



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS

BOARD PACKET

January 22, 2014



TACOMA HOUSING AUTHORITY

Michael Mirra
Executive Director

BOARD OF COMMISSIONERS

Greg Mowat, Chair
Stanley Rumbaugh, Vice Chair
Janis Flauding
Dr. Arthur C. Banks
Rose Lincoln Hamilton

REGULAR MEETING BOARD OF COMMISSIONERS

WEDNESDAY, January 22, 2014

The Board of Commissioners of the Housing Authority of the City of Tacoma will hold their Board Regular Meeting on **Wednesday, January 22, 2014 at 4:45 PM**

The meeting will be held at:

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

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 January 17, 2014, 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	emailed to tips@q13fox.com
KSTW-TV/Channel 11	1000 Dexter Avenue N #205 Seattle, WA 98109	fax: 206-861-8865
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
REGULAR MEETING
BOARD OF COMMISSIONERS
January 22, 2014 4:45 PM
902 South L. Street**

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING**
 - 3.1 Minutes of December 18, 2013 – Regular Session
- 4. GUEST COMMENTS**
- 5. COMMITTEE REPORTS**
- 6. COMMENTS FROM THE EXECUTIVE DIRECTOR**
- 7. ADMINISTRATION REPORTS**
 - 7.1 Finance
 - 7.2 Real Estate Management and Housing Services
 - 7.3 Real Estate Development
 - 7.4 Community Services
 - 7.5 Human Resources
 - 7.6 Administration
- 8. NEW BUSINESS**
 - 8.1 2014-1-22 (1), Adoption of Severe Weather and Emergency Conditions policy
- 9. COMMENTS FROM THE COMMISSIONERS**
- 10. EXECUTIVE SESSION (if any)**

None this month.
- 11. ADJOURNMENT**

MEETING MINUTES



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, December 18, 2013

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at 902 South L. Street, Tacoma, WA at 4:45 PM on Wednesday, December 18, 2013.

1. CALL TO ORDER

Chair Mowat called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:48 PM.

2. ROLL CALL

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

PRESENT	ABSENT
Commissioners Greg Mowat, Chair Stanley Rumbaugh, Vice Chair (arrived at 4:55 PM) Arthur C. Banks, Commissioner, Janis Flauding, Commissioner (by phone)	Rose Lincoln Hamilton, Commissioner (excused)
Staff Michael Mirra, Executive Director Dennesha McCurry, Executive Coordinator Ken Shalik, Finance and Administration Director April Davis, REMHS Director Barbara Tanbara, Human Resources Director Greg Claycamp, Community Services Director Kathy McCormick, RED Director Todd Craven, Administration Director	Christine Wilson, Executive Administrator

Chair Mowat declared a quorum was present @ 4:49 PM and proceeded.

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Chair Mowat asked for any corrections to or discussion of minutes for the Regular Session of the Board of Commissioners for Wednesday, November 20, 2013. Commissioner Banks moved to adopt the minutes, Commissioner Flauding seconded.

Upon roll call, the vote was as follows:

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

Motion approved.

Chair Mowat asked for any corrections to or discussion of minutes for the Special Session of the Board of Commissioners for Friday, December 6, 2013. Commissioner Banks moved to adopt the minutes, Commissioner Flauding seconded.

Upon roll call, the vote was as follows:

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

Motion approved.

4. GUEST COMMENTS

Karen Scott, resident of G Street Apartments, addressed the board. Ms. Scott expressed her concerns that bed bugs continue to be a problem in her building. She noted that a unit adjacent to her own was just tested and found to have bed bugs. Director Black reminded the board what our pest control experts advise: that we should not expect to forever eradicate bed bugs. They travel with people and can arrive with new tenants, visitors or new furniture. Instead, we should seek to manage the problem in a reasonable way. She explained that THA's approach conforms with expert advice. It monitors the issue and addresses problems as they arise. She also stated that after the first of the year THA will conduct a full building inspection and will continue to address future bed bug issues. Chair Mowat stated THA will continue to keep an eye on the problem. Ms. Scott also noted a typo in the October minutes.

Donald Casad addressed the board. Mr. Casad began with a personal introduction and explanation of his visit. He recently rented his property to a tenant on THA's section 8 voucher program. He asked for confirmation that the Board had received the documents

he forwarded to THA. Executive Director Mirra confirmed all documents received were forwarded to the Board. Mr. Casad expressed his concern that his former tenant abused disability laws and committed fraud to get what she wanted. He also commented that he feels THA should have a process for disciplining these types of tenants. He said that he feels THA staff have ignored his many requests and were not truthful in telling him that THA lack any process to hear his complaints. He offered his view that THA shows a lack of leadership. Chairman Mowat asked Mr. Casad what he expected THA to do. Mr. Casad responded, "Truth". He continued to recount his complaints about his former tenant, how her employer lied to him and how her medical providers helped her take advantage of the laws that protect disabled persons. Mr. Casad stated, "I wanted corrective behavior and I didn't get the correct response from THA staff". Chairman Mowat again asked, "What remedy did you expect from us?" Mr. Casad replied that he did not want THA to terminate his tenant from the section 8 program. Instead, he said that THA "putting pressure on her would have helped change behavior". Mr. Casad informed the Board that he would be glad to sit down with anyone to discuss this issue further.

5. COMMITTEE REPORTS

Real Estate Development Committee – No report

Finance Committee – No report

Citizen Oversight Committee – Commissioner Banks stated there was no meeting.

6. ADMINISTRATIVE REPORTS

Executive Director

ED Mirra referred the board to his report and welcomed questions.

Finance

Director Shalik directed the board to the finance report. He referred to the agency financials, discussions ensued. Director Shalik stated that THA financially is in good shape.

The 2012 Washington State Audit is complete with no Audit findings.

Commissioner Banks moved to ratify the payment of cash disbursements totaling \$5,468,813 for the month of November, 2013. Commissioner Rumbaugh seconded.

Upon roll call, the vote was as follows:

AYES:	4
NAYS:	None

Abstain: None
Absent: 1

Motion Approved

Real Estate Management and Housing Services

Director Black directed the board to her report. She reviewed unit turns and updates on meth unit information included in the board report. Director Black recommended reviewed the various options on further rent reform. Commissioner Rumbaugh stated it would be useful to get options across the income scale that we serve. He would like to see a report that includes more information across our constituency. Chair Mowat proposed a study session in January to discuss a plan in more detail and to receive more data. Commissioner Banks voiced the need to be ready for a more robust focus on rent reform options 1-4 and a delay of options X,5 and 6. These options are included in the REMHS Board report rent reform chart. Discussion ensued on the reasons to extend the HOP type rent reform to the present voucher population. The Board reaffirmed its direction that THA pursue these changes starting in 2014. The main issues will be the details of the changes and the schedule of implementing them.

Real Estate Development

Director McCormick directed the board to her report. She provided an update on current projects such as LASA, New Look and the Brown Star grill. Director McCormick informed the Board that the planned walk-on resolution for LASA was not ready because THA still discussing the terms of the financing with the City of Lakewood, HUD and others. She expects the transaction to close at the end of January. THA has finished most of the due diligence for its purchase of New Look. We need to take a closer look at a beam. We hope to close at the end of February. The due diligence for the Brown Star grill is underway.

Community Services

Director Claycamp directed the board to his report. He discussed the strategy involved in the reorganization of the Community Services department and the elimination of a manager's position. It seeks to make the department more flexible and provide deep penetration into households whom Community Services serves. It will allow us to knit asset building into the mainline case work and to sharpen the focus on McCarver, childrens saving accounts and scholar incentive programs. Director Claycamp also explained the strategy for internal staffing moves.

7. OLD BUSINESS

None.

8. NEW BUSINESS

8.1 RESOLUTION 2013-12-18 (1), APPROVAL OF TENANT ACCOUNT RECEIVABLE WRITE OFFS

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

WHEREAS, Tacoma Housing Authority (THA) provided housing assistance payments to property owners in excess to the amount the owner is entitled to receive and the owner has not repaid this amount 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. THA staff is authorized to “write off” the following accounts and send these debts to an external collection agency to pursue collection action:

Collection Status	Project	Client #	Balance
<i>W-O Collect</i>	Section 8		
		00009168	\$ 122.00
		00009563	\$ 46.00
		00009959	\$ 340.00
		713026	\$ 604.00
		713956	\$1,062.00
		715077	\$ 395.00
		715096	\$ 500.00
		715230	\$ 546.00
		717229	\$ 744.00
		711718	\$ 638.00
		134279	\$62,288.00
	Section 8	Subtotal	\$67,285.00

Collection Status	Project	Client #	Balance
<i>W-O Collect</i>			
	N G Str		
		146714	\$ 141.19
		Subtotal	\$ 141.19
	9 SF Homes		
		XX000451	\$1,525.41
		Subtotal	\$1,525.41
	Stewart Court		
		XX000731	\$1,263.64
		XX000898	\$ 287.10
		XX000956	\$ 754.00
		XX001093	\$ 140.14
		XX000271	\$ 48.99
		Subtotal	\$2,493.87
	Salishan VII		
		XX001019	\$2,062.34
		XX001107	\$1,244.29
		XX000999	\$ 46.39
		Subtotal	\$3,353.02
	S Wright Str		
		138972	\$ 90.00
		Subtotal	\$ 90.00
	S M Str (EB Wilson)		
		00000195	\$ 50.00
		Subtotal	\$ 50.00
<i>**W-O No Collect</i>			
	Section 8		
		137725	\$ 28.00

712708	\$1,250.00
716412	\$ 664.00
00008909	\$ 25.00
Subtotal	\$1,967.00

Stewart Court

XX000255	\$ 21.00
Subtotal	\$ 21.00

GRAND TOTAL \$76,926.49

* Uncollectable accounts where tenant is deceased or old balance under \$30.00

** Uncollectable accounts due to Bankruptcy filing or old balance under \$30.00

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

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

Motion Approved: December 18, 2013

 Greg Mowat, Chairman

8.2 RESOLUTION 2013-12-18(2), FISCAL YEAR 2014 ANNUAL BUDGET

Whereas, The Housing Authority of the City of Tacoma (“Authority”) intends to incur expenses and other cash outflows for Fiscal Year 2014; and

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

Whereas, Authority staff prepared and the Authority’s Board of Commissioners reviewed the proposed Fiscal Year 2014 annual budget,

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

The Board of Commissioners of the Housing Authority of the City of Tacoma adopts the attached FY 2014 Agency wide budget. The HUD required site-based budgets are also approved and are a subset of the overall agency wide budget. The Board authorizes the Executive Director to implement and execute this budget. Expenses and other cash outflows are projected as follows:

<u>Expenses</u>	
Executive	\$ 479,668
Human Resources	752,911
Finance	1,013,760
Administration	1,705,459
Community Services	2,015,279
Development	2,188,610
REM&HS Overhead	2,059,464
Rental Assistance	33,627,401
Property Management	<u>6,009,274</u>
Subtotal	49,851,826
<u>Additional Cash Outflows</u>	
Capital Expenditures	7,852,750
Debt Service	358,880
Special Transfer to Tax Credit Properties	<u>350,000</u>
Subtotal	8,561,630
TOTAL APPROVED BUDGET	<u>\$58,413,456</u>

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

AYES: 4

NAYS: None

Abstain: None

Absent: 1

Approved: December 18, 2013

Greg Mowat, Chair

9. COMMENTS FROM COMMISSIONERS

None.

10. EXECUTIVE SESSION

none

11. ADJOURNMENT

There being no further business to conduct the meeting ended at 6:19 PM.

APPROVED AS CORRECT

Adopted: December 18, 2013

Greg Mowat, Chair

Finance Committee
Commissioner Lincoln Hamilton

Real Estate and Development Committee
Commissioner Rumbaugh

Citizen Oversight Committee
Commissioner Banks

ADMINISTRATION REPORTS

EXECUTIVE DIRECTOR REPORT



TACOMA HOUSING AUTHORITY

To: THA Board of Commissioners
From: Michael Mirra, Executive Director
Date: January 12, 2014
Re: Executive Director's Report

This is my monthly report for January 2014. The departments' reports supplement it.

1. STRATEGIC PLANNING: RESET-SCHEDULE

I append a re-set schedule to complete our strategic planning. By this schedule, we still hope to be done by May. However, we will delay until then the presentation to the Board of the baselines and targets for the performance measures the Board has already adopted. We would like to delay this presentation until then for two main reasons. **First**, we have two new directors. We would like to give them a chance to add their views. **Second**, at the same time as staff devises these performance measures for the Board's review we would like to discuss and choose the strategies for achieving them. One will inform the other.

To choose the performance measures for the strategic objectives, we convened committees of staff and commissioners. They worked well to help ensure that the Board's final choices reflected the views of the entire agency. We will re-convene the committees to devise the strategies. Although those strategies will not need formal Board approval, I hope commissioners will be willing and interested to participate in them.

Here is the graphic we have used to show the various elements of our strategic planning.

↓	What the Board Chooses:	Status
	THA's Statement of Vision	Done
	THA Mission Statement	Done
	Strategic Objectives	Done
	Performance Measures for each strategic objectives	Partially done
	What the Staff Chooses	
	Strategies to try to attain each strategic objective	Not Done
	Performance measures for each strategy	Not Done
	Projects, with performance measures	Ongoing
	Job objectives	Ongoing

As I mentioned last month, although this project has been long pending, I am not overly concerned at the delay. We understand our strategic choices well enough to keep us on track even without the explicit performance measure targets.

2. 2014 STATE LEGISLATIVE SESSION


The Washington State legislature convenes this week. This is not a budget session. I have been conferring with legislators about help THA will need in this session and in subsequent sessions. These are the main topics:

- THA's Meth Plan: request for \$500,000 in this session. (See attached)
- Hillside Terrace Phase 2: request for \$3 million (2015 session) (See attached)
- Salishan Commercial Core: a future request


3. MISCELLANEOUS

2014 is the 50th anniversary of President Johnson's launched of the "war on poverty". You may have noticed a large number of articles on the topic in the media and professional journals. Many of them offering views on the extent to which the "war" was effective. Some very good material is available from the web site of the Urban Institute. Here is a sample with links to click on:


[The War on Poverty, 50 Years Later](#)

In 1964, President Johnson declared a war on poverty. Five decades later, 46.5 million Americans are poor. Have we made any progress? [READ MORE](#) 


[The Unwaged War on Deep Poverty](#)

Each year, more than 20 million adults and children in the United States live on less than \$7,600. This is what it's like for them. [READ MORE](#) 


[The Latest Data on the Affordable Care Act](#)

Three new "QuickTakes" from the Health Policy Center explore low-income Americans' health status and their common lack of access to health insurance. [READ MORE](#) 

[Low-Income Men, Race, Place, and Poverty](#)

What do we know about low-income men in the United States? New research from the Low-Income Working Families Project reveals data on demographics, health, and educational attainment. [READ MORE](#) 

[Top Post: Women's Health: A Key Link to Understanding the US Health Disadvantage?](#)

In our most popular MetroTrends post this week, the Center on Labor, Human Services, and Population's Laudan Aron examines why US women are less likely to reach age 50 than women in other high-income countries. [READ MORE](#) 

I also append some summary articles and other material that might interest you.



Tacoma Housing Authority
Project Database
PROJECT OUTLINE

Project Number: EX-2008-21

Project: STRATEGIC PLANNING PROCESS DESIGN AND INITIAL IMPLEMENTATION

Date: January 12, 2014

Deadline: May 30, 2014

Project Manager: Michael Mirra

Task or Objective	Who	Deadline	Status
1. MISSION STATEMENT AMENDMENTS AND STRATEGIC OBJECTIVES	M. Mirra	4/25/2011	Closed
1.1 Draft proposed amendments for circulation	M. Mirra	9/30/2008	Closed
1.2 Board Chair approval of draft	M. Mirra	12/31/2008	Closed !
1.3 Post proposed amendments on the shadow drive	M. Mirra	10/1/2008	Closed
1.4 Post in staff newsletter	M. Mirra	10/10/2008	Closed
1.5 Request to Cabinet to convene department discussions	M. Mirra	10/7/2008	Closed
1.6 Department Staff Discussions of Proposed Amendments	M. Mirra	12/8/2008	Closed
1.6.1 Finance	K. Shalik	12/3/2008	Closed
1.6.2 Real Estate Development	J. Rice+	11/9/2008	Closed
1.6.3 Real Estate Management	R. Sowerby+	11/9/2008	Closed
1.6.4 Community Services	M. Fait+	11/9/2008	Closed
1.6.5 Human Resources	B. Tanbara	12/1/2008	Closed
1.7 Cabinet Review	M. Mirra	12/8/2008	Closed
1.8 Board Approval Of Statements of Vision and Mission and Strategic Objectives	M. Mirra	12/31/2008	Closed
1.8.1 Proposal in Board packet	M. Mirra	12/8/2008	Closed
1.8.2 Board approval	M. Mirra	12/17/2008	Closed !

Project: STRATEGIC PLANNING PROCESS DESIGN AND INITIAL IMPLEMENTATION
Date: January 12, 2014
Deadline: May 30, 2014
Project Manager: Michael Mirra

Task or Objective		Who	Deadline	Status
1.9 Publish Amended Statements of Vision, Mission and Values, and Strategic Objectives		C. Wilson	5/1/2009	Closed
1.9.1	Email to all staff	M. Mirra	12/31/2008	Closed
1.9.2	Share drive	M. Mirra	1/16/2009	Closed
1.9.3	Desk Manuals	T. Craven	2/27/2009	Closed
1.9.4	Post at THA properties	C. Wilson	5/1/2009	Closed
1.9.5	Web site	M. Mirra	1/16/2009	Closed
1.9.6	Send to Community Partners	N. Vignec+	12/31/2008	Closed
1.9.7	Send to Media	M. Mirra	1/2/2009	Closed
2. MODIFY PROJECT DATA BASE DESIGN		M. Mirra	1/28/2009	Closed
3. PRELIMINARY DISCUSSIONS, CONSULTATIONS AND ENVIRONMENTAL SCAN		M. Mirra	10/1/2011	Closed
3.1	General	M. Mirra	10/1/2011	Closed
3.2	Design Survey Tool	M. Mirra	6/21/2011	Closed
3.3 Arrange Staff Participation		M. Mirra	8/8/2011	Closed
3.3.1	Email to Staff to Sign Up for Committee Work	M. Mirra	6/23/2011	Closed
3.3.2	Email Invitation to Staff to Take Survey	M. Mirra	6/23/2011	Closed
Monkey Survey				
3.3.3	Convene Committees	M. Mirra	8/1/2011	Closed
3.4 Community Consultation		M. Mirra	9/15/2011	Closed
3.4.1	Compile List of Community Partners to Consult	M. Mirra	6/6/2011	Closed
Monkey				
3.4.2	Email Community Invitation to Take Survey	M. Mirra	6/23/2011	Closed
Monkey				

Project: STRATEGIC PLANNING PROCESS DESIGN AND INITIAL IMPLEMENTATION
Date: January 12, 2014
Deadline: May 30, 2014
Project Manager: Michael Mirra

Task or Objective		Who	Deadline	Status
3.4.3	Close SurveyMonkey	M. Mirra	8/16/2011	Closed
4.	REVIEW STRATEGIC DIRECTIVES	M. Mirra	3/30/2013	Closed !
4.1	Draft Chart to Record Discussions	M. Mirra	2/16/2011	Closed
4.2	Cabinet Review of Vision Statement, Mission Statement and Strategic Objectives	M. Mirra	3/7/2011	Closed
4.3	Arrange for Consultant	M. Mirra	6/27/2011	Closed
4.4	General Discussion of Performance Measurement Techniques with Teams	M. Mirra	8/8/2011	Closed
4.5	Staff Draft Performance Measures for Strategic Objectives, Strategies and Performance Measures for Strategies	M. Mirra	1/31/2012	Closed
4.5.1	Housing and Supportive Services	N. Vignec+	1/1/2012	Closed
4.5.2	Housing and Real Estate Development	W. Zisette+	1/31/2012	Closed
4.5.3	Creating Community	W. Zisette+	1/31/2012	Closed
4.5.4	Property Management	A. Black	1/1/2012	Closed
4.5.5	Financially Sustainable Operations	K. Shalik	10/31/2011	Closed
4.5.6	Environmental Responsibility	W. Zisette+	1/31/2012	Closed
4.5.7	Advocacy/Public Education	M. Mirra	10/31/2011	Closed
4.5.8	Administration	T. Craven	1/1/2012	Closed
4.6	Compile Drafts for Cabinet Review	M. Mirra	4/4/2012	Closed
4.7	Cabinet Review	M. Mirra	10/8/2012	Closed !
4.8	Executive Director Review and Approval	M. Mirra	10/8/2012	Closed !
4.9	Board Review	M. Mirra	3/30/2013	Closed !
4.9.1	Board Study Sessions	M. Mirra	2/1/2013	Closed

