



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS

BOARD PACKET

February 24, 2016



TACOMA HOUSING AUTHORITY

AGENDA

REGULAR MEETING

BOARD OF COMMISSIONERS

February 24, 2016 4:45 PM
3201 S. Fawcett Street
Tacoma, WA 98405


- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. APPROVAL OF MINUTES**
 - 3.1 Minutes of January 27, 2016—Regular Session
- 4. GUEST COMMENTS**
- 5. COMMITTEE REPORTS**
- 6. COMMENTS FROM THE EXECUTIVE DIRECTOR**
- 7. ADMINISTRATION REPORTS**
 - 7.1 Finance
 - 7.2 Administration Department
 - 7.3 Client Services
 - 7.4 Property Management
 - 7.5 Real Estate Development
- 8. NEW BUSINESS**
 - 8.1 2016-02-24 (1) HAP Renewal for Salishan 3
 - 8.2 2016-02-24 (2) Ratification of Board Action Taken on January 27, 2016
 - 8.3 2016-02-24 (3) Multifamily Mortgage Revenue Note, 2016 Renew Tacoma Housing Portfolio
 - 8.4 2016-02-24 (4) Amendment to Legal Services with Gordon, Thomas, Honeywell, LLP
 - 8.5 2016-02-24 (5) Approval of Strategic Objectives Performance Measures, Baselines and Targets
- 9. COMMENTS FROM THE COMMISSIONERS**
- 10. EXECUTIVE SESSION, if any.**
- 11. ADJOURNMENT**



TACOMA HOUSING AUTHORITY

Michael Mirra
Executive Director

BOARD OF COMMISSIONERS

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Stanley Rumbaugh, Chair
Dr. Arthur C. Banks, Vice Chair
Janis Flauding
Minh-Anh Hodge
Derek Young

REGULAR MEETING Board of Commissioners

WEDNESDAY, February 24, 2016

The Board of Commissioners of the Housing Authority of the City of Tacoma Board will hold its Regular Meeting on **Wednesday, February 24, 2016, at 4:45 pm.**

The meeting will take place at:

**3201 S. Fawcett Street
Tacoma, WA 98405**

The site is accessible to people with disabilities. Persons who require special accommodations should contact the Sha Peterson (253) 207-4450, before 4:00 pm the day before the scheduled meeting.

I, Sha Peterson, certify that on or before February 24, 2016, I faxed / EMAILED, PUBLIC MEETING NOTICE before:

City of Tacoma	747 Market Street Tacoma, WA 98402	fax: 253-591-5123 email: CityClerk@cityoftacoma.com
Northwest Justice Project	715 Tacoma Avenue South Tacoma, WA 98402	fax: 253-272-8226
KCPQ-TV/Channel 13	1813 Westlake Avenue North Seattle, WA 98109	email: tips@q13fox.com
KSTW-TV/Channel 11	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 organizations with residents reporting applications on file.

Sha Peterson
Executive Assistant



TACOMA HOUSING AUTHORITY

MINUTES



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, January 27, 2016

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at 6th Avenue, Tacoma, WA 98405 at 4:45 PM on Wednesday, January 27, 2016.

1. CALL TO ORDER

Vice Chair Arthur Banks called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:51 pm.

University of Washington-Tacoma students Yik Fung Chan, Wai Yip Chan, and Pak Tao Alvin Chan were in attendance. The students are in the Sustainable Urban Development Program at UW-T. Their goal is to gain experience here and take it back to Hong Kong. Vice Chair Arthur Banks welcomed the students to the meeting.

2. ROLL CALL

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

PRESENT

Commissioners

Chair Rumbaugh (Stan)

Vice Chair Banks (Arthur)

Commissioner Hodge (Minh-Anh)

Commissioner Young (Derek)

Staff

Michael Mirra, Executive Director

Sha Peterson, Executive Assistant

Ken Shalik, Finance Department Director

Barbara Tanbara, Human Resources Director

Kathy McCormick, RED Director

Greg Claycamp, Client Services Director

Todd Craven, Information Technology and Asset
Management Director

Pat Patterson, Property Management Director

ABSENT

Commissioner Flauding (Janis)

April Black, Deputy Executive
Director

Vice Chair Banks declared there was a quorum present @ 4:51 pm and proceeded. Chair Stanley Rumbaugh arrived at 4:54 pm.

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

3.1 December 16, 2015

The Board requested the following change to the draft minutes: On page four (4) of the Real Estate section, "half of the appraised value" should state "half of the assessed value."

Upon roll call, the Board approved the minutes, with the above change.

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

Motion approved.

4. GUEST COMMENT

None.

5. COMMITTEE REPORTS

Real Estate Development Committee – Commissioner Rumbaugh

According to Chair Stanley Rumbaugh, the Real Estate Development Committee met yesterday at noon and he was able to participate by phone. Key Bank is ready to close. He was interested in the loan potential from the Washington State Housing Finance Commission for land banking. They have a program where they would provide one percent loans and tenants do not have to start repayment until development starts. Real Estate Development (RED) Director Kathy McCormick hopes to start breaking ground on Tacoma Housing Authority's (THA's) recent Hilltop acquisitions within two years. Chair Stanley Rumbaugh is not inclined to wait two years. Rental Assistance Demonstration (RAD) conversion is being pushed back to March without any particular harm in any way and Moving to Work (MTW) negotiations have improved.

Education Committee—Commissioner Minh-Anh Hodge

Commissioner Minh-Anh Hodge stated that there was a good article for the School District and Tacoma Community House in the paper. Chair Rumbaugh asked about McCarver expansion. ED Mirra stated that the school district will identify the schools.

Citizen Oversight Committee – Commissioner Arthur Banks

Nothing to report.

6. COMMENTS FROM THE EXECUTIVE DIRECTOR

Executive Director (ED) Michael Mirra directed the Board to his report.

ED Mirra presented the Strategic Objectives chart to the Board. According to ED Mirra the next step is for staff to present to the Board their proposals and timelines. He would like to present this to the Board in February. Once the board approves, Administration Director (AD) Todd Craven will turn it into a digital dashboard that will be easier to read. Once in that form, the Board will have a better chance to comment and suggest changes. He suggested that the Board approve the draft chart on those terms. Chair Rumbaugh stated that something more user friendly with a distinct format and backup data would be better. ED Mirra also reviewed the status of the discussions with Housing and Urban Development (HUD) concerning the extension of the Moving to Work (MTW) contract. ED Mirra updated the Board regarding the effort to raise funds for the Children's Savings Account Program.

7. ADMINISTRATIVE REPORTS

Finance

According to Finance Department (FD) Director Ken Shalik, there is no financial report for January. The next report will be provided in February. Staff is working hard finalizing the books. He will be working on presenting year-end financials for tax credit and THA. One thing to look at is the cash position and reducing what is in MTW cash balance. MTW funds were used to pay for \$3M in Capital Fund Financing (CFF). He reviewed upcoming expenses, including the New Look purchase and fix up, Bay Terrace Phase 2, the Rental Assistance Demonstration (RAD) project, and the software conversion. ED Mirra gave his sense for the next couple of years. They will be lean but afterward THA will start receiving RAD net income. Chair Rumbaugh added that maintenance cost will also improve. ED Mirra also noted that the RAD conversion will leave THA without any public housing units. That will spare THA the oscillations in the public housing appropriations over the years. Chair Rumbaugh discussed how this may affect other Public Housing Authorities (PHAs) around the nation who will still have a public housing portfolio going with the Council of Large Public Housing Authorities (CLPHA) members.

Upon roll call, the vote on the financial motion was as follows:

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

Motion Approved.

Property Management

Property Management (PM) Director Pat Patterson discussed the 15-20 households who are not income eligible for the low-income housing tax credit program that will govern their units after the RAD conversion. They are not eligible--either their income is too high or because they are full time students. THA may not oblige them to move. PM Director Patterson discussed the plan by which THA will offer them options and what THA will do if such a household decides to stay in their unit.

Unit turns are in three phases. PM is doing a good job getting in and out of units. Leasing phase is troubled a little bit. PM will have proposals in how they can manage this better. Chair Rumbaugh asked how many units he was able to turn using the process the department report describes. PM Director Patterson replied that none so far have used that process, but there will be a couple of units in January. Chair Rumbaugh urged PM Director Patterson to get a running start on this. ED Mirra asked if PM is still going to eliminate or modify the waitlist so THA does not have to spend time on households that signed up 6 years earlier and cannot be found. PM Director Patterson replied "Yes." Chair Rumbaugh asked for an update on the meth protocol discussions with the Health Department. ED Mirra stated that the Health Department has agreed to THA's proposed protocol, with perhaps some minor "tweaks." ED Mirra is going to find a chance to visit with the Health department Board and thank them for the help over the years of the meth discussion.

Real Estate Development

Real Estate Developments (REDs) focus is on Bay Terrace. Initial bids from Absher were high but after discussions the total has come down. RED is confident that THA and Absher will solve the problem. Although RED has worked very hard not to have to use THA funds, some funds will be necessary, up to \$1.2M in the form of a loan to the project. The project will not likely have the cash flow to repay the loan. But the debt will help THA repurchase the property from the investors at the end of the tax credit investor compliance period.

A lot of the RAD work is falling to RED because they are responsible for all relocation activities and rehab. RED is now fully staffed for it. RED is excited about the staff recently hired. They add a lot of good energy. RED has a good team working on it.

Human Resources

Nothing to report.

Administration

Administration Department (AD) Director Todd Craven provided a quick update on the software project. He is happy to state that AD has been in preliminary testing this week on phase one, most of which is the financial system. It is working well and AD is getting good feedback from staff. Final testing is scheduled for February 8th. Training will follow. After that AD will finalize the conversion and will go live in early March.

Phase 2 will be much more intensive. It will entail the housing processes. AD Director Craven is hoping to get started on that as soon as THA goes live. AD has also been focusing on key staff training on sales force. He is happy to report that they are on schedule. Chair Rumbaugh asked about the testing and training. According to AD Director Craven there has been 2-3 staff per process and about 15 minutes to half hour long for session. Commissioner Young asked how the present schedule compares with the original schedule. AD Director Craven replied that the schedule has expanded from 12 months to 18 months.

Associate Director (AD) Sandy Burgess updated the Board on RAD. The RAD team has met HUD's deadline for submissions and had been waiting for HUD to issue its commitment. HUD has done so. THA has a path for closing and a date THA can meet. It is presently set for March 17th. In the meantime, the RAD team has been busy working with the contractor and getting ready for relocation, so time has not been wasted. The team came a little over budget with Walsh Construction. Staff and Walsh worked to bring THA back to budget. The team had a legal call yesterday lining up for closing. Closing is still dependent on HUD and THA will be working closely with HUD to review documents. Chair Rumbaugh asked for discussion about the 15 – 20 families not eligible for tax credit housing. AD Burgess explained that THA cannot require them to move but will offer them options to move, such as scattered sites, vouchers, and uniform relocation act assistance. Commissioner Young asked if the families already know of the choices they will have. AD Burgess said no. THA needs to have a careful script to present the choices so the households do not feel pressured to move. ED Mirra asked if THA has received confirmation from investors that they will honor bids even though THA closes in March. AD Burgess said that they will honor their bids. Commissioner Young asked about the estimated costs for cleaning up Wright Street. AD Burgess reported that the costs will be far less than the top range of \$3M.

Client Services

CS Director Claycamp reported on recent reassignments of staff and new hires. Caroline Cabellon and Jesisca Beck have been hired as Program Managers. Client Services (CS) Director Greg Claycamp will introduce them to the Board at the February meeting.

CS Director Claycamp stated that there is potential partnership with United Way, Sound Outreach, Urban League and Tacoma Community College (TCC) for the Key Bank property. Chair Rumbaugh asked if THA will be using the existing structure. CS Director said "Yes for now." He and Chair Rumbaugh noted the ways that even a temporary sue

of the bank building will benefit the community. CS Director Claycamp discussed the recent reorganization of community services. It will move THA away from being a direct services provider to one that arranges services from others.

He discussed another potential partnership on the Eastside. Pierce County Health Department submitted a grant application around building health community resources and developing health food options. Chair Rumbaugh asked for a summary of work force training, job skills training, and job acquisition for THA tenants. CS Director Claycamp stated that there is a shift to collaborating with other organizations to provide such services. ED Mirra stated that the challenge of this work is to measure the success. Chair Rumbaugh asked about connections with Juvenile Court System and what THA can do to assist young adults coming out of foster care without housing options. CS Director Claycamp stated that THA's connection is not strong. CS Director Claycamp stated that there are opportunities for housing with the Family Unification Program but he needs to investigate. Chair Rumbaugh stated that not only do these kids lack housing, but literacy that allow them to be self-sustaining. It has to be housing in conjunction with social support. CS Director Claycamp stated that THA has a strong community link with rapid rehousing with Pierce County. ED Mirra noted that THA funds the REACH Center's service to homeless youth. ED Mirra recounted that he and Deputy Director April Black met with the staff of Remann Hall. They asked the staff if it would be useful to the various operations there to have housing resources from THA for their use to keep children out of the juvenile justice system. He conveyed their report that housing was not a significant factor in Remann Hall placements. THA's present thought is if it is going to do more of this, it would be to do it with the Reach Center. He added that Pat Erwin and Greg Eisnagle of the School District have asked THA for help with homeless high school students. He described the aspects of that discussion.

8. OLD BUSINESS

None.

9. NEW BUSINESS

9.1 RESOLUTION 2016-01-27 (1) (RAD A&E Work Addendums #5 & #6, Casey + Dechant Architects)

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

WHEREAS, On June 24, 2015, Tacoma Housing Authority's (THA's) Board of Commissioners approved Resolution 2015-6-24 (1) authorizing THA's Executive Director to award a contract for the initial Architectural and Engineering Services for the RAD Conversion Project to Casey + DeChant Architects in an amount not-to-exceed of \$500,000; and

WHEREAS, Additional work scope for the project was added to the A&E Services; and

WHEREAS, An additional \$369,000 in A&E services will be needed to complete the RAD Conversion project and an additional \$162,000 is recommended for the contingency; and

WHEREAS, THA is requesting to amend the Casey + Dechant Architects RAD Conversion Project not-to-exceed contract amount to a total of \$1,031,000; now, therefore, be it

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

THA's Executive Director is authorized to amend the Architectural and Engineering Services Contract with Casey +DeChant for services needed to complete the RAD Conversion Project in an amount not-to-exceed \$1,031,000.

Approved: February 24, 2016

Stanley Rumbaugh, Chair

9.2 RESOLUTION 2016-01-27 (2)
(Second Amendment to eightCloud Contract)

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

WHEREAS, Tacoma Housing Authority's (THA's) Board of Commissioners authorized the Executive Director to execute a contract for custom Salesforce development with eightCloud on January 28, 2015, and THA's Executive Director signed the contract on March 9, 2015, authorizing the initial planning and analysis phase of the project; and

WHREAS, THA executed an amendment to the eightCloud contract on July 10, 2015, authorizing work to commence on Track One of the contract; and

WHEREAS, eightCloud completed the initial build for Track One and submitted a revised Level of Effort (LOE) estimate to THA for Track Two; and

WHEREAS, THA staff reviewed the LOE and consider it an accurate representation of the remaining work that needs to be done on the project; and

WHEREAS, The value of the remaining work on the contract is \$561,000, bringing the total value of the contract from \$575,000 to \$1,136,000; now, therefore, be it

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

The Executive Director has the authority to amend the contract with eightCloud, authorizing the completion of the remaining software development work up to an amount of \$1,136,000.

Approved: February 24, 2016

Stanley Rumbaugh, Chair

**9.3 RESOLUTION 2016-01-27 (3)
(Bay Terrace Phase II - 2500 Court G)**

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma providing for the issuance of revenue bonds in an aggregate principal amount of not to exceed \$20,000,000, the proceeds of which will be used to make a loan to 2500 Court G LLLP, a Washington limited liability limited partnership of which the Authority is the sole general partner, to provide part of the funds with which to construct a 74-unit apartment complex to provide housing for low-income persons in the City of Tacoma, Washington; determining the forms and terms of the bonds; authorizing the execution and delivery of a loan agreement providing for repayment of the loan, a regulatory agreement governing the use of the facility and other bond and loan documents; providing for the sale and delivery of the bonds to JPMorgan Chase Bank, N.A.; and authorizing and directing appropriate officers of the Authority to execute such documents as are useful or necessary to the purposes of this resolution.

WHEREAS, The Housing Authority of the City of Tacoma (the “Authority”) seeks to encourage the provision of housing for low-income persons residing in or near the City of Tacoma, Washington (the “City”); and

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

WHEREAS, RCW 35.82.070 (5) provides that a housing authority may, among other things, “lease any . . . lands . . . embraced in any housing project and . . . establish and revise the rents or charges therefor”; and “sell, lease, exchange, transfer. . . or dispose of any real or personal property or any interest therein . . .”; and

WHEREAS, RCW 35.82.070 (18) provides that a housing authority may, among other things and if certain conditions are met, “make . . . loans for the . . . acquisition, construction, . . . rehabilitation, improvement . . . or refinancing of land, buildings, or developments for housing for persons of low income”; and

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

WHEREAS, 2500 Court G LLLP (the “Partnership”), a Washington limited partnership of which the Authority is the sole general partner, has applied to the Authority for financial assistance for the purpose of providing part of the funds with which to construct a 74-unit apartment complex to be located in the 2500 Block of S Yakima Avenue, in Tacoma, Washington, to be leased by the Partnership from the Authority, to provide housing for low-income persons within the City of Tacoma, Washington (the “Project”); and

WHEREAS, The Project will be used by the Partnership to provide housing for low-income persons, and no more than an insubstantial portion of the proceeds of the Tax-Exempt Bond (defined below) will be used in connection with the financing or refinancing of any portion of the Project to be used for any other purpose; and

WHEREAS, The Board of Commissioners of the Authority deems it necessary and advisable and in the best interest of the Authority to issue bonds in an aggregate principal amount of not to exceed \$20,000,000, the proceeds of which will be used to make a loan to the Partnership for the purposes described herein; and

WHEREAS, It is anticipated that JPMorgan Chase Bank, N.A. will offer to purchase the Bonds on the terms set forth herein; now, therefore, be it

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

1. **Definitions.** As used in this resolution, the following words have the following meanings:
 - “Assignment of Construction and Design Agreements”** means the Assignment of Construction and Design Agreements to be executed by the Partnership and the Authority, relating to assignment to the Bank of certain of the Authority’s and the Partnership’s rights under certain agreements relating to the design and construction of the Project, including any supplements or amendments thereto made in conformity therewith.
 - “Assignment of Loan Documents”** means the Assignment of Loan Documents to be executed by the Authority and acknowledged by the Partnership, relating to assignment to the Bank of the Authority’s rights under certain of the Loan Documents, including any supplements or amendments thereto made in conformity therewith.
 - “Assignment of Management Agreement”** means the Assignment of Management Agreement and Consent and Subordination of Manager to be executed by the Partnership and the property manager for the Project, relating to assignment to the Bank of certain of Partnership’s interests in the management agreement with respect to the Project, including any supplements or amendments thereto made in conformity therewith.
 - “Assignment of Tax Credits and Partnership Interests”** means the Assignment of Rights to Tax Credits and Partnership Interests to be executed by the Partnership and the Authority (in its capacity as general partner of the Partnership), relating to assignment to the Bank of certain rights of the Authority and the Partnership under the Partnership’s governing documents, including any supplements or amendments thereto made in conformity therewith.

