OPEN 7/1/2011	The State House Committee on Early Learning & Children's Services is reviewing the relationship between the family homelessness and foster care placement. THA will offer advice and information in support of (i) equipping DSHS caseworkers with housing resources; (ii) improving coordination between DSHS and PHAs in service to these families with children in foster care.
8. NEW TACOMA NEIGHBORHOOD COUNCIL AFFORDABLE HOUSING TASK FORCE	EX-2007-6	CLOSED 10/31/2007	The Mayor of the City of Tacoma asked the New Tacoma Neighborhood Council to provide recommendations to the City Council for policies pertaining to affordable housing downtown. The Neighborhood Council asked Michael Mirra to participate in a task force convened for this purpose. Michael's schedule did not permit him to do so. Other affordable housing advocates and developers participated. This project will monitor the task force's effort.

ALL ADVOCACY/PUBLIC ED. PROJECTS**July 20, 2010**

Project Title	Number	Status Due Date	Summary
9. PIERCE COUNTY FAMILY HOMELESSNESS PLAN INITIATIVE	EX-2009-11	OPEN 1/1/2011	The Bill & Melinda Gates Foundation, and other grantors, have asked Pierce, King and Kitsay County to plan for a new initiative to reduce family homelessness. These grantors are planning to donate \$60 million to implement the plans. Pierce County has invited THA to participate in its planning effort. This project pertains to that participation.
10. PIERCE COUNTY HOUSING AFFORDABILITY TASK FORCE	EX-2006-31	OPEN 9/1/2010	The Pierce County Council convened a Task Force to recommend policies to the Pierce County Planning Commission, and Council that would promote the development of affordable housing. The Council appointed Michael Mirra to the Task Force. The Task Force agreed upon 22 recommendations. It has remained in place to advise the Council on implementation.

ALL ADVOCACY/PUBLIC ED. PROJECTS

July 20, 2010

Project Title	Number	Status Due Date	Summary
11. PROJECT BASED VOUCHERS: VARIOUS POLICY ISSUES	EX-2006-34	CLOSED 1/8/2008	Federal law allows PHAs to "project-base" tenant-based Vouchers. This means contracting with owners for up to 10 years to use voucher in specific units and limit residency to people from the PHA's waiting list. This project pertains to issues that arise, including HAP contracts, use in transitional housing and rent levels in tax credit units.
12. REGIONAL HOUSING PLANNING PROCESSES	EX-2007-3	CLOSED 2/13/2009	This project pertains to THA's participation in city, county and state planning processes for housing and growth management policy.
13. REVIEW OF WASHINGTON STATE AFFORDABLE HOUSING TASK FORCES	EX-2007-11	CLOSED 10/31/2008	There are several efforts under way throughout the State to study the issues surrounding the need for affordable housing and policy issues related to this need. This project will compile information about these studies (commissioning authority, author(s), scope and purpose, schedule, and copy of studies). This will be helpful to THA and others.

ALL ADVOCACY/PUBLIC ED. PROJECTS**July 20, 2010**

Project Title	Number	Status Due Date	Summary
14. SALISHAN PHASE II RIBBON CUTTING CELEBRATION	EX-2009-3	CLOSED 8/31/2009	Salishan 5, the fifth financial phase of Salishan, will complete in April 2009. THA seeks to celebrate publicly with our many partners. This project will plan the event.
15. STATE FUNDED HOUSING ASSISTANCE FOR HOMELESS YOUTH	EX-2006-29	CLOSED 6/1/2008	This project refers to the legislative effort of legislators, advocates and others to create a state funded housing voucher program for homeless youth. The target populations of youth are the following between ages 18 and 23 years: (1) youth aging out of foster care; (2) youth coming out of the juvenile justice system and (3) homeless youth.
16. STIMULUS FUNDING PRESS CONFERENCE	EX-2009-6	CLOSED 4/17/2009	Stimulus Celebration Press Conference

ALL ADVOCACY/PUBLIC ED. PROJECTS

July 20, 2010

	Project Title	Number	Status Due Date	Summary
17.	TACOMA-PIERCE COUNTY AFFORDABLE HOUSING CONSORTIUM	EX-2006-38	OPEN Ongoing	The Tacoma-Pierce County Affordable Housing Consortium (AHC) is a membership organization of developers, funders, managers or supporters of affordable housing in Pierce County. THA is a founding member. The AHC is a useful forum for advocacy, mutual support and information sharing. This project pertains generally to THA's membership.
18.	TACOMA-PIERCE COUNTY ROAD HOME LEADERSHIP TEAM	EX-2006-33	CLOSED	The Road Home Leadership Team oversees the city and county effort to end homelessness. THA is a member of that team. HUD and state law require this effort as a condition of receiving federal and state funding.
19.	THA COMMUNITY COMMUNICATION STRATEGY	EX-2006-35	OPEN 4/24/2009	THA will devise a strategy for effective communication with the general community, its various constituencies and the media. Its purpose will be to better explain THA and its work and better respond to community or media questions.