Project: STRATEGIC PLANNING PROCESS DESIGN AND INITIAL IMPLEMENTATION
Date: January 12, 2014
Deadline: May 30, 2014
Project Manager: Michael Mirra

Task or Objective	Who	Deadline	Status
4.9.2 Board Review and Adoption of Statements of Vision and Mission, Strategic Objectives, and Their Performance Measures	M. Mirra	2/28/2013	Closed !
5. DISTRIBUTE NEW STRATEGIC DIRECTIVES	M. Mirra	11/30/2013	Open
5.1 Post New Directives Around THA	C. Wilson	3/29/2013	Closed
5.2 Post New Directives on THA's Web Site and Intranet	C. Wilson	4/15/2013	Closed
5.3 To Media and Friends of THA List Serve	M. Mirra	11/30/2013	Open
5.4 Present Directives to Staff	M. Mirra	5/31/2013	Closed
5.4.1 All Staff Email	M. Mirra	5/31/2013	Closed
5.4.2 Present at All Staff Retreat	M. Mirra	4/24/2013	Closed
6. CHOOSE BASELINES AND TARGETS FOR PERFORMANCE MEASURES	M. Mirra	5/30/2014	Open
6.1 Committees Proposals	M. Mirra	12/31/2013	Closed
6.1.1 Housing and Supportive Services	G. Claycamp	12/31/2013	Closed
(a) Convene first meeting	N. Vignec+	6/19/2013	Closed
(b) Convene second meeting	N. Vignec+	6/26/2013	Closed
6.1.2 Housing and Real Estate Development	T. Hansen	12/31/2013	Closed
(a) Convene First Meeting	T. Hansen	12/31/2013	Closed
(b) Convene 2nd meeting	T. Hansen	12/31/2013	Closed
6.1.3 Property Management	A. Black	12/31/2013	Closed
(a) Convene first meeting	A. Black	12/31/2013	Closed
(b) Convene second committee meeting	A. Black	12/31/2013	Closed
6.1.4 Financially Sustainable Operations	K. Shalik	12/31/2013	Closed

Project: STRATEGIC PLANNING PROCESS DESIGN AND INITIAL IMPLEMENTATION
Date: January 12, 2014
Deadline: May 30, 2014
Project Manager: Michael Mirra

	Task or Objective	Who	Deadline	Status
	(a) Convene Committee	K. Shalik	12/31/2013	Closed
	(b) Convene Second Meeting	K. Shalik	12/31/2013	Closed
6.1.5	Environmental Responsibility	T. Hansen	12/31/2013	Closed
	(a) Convene first meeting	T. Hansen	12/31/2013	Closed
	(b) Convene second meeting	T. Hansen	12/31/2013	Closed
6.1.6	Advocacy and Public Education	M. Mirra	7/4/2013	Closed
	(a) Convene committee - first meeting and review performance measures and draft targets	M. Mirra	6/10/2013	Closed
	(b) Second committee meeting - preliminary choices of targets	M. Mirra	6/21/2013	Closed
	(c) Final committee meeting - choose targets	M. Mirra	6/28/2013	Closed !
6.1.7	Administration	T. Craven	7/4/2013	Closed
	(a) Convene first committee meeting	T. Craven	6/24/2013	Closed
	(b) Second committee meeting	T. Craven	7/1/2013	Closed
6.2	Cabinet Review	M. Mirra	4/11/2014	Open !
6.3	Executive Director Review and Approval	M. Mirra	5/1/2014	Open !
6.4	Board Review and Approval	M. Mirra	5/30/2014	Open
7.	DEVISE STRATEGIES AND THEIR PERFORMANCE MEASURES	M. Mirra	5/1/2014	Open
7.1	Committee Proposals	M. Mirra	3/31/2014	Open
7.1.1	Housing and Supportive Services	G. Claycamp	3/31/2014	Open
7.1.2	Housing and Real Estate Development	K. McCormick	3/31/2014	Open
7.1.3	Property Management	A. Black	3/31/2014	Open

Project: STRATEGIC PLANNING PROCESS DESIGN AND INITIAL IMPLEMENTATION
Date: January 12, 2014
Deadline: May 30, 2014
Project Manager: Michael Mirra

Task or Objective		Who	Deadline	Status
7.1.4	Financially Sustainable Operations	K. Shalik	3/31/2014	Open
7.1.5	Environmental Responsibility	K. McCormick	3/31/2014	Open
7.1.6	Advocacy and Public Education	M. Mirra	3/31/2014	Open
7.1.7	Administration	T. Craven	3/31/2014	Open
7.2	Cabinet Review and Approval	M. Mirra	4/11/2014	Open !
7.3	Executive Director Review and Approval	M. Mirra	5/1/2014	Open !
8.	ENTER NEW DIRECTIVES INTO PROJECT DATA BASE	M. Mirra	5/30/2014	Open



TACOMA HOUSING AUTHORITY

THA's "Meth Plan": Need for Funding

January 7, 2014

THA's seeks \$500,000 in state funding to help offset the expense of its plan to remediate units contaminated with methamphetamines (meth). THA does not believe it has a disproportionate problem with meth contamination. Instead, THA stands out in its responsible and aggressive approach to the problem. This approach shows in THA's Meth Plan. THA devised this plan in close consultation with the Tacoma-Pierce County Health Department (TPCHD).

- THA field-tests its units upon suspicion of meth activity or contamination and upon vacancy.
- As the law requires, THA reports to TPCHD when THA believes that a unit is contaminated. TPCHD then conducts its own test. If the unit shows "hot" under state testing thresholds, THA then remediates the unit under TPCHD supervision until TPCHD declares it clean.
- This Meth Plan is responsible. It complies with the law. It is also expensive.
- THA began its Meth Plan about 18 months ago. It has since cost \$2.4 million. Remediating a unit has cost an average of \$32,856. In June 2013, THA's insurance pool ended coverage for these costs. THA estimates that in 2014 it faces an uninsured cost of \$500,000, after which costs should diminish to manageable levels:

	Units	Amount	\$ Per Unit
Amount spent 2012-2013	73	\$2,398,455	\$32,856
Amount we project to spend in 2014.	18	\$594,000	\$33,000

- \$500,000 from the state would serve several purposes:
 - ~ It would help THA get through this next year after which it projects that costs should diminish.
 - ~ It would help THA and TPCHD model how a responsible property manager and a local health department can collaborate in ways that protect health and comply with the law's strict requirements governing meth remediation.



TACOMA HOUSING AUTHORITY

TACOMA HOUSING AUTHORITY's RESPONSE TO METH:

it is responsible; it is working; it is expensive

January 7, 2014

The Tacoma Housing Authority (THA) owns about 1,500 housing units in the city of Tacoma. This portfolio provides vital affordable housing to Tacoma's low-income residents. In 2012, THA discovered that some units in its portfolio are contaminated from the manufacture and/or use of methamphetamine (meth). Residual meth can contaminate exposed surfaces and threaten the health of residents and staff. It is not known if THA has a disproportionate meth problem. It is known that THA is singular in its response.

THA devised its response ("meth plan") with the expert assistance of the Tacoma-Pierce County Health Department ("TPCHD"). TPCHD is a very capable health department with an impressive expertise in such matters. The plan also shows THA's high standards of stewardship, values and a commitment to comply with strict local and state laws.

The plan directs THA to test all units for meth contamination on a schedule, remediating what it finds, distinguishing appropriately between residents it judges to be responsible and those who are not, and strengthening efforts to prevent future contamination from occurring.

The plan is successful. THA has identified suspect units and removed responsible persons from the portfolio. It has fortified the community's understanding that THA does not tolerate meth. THA's properties, already among the safest in the city, are safer. Residents have thanked THA for the increased measure of peace and safety they attribute to THA's response. THA is remediating the contaminated units and re-renting them with an assurance that they are safe. THA is proud of the standards and values its meth plan displays.

Benefits of THA's Meth Plan

THA's meth plan provides some important community benefits:

- *Curbing use and contamination:* THA's meth plan has removed out of its communities residents who were using meth.
- *Health:* It allows THA an important measure of assurance that a unit it offers to a new tenant is safe.
- *Community health:* The plan allows THA to contribute to the larger community's health.
- *The law:* The plan allows THA the distinction of being one of few landlords, public or private, that takes the local and state laws seriously.
- *Safer, more orderly and more enjoyable communities:* THA's residents have expressed their thanks to THA for its aggressive meth plan. They report that THA's communities feel safer and more enjoyable for reasons they attribute to the plan. Similarly, the police department's crime reporting data show encouraging results. While THA's

communities were already among the safest in the city, by police measures, since the beginning of the meth plan police crime data reporting has declined by about 50%. Also, rent defaults and lease compliance problems have declined significantly. We do not know for certain if the meth plan is responsible for these declines but the data is suggestive.

Cost of Remediation

Remediating meth contamination is expensive. Costs have averaged about \$32,000 per unit. To date THA has spent \$2.3 million to remediate 73 units. Initially THA's insurance pool covered the majority of this cost. This coverage ended in June 2013. THA and TPCHD are seeking to adjust the plan to reduce costs and increase efficiencies without compromising health. THA faces costs of more than \$500,000 per year for the next few years. THA will need assistance to cover these costs.

FOR MORE INFORMATION CONTACT:

Michael Mirra
Executive Director
Tacoma Housing Authority
902 South L Street
Tacoma, WA 98405
(253) 207-4429
mmirra@tacomahousing.org



TACOMA HOUSING AUTHORITY

HILLSIDE TERRACE PHASE 2: NEED FOR CAPITAL FUNDING

January 7, 2014

THA seeks **\$3 million** in state capital dollars for Phase 2 of its ambitious redevelopment of Hillside Terrace in the Hilltop neighborhood in Tacoma.

Hillside Terrace covers five blocks between South 15th and South 27th along South Yakima. A private developer built it in the 1960s, with 165 units. THA later purchased it and converted it to public housing. In 2000, THA tore down and redeveloped the 1500 and the 2300 blocks with 62 new or newly redone units. That redevelopment was the first new money invested in the Hilltop in a long time. It helped to spur the subsequent private development of affordable and market rate housing along that stretch of South Yakima.

In 2013, THA tore down the remaining 104 units on the 1800 and 2500-2700 Blocks. In their place, THA intends to build a combination of townhomes, cottages and apartments for about 200 economically diverse families, with important community facilities and open spaces. It will do this in two or three phases. The development will be financially sustainable. It will have important community buildings. Its design will be environmentally responsible. It will conform nicely to the Hilltop subarea plan. And it will be attractive.



Phase 1 is underway. It will offer 70 mixed-income rental units; it will include a community center that will house a Head Start program; it will have inviting community green spaces; it will have new infrastructure. The \$2 million of capital financing from the Washington Housing Trust Fund leveraged \$21 million of other resources, mostly private. Construction is on schedule and on budget. It will open in the spring.

Phase 2 will include the next 70 – 130 housing units. The University of Washington at Tacoma (UWT) has asked THA to include into its design an intentional community to house college students who are also parents of young children, who work full time and who live on a very low income. This design would offer these striving families communal child care, communal cooking and dining space and space for communal support. THA believes that this student housing would be a very good fit for the community. Phase 2 will cost about \$20 million. THA will need **\$3 million** to assemble this financing.

For more information:
Michael Mirra
(253) 207-4429
mmirra@tacomahousing.org



THE ACCOMPLISHMENTS AND LESSONS OF THE WAR ON POVERTY

by Martha J. Bailey, University of Michigan, and Sheldon Danziger, Russell Sage Foundation

Declaring an “unconditional war on poverty” in his January 1964 State of the Union Address, President Lyndon Johnson launched a legislative blitz intended to go beyond addressing the symptoms of poverty to “cure it and, above all, prevent it” through major new national efforts in health insurance, education and job training, and safety net protections for the poor. Fifty years later, millions of low-income, elderly, and disabled Americans have benefited from the billions of dollars spent on these programs each year. Yet according to the official poverty rate, fifteen percent of Americans remain poor, just four percentage points lower than in 1964.

The persistence of high poverty rates even as the federal government has spent much more fuels charges by conservatives that, in the words of President Ronald Reagan, the “federal government fought the war on poverty and poverty won.” Some critics claim that federal efforts make poverty worse, and call for draconian spending cuts and radical changes in programs such as Medicaid (public health insurance for the poor and disabled) and the current version of Food Stamps (the program that helps poor people buy more food). Some liberals also question the War on Poverty, arguing that it was underfunded or did too little to constrain corporations.

In our book, *Legacies of the War on Poverty*, a team of experts dissects decades of data using innovative research methodologies. We find that many programs delivered significant benefits, and we explain how the gains came about. Our findings challenge rampant misconceptions about what government can do to ameliorate poverty and boost the disadvantaged.

A Comprehensive Range of Efforts

Contrary to myths propagated by many critics, the War on Poverty was not narrowly focused on “expanding welfare.” “No doles,” stipulated President Johnson, and his legislative initiatives included aid to schools and universities, new job training programs, public housing initiatives, new Medicare health coverage for the elderly and Medicaid coverage for the poor, and other programs that have endured, such as Head Start, Job Corps, and Community Health Centers.

The War on Poverty’s pivotal assault on racial discrimination often goes unmentioned. In addition to persuading Congress to pass the 1964 Civil Rights Act and the 1965 Voting Rights Act, the Johnson administration used the federal purse to desegregate schools, hospitals, community boards, and neighborhood programs. As new grants flowed, threats to withhold funding made compliance with the Civil Rights Act a pocket-book issue.

Nor should the War on Poverty be discussed only in the past tense. It is still being fought today. Although the original coordinating agency, the Office of Economic Opportunity, was disbanded in the early 1970s, many programs are still funded under new names in other agencies.

Did the War on Poverty Fail to Help the Poor?

Misconceptions have been rife for some time, partly grounded in political opposition and partly attributable to incomplete data. Early evaluations neglected the fact that benefits from human capital investments and racial integration would unfold gradually. We have learned, for example, that early childhood education most visibly pays off when youth reach college age or enter their prime working years. State of the art studies featured in our book show that many War on Poverty programs enhanced human capital over the years by improving health and reducing racial inequality.

But what about the undeniable fact that poverty rates remain high? The official federal poverty measure is outdated, because it does not include income boosts from food stamps and tax credits. A recent study using an improved poverty measure found that, in fact, U.S. poverty declined by 26 percentage points from 1960 to 2010 – with most of the reductions in poverty registered before 1980 when anti-poverty efforts were getting increased federal funding.

The original architects of the War on Poverty could not have anticipated that dramatic changes in the U.S. economy after the 1970s would keep future fruits of economic growth from trickling down to the poor. Globalization, labor-saving technological changes, and reductions in labor union enrollments have all combined to hold down wage increases for American workers without college degrees. Poverty has also been worsened by rising numbers of single-parent households and big jumps in the numbers of low-income men sent to prison for long stretches. So many winds of economic and social change have pushed against efforts to boost the poor, that poverty would probably be considerably higher today without the accomplishments of the War on Poverty.

Learning the Right Lessons

History can be a great teacher, but not when we learn the wrong lessons. It has taken researchers decades to analyze the accomplishments of the War on Poverty, but now we have good evidence.

- Key efforts such as Medicare and Medicaid may have cost more than originally projected, but they have had major positive long-term effects, and their trajectories reveal ways to improve policy designs and cost-effectiveness in the future.
- Much of the War on Poverty's impact came from multiple, interrelated programs working together. Assessing programs one by one can miss this vital truth.
- Federal programs are not just about dollars; they propel institutional changes, too. History rightly celebrates individual heroism and legal victories in the Civil Rights era, but we should not overlook the impact of War on Poverty dollars in pushing racial integration. Further progress could come if we make discrimination a pocket-book issue.

The original architects of the War on Poverty could not know which experiments would work and which would fall short. Some critics overplay failures to proclaim that government *cannot* fight poverty. But sober retrospect and today's best evidence say otherwise. The War on Poverty had major achievements, many rooted in policymakers' creative willingness to launch multiple experiments at once. Now, as then, America faces big challenges, and we should learn from the past about the value of bold, creative experimentation.

Read more in Martha J. Bailey and Sheldon Danziger (editors), *Legacies of the War on Poverty* (Russell Sage Foundation, 2013).

LEGACIES OF THE WAR ON POVERTY

Martha J. Bailey

Associate Professor of Economics and
Research Associate Professor, Population Studies Center
University of Michigan

January 8, 2014

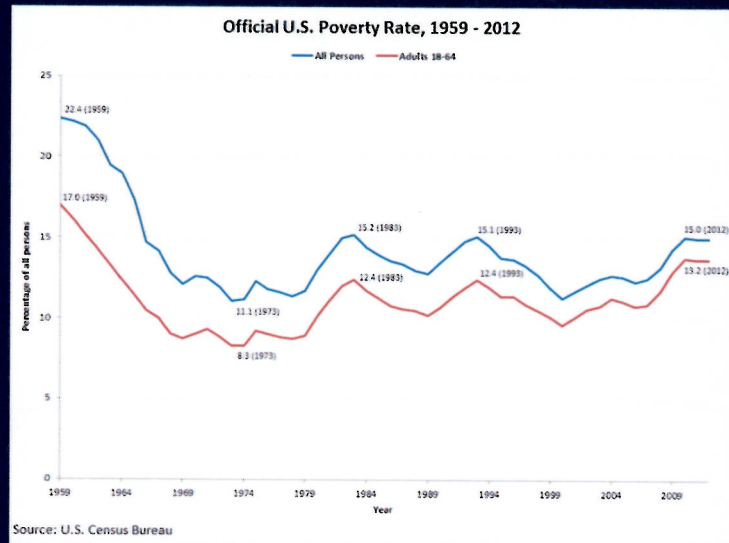


A Declaration of War on Poverty

- January 8, 1964:
Lyndon Johnson declares
"unconditional war on poverty" in
his first State of the Union Address



Has the War on Poverty Failed?



What Was the War on Poverty?

"no doles"
"a hand up, not a hand out"

Objective: go *beyond*
treating the symptoms of poverty

Agenda: safety net but also
anti-discrimination efforts,
and human capital and
economic growth initiatives



Strategy Against Poverty

Ch. 2, 1964 Economic Report of President

- Maintain high employment
- Accelerate economic growth
- Fight discrimination
- Improve regional economies
- Rehabilitate urban & rural communities
- Improve labor markets
- Expand educational opportunities
- Enlarge job opportunities for youth
- Improve the nation's health
- Promote adult education & training
- Assist the aged & disabled



Lasting Legacies

- Pioneering Programs for Early Childhood
 - Food stamps (now SNAP) improved infant health and test scores
 - Head Start increased educational attainment
 - Children go on to lead healthier and more productive lives
 - Some early childhood investments more than pay for themselves
- Racial integration and greater equity
 - Medicare reimbursements encouraged hospitals to desegregate
 - Infant mortality among African Americans fell sharply
 - Health improvements translated into better test scores for black teens into the 1980s



More Lasting Legacies

- Reduction in elderly poverty
 - Medicare + Social Security benefits = elderly poverty fell by half from 35% in 1959 to 16% in 1973
 - Improved financial security of American families
- Synergies of programs working in concert
 - Hospital and school integration is aided by Medicare and funds for public schools
 - Better infant health and child nutrition make education dollars more effective and increase the returns to college financial aid and job training
 - Medicare increases family resources for college tuition



War on Poverty Programs Swimming Upstream

- Countervailing social, demographic and economic forces
 - Rising incarceration rates
 - Increase in single-headed household
 - Changes in the way economic growth benefitted the lowest income earners
- Poverty today would have been higher than in 1964 without the War on Poverty



Supplemental Poverty Measure

- Excluding Social Security benefits would raise national poverty rates from 16 to 24 %
 - more than 50% of the elderly would be poor vs. 15% today
- Excluding SNAP would increase child poverty by 3 points from 18 to 21%



Let's Be Frank about Failures...

