



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS

BOARD PACKET

March 22, 2017



TACOMA HOUSING AUTHORITY

Michael Mirra
Executive Director

BOARD OF COMMISSIONERS

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

REGULAR MEETING Board of Commissioners

WEDNESDAY, March 22, 2017

The Board of Commissioners of the Housing Authority of the City of Tacoma will hold its Regular Meeting on **Wednesday, March 22, 2017, at 4:45 pm.**

The meeting will take place at:

**E.B. Wilson
1202 South M. 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 March 22, 2017, 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

AGENDA

REGULAR BOARD OF COMMISSIONERS MEETING

March 22, 2017 4:45 PM

E.B. Wilson, 1202 South M. Street, Tacoma, WA 98405

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **APPROVAL OF MINUTES**
 - 3.1 Minutes of February 22, 2017—Regular Session
4. **GUEST COMMENTS**
 - 4.1 GGLO: Hilltop Work
5. **COMMITTEE REPORTS**
6. **COMMENTS FROM THE EXECUTIVE DIRECTOR**
7. **ADMINISTRATION REPORTS**
 - 7.1 Finance
 - 7.2 Administration
 - 7.3 Client Services
 - 7.4 Property Management
 - 7.5 Real Estate Development
8. **OLD BUSINESS**
9. **NEW BUSINESS**
 - 9.1 2017-03-22 (1) Approval of Tenant Account Receivable Write-Offs
 - 9.2 2017-03-22 (2) Modernization of Two Elevators at 902 Building
 - 9.3 2017-03-22 (3) Grays Harbor Interlocal Agreement
10. **COMMENTS FROM THE COMMISSIONERS**
11. **EXECUTIVE SESSION**
 - 11.1 Potential Real Estate Purchases
12. **ADJOURNMENT**



TACOMA HOUSING AUTHORITY

MINUTES



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, FEBRUARY 22, 2017

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at 902 South L. Street, Tacoma, WA at 4:45 PM on Wednesday, February 22, 2017.

1. CALL TO ORDER

Vice Chair Flauding called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:53 PM.

2. ROLL CALL

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

PRESENT	ABSENT
Commissioners	
	Chair Arthur Banks
Vice Chair Janis Flauding	
Commissioner Stanley Rumbaugh (arrived late at 5:05 pm)	
	Commissioner Minh-Anh Hodge
Commissioner Derek Young	
Staff	
Michael Mirra, Executive Director	
Sha Peterson, Executive Assistant	
April Black, Deputy Executive Director	
Ken Shalik, Finance Director	
Toby Kaheiki, Human Resources Director	
Pat Patterson, Property Management Director	
Kathy McCormick, Real Estate Development Director	
	Todd Craven, Administration Director
Greg Claycamp, Client Services Director	
Sandy Burgess, Associate Director for AD & Asset Management	

Vice Chair Flauding declared there was a quorum present @ 4:55 pm and proceeded.

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Chair Banks asked for any corrections to, or discussion of minutes for the Regular Session of the Board of Commissioners for Wednesday, January 25, 2017. Commissioner Rumbaugh moved to adopt the minutes; Commissioner Young seconded.

Upon roll call, the vote was as follows:

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

Motion approved.

4. GUEST COMMENTS

Kischa McGee, Salishan Resident

Ms. Kischa McGee addressed the board. She and other Salishan residents would like to be able to use the Salishan Association community room for their events. According to Director Patterson, the room is used only for association meetings but he encouraged Ms. McGee and others to speak with Salishan Association President Marty Campbell. He also mentioned that THA is in the process of updating the Family Investment Center (FIC) room reservation guidelines. The FIC may be more suitable for Salishan tenant events. According to Ms. McGee, the FIC does not have a working kitchen, whereas the association office does. Director Patterson encouraged Ms. McGee to visit the FIC and request a copy of the tenant CC&R. Director Claycamp suggested having a copy of the CC&R and perhaps a fact sheet posted on the THA site.

5. COMMITTEE REPORTS

Real Estate Development Committee—Commissioner Rumbaugh

Nothing to report.

Finance Committee—Commissioner Hodge and Commissioner Young

Nothing to report.

Education Committee—Commissioner Hodge

Nothing to report.

Citizen Oversight Committee—Vice Chair Banks

Nothing to report.

6. COMMENTS FROM THE EXECUTIVE DIRECTOR

Deputy Executive Director April Black addressed the board on Executive Director (ED) Mirra's behalf. She noted that HUD is proposing changes in how it calculates whether a MTW agency is fulfilling its responsibility to serve "substantially the same" number of

households as it would if it were not MTW. The Steering Committee representing the MTW agencies and THA submitted letters to HUD commenting on the HUD proposal. April provided the board with copies. She also recounted some details of this issue and how it may affect THA.

HUD issued its proposal before President Trump took office and before he issued his regulatory freeze. The effect of that freeze on HUD's proposal is not clear.

7. ADMINISTRATIVE REPORTS

Finance

Finance Department (FD) Director Ken Shalik directed the board to the finance report. THA ended 2016 in good financial shape. It ended the year with a surplus of \$2.9 million. The year was interesting due to the Rental Assistance Demonstration (RAD) conversion. HUD Grants Fund Operating Revenue for the year is \$1.6 million but THA actually received \$660,000. There is still minimal MTW cash on hand, which is good. THA has \$8.3 million in unencumbered funds. Finance does not know what funding is going to look like with the new administration. Commissioner Rumbaugh asked about RAD funds. Director Shalik responded that finance is justifying the use of RAD funds in more meaningful ways.

Commissioner Rumbaugh moved to ratify the payment of cash disbursements totaling \$10,599,392 for the month of January 2017. Commissioner Young seconded.

Upon roll call, the vote was as follows:

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

Motion Approved.

Client Services

Client Services (CS) Director Grey Claycamp directed the board to his report. At the April board meeting, Director Claycamp will provide a full report on addressing the declining utilization rate. Commissioner Rumbaugh asked for alternative sources of revenue to increase utilization, and how much more valuable the voucher needs to be. According to Director Claycamp, the primary issue is not the value of THA vouchers. The primary issue is that as the market tightens landlords get choosier and our voucher families do not compete well with market rate families with stronger rental and credit histories. CS is moving forward with the Landlord Liaison position, which will help build relationships with landlords. At the end of 2016, not counting rapid rehousing lease ups, THA was at 96% utilization. CS may be issuing a Request for Proposal (RFP) for Project

Based Vouchers. Aging & Disability Resource Center (ADRC) partnership is a possibility where utilization will essentially be 100%. ADRC is a first stop for older adults and individuals with disabilities of all ages, family members, caregivers, service providers, and community professionals. Their focus is on helping individuals remain safe and independent in their own homes in the community as long as it is practical.

Property Management

Property Management (PM) Director Pat Patterson directed the board to his report. He provided the board updates from the last board meeting:

- Parking is tight at Dixon. Our RAD fix up did not increase the number of parking spots. It is adequate but tight. Households at Dixon normally have 2-3 vehicles. PM will look into the parking situation. PM will also make sure emergency vehicles can get in.
- All playgrounds at Dixon meet safety requirements. Playground has a fall rating of 7 feet and the surface that kids fall on meets requirements.
- PM will educate tenants, but it is common that ground floor windows are designed to vent and not open all the way. This is for safety.
- The code for Dixon doors states that they cannot be double locked. PM staff tried to educate tenants on other means to keep children inside their homes and distributed materials for devices to put on their doors to prevent a child from letting himself or herself out. Commissioner Rumbaugh noted that although code says you can only put on one lock the code does not prevent THA from providing such precautions.
- Regarding the tenant request for special accommodation, PM is working through the request. The Review Committee will make a decision if accommodation is approved.

PM and CS staff are working to determine how to reduce lease up time. The current process identifies the prospective tenants, but tenants are not always ready to lease up. For example, they may be in the middle of their present lease. The new Open Door system will have a process that will provide PM with five fresh tenant names ready to go for each vacancy. Vice Chair Flauding has had multiple questions at Salishan regarding carpets, particularly from the older units. The carpets are 10 years old and are very difficult to clean. Residents spend to clean their carpets only to receive notice from PM to clean them again. According to Director Patterson, replacing the carpets would be a huge expense. RAD proceeds will be devoted to the tax credit portfolios and PM will address deferred maintenance and wear and tear, including carpets. PM judges whether to replace carpets case by case.

Real Estate Development

Real Estate Development (RED) Department Director Kathy McCormick directed the board to her report. RED submitted two 9% tax credit applications this year. The applications were not successful. RED staff are actively looking at properties to buy and will meet with the City about Hilltop Lofts and funding the gap. At the March board meeting, John Hall with GGLO will be invited to do a brief presentation about housing at Hilltop. RED applied for Housing Trust Fund financing for four projects. Looking ahead, the 2018 9% tax allocation will be competitive. RAD is going along great.

8. OLD BUSINESS

None.

9. NEW BUSINESS

8.1 RESOLUTION 2017-02-22 (1) (Conversion of Subsidy for Bay Terrace I from Public Housing to RAD)

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma authorizing the Authority's participation in HUD's Rental Assistance Demonstration program with respect to the Bay Terrace I Project; authorizing the amendment of agreements to address requirements of HUD's Rental Assistance Demonstration program; and determining related matters.

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, RCW 35.82.070 authorizes the Housing Authority of the City of Tacoma (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," "make and execute contracts and other instruments, including but not limited to partnership agreements," and "make . . . loans for the . . . rehabilitation, improvement . . . or refinancing of land, buildings, or developments for housing of persons of low income"; and

WHEREAS, The Authority is the general partner of 2500 Yakima LLLP (the "Partnership"), which limited liability limited partnership developed a 70-unit affordable rental housing project commonly known as Bay Terrace I (the "Project"), on property located at 2550 South G Street in Tacoma, Washington, that was leased to the Partnership by the Authority, and 26 units of rental housing in the Project currently are administered as public housing units; and

WHEREAS, The Authority applied to the U.S. Department of Housing and Urban Development ("HUD") to allow the public housing units in the Project to

be converted to project-based Section 8 units under HUD's Rental Assistance Demonstration ("RAD") program, and HUD has approved of such conversion; and

WHEREAS, In connection with the conversion of the Project's public housing units to project-based Section 8 units, certain provisions of the Partnership's limited partnership agreement, project lease, loan documents and related documents must be amended, certain existing public housing agreements must be terminated, and certain RAD program agreements must be entered; 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. Existing Project Documents and HUD Documents. The Authority's Executive Director and the Authority's Deputy Executive Director (each, an "Authorized Officer" and, collectively, the "Authorized Officers") (and each of them acting alone) are authorized and directed to negotiate, 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 in its capacity as general partner of the Partnership, as applicable): (i) those documents described in Exhibit A under the headings "Existing Project Documents" and "HUD Documents"; (ii) such other documents relating to the Partnership or the Partnership's existing loans as any Authorized Officer determines to be necessary or desirable to accomplish the conversion of the Project from a public housing project to a project-based Section 8 project; and (iii) any document not described in Exhibit A under the heading "HUD Documents" that HUD requires in connection with such conversion.
2. Supplemental Authorization. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority (acting on its own behalf or in its capacity as general partner of the Partnership, as applicable) 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) negotiate, 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 (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.

3. Acting Officers Authorized. Any action required by this resolution to be taken by the Executive Director or Deputy Executive Director may, in such person's absence, be taken by any employee of the Authority that has been designated by the Executive Director to act in the absence of the Executive Director or Deputy Executive Director.
4. 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.
5. 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.
6. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

EXHIBIT A

TRANSACTION DOCUMENTS

Existing Project Documents

- An amendment to the Partnership's First Amended and Restated Agreement of Limited Partnership as necessary or desirable to remove references to public housing requirements, to insert references to RAD program requirements, and to remove any obligation of the Authority to make rental subsidy contributions with respect to public housing units;
- An amendment to the Lease Agreement between the Authority and the Partnership as necessary or desirable to remove references to public housing requirements and to insert references to RAD program requirements, and a corresponding amendment to the Memorandum of Lease Agreement to reflect amendments made to such Lease Agreement;
- An amendment to the existing priority and subordination agreement for the Project as necessary or desirable to list the relative priorities of HUD's Rental Assistance Demonstration Use Agreement and existing encumbrances and to insert references to RAD program requirements;
- Amendments to the existing loan documents with Commerce, TCRA, the Authority, and JPMorgan Chase Bank, N.A., all as necessary or desirable to remove references to public housing requirements, to insert references to RAD program requirements, and to remove any obligation of the Authority to make rental subsidy contributions with respect to public housing units;

- Amendments to the loan or grant agreements, and related documents, for loans and grants underlying the Authority's various loans to the Partnership, all as necessary or desirable to remove references to public housing requirements and, where applicable, to insert references to RAD program requirements;

HUD Documents

- Rental Assistance (RAD) Conversion Commitment (Public Housing; First Component) between the Partnership and HUD, together with any necessary or desirable amendments thereof;
- Rental Assistance Demonstration Use Agreement among the Authority, the Partnership and HUD, together with the Rider to Use Agreement Relating to Foreclosure (for PBV and PBRA RAD conversions from Public Housing) among the Authority, the Partnership and HUD;
- PBV Housing Assistance Payments Contract New Construction or Rehabilitation between the Partnership and HUD, together with Rental Assistance Demonstration (RAD); Rider to the Section 8 Project Based Voucher Program (PBV) Housing Assistance Payments (HAP) Contract for New Construction or Rehabilitated Housing (Public Housing Conversions; First Component) between the Partnership and the Authority, the LIHTC Rider to Housing Assistance Payment Contract (for PBV RAD conversions from Public Housing) among the Partnership, the Authority and HUD, and the Lender Rider to Housing Assistance Payment Contract (for PBV RAD conversions from Public Housing) among the Partnership, the Authority and HUD;
- Consolidated Owner Certification – Rental Assistance Demonstration by the Authority and the Partnership;
- Certification and Assurances by the Authority and the Partnership;
- Termination of Mixed Finance Amendment to Annual Contributions Contract with respect to the Project between the Authority and HUD; and
- Termination of Regulatory and Operating Agreement between the Authority and the Partnership.

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. 2017-02-22 (1) (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 22, 2017, and duly recorded in the minute books of the Authority; and

2. 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 on February 22, 2017.

Michael Mirra, Secretary and Executive Director
of the Authority

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

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

Motion Approved: February 22, 2017

Dr. Arthur C. Banks, Chair

8.2 RESOLUTION NO 2017-02-22 (2)
(Crisis Residential Center Development Agreements)

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

WHEREAS, On June 22, 2016, the Board of Commissioners authorized THA’s Executive Director to lease its Arlington Drive property to the City of Tacoma to develop a youth home; and

WHEREAS, The City of Tacoma has prepared terms for funding the design and construction of a Crisis Residential Center on one-acre of land at the Arlington property; and

WHEREAS, The City of Tacoma has set aside \$1M in CDBG and other City funds for construction of the CRC; and

WHEREAS, Additional funds has been pledged by Pierce County to CYS for capital to construct the CRC; and

WHEREAS, The proposed terms are outlined in a loan agreement that is acceptable to THA; and

WHEREAS, The City of Tacoma will record a Regulatory Agreement against the property to ensure it is used for housing low income youth experiencing homelessness; and

WHEREAS, THA has identified unaccompanied homes youth and young adults as some of Tacoma and Pierce County’s citizens in most need; 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 negotiate and finalize the loan agreement and regulatory agreement with the City of Tacoma to begin the design and construction of a Crisis Residential Center for youth experiencing homelessness.

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

Upon roll call, the vote was as follows:

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

Motion Approved: February 22, 2017

Dr. Arthur C. Banks, Chair

8.3 RESOLUTION 2017-2-22 (3)
(Extension of Project Based Voucher Contract: Pacific Courtyard)

WHEREAS, THA has been providing project based voucher assistance to MDC’s Pacific Courtyard property since 2005; and

WHEREAS, Pacific Courtyard houses formerly homeless families; and

WHEREAS, A one year extension will allow THA and MDC to negotiate the terms of a longer term contract; and

WHEREAS, Failure to extend this contract would lead to a loss of affordable housing units; now, therefore, be it

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

The Board authorizes THA’s Executive Director to negotiate, and if those negotiations are successful, to execute a one (1) year extension to the MDC Pacific Courtyard Project Based Voucher Housing Assistance Payment Contract.