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

“Bank” means JPMorgan Chase Bank, N.A., as Registered Owner of the Bonds, and any subsequent Registered Owner thereof.

“Bank Loan Agreement” means the Construction and Permanent Loan Agreement between the Authority and the Partnership, and assigned by the Authority to the Bank, setting forth certain covenants and conditions relating to the Loan, and including any supplements or amendments thereto made in conformity herewith and therewith.

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

“Bonds” means, together, the Tax-Exempt Bond and the Taxable Bond.

“Bond Fund” means the Housing Authority of the City of Tacoma Low-Income Housing Assistance Revenue Bond Fund, 2016 (Bay Terrace Phase II).

“Bond Registrar” means the Executive Director of the Authority.

“Bond Loan Agreement” means the Loan Agreement between the Authority and the Partnership providing for, evidencing and securing the obligation of the Partnership to repay the Loan, and including any supplements or amendments made in conformity herewith and therewith.

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

“Construction Loan Maturity Date” means the construction loan maturity date specified in the Loan Documents, which shall be not more than 36 months after the delivery date of the Bonds.

“Deed of Trust” means the Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Filing under which the Partnership will be grantor and the Bank will be the beneficiary, encumbering the Partnership’s leasehold interest in the real property and improvements and personal property constituting the Project, including any supplements or amendments thereto made in conformity herewith and therewith.

“Draws” means incremental draws on the Bonds.

“Environmental Indemnity Agreement” means the Environmental Indemnity Agreement to be executed by the Partnership and the Authority in favor of the Bank relating to environmental claims with respect to the Project, including any supplements or amendments thereto made in conformity therewith.

“Fixed Rate Funding Date” means date on which interest on all or a portion of the principal amount of the Tax-Exempt Bond then outstanding begins to bear interest at a fixed rate, as specified in the Loan Documents, which shall not be more than 30 months after the delivery date of the Bonds.

“General Revenues” means the rent, fees and other revenues of the Authority from any source, except those revenues which are prohibited from being used for the purpose of paying the principal of and interest on the Bonds under the provisions of any law,

regulation, contract or covenant, resolution or deed of trust (including restrictions relating to funds available to the Authority under the U.S. Housing Act of 1937).

“Guaranty” means the Guaranty of Payment (Construction/Permanent) executed by the Authority guaranteeing the Partnership’s obligations with respect to the Loan.

“Loan” means the loan from the Authority to the Partnership of the proceeds of Draws on the Bonds.

“Loan Documents” means, collectively, the Bond Loan Agreement, the Bank Loan Agreement, the Deed of Trust, the Disbursement and Rate Management Agreement, the Environmental Indemnity Agreement, the Notes, the Assignment of Construction and Design Agreements, the Assignment of Loan Documents, the Assignment of Management Agreement, the Assignment of Tax Credits and Partnership Interests, the Replacement Reserve Agreement, the Operating Reserve Agreement, any related UCC Financing Statements and any other documents relating to the Loan to be executed by the Partnership.

“Notes” means the promissory notes evidencing the Loan.

“Operating Reserve Agreement” means the Operating Reserve Agreement to be executed by the Partnership and the Bank, relating to the creation and funding of an operating reserve account for the Project, including any supplements or amendments thereto made in conformity therewith.

“Partnership” means 2500 Court G LLLP, a Washington limited liability limited partnership of which the Authority is the sole general partner.

“Project” means, depending on the context (1) the construction of a 74-unit apartment complex located on real property legally described in Exhibit A to the Deed of Trust, or (2) the apartment complex so constructed.

“Proposal Letter” means the letter dated September 2, 2015, prepared by the Bank setting forth certain of the terms under which the Bank may purchase the Bonds, as it may be amended and supplemented, and any commitment letter issued pursuant or supplemental thereto.

“Registered Owner” means the Bank, as registered owner of the Bonds registered as such on the registration books maintained by the Bond Registrar.

“Regulatory Agreement” means the Regulatory Agreement executed by the Partnership for the benefit of the Authority governing the use of the Project, and including any supplements or amendments thereto made in conformity herewith and therewith.

“Replacement Reserve Agreement” means the Replacement Reserve Agreement to be executed by the Partnership and the Bank, relating to the creation and funding of a replacement reserve account for the Project, including any supplements or amendments thereto made in conformity therewith.

“Taxable Bond” means the Low-Income Housing Assistance Revenue Bond, 2016, Series A (Taxable) (Bay Terrace Phase II), of the Authority, issued pursuant to, under the authority of and for the purposes provided in this resolution.

“Taxable Bond Maturity Date” means the maturity date specified in the Taxable Bond, which shall not be more than 36 months after the delivery date of the Bonds.

“Tax-Exempt Bond” means the Low-Income Housing Assistance Revenue Bond, 2016, Series B (Tax-Exempt) (Bay Terrace Phase II), of the Authority, issued pursuant to, under the authority of and for the purposes provided in this resolution.

“Tax-Exempt Bond Maturity Date” means the maturity date specified in the Tax-Exempt Bond, which shall not be more than 20 years after the delivery date of the Bonds.

All other capitalized terms used but not defined herein shall have the meanings assigned to them in the Bond Loan Agreement.

2. Authorization of Bonds and Application of Proceeds. For the purpose of providing financing for a portion of the costs of the Project, the Authority shall issue and sell the Bonds in an aggregate principal amount not to exceed \$20,000,000. Such Bond financing is declared and determined to be important for the feasibility of the Project. All proceeds from Draws on the Bonds shall be lent to the Partnership for those purposes. The Board finds that it is in the best interest of the Authority to issue the Bonds for the purposes set forth in this resolution.
3. Description of Bonds. The Bonds shall be designated the Low-Income Housing Assistance Revenue Bond, 2016, Series A (Taxable) (Bay Terrace Phase II) (the “Taxable Bond”) and the Low-Income Housing Assistance Revenue Bond, 2016, Series B (Tax-Exempt) (Bay Terrace Phase II) (the “Tax-Exempt Bond”), of the Authority; shall be issued in registered form; shall be dated their date of delivery to the Bank; and shall be numbered R-1.

The Bonds shall bear interest up to but not including the Fixed Rate Funding Date at a variable rate or rates as described in the Proposal Letter and more fully described in the applicable Bond and the Loan Documents. On the Fixed Rate Funding Date, a portion of the Tax-Exempt Bond in a principal amount not to exceed \$4,000,000 shall be converted to bear interest at a fixed rate to be set forth in the Tax-Exempt Bond, not to exceed 7.0% per annum. Interest on the Bonds shall be calculated on the basis of a 360-day year for the actual number of days elapsed. The interest rate shall be subject to adjustment based upon a determination of taxability (with respect to the Tax-Exempt Bond) or the occurrence of an event of default, as provided in the Loan Documents.

Principal of and interest on the Bonds shall be payable on such dates as set forth in the Bonds and the Loan Documents. The Bonds shall have such prepayment of redemption provisions and shall have such other provisions consistent with the purposes of this resolution as are set forth in the Bonds and the Loan Document. Notwithstanding the foregoing, principal of Tax-Exempt Bond, other than that portion converted to bear interest at a fixed rate on the Fixed Rate Funding Date, together with any accrued and unpaid interest thereon, shall be due and payable on the Construction Loan Maturity Date. Outstanding principal of the Tax-Exempt Bond, together with any accrued and unpaid interest thereon, shall be due and payable on the Tax-Exempt Bond Maturity Date. Outstanding principal of the Taxable Bond, together with any accrued and unpaid interest thereon, shall be due and payable on the Taxable Bond Maturity Date.

4. Draws on the Bonds. The Board authorizes the Executive Director of the Authority or his or her designee, to cause the Authority to make Draws against the Bonds in such amounts and at such times to meet the Partnership's requests for draws under the Loan Documents, those Draws to be made in accordance with the terms and provisions set forth herein and in the Loan Documents. Draws shall be recorded in such form as the Partnership and the Bank may agree. Draws on the Taxable Bond shall be limited to an aggregate principal amount of not to exceed \$16,000,000. Draws on the Tax-Exempt Bond shall be limited to an aggregate principal amount of not to exceed \$4,000,000. Total Draws on the Bonds shall be limited to an aggregate principal amount of \$20,000,000.
5. Bond Register; Registration and Transfer of Bonds. The Bonds shall be issued only in registered form as to both principal and interest and shall be recorded on books or records maintained by the Bond Registrar (the "Bond Registers"). The Executive Director of the Authority shall serve as Bond Registrar for the Bonds. The Bond Registers shall contain the names and mailing addresses of the Registered Owner of the Bonds. The Bond Registrar is authorized, on behalf of the Authority, to authenticate and deliver the Bonds in accordance with the provisions of the Bonds and this resolution, to serve as the Authority's paying agent for the Bonds and to carry out all of the Bond Registrar's powers and duties under this resolution.

The Bonds may not be transferred by the Bank without the prior written consent of the Authority (which consent shall not be unreasonably withheld), except that the Bank may assign or transfer the Bonds to a successor to the business and assets of the Bank or to an affiliate of the Bank upon completion and delivery to the Authority of the assignment form and certificate of transferee attached to the Bonds. Any transfer shall be without cost to the Registered Owner or transferee, except for governmental charges imposed on any such transfer or exchange. The Bond Registrar shall not be obligated to exchange or transfer any Bond during the five days preceding any interest payment date, prepayment date or the applicable maturity date.

6. Payment of Bonds. Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America and shall be paid by check mailed to arrive on or before each payment date, or in immediately available funds delivered on or before each payment date, to the Registered Owner at the address appearing on the Bond Register on the date payment is mailed or delivered. Upon the final payment of principal of and interest on a Bond, the Registered Owner shall surrender that Bond at the principal office of the Bond Registrar in Tacoma Washington, and the Bond shall be destroyed or cancelled in accordance with law.
7. Bond Fund; Security for the Bonds. The Bond Fund is hereby established as a special fund of the Authority designated the Low-Income Housing Assistance Revenue Bond Fund, 2016 (Bay Terrace Phase II). The Bond Fund shall be drawn upon for the sole purpose of paying the principal of and interest on the Bonds. The Authority irrevocably obligates and binds itself to set aside and pay into the Bond Fund from amounts owed or paid by the Partnership under the Loan Documents, amounts sufficient to pay principal of and interest on the Bonds when due, all of which amounts are pledged to the payment of

the Bonds. The Bonds shall be secured by the Loan Documents and the Guaranty. Upon the issuance of the Bonds, the Authority shall cause the Loan Documents to be executed by the Partnership for the benefit of the Authority and/or the Bank, and shall assign the Loan Documents to which it is a party to the Bank, as security for the Authority's payment of the principal of and interest on the Bonds, except that the Authority shall retain certain rights under the Bond Loan Agreement as described therein. Upon that assignment, the Bank shall collect, on behalf of the Authority and the Bond Fund, the principal and interest payments received under the Loan Documents, and shall apply the same to the payment of the principal of and interest on the Bonds, and the Authority shall have no obligation to make principal and interest payments on the Bonds except from those payments collected by the Bank on the Authority's behalf.

The Registered Owner shall not charge the Authority, in its capacity as issuer of the Bonds, and, in such capacity, the Authority shall not be obligated to pay to the Registered Owner, any fees for or costs of collection and application of principal and interest payments under the Loan Documents or the Bonds, including any fees for or costs of collecting such payments or exercising the power of sale or any other power under the Deed of Trust, nor shall the Authority be obligated to pay for the application of such payments to the payment of principal of and interest on the Bonds. If the Bonds are assigned and transferred to a new Registered Owner, the security interest in the Loan

Documents shall be assigned to such new Registered Owner, and such new Registered Owner shall have the rights to carry out all of the duties of the prior Registered Owner as set forth in this resolution, including the duty to collect principal and interest payments under the Loan Documents and apply the same to the payment of principal of and interest on the Bonds.

The Bonds shall not be a debt of the City of Tacoma, the State of Washington or any political subdivision thereof, and the Bonds shall so state on their face. Neither the City of Tacoma, the State of Washington nor any political subdivision thereof (except the Authority from the sources described herein) shall be liable for payment of the Bonds nor in any event shall principal of and interest on the Bonds be payable out of any funds of the Authority other than the Bond Fund. The Authority has no taxing power.

The Authority pledges its General Revenues to the payment of its obligation under the Guaranty and the Environmental Indemnification Agreement, subject to release in accordance with the terms thereof. The Authority reserves without limitation the right to issue other obligations, the principal of and interest on which are to be paid from the General Revenues on a parity of lien with obligations of the Authority under the Guaranty and the Environmental Indemnification Agreement. At its option, the Authority may pledge any revenues that comprise a portion of the General Revenues to the payment of other obligations, such payments to have priority over the payments to be made under the Guaranty and Environmental Indemnification Agreement with respect to that portion of the General Revenues so pledged.

Except to the extent of the pledge of the General Revenues of the Authority to payment of the Authority's obligations under the Guaranty and the Environmental Indemnification

Agreement, neither the Authority nor any of the Commissioners, officers or employees of the Authority shall be personally liable for the payment of the Bonds.

8. Form and Execution of Bonds. The Bonds shall be in a form consistent with the provisions of this resolution and state law, shall bear the manual or facsimile signatures of the Chair of the Board and the Executive Director of the Authority and shall be impressed with the seal of the Authority or shall bear a facsimile thereof.

Only a Bond bearing a Certificate of Authentication in the following form, manually signed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this resolution:

CERTIFICATE OF AUTHENTICATION

This Bond is the fully registered Housing Authority of the City of Tacoma Low-Income Housing Assistance Revenue Bond, 2016, Series [A/B] [(Taxable)/(Tax-Exempt)] (Bay Terrace Phase II), described in the Bond Resolution.

Executive Director of the Authority, Bond Registrar

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

If any officer whose facsimile signature appears on a Bond ceases to be an officer of the Authority authorized to sign bonds before the Bond bearing his or her facsimile signature is authenticated or delivered by the Bond Registrar or issued by the Authority, the Bond nevertheless may be authenticated, issued and delivered and, when authenticated, issued and delivered, shall be binding on the Authority as though that person had continued to be an officer of the Authority authorized to sign bonds. The Bonds also may be signed on behalf of the Authority by any person who, on the actual date of signing of the Bonds, is an officer of the Authority authorized to sign bonds, although he or she did not hold the required office on the date of issuance of the Bonds.

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

other penalties if required under Section 148 of the Code to prevent interest on the Tax-Bond from being included in gross income for federal income tax purposes (but only from amounts received by the Authority from the Partnership as payments for those purposes).

The Bond Loan Agreement shall require the Partnership to reimburse the Authority for all costs to the Authority of its compliance with the covenants contained in this section, and the Authority shall not be required to expend any funds, other than such amounts to be reimbursed or other money received under the terms of the Bond Loan Agreement, in so complying.

10. Approval of Sale of the Bonds to the Bank. It is anticipated that the Bank will offer to purchase the Bonds under the terms and conditions contained in this resolution and in the Proposal Letter. The Board finds that such offer is in the best interest of the Authority, and therefore approves the offer to purchase the Bonds under the terms and conditions in this resolution and the Proposal Letter.

The Bonds will be delivered to the Bank with the approving legal opinion of Foster Pepper PLLC, municipal bond counsel of Seattle, Washington, regarding the Bonds.

11. Authorization of Documents and Execution Thereof. The Board authorizes the Executive Director to negotiate and approve the Regulatory Agreement, the Guaranty, the Priority Agreement and the Loan Documents. The Board authorizes and approves the execution and delivery of, and the performance by the Authority of its obligations contained in, the Bonds, the Guaranty, the Priority Agreement, the Loan Documents to which it is a party and this resolution and the consummation by the Authority of all other transactions contemplated by this resolution in connection with the issuance of the Bonds. The Board authorizes and directs the Executive Director of the Authority to execute on behalf of the Authority and to deliver to the Bank the Regulatory Agreement, the Guaranty and the Loan Documents to which the Authority is a party, and such financing statements and other documents, instruments and agreements as may be necessary or desirable in connection with the issuance of the Bonds or required by the Bank as a condition to purchasing the Bonds.
12. Officers Authorized. Any action authorized or directed to be taken by the Chair of the Board or the Executive Director of the Authority may, in his or her absence, be taken by the duly authorized acting Chair of the Board or the acting Executive Director of the Authority, respectively.
13. Changes to Titles or Parties. While the titles of and parties to the various documents described herein may change, no change to such titles or parties shall affect the authority conferred by this resolution to execute, deliver, file (if required), enforce and perform the documents in their final form.
14. Ratification and Confirmation. Any actions of the Authority or its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.

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

Approved: February 24, 2016

Stanley Rumbaugh, Chair

CERTIFICATE

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

1. That the attached copy of Resolution No. 2016-1-27(3) (the "Resolution") is a full, true and correct copy of the resolution of the Board of Commissioners of the Authority, as adopted at a meeting of the Authority held on January 27, 2016, and duly recorded in the minute books of the Authority;
2. That written notice specifying the time and place of the meeting and noting the business to be transacted was given to all members of the Board of Commissioners by mail, fax, electronic mail or personal delivery at least 24 hours prior to the meeting, a true and complete copy of which notice is attached hereto as Appendix I;
3. That the written notice described above was also posted on the Authority's website and prominently displayed at the main entrance of the Authority's administrative office at 901 South L Street, Tacoma, Washington 98405 and at the meeting site, if different, at least 24 hours prior to the meeting;
4. That the written notice described above was given to each local radio or television station and to each newspaper of general circulation that has on file with the Authority a written request to be notified of special meetings and to any others to which such notices are customarily given by the Authority; and
5. That such meeting was duly convened and held in all respects in accordance with law; that a quorum was present throughout the meeting and a majority of the members of the Board of Commissioners of the Authority present at the meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 27th day of January, 2016.

Michael Mirra, Secretary and Executive Director of the Authority

9.4 RESOLUTION 2016-01-27 (4)
(Bay Terrace Phase 2, 2500 Court G LLLP)

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma authorizing the lease of Authority property to 2500 Court G LLLP, authorizing loans to 2500 Court G LLLP, approving the execution and delivery of documents relating to the construction, equipping, operation and maintenance of the apartment project known as Bay Terrace Phase II, and determining related matters.