- Not all War on Poverty programs worked
 - Medicare's design has encouraged the increase in health care costs
 - Child poverty now at 22% versus 23% in 1964
- Costs have exceeded expectations



But Own Up to Many Successes

- Focusing on costs forgets large returns
- Focusing on poverty rates ignores lasting legacies
 - More integrated schools, hospitals and workplaces
 - Peace of mind and financial security for families with aging parents
 - Financial aid for college students
 - Federal support of poor public school districts
 - Early childhood investments in poor children
- The War on Poverty shows how much directed policy can accomplish



Legacies of the War on Poverty, Lessons for the Future

Sheldon Danziger

President, Russell Sage Foundation

H.J. Meyer Distinguished University Professor of Public
Policy, Gerald R. Ford School of Public Policy, University of
Michigan

January 8, 2014



The Golden Age of the Economy: A Rising Tide Lifts All Boats, 1947-73

- Rapid Economic Growth, modest recessions
- Rapid wage growth for most workers
- Spread of employer-provided health insurance & pensions
- Minimum wage rises relative to inflation
- Rapidly falling poverty
- Slowly falling income inequality

www.russellsage.org



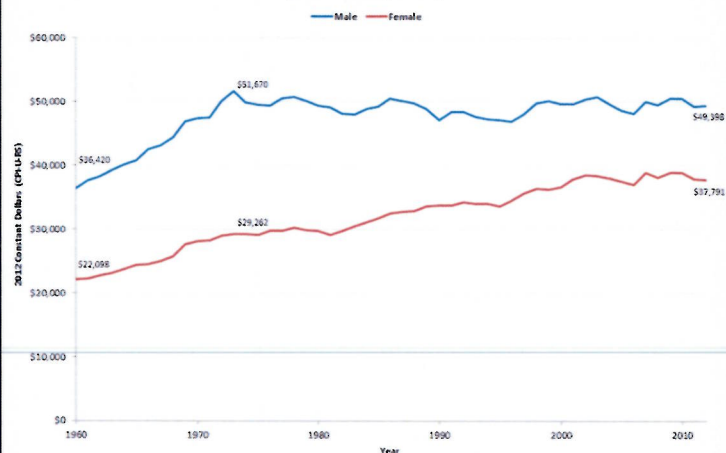
A Gilded Age of Rising Inequality, 1973-present

- Poverty rises above 15% during recessions of early 1980s & 1990s
- Poverty falls during recoveries, but not to 1973 level
- Less-educated workers & median male worker no longer benefit much from economic growth (except for a few years in late-1990s when unemployment rate was very low)
- Inequality increases steadily
- Effective safety net only for elderly

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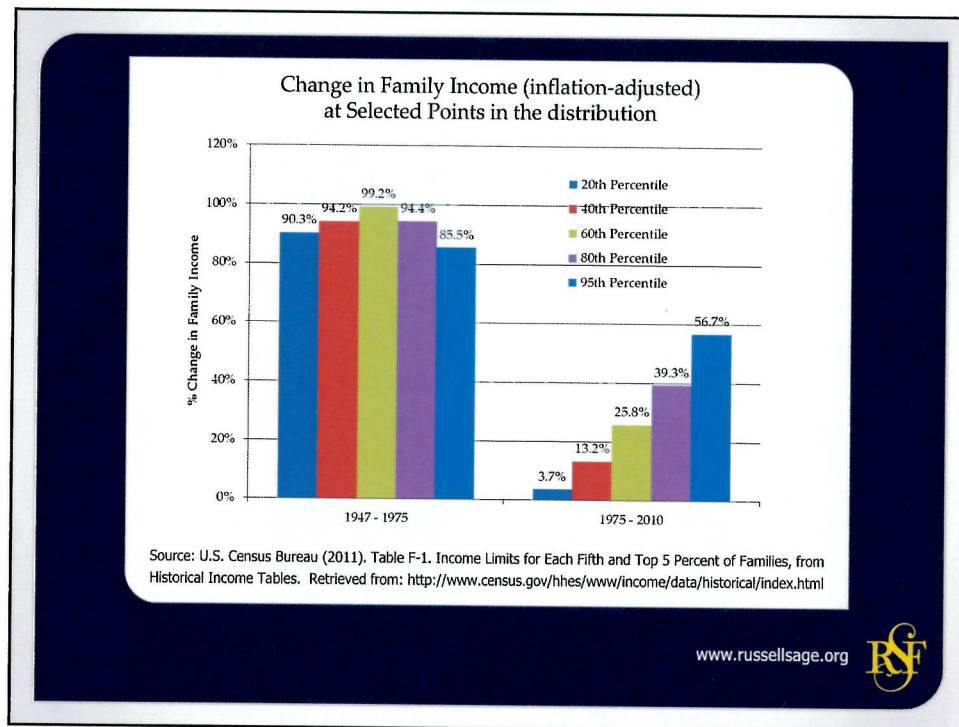
Median Earnings, Full Time, Year Round Workers, 1960 - 2012
(inflation-adjusted)



Source: U.S. Census Bureau

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Current Economic Climate

- Unemployment remains high—could take several more years to replace all jobs lost
- Real wage growth unlikely for less-educated
- Income & wealth inequalities at high levels
- States are still cutting social programs and public sector jobs
- Deficit Mania threatens safety net as we know it

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Policy Recommendations – Adults

- Make permanent ARRA's Food Stamp and Unemployment Insurance changes that have expired
- Establish a subsidized jobs program for long-term unemployed
- Expand EITC for childless low-wage workers
- Raise minimum wage

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Responses to Safety Net's Critics

- Labor market changes, not failure to take available jobs, are primary reason poverty and unemployment remain high
- Safety net programs reduce poverty without large distortions in work and family choices
- Modest tax increases to fund safety net expansion can reduce poverty and inequality without disrupting the market economy

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FINANCE



TACOMA HOUSING AUTHORITY

Motion

Adopt a consent motion ratifying the payment of cash disbursements totaling \$5,504,073 for the month of December, 2013.

Approved: January 22, 2014

Greg Mowat, Chair

TACOMA HOUSING AUTHORITY
Cash Disbursements for the month of December, 2013

		Check Numbers		Amount	Totals
		From	To		
A/P Checking Account					
Low Rent Module Checks	Check #'s	-	-	-	
Accounts Payable Checks	Check #'s	81,280	- 81,498		
Business Support Center				274,649	Program Support
Moving To Work Support Center				35,776	
Section 8 Programs				126,161	Section 8 Operations
Windstar				10,609	Local Funds
SF Non-Assisted Housing - N. Shirley				1	
SF Non-Assist Housing - 9SF Homes				1,157	
Stewart Court				959	
Wedgewood				181	
Salishan 7				32,979	
Hillsdale Heights				100	
Salishan Developer Fee				563	Development
AG Hsg Recovery Grant				400	
NSP Grant				33	
Development Activity				18,197	
Salishan Area 2B-Dev				1,995	
Salishan Area 4				3,457	
Hillside Terrace 2500 Court G Development				28,683	
Hillside Terrace 1800 Court G Development				23,468	
Hillside Terrace 2500 Yakima Development				1,458,619	
Weyerh. Homeless Grant				1,248	
Community Services MTW Fund				4,180	
Paul G. Allen Foundation Grant				32	
Gates Scholar Incentive Grant				157	
Gates Ed Grant				448	Public Housing
ROSS Svc Coord				67	
WA Families Fund				298	
WA Families Fund - Systems Innovation				916	
AMP 1 - No K, So M, No G				35,020	
AMP 2 - Fawcett, Wright, 6th Ave				28,059	
AMP 3 - Lawrence, Orchard, Stevens				66,142	
AMP 4 - Hillside Terr - 1800/2500				10,238	Allocations-All Programs
AMP 6 - Scattered Sites				52,967	
AMP 7 - HT 1 - Subsidy				11,137	
AMP 8 - HT 2 - Subsidy				1,499	
AMP 9 - HT 1500 - Subsidy				1,071	
AMP 10 - SAL 1 - Subsidy				10,684	
AMP 11 - SAL 2 - Subsidy				9,695	
AMP 12 - SAL 3 - Subsidy				7,534	Tax Credit Projects - billable
AMP 13 - SAL 4 - Subsidy				10,001	
AMP 14 - SAL 5 - Subsidy				12,501	
AMP 15 - SAL 6 - Subsidy				11,271	
Allocation Fund				60,337	
THA SUBTOTAL				2,353,489	
Hillside Terrace 1 through 1500				1,185	
Salishan I - through Salishan 6				103,670	
Salishan Association - Operations				3,828	
				108,682	2,462,171
Section 8 Checking Account (HAP Payments)					
SRO/HCV/TBRA/VASH/FUP/NED	Check #'s	480,549	- 480,710	237,574	
	ACH	53,096	- 54,468	2,306,520	\$ 2,544,094
Payroll & Payroll Fees - ADP					\$ 497,808
Other Wire Transfers					
Local Funds Semi-Annual Bond Payment - Heritage				-	\$ -
TOTAL DISBURSEMENTS					\$ 5,504,073



TACOMA HOUSING AUTHORITY

Date: January 22, 2014
To: THA Board of Commissioners
From: Ken Shalik
Director of Finance
Re: Finance Department Monthly Board Report

1. FINANCIAL STATEMENT COMMENTS

I present the December, 2013 disbursement report for your approval.

The Finance Department is submitting the financial statement for the month of November, 2013.

THA remains in good financial shape for 2013, and is projected to end the year with a surplus. This is especially notable due to the reduced HUD funding, and the costs that we had anticipated for our meth remediation. At the end of November's reporting period, THA had a deficit for the month of \$442,108 on Line 68, and a YTD surplus of 1,234,165. As we are within one month of closing our financial records, I have taken a more detailed look at where we are and anticipated income and expenses through December. At the moment, I am projecting a year end surplus of \$447,499. This may change somewhat as the final bills come in and account reconciliations are finalized.

There are a number of categories that are experiencing variations from budget. There are some categories that may have a fairly large % variance with minimal dollar variances. Some expense areas are ones that we anticipated expenditures at a certain level, but will not reach. Very few of the expense line items are above budget, and none of those are significant. In the cases of certain grants, the income is based on a dollar for dollar match. In those areas where we have not utilized the grant at budgeted levels, the income side will also be under budget. Below, I will address a few areas I would like to expound upon:

The following are major anomalies between budgeted and actual numbers.

- *Line 2 – Tenant Revenue – Other* - This area is difficult to project. The majority of the income consists of charges passed on to the tenant for both legal proceedings heading towards eviction, as well as significant damages (including Meth damage) at move out. The challenge with this increase is due to the type of charge, we will most likely not be able to collect these funds, and they will be written off.
- *Line 7 – Capital Fund Operating Revenue* – This portion of capital funds is used for Administrative expenses, as well as expenses for our Rental Assistance Demonstration

FINANCE DEPARTMENT MONTHLY REPORT

January 2014

Page 2

(RAD) conversion. \$175,000 was budgeted for a Physical Needs assessment for our portfolio, which we will defer until we receive approval to move forward. We, therefore, did not draw down any of those funds. We are also deferring some of our administrative drawdown until next year to assist with any shortfall in funding that may exist.

- *Line 9 – Other Government Grants* – Included in this line item is approximately \$60K that was budgeted for administering a type of Neighborhood Stabilization program with the city. Due to the late start on the program we will not reach budgeted income by year end.
- *Line 12 – Other Revenue – Developer Fee Income*- As we did not close on the Prairie Oaks (LASA) development by the end of the year, we will not be receiving the developer fee for it in 2013.
- *Line 13 – Other Revenue* – The majority of the income from this line item is in the Community services areas. The expenses for the programs were under budget and as most of the expenses are of a reimbursable nature, so was the income. You will see the same underage in the Tenant services line item total.
- *Line 32 – Administrative Contracts* - The Physical needs assessment for our RAD conversion in the amount of \$175K was budgeted in this category. We will be waiting until we receive RAD approval to expend these funds. This reflects the majority of the difference between the budgeted and expended amount.
- *Line 33 – Due Diligence* - These funds are budgeted for perspective development opportunities. As our focus was on our Hillside redevelopment and Prairie Oaks during 2013 we did not expend all of the budgeted funds.
- *Lines 36-39 – Tenant Services* – Much of the variance has to do with timing. We are just getting our youth asset building function off the ground. There was funding for both the administration of the program and then funding of accounts that will either not be realized until later this year, or will most likely be deferred until next year. We also did not expend as much on some of our other grants as budgeted either.
- *Line 59 – Extraordinary Maintenance* – As this point, we are still under budget in this category. Repair costs due to Meth contamination that are not covered by insurance will be charged to this category. There are 11 units in Wright St. Apts. that need to be remediated, but due to other work needing to be accomplished will be paid for out of the Capital Fund Program in 2014.
- *Line 60 – Casualty Loss* - The Year to date amount is higher than the Projected actual amount. This is due to payments that have been made that have not been reimbursed by the insurance carrier. We are still awaiting reimbursement for some of the Meth remediation work covered by insurance.
- *Lines 69 – 71 – Capital Items* - The amounts in these categories only reflect active projects that we have contracts on. In the budget, we have the purchase of New Look Apts., and the LASA development included. As we have not closed on LASA, and are still in the predevelopment phase of New Look, these amounts are not included in the projected actual category.

In our cash positions, we are including the commitment of funds passed by the Board in the September board meeting. These commitments, along with designated Public Housing and Section 8 reserves, leave the agency with minimal unobligated MTW cash levels. Due to the fact that even though funds are committed by the board, our MTW cash level is adequate, and keeps us from recapture even if HUD does not honor our commitments.

Commencing in 2014, we will be preparing a financial summary of our Tax Credit properties for the Board's review. As we are the General Partner in the Tax Credit properties we are managing, it is viewed that the Board is provided financial information in a summary form semi-annually so you are informed as to how the projects are operating.

2. INVESTMENTS

Surplus funds are invested in Heritage checking and the Washington State Investment Pool. Rates with Heritage Bank currently remain at .40%. The Washington State Local Government Investment Pool currently provides a return rate of .17%.

3. AUDIT

The independent auditors will be working on the Tax Credit property audits in January and February. The State Auditors will not be returning until May to begin the audit of THA's 2013 financial information.

4. BUDGETS

The THA 2014 budget was approved in the December board meeting and is in effect. We are holding off on items on the Sequestration priority list until we receive more information from HUD on our funding for 2014. For that to happen, Congress must first pass a budget.

5. YEAR END CLOSING UPDATE

The Finance department is in the process of closing the books for both THA, and all of the Tax Credit properties that it manages. Tax Credit financial information needs to be completed by January 20th, while the HUD REAC submission of the financial data needs to be completed and input online by February 28th.

**TACOMA HOUSING AUTHORITY
AGENCY WIDE**

	November, 2013				Thru 12/31/2013		
	CURRENT MTH ACTUAL	YEAR TO DATE ACTUAL	BUDGETED YTD	VARIANCE	PROJECTED ACTUAL	BUDGETED	VARIANCE
OPERATING RECEIPTS							
1 Tenant Revenue - Dwelling rent	268,470	3,120,808	3,262,286	-4.34%	3,404,518	3,558,857	-4.34%
2 Tenant Revenue - Other	0	69,689	53,961	29.15%	71,024	58,867	20.65%
3 HUD grant - Section 8 HAP reimburseme	2,572,337	31,163,326	30,917,903	0.79%	33,735,663	33,728,621	0.02%
4 HUD grant - Section 8 Admin fee earned	204,954	2,271,899	2,249,383	1.00%	2,476,853	2,453,872	0.94%
5 HUD grant - Public Housing subsidy	186,514	2,065,274	1,962,117	5.26%	2,251,788	2,140,491	5.20%
6 HUD grant - Community Services	10,636	108,564	129,235	-16.00%	118,433	140,984	-16.00%
7 HUD grant - Capital Fund Operating Reve	20,494	218,401	1,186,924	-81.60%	717,980	1,294,826	-44.55%
8 Management Fee Income	272,692	2,987,774	3,209,367	-6.90%	3,279,390	3,501,128	-6.33%
9 Other Government grants	15,575	148,805	221,313	-32.76%	159,989	241,432	-33.73%
10 Investment income	6,770	384,278	346,454	10.92%	389,478	377,950	3.05%
11 Fraud Recovery Income - Sec 8	6,374	30,764	27,500	11.87%	33,561	30,000	11.87%
12 Other Revenue- Developer Fee Income	0	379,743	399,850	-5.03%	379,743	436,200	-12.94%
13 Other Revenue	22,385	592,339	739,378	-19.89%	646,188	806,594	-19.89%
14 TOTAL OPERATING RECEIPTS	3,587,201	43,541,664	44,705,670	-2.60%	47,664,608	48,769,822	-2.27%
OPERATING EXPENDITURES							
<i>Administrative Expenses</i>							
15 Administrative Salaries	360,452	3,869,887	4,086,715	-5.31%	4,381,577	4,458,235	-1.72%
16 Administrative Personnel - Benefits	137,363	1,410,297	1,645,570	-14.30%	1,558,506	1,795,167	-13.18%
17 Audit Fees	3,594	65,511	65,030	0.74%	70,942	70,942	0.00%
18 Management Fees	220,300	2,432,713	2,462,829	-1.22%	2,653,869	2,686,722	-1.22%
19 Rent	23,526	258,786	258,774	0.00%	282,312	282,299	0.00%
20 Advertising	163	4,344	17,096	-74.59%	4,739	18,650	-74.59%
21 Information Technology Expenses	19,504	188,929	253,208	-25.39%	221,104	276,227	-19.96%
22 Office Supplies	4,412	41,727	85,284	-51.07%	45,520	93,037	-51.07%
23 Publications & Memberships	482	38,042	49,743	-23.52%	41,500	54,265	-23.52%
24 Telephone	7,060	84,638	107,790	-21.48%	92,332	117,589	-21.48%
25 Postage	2,026	29,273	36,607	-20.03%	31,934	39,935	-20.03%
26 Leased Equipment & Repairs	6,494	73,365	58,974	24.40%	80,035	64,335	24.40%
27 Office Equipment Expensed	4,920	55,526	78,544	-29.31%	60,574	85,684	-29.31%
28 Legal	9,407	151,540	214,725	-29.43%	195,316	234,245	-16.62%
29 Local Milage	238	4,732	14,101	-66.44%	5,162	15,383	-66.44%
30 Staff Training/Out of Town travel	10,135	118,586	184,815	-35.84%	139,367	201,616	-30.88%
31 Administrative Contracts	4,845	227,830	546,251	-58.29%	338,542	595,910	-43.19%
32 Other administrative expenses	3,927	73,878	86,414	-14.51%	90,594	94,270	-3.90%
33 Due diligence - Perspective Development	17,684	232,698	334,583	-30.45%	253,852	365,000	-30.45%
34 Contingency	0	0	91,621	-100.00%	0	99,950	-100.00%
35 Total Administrative Expenses	836,532	9,362,302	10,678,673	-12.33%	10,547,778	11,649,461	-9.46%

