



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS

BOARD PACKET

July 26, 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, July 26, 2017

The Board of Commissioners of the Housing Authority of the City of Tacoma will hold its Regular Meeting on **Wednesday, July 26, 2017, at 4:45 pm.**

The meeting will take place at:

**401 North G. Street
Tacoma, WA 98403**

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 July 26, 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

July 26, 2017 4:45 PM

401 North G. Street, Tacoma, WA 98403

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **APPROVAL OF MINUTES**
 - 3.1 Minutes of June 14, 2017—Study Session
 - 3.2 Minutes of June 28, 2017—Regular Session
4. **GUEST COMMENTS**
5. **COMMITTEE REPORTS**
6. **COMMENTS FROM THE EXECUTIVE DIRECTOR**
7. **ADMINISTRATION REPORTS**
 - 7.1 Finance
 - 7.2 Client Services
 - 7.3 Property Management
 - 7.4 Real Estate Development
8. **OLD BUSINESS**
9. **NEW BUSINESS**
 - 9.1 2017-07-26 (1) Addendum #8 to Casey Dechant RAD Contract
10. **COMMENTS FROM THE COMMISSIONERS**
11. **EXECUTIVE SESSION, if any.**
12. **ADJOURNMENT**



TACOMA HOUSING AUTHORITY

MINUTES



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES STUDY SESSION WEDNESDAY, June 14, 2017

The Commissioners of the Housing Authority of the City of Tacoma met for a Study Session at 902 South L. Street, Tacoma, WA at 12:30 pm on Wednesday, June 14, 2017.

1. CALL TO ORDER

Commissioner Rumbaugh called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 12:39 PM.

2. ROLL CALL

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

PRESENT	ABSENT
Commissioners	
Chair Arthur Banks (arrived late at 12:45 pm)	
	Vice Chair Janis Flauding
Commissioner Stanley Rumbaugh (left early at 1:10 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	
	Frankie Johnson, Interim 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

Commissioner Rumbaugh declared there was a quorum present @ 12:40 pm and proceeded.

3. EVALUATION OF RAPID REHOUSING INVESTMENT

Tacoma Housing Authority invests \$1.288 million with Pierce County to house homeless families with children and homeless young adults aged 18-24. Pierce County uses this money to fund its Rapid Rehousing system (RRH). THA's contracts with Pierce County providing this money are set to expire at the end of 2018. The contracts allow THA to increase, decrease or end its investment at any time. Deputy Executive Director April Black and Tess Colby of the Pierce County Department of Human Services reviewed and led a discussion concerning the reasons THA makes this investment and the results to date. They had presented their written report to the Board in May. Deputy E.D. Black also recommended that THA permit some changes in the contract. She also looked ahead to the end of the contracts in 2018 and the likely recommendation that THA double its investment if certain contingencies are met.

In their presentation, and in response to questions from the Commissioners, they reported:

- Pierce County is improving its utilization of THA's funding up to about 70%; this rate should continue to increase as Pierce County continues to improve its system;
- Even at present utilization rates, THA's funding stabilizes nearly 50% of homeless families with children and homeless young adults in Tacoma seeking help from the RRH system;
- THA's funding represents about 35% of the RRH funding in the county.
- Persons of color are greatly overrepresented among homeless families and young adults in Pierce County in comparison with their composition in the general population;
- Utilization of the housing assistance often depends on the family or the young adult also receiving supportive services. For that reason, the current contract allows Pierce County to spend up to 44% of THA funds for homeless families on non-housing services. The contract for homeless young adults does not allow any such expenditure of THA's funds.

Deputy Director Black reported that staff recommends that the Board permit the following changes in the contract:

- reduce from 44% to 25% the amount of THA's dollars in the family contract available to purchase non-housing services;
- increase from 0% to 25% the amount of THA's dollars in the young adults contract available to purchase non-housing services;

- broaden the definition of “family” to include parents who need housing to recover their children from foster care;
- broaden the variety of housing that both contracts can support;
- permit the use of THA funds to serve households anywhere in Pierce County.