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

Upon roll call, the vote was as follows:

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

Motion Approved: February 22, 2017

Dr. Arthur C. Banks, Chair

9. COMMENTS FROM COMMISSIONERS

None.

10. EXECUTIVE SESSION

None.

11. ADJOURNMENT

There being no further business to conduct, the meeting ended at 6:39 PM.

APPROVED AS CORRECT

Adopted: March 22, 2017

Dr. Arthur C. Banks, Chair



TACOMA HOUSING AUTHORITY

Real Estate Development Committee

Commissioner Stanley Rumbaugh

Finance Committee

Commissioner Minh-Anh Hodge

Commissioner Derek Young

Citizen Oversight Committee

Chair Arthur C. 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: March 16, 2017
Re: Executive Director's Report

This is my monthly report for March 2017. The departments' reports supplement it.

1. **TRUMP ADMINISTRATION 2018 BUDGET PROPOSALS FOR HUD**

President Trump's administration issued its outline budget proposals for FY 2018. The proposal shows in a document called "America First: A Budget blueprint to Make America Great Again". The document is undated but the White House released it today. It is only 53 pages long so it necessarily does not have much detail to cover the entire federal budget. Its sections track the executive departments. The HUD section is only a page and a half long. I attach a copy of those pages. The administration is proposing a 13.2 % decrease in total HUD funding. This would be a \$6.2 billion cut from \$46.9 to \$40.7 billion. As you can read, the "blueprint" provides some limited detail about where these cuts would fall:

- complete elimination of the Community Development Block Grant (CDBG) program (\$3 billion).
- complete elimination of the HOME program, Choice Neighborhoods and other programs (\$1.1 billion)

The "blueprint" states that it provides \$35 billion for rental assistance. That is an interesting number since the present Section 8 budget is about \$20 billion. Perhaps the document, which makes no express mention of public housing, means to include public housing as a form of "rental assistance". Yet public housing presently receives about \$6.3 billion. That combined with the present \$20 billion for Section 8 do not add up to the \$35 billion that the "blue print" says will be available for "rental assistance." So this is not very clear.

A leaked version of this document that the Washington Post described last week was more specific. That document proposed:

- 1.9 billion cut from public housing or nearly 30%
- \$300 million cut from Section 8 or 1.5% cut.

If the final budget resembles this leaked version and imposes such dramatic cuts to the public housing program and the more modest cuts to the section 8 program, then it will justify the Board's RAD decision to convert our portfolio from one to the other.

In summary, we still do not know much about the Trump administration's intentions.

Let us also remember that Congress will make the final judgment. Today's news account report that the Trump "blueprint" is not getting a very supportive reception even among the majority in Congress.

Next week, Stan, April and I will be at the meeting of the Council of Large Public Housing Authorities (CLPHA). I expect we will learn more.

Because of the CLPHA meeting, we will all miss the Board meeting. Ken will lead the staff presentations.

2. HUD's POLICY PROPOSALS

We have not heard too much from the new HUD administration on policy matters directly related to our programs. The Senate has confirmed Dr. Ben Carson as HUD's new Secretary. He has stated his intention to go on a "listening tour". President Trump's regulatory freeze may be slowing down initiatives.

The administration has stated some general themes of deregulation that may offer chances for better policies. I attach a letter to Secretary Carson from the three main organizations that represent PHAs: CLPHA, National Association of Housing and Redevelopment Officials (NAHRO) and Public Housing Authority Directors Association (PHADA). This letter lists examples of deregulation for the Secretary to consider.

3. ARLINGTON DRIVE YOUTH CAMPUS

Last year, by its Resolution 2016-06-22(5), the Board approved the exciting plan to develop Arlington Drive into a campus of housing and services for homeless youth ages 12 to 17 and homeless young adults ages 18 to 24. That resolution has inspired other community partners to match THA's resolve to take on this crisis of homelessness among young people. I attach a copy of the resolution. I also attach a single sheet describing the campus. I also attach a chart showing the continuum of services these young people need and the various ways THA can contribute, including the Arlington Drive campus.

This is what is underway to get the campus done:

- The City and the County have committed \$1.25 million to THA to build the Crisis Residential Center (CRC). We are presently negotiating the terms of that financing. I hope we have an agreement shortly so we can begin work on that part of the campus and perhaps break ground by Halloween.
- THA and Community Youth Services (CYS) have asked the present session of the Washington State legislature for a \$4 million capital allocation. In the House we have several sponsors led by Representative Laurie Jinkins. Senators Jeannie Darneille and Hans Zeiger have sponsored our request in the Senate. I attach their funding requests. We have been getting important support from still others. I judge our chances are reasonable in a hard session that is preoccupied with school capital spending. I attach a roster of legislators on the House and Senate Capital

Budget Committees. If any Commissioner has a chance to urge them to support our capital fund request please do so.

- We are about to choose an organization or firm to help THA and CYS communicate our intentions to the community and elicit their views about design and operation.
- We have applied to the Washington Housing Trust Fund for \$3 million.
- We will apply in 2018 for 9% tax credits.
- We are speaking with investors and other funders.

I am very excited about this contribution THA will make to the effort to serve homeless young people. We have a chance to make Tacoma and Pierce County a national model on how to do this right.



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

The Department of Housing and Urban Development (HUD) promotes decent, safe, and affordable housing for Americans and provides access to homeownership opportunities. This Budget reflects the President's commitment to fiscal responsibility while supporting critical functions that provide rental assistance to low-income and vulnerable households and help work-eligible families achieve self-sufficiency. The Budget also recognizes a greater role for State and local governments and the private sector to address community and economic development needs.

The President's 2018 Budget requests \$40.7 billion in gross discretionary funding for HUD, a \$6.2 billion or 13.2 percent decrease from the 2017 annualized CR level.

The President's 2018 Budget:

- Provides over \$35 billion for HUD's rental assistance programs and proposes reforms that reduce costs while continuing to assist 4.5 million low-income households.
- Eliminates funding for the Community Development Block Grant program, a savings of \$3 billion from the 2017 annualized CR level. The Federal Government has spent over \$150 billion on this block grant since its inception in 1974, but the program is not well-targeted to the poorest populations and has not demonstrated results. The Budget devolves community and economic development activities to the State and local level, and redirects Federal resources to other activities.
- Promotes fiscal responsibility by eliminating funding for a number of lower priority programs, including the HOME Investment Partnerships Program, Choice Neighborhoods, and the Self-help Homeownership Opportunity Program, a savings of over \$1.1 billion from the 2017 annualized CR level. State and local governments are better positioned to serve their communities based on local needs and priorities.
- Promotes healthy and lead-safe homes by providing \$130 million, an increase of \$20 million over the 2017 annualized CR level, for the mitigation of lead-based paint and other hazards in low-income homes, especially those in which children reside. This also funds enforcement, education, and research activities to further support this goal, all of which contributes to lower healthcare costs and increased productivity.

- Eliminates funding for Section 4 Capacity Building for Community Development and Affordable Housing, a savings of \$35 million from the 2017 annualized CR level. This program is duplicative of efforts funded by philanthropy and other more flexible private sector investments.
- Supports homeownership through provision of Federal Housing Administration mortgage insurance programs.



March 2, 2017

The Honorable Ben Carson
Secretary
U.S. Department of Housing and Urban Development
451 7th Street S.W.
Washington, DC 20410

Subject: Deregulation Necessary to Better Serve Families

Dear Mr. Secretary:

The Council of Large Public Housing Authorities (CLPHA), the National Association of Housing and Redevelopment Officials (NAHRO) and the Public Housing Authorities Directors Association (PHADA) would like to congratulate you on your confirmation as Secretary of the U.S. Department of Housing and Urban Development (HUD) by the Senate. On behalf of the memberships of all three industry groups, we look forward to working with you to strengthen communities and to ensure that our nation's housing needs are met. It is essential in the current funding and regulatory environment that housing authorities (HAs), industry groups and the Department work collaboratively toward mutual goals in order to successfully continue our mission of serving low-income families by providing decent, safe, sanitary and affordable housing.

As you are well aware, HAs across the country have endured historically low funding levels and pro-rations for their rental assistance programs; these low funding levels are very likely to continue or worsen as a result of current law. As examples, the Housing Choice Voucher Housing Assistance Payments are being prorated at 95 percent of full renewal funding, the administrative fee for the Housing Choice Voucher program is only at 77 percent of formula eligibility, and Public Housing Operating Subsidy is being prorated at 85 percent of formula eligibility. In addition, agencies have seen significantly increased administrative and regulatory burdens and have become overwhelmed with new and expanded rules and regulations. As a result, the industry has experienced considerable adverse effects to affordable rental housing programs like public housing and the Housing Choice Voucher program. Above all, this has negatively impacted low-income individuals across the nation as HAs have been forced to make administrative cuts to programs, resulting in fewer families served and fewer critical resources provided overall to those in need of housing assistance. Put simply, the ability to carry out our core mission of providing affordable rental housing to the nation's most vulnerable populations is in jeopardy.

Not only have agencies struggled under the weight of decreased funding and increased regulation, but HUD itself has struggled with capacity issues. The Department has seen funding cuts, reduced staffing and increased oversight requirements, as well. Further exacerbating

HUD's incapacity to adequately monitor agencies in this environment is the federal hiring freeze implemented by the President last month. Even before this, the Department was already having difficulty fulfilling its obligations. With this in mind, we believe HUD should focus its limited resources more carefully on core obligations to ensure efficient and effective affordable rental housing programs to better serve low-income individuals.

President Trump pledged that in his first 100 days in office he would eliminate two regulations for every new regulation that is issued. Subsequently, on January 20, the Administration released a memo instituting a regulatory freeze pending further review of regulations that have not been published in the Federal Register, or of those regulations that are not effective as of January 20, with a few exceptions. CLPHA, NAHRO and PHADA are supportive of realistic deregulation efforts and see this as an opportunity for the Department to focus on internal capacity issues, as well as provide HAs with greater flexibility to better serve families.

CLPHA, NAHRO and PHADA have agreed upon a list of HUD initiatives that cause great concern for our colleagues. This list is not exclusive, but includes six topics that the industry groups jointly agree cause major barriers to HAs in their mission to better serve low-income families. We feel strongly that the Department should seriously consider rescinding completely, or significantly revising the proposals detailed below. The rescission or modification of some or all of these overly burdensome requirements is not only in the best interest of the low-income residents that HAs serve, but is also, we believe, in the best interest of HUD. In all circumstances, eliminating these initiatives completely does not invalidate the Department's requirement to provide oversight. It simply restores previous obligations and requirements that are currently sufficient, rather than imposing additional unreasonable burdens.

- **Demolition/Disposition Policy and Regulations:** Current “guidance” issued by the Department in the form of Notice PIH 2012-7 severely limits and in some situations effectively prohibits PHAs from demolishing or disposing of public housing as otherwise authorized by Section 18 of the U.S. Housing Act of 1937. We believe the Notice itself is invalid under federal rulemaking requirements since HUD is using it to establish substantive rules which may only be made through actual regulations. Further, the Notice is clearly inconsistent not only with HUD’s existing regulations at 24 CFR Part 970 but with the statute itself. In 2014, HUD issued a proposed rule which would codify the provisions of the Notice in an effort to conform HUD’s demolition/disposition regulations to the Notice. However, HUD has not followed up on the proposed rule and, more importantly, the proposed rule was also inconsistent with the law.

Fundamentally, the problem with HUD’s Notice, proposed rule, and general policy on demolition/disposition is that they ignore clear congressional intent to leave demolition/disposition decisions to the discretion of PHAs and the local planning process in determining when demolition/disposition is in the best interests of the residents and the community instead of having HUD second-guess those decisions by inappropriately applying an “obsolescence” standard and other federal requirements. In addition, there are other policy decisions embedded in HUD’s demolition/disposition oversight that are not even included in the Notice, much less the regulations or statute. The most egregious is that HUD will only approve some applications if the PHA agrees to build back the same number of public housing units on a one-for-one basis even though that requirement was repealed by Congress in 1998.

We feel very strongly that the Notice, proposed regulations, and other HUD policies depart significantly from the governing statute and Congressional intent for demolition/disposition. Moreover, a Federal District Court has agreed with this general assessment in the case of Housing Authority of Snohomish v. U.S. Department of Housing and Urban Development, No. C13-1791RAJ, 2014 WL 4352192 (W.D. Wash. Sept. 2, 2014). Should HUD not revise its policies, then similar cases will be the only remedy left to PHAs. Finally, not only are HUD's policies inconsistent with law and Congressional intent, they actually interfere with the mutual goal that PHAs and HUD have of improving affordable housing opportunities for low-income families.

- **Asset Management Reversal and Central Office Cost Center (COCC) Proposed Changes** - As a result of a methodologically unsound Office of the Inspector General (OIG) report, the Department plans to reverse and abandon a longstanding policy position related to asset management; a policy position which was the Department's own proposal and initiative from the outset which was imposed on all but the smallest HAs across the nation. This policy reversal would not only create an accounting nightmare for HAs related to the tracking of fees and income, but could prevent local, strategic entrepreneurial efforts if agencies are no longer able to generate funds that could be utilized for innovations that increase housing choice and services to residents. At this time, future changes to asset management and the COCC are currently under consideration by the Department, which has been struggling with ways to revise the system. If the Department were to cease re-federalization efforts, the current system, which has been working effectively for over a decade with the Department's support, would remain in place.
- **Assessment of Fair Housing (AFH) Tool** - Our members fully support affirmatively furthering fair housing, as well as effective and efficient approaches to satisfying this goal. However, HUD's developed AFH tools are methodologically overly burdensome and of limited use to local agencies in addressing fair housing issues. The tool requires agencies nationwide to spend hundreds of thousands of hours annually addressing the barriers facing resident's access to good schools, job opportunities and mass transit, even though housing professionals have virtually no control over these barriers in local communities. While the Department has made some efforts to revise the existing tool to address concerns shared with the Department by industry groups, the tool remains too flawed and exceeds the capacities of both HUD and HA staff time and resources. Further, the groups question the Department's capacity to provide, as promised, the data tables and maps required to adequately complete the AFH tool. The Department should reassess the efficiency of requiring all HAs across the country to complete hundreds of thousands of burden hours - hours which will divert HA staff from assisting their residents. In addition, the Government Accountability Office (GAO) determined that the Department was incapable of implementing the previous Analysis of Impediments (AI) requirements in 2010. We fear that HUD's efforts to replace the existing, simpler AI process with a much more complex and burdensome AFH process places the Department in the unfortunate position of future GAO findings that are critical of HUD's ability to effectively manage and accomplish fair housing goals.
- **Section 3 Proposed Rule** - The Department issued a proposed rule in 2015 updating the regulations related to creating economic opportunities for low-income persons and

residents of affordable rental housing programs. The proposed rule consists of significantly increased oversight and compliance requirements, added complexity to an already arduous program and considerable increased administrative and regulatory burdens. HUD continues to add new and costly regulatory burdens to already underfunded housing agencies, citing the need for increased oversight and monitoring, despite the fact that compliance with Section 3 has actually increased drastically. HUD issued guidance and technical assistance has improved compliance appreciably. As stated in the proposed rule, “HUD has sought to strengthen compliance with Section 3 by concentrating on oversight, outreach and technical assistance...These steps increased recipient reporting from 20 percent to over 80 percent.” However, such broad amendments to Section 3 that increase burdens so significantly, are unnecessary. In the current funding environment, existing Section 3 regulations are adequate to monitor and assess compliance without undermining an HA's ability to perform the core mission of providing affordable housing to vulnerable populations like children, the elderly, disabled and veterans.