		November, 2013				Thru 12/31/2013		
		CURRENT MTH ACTUAL	YEAR TO DATE ACTUAL	BUDGETED	VARIANCE	PROJECTED ACTUAL	BUDGETED	VARIANCE
	Tenant Service							
36	Tenant Service - Salaries	73,595	742,208	851,252	-12.81%	825,803	928,639	-11.07%
37	Tenant Service Personnel - Benefits	28,521	287,163	349,751	-17.90%	315,684	381,547	-17.26%
38	Relocation Costs	13,776	73,479	54,459	34.92%	80,159	59,410	34.92%
39	Tenant Service - Other	11,508	53,862	195,456	-72.44%	98,759	213,225	-53.68%
40	Total Tenant Services	127,400	1,156,712	1,450,919	-20.28%	1,320,404	1,582,821	-16.58%
	Project Utilities							
41	Water	15,053	112,992	111,201	1.61%	123,264	121,310	1.61%
42	Electricity	35,651	188,151	198,046	-5.00%	205,256	216,050	-5.00%
43	Gas	5,861	43,144	60,014	-28.11%	47,066	65,470	-28.11%
44	Sewer	52,387	349,749	330,115	5.95%	381,544	360,125	5.95%
45	Total Project Utilities	108,952	694,036	699,375	-0.76%	757,130	762,955	-0.76%
	Ordinary Maintenance & Operations							
46	Maintenance Salaries	49,658	509,477	572,411	-10.99%	598,677	624,448	-4.13%
47	Maintenance Personnel - Benefits	15,616	159,564	175,088	-8.87%	179,070	191,005	-6.25%
48	Maintenance Materials	27,664	209,307	242,183	-13.57%	236,971	264,200	-10.31%
49	Contract Maintenance	69,899	848,936	952,923	-10.91%	961,112	1,039,552	-7.55%
50	Total Routine Maintenance	162,837	1,727,284	1,942,605	-11.08%	1,975,829	2,119,205	-6.77%
	General Expenses							
51	Protective Services	13,735	141,635	136,492	3.77%	154,511	148,900	3.77%
52	Insurance	15,037	162,158	168,459	-3.74%	176,900	183,773	-3.74%
53	Other General Expense	61,893	979,400	1,030,095	-4.92%	1,088,436	1,123,740	-3.14%
54	Payment in Lieu of Taxes	1,199	13,186	13,256	-0.53%	14,385	14,461	-0.53%
55	Collection Loss	13,476	99,076	74,407	33.15%	114,076	81,171	40.54%
56	Interest Expense	13,905	516,996	587,357	-11.98%	603,996	640,753	-5.74%
57	Total General Expenses	119,245	1,912,451	2,010,065	-4.86%	2,152,303	2,192,798	-1.85%
58	TOTAL OPERATING EXPENSES	\$ 1,354,966	\$ 14,852,785	\$ 16,781,637		\$ 16,753,445	\$ 18,307,240	
	Nonroutine Expenditures							
59	Ext. Maint/Fac Imp/Gain/Loss Prop Sale	54,029	122,392	331,218	-63.05%	250,000	361,329	-30.81%
60	Casualty Losses	5,197	81,917	56,084	46.06%	81,917	61,182	33.89%
61	Sec 8 HAP Payments	2,615,117	27,074,508	27,419,117	-1.26%	29,789,625	29,911,764	-0.41%
62	Total Nonroutine Expenditures	2,674,343	27,278,817	27,806,419	-1.90%	30,121,542	30,334,275	-0.70%
63	TOTAL EXPENDITURES	4,029,309	42,131,602	44,588,055	-5.51%	46,874,987	48,641,515	-3.63%
64	OPERATING SURPLUS/(DEFICIT)	(442,108)	1,410,062	117,615	1098.88%	789,621	128,307	515.42%
65	Debt Service Principal Payments	0	(369,065)	(512,190)	-27.94%	(539,844)	(558,753)	-3.38%
66	Surplus/Deficit Before Reserve Appropriations	(442,108)	1,040,997	(394,576)	-363.83%	249,777	(430,446)	
67	Reserve Appropriations - Operations	0	193,168	398,054	-51.47%	197,722	434,241	-54.47%
68	Surplus/Deficit Before Capital Expenditures	(442,108)	1,234,165	3,479		447,499	3,795	
69	Revenue - Capital Grants	171,676	6,244,884	(11,432,725)	-154.62%	10,442,698	(12,472,064)	-183.73%
70	Capitalized Items/Development Projects	(39,026)	(6,620,723)	9,750,642	-167.90%	(11,149,116)	10,637,064	-204.81%
71	Reserve Appropriations - Capital	(132,650)	375,839	1,682,083	-77.66%	706,418	1,835,000	-61.50%
71	THA SURPLUS/(DEFICIT)	(442,108)	1,234,165	3,479		447,499	3,795	

TACOMA HOUSING AUTHORITY

CASH POSITION - December 2013

Account Name	Current Balance	Interest
HERITAGE BANK		
Accounts Payable	\$ 1,963,535	0.40%
Section 8 Checking	8,243,271	0.40%
THA Investment Pool	287	0.40%
THA LIPH Security Deposits	89,190	0.40%
THDG - Tacoma Housing Development Group	46,876	0.40%
LF - SF 9Homes Alaska	83,866	0.40%
LF - SF 9Homes Alaska Sec Dep Acct	5,102	0.40%
LF - SFH No. Shirley	14,346	0.40%
LF - SFH N Shirley Security Deposit Acct	1,000	0.40%
LF - Wedgewood Homes	299	0.40%
Salishan 7	1,273,385	0.40%
Salishan 7 Security Deposit	26,209	0.40%
Salishan 7 Replacement Reserve	89,835	0.40%
Salishan 7 Operating Reserve	197,610	0.40%
Payroll Account	6,056	0.40%
General Fund Money Market	933,886	0.40%
IDA Account	16,186	0.40%
WASHINGTON STATE		
Investment Pool	\$ 1,625,872	0.13%
1. TOTAL THA CASH BALANCE	\$ 14,616,811	
Less:		
2. Total MTW Cash Balance	\$ 6,886,730	
<i>Less MTW Reserve Commitments</i>		
2.01 2nd Phase Hillside Terrace Redevelopment	\$ 2,420,000	
2.02 Renovation/Remodel of 2nd Floor of Admin Building	700,000	
2.03 Renovation/Remodel of Salishan FIC Building	300,000	
2.04 RAD Conversion Costs - Capital Contributions to Projects	1,000,000	
2.05 Software Conversion for Unsupported Software (VH)	600,000	
2.06 Education Projects - McCarver & Others	310,000	
2.07 Exigent Health & Safety Issues (Meth Remediation)	500,000	
2.10 Total Reserve Commitments	\$ 5,830,000	
<i>Add MTW Reserves Not Yet Received from HUD</i>		
2.11 Undisbursed CFP funds for RAD Conversion	1,000,000	
2.20 Total Undisbursed Reserves held by HUD	\$ 1,000,000	
<i>Less Minimum Operating Reserves</i>		
2.21 Public Housing AMP Reserves (4 months Operating Exp.)	1,130,000	
2.22 S8 Admin Reserves (3 months Operating Exp.)	726,000	
2.30 Total Minimum Operating Reserves	\$ 1,856,000	
3. MTW Cash Available (Lines 2 - 2.10 + 2.20 - 2.30)	\$ 200,730	

TACOMA HOUSING AUTHORITY

CASH POSITION - December 2013

4. Non MTW Cash

Other Restrictions:

4.01 FSS Escrows	\$	114,504		
4.02 VASH, FUP & NED HAP Reserves		103,091		
4.03 Mod Rehab Operating Reserves		183,096		
4.04 Security Deposit Accounts		121,760		
4.05 Salishan Sound Families - 608		129,137		
4.06 IDA Accounts - 604		16,186		
4.07 Gates Foundation - 612, 614 & 623		286,354		
4.08 WA Families Fund - 673, 674, 712, 713		126,901		
4.09 Wedgewood Replacement Reserve		803,975		
4.10 Bond Financed Single Family Homes Reserve		90,000		
4.11 Salishan 7 Reserves		712,446		
4.12 THDG - 048		46,876		
4.20 Total - Other Restrictions			\$	2,734,326

Agency Liabilities:

4.30 Windstar Loan - 042		305,882		
4.40 Total - Agency Liabilities			\$	305,882
4.45 Development Draw Receipts for Pending Vendor Payments			\$	1,474,002
4.50 Development Advances/Due Diligence Commitments ¹			\$	-

5. Total Non MTW Cash Restrictions (Lines 4.20+4.40+4.50)			\$	4,514,211
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6. THA UNENCUMBERED (Non-MTW) CASH (Lines 1-2-5)			\$	3,215,871
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Agency Current Commitments:		Board Approval	Expended	Obligation Balance
LASA Development advance	\$	425,000	\$	474,146
Salishan Campus (2012 exp plus 2013 budget)	\$	167,840	\$	126,174
¹ Total Current Commitments outstanding				\$ (7,480)

Agency Advances that resulted in reduced amount of Unencumbered Cash (line 6)

LASA Development advance		\$	474,146	
Hillside Terrace Redevlpmnt - HTF, HOME, CDBG and COT Funds		\$	-	
Total Agency Advances		\$	474,146	

REAL ESTATE MANAGEMENT
AND
HOUSING SERVICES



TACOMA HOUSING AUTHORITY

Date: January 22, 2014

To: THA Board of Commissioners

From: April Black

Director of Real Estate Management and Housing Services

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

1. PROPERTY MANAGEMENT DIVISION

- *Occupancy:*

Unit occupancy is reported for the first day of the month. This data is for the month of December 2013. The high vacancy rate is attributable to THA's meth strategy.

OCCUPANCY SUMMARY REPORT					
PROGRAM	UNITS AVAILABLE	UNITS VACANT	UNITS OFFLINE	UNITS OCCUPIED	% MTH OCCUPIED
All Hillside	62	3	106	59	93.5%
Family Properties	145	8	0	137	94.5%
Salishan	631	25	0	606	96.0%
Senior/Disabled	349	20	4	326	93.1%
All Total	1,187	56	110	1,127	94.9%

- *Vacant Unit Turn:*

On page three (3) there is a table with all of the units turned in fiscal year 2013. Twenty Nine (29) units were turned and rented in the month of December. The average unit turn for the month of December was 120.41 days and 170.28 days for the year 2013. The average for the month increased due to the aged units coming on line. The FYTD has dropped from 186.802 from the previous month. Fourteen (14) of the units that were turned in November tested positive for meth and needed to be remediated.

As of January 7, 2014, 123 of the 276 units that have been tested for contamination have tested positive for methamphetamine. This is a 45% positive rate for the units that have been tested. THA implemented the home testing kits that are testing for contamination at the health-based contamination level. Of the 89 home tests that have been conducted since June 25, 2013, 24 or 27% have tested positive for contamination.

1.1 Vacant clean unit turn status

There are 15 vacant, clean units as of January 7th, 2014. Of these units, 3 are rent ready, awaiting lease up. 10 are scheduled to be completed and ready to rent in the month of January. The remaining two (2) are in modernization due to water damage. We will be putting these units out to bid for the repairs in the month of January. Our Goal to only have units that were vacated after December 10th on the vacant list at the end of the year was accomplished with the exception of one (1) unit at Hillside Terrace that continues to be difficult to rent because of the Low Income Tax Credit requirements attached to the unit. We are attempting creative and aggressive marketing strategies to get this unit leased up.

Out of the 14 clean units turned in December, the average turn days were 57 days. One (1) of these units took 102 days because we could not start the turn due to a delay in the shipping of our methamphetamine test kits. The unit sat for 24 days before we could start the turn. Maintenance turned the unit in 22 days and leasing days were 31. This was the five (5) bedroom unit in Salishan that was mentioned in last month's report. Our average turn days for clean units are trending down from 129 in the month of November to 57 days in December. You can expect those numbers to continue to drop as we move into 2014.

You can expect to see higher than expected units turns in the month of January (reported on the February board report) because all December vacancies were left untested and unturned as we considered alternative testing and turning strategies related to methamphetamine. All December vacancies are expected to be turned and re-rented by the end of January **and all vacancies in 2014 are expected to be turned in an average of 20 days.**

Our goal is to be working the turns within 48 hours of a tenant moving out. This is the area we are trying to improve. Last month we reported to the board that we are around 25-35 turn days on our clean units. Now that we have turned our aged units, the goal of a 20 day key to key turn is obtainable. The major reason we have not been able to accomplish this goal was that maintenance staff were not in the position to work on the units as they became vacated due to the number of units ahead of them. We will continue to refine our processes to ensure that we address and eliminate all wasted time in the process. We have created a process improvement project team that is tackling unit turn times for clean units. This is a cross-departmental team that is being led by Michael Elenko with help from THA maintenance, property managers and leasing staff.

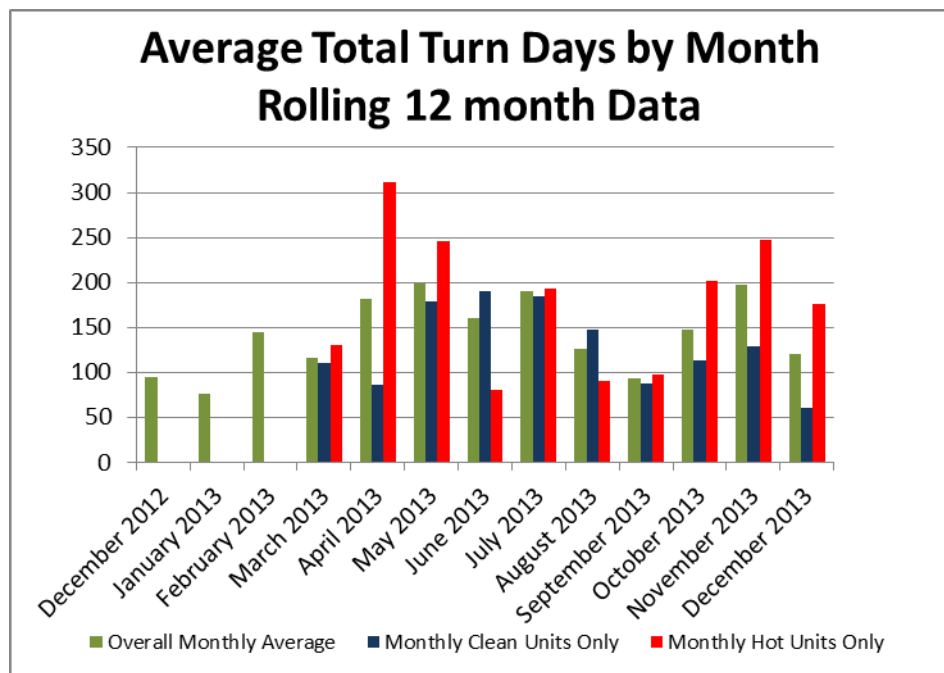
Property management and Leasing continue to process applicants at a steady pace to ensure clients are ready for units as they become available.
Our 2013 MTW plan included a deposit assistance program that could help qualified applicants overcome their barrier to lease up.

1.2 Contaminated unit turns

As of January 7, 2014 there were 48 vacant units in THA's portfolio. Of these units:

- 15 are not contaminated,
- 2 are awaiting pre sample testing,
- 10 are awaiting decontamination
- 10 are in remediation, (this includes dry-out)
- 8 units are in Put-Back
- 10 were completed by the contractor and leased up before December 31st

The table below shows the calendar year trend in average unit turn days each month:



Work Orders: In the month of December all emergency work orders were completed within 24 hours. This month, maintenance staff completed 186 non-emergency work

orders and a total of 3,880 for the calendar year. The annual average number of days to complete a non-emergency work order is 12.20.

Warehouse Management and Inventory control: Bob Drury has been working on our warehouse management systems to help us improve our work order completion times. This project will help accomplish the following:

- Identify common used parts that will be available in our warehouses to complete the repairs the same day we respond to the request;
- Eliminate the need to run to supply stores to reduce windshield time to make staff more productive and efficient;
- Create an automatic re order system with our supply vendors to have stock available once supplies run low; and
- Organize and stock our THA vehicles so that the staff can have better access to the parts needed to make the necessary repairs when they arrive to the sites for service calls

Work Order Summary by Portfolio For the Month of December, 2013

Completed Work Orders								
Portfolio	Emergency				Non-Emergency			
	Month	YTD	Month	YTD	Month	YTD	Month	YTD
	# 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)
All Hillside								
HILLSIDE TERRACE 1500 Block	0	0.0%	2	100.0%	10	4.80	125	2.95
HILLSIDE TERRACE PH 1	0	0.0%	5	100.0%	11	0.45	141	1.48
HILLSIDE TERRACE PH II	0	0.0%	4	100.0%	5	2.00	171	2.06
	0	0.0%	11	100.0%	26	2.42	437	2.13
Family Properties								
ALL SCATTERED SITES	0	0.0%	4	100.0%	1	0.00	144	39.13
BERGERSON TERRACE	0	0.0%	10	100.0%	10	1.10	198	21.82
DIXON VILLAGE	0	0.0%	1	100.0%	7	16.57	125	20.98
STEWART COURT APARTMENTS	0	0.0%	4	100.0%	0		127	14.65
	0	0.0%	19	100.0%	18	7.06	594	24.31
Salishan								
SALISHAN I	0	0.0%	8	75.0%	7	13.43	295	12.04
SALISHAN II	0	0.0%	6	83.3%	17	14.24	371	13.78
SALISHAN III	1	0.0%	15	93.3%	10	15.70	288	13.77
SALISHAN IV	1	0.0%	12	91.7%	16	7.88	261	14.84
SALISHAN V	0	0.0%	6	100.0%	25	15.00	332	11.83
SALISHAN VI	0	0.0%	6	83.3%	17	11.06	297	10.82
SALISHAN VII	0	0.0%	10	100.0%	6	49.17	248	13.63
	2	0.0%	63	90.5%	98	15.07	2,092	12.92
Senior / Disabled Properties								
6TH AVE	1	100.0%	11	100.0%	16	4.69	157	6.01
E.B. WILSON	2	100.0%	27	100.0%	5	6.00	164	3.90
FAWCETT APARTMENTS	0	0.0%	9	100.0%	1	6.00	75	7.80
LUDWIG APARTMENTS	0	0.0%	12	100.0%	5	13.20	92	8.71
NORTH G ST	4	100.0%	13	100.0%	3	4.33	85	9.72
NORTH K ST	3	100.0%	18	100.0%	3	19.00	82	8.21
WRIGHT AVE	0	0.0%	13	92.3%	11	8.09	102	4.68
	10	100.0%	103	99.0%	44	7.64	757	6.53
Agency Totals:	12	83.3%	196	96.4%	186	10.77	3,880	12.20

Open Work Order Summary by Portfolio For the Month of December, 2013

		Emergency		Non Emergency		
Portfolio		Opened Emergency WO	Days Open	Open Non- Emergency WO	< 25 Days	>25 Days
All Hillside						
HT1	HILLSIDE TERRACE PH 1	0	0	0	0	0
HT1500	HILLSIDE TERRACE 1500 Block	0	0	2	2	0
HT2	HILLSIDE TERRACE PH II	0	0	2	2	0
		0	0	4	4	0
Family Properties						
020	BERGERSON TERRACE	0	0	3	1	2
022	LOW RENT SCATTERED SITES (19)	0	0	0	0	0
023	DIXON VILLAGE	0	0	0	0	0
044	ALASKA 9 HOMES	0	0	1	0	1
045	STEWART COURT APARTMENTS	0	0	0	0	0
		0	0	4	1	3
Salishan						
SAL1	SALISHAN ONE LLC (PH)	0	0	27	12	15
SAL2	SALISHAN TWO LLC (PH)	0	0	31	12	19
SAL3	SALISHAN THREE LLC (PH)	1	0	26	15	11
SAL4	SALISHAN FOUR LLC (S8)	1	0	29	17	12
SAL5	SALISHAN V LLC (S8)	0	0	25	11	14
SAL6	SALISHAN SIX LLC (S8)	0	0	30	14	16
SAL7	SALISHAN SEVEN	0	0	25	11	14
		2	0	193	92	101
Senior / Disabled Properties						
006	NORTH K ST	3	0	12	5	7
008	E.B. WILSON	2	0	26	8	18
009	FAWCETT APARTMENTS	0	0	9	3	6
010	WRIGHT AVE	0	0	21	2	19
012	LUDWIG APARTMENTS	0	0	24	1	23
013	NORTH G ST	4	0	17	3	14
014	6TH AVE	1	0	14	5	9
		10	0	123	27	96
Agency Totals:		12	0	324	124	200

2. RENTAL ASSISTANCE DIVISION

Housing Choice Voucher utilization is reported at 98.7% for the month of December 2013.
Below is a breakdown of the utilization of our special programs:

Program Name	Units Allocated	Units Leased	Number of shoppers*
Veterans Administration Supportive Housing (VASH)	145	137	8 referrals needed
Non-Elderly Disabled Vouchers (NED)	100	90 (including 16 port outs)	2 referrals pending, 8 referrals needed
Family Unification Program (FUP)	50	42	2 shoppers and 6 referrals needed
McCarver Program	50	44	

* "Shoppers" are households that have been approved for the program and are searching for housing.