Chair Banks and Commissioners Rumbaugh and Hodge expressed support for these changes. Chair Banks invited staff to present such a resolution.

They then discussed the decision the Board faces at the end of the contracts in 2018 whether to continue, end or increase the investment. The Commissioners expressed interest in increasing the investment. At present rates of success, doubling the investment would stabilize nearly all of the homeless families and young adults in Tacoma who seek help. But the Commissioners stated that they would need more information before making such a decision. Chair Banks asked Deputy Director Black and Tess Colby to arrange a separate discussion with him.

The Commissioners recognized that increasing the investment would also depend on three contingencies:

- Pierce County would have to show it can use 100% of the present level of funding; there is no reason to increase the investment if the County cannot use all of the present investment;
- HUD will have to clarify its rules defining the obligation of an MTW housing authority such as THA to serve “substantially the same” number of households as we would serve if we were not an MTW housing authority. Presently it is not clear how HUD credits THA with the households receiving THA’s help through RRH.
- THA’s Congressional funding would have to clarify and stabilize in a way that allows THA to afford the investment.

4. ADJOURNMENT

There being no further business to conduct, the meeting ended at 1:20 PM.

APPROVED AS CORRECT

Adopted: June 28, 2017

Dr. Arthur C. Banks, Chair



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, June 28, 2017

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at 602 Wright Avenue, Tacoma, WA at 4:45 PM on Wednesday, June 28, 2017.

1. CALL TO ORDER

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

2. ROLL CALL

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

PRESENT	ABSENT
Commissioners	
Chair Arthur Banks	
Vice Chair Janis Flauding (arrived at 5:27 pm)	
Commissioner Stanley Rumbaugh (arrived at 4:50 pm and left at 5:47 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
Frankie Johnson, Interim 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	

Chair Banks declared there was a quorum present @ 4:52 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, May 24, 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: 2 (Vice Chair Flauding arrived after motion was moved to be adopted.)

Motion approved.

4. GUEST COMMENTS

Steve Wells, Wright Street Tenant

Mr. Wells is grateful for the opportunity to have all his needs met by Tacoma Housing Authority (THA). He believes that everyone at Wright Street has that opportunity. The only wish he has is for THA's Client Services division to be given "a little nudge" and recognize when someone is struggling. He wants his neighbors to be happy individuals and believes this is possible. Steve is part of the Resident Council because he respects everyone's well-being.

Belinda Hauff, Wright Street Tenant

Ms. Hauff thanked the board for coming to Wright Street to tour the building and see the construction progress. She thanked Interim Property Management Director Frankie Johnson for her help and presented her with a plant and a card from the tenants as a thank you.

Myla Jathong, Wright Street Tenant

Ms. Jathong is a new tenant and loves the place and Property Manager Eric Owens. Everyone at Wright Street is family to her.

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

Executive Director (ED) Michael Mirra directed the board to his report. He concurred with Deputy Executive Director April Black's report regarding Housing and Urban Development's (HUD) "substantially the same" number of households that each of the Moving to Work (MTW) agencies would serve if they were not an MTW agency. ED Mirra had hoped he would have news about Congressional budget matters, but there was nothing new to report.

7. ADMINISTRATIVE REPORTS

Finance

Finance Department (FD) Director Ken Shalik directed the board to the finance expense report. The THA compliance audit for 2016 starts next week. Finance is working diligently with IT conversions and some remaining issues with OpenDoor. Director Shalik does not see any issues with cash. Commissioner Rumbaugh asked about the budget. Director Shalik responded that THA is under budget in most areas; he is not seeing any large expenses. Bay Terrace Phase II came in within budget.

Commissioner Rumbaugh moved to ratify the payment of cash disbursements totaling \$5,496,768 for the month of May, 2017. Commissioner Young seconded.

Upon roll call, the vote was as follows:

AYES: 3
NAYS: None
Abstain: None
Absent: 2 (Vice Chair Flauding arrived after motion was moved to be adopted.)

Motion Approved.