- **Proposed Uniform Physical Condition Standards for the Voucher Program (UPCS-V)** - The Department is currently in the early stages of a demonstration program, UPCS-V. UPCS-V is the proposed standard for assessing the physical condition of Housing Choice Voucher (HCV) program units. As is the case with many of the initiatives discussed in this letter, the demonstration and potential implementation of a new physical inspection standard in the HCV program is imprudent and could have serious and far-reaching consequences to the voucher program as a whole. Potential consequences could include, but are not limited to: decreased housing choice for residents, loss of landlords to the HCV program and increased costs to both HAs and residents. For example, significantly expanded inspectable items under UPCS-V will increase the likelihood that a larger number of available, affordable rental units in the current market will become unavailable to voucher participants, either as a result of a higher percentage of failed units, or a lack of desire for landlords to continue to participate in the program as a result of the increased inspection requirements. This could directly result in a decrease in housing choice and/or voucher success rates. CLPHA, NAHRO and PHADA continue to support improvements to the current Housing Quality Standards (HQS) to ensure decent safe and sanitary affordable housing, but consider a complete modification of the standard and transition to UPCS-V to be unfeasible.
- **Smoke-Free Public Housing Final Rule** - HUD issued a final rule requiring all public housing properties to be smoke free within 18-months of its effective date, February 3, 2017. CLPHA, NAHRO and PHADA are concerned with the potential for unintended consequences and increased costs, particularly to vulnerable populations like the elderly, disabled and veterans. Further, we object to the selective imposition of this rule to only the public housing program and question why it does not require the same smoking prohibitions in other affordable rental housing programs. Over 600 agencies have voluntarily moved to smoke-free public housing policies which have been largely successful due to local, community-based strategies in cooperation with low-income residents. Federal one-size-fits-all mandates are unrealistic and often result in adverse impacts on vulnerable populations.

Additionally, the groups would like to express concerns related to two recent solicitations of comment concerning the Moving to Work (MTW) program. These notices represent significant departures from the Department's past approach to MTW agreements. These notices, if not considerably modified, have the potential to fundamentally alter the original design of the MTW program.

- **MTW Operations Notice** – HUD issued an operations notice and solicitation of comment on January 23, 2017 for the expansion of the MTW program. CLPHA, NAHRO and PHADA are carefully reviewing the Operations Notice and the HUD-requested “specific areas for comment.” While we are currently reviewing the Notice, we want to register our joint concern that the Notice severely circumscribes the MTW program. We are most disappointed that the expansion does not resemble the existing program in the degree of local flexibility and innovation that are hallmarks of the MTW program. We will provide more thorough comments after our review.
- **MTW "Substantially the Same" Notice** – On December 20, 2016, HUD issued a notice imposing new requirements on MTW agencies regarding the statutory provision that they serve “Substantially the Same” (STS) total number of families as they would have served had they not combined funds using MTW authority. Under the notice, HUD proposes to revise the current methodology for calculating how the STS requirement is met. CLPHA, NAHRO, and PHADA support the comment letter submitted by the “designated Steering Committee” of the 39 current MTW agencies. We agree that the revised formula is contrary to the intent of the MTW program. Congress assigned PHAs, not HUD, the task of developing local plans to serve families that meet program criteria, and as such the notice limits the ability of housing authorities to be innovative and creative in their communities.

CLPHA, NAHRO and PHADA welcome an opportunity to discuss any, or all of our concerns discussed above in more detail. Our organizations and our members look forward to working with you in the future.

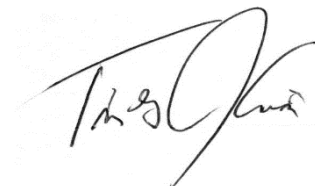
Sincerely,



Sunia Zatterman
Executive Director
CLPHA



John F. Bohm
Acting CEO
NAHRO



Timothy G. Kaiser
Executive Director
PHADA

cc: Scott Keller
William Russell
Jemine A. Bryon, General Deputy Assistant Secretary, PIH



TACOMA HOUSING AUTHORITY

RESOLUTION 2016-06-22(5)

Date: June 22, 2016

To: THA Board of Commissioners

From: Michael Mirra
Executive Director

Re: Arlington Drive Land Use Proposal for Youth Housing and Services

This resolution would authorize the Executive Director to do two things: (1) negotiate and sign a letter committing THA to lease its Arlington Drive property to the City of Tacoma (City) for a youth home the City and others would pay to develop for children ages twelve (12) to eighteen (18); the letter will make clear that the commitment is contingent on the Board's approval of a contract with the City and others governing the terms of the arrangement; (2) negotiate that contract for submittal to the Board for its review and approval. The terms of the contract will also include provision for other housing and services for youth.

Background

TACOMA AND PIERCE COUNTY'S GROWING NUMBERS OF HOMELESS YOUTH WITHOUT FAMILIES AND YOUNG ADULTS, AND THE CONSEQUENCES

Tacoma and Pierce County has a worrisome population of homeless youth without families and homeless young adults. The Pierce County 2016 Point in Time Count recorded 65 sheltered and 25 unsheltered youth. The report acknowledges this may be an undercount. Our community has few resources to serve these young people. In the past 30 years up to the present day, Pierce County has had no crisis residential care facility, no stable shelter, and no day use services for their use. Most receive no help. Those who receive services do so within the foster care system, the juvenile or adult criminal justice system, or the mental health system. Sometimes these systems move them to other counties or states.

Here is what we understand homelessness does to youth and young people aged 12 to 24 years:

- Developmental and educational impairments
- Increased exposure to violence, victimization and complex trauma
- Barriers to work and long term employment
- Increased chances of lifelong poverty

- Increased delinquency, criminal behavior as adults and engagement in the criminal justice system
- Increased debt
- 40% increase in likelihood that a young person will exchange sex for food, shelter, drugs
- Higher utilization of acute health services
- Prolonged periods on welfare benefits
- 30% - 50% increase in likelihood of substance abuse
- African American disproportionately experience homelessness
- Increased behavioral health challenges by up to 50% - 60% (depression, anxiety and externalizing behavior are the most prevalent for children and adolescents by)
- Lack of positive life supports
- Weakened or broken relations with family members
- Youth in foster care are at a higher risk for homelessness as adults (some research indicates between 15% and 50% of foster youth experience homelessness)
- Food insecurity
- Parental stress, poor parent-child relationships and negative interactions between parents and their children.
- Poor impulse control

Washington State's child welfare system faces serious challenges in its abilities to address this problem. Child abuse and neglect is increasing. Pierce County has more than its share of children suffering abuse and neglect. It has more such cases than King County, which has a much larger population. Yet placement options (foster home or group care beds) are decreasing. Children's Administration social workers are staying with youth in hotels or sending youth out of state for placement options.

RECENT HISTORY OF THE EFFORTS IN TACOMA AND PIERCE COUNTY TO SERVE HOMELESS YOUTH AND HOMELESS YOUNG ADULTS

The City of Tacoma has approached THA about purchasing one acre of a 3.5 acre parcel of land adjacent to Salishan called Arlington Drive. The City would like to use this property for a crisis residential center (CRC) for youth aged 12-17. The building would be built using City and Pierce County funds. The City would own the building. The City would contract with Community Youth Services (CYS) to operate the CRC. CYS is well regarded a non-profit service provider for these services. Its main operations are in Thurston County. It has recently expanded into Pierce County.

about providing housing and services for homeless youth aged 12-24. THA participated in those discussions. That discussion succeeded in identifying the continuum of services these young people need. That continuum requires three elements:

1. A crisis residential center (CRC) for youth aged 12-17 years old. This center would focus on housing youth who are homeless, who are in protective custody due to abuse and neglect, who are otherwise subject to the dependency jurisdiction of the state and have run from foster care system, and youth being referred out of Remann Hall detention because their criminal involvement is related to homelessness.
2. A young adult shelter for people aged 18-24 and a day center for people aged 12-24. These are envisioned to be in the same building.
3. Rental assistance and supportive services for homeless young adults able to rent housing on the private market. The assistance is intended for young adults exiting the shelter as part of a continuum of care for this population.

In 2012, THA worked closely with the County and began funding the rental assistance component of this plan using its Moving to Work (MTW) dollars. By contract with Pierce County THA now provides \$288,000 each year for rental assistance to young adults 18-24. We have spent these funds with good success.

Also in 2012, the City and the County became more involved in these discussions for the other two elements of the strategy. They propose to fund the construction of the CRC and shelter/day center that the City would own. As the owner of the buildings, the City would be responsible for securing the funds necessary to build, purchase and/or rehab the buildings for these two purposes, and to fund their operation. The City has set aside \$2 million in capital for both facilities and the County has set aside \$750,000.

In 2014, the City and County selected Community Youth Services (CYS) to be the service provider to run these two facilities. The timing of the selection was useful so CYS's expertise can inform the choice of location of the facilities. The City, the County and CYS have been looking for locations since 2014, with little success.

As merely an interim measure the COT has contracted with CYS to provide shelter services in the Beacon Senior Center on S 13th and Fawcett. CYS uses this facility to shelter 35 to 40 young adults of both sexes from ages 18 to 24. It shelters them from 6:30 PM to 6:30 AM each day. The young people sleep on cots in a common area. The shelter provides an evening meal through a partnership with Tacoma Rescue Mission and evening programming (games and movies) through the use of volunteers. This shelter is valuable but it is not enough and it is not a healthy place to be. One problem is that the young adults must exit the facility at 6:30 AM each morning, regardless of the weather. They have few options for daytime shelter, services, laundry facilities and food, and services to find them more suitable and stable housing.

During this year's state legislative session, CYS successfully advocated for new funding for homeless youth and young adults. An opportunity for \$600,000 in annual operating funds for a CRC facility in Pierce County will come available in early summer 2016. In order to apply for this funding, CYS must have a letter of support that identifies a site for the CRC.

ARLINGTON DRIVE PROPOSAL

THA owns Arlington Drive, a 3.5 acre parcel adjacent to Salishan and buffered by First Creek gulch. The site has approximately .5 acre of wetlands and new developments must allow for a 50' buffer around the wetland. This leaves about 2.5 acres of buildable land. The land appraised for \$1.3 million in 2008. Real Estate Development (RED) staff estimate the land now to be worth about \$1 million. THA has no current plans for the site.

The City, the County and CYS would like to use one acre of Arlington Drive to develop the crisis residential facility (CRC). This would be a newly constructed 4,000-5,000 square foot, single-family, single-level home to house up to 15 youth at any given time. The City, the county and CYS think Arlington Drive is the best site for this home. They think it offers an appealing therapeutic and residential setting for the children. CYS would staff and operate the home which the State of Washington would license. The site is properly zoned for this use.

Recommendation

Staff recommend that the Board approve this resolution. It would authorize and direct the Executive Director to do two things, which I explain in further detail below:

- *Negotiate and Sign Contingent Letter of Commitment*
The resolution would authorize the Executive Director to negotiate with the City, the County and CYS and, if those negotiations are successful, to sign a letter committing Arlington Drive as the site for the CRC facility. This letter would state that the commitment is contingent on THA and the City and others reaching agreement in the form of a contract stating the terms of use for the Arlington Drive site. A draft of the letter of commitment is attached.
- *Negotiate for Board Review a Contract, with the City of Tacoma and others, setting the terms of use of Arlington Drive.*
The resolution would direct the Executive Director to negotiate a contract with the City of Tacoma and others setting the terms of use for the Arlington Drive site, and if he judges those negotiations to be successful, to submit the agreement to the Board for its review and approval. Below I propose the general terms such an agreement would cover.

1. **FACTORS GOVERNING THE RECOMMENDATION**

The following seven factors inform the staff's recommendation:

1.1 *Urgency of Need in Tacoma and Pierce County to Serve Homeless Youth Without Families and Homeless Young Adults*

Pierce County has not had stable shelter, CRC facilities or transitional housing for homeless or needy youth and young adults for thirty years. Their number continues to grow and they continue to make their way into adulthood without housing and without services, at enormous costs to them and to our community.

This is a good time for our community to step up, including THA. Years of planning has identified the required continuum of services. The City and the County are willing to commit funds for the purpose. Funding from the state is now available. A highly capable service provider, CYS, is ready to assume operational responsibilities.

1.2 *The Site's Suitability for the Population of Young People*

We must be assured that Arlington Drive is a suitable site for the young people to be served. We relied on the expert judgment of Community Youth Services (CYS) to make this assessment. CYS reports that the Arlington Drive site is very suitable. It will allow for an appealing, residential setting screened from neighbors by First Creek Gulch. It is near a middle school, the EastSide Recreation Center that MetroParks will build shortly, parks, and bus transportation.

1.3 *Fit for the Salishan Community and Surrounding Area*

The proposed uses must also be a good fit for the nearby neighborhood of Salishan and Portland Avenue. To judge this we will consult the experience of CYS, which has long managed similar programs in Thurston County. We also know that the fit depends on the skill and competence of the service provider and manager. For this reason we value the high capacity of CYS. For this same reason, in our agreement with the City, we will retain an adequate ability to intervene should the service provider lose its capacity. We will also participate with the City, the County and CYS, in a meaningful effort to elicit and consult the views of the surrounding community about the development and its ongoing operation. This consultation has already begun.

1.4 *Capacity of Service Provider*

The City and Pierce County selected CYS through a competitive Request for Qualifications (RFQ) process. CYS has 40 years of experience in Thurston County operating similar facilities. It is well respected for this work. It is financially secure with a solid operational and fundraising capacity. CYS has also hired Kurt Miller as its Executive Director of Pierce County Operations. Kurt comes with his own impressive set of experience and expertise. He was the former director of REACH, a housing and employment service organization serving this same population. He is also a former Tacoma Public School board member. THA knows him well in a long and very positive array of collaborations.

1.5 *THA Retaining Adequate Control*

THA needs to retain adequate control of the property's use. This measure of control is necessary to protect several THA interests: its interest in Salishan and its high standards of design and community functioning, its interest in the welfare of the youth to be served and the high quality of services they will need; its stewardship over land that it will continue to own, and its interest in the considerable investment it is making in this enterprise through its donation of the property's use. For these purposes, THA needs an agreement with the City with the following elements: THA lease (not sale) of the property; THA as master planner and developer of the campus; adequate THA control over the selection and retention of the service provider.

1.6 *Design*

THA's strong investment in the design of the Salishan neighborhood gives THA a strong interest in ensuring that the Arlington Drive buildings and campus look lovely. This is also important for the youth who will live there. For this purpose, it will need approval authority of exterior design.

1.7 *What does this use of one acre of Arlington Drive mean for the use of the remaining two acres?*

The THA Asset Management Committee does not support dividing the Arlington Drive property. We only support this proposal as part of a master plan to use the entire site as a campus to support youth and young adults. We come to this recommendation for two reasons. **First**, the property's main value is for an undivided use. If we rented or sold only 1 acre to the City for a CRC only, we would have a harder time finding a use the remaining 2 acre, especially since the wetlands make some of the land unbuildable. **Second**, the homeless youth and young adults of our community need the full continuum of services, not only a CRC but also a shelter, a drop in center, transitional housing, job training facility and administrative offices for the service provider. Arlington Drive is a rare chance to get it all done.

The following two recommendations account for all of these factors:

2. NEGOTIATE AND SIGN A CONTINGENT LETTER OF COMMITMENT

The resolution would authorize the Executive Director to negotiate, and if those negotiations are successful, to execute a letter committing Arlington Drive as the site for the CRC facility. This letter would state that the commitment is contingent on THA and the City and others reaching agreement in the form of a contract stating the terms of use for the Arlington Drive site. A draft of the letter of commitment is attached. CYS would use this letter to support its application to the state for operational funding for the CRC.