TACOMA HOUSING AUTHORITY

TO: THA Board of Commissioners, Cabinet and Staff
From: April Black, Director of Real Estate Management and Housing Services
Date: January 10, 2014
Re: Future Rent Reform

1. INTRODUCTION

The THA Board has directed staff to develop further rent reform options for our rental assistance programs. This follows our implementation this year of our Housing Opportunities Program (HOP). The immediate reason for doing this is to allow THA to manage the budget cuts that we anticipate in 2014 should “sequestration” occur. A full version of those cuts would remove \$3 million from THA’s budget below 2013 pre-sequestration levels. The Board has also directed us to plan for these rent reform options even if sequestration cuts do not occur in 2014. We would do this for four reasons:

- to serve more families
- to serve residents better or differently
- to sustain our portfolio
- to make THA more sustainable in the face of budget cuts we judge to be likely in the near or mid-term, even if they do not occur in 2014.

To accomplish these goals we seek savings equal to \$500,000 to \$1 million dollars in 2014 and up to \$3 million per year by 2016.

This memo contains a staff proposal for rent reform that seeks to accomplish these goals. As requested in the December board meeting, options 5 and 6 were stripped out of this memo. Any conversion to HOP would be brought to the board at a later date as its own initiative. We are requesting tentative approval that would allow staff to undertake a robust community consultation. We would then return to the Board informed by that consultation with a final proposal for the Board’s final approval.

2. LINK TO THA’s STRATEGIC OBJECTIVES

This rent reform will ask most participants in our rental assistance programs to receive less from THA. The sections below describe these changes in detail and the effect we anticipate on program participants. We must acknowledge, and closely track, this burden on some of the city’s lowest income households. Aspects of rent reform are not reasons to celebrate. We would not do them if THA was well funded or if Tacoma’s affordable housing shortage was not so dire. Yet, we must make our choices with the resources and the market we face. With this in mind, the reasons for rent reform outweigh the increased burden it would impose on families who already have been receiving assistance under the standard provide. Those reasons align well with THA’s strategic objectives. Three in particular are pertinent:

2.1 Housing and Supportive Services

“THA will provide high quality housing, rental assistance and supportive services. Its supportive services will help people succeed as tenants, parents, students, wage earners and builders of assets who can live without assistance. It will focus this assistance to meet the greatest need.”

- The savings from rent reform will allow THA to serve more families. Initially, in the face of sequester cuts, it will prevent large scale terminations of families. Later, it should allow THA to add families to its programs.
- The savings will allow THA to serve the neediest persons. In particular, the savings will fund (i) THA’s rapid rehousing investments serving homeless families with children, (ii) programs serving homeless youth without families; and (iii) THA’s investment in housing for chronically homeless adults. These are populations that otherwise would find THA’s mainline housing programs inaccessible to them.
- The savings will allow THA to invest more in supportive services and programs designed to help people succeed as “tenants, parents, students, wage earners and builders of assets”. E.g, community services intervention to save tenancies of troubled families; THA’s Education Project; community services to help families improve their earnings; THA’s asset building programs.
- The savings will allow THA to invest in the fix-up needs of its portfolio to retain its “high quality”. The congressional appropriations for public housing do not cover this cost. Keeping this portfolio in good shape is an important part of THA’s service to the neediest households.

2.2 Property Management

“THA will manage its properties so they are safe, efficient to operate, good neighbors, attractive assets to their neighborhoods and places where people want to live.”

- The savings will allow THA to invest in its portfolio’s fix up needs. It will also allow THA to afford important operational needs such as its Meth Plan. This Meth Plan reflects THA’s values, its high levels of stewardship and its commitment to the law. The plan is vigorous, responsible and effective. It is also costly.

2.3 Financially Sustainable Operations

“THA seeks to be more financially self-sustaining.”

The savings from rent reform will make THA more sustainable, especially during the budget cuts we judge to be likely in the future. This savings comes in two forms. **First**, the reforms will free up HAP dollars. **Second**, the reformed program will be a less costly to administer.

3. CHART OF RENT REFORM OPTIONS

	Option X	Option 1	Option 2	Option 3	Option 4
Change	Terminate families from program	Increase Total Tenant Payment (TTP) to 30% from 28.5% - no deductions	\$150 minimum rent	Eliminate all utility allowances	Combine options 1-3
Households Saved from Termination with options	Calculation assumes average HAP of \$600 a month or \$7200 a year per HH	28 households	59 households	102 households	152 households
Date	7/1/2014	6/1/2014	6/1/2014	6/1/2014	6/1/2014
Cost Savings Pro-Rated	\$1,500,000	\$296,923	\$419,155	\$740,360	\$1,187,659
Cost Savings Full Year	\$3,000,000	\$509,010	\$718,551	\$1,269,189	\$2,035,986
% of households who earn \$5,000 or less who would see \$50 increase in rent or more	Households terminated would have to take on full rent share.	0% GI<\$5K HHs Average rent chg: n/a Median rent chg: n/a	100% GI<\$5K HHs Average rent chg: \$77 Median rent chg: \$75	1% GI<\$5K HHs Average rent chg: \$61 Median rent chg: \$61	64% GI<\$5K HHs Average rent chg: \$75 Median rent chg: \$75
% of work-able households who would see \$50 increase in rent or more	Households terminated would have to take on full rent share.	3% WA HHs Average rent chg: \$111 Median rent chg: \$84	33% WA HHs Average rent chg: \$74 Median rent chg: \$75	38% WA HHs Average rent chg: \$117 Median rent chg: \$98	55% WA HHs Average rent chg: \$121 Median rent chg: \$91
% of senior/disabled households who would see \$50 increase in rent or more	Households terminated would have to take on full rent share.	1% ED HHs Average rent chg: \$108 Median rent chg: \$84	19% ED HHs Average rent chg: \$87 Median rent chg: \$84	57% ED HHs Average rent chg: \$76 Median rent chg: \$52	62% ED HHs Average rent chg: \$89 Median rent chg: \$69
% of large families (four or more people) who would see a rent increase of \$50 or more.	All families terminated would have to pay full rent amount.	7% 4+mem HHs Average rent chg: \$102 Median rent chg: \$63	30% 4+mem HHs Average rent chg: \$74 Median rent chg: \$75	52% 4+mem HHs Average rent chg: \$146 Median rent chg: \$162	64% 4+mem HHs Average rent chg: \$154 Median rent chg: \$156

4. STAFF RECOMMENDATION SUMMARY

The previous section summarized the several options that would allow THA to meet the goals outlined. Our recommendation is to start with option 4. Once implemented, THA could begin the discussion of potentially moving the program to HOP.

- Implement Option 4-** This is a combination of minimum rent increases, increased TTP and elimination of deductions and the utility allowance. THA could implement this option immediately effective June 1st or gradually over the course of one year.

These recommendations would result in the following savings:

Year	Dollars Saved
2014	\$1,180,000 if implemented immediately or \$590,000 if gradually implemented.
2015	Up to \$2,035,986 depending on implementation schedule

4.1 Impact Analysis on Option 4:

Below is a detailed impact analysis on just option 4. It explains how various income groups would be affected by both shelter burden increases and rent increases.

Rent Burden Analysis

Option 4: Combination of Options 1-3

HH income range	Shelter Burden <30%	Shelter Burden 30-35%	Shelter Burden 35-40%	Shelter Burden 40-45%	Shelter Burden 45-50%	Shelter Burden 50-55%	Shelter Burden 55% +
\$0 - \$4,999	0	0	7	0	4	7	236
\$5,000 - \$9,999	153	87	317	56	159	47	82
\$10,000 - \$14,999	111	166	107	113	63	10	1
\$15,000 - \$19,999	62	100	96	65	13	0	0
\$20,000 - \$24,999	50	73	51	14	0	0	0
\$25,000 - \$29,999	28	50	34	2	0	0	0
\$30,000 - \$34,999	23	24	20	0	0	0	0
\$35,000 - \$39,999	7	14	6	0	0	0	0
\$40,000 - \$44,999	3	15	3	0	0	0	0
\$45,000 - \$50,000	8	6	2	0	0	0	0
\$50,000 +	8	4	0	0	0	0	0

Rent Increase Analysis

Option 4: Combination of Options 1-3

HH income range	Rent Increase <\$50	Rent Increase \$50-100	Rent Increase \$100-150	Rent Increase \$150-200	Rent Increase \$200-250	Rent Increase \$250-300	Rent Increase \$300+
\$0 - \$4,999	45	154	9	0	0	0	0
\$5,000 - \$9,999	338	378	117	13	0	0	0
\$10,000 - \$14,999	247	200	66	34	20	2	0
\$15,000 - \$19,999	141	92	34	25	43	1	0
\$20,000 - \$24,999	90	41	17	17	17	6	0
\$25,000 - \$29,999	44	12	12	26	13	5	2
\$30,000 - \$34,999	23	11	7	9	9	6	2
\$35,000 - \$39,999	8	4	1	2	8	1	1
\$40,000 - \$44,999	7	4	2	3	2	2	1
\$45,000 - \$50,000	0	2	2	0	1	4	1
\$50,000 +	1	2	0	3	1	1	1

A more detailed analysis of all four options is attached at the end as an appendix. That includes analysis on race and different populations.

4.2 Performance Measures

Several performance measures are necessary to track dollars saved, households served, services provided and how THA would protect senior/disabled and extremely low income households through a hardship program.

- Dollars to be saved*

REMHS's has been asked to find an approach that would save around \$500,000 to \$1,000,000 in 2014 with that number escalating in future years. The proposed approach would result in the needed savings in 2014 with escalating savings in 2015 and 2016.
- Additional People Served*

Initially, THA would not count additional households served but households saved from termination. Throughout the country, agencies are terminating households off programs and looking for ways to cut costs. The proposal outlined would allow THA to forgo cutting anyone off the program and keep our baseline numbers near 100% or slightly over. This by itself would be a notable achievement. If there are dollars saved in excess of federal budget cuts, funds would be used in the following ways:

 - (1) increased resident services
 - (2) leasing new hop vouchers off the waitlist
 - (3) rapid rehousing program
 - (4) special program vouchers
 - (5) asset building

We project that the changes would also prevent THA from terminating the following number of households.

Year	Households not terminated
2014	Up to 150 depending on implementation
2015	Additional 110 depending on implementation.
Total	Up to 275

- 4.3 Modifying THA's Hardship Policies** This change will put a financial strain on many of the clients who would be affected. They will surely notice and feel the reduced subsidy. As such, it would be necessary to redefine the **hardship policy**.

The new hardship policy should account for two important variables:

1. A number of households may bear disproportionately large financial impacts based on income and family composition. THA would need to pick a dollar amount or rent burden percentage, limiting financial impact, and make a policy based on that number.
2. THA is making these changes to thin the soup due to budget cuts. That means THA is counting on these changes to make up some shortfalls. If the hardship is too liberal, the forecasted savings could be altered significantly.

We recommend analyzing a hardship policy where any family with a change over \$100 per month could have the amount over \$100 waived.

APPENDIX: DETAILED IMPACT ANALYSIS

Scenario 1. 30.0% TTP and No Deductions Household Rent Changes

Change in Tenant Rent	All HHs		GRNC < \$5,000		VWork-Able HHs		Elderly/Disabled HHs	
	# Tenants	%Total	# Tenants	%Total	# Tenants	%Total	# Tenants	%Total
# Total Households	2507	100.0%	254	10.1%	1475	58.8%	1032	41.2%
# Households whose Tenant Rent decreased	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Difference of \$0 to -\$5	0	0.0%	0	0.0%	0	-	0	-
Difference of -\$5 to -\$15	0	0.0%	0	0.0%	0	-	0	-
Difference of -\$15 to -\$25	0	0.0%	0	0.0%	0	-	0	-
Difference of -\$25 to -\$50	0	0.0%	0	0.0%	0	-	0	-
Difference of -\$50 to -\$75	0	0.0%	0	0.0%	0	-	0	-
Difference of -\$75 to -\$100	0	0.0%	0	0.0%	0	-	0	-
Difference of -\$100 to -\$125	0	0.0%	0	0.0%	0	-	0	-
Difference of -\$125 to -\$150	0	0.0%	0	0.0%	0	-	0	-
Difference of -\$150 to -\$175	0	0.0%	0	0.0%	0	-	0	-
Difference of -\$175 to -\$200	0	0.0%	0	0.0%	0	-	0	-
Difference < -\$200	0	0.0%	0	0.0%	0	-	0	-
# Households whose Tenant Rent did not change	1430	57.0%	247	97.2%	411	27.9%	1019	98.7%
# Households whose Tenant Rent increased	1077	43.0%	7	2.8%	1064	72.1%	13	1.3%
Difference of \$0 to \$5	19	0.8%	0	0.0%	19	1.3%	0	-
Difference of \$5 to \$15	230	9.2%	7	2.8%	230	15.6%	0	-
Difference of \$15 to \$25	430	17.2%	0	0.0%	429	29.1%	1	-
Difference of \$25 to \$50	320	12.8%	0	0.0%	319	21.6%	1	-
Difference of \$50 to \$75	32	1.3%	0	0.0%	27	1.8%	5	-
Difference of \$75 to \$100	11	0.4%	0	0.0%	9	0.6%	2	-
Difference of \$100 to \$125	3	0.1%	0	0.0%	1	0.1%	2	-
Difference of \$125 to \$150	4	0.2%	0	0.0%	4	0.3%	0	-
Difference of \$150 to \$175	20	0.8%	0	0.0%	20	1.4%	0	-
Difference of \$175 to \$200	4	0.2%	0	0.0%	2	0.1%	2	-
Difference > \$200	4	0.2%	0	0.0%	4	0.3%	0	-

Scenario 1. 30.0% TTP and No Deductions Projected Impact by Race and Family Size

Impact by Race

All units
Rent increase
Rent increase > \$30
Rent decrease
Shelter burden (current)
Shelter burden (expected)
Shelter burden change
Number of Units

African American	Caucasian	Hawaiian or Pac Isl	Asian	Amer Indian or Alask	Hispanic
40.49%	44.16%	1.48%	4.43%	1.79%	5.70%
49.26%	37.58%	48.65%	32.43%	44.46%	45.45%
3.55%	2.98%	5.41%	2.70%	0.00%	2.10%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
27.80%	27.51%	28.48%	27.19%	28.21%	28.57%
28.94%	28.44%	29.89%	27.90%	29.02%	29.53%
1.14%	0.93%	1.46%	0.71%	0.81%	0.96%
1016	1107	37	111	46	143

Breakdown by # Members

All units
Rent increase
Rent increase > \$30
Rent decrease
Shelter burden (current)
Shelter burden (expected)
Shelter burden change
Number of units

1	2	3	4	5	6	7+
38.81%	20.10%	17.31%	8.62%	8.86%	3.71%	2.59%
15.93%	47.62%	61.52%	67.13%	70.72%	67.74%	76.92%
1.34%	1.79%	3.23%	4.17%	7.66%	5.38%	16.92%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
27.27%	27.35%	28.07%	28.36%	27.89%	28.61%	27.92%
27.69%	28.26%	29.40%	29.86%	29.30%	30.02%	29.44%
0.40%	0.90%	1.33%	1.90%	1.41%	1.40%	1.52%
973	504	434	216	222	93	65

Scenario 2. \$150 Minimum Rent Household Rent Changes

Change in Tenant Rent	All HHs		GRINC < \$5,000		Work-Able HHs		Elderly/Disabled HHs	
	# Tenants	% Total	# Tenants	% Total	# Tenants	% Total	# Tenants	% Total
# Total Households	2507	100.0%	254	10.1%	1475	58.8%	1032	41.2%
# Households whose Tenant Rent decreased	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Difference of \$0 to -\$5	0	0.0%	0	0.0%	0	-	0	-
Difference of -\$5 to -\$15	0	0.0%	0	0.0%	0	-	0	-
Difference of -\$15 to -\$25	0	0.0%	0	0.0%	0	-	0	-
Difference of -\$25 to -\$50	0	0.0%	0	0.0%	0	-	0	-
Difference of -\$50 to -\$75	0	0.0%	0	0.0%	0	-	0	-
Difference of -\$75 to -\$100	0	0.0%	0	0.0%	0	-	0	-
Difference of -\$100 to -\$125	0	0.0%	0	0.0%	0	-	0	-
Difference of -\$125 to -\$150	0	0.0%	0	0.0%	0	-	0	-
Difference of -\$150 to -\$175	0	0.0%	0	0.0%	0	-	0	-
Difference of -\$175 to -\$200	0	0.0%	0	0.0%	0	-	0	-
Difference < -\$200	0	0.0%	0	0.0%	0	-	0	-
# Households whose Tenant Rent did not change	1425	56.8%	0	0.0%	847	57.4%	578	56.0%
# Households whose Tenant Rent increased	1082	43.2%	254	100.0%	628	42.6%	454	44.0%
Difference of \$0 to \$5	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Difference of \$5 to \$15	253	10.1%	0	0.0%	52	3.5%	201	19.5%
Difference of \$15 to \$25	30	1.2%	0	0.0%	24	1.6%	6	0.6%
Difference of \$25 to \$50	119	4.7%	0	0.0%	64	4.3%	55	5.3%
Difference of \$50 to \$75	92	3.7%	7	2.8%	49	3.3%	43	4.2%
Difference of \$75 to \$100	543	21.7%	233	91.7%	439	29.8%	104	10.1%
Difference of \$100 to \$125	23	0.9%	2	0.8%	0	0.0%	23	2.2%
Difference of \$125 to \$150	22	0.9%	12	4.7%	0	0.0%	22	2.1%
Difference of \$150 to \$175	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Difference of \$175 to \$200	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Difference > \$200	0	0.0%	0	0.0%	0	0.0%	0	0.0%

Scenario 2. \$150 Minimum Rent Projected Impact by Race and Family Size

Impact by Race

	African American	Caucasian	Hawaiian or Pacific	Asian	Amer Indian or Alaska	Hispanic
All units	40.49%	44.16%	1.48%	4.43%	1.79%	5.70%
Rent increase	44.83%	40.92%	56.76%	43.24%	37.78%	46.15%
Rent increase > \$30	29.75%	24.30%	37.84%	25.23%	17.78%	30.07%
Rent decrease	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Shelter burden (current)	27.80%	27.51%	28.43%	27.19%	28.21%	28.57%
Shelter burden (expected)	30.03%	29.48%	30.97%	29.20%	29.67%	31.09%
Shelter burden change	2.23%	1.97%	2.54%	2.02%	1.46%	2.52%
Number of Units	1016	1107	37	111	46	143

Breakdown by # Members

	1	2	3	4	5	6	7+
All units	38.81%	20.10%	17.31%	8.62%	8.88%	3.71%	2.59%
Rent increase	50.46%	34.92%	45.62%	37.50%	36.04%	38.71%	30.77%
Rent increase > \$30	23.64%	25.20%	34.56%	31.02%	25.68%	34.41%	26.19%
Rent decrease	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Shelter burden (current)	27.27%	27.35%	28.07%	28.36%	27.89%	28.61%	27.92%
Shelter burden (expected)	30.08%	29.26%	30.40%	30.15%	29.20%	30.39%	28.99%
Shelter burden change	2.81%	1.91%	2.33%	1.79%	1.31%	1.78%	1.03%
Number of units	973	504	484	216	222	98	65