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

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

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

WHEREAS, Pursuant to the authority provided by RCW 35.82.070, the Authority formed 2500 Court G LLLP (the “Partnership”) with Tacoma Housing Development Group (“THDG”); and

WHEREAS, The Partnership has applied to the Authority for financial assistance for the purpose of providing part of the funds with which to construct, equip, operate and maintain a 74-unit apartment complex located at or about 2505 Court G, Tacoma, Washington (the “Project”), to provide housing for low income persons within the City of Tacoma, Washington (the “City”); and

WHEREAS, In connection with the financing for the Project, the Authority will lease the Project to the Partnership; and

WHEREAS, RBC-BAY TERRACE II, LLC (or one or more of its affiliates) (collectively, the “Investor”) has offered to acquire the limited partner interest in the Partnership, and the Authority’s Board of Commissioners (the “Board”) finds and determines that the capital contributions expected to be made by the Investor to the Partnership will be sufficient, together with other available money, to enable the Partnership to acquire, rehabilitate, operate and maintain the Project; and

WHEREAS, As a condition to acquiring the limited partner interest in the Partnership, the Investor requested that the Authority amend and restate the Partnership’s original limited

partnership agreement and execute and deliver certain other agreements, certificates and other documents relating to the Partnership and the Project, which request the Board finds and determines to be reasonable; and

WHEREAS, The Board finds and determines that the Project likely would not be developed and maintained as housing for individuals and families of low income unless the Partnership was formed and the Investor committed to make its capital contributions to the Partnership; and

WHEREAS, The total cost of acquiring, constructing, equipping and financing the Project is not expected to exceed \$25,000,000, which will be financed by the Partnership with numerous sources of funds, including a loan of proceeds of taxable and tax-exempt bonds issued by the Authority, Investor capital attributable to low income housing tax credits, and loans from the Authority and Tacoma Community Redevelopment Authority ("TCRA"); and

WHEREAS, The Partnership will provide the Authority with a right of first refusal to acquire the Project at the end of the 15-year low-income housing tax credit "compliance period" for the Project; and

WHEREAS, The Authority wishes to undertake those steps as may be necessary, reasonable and/or advisable for it to serve as general partner of the Partnership and developer of the Project, and to obtain the various funding sources on behalf of the Project described above, and to make such funds available to the Partnership; and

WHEREAS, The Board finds and determines that the financial assistance to be provided by the Authority pursuant to this resolution is necessary to support the poor and infirm; and

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

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

1. Approval of Partnership Documents. The Authority is authorized to continue as a general partner of the Partnership and to provide development services to the Partnership. The Chair of the Board, the Authority's Executive Director and their respective designees (each, an "Authorized Officer" and, collectively, the "Authorized Officers"), and each of them acting alone, are authorized and directed to execute, deliver and, if applicable, file (or cause to be executed and delivered and, if applicable, filed) on behalf of the Authority (acting on its own behalf or as general partner of the Partnership) (i) those documents listed in Exhibit A under the heading "Partnership Documents" (collectively, the "Partnership Documents"); and (ii) any other documents reasonably required to be executed by the Authority or the Partnership to carry out the transactions contemplated by the Partnership Documents. The Authorized Officers (and each of them acting alone) are further authorized and directed to take any other action and to execute such other documents as may be required to be taken or executed by the Authority, on behalf of

itself or as general partner of the Partnership, under the provisions of or as necessary to carry out the transactions contemplated by the Partnership Documents (including the amendment of any such documents if necessary to further the purposes thereof or resolve ambiguities therein). From and after the date the Partnership Documents are effective, the Executive Director (or his designee) is authorized and directed, without further Board approval, to take such actions on behalf of the Authority as are required to be taken by the general partner of the Partnership.

2. Approval of Senior Loan Documents. The Authorized Officers (and each of them acting alone) are authorized and directed to execute and deliver, on behalf of the Authority (acting on its own behalf or as general partner of the Partnership) (i) those documents listed in Exhibit A under the heading "Senior Loan Documents" (collectively, the "Senior Loan Documents"), substantially in the forms on file with the Authority, with such changes, including any material changes, as the Authorized Officer executing such documents deems necessary or advisable; and (ii) any other documents reasonably required to be executed by the Authority or the Partnership to carry out the transactions contemplated by the Senior Loan Documents (including the amendment of any such documents if necessary to further the purposes thereof or resolve ambiguities therein).
3. Approval of Housing Authority Loan Documents. The Authority is authorized to lend to the Partnership up to \$3,000,000 (excluding deferred developer fees) of available Authority funds (in addition to funds lent under the Senior Loan Documents), all pursuant to the documents listed in Exhibit A under the heading "Housing Authority Loan Documents" (collectively, the "Housing Authority Loan Documents"). The Authorized Officers (and each of them acting alone) are authorized and directed to take all actions required of the Authority in connection with the loan to be made by the Authority to the Partnership in connection with the Project. In particular, the Authorized Officers (and each of them acting alone) are authorized to execute, deliver and, if applicable, file (or cause to be executed, delivered and, if applicable, filed) on behalf of the Authority on its own behalf or in its capacity as general partner of the Partnership, as applicable: (i) the Housing Authority Loan Documents, substantially in the forms on file with the Authority, with such changes, including material changes, as the Authorized Officer executing such document deems necessary or advisable; and (ii) any other documents reasonably required to be executed by the Authority or the Partnership to carry out the transactions contemplated by the Housing Authority Loan Documents (including the amendment of any such documents if necessary to further the purposes thereof or resolve ambiguities therein).
4. Approval of TCRA Loan Documents. The Authorized Officers (and each of them acting alone) are authorized to execute, deliver and, if applicable, file (or cause to be executed, delivered and, if applicable, filed) on behalf of the Authority on its own behalf or in its capacity as general partner of the Partnership, as applicable: (i) the documents listed in Exhibit A under the heading "TCRA Loan Documents" (collectively, the "TCRA Loan Documents"), substantially in the forms on file with the Authority, with such changes, including material changes, as the Authorized Officer executing such document deems necessary or advisable; and (ii) any other documents reasonably required to be executed by the Authority or the Partnership to carry out the transactions contemplated by the TCRA

Loan Documents (including the amendment of any such documents if necessary to further the purposes thereof or resolve ambiguities therein).

5. Approval of Lease Agreement. The Authority is authorized to lease to the Partnership, for a term not exceeding 100 years, the Project and the land on which the Project is to be located, all existing improvements located on such land, and the Authority's interest in all personal property located on such land and in such improvements. The Authorized Officers (and each of them acting alone) are authorized and directed to execute and deliver, on behalf of the Authority (acting on its own behalf or as general partner of the Partnership), a lease transferring the Project and the land on which the Project is located to the Partnership in substantially the form on file with the Authority and such other agreements and documents as are necessary for the Authority to transfer a leasehold interest in the Project to the Partnership; provided however, any Authorized Officer may approve on the Authority's behalf any further changes to the draft Lease Agreement (including material changes, changes to parties and changes to the title of any such document) and such Authorized Officer's signature on the final Lease Agreement shall be construed as the Authority's approval of such changes.
6. Tax Credit Documents. The Authorized Officers (and each of them acting alone) are authorized on behalf of the Authority (acting on its own behalf or as general partner of the Partnership) to execute, deliver and/or file (or cause to be delivered and/or filed) all documents deemed necessary or appropriate to allow the Partnership to qualify for and obtain federal low-income housing tax credits in connection with the Project including, without limitation: the filing of one or more applications with the Washington State Housing Finance Commission; the execution of all necessary and related documents, including without limitation regulatory agreements, declarations and restrictive covenants.
7. Assignments. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority to execute and deliver one or more instruments (i) assigning to the Partnership the Authority's rights, if any, under construction contracts, architect's contracts, the geotechnical consultant contracts and other development contracts, as such rights pertain to the rehabilitation of the Project and (ii) assigning to lenders and others the Partnership's interests in such contracts.
8. Supplemental Authorization. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority (acting on its own behalf or as general partner of the Partnership) to: (i) determine that any document authorized by this resolution is, at the time such document otherwise would be executed, no longer necessary or desirable and, based on such determination, cause the Authority and/or the Partnership not to execute or deliver such document; (ii) execute and deliver and, if applicable, file (or cause to be delivered and/or filed) any government forms, affidavits, certificates, letters, documents, agreements and instruments that such officer determines to be necessary or advisable to give effect to this resolution and to consummate the transactions contemplated herein and/or further the acquisition, rehabilitation, development, financing, construction, and leasing of the Project; and (iii) cause the Authority and/or the Partnership to expend such funds as are necessary to pay for all filing fees, application

fees, registration fees and other costs relating to the actions authorized by this resolution. Without limiting the scope of such authorization, such documents may include lease-up and marketing agreements, company management services agreements, development agreements, construction guaranty agreements, repayment guarantees, cash pledge agreements, environmental indemnity agreements, property management agreements, architect agreements, contractor agreements, housing assistance payment contracts, irrevocable consents and appointments of attorneys for service of process.

9. Execution of Duties and Obligations. The Board authorizes and directs the Authority's Executive Director to cause the Authority (whether acting on its own behalf or in its capacity as general partner of the Partnership, as applicable) to fulfill the Authority's duties and obligations, and cause the Partnership to fulfill the Partnership's duties and obligations under the various agreements authorized by this resolution. In the furtherance of the foregoing, the Authority is authorized to expend such funds (and to cause the Partnership to expend such funds) as are necessary to pay for all filing fees, application fees, registration fees and other costs relating to the actions authorized by this resolution.
10. Increase in Authority Participation. The Authorized Officers, and each of them acting alone, are authorized to decrease the principal amount of any loan or capital contribution authorized by this resolution by any amount, or to increase the principal amount of any loan by or capital contribution from the Authority by an amount up to \$1,000,000 more than the maximum principal amount for the loan or capital contribution stated in this resolution. The Board directs the Executive Director to report to the Board if the total amount borrowed by the Partnership for the Project exceeds the aggregate maximum principal amount stated in this resolution and the Bond Resolution for all loans to the Partnership.
11. Acting Officers Authorized. Any action required by this resolution to be taken by the Chair of the Board or the Executive Director of the Authority may, in such person's absence, be taken by the Vice Chair of the Board or the Acting Executive Director of the Authority, respectively.
12. Changes to Titles or Parties. While the titles of and parties to the various documents listed in Exhibit A hereto may change, no change to such titles or parties shall affect the authority conferred by this resolution to execute, deliver, file (if required), enforce and perform the documents in their final form.
13. Ratification and Confirmation. All actions of the Authority and its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.
14. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

Approved: February 24, 2016

Stanley Rumbaugh, Chair

EXHIBIT A

TRANSACTION DOCUMENTS

Partnership Documents

- Amended and Restated Agreement of Limited Partnership by and among the Authority, THDG and the Investor;
- Development Agreement between the Partnership and the Authority;
- Purchase Option and Right of First Refusal Agreement between the Partnership and the Authority;
- Operating Subsidy Contract between the Partnership and the Authority;
- Property Management Agreement between the Partnership and the Authority;
- Reimbursement and Assignment Agreement between the Partnership and the Authority;
- Agreement to Enter into Housing Assistance Payment Contract between the Authority and the Partnership;
- Regulatory Agreement (Extended Use Agreement) among the Washington State Housing Finance Commission (the "Commission"), the Authority and the Partnership;

Senior Loan Documents

- Loan Agreement between the Authority and the Partnership, with an acceptance of assignment and JP Morgan Chase Bank, N.A. (the "Bank");
- Regulatory Agreement between the Authority and the Partnership;
- Assignment of Loan Documents from the Authority to the Bank;
- Construction and Permanent Loan Agreement between the Authority and the Bank;
- Variable Rate Notes from the Partnership;
- Fixed Rate Notes from the Partnership;
- Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Filing from the Partnership and the Authority in favor of the Bank;
- Collateral Assignment of Rights to Tax Credits and Partnership Interests from the Authority and the Partnership;
- Assignment of Construction and Design Agreements from the Partnership and the Authority;
- Assignment of Management Agreement and Consent and Subordination of Manager from the Partnership;
- Replacement Reserve Agreement between the Partnership and the Bank;
- Operating Reserve Agreement between the Partnership and the Bank;
- HAP Transition Reserve Agreement from the Partnership and the Bank;
- Guaranty of Payment from the Authority;
- Environmental Indemnity Agreement from the Authority and the Partnership;
- Interest Election Request from the Partnership to the Bank; and
- Disbursement and Rate Management Authorization and Instruction Agreement from the Partnership.

- Priority and Subordination Agreement among the Authority, the Partnership, the Bank, the Commission, TCRA and others;

Housing Authority Loan Documents

- Master Loan Agreement between the Partnership and the Authority;
- Promissory Note (Bay Terrace Phase II Project) by the Partnership in favor of the Authority;
- Leasehold Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing (Bay Terrace Phase II Project – Master Loan) from the Partnership in favor of the Authority;
- Hazardous Substances Warranty/Indemnity Agreement by the Partnership in favor of the Authority;

TCRA Loan Documents

- Owner/Developer Rental Assistance Program HOME Agreement among TCRA, the Authority and the Partnership;
- Promissory Note from the Authority payable to TCRA;
- Leasehold Deed of Trust with Assignment of Rents and Security Agreement from the Partnership in favor of TCRA;
- Affordability Covenant from the Partnership in favor of TCRA;
- Assignment, Assumption and Consent Agreement between the Partnership, the Authority and TCRA; and
- Hazardous Substances Remediation and Indemnification Agreement from the Partnership in favor of TCRA.

CERTIFICATE

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

1. That the attached copy of Resolution No. 2016-1-27(4) (the “Resolution”) is a full, true and correct copy of the resolution of the Board of Commissioners of the Authority, as adopted at a meeting of the Authority held on January 27, 2016, and duly recorded in the minute books of the Authority;

2. That written notice specifying the time and place of the meeting and noting the business to be transacted was given to all members of the Board of Commissioners by mail, fax, electronic mail or personal delivery at least 24 hours prior to the meeting, a true and complete copy of which notice is attached hereto as Appendix I;

3. That the written notice described above was also posted on the Authority’s website and prominently displayed at the main entrance of the Authority’s administrative office at 901 South L Street, Tacoma, Washington 98405 and at the meeting site, if different, at least 24 hours prior to the meeting;

4. That the written notice described above was given to each local radio or television station and to each newspaper of general circulation that has on file with the Authority a written request to be notified of special meetings and to any others to which such notices are customarily given by the Authority; and

5. That such meeting was duly convened and held in all respects in accordance with law; that a quorum was present throughout the meeting and a majority of the members of the Board of Commissioners of the Authority present at the meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 27th day of January, 2016.

Michael Mirra, Secretary and Executive Director of the Authority

Approved: February 24, 2016

Stanley Rumbaugh, Chair

9.5 RESOLUTION 2016-1-27 (5)
(Amend the Initial Program and Income Certification and Leasing Services
with Allied Residential)

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

WHEREAS, In September 2015 Tacoma Housing Authority (THA) issued a Request for Proposal (RFP) seeking initial program and income certification and leasing services for the Rental Assistance Demonstration (RAD) project. The services would assist THA in preparing the resident files to qualify for tax credit requirements; and

WHEREAS, THA proposals were due September 25, 2015; THA received three proposals; it deemed two to be responsive and responsible; and

WHEREAS, A review committee scored the proposals and awarded the contract to Allied Residential for an amount not to exceed \$100,000; and

WHEREAS, THA is nearing the contract limit; and

WHEREAS, THA has more work to do, mainly because the RAD closing date has been delayed. This means we need to refresh some of the income certifications in order to comply with tax credit regulations; and

WHEREAS, Staff recommend a new contract amount not to exceed \$150,000;

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

THA Executive Director is authorized to amend the existing Initial Program and Income Certification and Leasing Services contract to increase the contract value to an amount not to exceed \$150,000.

Approved: February 24, 2016

Stanley Rumbaugh, Chair

10. COMMENTS FROM COMMISSIONERS

Chair Rumbaugh stated how he appreciated the feedback from the CLPHA conference.

11. EXECUTIVE SESSION

None.

12. ADJOURNMENT

There being no further business to conduct the meeting ended at 6:46 pm.

APPROVED AS CORRECT

Adopted: February 24, 2016

Stanley Rumbaugh, Chair



TACOMA HOUSING AUTHORITY

Real Estate Development Committee

Chair Stanley Rumbaugh

Finance Committee

Commissioner Minh-Anh Hodge

Commissioner Derek Young

Citizen Oversight Committee

Vice Chair Banks

Education Committee

Commissioner Minh-Anh Hodge



TACOMA HOUSING AUTHORITY

**COMMENTS FROM THE
EXECUTIVE DIRECTOR**



TACOMA HOUSING AUTHORITY

To: THA Board of Commissioners
From: Michael Mirra, Executive Director
Date: February 16, 2016
Re: Executive Director's Report

This is my monthly report for February 2016. The departments' reports supplement it.

1. MTW NEGOTIATIONS WITH HUD

Last month I was pleased to confirm the good news that Congress, in the 2016 budget, directed HUD to grant ten (10) year extensions to the MTW contracts with the 39 MTW housing authorities. Congress directed that the contracts include some language offering some protection of housing authority reserves. It further directed that the contract extensions be without further changes unless the housing authorities agreed to the changes.

HUD has proposed some changes to Congress's language about the protection of reserves. The Steering Committee representing the 39 MTW housing authorities has recommended that housing authorities not accept those changes. Most of them, including THA, have followed that recommendation and informed HUD of their unwillingness to sign. Negotiations continue.

2. STRATEGIC PLANNING

This month's board packet contains a resolution that will have the board approve performance measures for THA's seven strategic objectives, with baselines and targets. The board will note that some of the baselines and targets are still incomplete. Yet this is a good step forward in the various strategic planning steps:

↓	What the Board Chooses:	Status
	THA's Statement of Vision	Done
	THA Mission Statement	Done
	Strategic Objectives	Done
	Performance Measures for each strategic objectives with baselines and targets	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

If the board adopts this resolution, staff will then turn the performance measures, baselines, targets and outcomes into a digital dashboard. Using various visualization techniques, the dashboard will make these strategic choices easier to understand, review and adjust. Reviewing and adjusting them will no doubt be a never ending effort of the Board.



TACOMA HOUSING AUTHORITY

**ADMINISTRATION
REPORTS**



TACOMA HOUSING AUTHORITY

FINANCE



TACOMA HOUSING AUTHORITY

Motion

Adopt a consent motion ratifying the payment of cash disbursements totaling \$4,521,250 for the month of January, 2016.