3. NEGOTIATE MEMORANDUM OF UNDERSTANDING (MOU) OR EQUIVALENT CONTRACT FOR SUBMITTAL TO BOARD

The resolution would direct the Executive Director to negotiate a contract with the City of Tacoma and others setting the terms of use for the Arlington Drive site, and if he judges those negotiations to be successful, to submit the agreement to the Board for its review and approval. The contract should provide for the following terms:

- *Lease of the land and Required Uses*

The contract will provide for THA's lease to the City of Tacoma of all 3.5 acres of Arlington Drive. THA would not charge rent for this use. The rent free use of this \$1 million property would be THA's contribution to the effort to serve these homeless and needy young people of our community.

The City will be required to use the land as a campus for services for homeless or needy youth and young adults aged 12-24. The City will be responsible for providing or arranging the finances to build and operate the necessary facilities on a schedule that the contract will direct. The City will own the facilities. These facilities will include the following:

- the first planned use of the site would be approximately one acre for the Crisis Residential Center facility to be built and opened within eighteen (18) months of the execution of the agreement;
 - a young adult shelter and daytime drop in center within eighteen (18) months of the execution of the agreement, unless the City, within that time, develops and opens an adequate shelter and drop in center at another site in the City;
 - transitional housing for young adults;
 - a job training center;
 - administrative offices for the service provider(s) at the site.
- *THA shall approve design standards for any structure to be built at Arlington Drive.*
 - *THA shall serve as the lead master planner and developer for the entire site.*
 - *High Capacity Services Provider*
The City shall contract with and manage a high quality service provider to manage each building, and its services, on the site. The City shall obtain THA's approval of any such provider, which approval THA will not unreasonably withhold. The contract will provide a process that will allow THA or the City to direct a change in providers should either judge that a change is appropriate or necessary to ensure the provision of high quality service to the youth.

- The agreement will provide for a meaningful consultation process to elicit and consider the views of the community for the use of Arlington Drive in both its initial development and in its ongoing operations.
- The City will retain ownership of any building built on Arlington Drive. After the lease terminates for any reason, ownership of any buildings on the site will revert to THA.
- The lease shall provide for an early termination for the City's failure to fulfill its terms, at which time ownership of any buildings on the site will revert to THA.

In conclusion, staff believe that under the leadership of the City and the County, our community has a long overdue chance to effectively address a long standing disaster for a growing number of homeless youth without families and homeless young adults. Much more discussion will be necessary with the City, the County and CYS. We recommend that the Board authorize the Executive Director to negotiate THA's contribution to this important effort. We recommend the Board's approve resolution 2016-06-22(5).



TACOMA HOUSING AUTHORITY

RESOLUTION 2015-06-22(5)

Arlington Drive Land Use Proposal for Youth Housing and Services

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

WHEREAS, The City of Tacoma and Pierce County have a growing population of homeless youth without families and homeless young adults; and

WHEREAS, The City of Tacoma and Pierce County are presently without the services necessary to responsibly and effectively serve these young people; and

WHEREAS, As a result these young people face physical and sexual exploitation, lifelong developmental and educational impairments, health and mental health damage, and blighted economic and emotional prospects, and our City and County face increased costs of emergency services, mental health and health services and judicial and jail services; and

WHEREAS, The City and the County over years of planning have identified the continuum of services necessary to address the problem; and

WHEREAS, This a promising and rare occasion to help our community address this problem, for several reasons: the City and the County show a willingness to commit the funds necessary to build and operate these services, they have chosen Community Youth Services, a high capacity service provider, for the purpose; the State of Washington is offering funds for operational expenses; and

WHEREAS, The City, the County and the service provider have asked THA for use of THA's property of Arlington Drive near Salishan, valued at \$1 million, to site a Crisis Residential Center; and

WHEREAS, After two years of looking, the City has not been able to identify other sites; and

WHEREAS, Serving homeless youth without families and homeless young adults fits well within THA's mission and strategic objectives; now, therefore, be it

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

1. THAs Executive Director is directed and authorized to negotiate and if those negotiations are successful, to sign a letter committing the use of Arlington Drive as the site for a Crisis Residential Center. This letter shall state that the commitment is contingent on THA and the City of Tacoma reaching agreement in the form of a contract stating the terms of use

for the Arlington Drive site. The letter may be in substantially the form showing in the attached draft.

2. The Executive Director is directed to negotiate a contract with the City of Tacoma and others setting the terms of use for the Arlington Drive site, and if he judges those negotiations to be successful, to submit the agreement to the Board for its review and approval. The terms of the agreement will cover the following:

- *Lease of the land and Required Uses*

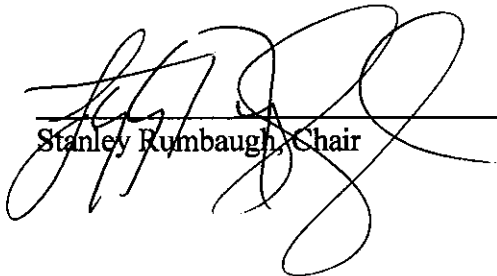
The contract will provide for THA's lease to the City of Tacoma of all 3.5 acres of Arlington Drive. THA would not charge rent for this use. The rent free use of this \$1 million property would be THA's contribution to the effort to serve these homeless and needy young people of our community.

The City will be required to use the land as a campus for services for homeless or needy youth and young adults aged 12-24. The City will be responsible for providing or arranging the finances to build and operate the necessary facilities on a schedule that the contract will direct. The City will own the facilities. These facilities will include the following:

- the first planned use of the site would be approximately one acre for the Crisis Residential Center facility to be built and opened within eighteen (18) months of the execution of the agreement;
 - a young adult shelter and daytime drop in center within eighteen (18) months of the execution of the agreement, unless the City, within that time, develops and opens an adequate shelter and drop in center at another site in the City;
 - transitional housing for young adults;
 - a job training center;
 - administrative offices for the service provider(s) at the site.
- *THA shall approve design standards for any structure to be built at Arlington Drive.*
 - *THA shall serve as the lead master planner and developer for the entire site.*

- *High Capacity Services Provider*
The City shall contract with and manage a high quality service provider to manage each building, and its services, on the site. The City shall obtain THA's approval of any such provider, which approval THA will not unreasonably withhold. The contract will provide a process that will allow THA or the City to direct a change in providers should either judge that a change is appropriate or necessary to ensure the provision of high quality service to the youth.
- The agreement will provide for a meaningful consultation process to elicit and consider the views of the community for the use of Arlington Drive in both its initial development and in its ongoing operations.
- The City will retain ownership of any building built on Arlington Drive. After the lease terminates for any reason, ownership of any buildings on the site will revert to THA.
- The lease shall provide for an early termination for the City's failure to fulfill its terms, at which time ownership of any buildings on the site will revert to THA.

Approved: June 22, 2016



Stanley Rumbaugh, Chair

<Date to be inserted>

With this letter, Community Youth Services is applying for the Office of Youth Homelessness Request for Proposal for CRC and Hope program services.

Community Youth Services, the **City of Tacoma**, **Pierce County** and the **Tacoma Housing Authority** have partnered in the development of a facility for Crisis Residential Center (CRC), Hope (beds used for youth experiencing homelessness), Runaway and Homeless Youth (RHY) and other emergency sheltering services.

Pierce County is designated a high needs county for young people experiencing homelessness. The community has been without dedicated services for this population for over 30 years. Currently, CYS hold contracts with the City of Tacoma and Pierce County to operate an overnight shelter at a temporary location. Community Youth Services, the City of Tacoma and Pierce County are collaborating to develop a facility that can meet the needs of youth who are experiencing homelessness in Pierce County. A permanent site has been identified for the development of a youth facility or teen home on a property belonging to the Tacoma Housing authority. The teen home will provide 24 hour/day, 7 day/ week crisis residential services for youth between 12 and 18 years of age. This letter represents the commitment between all four parties.

This commitment includes:

- Dedicated funds from both the City of Tacoma and Pierce County are ready to serve as match to both state and federal awards.
- Tacoma Housing Authority has available property, known as the “Arlington” property which is identified specifically for the teen home facility. The commitment of the land is by lease to the City of Tacoma. The lease terms and other terms will be outlined in a contract between Tacoma Housing Authority and the City of Tacoma and others that the Tacoma Housing Authority Board of Commissioners must approve.
- The project timeline for completion of the 12-15 bed facility will fall well within the September 2016 to August 2017 Office of Youth Homelessness contract period.

We sign this to denote our pledge to this important project. Please feel free to contact us if you have questions or if you require more information.

Scott Hanauer, MA
CEO, Community Youth Services

Nadia Chandler Harding
Assistant to the City Manager, City of Tacoma

Michael Mirra
Executive Director, Tacoma Housing Authority

Tess Colby
Manager Community Connections, Pierce County

Contact information:

Scott Hanauer, MA

CEO

Community Youth Services

711 State Avenue NE

Olympia, WA 98506

360-918-7812

shanauer@communityyouthservies.org

Nadia Chandler Harding

Assistant to the City Manager

Neighborhood & Community Services Director

City of Tacoma

747 Market Street, 12th Floor

Tacoma, WA 98402

253-591-5130

nadia.chandlerhardy@cityoftacoma.org

Michael Mirra

Executive Director,

Tacoma Housing Authority

902 South L Street

Tacoma, WA 98405

253-207-4400

mmirra@tacomahousing.org

Peter Ansara

Director

Pierce County Community Connections

1305 Tacoma Ave, Suite 104

Tacoma, WA 98402

253-798-4480

pansara@co.pierce.wa.us

A community partnership to end youth homelessness

logo

Logo



logo



TACOMA HOUSING AUTHORITY

ARLINGTON DRIVE CAMPUS for HOMELESS YOUTH WITHOUT FAMILIES and HOMELESS YOUNG ADULTS

Last Revised March 1, 2017

NEED FOR HOUSING SERVICES

- In 2016, over 1,070 Pierce County youth were homeless without families.
- Pierce County exports them to other counties.
- These young people face high risks of drug abuse, sex trafficking, violence, and greatly diminished prospects for an education, an occupation and a successful adulthood.

Hey my names [REDACTED] & I'm looking for help asap I don't know what to do or where to turn. I have no place to stay and have no cash for a place to rent. I've tried asking everyone I know for help and I have noone,,, I'm 19 years old and I have a lil bit of mental health with anxiety attacks, being in a social group I get very closterfobic, I have PTSD I get bad flash backs, & I also have bad health ... So it don't help that I have no help at all and I'm staying in a [t]ent outside and the weather is very bad condition and I don't have very many things no clothes or stuff to clean up and shower with . I'm very in a bad state of mind with this whole homeless thing. I hope to hear from you with maybe some sort of good news.

Thank you & god bless.
- email to THA [November 5, 2015]

PROPOSED PROJECT

- 12 bed Crisis Residential Center/HOPE beds for ages 12 to 17 (will serve >500 youth a year)
- 40 apartments to rent for homeless young adults age 18 to 24
- Supportive services
- Employment and training, with social enterprises and entrepreneurial training space
- Administrative offices for Community Youth Services
- Walking distance to a middle school, East Tacoma Community Center (in development), a regional health clinic and the prospective site of Bates East Tacoma Campus.



COST AND FINANCING: Cost: \$23 million; Likely Financing Sources:

City of Tacoma	Pierce County	Tax Credit Investor Equity
Tacoma Housing Authority	State of Washington	Commercial Debt

PARTNERS



City of Tacoma
WASHINGTON



Contact:

Michael Mirra, Tacoma Housing Authority
(253) 207-4429; mmirra@tacomahousing.org



TACOMA HOUSING AUTHORITY

HOUSING and SERVICES for HOMELESS YOUTH and YOUNG ADULTS in TACOMA - PIERCE COUNTY: CHANCE TO MAKE PROGRESS

September 19, 2016

	NEW BORN to 12 YEARS	NEW BORN to 17 YEARS	12 to17 YEARS OLD	18 to 24 YEARS OLD	18 to24 YEARS OLD	18 to 24 YEARS OLD
	SANCTUARY HOME & SERVICES	FOSTER CARE and SERVICES in an INTERGENERATIONAL COMMUNITY	CRISIS RESIDENTIAL CENTER & SERVICES	RENTAL HOUSING & SERVICES and JOB TRAINING	SHELTER AND DAY CENTER & SERVICES	RAPID REHOUSING RENTAL ASSISTANCE (RRH) & SERVICES
PROPOSED SITE	THA’s Hillsdale Heights (60 th and McKinley) [Temporary Sanctuary Home opening soon at a single-family home Amara will rent.]	THA’s Arlington Drive (38 th and Portland) [Temporary CRC opening November 1, 2016 at a THA single-family home]			City of Tacoma (COT) Property Purchase [Temporary site open at Beacon Senior Center.]	Private rental housing with THA rental assistance [In its 4 th year of operations]
LAND DEVELOPER	THA	THA			City of Tacoma (COT)	[None needed]
CAPITAL DOLLARS: SOURCES	\$30 million - \$18 million Low Income Housing Tax Credits (LIHTC) - \$ 3 million Housing Trust Fund (HTF) - \$ X Legislature - \$ X debt - \$ X fund raising	Many Lights and partners	\$1.65 million - \$1 million COT & Pierce Cty - \$ X legislature	\$25 million - \$18 million LIHTC - \$ 3 million HTF - \$ X Legislature - \$ X COT - \$ X Pierce County - \$ X fund raising - \$ X debt	City of Tacoma Pierce County	
SERVICE PROVIDER	Amara	Many Lights and partners	Community Youth Services (CYS)			
OPERATING DOLLARS: SOURCES	Amara Fund Raising	● Foster Care Payments ● Rent ● THA ● Fund Raising	● State Homeless Youth Funding ● CYS Fund Raising ● City of Tacoma ● Pierce County	● Rent ● THA ● CYS Fund Raising ● COT ● Pierce County (PC)	● City of Tacoma ● Pierce County	THA (provided through Pierce County’s RRH system)

2017 Legislative Session

Member Requested Local Community Project Information Form

Project**Name:** _____**Address of Project Site:** _____
_____**Project Contact:****Name(s):** _____**Title:** _____**Organization:** _____**Organization's Website:** _____**Phone:** _____**E-Mail:** _____**Mailing Address:** _____
_____**Where is the Project Physically Located?****District:** _____**Latitude:** _____**Longitude:** _____<http://www.mapcoordinates.net/en>**Legislative Sponsor/s:**

Funding Requested: _____

Do not directly enter the Funding Requested amount on the line above. Instead, enter the relevant amounts under "Requested Dollar Amount" on page 2. The total Funding Requested will automatically be calculated and filled in on the line above.

Organization Information**Yes No**

Is the requesting organization registered with the state as a non-profit organization?

Is there a current or pending 501(c)(3) IRS registration?

If answered **no** to either of the above, is applicant a local government?**Important Notes:**

This is not a formal grant program. This form provides information for House members to request a separate appropriation in the capital budget for this project. Funding any project is at the discretion of the Legislature. Successful past projects generally are ones in which the requested state funds: (1) are used for a facility providing an important public benefit; (2) are a small portion of the total project funding (25% or less); (3) result in a completed project or phase usable by the public for the intended purpose when the state funds are expended; and (4) are for a project that is ready for construction or renovation and will be completed within the biennium.

Funds are available on a reimbursement basis only and cannot be advanced.

Projects may be subject to state prevailing wage law (Chapter 39.12 RCW). Requesting organization are encouraged to consult the Industrial Statistician (David Soma: 360-902-5330 or somd235@lni.wa.gov) at the Washington State Department of Labor Industries to determine whether prevailing wages must be paid.

High-performance building requirements (Chapter 39.35D RCW and Chapter 28A.150.510 RCW) and Executive Order 13-03 regarding life cycle and operating costs in public works projects may also apply.

NOTE: This form is prepared for the use of the Capital Budget Chair, Representative Tharinger. He may elect to submit this form for filing in the Capital Budget Committee records. In addition, if the proposed request is funded in the enacted capital budget bill, the form may be filed with the state agency that distributes funding for the project. If so filed, this form will become a legislative record subject to public disclosure and will be archived consistent with Chapter 40.14 RCW.