Scenario 3. Eliminate Utility Allowances Household Rent Changes

	All HHs		GRNC < \$5,000		Work-Able HHs		Elderly/Disabled HHs	
Change in Tenant Rent	# Tenants	%Total	# Tenants	%Total	# Tenants	%Total	# Tenants	%Total
# Total Households	2507	100.0%	254	10.1%	1475	58.8%	1032	41.2%
# Households whose Tenant Rent decreased	187	7.5%	106	41.7%	181	12.3%	6	0.6%
Difference of \$0 to -\$5	9	0.4%	3	1.2%	9	0.6%	0	0.0%
Difference of -\$5 to -\$15	22	0.9%	6	2.4%	21	1.4%	1	0.1%
Difference of -\$15 to -\$25	20	0.8%	12	4.7%	20	1.4%	0	0.0%
Difference of -\$25 to -\$50	38	1.5%	20	7.9%	36	2.4%	2	0.2%
Difference of -\$50 to -\$75	33	1.3%	21	8.3%	33	2.2%	0	0.0%
Difference of -\$75 to -\$100	16	0.6%	8	3.1%	16	1.1%	0	0.0%
Difference of -\$100 to -\$125	26	1.0%	15	5.9%	25	1.7%	1	0.1%
Difference of -\$125 to -\$150	2	0.1%	1	0.4%	2	0.1%	0	0.0%
Difference of -\$150 to -\$175	17	0.7%	16	6.3%	15	1.0%	2	0.2%
Difference of -\$175 to -\$200	4	0.2%	4	1.6%	4	0.3%	0	0.0%
Difference < -\$200	0	0.0%	0	0.0%	0	0.0%	0	0.0%
# Households whose Tenant Rent did not change	890	35.5%	121	47.6%	572	38.8%	318	30.8%
# Households whose Tenant Rent increased	1430	57.0%	27	10.6%	722	48.9%	708	68.6%
Difference of \$0 to \$5	8	0.3%	0	0.0%	6	0.4%	2	0.2%
Difference of \$5 to \$15	37	1.5%	4	1.6%	25	1.7%	12	1.2%
Difference of \$15 to \$25	55	2.2%	18	7.1%	45	3.1%	10	1.0%
Difference of \$25 to \$50	189	7.5%	3	1.2%	90	6.1%	99	9.6%
Difference of \$50 to \$75	621	24.8%	2	0.8%	213	14.4%	408	39.5%
Difference of \$75 to \$100	102	4.1%	0	0.0%	68	4.6%	34	3.3%
Difference of \$100 to \$125	175	7.0%	0	0.0%	75	5.1%	100	9.7%
Difference of \$125 to \$150	30	1.2%	0	0.0%	23	1.6%	7	0.7%
Difference of \$150 to \$175	77	3.1%	0	0.0%	54	3.7%	23	2.2%
Difference of \$175 to \$200	100	4.0%	0	0.0%	89	6.0%	11	1.1%
Difference > \$200	36	1.4%	0	0.0%	34	2.3%	2	0.2%

Scenario 3. Eliminate Utility Allowances Projected Impact by Race and Family Size

Impact by Race

	African American	Caucasian	Hawaiian or Pac Isl	Asian	Amer Indian or Alask	Hispanic
All units	40.48%	44.16%	1.48%	4.43%	1.79%	5.70%
Rent increase	51.63%	61.16%	67.57%	63.06%	62.22%	55.94%
Rent increase > \$50	39.11%	50.77%	54.06%	51.35%	51.11%	42.66%
Rent decrease	9.26%	5.60%	13.51%	4.50%	0.00%	9.79%
Shelter burden (current)	27.80%	27.51%	28.48%	27.19%	28.21%	28.57%
Shelter burden (expected)	34.74%	34.39%	36.91%	34.55%	34.62%	35.70%
Shelter burden change	6.94%	6.88%	8.49%	7.37%	6.41%	7.13%
Number of Units	1016	1107	37	111	46	143

Breakdown by # Members

	1	2	3	4	5	6	7+
All units	38.81%	20.10%	17.31%	8.62%	8.86%	3.71%	2.59%
Rent increase	68.48%	42.86%	48.62%	34.26%	68.47%	67.74%	73.85%
Rent increase > \$50	55.50%	28.97%	34.56%	26.85%	63.96%	56.99%	72.31%
Rent decrease	2.36%	12.70%	11.75%	16.20%	2.70%	6.48%	3.08%
Shelter burden (current)	27.27%	27.35%	28.07%	28.36%	27.89%	28.61%	27.92%
Shelter burden (expected)	34.29%	33.25%	34.89%	35.28%	35.68%	36.92%	36.64%
Shelter burden change	6.98%	5.89%	6.76%	6.92%	7.74%	8.30%	8.71%
Number of units	973	504	434	216	222	93	65

Scenario 4. 30% TTP, No Deductions, No UAs & \$150 Min Rent Household Rent Changes

	All Units		GRNC < \$5,000		Work-Able HHs		Elderly/Disabled HHs	
Change in Tenant Rent	# Tenants	%Total	# Tenants	%Total	# Tenants	%Total	# Tenants	%Total
# Total Households	2507	100.0%	254	10.1%	1475	58.8%	1032	41.2%
# Households whose Tenant Rent decreased	103	4.1%	46	18.1%	100	6.8%	3	0.3%
Difference of \$0 to -\$5	9	0.4%	2	0.8%	9	0.6%	0	0.0%
Difference of -\$5 to -\$15	7	0.3%	2	0.8%	7	0.5%	0	0.0%
Difference of -\$15 to -\$25	11	0.4%	6	2.4%	11	0.7%	0	0.0%
Difference of -\$25 to -\$50	32	1.3%	17	6.7%	29	2.0%	3	0.3%
Difference of -\$50 to -\$75	9	0.4%	1	0.4%	9	0.6%	0	0.0%
Difference of -\$75 to -\$100	25	1.0%	13	5.1%	25	1.7%	0	0.0%
Difference of -\$100 to -\$125	10	0.4%	5	2.0%	10	0.7%	0	0.0%
Difference of -\$125 to -\$150	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Difference of -\$150 to -\$175	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Difference of -\$175 to -\$200	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Difference < -\$200	0	0.0%	0	0.0%	0	0.0%	0	0.0%
# Households whose Tenant Rent did not change	320	12.8%	0	0.0%	10	0.7%	310	30.0%
# Households whose Tenant Rent increased	2084	83.1%	208	81.9%	1365	92.5%	719	69.7%
Difference of \$0 to \$5	14	0.6%	2	0.8%	12	0.8%	2	0.2%
Difference of \$5 to \$15	129	5.1%	12	4.7%	116	7.9%	13	1.3%
Difference of \$15 to \$25	210	8.4%	14	5.5%	201	13.6%	9	0.9%
Difference of \$25 to \$50	319	12.7%	17	6.7%	224	15.2%	95	9.2%
Difference of \$50 to \$75	554	22.1%	27	10.6%	150	10.2%	404	39.1%
Difference of \$75 to \$100	324	12.9%	127	50.0%	289	19.6%	35	3.4%
Difference of \$100 to \$125	179	7.1%	2	0.8%	74	5.0%	105	10.2%
Difference of \$125 to \$150	80	3.2%	7	2.8%	63	4.3%	17	1.6%
Difference of \$150 to \$175	61	3.2%	0	0.0%	57	3.9%	24	2.3%
Difference of \$175 to \$200	56	2.2%	0	0.0%	44	3.0%	12	1.2%
Difference > \$200	138	5.5%	0	0.0%	135	9.2%	3	0.3%

Scenario 4. 30% TTP, No Deductions, No UAs & \$150 Min Rent Projected Impact by Race and Family Size

Impact by Race

	African American	Caucasian	Hawaiian or Pac Isl	Asian	Amer Indian or Alaska	Hispanic
All units	40.43%	44.16%	1.43%	4.43%	1.79%	5.70%
Rent increase	83.65%	83.02%	91.89%	78.38%	86.67%	80.42%
Rent increase > \$50	50.94%	60.34%	64.86%	57.66%	60.00%	58.04%
Rent decrease	5.02%	2.80%	5.41%	3.60%	0.00%	7.69%
Shelter burden (current)	27.80%	27.51%	28.48%	27.19%	28.21%	28.57%
Shelter burden (expected)	36.73%	36.00%	39.23%	35.66%	35.88%	37.63%
Shelter burden change	8.93%	8.49%	10.80%	8.46%	7.68%	9.06%
Number of Units	1016	1107	87	111	46	143

Breakdown by # Members

	1	2	3	4	5	6	7+
All units	38.81%	20.10%	17.31%	8.62%	8.86%	3.71%	2.59%
Rent increase	77.70%	80.36%	86.64%	84.72%	96.40%	93.55%	96.92%
Rent increase > \$50	60.53%	41.67%	53.00%	40.28%	77.99%	72.04%	81.54%
Rent decrease	0.51%	5.36%	8.29%	12.04%	0.90%	5.38%	3.08%
Shelter burden (current)	27.27%	27.35%	28.07%	28.36%	27.89%	28.61%	27.92%
Shelter burden (expected)	35.18%	35.17%	37.27%	37.64%	37.54%	38.95%	38.55%
Shelter burden change	7.92%	7.82%	9.20%	9.28%	9.65%	10.34%	10.63%
Number of units	973	504	434	216	222	93	65

REAL ESTATE

DEVELOPMENT



TACOMA HOUSING AUTHORITY

DATE: January 22, 2014

TO: THA Board of Commissioners

FROM: Kathy McCormick
Director of Real Estate Development

RE: Real Estate Development Department Monthly Board Report

1. SALISHAN/HOPE VI

1. Phase II Construction

1.1.1 *Area 2A, Community Core Development*

The Board approved the general Master Plan Concept at its June 2012 meeting.

Staff met with representatives from The Alford Group to review the results of the Philanthropic Market Assessment. THA is considering the various options and information provided and over the next several months will determine the next step.

1.1.2 *Area 3 Lot Sales*

DR Horton has four models open. To date, eighteen houses have been sold. DR Horton is pleased with the level of interest. DR Horton will close on the house with the second low income family by the end of January.

2. PUBLIC HOUSING PROJECTS

2.1 1800/2500 Hillside Terrace

2.1.1 *Summary of Project Activities.*

The Hillside Terrace Phase I project is progressing according to budget and schedule.

2.1.2 *Financing.*

Staff has begun studying options for the Phase II financing. Staff will submit a Housing Trust Fund Stage I application on January 17, 2014. The Department of Commerce has stated the Stage I applications are needed to identify the existing pipeline of affordable housing projects and quantify the unmet need for additional capital.

2.1.3 *Construction.*

The Owner, Architect and Contractor (OAC) construction meetings are held weekly at the site. The overall project is currently 57.8% complete.

Site work;

Site work is currently 56% complete. The current work includes franchise utility services, installing perimeter drains and backfilling near the building foundations.

Phase-I Vertical Construction;

Building A (mid-rise): Housing is currently 42% complete. The structure is framed and roofing is underway, interior mechanical, plumbing and electrical are ongoing.

Buildings B – F: Housing is currently 42% complete. Crews are framing the structures and installing, windows, roofing and siding on the exterior and roughing in plumbing and electrical on the interiors.

Community Center; the community center is 95% complete. Crews are concentrating on completing the exterior and interior finishes. Final cleaning, punchlists, commissioning and final acceptance is scheduled to be 100% complete by January 28, 2014.

2.1.4 *Community Meetings.*

The Construction Oversight Committee continues to meet on the second Wednesday of each month.

Below is a summary of the outreach goals for the project.

Absher Construction Company's total Resident Employment, WMBE Utilization, and Apprenticeship goal commitment and monthly utilization:

	GOAL	PREVIOUS ACTUAL	ACTUAL AS OF 1/8/2014
MBE	14%	9.31%	9.31%
WBE	8%	12.13%	12.13%
Section 3 Business	10%	12.05%	12.05%
Section 3 New Hires	30%	63%	59%
Apprenticeship	15%	11.38%	11.68%

Below is the EEO Status of the project:

Target Business	
MBE/Section 3	1 African American/Black
MBE/Section 3	2 Hispanic/Latino
WBE	2 Caucasian
WBE/Section 3	1 Caucasian
Section 3	1 Caucasian

Section 3 Hiring	
African American/Black	12 workers
Hispanic/Latino	2 workers
Caucasian	3 workers

3. OTHER PROJECTS

3.1 AG Program

THA purchased its second home, 4836 South K Street in December and may close on two additional houses (3918 S Thompson & 1910 E 59th) Street by the end of January. The first home is out to bid for rehabilitation and the second home will go out to bid for improvements shortly.

3.2 LASA Supportive Housing Project

On the housing side, this project is funded by the Housing Trust Fund, Pierce County 2163, City of Lakewood and a THA loan of about \$275,000 (pending approval by the THA Board in January). On the LASA Office/Client Service Center side the project is funded by Pierce County CDBG & 2163 funds, City of Lakewood CDBG, a Section 108 loan from the City of Lakewood, private grants, and LASA equity.

THA will own the residential component of this development and LASA will own the commercial component. The building will be condominiumized. Construction bids were returned on October 23rd. The selected contractor was Pavilion Construction Northwest. Staff is working on Value Engineering with the contractor to reduce projected cost an estimated \$100,000 from the LASA/Community Center portion of the project. The City of Lakewood passed a resolution on December 2nd approving the Section 108 loan. Due to the switch from the Columbia Bank loan to the Section 108 loan closing has been delayed. Closing is anticipated the end of January. Included with the board packet is the board resolution approving the financing terms of the project and authorizing the executive director to execute closing documents.

Estimated Project Schedule

Begin relocation activities

July 2013 Completed

Submit for Building Permit	September 2013 Completed
Issue ITB for Contractor	October 2013 Completed
Award Contractor Contract	November 2013-Completed
Financial closing	January 2014
Construction Start	February 2014
Complete Construction	September 2014

We will have a walk-on resolution by which the Board will approve the terms of this LASA deal. We could not include the resolution in the board packet because negotiations are still proceeding. I attach a memo outlining the pertinent terms.

- 3.3 *Construction Management Services for the City of Tacoma*
THA is finalizing the contract with the City and it is anticipated to be signed by mid January.

- 3.4 *Blight Abatement Program*
The City of Tacoma's Tacoma Community Redevelopment Agency (TCRA) issued a RFP for Developer Services for a Single Family Residential Blight Abatement Program. This program is similar to the NSP and AG programs. It is envisioned as a joint effort between various City departments, local real estate agents and construction professionals whose mission is to address blighted and abandoned single family homes that have been designated as "derelict" by the City's Code Compliance staff. Staff responded to the RFP on Dec 23, 2013.

4. DEVELOPMENT PIPELINE PROJECTS

- 4.1 *Intergenerational Housing at Hillsdale Heights*
The revised Letter of Intent (LOI) to lease or Purchase Real Property was forwarded to Many Lights Foundation (MLF) in November and has been signed and returned to THA. Staff is coordinating next steps with MLF.

- 4.2 *City-Owned Brown Star Grill Properties on MLK*
Staff received the fully executed Purchase & Sale Agreement from the City. Staff has started the due-diligence activities to assess the feasibility of the project. Staff has scheduled a coordination meeting with Kellogg Sicker Pochert LLC (KSP) who will be developing the adjacent property for the week of January 17, 2014. It is our intention to coordinate design and scheduling with KSP to maximize the impact of the redevelopment and ensure a complimentary design and land use.

- 4.3 *New Look Apartments/Alberta Canada Building Acquisition*
THA received the Purchase and Sale Agreement executed by MLKHDA on September 9, 2013. Due to MLKHDA's delay in producing the property's records, THA requested an extension to complete additional due diligence by January 31

2014 (inspect a supporting beam identified by the engineer) and to close by March 31 2014. MLKHDA has not yet responded to the request.

5. M/WBE CONTRACT COMPLIANCE and SECTION 3 HIRING

5.1 As of January 8, 2014, 17 of 29 new hires at the Hillside Terrace Revitalization Project are Section 3 Hires. M/WBE, and Section 3 goals for said project are provided in Section 2.1.4 of this report.

6. PHAS INDICATOR FOR MODERNIZATION ACTIVITIES

The following are the schedules as of January 2, 2014 for THA's obligation and expenditure of the public housing capital funds it receives from HUD.

<u>Grant</u>	<u>Total Grant</u>	<u>Obligation Start Date</u>	<u>Obligated</u>	<u>% Obligated</u>	<u>Obligation Deadline</u>	<u>Expended</u>	<u>% Expended</u>	<u>Expended Deadline</u>
2010 CFP	\$2,345,627	7/15/10	\$2,345,627	100%	7/14/12	\$1,350,217	57%	7/14/14
2010 CFP (1 st R)	\$1,216,978	7/15/10	\$1,216,978	100%	7/14/12	\$1,216,978	100%	7/14/14
2011 CFP	\$1,721,353	8/3/11	\$1,721,353	100%	8/2/13	\$296,107	17%	8/2/15
2011 CFP (1 st R)	\$736,455	8/3/11	\$736,455	100%	8/2/13	\$736,455	100%	8/2/15
2011 CFP (2 nd R)	\$549,895	8/3/11	\$549,895	100%	8/2/13	\$549,895	100%	8/2/15
CFCF**	\$1,881,652	8/3/11	\$1,848,952	98%	8/2/13	\$1,101,109	58%	8/2/15
2012 CFP	\$1,593,197	3/12/12	\$91,157.00	5%	3/11/14	\$0	0%	3/11/16
2012 CFP (1 st R)	\$1,026,290	3/12/12	\$1,026,290	100%	3/11/14	\$451,334	43%	3/11/16
2012 CFP (2 nd R)	\$128,701	3/12/12	\$128,701	100%	3/11/14	\$52,632	40%	3/11/16
2013 CFP	\$1,319,864	9/9/13	\$0	0%	9/8/15	\$0	0%	9/8/17
2013 CFP (1 st R)	\$322,158	9/9/13	\$287,430	89%	9/18/15	\$0	0%	9/8/17
2013 CFP (2 nd R)	\$1,015,495	9/9/13	\$0	0%	9/18/15	\$0	0%	9/8/17

** Capital Fund Community Facilities Grant (Note: 98% is acceptable to HUD to be obligated by this date. The remaining 2% of the funds are budgeted for computer equipment.)



TACOMA HOUSING AUTHORITY

Date: January 13, 2014
To: THA Board of Commissioners
From: Kathy McCormick
Director of Real Estate Development
Subject: Prairie Oaks, Lakewood WA

PURPOSE:

The purpose of this memo is to provide background information and the business terms proposed for the completion of the Prairie Oaks (aka LASA) development. Staff will present a walk-on resolution at the meeting for board consideration that will provide authority to the Executive Director to execute documents associated with this transaction. We cannot include the resolution in the packet because we are still negotiating the final documents and terms. I hope this memo will allow commissioners to consider the matter in advance and vote on the resolution at the meeting.

BACKGROUND:

In July 2013, the THA Board adopted a resolution for THA to lead the development of 15 service enriched, rental housing units on behalf of LASA, a small social service organization in Lakewood that serves the homeless. LASA owns three adjacent lots upon which a permanent supportive housing development for homeless families will be developed. In addition, their current office will be torn down to accommodate the proposed development and a new office for LASA will be constructed as part of this project. There is a shared parking lot and plenty of green space.

THA has assumed the developer role for this project and overseen all the predevelopment activities for both the residential and office portion of the project. In addition, THA procured the architect and general contractor and provided the predevelopment funding. The board approved \$675,000 to cover these costs and approximately \$467,000 has been spent to date. The portion attributed to the office/client service center is approximately \$96,000 to date. These costs will be repaid to THA at closing from the permanent funding sources. Total development costs have been divided based on the square footage of the use, with approximately 80% allocated to residential and 20% to commercial/office.

As proposed, a third party will be procured to manage the property.

BUSINESS TERMS

Condominium

The residential and commercial portions of the project are part of one building. The building will be subject to a condominium regime. THA will own the residential condo units and LASA will own the commercial condo unit. The Condominium Declaration and Plat will be filed before financial closing of the project. There will be a condominium association that will be responsible for maintaining the common area spaces and overseeing the finances of the condo association. It is anticipated that the association will be managed by the same company procured to do the residential property

management. Both the residential and office sides of the project will contribute financially to the association to handle ongoing maintenance, as well as long term capital needs of the building and site. These costs were anticipated and reflected in the proformas for this property.