Approved: February 24, 2016

Stanley Rumbaugh, Chair

TACOMA HOUSING AUTHORITY
Cash Disbursements for the month of January 2016

		Check Numbers				
		From	To	Amount		Totals
A/P Checking Account						
Low Rent Module Checks	Check #'s	2,842	- 2,845	601		
Accounts Payable Checks	Check #'s	86,583	- 86,776			
Business Support Center				373,636		
Moving To Work Support Center				218,571	Program Support	
Tax Credit Program Support Center				18,884		
Section 8 Programs				121,918	Section 8 Operations	
SF Non-Assisted Housing - N. Shirley				498		
SF Non-Assist Housing - 9SF Homes				76,853	Local Funds	
Salishan 7				36,675		
Prairie Oaks Operations				2,956		
Hillsdale Heights				270		
Development Activity				10,298	Development	
Salishan Area 4				225		
Bay Terrace II				127,432		
Hillside Terrace 1800 Court G Development				101		
THA RAD Project				152,450		
CS General Business Activities				80		
Community Services MTW Fund				2,086		
Gates Ed Proj Grant				5		
WA Families Fund				279	Community Service	
COT-CDBG-FSS Grant				30		
Pierce Co. 2163 Funds				(18)		
WA Families Fund - Systems Innovation				192		
COT-McCarver Grant				94		
AMP 1 - No K, So M, No G				50,715		
AMP 2 - Fawcett, Wright, 6th Ave				46,167		
AMP 3 - Lawrence, Orchard, Stevens				37,388		
AMP 6 - Scattered Sites				8,993		
AMP 7 - HT 1 - Subsidy				11,364		
AMP 8 - HT 2 - Subsidy				11,056		
AMP 9 - HT 1500 - Subsidy				9,505	Public Housing	
AMP 10 - SAL 1 - Subsidy				11,436		
AMP 11 - SAL 2 - Subsidy				12,164		
AMP 12 - SAL 3 - Subsidy				9,153		
AMP 13 - SAL 4 - Subsidy				11,714		
AMP 14 - SAL 5 - Subsidy				13,211		
AMP 15 - SAL 6 - Subsidy				12,673		
AMP 16 - Bay Terrace - Subsidy				12,729		
Allocation Fund				72,207	Allocations-All Programs	
THA SUBTOTAL				1,474,589		
Hillside Terrace 1 through 1500				1,330		
Bay Terrace				1,122		
Salishan I - through Salishan 6				79,851	Tax Credit Projects - billable	
Salishan Association - Operations				-		
TAX CREDIT SUBTOTAL (Operations - billable)				82,303		1,556,893
Section 8 Checking Account (HAP Payments)						
SRO/HCV/VASH/FUP/NED	Check #'s	481,697	- 481,709	9,599		
	ACH	88,224	- 89,541	2,427,680	\$	2,437,279
Payroll & Payroll Fees - ADP					\$	527,078
Other Wire Transfers						
					\$	-
TOTAL DISBURSEMENTS					\$	4,521,250



TACOMA HOUSING AUTHORITY

Date: February 24, 2016
To: THA Board of Commissioners
From: Ken Shalik
Director of Finance
Re: Finance Department Monthly Board Report

1. FINANCIAL STATEMENT COMMENTS

This report includes the January, 2016 disbursement report for the Board's approval, as well as the agency's year-end financial report for the period ending December 31, 2015.

Tacoma Housing Authority (THA) ended up the year with a slight surplus, and remains in good financial position. In 2015, THA ended drawing down all of the Housing Assistance Program (HAP) funds remaining in Housing and Urban Development (HUD) from 2014 (approximately \$1.8 million), and utilizing all that was allocated in 2015. THA utilized these funds for the purchase and loan for New Look Apts. (\$1.4 million); purchase of vehicles (\$120K); payoff of the Capital Fund Financing Bond Debt; and advances on development costs for both Rental Assistance Demonstration (RAD) and Bay Terrace II development. These advances will be repaid to the agency upon closing in 2016, and is not reflected in the financial report.

The financial report for the period ending December 31st leaves THA with an operating surplus of \$1,384,214 (line 68), and an overall surplus of \$93,435 (line 72).

Line 3 – HUD Grant – Section 8 Funding

The amount received was approximately \$1 million more than budgeted. Finance drew down all funds remaining at HUD from prior years, and THA was allocated more than what was originally budgeted.

Line 7 – HUD Grant – Capital Fund Operating Revenue

The amount received is substantially lower than budgeted. This was intentional, as halfway through the year the agency made a decision to stop drawing down Capital Funds to make them available for the RAD development project once it closes. The original budget included paying for RAD and Bay Terrace 2 predevelopment costs, which will be reimbursed to the agency once it closes, as well as a transfer to operations. Once the decision was made to stop drawing down Capital Fund Program (CFP) funds, other Moving to Work (MTW) funds were utilized to pay for these purposes.

Line 10 – Investment Income

THA started receiving interest on the New Look loan in November, which increased this amount above budget.

Line 15 -34 – Administrative Expenses

THA came in under budget in almost every category. Finance will be looking at these line items in greater detail for the 2016 budget.

Line 28 – Legal and Line 31 – Administrative Contracts

Costs for the RAD predevelopment were included in these two line items. The THA portion were capitalized, and not included in the operational budget, thus the dollar amounts expended were lower.

Line 30 – Staff Training

Additional training was scheduled for Property Management staff, based on the Asset Management report from Tax Credit Asset Management (TCAM) in 2014. THA has revised the training based on the RAD conversion, and have not expended much of what had been budgeted.

Lines 36 -40 – Tenant Services

The expenses in this area were under budget overall. The Community Services areas were reorganizing both staff and priorities in 2015. THA maintained focused on how to best serve its clients and the Education Program.

Lines 46 – 50 – Maintenance

The overall category was under budget. Salaries and benefits were under budget due to a reduction in staff during 2015.

Line 53 – Other General Expenses

This line is above budget due to the amount of funds expended for separation agreements for agency personnel, including the Maintenance buyout in 2015.

Line 61 – HAP Expenses

This came in under budget, as THA budgeted at 100% utilization, and were at approximately 98% for the year. Additionally, finance did not spend all the funds budgeted for special programs.

Line 65 - Debt Service Principal Payments

THA paid off the Capital Fund Financing Program (CFFP) bond (Salishan) of \$2.3 million dollars, which was a requirement THA needed to satisfy to transition to RAD. MTW funds were used to make this payment.

Line 69 – 71 – Capital Items

For 2015, the Capital Line items included the completion of the Prairie Oaks development; the 902 South L 2nd floor remodel, the first phase of the Information Technology (IT) conversion; the preparation of the 10 Single Family homes for sale; (along with sale proceeds for the 3 homes sold); the purchase of the ownership interest of the New Look Apts., along with the loan to the entity in conjunction with the purchase; and the purchase of the Outrigger Apts. Most of these were either Reserve Appropriations or reimbursement of funds from Grants. The reduction in the overall Surplus for the agency came from the fact THA used current year Operating Funds for the purchase of the New Look General partner interest and loan to the project.

2. INVESTMENTS

Surplus funds are invested in Heritage checking and the Washington State Investment Pool. Rates with Heritage Bank are at .33%. The Washington State Local Government Investment Pool currently provides a return rate of .40%.

3. AUDIT

There is nothing to report at this time.

4. BUDGETS

Finance is currently in the beginning stages of crafting the 2016 budget with all staff. The budget for 2016 passed in December was the 2015 mid-year budget amounts, and meant to provide funding until finance had a full budget process the first half of 2016. Staff are finalizing their requests and they are being provided to Finance. Upon input of the information, Finance will start negotiations with the department heads with the intent of having the budget presented to the board for approval in the June board meeting.

5. YEAR-END CLOSING UPDATE

The fiscal year closed on December 31st. The tax credit financials were completed in January, and the Tax Returns and audits are in the process of being completed now. The THA financials are in good shape, and THA Finance Manager is finalizing them for submission to HUD. Submission is usually due by the end of February, but due to some upgrades of the Real Estate Assessment Center (REAC) system, THA will not be able to submit until April. They will be finalized and ready to be input by the end of this month even with the extension.

**TACOMA HOUSING AUTHORITY
AGENCY WIDE**

		12/31/2015				Thru 12/31/2015		
		CURRENT MTH ACTUAL	YEAR TO DATE ACTUAL	BUDGETED YTD	VARIANCE	PROJECTED ACTUAL	BUDGETED	VARIANCE
OPERATING RECEIPTS								
1	Tenant Revenue - Dwelling rent	257,543	2,702,261	2,537,785	6.48%	2,702,261	2,537,785	6.48%
2	Tenant Revenue - Other	7,771	234,610	231,850	1.19%	234,610	231,850	1.19%
3	HUD grant - Section 8 HAP reimbursemer	3,736,432	37,790,054	36,612,866	3.22%	37,790,054	36,612,866	3.22%
4	HUD grant - Section 8 Admin fee earned	248,779	2,808,085	2,799,425	0.31%	2,808,085	2,799,425	0.31%
5	HUD grant - Public Housing subsidy	201,441	2,423,262	2,187,210	10.79%	2,423,262	2,187,210	10.79%
6	HUD grant - Community Services	9,781	286,921	353,493	-18.83%	286,921	353,493	-18.83%
7	HUD grant - Capital Fund Operating Reve	342,197	586,581	1,203,824	-51.27%	586,581	1,203,824	-51.27%
8	Management Fee Income	366,315	3,129,492	3,121,285	0.26%	3,129,492	3,121,285	0.26%
9	Other Government grants	89,629	384,795	409,108	-5.94%	384,795	409,108	-5.94%
10	Investment income	27,961	84,613	38,775	118.21%	84,613	38,775	118.21%
11	Fraud Recovery Income - Sec 8	924	11,409	40,000	-71.48%	11,409	40,000	-71.48%
12	Other Revenue- Developer Fee Income	0	824,608	919,485	-10.32%	824,608	919,485	-10.32%
13	Other Revenue	63,427	685,868	672,068	2.05%	685,868	672,068	2.05%
14	TOTAL OPERATING RECEIPTS	5,352,200	51,952,559	51,127,174	1.61%	51,952,559	51,127,174	1.61%
OPERATING EXPENDITURES								
<i>Administrative Expenses</i>								
15	Administrative Salaries	570,514	5,100,383	5,455,159	-6.50%	5,100,383	5,455,159	-6.50%
16	Administrative Personnel - Benefits	183,387	1,787,459	2,117,565	-15.59%	1,787,459	2,117,565	-15.59%
17	Audit Fees	0	61,408	81,713	-24.85%	61,408	81,713	-24.85%
18	Management Fees	255,902	2,516,728	2,569,796	-2.07%	2,516,728	2,569,796	-2.07%
19	Rent	10,686	128,232	128,200	0.02%	128,232	128,200	0.02%
20	Advertising	0	14,641	31,282	-53.20%	14,641	31,282	-53.20%
21	Information Technology Expenses	29,197	320,472	318,772	0.53%	320,472	318,772	0.53%
22	Office Supplies	10,655	64,901	59,368	9.32%	64,901	59,368	9.32%
23	Publications & Memberships	345	40,657	43,280	-6.06%	40,657	43,280	-6.06%
24	Telephone	10,358	110,475	109,559	0.84%	110,475	109,559	0.84%
25	Postage	4,798	30,966	58,813	-47.35%	30,966	58,813	-47.35%
26	Leased Equipment & Repairs	7,348	106,098	116,788	-9.15%	106,098	116,788	-9.15%
27	Office Equipment Expensed	6,313	89,443	76,835	16.41%	89,443	76,835	16.41%
28	Legal	8,379	202,649	285,588	-29.04%	202,649	285,588	-29.04%
29	Local Milage	312	7,159	11,122	-35.63%	7,159	11,122	-35.63%
30	Staff Training/Out of Town travel	4,343	155,173	306,289	-49.34%	155,173	306,289	-49.34%
31	Administrative Contracts	99,193	501,428	893,727	-43.89%	501,428	893,727	-43.89%
32	Other administrative expenses	19,708	134,534	94,547	42.29%	134,534	94,547	42.29%
33	Due diligence - Perspective Development	293	25,785	354,500	-92.73%	25,785	354,500	-92.73%
34	Contingency	0		73,000	-100.00%	0	73,000	-100.00%
35	Total Administrative Expenses	1,221,731	11,398,590	13,185,903	-13.55%	11,398,590	13,185,903	-13.55%

	December-15				Thru 12/31/2015		
	CURRENT MTH ACTUAL	YEAR TO DATE ACTUAL	BUDGETED	VARIANCE	PROJECTED ACTUAL	BUDGETED	VARIANCE
Tenant Service							
36 Tenant Service - Salaries	83,758	901,700	934,432	-3.50%	901,700	934,432	-3.50%
37 Tenant Service Personnel - Benefits	29,801	326,871	390,566	-16.31%	326,871	390,566	-16.31%
38 Relocation Costs	0	46,344	60,630	-23.56%	46,344	60,630	-23.56%
39 Tenant Service - Other	15,420	82,805	136,574	-39.37%	82,805	136,574	-39.37%
40 Total Tenant Services	128,979	1,357,720	1,522,202	-10.81%	1,357,720	1,522,202	-10.81%
Project Utilities							
41 Water	14,228	134,392	116,750	15.11%	134,392	116,750	15.11%
42 Electricity	22,637	215,494	199,800	7.85%	215,494	199,800	7.85%
43 Gas	5,580	50,343	55,550	-9.37%	50,343	55,550	-9.37%
44 Sewer	36,724	333,361	302,890	10.06%	333,361	302,890	10.06%
45 Total Project Utilities	79,169	733,590	674,990	8.68%	733,590	674,990	8.68%
Ordinary Maintenance & Operations							
46 Maintenance Salaries	52,737	553,440	703,230	-21.30%	553,440	703,230	-21.30%
47 Maintenance Personnel - Benefits	22,099	211,383	250,279	-15.54%	211,383	250,279	-15.54%
48 Maintenance Materials	16,197	198,551	232,750	-14.69%	198,551	232,750	-14.69%
49 Contract Maintenance	125,445	725,250	676,589	7.19%	725,250	676,589	7.19%
50 Total Routine Maintenance	216,478	1,688,624	1,862,848	-9.35%	1,688,624	1,862,848	-9.35%
General Expenses							
51 Protective Services	10,618	101,688	98,350	3.39%	101,688	98,350	3.39%
52 Insurance	20,186	225,000	210,381	6.95%	225,000	210,381	6.95%
53 Other General Expense	375,746	1,929,484	1,461,190	32.05%	1,929,484	1,461,190	32.05%
54 Payment in Lieu of Taxes	1,199	14,385	13,803	4.21%	14,385	13,803	4.21%
55 Collection Loss	7,893	264,813	245,506	7.86%	264,813	245,506	7.86%
56 Interest Expense	3,182	101,116	115,376	-12.36%	101,116	115,376	-12.36%
57 Total General Expenses	418,823	2,636,485	2,144,606	22.94%	2,636,485	2,144,606	22.94%
58 TOTAL OPERATING EXPENSES	\$ 2,065,180	\$ 17,815,010	\$ 19,390,549		\$ 17,815,010	\$ 19,390,549	
Nonroutine Expenditures							
59 Ext. Maint/Fac Imp/Gain/Loss Prop Sale	6,624	292,044	335,000	-12.82%	292,044	335,000	-12.82%
60 Casualty Losses	(22,858)	83,901	18,000	366.11%	83,901	18,000	366.11%
61 Sec 8 HAP Payments	2,618,084	29,919,914	30,927,469	-3.26%	29,919,914	30,927,469	-3.26%
62 Total Nonroutine Expenditures	2,601,849	30,295,858	31,280,469	-3.15%	30,295,858	31,280,469	-3.15%
63 TOTAL EXPENDITURES	4,667,030	48,110,868	50,671,018	-5.05%	48,110,868	50,671,018	-5.05%
64 OPERATING SURPLUS/(DEFICIT)	685,170	3,841,691	456,156	742.19%	3,841,691	456,156	742.19%
65 Debt Service Principal Payments	(2,516,990)	(2,529,490)	(195,240)	1195.58%	(2,529,490)	(195,240)	1195.58%
Surplus/Deficit Before Reserve Appropriations							
66	(1,831,820)	1,312,201	260,916	402.92%	1,312,201	260,916	
67 Reserve Appropriations - Operations	5,966	72,013	24,710	191.43%	72,013	24,710	191.43%
68 Surplus/Deficit Before Capital Expenditures	(1,825,854)	1,384,214	285,626		1,384,214	285,626	
69 Capitalized Items/Development Projects	(449,606)	(7,714,417)	(10,939,100)	-29.48%	(7,714,417)	(10,939,100)	-29.48%
70 Revenue - Capital Grants/Property Sales	760,461	3,788,312	6,275,500	-39.63%	3,788,312	6,275,500	-39.63%
71 Reserve Appropriations - Capital	210,250	2,635,326	5,886,000	-55.23%	2,635,326	5,886,000	-55.23%
72 THA SURPLUS/(DEFICIT)	(1,304,748)	93,435	1,508,026		93,435	1,508,026	

TACOMA HOUSING AUTHORITY

CASH POSITION - January 2016

Account Name	Current Balance	Interest
HERITAGE BANK		
Accounts Payable	\$ 1,589,501	0.33%
Section 8 Checking	4,063,945	0.33%
THA Affordable Housing Proceeds	3,116,133	0.33%
Scattered Sites Proceeds	100	0.33%
Note Fund Account	100	0.33%
Credit Card Receipts	100	0.33%
THA Investment Pool	290	0.33%
THA LIPH Security Deposits	93,747	0.33%
THDG - Tacoma Housing Development Group	156,967	0.33%
LF - SF 9Homes Alaska	7,794	0.33%
LF - SFH No. Shirley	32,051	0.33%
Salishan 7	1,182,065	0.33%
Salishan 7 Security Deposit	27,258	0.33%
Salishan 7 Replacement Reserve	160,732	0.33%
Salishan 7 Operating Reserve	199,239	0.33%
Outrigger Operations	39,888	0.33%
Outrigger Security Deposit	21,476	0.33%
Outrigger Replacement Reserve	11,032	0.33%
Prairie Oaks Operations	16,170	0.33%
Prairie Oaks Security Deposit	3,103	0.33%
Prairie Oaks Replacement Reserve	3,064	0.33%
Payroll Account	8,045	0.33%
General Fund Money Market	538,939	0.33%
WASHINGTON STATE		
Investment Pool	\$ 1,630,706	0.24%
1. TOTAL THA CASH BALANCE	\$ 12,902,445	
Less:		
2. Total MTW Cash Balance	\$ 2,978,225	
<i>Less Minimum Operating Reserves</i>		
2.01 Public Housing AMP Reserves (4 months Operating Exp.)	1,140,000	
2.02 S8 Admin Reserves (3 months Operating Exp.)	726,000	
2.10 Total Minimum Operating Reserves	\$ 1,866,000	
3. MTW Cash Available (Lines 2-2.10)	\$ 1,112,225	
<i>MTW Reserve Commitments</i>		
3.01 2nd Phase Hillside Terrace Redevelopment	\$ 1,423,801	
3.02 Renovation/Remodel of 2nd Floor of Admin Building	85,041	
3.03 Renovation/Remodel of Salishan FIC Building	579,500	
3.04 Renovation of Salishan Maintenance Shop	286,500	
3.05 RAD Conversion Costs - Capital Contributions to Projects	1,500,000	
3.06 Software Conversion for Operational Platform (VH)	678,275	
3.07 Education Projects - McCarver & Others	310,000	
3.08 Exigent Health & Safety Issues (Meth Remediation)	0	
3.10 Total Reserve Commitments (Lines 3.01 through 3.08)	\$ 5,163,118	

TACOMA HOUSING AUTHORITY

CASH POSITION - January 2016

MTW Cash Held By HUD			
3.11 Undisbursed HAP Reserves Held by HUD		\$	-
3.20 Total MTW Cash Held By HUD		\$	-
4. Non MTW Cash Restrictions			
<i>Other Restrictions:</i>			
4.01 FSS Escrows	\$	107,963	
4.02 VASH, FUP & NED HAP Reserves		310,113	
4.03 Mod Rehab Operating Reserves		60,512	
4.04 Security Deposit Accounts		145,580	
4.05 Salishan Sound Families - 608		47,129	
4.06 Gates Foundation - 615, 616, 617		451,136	
4.07 WA Families Fund - 675, 676, 713		31,228	
4.08 Outrigger Reserves		11,032	
4.09 Salishan 7 Reserves		784,971	
4.10 Prairie Oaks Reserves		3,064	
4.11 THDG - 048		156,967	
4.12 Area 2B Sales Proceeds (Afford Hsg)		3,116,133	
4.20 Total - Other Restrictions		\$	5,437,229
<i>Agency Liabilities:</i>			
4.30 Windstar Loan - 042		266,972	
4.40 Total - Agency Liabilities		\$	266,972
4.45 Development Draw Receipts for Pending Vendor Payments		\$	-
4.50 Development Advances/Due Diligence Commitments ¹		\$	70,000
5. Total Non MTW Cash Restrictions (Lines 4.20+4.40+4.45+4.50)		\$	5,774,201
6. THA UNENCUMBERED (Non-MTW) CASH (Lines 1-2-5)		\$	4,150,019
7. Agency Current Commitments:	Board Approval	Expended	Obligation Balance
Salishan Campus (PY exp plus 2016 budget)	\$ 196,174	\$ 126,174	\$ 70,000
¹ Total Current Commitments outstanding			\$ 70,000
Agency Advances that will be reimbursed upon closing			
Bay Terrace 2 Development		\$	1,500,054
RAD Conversion - Renew Tacoma		\$	1,327,971
Total Agency Advances		\$	2,828,025



TACOMA HOUSING AUTHORITY

ADMINISTRATION



TACOMA HOUSING AUTHORITY

Date: February 24, 2016

To: THA Board of Commissioners

From: Sandy Burgess
Associate Director of Administration and Asset Management

Re: February 2016 Administration Department Board Report

1. RAD Update

The Tacoma Housing Authority (THA) received its Rental Assistance Demonstration (RAD) Conversion Commitment (RCC) from Housing and Urban Development (HUD) on January 9, 2016, as reported to the Board of Commissioners at the January Board meeting. This was a significant delay to the RAD project, and resulted in restructuring and renegotiating the RAD transaction with the investor and lender. THA has also used this time to refine the bids and budget for the project.