Client Services

Client Services (CS) Director Greg Claycamp directed the board to his report. THA received a novel request that it is likely to accept—Pierce County Housing Authority (PCHA) made an error and over issued vouchers. They are asking THA to absorb 174 vouchers, which will take THA to 100% utilization. Commissioner Rumbaugh asked if the vouchers will be THA's going forward and Director Claycamp affirmed. According to Director Claycamp, THA can presently afford to absorb the vouchers.

Property Management

Property Management (PM) Interim Director Frankie Johnson thanked the tenants for the card and plant and noted that all property management and relocation staff helped with all the work at Wright Street.

She directed the board to her report. PM is exceeding its goal with occupancy at 97%. Unit turn time for the month of May was 47 days, and 9 units were turned by PM. A couple of units vacated because of death, and for the first time, PM had scheduling challenges with vendors. Over 400 work orders were completed in May, 1,800 YTD. 100% of emergency work orders were addressed within 24 hours.

Director Johnson turned the board's attention to her Rental Assistance Demonstration (RAD) and Resident Concerns memo. The reason the meeting is being held at Wright Street this month is because at the May meeting, some tenants brought their concerns to the board regarding RAD and construction issues. Her memo notes the concerns and also includes questions from ED Mirra, along with resolutions by PM and Real Estate Development (RED). Wright Street tenants invited THA to a meeting with 20 tenants and shared their questions and concerns; major concerns were the height of shower dams, swing of door,s and size of refrigerators, and the addition of tub/shower combo and reduction of shelf space. Surveys were sent out to all tenants to see if they are interested in changes; PM staff are now compiling work orders and addressing concerns.

PM and RED have decided to host an end-of-construction celebration. They are considering one big celebration at People's Park on August 16; information will be sent out to tenants. Chair Banks commented that the rooms the board toured were very nice. ED Mirra noted that he had asked why residents think it necessary to come to the Board for complaints rather than to staff. He thinks Director Johnson's answer "*several tenants noted they had spoken with staff and felt as though their concerns were not being adequately addressed*" is part of the explanation but he also thinks it is because the board is so welcoming and responsive. He thought that was a compliment to the board.

Real Estate Development

Real Estate Development (RED) Department Director Kathy McCormick directed the board to the RED motion to increase the Family Investment Center (FIC) and Maintenance Shop Tenant Improvement budget. Cabling for IT, HVAC system and a couple of other smaller things are necessary, which increase the budget up to \$1.3M. Both Chair Banks and Vice Chair Flauding asked if RED would be coming back to the board for more budget increases. If the budget needs to increase, it will occur in the 2018 budget, according to Director McCormick.

Commissioner Rumbaugh moved to increase the budget for the FIC and Maintenance Shop Tenant Improvement project. Commissioner Young seconded.

Upon roll call, the vote was as follows:

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

Motion approved.

Director McCormick directed the board to her report. Bay Terrace Phase II is almost complete and RED will be turning it over to PM in the next 5-7 days for lease up on the property; there are quite a few people who are waiting to lease up. According to ED Mirra, THA will have a party to cut the ribbon in August; Senator Patty Murray and Congressmen Derek Kilmer and Denny Heck will join in the celebration. The date will depend on Senator Murray's availability.

Due diligence is going well for the purchase of James Center North. RED applied for a loan and anticipates going to the board in August for a final purchase approval. There have been no red flags so far. An evaluation was done to see the site could host dorms for TCC students until its full redevelopment, but it would be cost prohibitive at this time. RED is trying to find more commercial tenants; the property generates cash flow and will generate more with increased occupancy. RED will need to talk with Tacoma Community College, Bates and UW Tacoma regarding student housing.

RED will go back to the board in July for the two final negotiations for New Look. Banner Bank has been selected as the lender. RED is excited that THA will not have to put in funds, but worries at finding a contractor.

8. OLD BUSINESS

None.