ALL ADVOCACY/PUBLIC ED. PROJECTS

July 20, 2010

Project Title	Number	Status Due Date	Summary
20. THA LIBRARY	EX-2006-15	OPEN 12/31/2010	THA will establish a library for the storage and retrieval of documents and data pertinent to housing policy, programs and services, and management. This library will make THA more effective in its role as a source of high quality advice and information on housing topics to the community and its policy makers. It will also help make the large amount of material we collect more useful to use internally.
21. UNITED WAY OF PIERCE COUNTY'S HOUSING AND INCOME IMPACT TEAM	EX-2010-6	OPEN Ongoing	United Way of Pierce County has convened a Housing and Income Impact Team to advise its Board on funding applications and advocacy decisions. It has asked THA to participate. This project pertains to that participation.

ALL ADVOCACY/PUBLIC ED. PROJECTS

July 20, 2010

Project Title	Number	Status Due Date	Summary
22. WASHINGTON STATE LEGISLATIVE ACTIVITY	EX-2006-36	OPEN Ongoing	The Washington State Legislature is an important forum for housing and other issues that affect THA, its work and clients. THA participates as a member in advocacy organizations or more directly on its own behalf. This project pertains to that work generally. Other projects concern specific issues or legislation before the legislature.
23. WINTHROP HOTEL REDEVELOPMENT OR SALE	EX-2006-30	OPEN 1/1/2011	The Winthrop Hotel in downtown Tacoma is for sale. Built in the 1920s as a grand hotel, since 1970 it has been a valuable part of the City's affordable housing portfolio with 190 Project Based Section 8 units. The City is considering competing views over various uses for the building, including THA's possible purchase of the building. This project pertains to THA's efforts to help the City assess these possibilities.

**NEWS from Congressman John W. Olver (MA-1)
Chair, House Appropriations Subcommittee on Transportation, Housing
and Urban Development**

1111 Longworth House Office Building
Washington, DC 20515-2101
Tel: 202-225-5335
<http://appropriations.house.gov/>



FOR IMMEDIATE RELEASE: July 1, 2010
Contact: Elizabeth Murphy 202-225-5335 Elizabeth.Murphy@mail.house.gov

**Chairman John W. Olver
Opening Remarks, Fiscal Year 2011 THUD Appropriations Subcommittee
Markup
July 1, 2010, 10:00 am**

The bill before us provides \$67.4 billion in discretionary resources, a decrease of \$500 million below the FY10 enacted level and more than \$1.3 billion below the President's request. Even with an allocation below last year, we were able to put together a bill that continues to invest in our transportation and housing programs.

With regard to housing programs, the bill maintains sufficient funding levels for HUD's affordable housing programs and keeps millions of low-income Americans in their homes. While the economic climate has improved in the last year, foreclosure rates remain high and the demand for housing assistance continues to outweigh the resources available.

As part of the bill's commitment to sustaining access to affordable housing, we have focused on improving and strengthening existing programs through strong oversight rather than embarking on new initiatives.

Examples of existing programs supported by this bill include:

- \$825 million for Housing for the Elderly and \$300 million for Housing for Persons with Disabilities, restoring cuts proposed in the budget request of \$551 million and \$210 million, respectively. In addition, the bill instructs HUD to take administrative action to improve the functioning of these programs;
- \$19.5 billion for Section 8 Tenant-based rental assistance, \$886 million above last year in order to renew all vouchers currently in use; provide 10,000 new vouchers for homeless veterans through the VASH program, which is funded at \$75 million; and a new demonstration to provide housing and services to homeless families and individuals;
- \$150 million for the HECM program, which is a funding level sufficient to cover the expected volume for fiscal year 2011;
- \$200 million for HOPE VI, a \$65 million increase above last year, to provide grants to rehabilitate severely distressed public housing; and
- \$2.1 billion for Homeless Assistance Grants to provide permanent and transitional housing for homeless families and individuals.

The last highlight I want to mention in regards to HUD is the bill's continued commitment to building sustainable housing units that incorporate green building practices and livable community principles that have the potential to reduce operating costs and improve the quality of life for residents. In particular, the bill includes:

- \$150 million for the Sustainable Communities Initiative for the second year in a row to support a partnership with DOT and EPA that seeks to help communities better coordinate their housing and transportation resources;
- \$17.5 million for Brownfields Redevelopment to return previously contaminated sites to productive use; and
- The bill continues to support funding for improving energy efficiency through the Public Housing Capital Fund and the Indian Housing Block Grants.

With regard to transportation, it is no secret that the surface and aviation programs have been operating without long-term authorizations. As a result, the programs have remained moderately flat except for the investments made last year in the American Recovery and Reinvestment Act. The fact remains that our transportation network has great

investment needs with aging highways, bridges, and transit systems, and an air traffic control system in desperate need of modernization. It is my belief that we can no longer defer investments in our transportation systems which provide the foundation for our nation's economy.

Specifically the bill provides:

- \$45.2 billion for the Federal Highway Administration, an increase of \$3.9 billion above the President's request that will allow states to complete additional infrastructure projects, spur the economy, and create tens of thousands of additional jobs;
- Over \$11.3 billion for public transportation programs, an increase of \$508 million above the president's request in order to help address the nearly \$80 billion maintenance backlog needed to meet a state of good repair on nation's fixed guideway and bus systems; and
- A total of \$3.2 billion for Amtrak, the High Speed and Intercity Passenger Rail program and investments in positive train control, continuing the commitment to build a 21st century rail network.