The restructuring of the transaction includes a change to the loan structure with Citi Bank to a single loan. This will require a new Resolution from the Board of Commissioners at the February Board meeting. The renegotiations have also resulted in maintaining THA's tax credit pricing at \$1.155 per credit and the net proceeds from the transaction to THA of \$17,000,000.

The restructuring and renegotiation of the transaction have also increased THA's financial consulting scope and amount of services. A Resolution to increase the Brawner & Company contract to account for the additional scope and cost is included in the February Board packet.

Administration and Asset Management anticipate submitting THA's evidentiary packet of documents before February 19, 2016. They are keeping HUD advised of this schedule such that they are prepared to review the documents and be ready to close the transaction before the end of March, 2016.



TACOMA HOUSING AUTHORITY

CLIENT SERVICES



TACOMA HOUSING AUTHORITY

DATE: February 24, 2016

To: THA Board of Commissioners

FROM: Greg Claycamp
Client Services Department

RE: February 2016 Client Services Department Monthly Board Report

1. STRATEGIC OBJECTIVE: HOUSING AND SUPPORTIVE SERVICES

Tacoma Housing Authority (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.

Director's Note: In January, Community Services completed successful recruitments for three new Program Supervisors. The supervisors began their new roles on February 15th, and are in the process of transitioning the Client Services (CS) Division into three teams: Employment & Asset Building, Rental Assistance Collaboration and Property Management Collaboration.

Nicole Fillmore-Meshesha is the new Program Supervisor for the Employment & Asset Building Team, which includes the Family Self-Sufficiency Program and three direct reports. Nicole will transition from being the Employment Program Specialist, where she has done an amazing work engaging residents in Employment Services through Job Club and caseworker consultation. She has also worked extensively to network with local education partners and employers to find training and employment opportunities for families.

Kendra Peischel is the new Program Supervisor for the Rental Assistance Collaboration, which includes the McCarver Special Housing Program and Rental Assistance Engagement Case Workers. Kendra will transition from being a General Services Case Worker to her new role. In her five years at THA, Kendra has become the Community Services subject matter expert on the Tracking at a Glance software program, with a thorough knowledge of program reporting. She has also done extensive work in collaboration with the Rental Assistance department to improve resources for families at the Housing Opportunity Program (HOP) briefings.

Stacey Johnson is the new Program Supervisor for the Property Management Collaboration, which includes the senior and disabled and family site portfolios. Stacey joined THA less than a year ago as a Senior & Disabled Program Specialist sunset employee, and has proved invaluable to the Community Services division. Stacey brings a combination of education and experience to the table, with a keen understanding of the importance of strong community partnerships. She will supervise two Services Coordination Case Workers, and will work in partnership with Property Management to co-locate these case workers and streamline the referral system.

2. COMMUNITY SERVICES

Mia Navarro—Community Services Division

2.1. NUMBER OF PEOPLE AND HOUSEHOLDS SERVED

Program Entries, Exits, and Unduplicated Number of Households Served

January 2016	Program/ Caseload Entries this Month	Program/ Caseload Exits this Month	Unduplicated Number Served (Month)	Unduplicated Number Served (YTD)
General Programs				
Case Staffing	7	0	15	15
Families in Transition (FIT)	0	1	34	34
Family Self Sufficiency (FSS)	0	2	127	127
General Services	8	2	33	33
Hardship	0	0	5	5
Housing Opportunity Program (HOP) Case Management	0	0	3	3
Children's Savings Account (CSA) K – 5 th Grade Stage	0	0	13	13
CSA 6 th – 12 th Grade Stage	0	0	14	14
McCarver*	0	0	33	33
Senior & Disabled	45	44	80	80
DEPARTMENT TOTAL	60	49	357	357

* CS is currently reviewing 18 McCarver applications. As families are issued vouchers, they will show up as entries in the McCarver program. As of February 11, 2016, 8 families have been forwarded on to Rental Assistance for screening and to be issued vouchers.

2.2 CLIENT STORIES/PROGRAM UPDATES

2.2.1 Education Project

Children's Savings Account (CSA) Update

Trisha Mozo, CS's new Education Services Program Specialist, has been meeting with Andrea Cobb and transitioning into her new role. There are currently 13 completed applications for the Kindergarten CSA cohort and 14 for 6th grade cohort. CS is in the early stages of working with Heritage Bank's Vice President and Branch Manager Cindy Atwood to get the savings accounts set up.

Trisha is in the process of gearing up for heavy outreach in Salishan, by way of door-to-door marketing, as well as calling all families that were initially reached out to by canvassing that have not turned in an application. She is also working with school and community partners to get the word out about the CSA.

Trisha is also in the process of updating all brochures and marketing information with her contact information, and she will be doing a presentation at the Around the Family Investment Center (FIC) meeting on February 29th with Salishan staff to provide program information and brainstorm on ways staff can all work together to get families interested.

2.2.2 General Services

Families in Transition Program (FIT) Success Story

Participant AS and her two young children became homeless and joined the FIT program in May, 2014, after fleeing an abusive relationship with AS's husband. She currently resides at Hillside Terrace and her children attend McCarver Elementary.

Since entering the FIT program, AS has gained her U.S. Citizenship; her country of origin is Côte d'Ivoire. AS has also divorced her husband, started receiving child support, and completed her C.N.A. certification from Bates Technical College. She is currently in Level 5 English as a Second Language (ESL) classes and is bilingual in her native French.

AS worked with the Employment Specialist, and two weeks ago was hired as a C.N.A. for Brookdale Allenmore Assisted Living; this is her first employment within the United States. With her employment earnings and child support income, she is now free from benefits assistance. She will remain in the FIT program for 60 days while she receives employment retention services.

Family Self-Sufficiency (FSS) Program Success Story

Participant LN signed her FSS Contract of Participation in 2011, right after her husband passed away and she found herself single with four children to raise, all under the age of 12. She also had just lost her part-time employment due to her employer closing his business.

Upon entry to FSS, LN's health was in a fragile state, due to physical pain from a car accident, depression and hopelessness. Her FSS caseworker, Mariya Yakimenko, first assisted LN by discussing her feelings of hopelessness, helping her understand that her four children needed a mom to take care of them. Together they developed a plan, with an immediate goal of scheduling a primary care appointment and getting her medications adjusted.

Mariya also advised and assisted LN to open her own cleaning business, a milestone that paved the way for her to become a sub-contractor for P&N Janitorial Services, where LN worked for several years. In her last year of FSS participation, LN acquired full-time employment and completed all of her FSS goals in a timely manner. She successfully graduated from the FSS program in January, 2016.

3. RENTAL ASSISTANCE AND LEASING

Julie LaRocque—Rental Assistance Division

Housing Choice Voucher utilization is reported at 100% for the month of January, 2016.

Rental Assistance continues to pull names from the 2015 Housing Opportunity Program (HOP) waiting list and issuing HOP vouchers.

Below is a breakdown of the utilization of THA's special programs and project based vouchers:

Program Name	Units Allocated	Units Leased and Shoppers
VASH (Veterans Administration Supportive Housing)	177	164
NED (Non Elderly Disabled) Vouchers	100	93
FUP (Family Unification Program)	50	43
McCarver Program	50	32*
CHAP (College Housing Assistance Program)	25	25
CHOP (Child Welfare Housing Opportunity Program)	20	17
TOTAL	422	374

** There are 33 active McCarver households, as reported in the Community Services section. One family, not included in this count, has a HOP voucher instead of a McCarver voucher, and is receiving case management services from a McCarver caseworker.*

Project-Based Properties	Units Allocated	Units Leased
Bay Terrace	20	20
Eliza McCabe Townhomes	10	8
Flett Meadows	14	12
Guadalupe Vista	40	34
Harborview Manor	125	125
Hillside Gardens	8	8
Hillside Terrace	9	9
Nativity House	50	48
New Look Apts.	42	41
Pacific Courtyards	23	20
Salishan 1-7	340	335
Tyler Square	15	14
TOTAL	696	674



TACOMA HOUSING AUTHORITY

PROPERTY MANAGEMENT



TACOMA HOUSING AUTHORITY

Date: February 24, 2016

To: THA Board of Commissioners

From: Pat Patterson
Director of Property Management

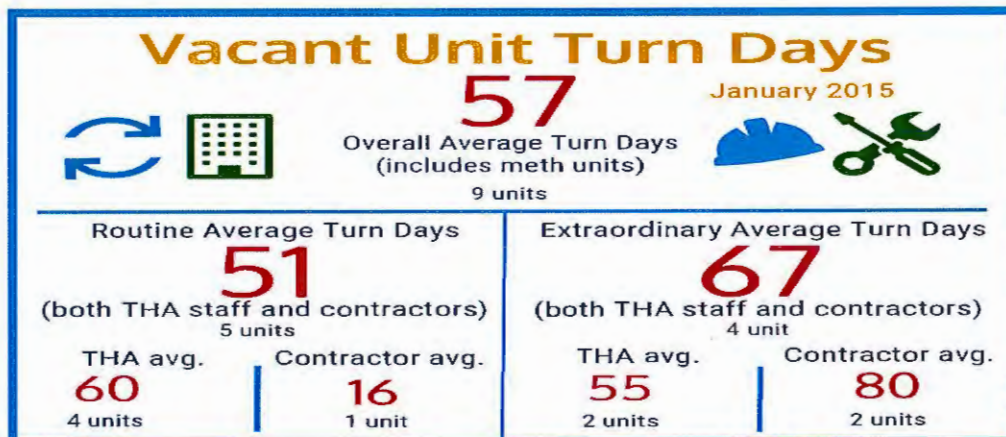
Re: Department of Property Management Monthly Board Report

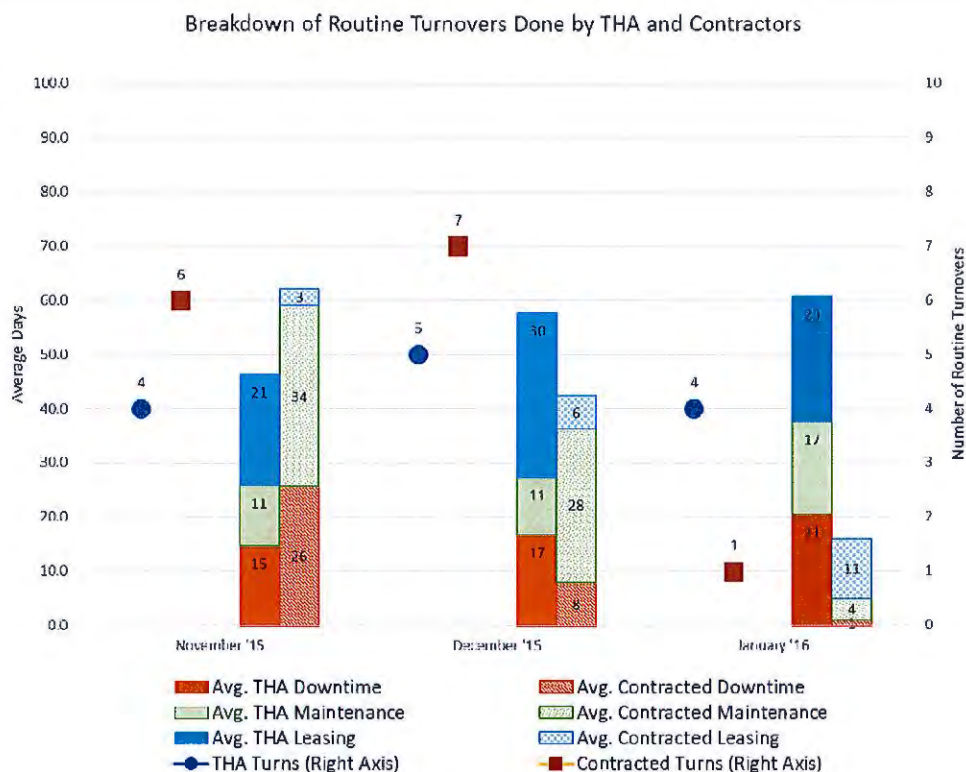
1. OCCUPANCY OVERVIEW

1.1 Occupancy

Unit occupancy is reported for the first day of the month. This data is for the month of January. The high vacancy rate in the family properties is attributable to, units being offline for rehabilitation and the sale of our Market Rate homes.

PROPERTY	UNITS AVAILABLE	UNITS VACANT	UNITS OFFLINE	UNITS OCCUPIED	% MONTH OCCUPIED	% YTD OCCUPIED
All Hillside/Bay Terrace	132	5	0	127	96.21%	96.21%
Family Properties	138	20	11	119	86.23%	86.23%
Salishan	631	3	0	628	99.52%	99.52%
Senior/Disabled	353	13	1	340	93.32%	96.32%
All Total	1,254	40	12	1,214	96.81%	96.81%





		Routine THA Turnover Information				
Year	Month	Total Number of Turns	Avg. Total Days	Avg. Downtime Days	Avg. Maintenance Days	Avg. Leasing Days
2016	January	4	60.	20.	17.	23.
2015	December	5	57.	16.	10.	30.
2015	November	4	46.	14.	11.	20.
		Routine Contracted Turnover Information				
Year	Month	Total Number of Turns	Avg. Total Days	Avg. Downtime Days	Avg. Maintenance Days	Avg. Leasing Days
2016	January	1	16	1	4.	11.
2015	December	7	40.	8.	28.	6.
2015	November	6	63.	25.	33.	3.

1.2 Vacant Clean Unit Turn Status

The average unit turn time for the month of January was **57** days for **9** units turned by Tacoma Housing Authority (THA) staff and contractors. Below is a list of units that exceeded THA's 20-day expectation. These units will be categorized as Routine and Extraordinary turns. **Routine** means units that receive normal wear and tear that can be repaired in 5-20 days. **Extraordinary** means that the units have heavy damage as a result of the tenancy including meth and casualty loss that can't be repaired within 20 days.

Routine THA Maintenance Turns:

- **401 North G St. #202 (25) days.** Unit was in downtime for 8 days awaiting sanitation process. Maintenance work was completed in 8 days; 10 days were attributed to leasing efforts.
- **2302 6th Avenue #112 (52) days.** Unit was in downtime for 16 days. This was a Rental Assistance (RA) transfer to Bergerson Terrace. Move out inspection was completed on 12/10/2015. RAD inspection was completed on 12/16/2015. Maintenance work was completed in 21 days. 15 days were attributed to leasing, 4 applicants were offered the unit before it was accepted.
- **2302 6th Avenue #115 (78) days.** Unit was in downtime for 58 days. Resident transferred to a different unit. They were granted extra days for this process. Unit awaited RAD inspection and sanitation process. On 11/12/2015 unit was reported to be infested with fleas unit was treated 3 times. Maintenance work was completed in 20 days. 18 days were attributed to leasing efforts.
- **1512 Court F. Street #181(88) days.** Unit was in downtime for 1 day. Maintenance work was completed in 19 days. 68 days were attributed to leasing 13 applicants viewed unit before it was accepted, due to configuration of the unit.

Extraordinary THA Turns:

- **5425 South Lawrence Street #106 (58) days.** Unit was in downtime for 21 days to allow resident to go through items and discard due to flood that occurred in October. Downtime days also included the sanitation process due to category 2 water damage. Maintenance work was completed in 35 days due to sheetrock needing to be removed and replaced throughout the unit. Counter tops were replaced due to damage from dry out. Applicant was an RA transfer from EB Wilson. This was an additional 2 days.

- **5425 South Lawrence St #305 (52) days.** Unit was in downtime for **37** days awaiting sanitation process and RAD assessment. Maintenance work was completed in **9** days. **6** days were attributed to leasing.

Extraordinary Contractor Turns

- **Salishan 4 4490 East Qst (99) days.** Water damage. Unit was in downtime for **1** day. Repair make ready took **98** days. Damage caused by over flowing toilet that ran undetected over the weekend.
- **Salishan 5 3935 Salishan Blvd (60) days.** Unit was in downtime awaiting sanitation protocol for **2** days. Contractor work was completed in **27** days due to delay in flooring supplies and special order doors (ADA). **31** days were attributed to leasing efforts. **3** families were screened for suitability before the unit was accepted.

Proposed Changes for Improvement in Unit Turn Times:

- **Downtime-** Start the unit turn process within 1 day of vacancy. Reduce downtime to 1 day.
- **Repair make ready**
 - ✓ Identify appropriate staffing levels needed to complete maintenance work during the move out inspection.
 - ✓ Procure contractors that will respond to request for service if needed that have the appropriate staff to assign multiple units.
 - ✓ Increase inspections to deter heavy damage at move out.
 - ✓ Unit work every working day. Unit is the sole priority by assigned staff.
 - ✓ Use of charts to chart projected progress.
- **Leasing**
 - ✓ Prescreen to identify ready applicants.
 - ✓ Site based leasing. Concentrated efforts on units. Each property staff will be responsible for the leasing efforts to fill their units.