Project Information (attach separate page with additional details if available):

Please Note: Questions 1, 5, 6, 7, 8, 12, 13, 14, 15, and 16 require narrative responses and provide a limited amount of space for the answers. Please be as brief as possible, but if you should need additional space for any answers, please continue your responses in a separate attachment, with the question number or numbers clearly identified.

(1) Describe the entire project *and* the phase of the overall project for which funds are requested:

(2) What is the primary objective of this project? – Check only one.

- | | | |
|---|--|---|
| <input type="checkbox"/> Economic Development | <input type="checkbox"/> Health Care | <input type="checkbox"/> Environment |
| <input type="checkbox"/> Social Services | <input type="checkbox"/> Historic Facilities | <input type="checkbox"/> Housing |
| <input type="checkbox"/> Education | <input type="checkbox"/> Parks & Recreation | <input type="checkbox"/> Other (describe) _____ |
| <input type="checkbox"/> Infrastructure | <input type="checkbox"/> Arts & Culture | |

(3) Start and Completion Dates: _____ to _____

(4) Eligible Project Type or Phase (Check all that apply to this funding request and insert requested amount).

Requested Dollar Amount

- | | |
|--|-------|
| <input type="checkbox"/> Land Acquisition | _____ |
| <input type="checkbox"/> Demolition and Site Preparation | _____ |
| <input type="checkbox"/> Design | _____ |
| <input type="checkbox"/> New Construction | _____ |
| <input type="checkbox"/> Renovation | _____ |
| <input type="checkbox"/> Other (describe) _____ | _____ |

Commerce Administrative Fee (3%, up to \$50,000 maximum)

***Note: This is a mandatory fee.**

Total Request

☐ **Attachments:** (Please enclose any materials that further describe the project and its financing.)

NOTE: This form is prepared for the use of the Capital Budget Chair, Representative Tharinger. He may elect to submit this form for filing in the Capital Budget Committee records. In addition, if the proposed request is funded in the enacted capital budget bill, the form may be filed with the state agency that distributes funding for the project. If so filed, this form will become a legislative record subject to public disclosure and will be archived consistent with Chapter 40.14 RCW.

(5) Public benefits of the project:

(6) How does this project help the State meet its greenhouse gas emission reduction goals in Chapter 70.235 RCW?

(7) Will this project have a revenue-generating component that would have community and state economic benefit? Please describe and quantify.

(8) Please quantify any short- and long-term job creation that will result from this project.

Yes No

(9) Is this a joint project?

If **yes**, has a joint operating agreement been signed?

(10) Is the site ☐ owned, ☐ optioned for purchase or ☐ under a lease?

Does the applicant understand and agree that any and all real property owned, optioned for purchase, or under a lease, that is acquired, constructed, or otherwise improved using state funds approved by the Legislature must be held and used for the purposes stated in this application for at least ten years from the date of the final payment made for the project?

(11) Has the applicant initiated a capital fundraising campaign?

If **yes**, what percent of matching funds have been secured? _____%

(12) What other sources of matching funds are being pursued?

NOTE: This form is prepared for the use of the Capital Budget Chair, Representative Tharinger. He may elect to submit this form for filing in the Capital Budget Committee records. In addition, if the proposed request is funded in the enacted capital budget bill, the form may be filed with the state agency that distributes funding for the project. If so filed, this form will become a legislative record subject to public disclosure and will be archived consistent with Chapter 40.14 RCW.

(13) Please list all past and current efforts to obtain **state** funding for this project, including year, state agency, specific fund source, and whether or not funding was obtained.

(14) If the project will not be completed after the requested state funding and matching funds are used, describe: (1) what the project will be at the completion of the portion funded by this request and how it will benefit the public; and (2) the phases and schedule for completion of the project.

(15) What source(s) of non-state funds exist for completion of the project and its ongoing maintenance and operation?

(16) Are there any community concerns about this project (i.e. conflict with land use, neighborhood concerns, other) that would prevent it from moving forward?

Legislative Sponsor
(Signature)_____



Date_____

NOTE: This form is prepared for the use of the Capital Budget Chair, Representative Tharinger. He may elect to submit this form for filing in the Capital Budget Committee records. In addition, if the proposed request is funded in the enacted capital budget bill, the form may be filed with the state agency that distributes funding for the project. If so filed, this form will become a legislative record subject to public disclosure and will be archived consistent with Chapter 40.14 RCW.

House Capital Budget Committee

Legislature Home > House of Representatives > Committees > Capital Budget > Committee Members and Staff

220A John L. O'Brien, P.O. Box 40600, Olympia, WA 98504-0600
 Committee Hearings & Bill Information: (360) 786-7717
 Legislative Hotline Operators: 1-800-562-6000

Committee Members

Representative	Room	Phone
Tharinger, Steve (D) Chair	314 John L. O'Brien Building	(360) 786-7904
Doglio, Beth (D) Vice Chair	317 John L. O'Brien Building	(360) 786-7992
Peterson, Strom (D) Vice Chair	324 John L. O'Brien Building	(360) 786-7950
DeBolt, Richard (R) Ranking Minority Member	425A Legislative Building	(360) 786-7896
Smith, Norma (R) Asst Ranking Minority Member	435 John L. O'Brien Building	(360) 786-7884
Dye, Mary (R)	432 John L. O'Brien Building	(360) 786-7942
Johnson, Norm (R)	122C Legislative Building	(360) 786-7810
Koster, John (R)	122G Legislative Building	(360) 786-7816
Kraft, Vicki (R)	418 John L. O'Brien Building	(360) 786-7994
MacEwen, Drew (R)	434 John L. O'Brien Building	(360) 786-7902
Macri, Nicole (D)	311 John L. O'Brien Building	(360) 786-7826
Morris, Jeff (D)	436A Legislative Building	(360) 786-7970
Reeves, Kristine (D)	132D Legislative Building	(360) 786-7830
Riccelli, Marcus (D)	434A Legislative Building	(360) 786-7888
Ryu, Cindy (D)	325 John L. O'Brien Building	(360) 786-7880
Sells, Mike (D)	438B Legislative Building	(360) 786-7840
Steele, Mike (R)	122F Legislative Building	(360) 786-7832
Stonier, Monica Jurado (D)	331 John L. O'Brien Building	(360) 786-7872
Walsh, Jim (R)	428 John L. O'Brien Building	(360) 786-7806

Senate Ways & Means Committee

[Legislature Home](#) > [Senate](#) > [Committees](#) > [Ways & Means](#) > [Committee Members & Staff](#)

311 J.A. Cherberg Bldg., P.O. Box 40482, Olympia, WA 98504-0482

Committee Hearings & Bill Information: (360) 786-7715

Legislative Hotline Operators: 1-800-562-6000

Committee Members

Senator	Room	Phone
Braun, John (R) Chair	303 John A. Cherberg Building	(360) 786-7638
Brown, Sharon (R) Vice Chair	202 Irv Newhouse Building	(360) 786-7614
Rossi, Dino (R) Vice Chair	403 Legislative Building	(360) 786-7672
Honeyford, Jim (R) Vice Chair, Capital Budget	112 Irv Newhouse Building	(360) 786-7684
Ranker, Kevin (D) Ranking Minority Member	215 John A. Cherberg Building	(360) 786-7678
Rolfes, Christine (D) Assistant Ranking Minority Member, Operating Budget	233 John A. Cherberg Building	(360) 786-7644
Frockt, David (D) Assistant Ranking Minority Member, Capital Budget	227 John A. Cherberg Building	(360) 786-7690
Bailey, Barbara (R)	407 Legislative Building	(360) 786-7618
Becker, Randi (R)	305 Legislative Building	(360) 786-7602
Billig, Andy (D)	412 Legislative Building	(360) 786-7604
Carlyle, Reuven (D)	213 John A. Cherberg Building	(360) 786-7670
Conway, Steve (D)	241 John A. Cherberg Building	(360) 786-7656
Darneille, Jeannie (D)		

	237 John A. Cherberg Building	(360) 786-7652
Fain, Joe (R)	309 Legislative Building	(360) 786-7692
Hasegawa, Bob (D)	223 John A. Cherberg Building	(360) 786-7616
Keiser, Karen (D)	219 John A. Cherberg Building	(360) 786-7664
Miloscia, Mark (R)	105 Irv Newhouse Building	(360) 786-7658
Padden, Mike (R)	106 Irv Newhouse Building	(360) 786-7606
Pedersen, Jamie (D)	235 John A. Cherberg Building	(360) 786-7628
Rivers, Ann (R)	204 Irv Newhouse Building	(360) 786-7634
Schoesler, Mark (R)	307 Legislative Building	(360) 786-7620
Warnick, Judy (R)	103 Irv Newhouse Building	(360) 786-7624
Zeiger, Hans (R)	109 Irv Newhouse Building	(360) 786-7648

Committee Staff

Coordinators

Staff	Title	Room	Phone
Bryon Moore	Staff Coordinator	JAC 323	(360) 786-7726
Michael Bezanson	Operating Budget Coordinator	JAC 334	(360) 786-7449
Richard Ramsey	Capital Budget Coordinator	JAC 329	(360) 786-7412
Dean Carlson	Revenue Coordinator	JAC 337	(360) 786-7305

Analysts



TACOMA HOUSING AUTHORITY

**ADMINISTRATION
REPORTS**



TACOMA HOUSING AUTHORITY

FINANCE



TACOMA HOUSING AUTHORITY

Motion

Adopt a consent motion ratifying the payment of cash disbursements totaling \$8,569,280 for the month of February, 2017.

Approved: March 22, 2017

Dr. Arthur C. Banks, Chair

TACOMA HOUSING AUTHORITY
Cash Disbursements for the month of February 2017

		Check Numbers				
		From	To	Amount	Totals	
A/P Checking Account						
Low Rent Module Checks	Check #'s	-	-	-		
Accounts Payable Checks	Check #'s	89,251	-	89,428		
Business Support Center				392,716	Program Support	
Moving To Work Support Center				151,815		
Tax Credit Program Support Center				250		
Section 8 Programs				304,511	Section 8 Operations	
Outrigger				63,683	Local Funds	
Salishan 7				38,345		
MLK New Look				59,613		
Hillsdale Heights				1,360	Development	
Development Activity				10,809		
Salishan Area 2B-Dev				296		
New Look-Development				9,518		
KeyBank Building				36		
Bay Terrace II				2,053,779		
Renew Tacoma Housing Development				2,050,829		
CS General Business Activities				3,100	Community Service	
Community Services MTW Fund				2,714		
ROSS Svc Coord				40		
AMP 6 - Scattered Sites				108,136		
AMP 10 - SAL 1 - Subsidy				10,399		
AMP 11 - SAL 2 - Subsidy				11,881		
AMP 12 - SAL 3 - Subsidy				10,315		
AMP 13 - SAL 4 - Subsidy				10,848		
AMP 14 - SAL 5 - Subsidy				12,095		
AMP 15 - SAL 6 - Subsidy				12,481		
AMP 16 - Bay Terrace - Subsidy				7,130		
Allocation Fund				61,634	Allocations-All Programs	
THA SUBTOTAL				5,388,335		
Hillside Terrace 1 through 1500				356	Tax Credit Projects - billable	
Bay Terrace 1				495		
Renew Tacoma Housing Operations				16,091		
Salishan I - through Salishan 6				2,086		
Salishan Association - Operations				-		
TAX CREDIT SUBTOTAL (Operations - billable)				19,028		5,407,363
Section 8 Checking Account (HAP Payments)						
SRO/HCV/VASH/FUP/NED	Check #'s	481,891	-	481,907	19,036	
	ACH	106,283	-	107,554	2,532,842	\$ 2,551,879
Payroll & Payroll Fees - ADP						\$ 609,039
Other Wire Transfers						
Earnest Money - 617 S 19th St purchase				1,000		\$ 1,000
TOTAL DISBURSEMENTS						\$ 8,569,280

TACOMA HOUSING AUTHORITY

CASH POSITION - February 2017

Account Name	Current Balance	Interest
HERITAGE BANK		
Accounts Payable	5,862,752	0.33%
Section 8 Checking	2,159,617	0.33%
THA Affordable Housing Proceeds-Salishan	3,420,247	0.33%
Scattered Sites Proceeds	686,772	0.33%
Note Fund Account	101	0.33%
Credit Card Receipts	8,211	0.33%
THA Investment Pool	291	0.33%
THA LIPH Security Deposits	4,505	0.33%
THDG - Tacoma Housing Development Group	348,687	0.33%
Salishan 7	1,197,033	0.33%
Salishan 7 Security Deposit	26,732	0.33%
Salishan 7 Replacement Reserve	204,169	0.33%
Salishan 7 Operating Reserve	199,949	0.33%
Outrigger Operations	94,310	0.33%
Outrigger Security Deposit	21,163	0.33%
Outrigger Replacement Reserve	58,937	0.33%
Prairie Oaks Operations	69,667	0.33%
Prairie Oaks Security Deposit	3,902	0.33%
Prairie Oaks Replacement Reserve	8,772	0.33%
Payroll Account	8,022	0.33%
WASHINGTON STATE		
Investment Pool	\$ 1,639,406	0.63%
1. TOTAL THA CASH BALANCE	\$ 16,023,246	
Less:		
2. Total MTW Cash Balance	\$ 639,529	
<i>Less Minimum Operating Reserves</i>		
2.01 Public Housing AMP Reserves (4 months Operating Exp.)	65,000	
2.02 S8 Admin Reserves (3 months Operating Exp.)	726,000	
2.10 Total Minimum Operating Reserves	\$ 791,000	
3. MTW Cash Available (Lines 2-2.10)	\$ -	
3. MTW Cash Held By HUD		
3.11 Undisbursed HAP Reserves Held by HUD	\$ 956,601	
3.20 Total MTW Cash Held By HUD	\$ 956,601	

TACOMA HOUSING AUTHORITY				
CASH POSITION - February 2017				
4. Non MTW Cash Restrictions				
<i>Other Restrictions:</i>				
4.01 FSS Escrows		\$	110,421	
4.02 VASH, FUP & NED HAP Reserves			206,411	
4.03 Mod Rehab Operating Reserves			49,195	
4.04 Security Deposit Accounts			58,674	
4.05 Gates Foundation - 615, 616			576,933	
4.06 Outrigger Reserves			58,937	
4.07 Salishan 7 Reserves			829,117	
4.08 Prairie Oaks Reserves			8,772	
4.09 THDG - 048			348,687	
4.10 Area 2B Sales Proceeds (Afford Hsg)			3,420,247	
4.11 Scattered Sites Proceeds (Afford Hsg)			686,772	
4.20 Total - Other Restrictions			\$	6,354,167
5. Agency Liabilities:				
5.10 Total - Agency Liabilities			\$	-
5.20 Development Draw Receipts for Pending Vendor Payments			\$	-
5.30 Development Advances/Due Diligence Commitments ¹			\$	-
6. Total Non MTW Cash Restrictions (Lines 4.20+5.10+5.20+5.30)			\$	6,354,167
7. THA UNENCUMBERED (Non-MTW) CASH (Lines 1-2-6)			\$	9,029,550
8. MTW Reserve Commitments				
8.01 Renovation/Remodel of Salishan FIC Building			\$	669,100
8.02 Renovation of Salishan Maintenance Shop				286,500
8.03 Software Conversion for Operational Platform (VH)				2,491
8.04 Education Projects - McCarver & Others				310,000
8.10 Total Reserve Commitments (Lines 8.01 through 8.04)			\$	1,268,091
9. Agency Current Commitments:		Board Approval	Expended	Obligation Balance
¹ Total Current Commitments outstanding				\$ -
Agency Advances for Current Development Projects				
			\$	-
			\$	-
Total Agency Advances			\$	-



TACOMA HOUSING AUTHORITY

CLIENT SERVICES



TACOMA HOUSING AUTHORITY

DATE: March 22, 2017

TO: THA Board of Commissioners

FROM: Greg Claycamp
Director of Client Services

RE: 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.

2. DIRECTOR'S COMMENT

There is no Director's comment for March.