9. NEW BUSINESS

**9.1 RESOLUTION 2017-06-28 (1)
(Increase in Number of College Housing Assistance Program Rental
Subsidies)**

WHEREAS, THA has been providing 25 rental subsidies for the pilot College Housing Assistance Program (CHAP) in partnership with Tacoma Community College (TCC) since 2014 to house homeless enrolled TCC students and their families;

WHEREAS, The program has resulted in much greater retention and graduation rates among assisted households as compared to other homeless TCC students who get no assistance;

WHEREAS, this program also offers a chance to complement TCC's Second Chance Financial Aid Program that provides financial aid to students who begin their TCC studies in prison and to continue their studies on campus once they get out of prison;

WHEREAS, THA's Education Project is an effort to find ways to spend a housing dollar, not only to house people, but also to help them to prosper and to promote the success of Tacoma's educational institutions serving low-income students;

WHEREAS, this investment in TCC's homeless students and this partnership with TCC are a very good fit for THA's Education Project. The collaboration between THA and TCC is a very good match of capacities, mission and values;

WHEREAS, TCC's Board of Trustees has expressed a reciprocal interest in this partnership to allow THA to anticipate TCC's commitment of the increased staff resources an expansion of the CHAP will require of it; this increase will be necessary to make the expanded program work;

WHEREAS, THA should increase the CHAP to 150 rental subsidies by the end of 2018;

WHEREAS, Chapter 3 of THA's Administrative Plan should be amended to remove criminal screening for this program's participants, wherever HUD's rules allow;

WHEREAS, THA's Administrative Plan should incorporate a new chapter (Chapter 19) to reflect THA's administration of this program; and,

WHEREAS, The program should be expanded to include Tacoma Community College's Second Chance Financial Aid Program students, regardless of whether those students are homeless; now, therefore, be it

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

1. THA's Executive Director is authorized to direct staff to make up to 150 rental subsidies available for the College Housing Assistance Program by the end of 2018, to amend THA's criminal screening policies for this program and reflect those changes in Chapter 3 of THA's Administrative Plan, to add a new chapter to THA's Administrative Plan regarding the administration of this program, to expand the eligibility for the program to include participants in Tacoma Community College's Second Chance Finance Aid program, regardless of whether those students are homeless, and to make other administrative changes as necessary for this expansion..
2. THA's Executive Director is authorized to modify the extent or timing of the CHAP expansion as necessary in his judgment to account for any shortfall in TCC's ability to commit the staff resources necessary for its success.

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

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

Motion Approved: June 28, 2017

Dr. Arthur C. Banks, Chair

9.2 RESOLUTION 2017-06-28 (2)
(Amendments to Rapid Rehousing Contracts with Pierce County)

WHEREAS, THA has been investing in the Pierce County Rapid Rehousing system since 2013; and

WHEREAS, Staff completed a full analysis of this program; and

WHEREAS, The following changes should be made to the contracts:

1. *Annual Reviews*

Revise both contracts to state that THA will reevaluate the contracts on an annual basis in response to the demonstrated need based on the prior year's spending provided by the County. This review will report on successes and challenges to date and provide a recommendation for future funding the following year.

2. *Reduce spending THA funds on supportive services in the family contract and increase this spending to the young adult contract*

The family contract should be amended as follows:

RENTAL ASSISTANCE: GRANTEE shall use at least ~~seventy-five~~ ~~fifty-six~~ percent (~~75%~~ ~~56%~~) of the contract amount on financial rental assistance defined to be limited to short, medium-term rental assistance payments, security deposits, credit screening fees, utility deposits, utility payments, moving costs assistance and motel and hotel vouchers. Rental assistance payments are not exclusive to rapid rehousing and may be used for other types of housing supported by "best practices" research. These uses are up to the discretion of the GRANTEE.

GRANTEE may use no more than ~~twenty-five~~ ~~forty-four~~ percent (~~25%~~ ~~44%~~) of the contract amount on SUPPORTIVE SERVICES necessary to stabilize a homeless family with children receiving rapid rehousing assistance under this CONTRACT.

SUPPORTIVE SERVICES are limited to the following:

- case management – housing stability
- data collection and entry
- housing search and placement
- staff issuance of rental assistance
- general liability insurance
- office internet
- office space
- office supplies
- office utilities
- telephone

This will leave both contracts with significant but not excessive flexibility to expend THA housing funds on non-housing services. Federal regulations do require that providers be able to spend approximately 10% of awarded funds on indirect costs. THA will need to continue allowing this use. The contract will direct that these expenditures count toward the 25% on non-housing expenditures.