Proposed

Downtime	Repair Make ready	Vacant	Total days
1	17	2	20

1.3 Leasing efforts

Property Management (PM) and Client Services (CS) have an active work plan to update and purge the waitlist. In working with THA consultants PM and CS feel that updating THA's waitlist to better identify households that will be ready to lease up will help the unit turn rate decrease. Below is the plan to get this accomplished.

Recommended Process for Purging and Updating Waitlist for Both Public Housing (PH) and Section 8:

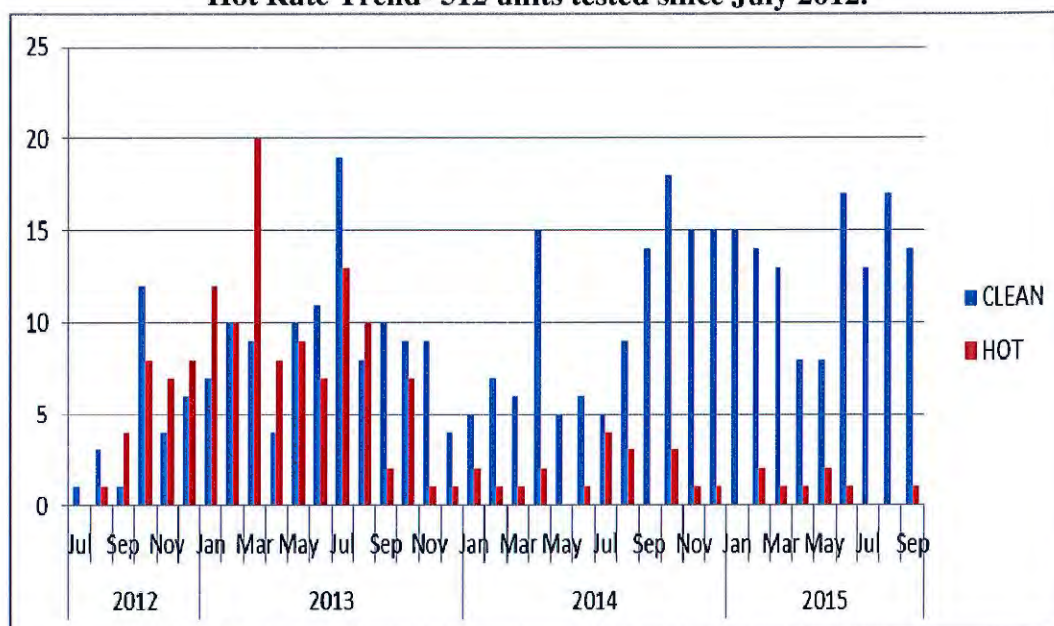
Working with the Housing Development Consortium (HDC), the Lease and Occupancy (L&O) Work Team has designed a process for updating the current waitlist in anticipation of transitioning to site-based management following property rehab under Rental Assistance Demonstration (RAD). The staff from L&O and Property Management (PM) feel that it can be managed in-house with some limited temporary assistance. The process would be managed within L&O with assistance from PM staff.

Suggested Steps:

1. Information Technology (IT) staff would produce an unduplicated wait list, with client ID, SSN, name, application date [s], and building and unit size, and last known address. The list would be sorted by application date and client ID and provided in excel.
2. L&O staff would review the list for further duplicates [some applicants may have duplicate client IDs] and resort [purge list spreadsheet].
3. IT staff would prepare a report script that would be used to create mailing labels and populate a letter and form for mailing to applicants. The updates form would be auto-populated with the applicant's name, client ID and building and unit size showing the waitlists that the applicant had chosen.
4. L&O and PM staff would pilot test the degree of response by pulling 100 to 200 names from the unduplicated applicant list once a week for two weeks and send out the purge letter and update form. Temporary help might be used for preparation of the mailings.
5. The purge list spreadsheet would be expanded to include columns for tracking responses and staff actions. It would be password-protected and on Share drive.
6. L&O and PM staff would meet for a set amount of time each week to manage the responses: updating the purge list spreadsheet, updating the applicant record in THA systems, and filing the response. Responses may be: 1) completed update form returned [update WL]; 2) Post Office returned letter with "addressee unknown" [withdraw from WL]; 3) Post Office returned with forwarding address [resend letter to new address, update VH address info]; or 4) no response.

7. L&O and PM staff would track response rate from pilot test to determine the rate of response and the time needed to manage responses. An overall schedule should be set after duplicates are removed from the purge list and the pilot test has been run. The schedule should calculate the number of applicant letters that need to be sent in order to have a complete purged WL by May 2016.
8. It is likely that the rate of response from the oldest names on the waitlist will be very small. The number of letters to be sent weekly after the Pilot Test would be increased in the first several months, and then decreased if/when the response rate increases.

Hot Rate Trend- 512 units tested since July 2012.



- 2012- 55 units tested, 28 hot 51% Hot Rate
- 2013- 210 units tested, 100 hot 48% Hot Rate
- 2014- 138 units tested, 19 hot 14% Hot Rate
- 2015- 127 units tested, 8 hot 6% Hot Rate

As of February 1, 2016, 157 of the 575 units that have been tested for contamination have tested positive for methamphetamine. As of February 1, 2016 the 2015 current year-to-date hot rate is 6% and the overall hot rate from 2012 is 27%.

1.4 1.4 Work Orders

**Work Order Summary by Portfolio
For the Month of January, 2016**

Completed Work Orders										
Portfolio	Emergency				Urgent		Non-Emergency			
	Month		YTD		# Completed	Avg Completion Days	Month		YTD	
	#	% Completed	#	% Completed			#	% Completed	#	% Completed
	Completed	in 24 Hrs	Completed	in 24 hrs (99% HUD Std)			Completed	Completion Days	Completed	Completion Days (25 days HUD Std)
All Hillside										
BAY TERRACE	2	100.0%	2	100.0%	0		0		0	
HILLSIDE TERRACE 1500 Block	0	0.0%	0	0.0%	0		3	8.67	3	8.67
HILLSIDE TERRACE PH I	0	0.0%	0	0.0%	0					
HILLSIDE TERRACE PH II	0	0.0%	0	0.0%	0		0			
	2	100.0%	2	100.0%	0		3	8.67	3	8.67
Family Properties										
BERGERSON TERRACE	2	100.0%	2	100.0%	1		13	8.69	14	6.21
DIXON VILLAGE	0	0.0%	0	0.0%	2	0.50	7	2.57	9	2.11
SCATTERED SITES	1	100.0%	1	100.0%	1		1	2.00	2	1.00
	3	100.0%	3	100.0%	4	0.25	21	5.10	25	4.32
Salishan										
SALISHAN I	0	0.0%	0	0.0%	11	0.91	27	8.19	38	6.08
SALISHAN II	4	100.0%	4	100.0%	8	5.25	20	31.30	28	23.86
SALISHAN III	1	100.0%	1	100.0%	5	0.40	21	11.88	28	9.65
SALISHAN IV	0	0.0%	0	0.0%	6	5.00	25	23.38	31	19.81
SALISHAN V	1	100.0%	1	100.0%	8	2.00	35	13.43	43	11.30
SALISHAN VI	0	0.0%	0	0.0%	9	0.11	19	11.47	28	7.82
SALISHAN VII	2	100.0%	2	100.0%	4	0.25	22	9.41	26	8.00
	8	100.0%	8	100.0%	51	2.00	169	15.24	220	12.17
Senior / Disabled Properties										
6TH AVE	2	100.0%	2	100.0%	3	4.33	12	8.25	15	7.47
E.B. WILSON	1	0.0%	1	0.0%	4	0.25	12	3.50	16	2.69
FAWCETT APARTMENTS	0	0.0%	0	0.0%	2		7	1.57	9	1.22
LUDWIG APARTMENTS	1	100.0%	1	100.0%	0		8	10.13	8	10.13
NORTH G ST	2	100.0%	2	100.0%	1		12	31.42	13	29.00
NORTH K ST	1	100.0%	1	100.0%	0		4	14.25	4	14.25
WRIGHT AVE	1	100.0%	1	100.0%	1		9	3.67	10	3.30
	8	87.5%	8	87.5%	11	1.27	64	10.94	75	9.52
Agency Totals:	21	95.2%	21	95.2%	66	1.77	257	13.26	323	10.91

In the month of January, 95.2% of emergency work orders were completed within 24 hours. In January, maintenance staff completed 257 non-emergency work orders with a total of 323 for the calendar year. The year-to-date average number of days to complete a non-emergency work order is 13/26 days.

Open Work Order Summary by Portfolio For the Month of January, 2016

Portfolio		Emergency		Urgent		Non Emergency		
		Opened Emergency WO	Days Open	Open Urgent WO	Days Open	Open Non- Emergency WO	< 25 Days	>25 Days
All Hillside								
BT	BAY TERRACE (PH)	2	0	0	0	34	31	3
HT1	HILLSIDE TERRACE PH 1	0	0	0	0	24	24	0
HT2	HILLSIDE TERRACE PH II	0	0	1	17	7	5	2
		2	0	1	17	65	60	5
Family Properties								
020	BERGERSON TERRACE	2	0	0	0	4	3	1
022	SCATTERED SITES W/SUB REHAB	1	0	0	0	1	1	0
023	DIXON VILLAGE	0	0	0	0	2	2	0
		3	0	0	0	7	6	1
Salishan								
SAL1	SALISHAN ONE LLC (S8)	0	0	0	0	10	10	0
SAL2	SALISHAN TWO LLC (S8)	4	0	0	0	12	11	1
SAL3	SALISHAN THREE LLC (PH)	1	0	1	3	3	3	0
SAL4	SALISHAN FOUR LLC (S8)	0	0	0	0	5	4	1
SAL5	SALISHAN V LLC (S8)	1	0	0	0	10	6	4
SAL6	SALISHAN SIX LLC (S8)	0	0	1	6	7	6	1
SAL7	SALISHAN SEVEN	2	0	0	0	8	8	0
		8	0	2	9	55	48	7
Senior / Disabled Properties								
006	NORTH K ST	1	0	0	0	16	4	12
008	E.B. WILSON	1	0	0	0	61	4	57
010	WRIGHT AVE	1	0	0	0	2	2	0
012	LUDWIG APARTMENTS	1	0	0	0	1	1	0
013	NORTH G ST	2	0	0	0	9	3	6
014	6TH AVE	2	0	0	0	8	7	1
		8	0	0	0	97	21	76
Agency Totals:		21	0	3	26	224	135	89

The open work orders that are greater than 25 days increased from 72 in December to 91 in January 2016. Preparation for upcoming REAC inspection caused the delay in completing open work orders. Property Management (PM) will continue to work on bringing down these numbers as part of its improved processes mentioned below.

PM continues to bring down the number of outstanding work orders and is trying to improve customer service. Processes that PM is trying to improve are as follows:

- Make every attempt to address routine work orders within 5 days. When this is not possible, contact the tenants and provide them an alternate date that they may expect service.
- Improve communication with the tenants when service will be delayed and/or when procurement is needed to service the request.
- Close work orders within 48 hours of completion.



TACOMA HOUSING AUTHORITY

REAL ESTATE DEVELOPMENT



TACOMA HOUSING AUTHORITY

DATE: February 24, 2016
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

1.1 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 is reviewing the Master Plan Concept and may suggest some revisions based on current community needs and opportunities and propose an alternative plan for the Salishan Core. Potential uses of the site will be coordinated with Metro Parks and the city to ensure complementary community uses for the Eastside Community Center and Salishan. Final recommendations will be delayed until planning for the Eastside Community Center is complete.

Staff met with representatives of United Grocers to discuss the possibility of a grocery store that would be located at the core. They were interested and suggested a market study be completed. Staff plan to issue a Request for Proposal for a market study that would identify potential grocery and related retail uses for the core.

1.1.2 Area 3 Lot Sales

DR Horton has completed sales in Area 3. Overall, 72 homes were sold by DR Horton in Area 3.

1.1.3 Area 2B

DR Horton commenced with construction activities for area 2B in 2015. DR Horton sold 17 homes in the fourth quarter of 2015. Of these, 6 were to buyers who met the affordable homes sales guidelines.

1.1.4 Area 2B Property Sale to Metro Parks

Housing and Urban Development (HUD) approved the disposition of the two lots. Real Estate Development (RED) is waiting for HUD approval for the remaining 16 acres. Once this approval is received, the property will be sold to Metro Parks.

2. NEW DEVELOPMENT

2.1 Bay Terrace – Phase II

The construction bids were received on January 6th and 7th which totaled \$16 million, exclusive of sales tax and owner's contingency. This increased the projected construction costs by \$1.7 million above the budget estimate provided by Absher in December, 2015. Staff completed negotiations with Absher. Together, sufficient cost savings were found to reduce the construction budget to \$14,627,224 (\$1,372,776 less than the bid estimates obtained in January). These were achieved by refining some of the bids, having Absher re-negotiate with sub-contractors and a slight reduction in the contractor contingency. The project exceeds the King County Total Development Cost (TDC) and THA is requesting a waiver. THA's initial conversations with the Washington State Housing Finance Commission (WSHFC) have been positive and THA does not believe obtaining the waiver will be an issue due to the reductions in the projected cost. Tacoma Housing Authority (THA) will contribute \$500,000 in a loan and deferred developer fee of approximately \$746,000. The total developer fee for this project is projected to be \$1.6 Million. In addition, THA will receive \$100,000 in Community Development Block Grant (CDBG) funds to make Americans with Disabilities Act (ADA) improvements. THA will loan these funds to the project as part of its \$500,000 loan.

2.1.1 Financing

HOME Funds: On January 21, 2015, staff received official notification of the award of \$1 million in HOME funds from the Tacoma Community Redevelopment Authority. These will be lent to the project with a 2% interest rate and a 50-year term.

The Royal Bank of Canada (RBC) was selected as the investor for Bay Terrace Phase II. As proposed, their equity investment will generate \$16,848,708 in tax credit equity or \$1.12 per tax credit, with 1.48% paid at the execution of the Partnership Agreement and 98.52% paid at the Certificate of Occupancy.

JP Morgan Chase Bank N.A. was selected as the construction and permanent lender for Bay Terrace Phase II.

Staff has begun the financial due-diligence process with both Chase and RBC. Financial closing is anticipated in late February 2016.

2.1.2 Design

GGLO Architects completed the construction documents on November 27, 2015. Absher Construction prepared a revised cost estimate based on these, drawings and specifications.

2.1.3 Construction

On December 1, 2015, Absher Construction Company issued an invitation for Phase II bids.

An informational project walk-through was held December 8, 2015, at 3:00 pm. Sealed bids were accepted through January 6th at Absher Construction Co. main office located at 1001 Shaw Rd SE, Puyallup, WA 98372.

Once a final construction cost has been agreed upon, a construction contract between Tacoma Housing Authority (THA) and Absher Construction will be executed. The board approved a resolution in December authorizing the THA Executive Director to enter into negotiations with Absher for a not-to-exceed amount of \$14,627,224, excluding a 7% owner's contingency and applicable sales tax.

2.1.4 Community Meetings

Kenji Stoll and Chris Jordan have successfully completed six resident outreach workshops with Bay Terrace families. Based on an approved initial concept, the artists are revising the final design and are preparing a cost estimate. Construction of the interactive artwork will be complete once outside funding is obtained. Staff are working with the City of Tacoma to apply for various grants to fund the development of an interactive basketball court.

3. OTHER PROJECTS

3.1 Construction Management Services for the City of Tacoma

The current contract with the City has expired. The City has expressed interest in working with THA in this capacity again in the future.

3.2 THA 902 Administration Building Tenant Improvement Project

The project is complete with the final close out items being fixed.

3.3 Market Rate Scattered Sites

Renovations are completed at the two Trafton Houses.

1118 S. Sheridan has been listed and an offer has been accepted. Buyer due diligence continues as the house is inspected and appraised.

2336 N. Shirley has been listed for \$309,000 and multiple offers have been made.

Construction at 1215 and 1219 Trafton has been completed and the houses have been listed for sale at \$227,000 and \$205,000 respectively.

3.4 Public Housing Scattered Sites

Planning for the rehab and sale of THA's 34 public housing scattered sites continues. THA has received preliminary approval for the disposition of these units and staff is developing scopes for construction services to be put out to bid. The first 8 vacant homes to be renovated are: 807 S. Prospect, 1444 S. Verde, 2130 S. L., 5910 S. Cheyenne, 120 E. Bismark, 411 E. 66th, 1313 E Home, 1320 Norpoint Way. The remaining 26 homes will continue to follow HUD's relocation procedures.

3.5 Consulting and Community Engagement

Real Estate Development (RED) staff are preparing a proposal to work with Salvation Army for the redevelopment of their Sixth Avenue property.

3.6 RED Put-Backs

#27 Bergerson – Contract awarded August 12, 2015, for unit damaged by fire. Unit will be put-back using Rental Assistance Demonstration (RAD) standards and will allow THA to assess new heating and plumbing components for the RAD conversion. Work is complete and satisfactory as of January 29, 2016.

4490 and 4492 East Q – Contract awarded November 18, 2015, for water damaged and meth remediated units. Unit #4492 is complete and satisfactory as of December 22, 2015 and Unit #4490 is complete and satisfactory as of January 29, 2016.

4. DEVELOPMENT PIPELINE PROJECTS

4.1 Intergenerational Housing at Hillsdale Heights

The Many Lights Foundation (MLF) continues work on this project and is interested in executing an agreement with THA to partner in the development of intergenerational project which will house families adopting children out of foster care and seniors. The parameters for such an agreement are being analyzed through the THA Asset Management process.

4.2 Hilltop Lofts and Master Plan

THA and the City extended the timeline by two years for THA to develop the Hilltop Loft project. Council approved the extension request at its November 3rd meeting.

A request for qualifications for architectural & engineering services has been issued to begin the master planning phase for Hilltop Area. The master plan will focus on the properties under THA control, including the Hilltop Lofts, Key Bank site, New Look parking lot and THA Parking Lot. Staff is planning on a process with specific community engagement of local businesses, faith based groups and area residents. Proposals have been received and THA staff will have interviews with two firms on February 16th. Three representatives from the community will participate in these interviews. A firm is expected to be chosen by the end of February.

4.3 Acquisition

Staff is completing the due diligence on the Key Bank Property. The closing is targeted for the first week of March.

PHAS INDICATOR FOR MODERNIZATION ACTIVITIES

The following are the schedules as of February 1, 2016, for THA's obligation and expenditure of the public housing capital funds it receives from HUD.