Ownership Structure

THA will serve as the developer for the entire project and will ultimately be the owner of the residential portion of the project for at least ten years, as required by the Department of Commerce. After this time, assuming THA has been repaid the equity it put into the project and LASA has evidenced the capacity to manage the property successfully, THA would transfer ownership to LASA. It is important to note that all funders have agreed that a transfer in ownership at the end of ten years is acceptable.

The condominium structure allows THA to retain the ownership interest for this approximately 16,000 square feet of residential space. This space will consist of 15 units of permanent supportive housing for homeless families. There will be two, one-bedroom units, 11 two-bedroom units and two, three bedroom units. Prior to completion of construction, THA will engage a third party property manager.

LASA will own the commercial/office space and also be the service provider. Providing the services to the homeless families is a funding requirement. This project is intended to be a long term portfolio project of LASA's, so working with them to ensure a successful transfer of the residential ownership, along with the financial requirements at the end of ten years will be an important component of this project. The office is approximately 4,000 square feet and includes a large meeting room that will be available to residents for various program and activities. LASA's administrative and social service staff will operate out of this location and coordinate services for residents of Prairie Oaks as well as the other families LASA serves in Pierce County.

Housing Subsidy

Pierce County Housing Authority is providing the project based vouchers for this project.

Financial Considerations

THA will earn approximately \$360,000 in developer fee (10% of total development costs). It is expected that half (\$180,000) will be paid at closing; 25% will be paid at construction completion and the remaining 25% will be paid at full occupancy. THA will also receive a project management fee of about \$60,000 for overseeing the construction of the office space/client service center. This fee will be paid monthly with each construction draw.

The following provides a summary of the funding sources and requirements for this development:

HOUSING SOURCES

	Amount	Term	Loan/Forgivable Loan	Recourse/ Non-recourse	Security	Other
Housing Trust Fund	\$4,035,033	40 years	\$2,209,736 will be a forgivable loan; \$1,825,297 is a loan.	Non-recourse	1 st Lien Deed Of Trust (DOT)	Interest only years 1-7; fully amortized years 8-40; term ends 2054; repaid thru cash flow
Pierce County 2163	\$283,697	40 years	Forgivable Loan	Non-recourse	Deed of Trust	
City of Lakewood HOME	\$250,000	40 years	Forgivable Loan (anticipated)	Non-recourse (anticipate)	Deed of Trust (anticipated)	
THA	\$275,000	10 years	Loan			2% interest; pay-off expected by year 7; repayment thru cash flow
	\$4,843,730					

LASA will be the owner of their office space, the commercial condo. THA will be the developer of the space and will handle project and construction management on behalf of LASA. LASA is responsible for handling development and operating costs associated with their space. .

OFFICE/CLIENT SERVICE CENTER SOURCES

	Amount	Term	Loan/Forgivable Loan	Recourse/ Non-recourse	Security
Pierce County 2163	\$275,000	40 years	Forgivable Loan	Non-recourse	
Pierce County CDBG	\$250,000	30 years	Forgivable Loan	Non-recourse	
City of Lakewood CDBG	\$250,000			Non-recourse	
Section 108	\$310,000	20 years	Loan		1 st position DOT on Office Condo
Foundations	\$30,000				
LASA Development Fee	\$85,191				
	\$1,200,191				

SCHEDULE

Staff expects to close this project by the end of January. This schedule is dependent on receiving the Section 108 Loan documents in a timely manner.

COMMUNITY SERVICES



TACOMA HOUSING AUTHORITY

DATE: January 22, 2014

TO: THA Board of Commissioners

FROM: Greg Claycamp
Community Services

RE: Monthly Board Report

STRATEGIC OBJECTIVE: HOUSING AND SUPPORTIVE SERVICES

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

1. 2013 GOALS

Sixteen major funding sources support the Community Services department's staff and activities. Most of these sources identify performance measures and goals. This report groups the various funding sources' annual goals by service area. It summarizes progress toward annual goals during the month of October and for the calendar year 2013.

Director's Comment: We continue to evaluate Community Services' programs, and have begun restructuring the Department to meet a number of objectives.

- Increase utility, effectiveness and measurability.
- Create closer collaboration with REMHS to better identify at-risk households, and lower costs reported in REMHS.
- Deploy Department staff in positions that best leverage individual strengths.
- Acknowledge and address program-specific challenges.
- Create a streamlined, balanced and adaptive structure and culture.

We continue the restructuring steps outlined in the December report, and look forward to revising the Community Services BOC Report to better describe and measure the work of our Department.

At the December Board meeting, we reported that our implementation of the Scholar Incentive Program, a Gates Foundation-funded initiative, was not timely or adequately competent in its development to date. Since then, the Program has been re-assigned to Michael Power and progress has been substantial. We now anticipate that the Program will be ready to enroll its first student cohort this Spring.

1.1 Employment

Director's Comment: In general, we are not observing adequate increases in household income. While we exceeded goals for job placement and retention, placements are too often occurring to low paying positions. While households are increasing earned income, for some households this increase is not sufficient to move away from subsidy. We perceive this challenge to be particularly important because as a housing authority, we know that the immediate trend in subsidy is to transition from traditional Section 8 to time-limited vouchers. We also judge it to be a priority because as an agency committed to social justice, we recognize that fundamental inequities and obstacles to breaking cycles of generational trauma are inherent to earning poverty wages.

In 2014, we will address this challenge in a number of ways.

- Consistent with THA's priorities and the priorities of funding partners such as Greater Tacoma Community Foundation and United Way, we will be placing a heavy emphasis upon enrollment and completion of education and vocational training for adults in households. We are also implementing programs and incentives to support children's academic engagement and performance. We now view support for adult and childhood education as our main commitments in household asset building.
- A retooling and expansion of the Family Self-Sufficiency (FSS) program, including pay-point escrow accounts in which households build savings by achieving goals related to self-sufficiency. Clients in FSS receive money in an escrow account upon successful completion of approved activities, including financial literacy, education and vocational training.
- Strengthening our relationships with Workforce, Bates and other community partners who provide vocational training, and tailoring our support services to the needs of participating clients.
- Building upon some current successes, we will attempt to form direct relationships with commercial employers to place THA clients in positions that pay living wages.

Manager's Comment – Mary Syslo: The third soft skills training was held in December with 6 people completing the class. The next class will be held mid-January, 2014.

Activities	Dec. 2013	YTD 2013	Annual Goal	% of Goal
Clients referred for employment services	2	239	130	184%
Clients who received employment services	16	341	120	284%
Clients enrolled in employment readiness soft skills workshops	6	83	80	104%
Clients completed employment readiness soft skills workshops	5	56	50	112%
Enrolled in job readiness training	4	40	20	200%
Job placement	3	101	45	224%
WorkSource Participants Assisted	6	146	100	146%
Entered Apprenticeship	0	0	3	0%
Work Study/Community Jobs/Internships	0	14	30	47%
Earned Income Increased	6	66	35	189%

1.2 Education

1.2.1 Adult Education Programs

Activities	Dec. 2013	YTD 2013	Annual Goal	% of Goal
Participating in ESL classes	0	17	15	113%
Completes one or more ESL levels	0	1	5	20%
Adults enrolled in education program	5	27	25	108%
Adults complete education program	0	5	10	50%
Participants attending GED classes	1	171	200	86%
Completes one or more GED tests	3	20	25	80%
Attains GED	3	17	15	113%
FAFSA applications completed	1	8	10	0%

1.2.2 McCarver Special Housing Program

Manager's Comment – Michael Power: THA's McCarver Elementary School Housing Program seeks to stabilize McCarver Elementary, a low-income school in Tacoma's Hilltop neighborhood. As of November 2013, 45 McCarver families are enrolled in the Program. Rental subsidies for participating families will decrease to zero over the five years of the McCarver Program. Each year, all families will pay an additional 20% of

their rent and THA will subsidize the balance. Participating families receive intensive case management services and assistance to help the parents improve their education and employment prospects.

Activities	Baseline 2010-2011	2011-2012
Turnover rate at McCarver Elementary	107%	96.6%
Turnover among Program students	n/a	4.5%
Turnover among other McCarver students	n/a	114.2%

Director's Comment: Of the 45 families currently participating, 17 are able to pay 40% of their rent, without exceeding 30% of total household income. An additional 13 households are able to pay 40% of total rent, without exceeding 50% of household income. 15 households remain unable to pay even 20% of total rent, without exceeding 30% of income; they are even farther from an ability to pay 40% of the rent.

The desired outcome is for all participating households to be able to pay 100% of rent at graduation from the program, with rent not to exceed 30% of household income. Stagnant or slowly rising incomes for some households are therefore a significant concern. This concern is highlighted by the fact that 15 families (34% of households) still cannot comfortably pay 20% of total rent.

An initial review of households indicated that the mid-group (able to pay 40% at about 50% of income) have generally made substantial progress toward vocational training or other educational goals, and do appear poised to increase household income. However, many of the 15 very low income households face significant mental health, substance use or other substantial traumas, and were probably mis-identified as work-able at intake.

Activities	Dec. 2013	YTD 2013	Annual Goal	% of Goal
Families participating	45	50	50	100%
Able to pay 40% of rent at 50% of income	30	30	45	67%
Able to pay 40% of rent at 30% of income	17	17	45	38%
Average school attendance rate	94%	94%	93%	101%
Reduction in referrals for discipline*	n/a	n/a	25%	n/a
% students increase scores on district reading test (K-5)	22%	22%	20%	110%
% students increase scores on district math test (K-5)**	n/a	n/a	20%	n/a
Average increase in state reading test (Gr. 3-5)	24%	24%	20%	120%

Manager's Comment – Michael Power:

*We anticipate being able to report all of the data in this chart once we receive the final evaluation of the 2012-2013 program.

** As of the end of the 2011-2012 school year there were few data on standardized tests of math to analyze and compare. We had math scores on only 15 McCarver Program students as of the most recent program evaluation. This number of students is too small to warrant comparisons or further statistical analysis. We anticipate having more robust data in the 2012-2013 evaluation report which was received at the end of October and is being reviewed.

Activities	Baseline Fall 2011	At End of October 2013
Average annual household income	\$5232	\$16,152
Median annual household income	Not reported	\$11,892
Employed	7	326
Enrolled in Training Programs	2	3

Manager's Comment – Michael Power:

Extended Learning for McCarver Program Children

Our partner Peace Community Center is providing a free after-school tutoring program funded by their 21st Century grant from the U.S. Department of Education. 17 THA McCarver Program students are participating. The grant also pays for transportation which removes a major barrier for our families. 16 McCarver Program children are participating in

the PCC program. They were selected as needed the additional help in their school work.

Donation to McCarver Families from Absher Construction

Absher Construction contacted us with an offer to help our families during the holidays. As a result Absher donated 50 holiday food baskets, each containing a ham, a turkey, and dry goods. We gave the baskets out at our December family meeting along with toys donated by other McCarver community partners. The families were very grateful for these gifts.

Director's Comment: A draft of the Year Two Report for McCarver has been received from our third party evaluator. It will be complete in January, and if available by January 22nd may be attached to the BOC package.

1.3 Housing Opportunities Program (HOP)

Manager's Comment – Mary Syslo: HOP briefings have stopped until the questions regarding the 2014 budget are resolved. Community Services continues to work with HOP residents in job search and completing their five year goal plan.

Community Services will be sending information annually to the HOP households who are not receiving services reminding them of the help available. We will track changes in annual incomes by accessing client records in Visual Homes.

Activities	Dec. 2013	YTD 2013	Annual Goal	% of Goal
HOP orientations	0	19	n/a	n/a
Work-able attendees	0	242	120	202%
Attendees requesting CS	0	184	120	153%
Work-able attendees housed	3	103	120	86%
Participants receiving CS	2	41	60	68%

1.4 Families in Transition (FIT)

Manager's Comment – Mary Syslo: 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. FIT participants are homeless at the time they are admitted into the program and placed in housing at Salishan or Hillside Terrace. In order to be admitted to the program, applicants must agree to participate in FIT case management.

	WFF/Sound Families		Hillside Terrace		Tax Credit	
Total Current Caseload	20		2		5	
	Dec. 2013	YTD 2013	Dec. 2013	YTD 2013	Dec. 2013	YTD 2013
Entrances	0	15	1	5	2	2
Graduations	0	2	1	1	0	1
Exits	0	1	0	0	0	0
Terminations	0	5	0	2	0	0

1.5 Case Staffing

Manager's Comment – Mary Syslo: Case staffing is short-term, intensive intervention with households in danger of failing as tenants. Case staffing focuses on helping the family regain housing stability and avert eviction through compliance with their lease. Property management identifies families for case staffing. It is typically limited to 90 days. Five families are receiving case staffing services.

Activities	Dec. 2013	YTD 2013	Annual Goal 2013
Number of households referred for services	0	21	27
Number of successful completions (eviction averted)	6	15	12
Number terminated	0	4	n/a

1.6 MTW Hardship Exemption Casework

Manager's Comment – Mary Syslo: In January 2012, THA began Moving to Work rent calculations and biennial recertification cycles for all MTW households. THA anticipated that some households would be unable to pay their new rent and that up to 120 households would qualify for a hardship exemption. The exemption will allow the household up to six months to increase their income and pay the rent amount determined by MTW. In order for a household to qualify for a hardship, they must agree to participate in case management. A household can be terminated from hardship case management for failure to participate. If a hardship exemption household is terminated from case management, CS staff notifies the appropriate REMHS staff. REMHS staff then terminates the exemption and the household is required to pay the full rent amount determined by MTW.

The caseworkers are currently working with 17 individuals in finding employment within the time limit of their exemption.

Activities	Dec. 2013	YTD 2013	Annual Goal 2013
Number of households referred for services	1	31	10
Number of successful completions	1	14	8
Number terminated	0	4	n/a

1.7 Preparing for Success

Manager's Comment – Mary Syslo: The Paul G. Allen Family Foundation grant which funded the Preparing for Success program ended in December 2013. During the three years PFS served 78 THA residents. We are on track for 35 more participants to successfully complete the program by end of March. Clients continue to work on their service plans. Lessons learned throughout the implementation of the PFS program will be valuable as the department works on implementing new services in 2014.

Activities	Dec. 2013	YTD 2013	Annual Goal	% of Goal
Second year cohort 2012 completed	2	14	15	93%
Third year cohort 2013 enrolled	0	28	25	112%
Third year cohort 2013 completed	1	7	15	47%

1.8 Family Self-Sufficiency Program

Manager's Comment – Mary Syslo: The THA Family Self-Sufficiency (FSS) program is a five year employment and savings incentive program funded by HUD and the City of Tacoma.

Director's Comment: The final YTD reporting indicated that at least on these selected measures, the FSS program underperformed relative to goals. The February report will contain an assessment of these outcomes.

Status	Dec. 2013	YTD 2013	Annual Goal	% of Goal
Current Participants	103	127	153	83%
Graduates	1	10	17	59%
Removed/Voluntarily Withdrawn	2	14	n/a	n/a
New Contracts Signed	2	31	55	56%
Escrow Balance	\$94,148.06			

1.9 Life Skills and Parenting Classes

Manager's Comment – Mary Syslo: THA contracts with Bates Technical College to provide Life Skills classes and parenting support for Families in Transition participants. The next session will be a parenting class, starting after the New Year.

Activities	Dec. 2013	YTD 2013	Annual Goal	% of Goal
Life Skills Enrollment	0	21	20	105%
Life Skills Completion	0	15	10	150%
Parenting Enrollment	0	37	75	49%
Parenting Completion	0	19	65	29%

1.10 Senior and Disabled Services

Manager's Comment – Mary Syslo: THA's Senior and Disabled Services Program Specialist works closely with Property Management to identify residents who could benefit from her services.

Director's Comment: Program Specialist Caroline Cabellon has been very successful in engaging residents since she joined THA in mid-2013. Her efforts highlight the challenges many of our tenants face living in our senior and disabled residences. CS will work closely with REMHS in identifying and formulating strategies to address safety and quality of life challenges, and in planning to provide good services to meet the needs of a growing senior population.

Caroline is now drafting a comprehensive program assessment. We anticipate a complete report in April.

Activities	Dec. 2013	YTD 2013	Annual Goal	% of Goal
Unduplicated client contacts	11	333	260	128%
Referrals	8	61	50	122%
Unduplicated situation/wellness counseling	17	149	140	106%
Assistance with correspondence for Entitlement Programs	5	21	40	53%

1.11 Asset Building

Director's Comment: With the departure of our asset building manager, we are re-assessing how we define and incorporate Asset Building within Community Services. As noted in the Employment Section, we anticipate incentivizing adult education/vocational training and childhood academic engagement/performance as our main areas of financial investment. We are also looking at ways to strengthen and expand FSS escrow accounts as our main vehicle to build savings through incentivizing the achievement of self-sufficiency and household stability goals.

Activities	Dec. 2013	YTD 2013	Annual Goal	% of Goal
Financial Education Enrollment	2	67	80	84%
Financial Education Completion	2	58	40	145%
Homebuyers Education Referral	3	10	50	20%
Credit Counseling Enrollment	0	0	15	0%
Credit Counseling Completion	0	0	5	0%
Homeownership Pre-Purchase Counseling	1	2	10	20%
Homeownership Post-Purchase Counseling	8	46	30	153%
Individual Development Account Participants Enrolled	3	7	11	64%
Individual Development Account Counseling (other than homeownership)	0	15	28	54%
Qualified Withdrawals	0	7	7	100%
Home Purchase	0	1	4	25%
Other Asset Purchases	0	7	3	233%
VITA Tax Returns for THA clients	0	33	40	83%
EITC Received (PH only)	0	11	20	55%
Tax Returns for all clients served at VITA Site	0	192	200	96%

1.12 Computer Labs

Manager's Comment – Michael Power: THA has community computer labs at Bergerson Terrace and Hillside Terrace. Part-time temporary After School Program Coordinators provide afterschool tutoring, youth leadership, and adult access to the computers. We are monitoring this concept closely to see if it fits our needs.

We were unable to provide services at Bergerson Terrace during most of December due the sudden passing away of our Coordinator Dina Brown. Her ability to connect with the children was exceptional and she will be greatly missed. We are currently searching for another Coordinator for Bergerson.

Activities	Dec. 2013	YTD 2013	Annual Goal	% of Goal
Computer Lab Participation (cumulative visits)	40	555	1200	46%

We were unable to meet our goal for 2013 due to several factors. At the time we set the goal we had two full time AmeriCorps volunteers at the sites. Due to a cut in the AmeriCorps program in Washington, we were not able to get volunteers this year. We are now using funds from the Education Project grant to pay for After School Program Coordinators who work three hours a day. The redevelopment at Hillside Terrace likely had an impact on the number of students visiting the lab. Also we had fewer children in December at Bergerson than anticipated as noted above.

We will reevaluate the goal for computer lab participation for 2014.

1.13 Youth Activities

Manager's Comment – Michael Power: Write@253 began tutoring at the Family Investment Center in November. They meet every day after school and serve mostly students from Lister Elementary and First Creek Middle School. The tutors are students at Tacoma Community College.

Twenty two McCarver Program children are part of the McCarver Elementary Peacemakers program. This youth leadership group works with other students and community partners on projects such as the Zina Linnik (McCarver Park) project, community gardens, and the annual Hilltop Play in Peace Day.

Activities	Dec. 2013	YTD 2013	Annual Goal	% of Goal
Youth tutoring	32	32	10	320%
Summer youth programming	0	219	40	548%
Youth leadership mentoring	30	45	45	100%

HUMAN RESOURCES



TACOMA HOUSING AUTHORITY

DATE: January 22, 2014

TO: THA Board of Commissioners

FROM: Barbara Tanbara
Human Resources Director

RE: Human Resources Board Report

Due primarily to the great work of my staff, our managers and line staff, we had a very good year in HR. Some of our highlights are as follows:

1. 2013 STAFFING

1.1. 2013 New Directors

THA has been very fortunate to have a strong team of Directors. Since we lost two last year, it was a challenging effort to recruit the right people to replace them. This has been an excellent year in that area since we found two terrific Directors to complete our team. Greg Claycamp, our new Director of Community Services, has already proven his worth in tackling the challenges of developing and maintaining top quality human services for our customers. He has been well received by his staff and they are making changes to improve the quality services they have long been providing.