3. COMMUNITY SERVICES: Caroline Cabellon, Community Services Division

3.1 NUMBER OF PEOPLE AND HOUSEHOLDS SERVED

Program Entries, Exits, and Unduplicated Number of Households Served

February 2017	Program/ Caseload Entries this Month	Program/ Caseload Exits this Month	Unduplicated Number Served (Month)	Unduplicated Number Served (YTD)
Case Staffing	11	8	22	33
Families in Transition (FIT)	0	1	7	8
Family Self Sufficiency (FSS)	2	0	165	165
General Services	4	22	95	117
Hardship	2	0	2	2
Housing Opportunity Program (HOP) Case Management	3	2	44	46

Children's Savings Account (CSA) K-5th Grade	4	0	38	38
Children's Savings Account (CSA) 6th - 12th Grade	2	0	35	35
McCarver	3	0	40	40
Senior & Disabled	11	1	174	185
DEPARTMENT TOTAL	42	34	622	669

3.2 PROGRAM UPDATES

3.2.1 Education Project Update

McCarver Program

In February, KBTC's news program, *Northwest Now*, aired an episode about the Achievement Gap. The episode featured Michael Mirra, McCarver Caseworkers and the Tacoma Housing Authority-Tacoma Public Schools (THA-TPS) liaison talking about the THA Elementary School Housing Assistance Program. The program's host, Tom Layson, highlighted the experience of a recent program graduate, Chrystal Olson. During Chrystal's interview, she stated that THA's program allows her children to be grounded and excel in school. Chrystal came to the McCarver Elementary School Housing Assistance Program from transitional housing. During her time in the program, Chrystal completed her GED, earned her AA and is working on her BA while working part-time. Chrystal has recently transitioned to the Housing Opportunity Program (HOP) where she will sign a Family Self-Sufficiency contract and further her work towards family self-sufficiency and accomplishing her personal goals. Northwest Now highlighted the overall success of the program and the reduction of McCarver's mobility. Since the school transiency has been reduced, the children in the program are now a group of core students who provide stability in school. The entire video can be found here: <http://video.kbtc.org/video/2365947392/>

3.2.2 Children's Savings Account Program

We are pleased to announce the addition of Martin Higgins to the Community Services Team. Martin is joining us as a second Education Services Program Specialist, assisting with the Children's Savings

Account (CSA) Program. He and Trish Mozo will work together to implement the program.

Martin comes to THA from previous employment at Tacoma Public Schools, where he served a number of functions. For 10 years, he managed the Science Resource Program at TPS, supporting elementary and middle school teachers, students and parents. He was frequently called upon to work directly with students in the classroom, and also supervised a number of students in TPS's Community Based Transition Program, where students assisted in maintaining and supplying science resources for classrooms in the district. Martin enjoyed working directly with students so much that he decided to pursue his Master's Degree in Education at UW-Tacoma. While family commitments prevented him from completing his Master's, Martin's passion for education brought him back to the classroom as a substitute teacher for TPS.

It is our good fortune at THA to have a staff member serving the Education Project so knowledgeable of TPS and so committed to education. Martin is also the father of a 5-year-old daughter. He will spend most of his time working with Lister Elementary and our matched savings cohorts.

3.2.3 Programming at Family Properties

THA partnered again this year with Associated Ministries to provide on-site Volunteer Income Tax Assistance (VITA) at Salishan's Family Investment Center on Saturdays throughout the tax season. While VITA is operating, staff from the Children's Savings Account program are providing community informational sessions on the CSA and enrolling children in the program.

THA's community partner, Sound Outreach, is also providing their VITA program to our family properties at Bergerson Terrace, Dixon Village, Hillside Terrace and Bay Terrace throughout the tax season.

4. RENTAL ASSISTANCE AND LEASING: Julie LaRocque, Associate Director of Client Services

Housing Choice Voucher utilization is reported at 96.55% for the month of February 2017.

Rental Assistance has exhausted the 2015 waiting list and will prepare to open the waiting list in spring 2017. We anticipate the opening to occur after OpenDoor goes live

in early April. In the interim, we believe that we can maintain current utilization with over 200 active shoppers remaining from the 2015 list.

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

Program Name	Units Allocated	Units Leased and Shoppers	Percentage Leased
VASH (Veterans Administration Supportive Housing)	177	160	90%
NED (Non Elderly Disabled) Vouchers	100	100	100%
FUP (Family Unification Program)	50	50	100%
CHOP (Child Welfare Housing Opportunity Program)	20	16	80%
McCarver Program	50	45	90%
CHAP (College Housing Assistance Program)	25	31	124%
TOTAL	422	402	95%

** The CHAP program is currently over issuing vouchers in an attempt to increase utilization. Should this program become over utilized we will discontinue this process.*

Project-Based Properties	Units Allocated	Units Leased	Percentage Leased
Bay Terrace	20	20	100%
Eliza McCabe Townhomes	10	9	90%
Flett Meadows	14	12	86%
Guadalupe Vista	40	38	95%
Harborview Manor	125	123	98%
Hillside Gardens	8	6	75%
Hillside Terrace	9	8	89%
Nativity House	50	50	100%
New Look Apts.	42	42	100%
Pacific Courtyards	23	22	96%
New Tacoma Phase II	8	7	88%
Salishan 1-7	340	330	97%
Tyler Square	15	7	47%
TOTAL	704	674	96%



TACOMA HOUSING AUTHORITY

PROPERTY MANAGEMENT



TACOMA HOUSING AUTHORITY

Date: March 22, 2017

To: THA Board of Commissioners

From: Pat Patterson
Director of Property Management

Re: Property Management Monthly Board Report

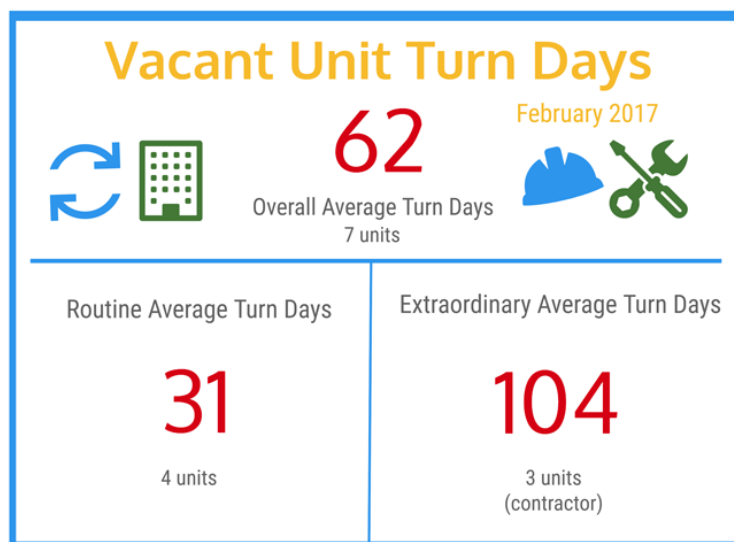
1. OCCUPANCY OVERVIEW

1.1 Occupancy

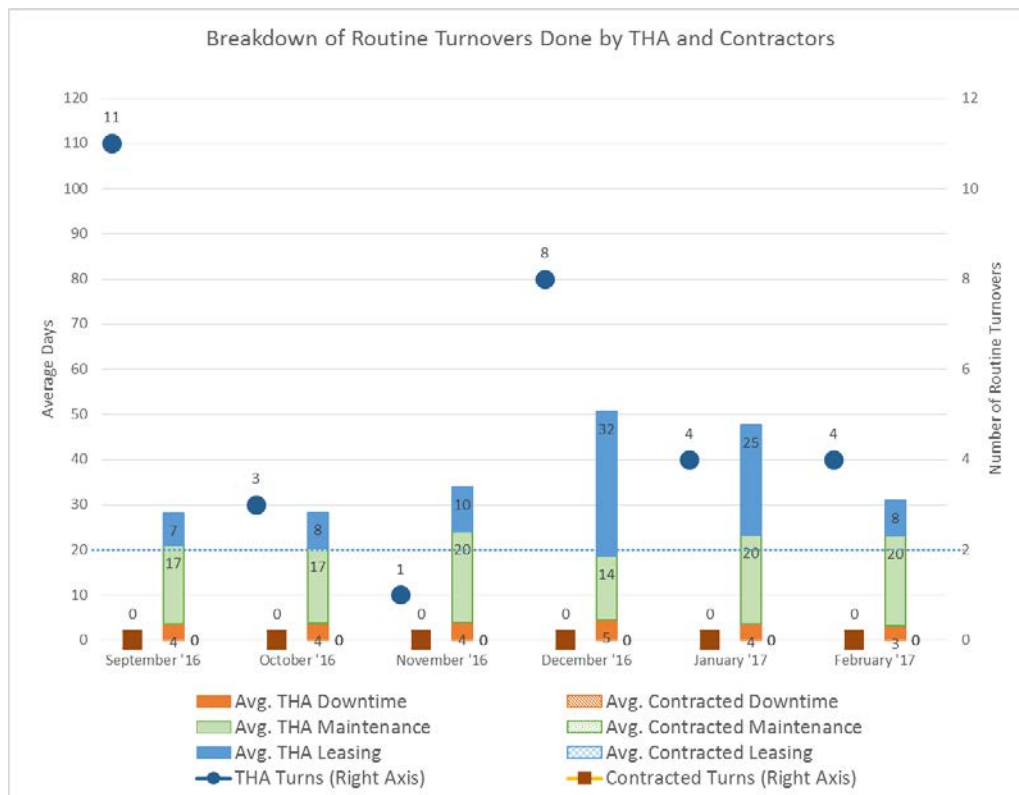
PROPERTY	UNITS AVAILABLE	UNITS VACANT	UNITS OFFLINE	UNITS OCCUPIED	% MONTH OCCUPIED	% YTD OCCUPIED
All Hillside/Bay Terrace	132	4	0	128	96.97%	96.97%
Family Properties	118	1	0	117	99.15%	98.31%
Salishan	631	6	0	625	99.05%	99.13%
Senior/Disabled	353	14	0	339	96.03%	95.89%
All Total	1,234	25	0	1,209	97.97%	97.89%

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

1.2 Vacant Clean Unit Turn Status



March 2017 Board of Commissioners Meeting
PROPERTY MANAGEMENT DEPARTMENT MONTHLY REPORT
Page 2



All Turns - Performed by THA and Contractors

Today's Date 3/6/2017

Select End Month & Year	February	2	2017
	January	1	2017
	December	12	2016
	November	11	2016
	October	10	2016
Beginning Month	September	9	2016

6-months - based on month and year selected from orange cell

		All THA Turnover Information						
Year	Month	Total Number of Turns	Total THA Turns	Total Meth Turns	Avg. Total Days	Avg. Downtime Days	Avg. Maintenance Days	Avg. Leasing Days
2017	February	7	4	0	31.0	3.3	19.8	8.0
2017	January	6	4	0	47.8	3.5	19.8	24.5
2016	December	9	9	0	64.7	14.8	21.2	28.7
2016	November	2	2	0	60.5	17.0	38.5	5.0
2016	October	4	4	0	32.0	3.8	21.5	6.8
2016	September	12	12	0	30.2	3.5	19.5	7.2
		All Contracted Turnover Information						
Year	Month	Total Number of Turns	Total Contracted Turns	Total Meth Turns	Avg. Total Days	Avg. Downtime Days	Avg. Maintenance Days	Avg. Leasing Days
2017	February	7	3	0	104.3	49.0	37.3	18.0
2017	January	6	2	0	120.5	63.5	52.0	5.0
2016	December	9	0	0	0.0	0.0	0.0	0.0
2016	November	2	0	0	0.0	0.0	0.0	0.0
2016	October	4	0	0	0.0	0.0	0.0	0.0
2016	September	12	0	0	0.0	0.0	0.0	0.0

The average unit turn time for the month of February was **62** days for seven (7) units turned by Tacoma Housing Authority (THA) staff and contractors that were non Rental Assistance Demonstration (RAD). There were a total of eight units that were made rent ready throughout the portfolio. 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 cannot be repaired within 20 days.

Routine +20 Explanation

Hillside I #221 (29) days: Unit was in downtime for (5) days. Maintenance work was completed in (22) days. 2 days were attributed to leasing efforts.

Salishan 6 2035 E 44th (43) days: Unit was in downtime for (1) day. Maintenance work was completed in (19) days. 23 days were attributed to leasing efforts.

Salishan 6 4209 Everett (27) days: Unit was in downtime for (1) day. Maintenance work was completed in (19) days. 7 days were attributed to leasing efforts.

Bay Terrace #1 (25) days: Unit was in downtime for (6) days. Maintenance work was completed in (19) days. Unit was leased the same day unit was made available.

Extraordinary Explanation

6th Ave #306 (53) days: Unit was held for (33) days for staff to focus on priority units for year-end RAD commitments. Maintenance work was completed in (15) days once started. 5 days were attributed to leasing efforts.

Hill II, # 211 (47) days: Unit suffered water damage from kitchen fire from surrounding unit.

Salishan 3 4345 Sal Blvd (213) days: Unit was damaged by fire on 7/4/2016.

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.

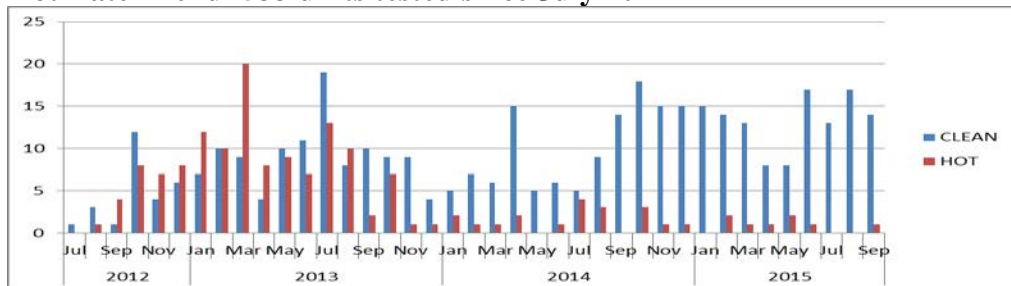
- ✓ Procure contractors who will respond to request for service if needed that have the appropriate staff to assign multiple units.
- ✓ Increase inspections to deter heavy damage at move out.
- ✓ Unit work every working day. Unit is the sole priority by assigned staff.
- ✓ Use of tracking charts to monitor 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.
 - ✓ THA staff will undergo training to better lease our units that are not subsidized. THA is competing with the open market in some cases and having better tools and tactics will be helpful for us to attract applicants that will accept the units in a timelier manner.

Proposed

Downtime	Repair Make ready	Vacant	Total days
1	17	2	20

1.3 THA Meth Data Trends

Hot Rate Trend- 533 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
- 2016- 3 units tested, 3 hot 100% Hot Rate

As of June 1, 2016, 158 of the 533 units that have been tested for contamination have tested positive for methamphetamine. The hot rate for 2016 is 100%. This rate is based on only testing the unit when suspicious activity was discovered. The overall hot rate from 2012 is 30%.