Grant	Total Grant	Obligation Start Date	Obligated	% Obligated	Obligation Deadline	Expended	% Expended	Expended Deadline
2011 CFP	\$1,721,353	8/3/11	\$1,721,353	100%	8/2/13	\$1,721,353	100%	8/2/15
CFCF	\$1,849,510	8/3/11	\$1,849,510	100%	8/2/13	\$1,849,510	100%	8/2/15
2012 CFP	\$1,593,197	3/12/12	\$1,593,197	100%	3/11/14	\$552,481	13%	3/11/16
2013 CFP	\$1,319,864	9/9/13	\$1,319,864	100%	9/8/15	\$0	0%	9/8/17
2013 CFP (2 nd R)	\$1,015,495	9/9/13	\$1,015,495	100%	9/18/15	\$1,015,495	100%	9/8/17
2014 CFP	\$1,590,067	5/13/14	\$1,590,067	100%	5/12/16	\$0	0%	5/12/18
2014 CFP (1 st R)	\$277,032	5/13/14	\$277,032	100%	5/12/16	\$0	0%	5/12/18
2014 CFP (2 nd R)	\$873,158	5/13/14	\$873,158	100%	5/12/16	\$403,428	46%	5/12/18
2015 CFP	\$1,846,052	4/13/15	\$1,846,052	10%	4/12/17	\$0	0%	4/12/19
2015 CFP (2 nd R)	\$813,451	4-13-15	\$913,451	100%	4-12-17	\$0	0%	4-12-19
TOTAL	12,899,179		12,899,179			\$5,542,268.75		



TACOMA HOUSING AUTHORITY

NEW BUSINESS

Resolution 1



TACOMA HOUSING AUTHORITY

RESOLUTION 2016-02-24 (1)

Date: February 24, 2016

To: THA Board of Commissioners

From: Michael Mirra
Executive Director

Re: Project-Based Voucher Contract Approval, Renewal SASLISHAN THREE

This resolution would authorize the executive director to execute a Housing Assistance Payments (HAP) contract for Salishan Three LLC.

Background

Tacoma Housing Authority (THA) provides project-based vouchers (PBV) to the Salishan properties. By these contracts, THA uses section 8 dollars to help pay the rent. This makes the housing affordable to low-income households. This allows the properties to be financially sustainable. The lenders and investors contributed to the financing of Salishan upon the expectation that THA would provide this rental subsidy. Each phase of Salishan has a signed Housing Assistance Payment (HAP) Contract for this purpose. The HAP contract of Salishan Three provides rental assistance to 35 units. That contract expires on August 28, 2016.

Recommendation

Approve Resolution 2016-02-24 (1) authorizing THA's Executive Director to execute Agreement to Execute a Housing Assistance Payment (HAP) contracts with Salishan Three, LLC.



TACOMA HOUSING AUTHORITY

RESOLUTION 2016-02-24 (1)

Project-Based Voucher Contract Approval, Renewal SASLISHAN THREE

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

WHEREAS, THA provides rental subsidies to the housing owned by Salishan Three, LLC;

WHEREAS, it does this with a Housing Assistance Payment (HAP) contract with Salishan Three, LLC;

WHEREAS, this subsidy is necessary to make the housing affordable to low-income households, to make the property financially sustainable and to fulfill the expectations of the lenders and investors;

WHEREAS, the present HAP contract expires August 28, 2016;

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

THA's Executive Director is authorized to execute an Agreement to enter a Housing Assistance Payment (HAP) Contract and/or a Housing Assistance Payment (HAP) contracts with Salishan Three LLC.

Approved: February 24, 2016

Stanley Rumbaugh, Chair

Resolution 2



TACOMA HOUSING AUTHORITY

RESOLUTION 2016-02-24 (2)

Date: February 24, 2016
To: THA Board of Commissioners
From: Michael Mirra
Executive Director
Re: Ratification of Board Actions Taken on January 27, 2016

This resolution would ratify the Board's actions in its meeting on January 27, 2016.

Background

The Board met for its regular January meeting on January 27, 2016. It met at Tacoma Housing Authority's (THA's) main office building, 902 South L Street. After the meeting, staff realized that for a portion of the meeting, the front door to the building was locked and unattended. This means that if any member of the public had tried to enter the building during that time to attend the meeting, he or she would not have been able to do so. We do not know if anyone did try. We also do not know when during the Board meeting the doors were locked or if the Board took any action during that time.

The locked door violated the Open Public Meeting Act, Chap. 42.30 RCW, which requires that all such meetings be open and accessible to the public. The Board must ratify any action it took during that violation. At the Board meeting, the Board approved the monthly financial motion, gave informal direction to staff on a few topics and passed these five resolutions:

- 2016-01-27 (1), RAD A&E Work Addendums #5 & #6, Casey Dechant Architects
- 2016-01-27 (2), Second Amendment to eightCloud Contract
- 2016-01-27 (3), Bay Terrace II, Issuance of Revenue Bonds
- 2016-01-27 (4), Bay Terrace II, 2500 Court G Omnibus Resolution
- 2016-01-27 (5), Amendment to Income Program and Income Certification and Leasing Services with Allied Residential

This resolution would ratify all those actions.

Recommendation

Approve this resolution.



TACOMA HOUSING AUTHORITY

RESOLUTION 2016-02-24 (2) **(Ratifying Board Actions Taken on January 27, 2016)**

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

WHEREAS, The Board met in regular session on January 27, 2016, at 902 South L Street; and

WHEREAS, At some point during the meeting, the outside doors to that building were locked and unattended. This would have prevented any member of the public from entering the building at that time and attending the meeting; and

WHEREAS, The locked door violated the Open Public Meetings Act, Chap. 42.30 RCW; and

WHEREAS, The Board took actions at that January 27, 2016 meeting; and

WHEREAS, To ensure the validity of those actions, the Board must ratify them, now, therefore, be it

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

The Board ratifies all actions that it took at its regular meeting on January 27, 2016, including the monthly financial motion and the following resolutions:

- 2016-01-27 (1), RAD A&E Work Addendums #5 & #6, Casey Dechant Architects
- 2016-01-27 (2), Second Amendment to eightCloud Contract
- 2016-01-27 (3), Bay Terrace II, Issuance of Revenue Bonds
- 2016-01-27 (4), Bay Terrace II, 2500 Court G Omnibus Resolution
- 2016-01-27 (5), Amendment to Income Program and Income Certification and Leasing Services with Allied Residential

Approved: February 24, 2016

Stanley Rumbaugh, Chair

Resolution 3



TACOMA HOUSING AUTHORITY

Resolution 2016-02-24 (3)

Date: February 24, 2016

To: THA Board of Commissioners

From: Michael Mirra
Executive Director

Re: RAD: Regarding the Housing Authority of the City of Tacoma Multifamily Mortgage Revenue Note, 2016 (Renew Tacoma Housing Portfolio)

This resolution would authorize the executive director to execute documents to finalize part of the financing on phase one of the Rental Assistance Demonstration project.

Background

On December 16, 2015, the Authority's Board of Commissioners adopted Resolution No. 2015-12-16 (8), authorizing the issuance of its Multifamily Mortgage Revenue Construction Note, 2015 (Renew Tacoma Portfolio) and Multifamily Mortgage Revenue Construction/Permanent Note, 2015 (Renew Tacoma Portfolio) for the purpose of providing part of the funds with which to pay the costs of acquiring and rehabilitating nine affordable rental housing complexes consisting of 456 units, including K Street Apartments, G Street Apartments, E.B. Wilson Apartments, Fawcett Apartments, Ludwig Apartments, Sixth Avenue Apartments, Wright Street Apartments, Bergerson Terrace Apartments and the Dixon Village Apartments (collectively, the "Project"). All this is part of the refinancing and fix up of the portfolio under the Rental Assistance Demonstration (RAD) project.

Since the date of adoption of the original authorizing resolution, the structure of the Note-financing has changed to contemplate a single note issue to be designated the Housing Authority of the City of Tacoma Multifamily Mortgage Revenue Note, 2016 (Renew Tacoma Housing Portfolio) (the "Note"). For purposes of clarity, this Resolution No. 2016-02-24 (3) rescinds and replaces the provisions of Resolution No. 2015-12-16 (8).

The proceeds of the Note will be used to make a loan (the "Borrower Loan") to the Borrower pursuant to a Borrower Loan Agreement (the "Borrower Loan Agreement") between the Authority and Renew Tacoma Housing LLLP, a Washington limited liability limited partnership of which the Authority is the sole general partner (the "Partnership"). Pursuant to the Borrower Loan Agreement, the Partnership will agree (1) to apply the proceeds of the loan to pay costs of acquiring and rehabilitating the Project, (2) to make payments sufficient to pay the principal of and interest on the Note when due, and (3) to observe the other covenants and agreements and make the other payments set forth in the Borrower Loan Agreement. The interest of the

Authority in the Borrower Loan Agreement (except for reserved rights) will be assigned to Citibank, N.A., as purchaser of the Note and funding lender (the "Funding Lender"), under a Funding Loan Agreement between the Authority and the Funding Lender.

Board Resolution

This Resolution seeks board authorization for the:

1. Issuance of the Note in an original principal amount not to exceed \$45,000,0000,
2. Entering into the Funding Loan Agreement, under which the Funding Lender will make a loan to the Authority, evidenced by the Note, the proceeds of which will be used to make the Borrower Loan to the Partnership; and
3. Preparation, execution and delivery of documents by the Authority, in its capacity as issuer of the Note and guarantor of certain obligations with respect to the Note. Documents to be authorized include, without limitation, Loan Agreements, a Deed of Trust, an Environmental Indemnity Agreement and guarantees.

Other Board Action

Pursuant to Resolution No. 2015-7-30 (5) adopted July 30, 2015, the Board approved the creation of the Partnership and application to the Washington State Housing Finance Commission for tax credits for the Project. Pursuant to Resolution No. 2015-12-16 (9), the Board authorized, among other things, the Authority to lease the Project to the Partnership, loans to the Partnership, and execution and delivery of documents relating to the acquisition, rehabilitation and operation of the Project by the Authority on its own behalf and in its capacity as general partner of the Partnership. As described above, pursuant to Resolution No. 2015-12-16 (8), which is replaced by this Resolution No. 2016-02-24 (3), the Authority approved the issuance of notes to finance the Project.

Recommendation

Approve Resolution No. 2016-02-24 (3).



TACOMA HOUSING AUTHORITY

HOUSING AUTHORITY OF THE CITY OF TACOMA Resolution No. 2016-02-24 (3) (RENEW TACOMA HOUSING PORTFOLIO)

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma providing for the issuance of a revenue note in the principal amount of not to exceed \$45,000,000, the proceeds of which will be used to make a loan to Renew Tacoma Housing LLLP, a Washington limited liability limited partnership of which the Authority is the sole general partner, to provide part of the funds with which to acquire and rehabilitate nine affordable rental housing projects containing a total of 456 units to provide housing for low income persons in the City of Tacoma, Washington; determining the form and terms of the note; authorizing the execution and delivery of a funding loan agreement with respect to the issuance of the note, a borrower loan agreement providing for repayment of the loan, a regulatory agreement governing the use of the projects and other note and loan documents; providing for the sale and delivery of the note to Citibank, N.A.; authorizing and directing appropriate officers of the Authority to execute such documents as are useful or necessary to the purposes of this resolution; and rescinding Resolution No. 2015-12-16 (8).

WHEREAS, The Housing Authority of the City of Tacoma (the "Authority") seeks to encourage the provision of housing for low-income persons residing in the City of Tacoma, Washington (the "City"); and

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

WHEREAS, RCW 35.82.070(5) provides that a housing authority may, among other things, "lease any . . . lands . . . embraced in any housing project and . . . establish and revise the rents or charges therefor"; and "sell, lease, exchange, transfer. . . or dispose of any real or personal property or any interest therein . . ."; and

WHEREAS, RCW 35.82.070(18) provides that a housing authority may, among other things and if certain conditions are met, “make . . . loans for the . . . acquisition, construction . . . rehabilitation, improvement . . . or refinancing of land, buildings, or developments for housing for persons of low-income”; and

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

WHEREAS, Renew Tacoma Housing LLLP (the “Partnership”), a Washington limited liability limited partnership of which the Authority is the sole general partner, has applied to the Authority for financial assistance for the purpose of providing part of the funds with which to acquire and rehabilitate the following nine apartment complexes, all of which will be leased by the Partnership from the Authority (the “Project”):

Property Name	Address	Number of Units
K Street Apartments	911 North K Street Tacoma, Washington 98403	43
G Street Apartments	401 North G Street Tacoma, Washington 98403	40
E.B. Wilson Apartments	1202 South M Street Tacoma, Washington 98405	77
Fawcett Apartments	3201 Fawcett Avenue Tacoma, Washington 98418	30
Ludwig Apartments	5425 South Lawrence Street Tacoma, Washington 98409	41
6 th Avenue Apartments	2302 6 th Avenue Tacoma, Washington	64
Wright Street Apartments	602 South Wright Street Tacoma, Washington 98418	58
Bergerson Terrace Apartments	5301, 5303, 5305, 5307, 5309, 5311, 5313 and 5315 South Orchard Street Tacoma, Washington 98467	72
Dixon Village Apartments	5401-5512 South Stevens Street Tacoma, Washington 98409	31

; and

WHEREAS, The Project will be used by the Partnership to provide housing for low-income persons, and no more than an insubstantial portion of the proceeds of the Note (defined below) will be used in connection with the financing or refinancing of any portion of the Project to be used by the Partnership for any other purpose; and

WHEREAS, The Board of Commissioners of the Authority deems it necessary and advisable and in the best interest of the Authority to issue the Note, and to use the proceeds thereof to make a loan to the Partnership for the purposes described herein; and

WHEREAS, It is anticipated that Citibank, N.A. will offer to purchase the Note on the terms and conditions set forth herein; and

WHEREAS, On December 16, 2015, the Authority's Board of Commissioners adopted Resolution No. 2015-12-16 (8), providing for the issuance of notes to finance the acquisition and rehabilitation of the Project; and

WHEREAS, The provisions of this resolution shall govern the terms of the Note and the related documents, and the Authority now wishes to rescind Resolution No. 2015-12-16 (8); and

WHEREAS, RCW 35.82.040 provides that a housing authority may delegate to one or more of its agents or employees such powers or duties as it may deem proper, NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF TACOMA as follows:

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

“Assignment of Deed of Trust and Loan Documents” means the Assignment of Leasehold Deed of Trust and Loan Documents to be executed by the Authority, relating to the

assignment of the Authority's interests in the Deed of Trust and the Borrower Note, including any supplements or amendments thereto made in conformity therewith.

"Assignment of Equity Interests" means the Assignment of Equity Interests, Pledge and Security Agreement to be executed by the Partnership and the Authority (in its capacity as general partner of the Partnership), relating to the assignment of certain of the Authority's equity interests in the Partnership, including any supplements or amendments thereto made in conformity therewith.

"Assignment of HAP Agreement" means the Assignment of Housing Assistance Payments Agreement to be executed by the Partnership, relating to the assignment of certain of the Partnership's rights under its PBV Housing Assistance Payment Contract pertaining to the Project, including any supplements or amendments thereto made in conformity therewith.

"Assignment of Management Agreement" means the Assignment of Management Agreement to be executed by the Partnership and the Authority (in its capacity as manager of the Project relating to assignment to the Bank of certain of the Partnership's rights under property management agreements with respect to the Project, including any supplements or amendments thereto made in conformity therewith.

"Assignment and Subordination of Developer Fees" means the Assignment of Subordination of Developer Fees, Pledge and Security Agreement to be executed by the Partnership and the Authority (in its capacity as developer), relating to the assignment of certain of the Partnership's and the Authority's interests in the development agreement with respect to the Project, including any supplements or amendments thereto made in conformity therewith.

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

“Bank” means Citibank, N.A., as Registered Owner of the Note, and any subsequent Registered Owner thereof.

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

“Borrower Loan Agreement” means the Borrower Loan Agreement between the Authority and the Partnership providing for, evidencing and securing the obligation of the Partnership to repay the Loan, and including any supplements or amendments thereto made in conformity herewith and therewith.

“Borrower Note” means the Multifamily Note to be executed by the Partnership in favor of the Authority and endorsed in favor of the Bank.

“Code” means the Internal Revenue Code of 1986, as amended, and applicable rules and regulations promulgated thereunder.

“Completion and Repayment Guaranty” means, together, the Completion and Repayment Guaranty (Including Operating Deficit Guaranty) and the Exceptions to Non-Recourse Guaranty to be executed by the Authority providing for a guaranty of certain of the Partnership’s obligations with respect to the construction of the Project and repayment of the Loan, including any supplements or amendments thereto made in conformity herewith and therewith.

“Construction Funding Agreement” means the Construction Funding Agreement to be executed by the Partnership and the Bank, setting forth certain covenants and conditions relating to the Loan, including any supplements or amendments thereto made in conformity herewith and therewith.

“Deed of Trust” means the Multifamily Leasehold Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing, encumbering the Partnership’s leasehold interest in the real property and improvements and personal property constituting the Project, securing payment of the Loan, including the exhibits thereto (including, without limitation, the Master Lessor’s Subordination and Joinder, to be entered into by the Authority (in its capacity as lessor) and the Partnership), and any supplements or amendments thereto made in conformity herewith and therewith.

“Deposit Account Control Agreement” means the Deposit Account Control Agreement to be executed by the Partnership and/or the Authority, relating to the deposit of funds for the purpose of securing payments on the Loan and/or the Note, including any supplements or amendments thereto made in conformity herewith and therewith.

“Draws” means incremental draws on the Note.

“Environmental Indemnification Agreement” means the Agreement of Environmental Indemnification to be executed by the Partnership and the Authority relating to environmental claims with respect to the Project, including any supplements or amendments thereto made in conformity therewith.

“Executive Director” means the Executive Director of the Authority.

“Funding Loan Agreement” means the Funding Loan Agreement between the Bank and the Authority providing for a loan from the Bank to the Authority evidenced by the Note.

“General Revenues” means the rent, fees and other revenues of the Authority from any source, except those revenues which are now or hereafter prohibited from being used for the purpose of paying Authority’s obligations under the Completion and Repayment Guaranty or Environmental Indemnification Agreement under the provisions of any law, regulation, contract

or covenant, resolution or deed of trust (including restrictions relating to funds available to the Authority under the U.S. Housing Act of 1937).

“Loan” means the loan from the Authority to the Partnership of the proceeds of Draws on the Note.

“Loan Documents” means, collectively, the Assignment of Equity Interests, the Assignment of HAP Agreement, the Assignment of Management Agreement, the Assignment of Subordination of Developer Fees, the Borrower Loan Agreement, the Borrower Note, the Construction Funding Agreement, the Deed of Trust, the Deposit Account Control Agreement, the Environmental Indemnity Agreement, the Master Lease Estoppel Certificate, the Replacement Reserve Agreement, any related UCC Financing Statements and any other documents relating to the Loan to be executed by the Partnership.

“Master Lease Estoppel Certificate” means the Master Lease Estoppel Certificate to be executed by the Authority and acknowledged and agreed to by the Partnership, relating to certain of the Authority’s rights under the master lease of the Project to the Partnership, including any supplements or amendments thereto made in conformity therewith.

“Note” means the Multifamily Mortgage Revenue Note, 2016 (Renew Tacoma Housing Portfolio), of the Authority, issued pursuant to, under the Authority of and for the purposes provided in this resolution.

“Note Registrar” means the Executive Director of the Authority.