3. *Allow spending on parents attempting to reunify with their children*

The family contract should be amended as follows:

This contract will serve homeless household with children or parents whose children have been removed from the home and the lack of housing is a barrier to reunification.

4. *Allow spending on non-RRH*

Both contracts should be amended as follows:

The eligible activities under this agreement include:

Financial rental assistance- Eligible activities include short medium-term rental assistance payments, security deposits, credit screening fees, utility deposits, utility payments, moving costs assistance and motel and hotel vouchers. Rental assistance payments are not exclusive to rapid rehousing and may be used for other types of housing (such as diversion, transitional housing and permanent housing) supported by “best practices” research. These uses are up to the discretion of the GRANTEE.

5. *Remove geographic restrictions (Scope of Services 7.1)*

Both contracts should be amended to remove the following language:

~~Revised Funding Jurisdiction~~

~~The current experience of homelessness of all families served with funds provided by this CONTRACT must have begun and for the most part continued within the City of Tacoma. Funds shall be used to stabilize homeless families within Tacoma city limits unless a homeless family would benefit from stabilizing elsewhere. PROVIDED that if there are not sufficient numbers of such families to use up the contract amount, GRANTEE may use up to twenty five percent (25%) of CONTRACT funds to serve families with children originating anywhere in Pierce County, including Tacoma; and WHEREAS, Each of these changes and their effective dates must be negotiated between Pierce County and THA; now, therefore, be it~~

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

THA’s Executive Director is authorized to negotiate these changes to the respective Pierce County contracts.

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

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

Motion Approved: June 28, 2017

Dr. Arthur C. Banks, Chair

Comments from Commissioners:

At the Board Study Session to discuss Rapid Rehousing, a concern was raised regarding funds provided by THA being underutilized. The current contract with Pierce County requires THA to provide a 30-day notice regarding underutilization, but does not specify when in the year the notices are provided.

Commissioner Rumbaugh asked about Housing and Urban Development’s (HUD) housing calculations. According to Director Black, THA has not made any progress with its discussions with HUD; they are rating THA lower than they should with a grade of substantially compliant at 99% of its baseline. Rental Assistance has been driving at 100% utilization. HUD is proposing to change calculations not to THA’s benefit. What is worrisome, according to ED Mirra, is that even with Director Black’s appeal with HUD, they are still saying that THA is not in compliance and have now requested THA to submit a plan to get to 100%. The Steering Committee for MTW is on the case, and has informed HUD

that they will be working with the Senate and Senator Patty Murray’s office is on call. Commissioner Rumbaugh thinks that the Rapid Rehousing program is a good idea but has problems with collateral damage.

Staff Introduction

Director Black introduced Policy, Innovation and Evaluation’s new Project Manager Amy Van. Amy comes from a community background and joined THA three months ago. Amy is interested in the intersection with housing and education. She is looking forward to the elementary school expansion project.

**9.3 RESOLUTION 2017-06-28 (3)
(Updating THA’s Administrative Plan)**

WHEREAS, The Administrative Plan relates to the administration of the Housing Choice Voucher program and is required by HUD; and

WHEREAS, The Administrative Plan is to establish policies for carrying out the programs in a manner consistent with HUD requirements and local goals and objectives contained in the THA’s Moving to Work Plan; and

WHEREAS, Changes to the Administrative Plan must be approved by THA Board of Commissioners; now, therefore, be it

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

THA is authorized to adopt the following updates to the Administrative Plan to reflect changes in the Housing and Urban Development regulations.