1.4 Work Orders

Work Order Summary by Portfolio For the Month of February, 2017

Completed Work Orders										
Portfolio	Emergency				Urgent		Non-Emergency			
	Month		YTD		Month		Month		YTD	
	# Completed	% Completed in 24 Hrs	# Completed	% Completed in 24 hrs (99% HUD Std)	# Completed	Avg Completion Days	# Completed	Avg Completion Days	# Completed	Avg Completion Days (25 days HUD Std)
THA 6TH AVE	0	0.0%	0	0.0%	0					
	0	0.0%	0	100.0%	0					
All Hillside										
BAY TERRACE	0	0.0%	0	0.0%	0		0		12	0.83
HILLSIDE TERRACE 1500 Block	0	0.0%	0	0.0%	0		0		1	3.00
HILLSIDE TERRACE PH I	0	0.0%	0	0.0%	0		0		4	10.25
HILLSIDE TERRACE PH II	0	0.0%	0	0.0%	0		0		4	3.50
	0	0.0%	0	100.0%	0		0		21	3.24
Family Properties										
BERGERSON TERRACE	1	100.0%	8	100.0%	6	0.67	14	11.50	38	10.05
DIXON VILLAGE	5	100.0%	16	100.0%	4	2.75	13	23.00	24	13.67
SCATTERED SITES	2	100.0%	4	100.0%	1		8	6.13	9	5.44
	8	100.0%	28	100.0%	11	1.36	35	14.54	71	10.69
Salishan										
SALISHAN I	0	0.0%	0	0.0%	8	1.00	66	13.80	97	11.26
SALISHAN II	0	0.0%	0	0.0%	5	1.80	31	9.55	70	9.19
SALISHAN III	0	0.0%	0	0.0%	3	2.00	49	7.78	90	7.52
SALISHAN IV	0	0.0%	0	0.0%	1		67	5.00	134	6.98
SALISHAN V	0	0.0%	1	100.0%	4	0.50	31	9.55	93	7.26
SALISHAN VI	0	0.0%	0	0.0%	3	4.00	13	17.00	31	10.55
SALISHAN VII	0	0.0%	0	0.0%	3	0.33	20	10.60	57	7.56
	0	0.0%	1	100.0%	27	1.41	277	9.57	572	8.36
Senior / Disabled Properties										
6TH AVE	0	0.0%	0	0.0%	0		11	0.00	33	3.24
E.B. WILSON	0	0.0%	1	100.0%	2		18	2.94	39	3.33
FAWCETT APARTMENTS	0	0.0%	0	0.0%	0		6	4.00	15	2.40
LUDWIG APARTMENTS	1	100.0%	4	100.0%	4	1.50	9	8.22	26	8.96
NORTH G ST	0	0.0%	0	0.0%	0		8	1.75	15	0.93
NORTH K ST	1	100.0%	1	100.0%	1		15	7.20	28	7.71
WRIGHT AVE	0	0.0%	0	0.0%	0		7	2.00	18	8.39
	2	100.0%	6	100.0%	7	0.86	74	3.88	174	5.10
Agency Totals:	10	100.0%	35	100.0%	45	1.31	386	8.93	838	7.75

In the month of February, 100% of emergency work orders were completed within 24 hours. In February, maintenance staff completed 386 non-emergency work orders with a total of 838 for the calendar year. The year-to-date average number of days to complete a non-emergency work order is 7.75 days.

Open Work Order Summary by Portfolio For the Month of February, 2017

		Emergency		Urgent		Non Emergency		
Portfolio		Opened Emergency WO	Days Open	Open Urgent WO	Days Open	Open Non- Emergency WO	< 25 Days	>25 Days
All Hillside								
BT	BAY TERRACE (PH)	0	0	0	0	17	16	1
HT1	HILLSIDE TERRACE PH 1	0	0	0	0	2	0	2
HT1500	HILLSIDE TERRACE 1500 Block	0	0	0	0	5	3	2
HT2	HILLSIDE TERRACE PH II	0	0	0	0	5	3	2
		0	0	0	0	29	22	7
Family Properties								
020	BERGERSON TERRACE	1	0	0	0	1	1	0
022	LOW RENT SCATTERED SITES (19)	2	0	0	0	6	6	0
023	DIXON VILLAGE	5	0	0	0	2	2	0
		8	0	0	0	9	9	0
Salishan								
SAL1	SALISHAN ONE LLC (S8)	0	0	0	0	28	28	0
SAL2	SALISHAN TWO LLC (PH)	0	0	0	0	56	54	2
SAL3	SALISHAN THREE LLC (S8)	0	0	0	0	13	9	4
SAL4	SALISHAN FOUR LLC (S8)	0	0	0	0	12	10	2
SAL5	SALISHAN V LLC (S8)	0	0	1	12	20	18	2
SAL6	SALISHAN SIX LLC (S8)	0	0	1	5	12	7	5
SAL7	SALISHAN SEVEN	0	0	1	18	14	12	2
		0	0	3	35	155	138	17
Senior / Disabled Properties								
006	NORTH K ST	1	0	0	0	1	1	0
008	E.B. WILSON	0	0	1	7	3	3	0
009	FAWCETT APARTMENTS	0	0	1	0	0	0	0
012	LUDWIG APARTMENTS	1	0	0	0	2	2	0
013	NORTH G ST	0	0	0	0	0	0	0
014	6TH AVE #2	0	0	0	0	3	3	0
		2	0	2	7	9	9	0
Agency Totals:		10	0	5	42	202	178	24

The open work orders that are greater than 25 days is 24 in February, 2017. These repairs are scheduled to be completed in the next 30 days.

Property Management (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 five (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: March 22, 2017

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. Discussions are underway with Bates Technical College and Community Health Services regarding the Salishan Core. Staff also showed space at the Family Investment Center (FIC) to a local child care operator who expressed some interest in providing day care or before/after school programs at this location. These discussions are all in the very early stages.

2. NEW DEVELOPMENT

2.1 Bay Terrace – Phase II

Construction is approximately 74.2% complete. Building J – Drywall at level 2 is complete, level 3 has started. Interior painting is ongoing starting in the basement followed by cabinets and interior doors. Building J schedule has slipped by 6 days due to inclement weather during October, November and December 2016. The revised completion date is June 23, 2017. Building G & H – Crews have been working on exterior hardscapes and irrigation. MEP&F final inspections are complete and will be followed by installation of interior accessories and appliances. Blower door test completed 2/23/2017. Building G&H punch list and City final inspections are scheduled for completion by April 10, 2017. Staff has executed a change order for the basketball half court and other miscellaneous art projects. The projects were developed with extensive community engagement and include the basketball half court, grotto and Yuki benches. The added \$421K covers community engagement, concept, design and construction cost and will be paid by project contingency and other budget line item adjustments. The basketball court will be located south of Building J and is scheduled to be completed in late July 2017.

Overall the project is on budget and slightly behind schedule with no major issues to report.

NOTE:

The following information is based on Draw 11 dated 2/7/2017. BTII has not encountered any unusual problems or issues with exception to the above mentioned weather delay.

Construction % complete				
74.2%				
Budget	Total budget	Expended	Balance	% Remaining
Soft Costs, inc. reserves	4,900,617.00	2,728,426.00	2,172,191.00	44%
Construction	16,061,051.00	10,482,824.00	6,458,227.00	40%
Owners contingency	880,000.00	687,749.00	192,251.00	22%

*includes pending changes

Absher Construction's Total Resident Employment, and M/WBE and Apprenticeship goal commitment and monthly utilization:

	GOAL	PREVIOUS ACTUAL	ACTUAL AS OF 2/28/2017
MBE	10%	13%	13%
WBE	8%	12%	12%
Section 3 Business	10%	14%	14%
Section 3 New Hires	30%	17.24%	17.24%
Apprenticeship	15%	10%	10%

3. OTHER PROJECTS

3.1 Public Housing Scattered Sites

Former Public Housing Scattered site homes are being rehabilitated and sold at market value. To achieve affordability for households earning 50% to 80% of the Area Median Income (AMI), THA will place a restriction for the difference between market value and the effective sales price on the property. The effective sales price is what a buyer earning 50% to 80% of the AMI can afford. The value of the difference between the market value and effective sales price will be captured in the restrictive covenant. This value takes the form of a forgivable loan. 20% of the loan value will be forgiven every year.

Rehabilitation work was completed by mid-November and Community Youth Services (CYS) began providing shelter and services for homeless teens in this temporary setting.

Two homes are being purchased by residents of public housing. These are defined as priority 2 buyers.

The following chart shows the number of units sold, listed, sold price and net proceeds:

Units Sold	Combined Market Value	Combined Sold Price	Combined Rehab Costs	Total Sales Costs	Net Proceeds
6	\$1,238,952.02	\$1,238,952.02	\$201,363.00	\$248,612.13	\$788,977.35
Units Listed	Market Value	List Price	Rehab Costs	Sales Costs Estimated	Projected Proceeds
8	\$1,618,000.00	\$1,618,000.00	\$175,770.00	485,400	1,132,600
Units in Construction	Scope Preparation	Occupied	Listed		
4	1	15	8		



807 S. Prospect –SOLD

Rehabilitation Work on Scattered Site Units and Sold:

- 14 of the remaining 15 occupied homes will be remodeled as residents are relocated in 2017.
- CYS is occupying 120 East Bismark to temporarily house homeless youth. They are consistently at capacity.
- 807 S Prospect and 411 E 66th have been sold and recorded.
- 5 of the 8 houses are under contract to sell and potential buyers for the other 3 houses are being screened.
- 635 S Fife, 2146 S Sheridan, 1818 and 1830 S 92nd have been listed for sale ranging in price from \$167,000 to \$269,000.
- 2011 Fairbanks and 4939 NE 32nd st are under construction and will be completed by the end of March.
- 3835 S D and 8019 S Yakima are under construction and will be completed by the end of March.

- 6932 S Madison is currently in scoping. It will be put out to bid with the next 3 houses that have families currently in the relocation process.
- Relocation for the next 3 households without children has begun. Households are given 90 days to relocate. THA will provide a housing voucher and relocation assistance. All 3 households are expected to be successfully relocated in the next 90 days. The remaining households with children will be relocated during the summer months when children are not in school.

The number of eligible buyers has increased with consistent communication and outreach efforts. THA will be hosting an information session on March 16th, for real estate agents to advertise the program explain buyer eligibility requirements more thoroughly.

3.2 Consulting and Community Engagement

Real Estate Development (RED) continues to work with the Salvation Army (SA) on a proposal to redevelop SA's Sixth Avenue property. Conceptually, this project will offer 69 rental units for families and individuals experiencing homelessness. A food bank and space for entities providing supportive services is also planned.

Meetings with the local Salvation Army representatives have been positive. The next step is to meet with the representatives from Seattle and finalize an agreed-upon scope of work. Staff will participate in a board retreat with SA officials in March. Ideally, this project will be ready for a 9% tax credit submission in 2018.

3.3 New Look Capital Planning and Resyndication

THA selected Buffalo Design to plan the capital work for the New Look Apartments. The planned work will be completed as part of a tax credit resyndication. National Equity Fund (NEF) represented the limited partners in the former New Look LLC. NEF has exited the partnership and THA is the sole owner of the property and will lease it to the new partnership once resyndication under the LIHTC 4% program begins. THA will be the general managing partner for the Alberta J. Canada building. Solicitation for tax credit investors has been delayed, on advice from Brawner and Associates. Several meetings have been held with residents and surrounding property owners to solicit their input to the proposed design.

3.4 Community Youth Services (CYS): Arlington Drive Property

Staff began negotiating with the City of Tacoma on the predevelopment, development and operations agreements for a Crisis Residential Center to be managed by Community Youth Services (CYS). Staff are negotiating with SMR Architects for the master site plan and related preliminary work. This work will be reimbursed as part of the City of Tacoma Agreement and will also benefit THA as we

complete a full master site plan. The initial costs will not exceed \$25,000.

Staff is assisting CYS with their funding application for Pierce County Capital Projects funds. Pierce County has indicated that it will support CYS assigning the funds to THA for the project. Staff plans to submit the application by the end of March, 2017.

CYS is a well-regarded organization that provides emergency and longer-term housing for youth experiencing homelessness. The organization is located in Olympia. This group has been providing overnight shelter services in Tacoma, under a contract with the City of Tacoma.

4. DEVELOPMENT PIPELINE PROJECTS

4.1 1800 Hillside Terrace Redevelopment

The 1800 block of Hillside Terrace was demolished during the Bay Terrace Phase I redevelopment. Staff submitted a January, 2018 9% tax credit submission; however, it did not score high enough to receive tax credits. Staff is evaluating other options for financing new development.

Staff purchased two single-family homes in anticipation of developing this site.

4.2 Intergenerational Housing at Hillsdale Heights

Hope Sparks has declined to partner with The Many Lights Foundation (MLF) for the development of the Hope Lights housing. Hope Sparks, is a local non-profit that comprises five core behavioral health programs that serves children and families in Pierce County who face trauma, abuse and overwhelming life challenges. Hope Sparks prefers to be a service provider for the project.

4.3 Hilltop Lofts and THA Owned Properties Master Development Plan

THA and the City extended the timeline by two years for THA to develop the Hilltop Lofts project. Council approved the extension request at its November 3, 2015 meeting. Work needs to begin by the end of 2017. Staff submitted a January, 2018 9% tax credit submission; however, it did not score high enough to receive tax credits. Staff is reviewing other financing options for this site.

4.3.1 City of Tacoma 311 Mobilization

RED in partnership with the Hilltop Action Coalition will facilitate the outreach and mobilization so that residents of the Hilltop understand and use the City's 311 customer service line. This will be completed through a series of workshops, events, canvassing and literature creation. The agreement with the City has been executed and planning work initiated.

5. Renew Tacoma Housing, LLLP

5.1 Construction

Property	Construction start	Construction schedule complete	Units complete	Units underway	Units remaining
Bergerson	5/4/2016	12/27/2016	72	0	0
E.B. Wilson aka M Street	5/4/2016	12/27/2016	77	0	0
Dixon Village	9/16/2016	12/27/2016	31	0	0
Ludwig	6/23/2016	3/15/2017	41	0	0
Fawcett	1/9/2017	5/24/2017	25	5	0
K Street	10/11/2016	3/27/2017	39	4	
Wright Street	2/6/2017	8/18/2017	0	10	48

2

2016 Projects: Bergerson, Dixon and E.B. Wilson

The *Certificates of Substantial Completion* were issued on December 27, 2016, for the Bergerson, Dixon and E.B. Wilson sites required to be delivered in 2016 and the tax-exempt bond “50% test” was met for each site.

2017 Projects: Ludwig, Fawcett, K Street, 6th Avenue, Wright, G Street

Of these six sites, all have started construction with the exception of G Street and 6th Avenue. Walsh construction is mobilizing at the G Street site and will begin construction March 7th. Construction at 6th Avenue is intended to start May 9th.

Wright Street started construction early on January 26, 2017, in order to get a jump-start on the replacement of the water lines in common areas. This reduced the overall activity at the site when unit work began February 6th.

Roofing and siding work is in process and scheduled on a separate track to retain the subcontractor, be mindful of weather conditions and accelerate schedules where possible. When necessary, the subcontractor is authorized to expand daily work hours (in accordance with regulatory restrictions) in order to expedite completion of the exterior work. Walsh will have oversight during these expanded hours.

Given that the predominate portions of K, Fawcett and Wright Street roofs are flat, roofing work will be postponed until April, 2017. It is more advantageous to postpone the work to more favorable and recommended conditions (41 degrees F or higher with dry conditions), than to mitigate moisture infiltration that occurs at this time of year. Work is scheduled to be completed by September and will not compromise construction schedules and/or tax credit delivery.

Similar to the approach with the 2016 projects, the Brawner team monitors the tax-exempt bond 50% test on both a site and project level. Staff also regularly meet with

the Brawner team to discuss the budget and forecast allocations to meet the bond “50% test” for the 2017 projects.

Elevators

Modernization of one of the two elevators at E.B. Wilson passed inspection on December 29, 2016. Modernization of the second elevator is expected to be complete by March 15, 2017. Similar to the approach with roofing, the elevator modernization work has an independent schedule to retain the subcontractor and accelerate completion.

Because the Fawcett and 6th Avenue sites have one elevator each, elevator modernization planning required strategic analysis to arrive at the optimum approach considering construction schedule, relocation budget, resident welfare and overall project timing. Fawcett had the upper floors vacated and residents relocated so that elevator modernization and unit renovation work could start. This approach will be mirrored at 6th Avenue.

5.2 Relocation

All units are complete at E.B. Wilson. No more relocation activity is happening. Relocation activity ended October, 2016.

All units are complete at Bergerson Terrace. No more relocation activity is happening. Relocation activity ended October, 2016.

All units are complete at Dixon Village. No more relocation activity is happening. Relocation activity ended December, 2016.

All units are complete at Ludwig. No more relocation activity is happening. Relocation activity ended February 27, 2017.