“Partnership” means Renew Tacoma Housing LLLP, a Washington limited liability limited partnership of which the Authority is the sole general partner, formed in connection with the Project.

“Project” means, depending on the context, (1) the acquisition and rehabilitation of nine

affordable housing projects located on real property described in Exhibit A to the Deed of Trust, or (2) the affordable rental housing projects so acquired and rehabilitated.

“Proposal Letter” means the proposal letter dated September 21, 2015, prepared by the Bank setting forth certain of the terms under which the Bank may purchase the Note, as it may be amended and supplemented, and any supplement or amendment or commitment letter issued pursuant or supplemental thereto.

“Registered Owner” means the Bank, as registered owner of the Note, registered as such on the registration books maintained by the Note Registrar.

“Regulatory Agreement” means the Regulatory Agreement executed by the Partnership for the benefit of the Authority governing the use of the Project, and including any supplements or amendments thereto made in conformity herewith and therewith.

“Replacement Reserve Agreement” means the Replacement Reserve Agreement between the Partnership and the Bank, providing for the establishment of a replacement reserve fund, including any supplements or amendments made in conformity herewith and therewith.

“Subordination Agreement” means the Subordination and Intercreditor Agreement between the Authority and the Bank and acknowledged by the Partnership, including any supplements or amendments thereto made in conformity herewith and therewith.

All other capitalized terms used but not defined herein shall have the meanings assigned to them in the Borrower Loan Agreement.

Section 2. Authorization of Note and Loan and Application of Proceeds. The Authority shall issue the Note in an original principal amount of not to exceed \$45,000,000 for the purpose of making a loan to the Partnership to provide a portion of the funds required to accomplish the Project and pay costs of issuing the Note. Such Note financing is declared and determined to be important for the feasibility of the Project. All proceeds from Draws on the

Note shall be lent to the Partnership for those purposes. The Board finds that it is in the best interest of the Authority to issue the Note for the purposes set forth in this resolution.

Section 3. Description of the Note. The Note shall be issued in registered form in an original principal amount of not to exceed \$45,000,000. The Note shall be dated such date, shall be in such denominations, shall bear interest payable on such dates and at such rates, shall mature at such times and in such amounts, shall have such prepayment or redemption provisions and shall have such other provisions consistent with the purposes of this resolution as are set forth in the Funding Loan Agreement and the Note.

Section 4. Draws on the Note. The Board authorizes the Executive Director, as authorized signer for the Authority, in its capacity as general partner of the Partnership, or his designees, to make Draws against the Note in such amounts and at such times as they may determine, those Draws to be made in accordance with the terms and provisions set forth herein and in the Loan Documents. Draws shall be recorded in such form as the Partnership and the Bank may agree. Draws shall be limited to an aggregate principal amount of \$45,000,000.

Section 5. Note Registrar; Registration and Transfer of Note. The Note shall be issued only in registered form as to both principal and interest and shall be recorded on books or records maintained by the Note Registrar (the "Note Register"). The Executive Director shall serve as Note Registrar for the Note. The Note Register shall contain the name and mailing address of the Registered Owner of the Note. The Note Registrar is authorized, on behalf of the Authority, to authenticate and deliver the Note in accordance with the provisions of the Note, the Funding Loan Agreement and this resolution, to serve as the Authority's paying agent for the Note and to carry out all of the Note Registrar's powers and duties under this resolution and the

Funding Loan Agreement. The Note may be transferred only in accordance with the terms of the Funding Loan Agreement.

Section 6. Payment of Note. Both principal of and interest on the Note shall be payable in lawful money of the United States of America and shall be paid by check mailed to arrive on or before each payment date, or in immediately available funds delivered on or before each payment date, to the Registered Owner at the address appearing on the Note Register on the date payment is mailed or delivered. Upon the final payment of principal of and interest on a Note, the Registered Owner shall surrender that Note at the principal office of the Note Registrar in Tacoma, Washington, for destruction or cancellation in accordance with law.

Section 7. Security for the Note. The Note shall be a special, nonrecourse obligation of the Authority payable solely from Pledged Revenues (as defined in the Funding Loan Agreement) and such other funds and money as may be pledged or assigned under the Funding Loan Agreement. The obligations of the Authority under the Funding Loan Agreement and the Note are not a debt of the City of Tacoma, the State of Washington or any political subdivision thereof and neither the City of Tacoma, nor the State Washington or any political subdivision thereof shall be liable thereon, nor in any event shall the obligations of the Authority thereunder be payable out of any funds or properties other than those of the Authority expressly pledged thereto. The obligations of the Authority under the Funding Loan Agreement and the Note shall not constitute indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. The Authority has no taxing power.

The Authority pledges its General Revenues to payment of its obligations under the Completion and Repayment Guaranty and the Environmental Indemnification Agreement subject to release

in accordance with their respective terms. The Authority reserves without limitation the right to issue other obligations, the principal of and interest on which are to be paid from the General Revenues on a parity of lien with the obligations of the Authority under the Completion and Repayment Guaranty and the Environmental Indemnification Agreement. At its option, the Authority may pledge any revenues that comprise a portion of the General Revenues to payment of other obligations, such payments to have priority over the payments to be made under the Completion and Repayment Guaranty and Environmental Indemnification Agreement with respect to that portion of the General Revenues so pledged.

Except to the extent of the pledge of the General Revenues of the Authority to payment of the Authority's obligations under the Completion and Repayment Guaranty and the Environmental Indemnification Agreement to which it is a party, neither the Authority nor any of the Commissioners, officers or employees of the Authority shall be personally liable for the payment of the Note.

Upon the issuance of the Note, the Authority shall cause the Loan Documents to be executed by the Partnership for the benefit of the Authority and/or the Bank, and shall assign certain of its rights under the Loan Documents to which it is a party to the Bank, as security for the payment of the principal of and interest on the Note. The Authority shall retain rights under the Regulatory Agreement and certain rights under the Borrower Loan Agreement as described therein. Upon that assignment, the Bank shall collect, on behalf of the Authority, the principal and interest payments received under the Loan Documents, and shall apply the same to the payment of the principal of and interest on the Note, and the Authority shall have no obligation to make principal and interest payments on the Note except from those payments collected by the

Bank on the Authority's behalf and those payments made pursuant to the Completion and Repayment Guaranty.

The Registered Owner shall not charge the Authority, in its capacity as issuer of the Note, and, in such capacity, the Authority shall not be obligated to pay to the Registered Owner, any fees for or costs of collection and application of principal and interest payments under the Loan Documents or the Note, including any fees for or costs of collecting such payments or exercising the power of sale or any other power under the Deed of Trust, nor shall the Authority be obligated to pay for the application of such payments to the payment of principal of and interest on the Note, except as may be required by the terms of the Completion and Repayment Guaranty. If the Note is assigned and transferred to a new Registered Owner, the security interest in the Loan Documents shall be assigned to such new Registered Owner, and such new Registered Owner shall have the rights to carry out all of the duties of the prior Registered Owner as set forth in this resolution, including the duty to collect principal and interest payments under the Loan Documents and apply the same to the payment of principal of and interest on the Note.

Section 8. Form and Execution of Note. The Note shall be in a form consistent with the provisions of this resolution, the Funding Loan Agreement and state law, shall bear the manual or facsimile signatures of the Chair of the Board and Executive Director of the Authority. The Note shall be authenticated by the Note Registrar as set forth in the Funding Loan Agreement. No Note shall be valid for any purpose until so authenticated. The authorized signing of a Certificate of Authentication shall be conclusive evidence that the Note so authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of this resolution.

Section 9. Preservation of Tax Exemption for Interest on Note. The Authority covenants that it will take all actions necessary to prevent interest on the Note from being included in gross income for federal income tax purposes, and it will neither take any action nor make or permit any use of proceeds of the Note or other funds of the Authority treated as proceeds of the Note at any time during the term of the Note which would cause interest on the Note to be included in gross income for federal income tax purposes. The Authority also covenants that, to the extent arbitrage rebate requirements of Section 148 of the Code are applicable to the Note, it will take all actions necessary to comply (or to be treated as having complied) with those requirements in connection with the Note, including the calculation and payment of any penalties that the Authority has elected to pay as an alternative to calculating rebatable arbitrage, and the payment of any other penalties if required under Section 148 of the Code to prevent interest on the Note from being included in gross income for federal income tax purposes (but only from amounts received by the Authority from the Partnership as payments for those purposes).

The Borrower Loan Agreement shall require the Partnership to reimburse the Authority for all costs to the Authority of its compliance with the covenants contained in this section, and the Authority shall not be required to expend any funds, other than such amounts to be reimbursed or other money received under the terms of the Borrower Loan Agreement, in so complying.

Section 10. Approval of Sale of Note to Bank. It is anticipated that the Bank will offer to purchase the Note under the terms and conditions contained in this resolution and the Proposal Letter. The Board finds that such offer is in the best interest of the Authority, and therefore approves the offer to purchase the Note under the terms and conditions in this resolution and the

Proposal Letter. The Note will be delivered to the Bank with the approving legal opinion of Foster Pepper PLLC, municipal bond counsel of Seattle, Washington, regarding the Note.

Section 11. Authorization of Documents and Execution Thereof. The Board authorizes the Executive Director to negotiate and approve the Regulatory Agreement, the Completion and Repayment Guaranty, the Assignment of Deed of Trust and Loan Documents, the Funding Loan Agreement, the Subordination Agreements, and the Loan Documents. The Board authorizes and approves the execution and delivery of, and the performance by the Authority of its obligations contained in, the Note, the Assignment of Deed of Trust and Loan Documents, the Completion and Repayment Guaranty, the Subordination Agreement, the Regulatory Agreement, the Funding Loan Agreement, the Loan Documents to which it is a party, and this resolution and the consummation by the Authority of all other transactions contemplated by this resolution in connection with the issuance of the Note. The Board authorizes and directs the Executive Director to execute on behalf of the Authority and to deliver the Assignment of Deed of Trust and Loan Documents, the Regulatory Agreement, the Completion and Repayment Guaranty, the Funding Loan Agreement, the Subordination Agreement, and the Loan Documents to which the Authority is a party, and such financing statements and other documents, instruments, and agreements as may be necessary or desirable in connection with the issuance of the Note or required by the Bank as a condition to purchasing the Note.

Section 12. Acting Officers Authorized. Any action authorized or directed by this resolution to be taken by the Chair of the Board or Executive Director may in the absence of such person be taken by the duly authorized acting Chair of the Board or the acting Executive Director, respectively.

Section 13. Reimbursement. For purposes of applicable Treasury Regulations, the Partnership and the Authority are authorized to advance such funds as may be necessary for the Project and the financing thereof, which expenditures may be reimbursed with proceeds of Draws on the Note. It is intended that this resolution shall constitute a declaration of official intent to reimburse expenditures for the Project made before the issue date of the Note from proceeds of the Draws on the Note, for the purposes of Treasury Regulations Sections 1.103-8(a)(5) and 1.150-2.

Section 14. Changes to Titles, Parties and Number and Designation of Notes. While the titles of and parties to the various documents described herein may change, no change to such titles or parties shall affect the authority conferred by this resolution to execute, deliver, file (if required), enforce and perform the documents in their final form. The Executive Director is delegated the authority to determine that whether the Note should be issued in the form of a single note or multiple notes. If the Executive Director determines that the Note will be issued in the form of multiple notes, the aggregate principal amount of such Notes shall not exceed \$45,000,000, and the Executive Director may, in his discretion, alter the designation of the Note to cause the various notes to be distinguishable. The Executive Director's authentication of such notes, as described herein, will constitute conclusive evidence of his or her approval of the issuance of the Note in the form of multiple notes and of the designation of such notes.

Section 15. Resolution No. 2015-12-16(8) Rescinded. Resolution No. 2015-12-16(8) of the Authority, adopted by the Board on December 16, 2015, is hereby rescinded.

Section 16. Ratification and Confirmation. Any actions of the Authority or its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.

Section 17. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

ADOPTED by the Board of Commissioners of the Housing Authority of the City of Tacoma at an open public meeting thereof this 24th day of February, 2016.

HOUSING AUTHORITY OF THE CITY OF
TACOMA

By: _____
Stanley Rumbaugh, Chair, Board of
Commissioners

ATTEST:

Secretary-Treasurer

CERTIFICATE

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

1. That the attached copy of Resolution No. 2016-02-24 (3) (the "Resolution") is a full, true and correct copy of the resolution of the Board of Commissioners of the Authority, as adopted at a meeting of the Authority held on February 25, 2016, and duly recorded in the minute books of the Authority;
2. That written notice specifying the time and place of the meeting and noting the business to be transacted was given to all members of the Board of Commissioners by mail, fax, electronic mail or personal delivery at least 24 hours prior to the meeting, a true and complete copy of which notice is attached hereto as Appendix I;
3. That the written notice described above was also posted on the Authority's website and prominently displayed at the main entrance of the Authority's administrative office at 901 South L Street, Tacoma, Washington 98405 and at the meeting site, if different, at least 24 hours prior to the meeting;
4. That the written notice described above was given to each local radio or television station and to each newspaper of general circulation that has on file with the Authority a written request to be notified of special meetings and to any others to which such notices are customarily given by the Authority; and
5. That such meeting was duly convened and held in all respects in accordance with law; that a quorum was present throughout the meeting and a majority of the members of the

Board of Commissioners of the Authority present at the meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 24th day of February, 2016.

Michael Mirra, Secretary and Executive Director of
the Authority

Resolution 4



TACOMA HOUSING AUTHORITY

RESOLUTION 2016-02-24 (4)

Date: February 24, 2016

To: THA Board of Commissioners

From: Michael Mirra
Executive Director

Re: Amendment #4 to Legal Services with Gordon, Thomas, Honeywell, LLP

This resolution would authorize the addition of \$300,000 to the contract with Gordon Thomas Honeywell for legal services.

Background

On January 20, 2012, a contract was signed between Tacoma Housing Authority (THA) and Gordon, Thomas, Honeywell, LLP for legal services. The original Contract was executed for \$100,000. THA executed subsequent amendments adding additional scopes of work and extending the term of the contract.

The contract initially covered various purposes including human resources, labor relations, and development. Amendment No. 2 to the contract added tenant unlawful detainer work. At that time, we also extended the contract term for one additional year, until January 31, 2017. That extension extension is the final one available under the terms of the contract. That amendment failed to increase the contract amount to account for this additional work. With the increase in unlawful detainer work along with increased work THA's meth policy, public records requests, and employee separation related matters, THA expenses have exceeded the contract amount in the past year. Also, we foresee more expenses through January 2017.

This resolution will provide THA's Executive Director authorization to sign Amendment No. 4, which will increase the contract amount an additional \$300,000 for a Not-to-Exceed \$400,000. This will cover any legal services for the entire agency for the remainder of the contract term.

Recommendation

Approve Resolution 2016-02-24 (4) authorizing THA's Executive Director to amend the Legal Services contract with Gordon, Thomas, Honeywell, LLP an additional \$300,000, making the total amount of the contract of \$400,000.00.



TACOMA HOUSING AUTHORITY

RESOLUTION 2016-02-24 (4)

(Amendment #4 to Legal Services with Gordon, Thomas, Honeywell, LLP)

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

WHEREAS, Tacoma Housing Authority procured for legal services in December 2011; and

WHEREAS, The contract was signed in January 20, 2012 for \$100,000 for a duration of one (1) year with the option of four one year extensions; and

WHEREAS, The accumulative budget from services rendered are near or exceed the contract limit of \$100,000, authorized by the Executive Director; and

WHEREAS, THA will need additional legal services from this contract for matters related to THA properties, policy review and human resources; and

WHEREAS, The amended contract amount with Gordon, Thomas, Honeywell, LLP will be a Not-to-Exceed \$400,000 for legal services, now, therefore, be it

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

Authorize THA's Executive Director to amend the Legal Services contract with Gordon, Thomas, Honeywell, LLP an additional \$300,000, making the total amount of the contract of \$400,000.00.

Approved: February 24, 2016

Stanley Rumbaugh, Chair

Resolution 5



TACOMA HOUSING AUTHORITY

RESOLUTION 2016-2-24 (5)

Date: February 17, 2016
To: THA Board of Commissioners
From: Michael Mirra
Executive Director
Re: Approval of Strategic Objectives Performance Measures, Baselines and Targets

This resolution would approve performance measures, baselines and targets for each of THA's seven strategic objectives, subject to continual reassessment by the Board and staff.

Background

By Resolution 2013-2-27(1), the Board adopted THA's Statements of Vision and Mission, and its seven strategic objectives. It also adopted performance measures for each of the strategic objectives. The resolution acknowledged that the performance measures would be dynamic, requiring continual review and adjustment:

The performance measures for each strategic objective shall be in substantially the form set forth in the attached draft Planning Chart. The Board expects that staff shall treat these performance measures as a dynamic list. The list will require continual adjustment. Some measures on the list will prove less meaningful or harder to track than initially hoped. Other new measures will occur to staff or the Board. Staff does not need to seek Board approval for every such adjustment. Instead, the Board asks staff to keep it reasonably informed about such adjustments.

Staff have continued to refine the performance measures and have begun to set baselines and targets for each. The Board has had an opportunity to review their evolving drafts. The attached draft is developed enough for staff to turn into a digital dashboard. This digital dashboard visually depicts them and the outcomes of THA's effort to meet the performance measure targets.

The digital dashboard will give the Board a better chance to review these measures. In fact, as the Board's 2013 resolution acknowledged, the performance measures, baselines and targets will require continual review and adjustment. This resolution is yet another step to do that.

Recommendation

Approve the resolution adopting the performance measures, baselines and targets for THA's seven strategic objectives.



TACOMA HOUSING AUTHORITY

RESOLUTION 2016-02-24 (5)

(Approval of Strategic Objectives Performance Measures, Baselines and Targets)

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

WHEREAS, By Resolution 2013-2-27(1), the Board adopted THA's Statements of Vision and Mission, and its seven strategic objectives. It also adopted performance measures for each of the strategic objectives. The resolution acknowledged that the performance measures would be dynamic, requiring continual review and adjustment;

WHEREAS, The staff have continued to refine those measures and their baselines and targets, with periodic updates to the Board; the attached draft shows their present version; a

WHEREAS, This version is developed enough for staff to use to create a digital dashboard for the visual display of the performance measures, baselines, targets and outcomes;

WHEREAS, The digital dashboard will provide the next good chance to review and adjust them as part of a continual review and reassessment, now, therefore, be it

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

1. THA adopts the performance measures for its seven strategic objectives as they show in the attached chart, with baselines and targets.
2. The Board asks the staff to display these performance measures, baselines and targets, and outcomes, in a digital dashboard using appropriate techniques of visualizations.
3. These standards will require continual adjustment to account for our improving understanding of the availability and limitation on data and our evolving understanding of our work. Staff are encouraged to adjust them for this purpose. Staff need not seek Board approval for every such adjustment. Instead, the Board asks staff to keep it reasonably informed about such adjustments.
4. In particular, the Board anticipates that its next thorough review will occur once the information is available in the digital dashboard.

Approved: February 24, 2016

Stanley Rumbaugh, Chair