<p>Reasonable Accommodation</p>	<ul style="list-style-type: none"> • Changes the title “Civil Rights Compliance Auditor” from “Civil Rights Compliance Coordinator”. • Removes HR Director from RA review committee. • Adds two new forms: Reasonable Accommodation Implementation Plan and Service Animal Agreement. • Removes breed and size restrictions for service/companion animals, and clarifies that tenants must follow all other provisions of pet policy. • Changes tenant’s right to a “hearing” to tenant’s right to an “informal review”.
<p>Social Security Numbers</p>	<ul style="list-style-type: none"> • Clarifies the SSN and documentation requirements for all household members,

	<p>including exemption for households 62 and older as of January 1, 2010 who were previously documented as eligible.</p> <ul style="list-style-type: none"> • Deletes language stating SSN documentation is removed from the tenant file after verification. Removing SSN documentation is optional and not the current THA practice.
<p>Independent Student Status/Verification of Student Status/Definition of Vulnerable Youth</p>	<ul style="list-style-type: none"> • Clarifies and adds to the definitions of “independent student” and “vulnerable youth”. • Identifies status as “vulnerable youth” as sufficient for using only the student’s income in calculating assistance. • Excepting “vulnerable youth” from the requirement for written documentation of parental support for students.
<p>Changes in Payment Standards</p>	<ul style="list-style-type: none"> • Updates Tiered Rent Tables for income based subsidies. • Requires 12 months’ notice for payment standard reduction before it applies to contract rent.
<p>Inspections-Life Threatening Conditions definition, the Inspection Process and other changes</p>	<ul style="list-style-type: none"> • Adds language clarifying the timeframes for contracted landlords to begin remedial action. • Updates list of items that would cause a unit to fail inspection.
<p>Moving with Continued Assistance</p>	<ul style="list-style-type: none"> • Adds requirement for THA to have an emergency transfer plan for those protected under VAWA. • Adds language allowing THA to deny a move if the receiving PHA is not absorbing vouchers. • Adds language that THA cannot only allow a move at re-examination. • Clarifies communication requirements of initiating and absorbing PHA. Name, address and contact information must be provided to tenant. • Changes Initial Billing Deadline to allow 30 day extension. • Allows extension of the expiration of the new voucher to 30 days after expiration of the initial voucher.

	<ul style="list-style-type: none"> • Updates of form HUD-50058. • Adds requirements for notifying initial PHA if absorbing a family.
Changes in Payment Standards and Utility Allowances	<ul style="list-style-type: none"> • Allows flexibility about when to decrease the HAP contract rent when the payment standard decreases.
Congregate Housing Payment Standard, UA and HAP Calculation	<ul style="list-style-type: none"> • Allows for the utility allowance in shared housing to be the lower of the utility allowance for the family’s voucher size or a pro rata share of the utility allowance for the shared house unit size.
Manufactured Homes Payment Standards, UA and Space Rent	<ul style="list-style-type: none"> • Allows for the payment standard to be used for space rent for manufactured homes and allows for remaining funds (if applicable) to go to the utility company or directly to the family and can be used to help pay their mortgage.
Down Payment Assistance Grants	<ul style="list-style-type: none"> • Removal of language referencing down payment assistant grants as THA no longer operates vouchers for homeownership.
Scheduling an Informal Hearing	<ul style="list-style-type: none"> • Clarifies the timeframe for THA to receive the request for an informal hearing and sets a window of time for families to arrive for hearing. • Clarifies THA discovery policy when a tenant requests information.
VAWA	<ul style="list-style-type: none"> • Adds the following forms and documents: • Form HUD-5380 Sample Notice of Occupancy Rights Under the Violence Against Women Act • Form HUD-5382 Certification of Domestic Violence, Dating Violence, and Sexual Assault or Stalking and Alternate Documentations • PHA Emergency Transfer Plan • FORM HUD-5383 Emergency Transfer Request for Certain Victims of Domestic Violence, Dating Violence, Sexual Assault, or Staking
Project-Based and Special Program	<ul style="list-style-type: none"> • Allows THA to project base additional units in several circumstances. • Allows exceptions to the rule limiting the

Vouchers	<p>number of project based vouchers in one project to 25% of the units in the project.</p> <ul style="list-style-type: none"> • Gives THA the right to add units to HAP contract under certain circumstances. • Outlines selection preferences and when they apply. • Provides choice mobility waiting list guidelines • Adds one time use policy for Choice Mobility
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Commissioner Rumbaugh motioned to approve the resolution. Commissioner Young seconded the motion.