I am also pleased that this bill is able to fund the Department's Livable Communities Initiative while also providing states with resources for

additional highway and transit investments. This program will allow communities to get more out of their federal dollars through the integration of transportation, housing, and energy planning processes with families reaping the rewards in the form of lowered housing and commuting costs.

This bill also underscores the Subcommittee's commitment to the Department's core mission of safety. Traffic fatalities in 2009 dropped to the lowest level since 1954, however, as the economy improves and drivers return to the road, we must remain vigilant in order to retain our safety gains. To that extent the bill provides:

- \$50 million for Secretary LaHood's Distracted Driving Initiative to address the proliferation of wireless devices and in vehicle entertainment systems that offer multiple opportunities to distract drivers' attention from the road;
- \$1.43 billion, \$36 million above last year for the activities of the National Highway Traffic Safety Administration and the Federal Motor Carrier Safety Administration.

Finally, with regard to aviation, the bill includes a total of nearly \$16.5 billion for the Federal Aviation Administration's operations, capital,

research and airport grant programs and invests a total of \$1.16 billion for the NextGen program. In addition, the bill provides strong oversight of the agency's operations to ensure that:

- Critical safety equipment is deployed in a reasonable time frame;
- Air traffic controller training initiatives are managed effectively;
- Adequate oversight is conducted on foreign repair stations; and
- Safety technician staffing levels are maintained at or above agreed upon minimums throughout the year.

In conclusion, this is a good bill and I ask for the Subcommittee's support in moving it forward. Before I recognize the Chairman and Ranking Member of the full committee, Mr. Obey and Mr. Lewis, I would like to recognize our Ranking Member Tom Latham for any comments that he would like to make.

Status of FY 2011 Appropriations for Selected HUD Programs (Updated July 1, 2010)

Program (\$ in Millions)	NAHRO Recommendation	FY 2010 Enacted	FY 2011 Proposed¹	House THUD Markup²
Public Housing Operating Fund	\$5,084	\$4,775	\$4,829	\$4,829
Elderly and Disabled Service Coordinators	\$50	[\$16]	[\$16]	Unknown
Public Housing Capital Fund	\$5,000	\$2,500	\$2,044	\$2,500
Resident Opportunity and Supportive Services	\$55	[\$50]	\$0	[\$50]
Emergency Capital Needs	\$25	[\$20]	[\$20]	Unknown
Transforming Rental Assistance			\$350	\$0
HOPE VI	\$800	\$200	\$0	\$200
Choice Neighborhoods Initiative		[\$65]	\$250	\$0
Safety and Security	\$310	\$0	\$0	\$0
Tenant-Based Rental Assistance (Sec 8 Vouchers), Total ³		\$18,184	\$19,551	
Housing Assistance Payments	\$17,165	[\$16,339]	[\$17,115] ⁴	[\$17,225] ⁵
Ongoing Administrative Fees	At least \$1,741	[\$1,525]	[\$1,741]	Unknown
Tenant Protection Vouchers	Fully Fund	[\$120]	[\$125]	Unknown
Tenant Protection/Special Purpose Admin. Fees	\$50	[\$50]	[\$50]	Unknown
Special Fees (audit reimbursement, hard to house)	\$198	\$0	\$0	Unknown
Incremental HUD-VASH	-	[\$75]	\$0	[\$75]
Family Self-Sufficiency (FSS) Coordinators	\$72	[\$60]	[\$60]	[\$60]
Section 8 Project-Based Rental Assistance	Fully Fund	\$8,551	\$9,382	\$9,382
Community Development Fund		\$4,450	\$4,382	\$4,352
Community Development Block Grants (formula)	\$4,500	[\$3,990]	[\$3,990]	Unknown
Rural Housing/Economic Development Program	\$25	[\$25]	\$0	[\$25]
Sustainable Communities	-	[\$150]	[\$150]	[\$150]
Section 108 Loan Guarantee Program	\$12	\$6	\$0	\$10
Brownfields Economic Development Initiative	\$25	\$17.5	\$0	\$17.5
Home Investment Partnerships (HOME) Program		\$1,825	\$1,650	
HOME Formula Grants	\$2,000	[\$1,825]	[\$1,650]	[\$1,825]
Housing Opportunities for Persons with AIDS (HOPWA)	\$410	\$335	\$340	\$350
McKinney-Vento Homeless Assistance Programs	\$2,200	\$1,865	\$2,055	\$2,055

¹ As proposed in the Obama administration's FY 2011 budget. Unless otherwise noted, figures do not reflect requested 1% set-asides for the Transformation Initiative.

² As approved by the House Appropriations Subcommittee on Transportation, Housing and Urban Development (THUD)

³ Figures are displayed on a program-year basis, consistent with appropriations bill language.

⁴ Figure reflects a transfer of \$195.5 million to the Transformation Initiative as proposed by the administration.

⁵ It is unclear how much of these funds will be set aside for the Transformation Initiative.