North K Street relocation activity is still in progress. There have been forty households relocated and are back in their newly renovated units. One household is currently in relocation status. Two units are vacant and have been completed. North K is day moves with some over-night relocation depending on resident needs.

Fawcett’s RAD informational meeting for residents took place on November 30, 2016. The residents who reside on the second and third floors have all been relocated over-night to a hotel, family or friends’ home and have been moved back as of February 28, 2017. This was due to the elevator work that started on January 23, 2017. The first floor and the ground floor residents are day moves. There are two households left to relocate.

Wright Street RAD information meeting for residents took place on December 22, 2016. Intake appointments began on January 9 and relocation of residents began on

February 2, 2017 and has been extended to return by March 15, 2017, instead of March 7 due to ventilation issues at Wright Street.

North G Street RAD informational meeting took place on February 2, 2017. The thirty-day walk was completed on January 31, 2017, in preparation for relocation to start March 7, 2017. Day Relocation began on March 7 for the first five units.

We are still waiting on information for 6th Avenue, the final site, in order to move forward.

5.3 Watch list

Environmental – The Department of Ecology (DOE) issued a *No Further Action* letter for 6th Street.

DOE required additional testing at K and Wright Streets. THA's environmental consultant developed work plans and presented them to DOE for comments. Fortunately, DOE is in support of the lower cost option for clean-up at Wright Street.

K Street:

THA and its consultant were informed by the DOE/Environmental Protection Agency (EPA) that the K Street plan looks good and only required minimal additional testing. Vapor testing to the elevator pit was performed to assure there are no toxic emissions. The testing is complete and the final report will be forwarded to EPA by the end of March. No new issues were discovered and it is anticipated that a No Further Action will be issued by EPA.

Wright Street:

Additional testing was performed at the site and one new issue was discovered. The contractor discovered a new contamination with a potential source of an underground tank. The contractor performed additional excavation to determine if a tank did exist but the work was halted due to excessive sluffing of the earth around the site. The investigation was halted. Further investigation and any contaminated dirt will be removed in July, 2107 so that the consultant's work does not impede Walsh Construction's work.

The testing performed at the neighboring property indicated that the contamination is in the parking lot but had not migrated into other areas of the property. This news supports a No Further Action for that location. THA will be conferring with the neighbor as to next steps.

The Consultant is completing his report on the findings of the investigation and THA and the Consultant will be meeting with EPA in April to discuss Wright Street options.

THA is also working with legal counsel to ensure THA is as sheltered as possible against any future claims. The “*No Further Action*” letter will include the neighboring site in its directive because the home of the confirmed contamination that originated from the Wright Street site. If necessary, an option available to THA would be to purchase the neighboring property and turn it into a parking lot. At this point, THA will wait for EPA.

Legal Counsel sent a letter to Superior Linen informing them that and a formal complaint will be filed against them for restitution for environmental expenses. THA’s legal counsel continues to engage with Superior Linen’s legal counsel.

5.4 Problems Encountered/Status

5.4.1 Description and Resolution

Fawcett Elevator

The Fawcett elevator passed inspection and is operable. However, there are some interior finishes that need to be completed. Fawcett residents have returned to their units. To ensure residents have access to an operational elevator, the remaining cab interior work will be performed March 2nd beginning at 8:00 p.m. and complete and inspected the following morning at 8:00 a.m. The only construction noise will begin at 8:00 p.m. and will not exceed 15-20 minutes. The noise will originate from cordless drills and the volume will be very minimal. There will be a person posted on each of the floors in case a resident needs to use the elevator. Maximum wait time to get the elevator will not exceed 5 minutes.

Budget	Total budget	Expended	Outstanding
Soft Costs*	\$24,023,498	\$6,914,311	\$17,109,187
Construction	\$29,812,529	\$20,776,876	\$9,035,653
Owner’s contingency	\$ 3,343,026	\$1,792,191	\$1,550,835
Environmental Escrow	\$3,500,000	\$600,000**	\$2,900,000

NOTE: The above reflects the budget status through Draw9 (January 2017 draw).

*Excludes \$30,640,000 Site/Building Acquisition Expended at Closing Draw

**Reallocated to construction budget due to 6th Avenue “*No Further Action*” letter issued by DOE.

5.5 Walsh Construction - MWBE and Section 3 Reporting

	GOAL	ACTUAL AS OF 3/3/2017
MBE	14%	8.78%
WBE	8%	.29%
Section 3 Business	----	7.41%
Section 3 New Hires	30%	27.78 (20 new hires)

Section 3 New Hires:

- The above information represents a combination of Section 3 hires that were hired by Walsh prior to the start of RAD and subsequently assigned to RAD and new Section 3 hires in which their initial assignment is the RAD project.
- Also please note that the above information is a computation of the % of new hires that meet the Section 3 guidelines under RAD. There were 70 hires total for the RAD project.

Walsh provided some context for why meeting the Minority and Women Business Enterprise (MWBE) goals are a challenge:

- The small work scope is such that it is difficult to package scopes into smaller packages to achieve Minority and Women-Owned Business Enterprises (MWBE) results. This is easier to do on larger, single purpose projects;
- The RAD project is complex and maintaining the aggressive schedule is critical. There are significant consequences to any delays in the work. For example, the investor is expecting delivery of 3 projects by the end of 2016. If any one of the projects is not delivered, there is a serious financial and reputational risk. Also, if there are delays in the work, the project will face increased relocation costs;
- AVA Siding is a Section 3 business; however, due to market conditions and their work load, RDF Builders has had to step in and take over some of the siding scope simply to finish the project on time;
- Cerna Landscaping, WCC's go-to MBE landscape subcontractor failed on the Bergerson project, again due to an excessive amount of work that they could not complete;
- There has been difficulty identifying MWBE subs, unfortunately Walsh's outreach results were not what they had hoped; and,
- Walsh's outreach efforts, such as town hall meetings, advertising, speaking at NAMC meetings, and phone calls were outstanding. We simply had trouble finding MWBE subcontractors. It is possible that this can be attributed to the significant amount of work underway in the South Sound.

6. Legal Services

On December 16, 2016, THA solicited Request for Proposals from qualified firms to assist THA with Legal Services on an on-call basis. Proposals were due initially on January 17, 2017. THA extended the initial due date to February 7, 2017. Selected firms will be on-call for specific projects as they arise and at the hourly rates listed in their proposals. We received 6 proposals from interested firms and found all firms to be qualified to be on THA's roster of Legal Firms. Staff recommends that all the firms; Van Ness Feldman, Gordon Thomas Honeywell, Ballard Spahr, Foster Pepper, Phillips Burgess and Reno Cavanaugh be included in THA's legal stable. In general terms, staff will utilize the highest rated firm for each category. However, because of specialty needs or requirements for unique expertise, THA will not be limited to that firm. THA will retain the flexibility to contract with whichever firm appears most qualified on a case-by-case basis.



TACOMA HOUSING AUTHORITY

NEW BUSINESS

Resolution 1



TACOMA HOUSING AUTHORITY

RESOLUTION 2017-03-22 (1)

Date: March 22, 2017
To: THA Board of Commissioners
From: Michael Mirra
Executive Director
Re: Approval of Tenant Account Receivable Write-Offs

This resolution will authorize Tacoma Housing Authority (THA) to write off bad debts associated with tenant accounts in the amount of \$1,121.71.

Background

THA has established a process of writing off tenant accounts receivable bad debt. THA incurs this bad debt when a program participant leaves the public housing or Housing Choice Voucher program owing a balance. The debt may arise from excessive damage to a unit, unpaid rent, or tenant fraud/unreported income. There are also instances where a property owner is overpaid rental assistance payments and the owner has not repaid THA for this amount.

Until we write off tenant accounts receivable balances as a bad debt, these balances stay on the active tenant ledger in our accounting system and General Ledger (GL). The receivable balance also remains as part of our tenant receivables that we report to Housing and Urban Development (HUD) in our year-end financials. Once we write off the debt, we can remove it from THA's receivable balance and assign it to the collection agency for collection purposes. THA receives 50% of any proceeds the collection agency recovers.

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

Some accounts included in this resolution will not be sent to collections because the tenants have passed away, discharged the debt in bankruptcy proceedings or have a balance owing of less than \$30.00. Those accounts are indicated with asterisks (*) below.

Recommendation

Authorize Tacoma Housing Authority to write off tenant accounts totaling \$1,121.71.



TACOMA HOUSING AUTHORITY

RESOLUTION 2017-03-22 (1) (Approval of Tenant Account Receivable Write-Offs)

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

WHEREAS, Tacoma Housing Authority (THA) provided housing assistance payments to property owners in excess to the amount the owner is entitled to receive and the owner has not repaid this amount to THA; and

WHEREAS, Each individual included in this tenant account write off has been notified of their debt and given the opportunity to pay prior to this resolution; now, therefore, be it

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

Authorizes THA staff to “write off” the following accounts and send these debts to an external collection agency to pursue collection action:

Collection Status	M-O Project #	Client #	Balance
W-O No Collect	S Wright Str	00010291	\$136.71
W-O Collect	Section 8	717769	\$985.00
Grand Total			\$1,121.71

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

Approved: March 22, 2017

Dr. Arthur C. Banks, Chair

Resolution 2



TACOMA HOUSING AUTHORITY

RESOLUTION 2017-03-22 (2)

Date: March 22, 2017

To: THA Board of Commissioners

From: Michael Mirra
Executive Director

Re: Modernization of Two Elevators at 902 South L. Street (Administration Building)

This resolution would authorize THA's Executive Director to negotiate and if those negotiations are successful to execute a contract with R.C. Zeigler Company in the amount not to exceed \$417,377.00 for the repair of the two elevators at 902 South L. Street (Administration Building) and the additional contingency amount of \$50,000 making the total project amount not-to-exceed \$467,377.00.

Background

In November 2016, Tacoma Housing Authority (THA) contracted with Elevator Consulting Services (ECS) to perform an audit of the two elevators at the 902 South L. Street (Administration Building). We did this because the elevators were requiring an increasing number of service calls and were breaking down. We were concerned that they also presented a safety risk.

On December 15, 2016, THA received the audit report that recommended both elevators be upgraded. The normal life expectancy for elevators is 15 to 20 years. These elevators were installed 33 years ago, in 1984. Due to the age of the elevators, THA's current elevator vendor is having a hard time finding parts to repair the elevators.

This resolution would authorize payment for an upgrade that would bring the mechanical system to current American Society of Mechanical Engineers (ASME) standards and codes. This upgrade would include fire suppression service, seismic protection and compliance with Americans with Disabilities Act (ADA) requirements.

Based on the audit, THA amended the contract with ECS to include writing the spec book for procurement of the modernization work. On February 8, 2017, THA issued an Invitation to Bid (ITB) for the work. We advertised it on Washington Electronic Business Solutions (WEBS) and sent it to the vendors in the elevator industry. We held a pre-bid meeting on February 15, 2017. Only two companies attended. The bids were due March 2, 2017. THA received only one bid. It was from R.C. Zeigler Company, Inc. in the amount of \$417,377.00. Elevator vendors are limited in this industry. There are only four large elevator companies in the State of Washington. Only three

of them do work for the state. R.C. Zeigler is a general contractor which proposes to use ThyssenKrupp as a subcontractor to do the actual work. ThyssenKrupp has performed work on the elevators. It is the same company doing the elevator work at Renew Tacoma properties as part of THA's Rental Assistance Demonstration (RAD) conversion.

We are also asking for an additional \$50,000.00 for contingency for any unforeseen work that may be uncovered during construction making the project Not-To-Exceed \$467,377.00.

Recommendation

Authorize Tacoma Housing Authority to contract with R.C. Zeigler Company, Inc. up to the amount of \$417,377.00 for the modernization of the two elevators at 902 South L. Street (Administration Building) plus up to \$50,000 for contingency.



TACOMA HOUSING AUTHORITY

RESOLUTION 2017-03-22 (2)

(Modernization of Two Elevators at 902 South L. Street (Administration Building))

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

WHEREAS, Tacoma Housing Authority (THA) procured for a consultant to perform an audit of the two elevators at 902 South L. Street due to the number of service calls; and

WHEREAS, Based on the outcome of the elevator audit, it was determined that both elevators were past its life by 8 to 10 years and needs a complete modernization; and

WHEREAS, THA advertised on WEBS for the modernization of two elevators at 902 South L. Street, the advertisement was sent to elevator vendors on the State of Washington contract and past vendors that have done business with THA; and

WHEREAS, THA hosted a pre-bid meeting at which only two vendors attended; and

WHEREAS, Bids were due on March 2, 2017, of which only one bid was received by R.C. Zeigler Company in the amount of \$417,377.00. It should be noted that R.C. Zeigler is a general contractor and will be using ThyssenKrupp as their subcontractor doing the elevator portion of the scope. Both of these companies were the only vendors in attendance at the pre-bid meeting; and

WHEREAS, Due to the age of both elevators, THA is building into the budget and asking for an additional \$50,000 for contingency and unforeseen work making the total amount of the project amount of \$467,377.00; 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 negotiate and if those negotiations are successful to execute a contract with R.C. Zeigler Company in the amount not to exceed \$417,377.00 for the modernization of the two elevators at 902 South L. Street (Administration Building) and the additional contingency amount of \$50,000 making the total project amount not-to-exceed \$467,377.00.

Approved: March 22, 2017

Dr. Arthur C. Banks, Chair

Resolution 3



TACOMA HOUSING AUTHORITY

RESOLUTION 2017-03-22 (3)

Date: March 22, 2017

To: THA Board of Commissioners

From: Michael Mirra
Executive Director

Re: Interlocal Agreement with the Housing Authority of Grays Harbor County

This Resolution would authorize Tacoma Housing Authority's (THA) Executive Director to execute an Intergovernmental Cooperative Purchasing Agreement with Grays Harbor Housing Authority so that it may rely on THA's procurement of Brawner & Company to contract with Brawner for financial services.

Background

The Housing Authority of Grays Harbor County (HAGHC) seeks to secure a consultant to assist in financial consulting services for the repositioning of its public housing portfolio under the Rental Assistance Demonstration (RAD) program. The work involves the repositioning and syndication of 498 units, of which 395 will be converted under the RAD program. For this same type of work THA procured Brawner & Company. HAGHC wishes to rely on THA's procurement to contract with Brawner & Company. This is permissible if THA and HAGHC sign an Interlocal Cooperation Agreement under The Interlocal Cooperation Act, Chap. 39.34 RCW.

Recommendation

Staff recommends entering into an Interlocal Agreement with the Housing Authority of Grays Harbor County so it may contract for needed procurement services.



TACOMA HOUSING AUTHORITY

RESOLUTION 2017-03-22 (3)

(Interlocal Agreement with the Housing Authority of Grays Harbor County (HAGHC))

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

WHEREAS, The Housing Authority of Grays Harbor County seeks to secure a consultant to assist in financial consulting services; and

WHEREAS, THA followed the Housing and Urban Development (HUD) procurement process 24 CFR 85.36 and THA's Procurement policy in procuring financial consultation services with J.H. Brawner & Company (Brawner) in August, 2016; and

WHEREAS, The THA Board of Commissioners approved resolution 2016-8-24 (3) authorizing a contract with Brawner for financial services; and

WHEREAS, The HAGHC wishes to use the services of Brawner to provide financial consulting services for the repositioning of its Public Housing Portfolio under the Rental Assistance Demonstration (RAD) program; and

WHEREAS, Chapter 39.34 RCW (The Interlocal Cooperation Act) permits public agencies to cooperate and exercise joint powers in carrying out their public purposes, includes the purchase of goods and services; now, therefore be it

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

The Executive Director is authorized to enter into an Intergovernmental Cooperative Purchasing Agreement with the Housing Authority of Grays Harbor County so that housing authority may rely on THA's procurement of Brawner & Company to contract with Brawner & Company for financial services provided.

Approved: March 22, 2017

Dr. Arthur C. Banks, Chair