The executive search for our new Director of Real Estate Development was a long one. I don't think we could have found a better person than Kathy McCormick to fit with our Cabinet team and the Real Estate Development team. She was unanimous choice of all interview participants (including the department personnel and our external partner who participated on the interview teams). With her extensive background, including being a former Executive Director, we all can see the good ideas that she can bring to THA, its development projects, and its general operations.

1.2. Final 2013 Annual Turnover

We finally hit our yearly turnover target for the first time in 2013. Our turnover for 2013 was 8.52%, below the 10% target we set for ourselves. After lingering for three years around 12% - 13% turnover, we got it down. And without our three retirements this year, turnover would have been at 5.96%.

While we are very happy with the results, we cannot ignore that at least part of it comes as one of the very few benefits of a recession. So in order to keep our turnover at this low level, we will need to recommit our efforts to ensuring that our employees feel fully engaged in their work and recognized for their performance.

2. GRIEVANCES / EEOC COMPLAINTS

We had no union grievances and no formal EEOC complaints or lawsuits in 2013. In fact in the last four years, we have only had three grievances, two EEOC complaints and no lawsuits. In today's world, that is an accomplishment.

3. EMPLOYEE RELATIONS

As previously reported, we had our best Employee Opinion Survey results in 2013. We went from a 2011 overall score of 74% favorable to a 2013 overall score of 84%. Despite being pleased with the results, we have examined those areas where employee thought we could improve and are working on initiatives that will improve our employee engagement and satisfaction.

4. LABOR RELATIONS

We had two collective bargaining contract openers. We negotiated a 2.5% salary increase for our Trades Council employees.

Also, with the support of our Benefits Committee and OPEIU, we made necessary changes to our health plans so that THA had no cost increase for our overall 2014 benefit package.

5. 2013 VARIABLE PAY PROGRAM

We successfully launched and implemented our 2013 Variable Pay Program for our OPEIU and non-represented employees (hope to negotiate one for the Trades Council this year).

We did a good job of meeting our target goals. We limited the number of merit increases to 33% of our eligible staff. We wanted this special increase to only go to those with the top performance. We hit that goal. Thirty-two of our 96 eligible employees received a merit increase award for a 2% to 2 ½% increase to their salary.

Overall 51 of the 96 eligible employees (53%) received some type of award. We made sixty-four (64) total awards, with 35 going to OPEIU staff and 29 going to non-represented staff. These awards show that some employees received more than one award during the year. For instance they might have received two Special Recognition Awards or a Merit Increase Award plus a Special Recognition Award.

We are continuing this program into 2014.

6. BENEFITS

In 2013, THA was one of 100 organizations nationwide who was selected to participate in the National Healthy Worksite Program. Kate O'Farrell, our HR Manager was the lead on implementing this program. We plan to continue this program and help our employees make healthy, informed choices in their life.

7. WORKERS COMPENSATION

We have worked with the Safety Committee to improve our responses to any work related injuries. The Safety Committee made some upgrades to the safety equipment that all maintenance employees have and reissued those supplies. Kate worked with our property management team to implement a Return to Work program that can return employees to work and help contain our costs.

Our HR team is looking forward to 2014 and all that we hope to accomplish.

THA Recruitment-Turnover Report 2013 Year-End

*data reflects regular employees only

12/31/2013

	Jan	Feb	March	April	May	June	July	Aug	Sept.	Oct.	Nov.	Dec	2013	2012
Total # Employees	115	115	115	116	118	118	118	118	119	119	119	119	117	110
Voluntary Separation	0	1	1	1	2	0	0	0	0	2	0	0	7	8
Involuntary Separation	0	0	0	0	0	0	0	0	0	0	0	0	0	5
Retirement	0	1	0	0	1	0	0	1	0	0	0	0	3	1
Lay-Off's	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Separations	0	2	1	1	3	0	0	1	0	2	0	0	10	14
2013 Turnover Rate w/out Lay-off's	0.0%	1.7%	0.9%	0.9%	2.5%	0.0%	0.0%	0.8%	0.0%	1.7%	0.0%	0.0%	8.52%	12.7%
													8.52%	
2012 Turnover Rate w/out Lay-off's	0.9%	0.0%	1.8%	1.9%	0.0%	0.9%	2.7%	1.8%	0.9%	0.0%	1.8%	0.0%	12.70%	
	0	0	0	0	0	0	0	0	0	0	0	0	0	
Hires/Promotions													YTD	
New or Different Positions	8	0	1	1	0	1	2	0	0	0	0	0	13	
Replacement due to Separation	0	0	0	1	1	0	0	2	1	0	1	1	7	
Replacement due to Promotion/ Transfer	0	0	0	0	0	0	0	1	1	0	0	0	2	
Sunset Positions	0	0	0	0	0	1	0	3	0	0	0	0	4	
Total	8	0	1	2	1	2	2	6	2	0	1	1	26	
2012	3	0	4	1	1	2	3	2	3	0	3	4	26	

ADMINISTRATION



TACOMA HOUSING AUTHORITY

To: THA Board of Commissioners
From: Todd Craven, Director of Administration
Date: January 22, 2014
Re: January 2014 Board Update

Business Process Improvement

We have done a lot of work on the business process improvement (BPI) project over the past four months. We have a great team of individuals from multiple departments working together to document our process flows, identify process requirements, and improve how we work. The goal is to entirely streamline how we do business and to set up a system for continual improvement.

When we set up the process improvement team and began strategizing on our plan, we decided early on to first tackle THA's unit turn process. There are several reasons for this:

- 1) the unit turn process touches just about every part of the agency;
- 2) THA's performance in its ability to quickly turn needs improvement; there has already been a lot of work done within the agency to improve unit turns, yet the results are slow to show improvement; a lot of this has to do with the units contaminated with meth; and
- 3) Improving this process will have significant impacts on the agency as a whole and will quickly garner support for the BPI project that we need throughout the agency.

Although there is a lot of work left to be done with the unit-turn process before we can declare any victory, quite a few efficiencies have been borne out of the process discussions. Some examples of these include:

- We created several online forms that clients and tenants use to submit information to our staff; these include online work orders, online change of circumstances, and an online review form for HOP program participants. These changes save clients from having to come to THA or fill out paperwork they receive in the mail and have to mail back to our offices.
- We began some serious internal discussions about the handling of inventory and how we warehouse goods. These discussions are still ongoing but the result so far is that three departments involved in this are working collaboratively to find the best solution for everyone affected by inventory.
- Maintenance has changed how it decides what needs to be done on a unit turn, how to track what needs to be purchased, and how to ensure that staff going into a unit are prepared for what they need to deal with.
- Discussions are occurring between maintenance staff and other site staff to help those recording work orders, ask questions that will enable maintenance to diagnose problems better before our staff are sent to a unit.

There is a lot more to come, but this is very exciting work and I am pleased with how responsive staff are to our efforts to improve how we do business.

Asset Management

RAD Update: Unfortunately, we do not have much to report from HUD on the Rental Assistance Demonstration (RAD) project yet. We are still waiting on HUD to get through all of the applications they have received to date and let us know where we stand. We still expect a full portfolio conversion to RAD, but the timing of the project depends on whether we are in the top 60,000 units submitted or we need to wait until Congress appropriates additional units. As soon as we hear, we will inform the Board.

EPA Grant: We are in the process of preparing three separate grant applications to the EPA to assist with THA's meth cleanup costs. Each grant asks for \$200,000 for a subset of our properties. Any properties that are included in a single grant needed to be contiguous, so we chose Hillside Terrace Phases 1 and 2, Salishans 1, 2, 3, 4, and 7, and Salishans 5 and 6. The applications are due January 22. By the time the Board meets in the afternoon on this day, the applications will all be submitted. We worked closely with the REMHS department, the Tacoma Pierce County Health Department (TPCHD), and our grant writer, Sylvie McGee to prepare these applications. We also held two community meetings to address any questions residents of either Hillside or Salishan had regarding the grant application.

Methamphetamine

We have a team of us currently working with the TPCHD to find ways to reduce what it costs us to identify, remediate, and put back our contaminated units. We are also exploring opportunities for bringing some of the work in-house and working with both the Local and State health departments to change the current health code that requires property owners to remediate to a contamination level well below the accepted health-based standard. In this effort, we are also supported by other local health departments and housing authorities throughout the state and are seeking private landlords or landlord advisory groups to join us.

Software Considerations

With the New Year came renewed discussions internally about whether we should consider making a software change this year and which direction we should go. We budgeted for a possible switch to Yardi systems. We are currently considering Yardi, as well as other housing software providers, while exploring the amount of data processing we can handle outside a third-party system or on our website. We have a team of staff put together to review the various options we have in front of us and are performing a cost-benefit analysis of each option. I will most likely be making a presentation to the board over the next several months covering our options and recommending an approach.

This concludes the January 2014 report to the Board for the Administration Department.

NEW BUSINESS

RESOLUTION #1



TACOMA HOUSING AUTHORITY

RESOLUTION 2014-1-22 (1)

DATE: January 22, 2014
TO: Board of Commissioners
FROM: Michael Mirra, Executive Director
RE: Adoption of Severe Weather and Emergency Conditions policy

Background

This resolution would revise THA's Severe Weather and Emergency Conditions policy (formally called Inclement Weather policy). The redlined revisions show in the attached draft.

Under the main change hourly employees will no longer be paid when THA closes for snow or emergency conditions. There are several reasons for this change:

- The change would eliminate an unfairness that arises under the present policy. Presently, when the agency closes because of weather, some employees, mainly maintenance staff, still have to come to work. Thus, all receive their regular pay while some receive for working and some receive it for not working, NOTE: The exempt, non-hourly, staff will continue to receive pay when the agency closes. Federal Labor Standards Act requires this. Yet, they usually work considerably more than 40 hours week. They also work from home when the offices are closed.
- THA wants to be sensitive to public perception about the judicious and appropriate use of public funds. For similar reason, the City of Tacoma and Pierce County have adopted these same changes.
- Hourly employees will be able to use annual leave or a personal holiday so that they can be paid. THA offers generous leave benefits.

Staff invited comment about this change from all staff and representatives of our two unions. No one offered any notable concerns.

Recommendation

Approve Resolution 2014-1-22(1) amending THA's Severe Weather and Emergency Conditions policy in the ways substantially like those shown on the attached draft.



TACOMA HOUSING AUTHORITY

RESOLUTION 2014-1-22 (1)

ADOPTION OF THE SEVERE WEATHER AND EMERGENCY CONDITIONS POLICY

Whereas, The Severe Weather and Emergency Conditions policy sets forth the basis on which decisions may be made regarding payment of wages for employees during times when the THA's offices are closed;

Whereas, the proposed changes would address an unfairness under the present policy that pays some staff for working and others for not working during weather emergencies that close the agency.

Whereas, THA wants to be sensitive to public perception about the judicious and appropriate use of public funds;

Whereas, This policy has been thoroughly vetted. All THA employees, Supervisors, Directors and THA's two unions were given an opportunity to comment on the policy revision;

Resolved by the Board of Commissioners of the Housing Authority of the City of Tacoma, Washington that: The Board adopt the "Severe Weather and Emergency Conditions" policy in substantially the form set forth in the attached draft, allowing for changes to format and procedures, and other changes pursuant to THA Policy G-01 on the Adoption, Amendment and Promulgation of Policies.

Approved: January 22, 2014

Greg Mowat, Chairman



TACOMA HOUSING AUTHORITY

Policy No.	HR-10.40
Policy	Severe Weather and Emergency Conditions (former Inclement Weather policy)
Date	REVISED January 14, 2014

1. Purpose

The Tacoma Housing Authority provides an array of critical public services and is responsible for the safety of its residents. It is THA's policy to remain open during normal business hours including during periods of severe weather and emergency conditions unless it is physically impossible for employees to travel. Employees should be prepared for severe weather during winter months. Unless the Executive Director declares the agency closed or delay opening because of weather conditions or other Emergency, all employees are expected to report to work on time. There may be times, however, that an employee may feel that for personal safety reasons, they may need to arrive late to work, depart early, or not come in at all.

2. Sources for Policy

- ▶ THA and OPEIU Collective Bargaining Agreement
- ▶ THA and Trades Collective Bargaining Agreement
- ▶ Federal Labor Standards Act (FLSA)
- ▶ THA Policy HR-45.01 Relationship of Personnel Policies to Collective Bargaining Agreements

3. Scope of Policy

This policy applies to all THA staff.

4. Who is Responsible for Implementing Policy

Who	Responsibilities
Executive Director	<ul style="list-style-type: none"> ▶ to determine when the agency should close or be on a restricted schedule;
HR Director	<ul style="list-style-type: none"> ▶ to put up-to-date information on THA's main phone line (253) 207-4400 (no later than 7:00 am) and web site, to inform the public of agency office closures or any delays in opening and; ▶ to put a message on the THA Severe Weather Hotline (253) 207-4424 (no later than 7:00 am) to inform employees of Emergency or Non-emergency conditions, agency office closure or delays in opening.
Department Directors	<ul style="list-style-type: none"> ▶ to define, well in advance, critical and/or minimal staffing required to adequately maintain operations of necessary departments during severe weather conditions.
Portfolio Manager and Maintenance Manager	<ul style="list-style-type: none"> ▶ to identify in writing which maintenance personnel are to be part of the Designated Maintenance Emergency Service Personnel. ▶ To notify, well in advance, Designated Maintenance Emergency Service personnel minimal staffing required to

	adequately maintain operations of THA properties during severe weather and emergency conditions
Employees	<ul style="list-style-type: none"> ▶ Make a deliberate effort to arrive at work on time and be prepared to complete the entire work shift; ▶ Each employee is expected to notify their supervisor, in the same manner as any other occasion, their inability to report for work as scheduled.

5. Definitions

Severe Weather	When weather phenomena such as rain, wind, or snow causes roads to be unsafe for common passage; most often when the Department of Transportation requests drivers to refrain from operating their personal vehicles.
THA Severe Weather Hotline	A special phone line set up for employees only will update employees of any office closure or delays in opening. The Severe Weather Hotline is 253-207-4424.
Designated Maintenance Emergency Service Personnel	Those employees who, due to the nature of their specific job duties or the nature of the emergency which has occurred, must report to work to ensure that public health and safety needs of critical operational requirements are met.
Emergency	An unusual situation which may be due to weather or other conditions affecting THA's service area and surrounding counties. During an Emergency, THA offices may be closed for all or partial days. Only the Executive Director or his designee can declare Emergency conditions. A declaration of emergency will be a rare event. An example of an emergency condition might be a widespread blizzard affecting all of Pierce and surrounding counties, rendering roads impassable.
Severe Weather/ Nonemergency Conditions	Any weather occurrence, natural disaster or local technical problem that may be isolated to only parts of the THA service area and that may prevent some employees from reporting to work on time or at all. A regular operating schedule would typically be in effect. A decision by an employee to delay or not come to work is based on their personal circumstance and evaluation of their personal safety. A severe weather event will be announced on the THA Severe Weather Hotline 253-207-4424. Only a declared severe weather event will trigger the Liberal Leave policy (see below). Any condition which affects only a few employees will not be considered Severe Weather for purposes of applying this policy.
Liberal Leave	<p>The leave (annual leave, personal holidays, or leave without pay) taken by an employee following the Hotline announcement that the Authority is open and that Liberal Leave is in effect.</p> <p>Non-exempt (hourly) employees may arrive up to one hour late without penalty. Any time in excess of one hour will be charged to annual leave in 30-minute increments. If the employee has no accrued annual leave available, he/she must use leave without pay. Hourly employees who arrive late during a period of severe weather will not be subject to disciplinary action under THA's attendance</p>

	<p>policy.</p> <p>Personal Holidays may be used only in increments of eight hours. Use of leave in these circumstances can be without the prior supervisory approval usually required for such paid time off.</p> <p>Employees are expected to notify their supervisor, in the same manner as any other occasion, their inability to report for work as scheduled.</p>
Ad-hoc Telecommuting	<p>Under this policy and only with the approval of his/her supervisor, an employee may work from home during a severe weather event. Employees are expected to notify their supervisor, in the same manner as any other occasion, their inability to report for work as scheduled and to request ad-hoc telecommuting. Supervisors are required to verify what work can be completed when approving ad-hoc telecommuting. Telecommuting is never allowed as a substitute for dependent care.</p>

6.	Forms Associated with this Policy
	None
7.	Policy

7.1 THA recognizes that severe weather and emergency conditions can cause problems or significantly impair safety getting to and from work. This policy provides guidance for employees and supervisors during those conditions. Employees are encouraged to consider alternate modes of transportation to arrive at work safely. This policy is meant to cover two different situations:

- **Severe weather** or other **nonemergency conditions**, such as a localized power outage or moderate snowstorm which may have an impact on some normal work operations
- a declared **Emergency** resulting in offices closing for all or partial work days

7.1.1 Severe Weather/ Nonemergency Conditions – Agency Open

Any employee who is unable to report to work due to severe weather will first use any accrued annual leave or personal holiday leave. The employee shall be placed on leave without pay if no other leave is available. It is the employee's responsibility to notify their supervisor, in the same manner as any other occasion, their inability to report for work as scheduled. Exempt employees shall not be required to use leave for partial days.

Probationary employees who need to take leave during a period of severe weather will be allowed to use accrued leave for this purpose. If their employment is terminated before the end of their probationary period, any leave so used will be deducted from their final paycheck.

Because their overtime is calculated over 40 hours in one pay week, OPEIU and non-represented hourly employee have the option to flex their schedule during a pay week to make-up any hours missed due to their inability to work a full or partial day. This practice requires supervisor approval and time missed must be

made-up during the same pay week (Saturday through Friday). Make-up time cannot result in an overtime situation.

In no circumstance may sick leave be used as compensation for any absence due to a severe weather event or in lieu of any other available paid or unpaid leave.

Employees should note and supervisors should approve leave time taken during severe weather on the next or following pay period's time sheet. It is important to begin to track leave hours as soon as possible in order to accurately reflect leave taken.

7.1.2 Emergency Conditions – Agency Closed for Full or Partial Days

If the Executive Director decides not to open for business or to open on a reduced schedule, the Human Resource Director will put that announcement on the THA main phone line and the Severe Weather Hotline no later than 7:00 AM.

When THA offices are closed due to emergency conditions, hourly employees may use any combination of the following options to account for scheduled work time:

1. Accrued Vacation leave
2. Personal Holiday leave (to be used in 8 hour increments only)
3. Ad-hoc telecommuting (requires coordination with and approval by supervisor)
4. Temporary change in work schedule for the work week (requires coordination with and approval by supervisor)
5. Leave without pay (LWOP) May only be used if no accrued vacation leave or Personal Holiday time is available)

If an office is closed early, hourly employees may use any combination of the above options to account for scheduled work time to the end of their regular shift.

Because overtime is calculated over 40 hours in one pay week, OPEIU and non-represented hourly employee have the option to flex their schedule during a pay week to make-up any hours missed due to the agency being closed for a full or partial day. This practice requires supervisor approval and time missed must be made-up during the same pay week (Saturday through Friday).

7.2 Designated Maintenance Emergency Service Personnel

The Portfolio Manager and Maintenance Supervisor are responsible for designating in writing those employees considered Designated Maintenance Emergency Service personnel. A list of Designated Maintenance Emergency Service personnel should be updated periodically. Employees should be notified in advance that they are so designated. The requirement that these employees report to work during periods of emergency leave and/or liberal leave must be stated.

Designated Maintenance Emergency Service personnel are required to report for work as needed during a designated Emergency. Such employees who work during an emergency will receive their regular straight time pay for the employee's normal work shift[s] for the day[s] of the emergency plus any overtime required by the work. Designated Maintenance Emergency Service personnel will be expected to respond to emergency work orders until 4:30, at which time the On-Call Program starts. The employee's distance from the work site and likelihood of availability during weather emergencies should be considered when selecting Designated Maintenance Emergency Service personnel.

DRAFT