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

Motion Approved: June 28, 2017

 Dr. Arthur C. Banks, Chair

**9.4 RESOLUTION 2017-06-28 (4)
 (A&E Services—FIC Tenant Improvement and Salishan Maintenance Shop Improvement)**

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

WHEREAS, On March 23, 2011, the Board authorized THA’s Executive Director to award a contract to Buffalo Design for Architectural and Engineering Services for THA’s administrative buildings; and

WHEREAS, The FIC Tenant Improvement and Salishan Maintenance Shop Improvement are needed to create more functional and useable space; and

WHEREAS, On December 14, 2016, the Board authorized THA’s Executive Director to proceed with improvements to the FIC and the Shop and to authorize a total contact of \$127,314 to Buffalo Design; and

WHEREAS, The FIC’s HVAC system will need to be replaced, additional coordination is necessary for the furniture, and reimbursable expenses that the contractors charge need to be added to the contract; and

WHEREAS, The additional design work which includes Design Development through Construction Administration for the FIC and Salishan Maintenance Shop

improvements for the HVAC, furniture coordination and reimbursable expenses will cost \$38,200; 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 increase the contract amount with Buffalo Design by \$38,200 for a total not to exceed of \$165,514.

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

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

Motion Approved: June 28, 2017

Dr. Arthur C. Banks, Chair

**9.5 RESOLUTION NO 2017-06-28 (5)
(Acceptance of Property Located at 1120 and 1124 Martin Luther King Way)**

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

WHEREAS, In 2013 the Tacoma City Council passed resolution 38718, approving the surplus and disposition of 1120 and 1124 Martin Luther King Way to the Tacoma Housing Authority for affordable housing development;

WHEREAS, the City offers to transfer title of the parcels to THA now and have THA assume their management;

WHEREAS, THA has completed preliminary planning and designs for developing this property as the Hilltop Lofts; and

WHEREAS, THA will seek financing to complete the affordable housing development; and

WHEREAS, THA is able to provide the services needed to collect rent, maintain the property in its current use in good condition; 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 finalize any and all documents needed to transfer the property from the City of Tacoma to Tacoma Housing Authority.

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

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

Motion Approved: June 28, 2017

Dr. Arthur C. Banks, Chair

**9.6 RESOLUTION 2017-06-28 (6)
(Authorizing THA's Participation in Litigation Against HUD re 2012
Shortfall of Operating Subsidy)**

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

WHEREAS, On January 18, 2017, the United State Court of Federal Claims ruled that HUD, in 2012, underfunded public housing operations for 309 plaintiff public housing authorities in violation of their Annual Contribution Contract (ACC); and

WHEREAS, NAHRO (National Association of Housing and Redevelopment Officials) and PHADA (Public Housing Authority Directors Association) managed that litigation for the plaintiff housing authorities; and

WHEREAS, NAHRO and PHADA now plan on managing a second round of litigation on the same issue on behalf of housing authorities who did not participate in the first round; and

WHEREAS, NAHRO and PHADA invite THA to join the second litigation; and

WHEREAS, THA's share of recovery from a successful ruling would be \$225,522; and

WHEREAS, Participating in the litigation would cost THA \$3,000, which is its share of the filing fee and the attorney's fees; now, therefore, be it

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

1. THA is authorized to participate in the litigation that NAHRO and PHADA will manage against HUD seeking recovery for underfunding in 2012 of public housing operations.
2. THA may commit \$3,000 of its non-federal funding for its share of the filing

fee and attorney's fees.

3. The executive director is authorized to manage THA's participation in the litigation, including approving any compromise of its claims.

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

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

Motion Approved: June 28, 2017

Dr. Arthur C. Banks, Chair

9. COMMENTS FROM COMMISSIONERS

Vice Chair Flauding shared a touching story. THA inspects the apartment of a Salishan resident. The tenant had been struggling to keep her home clean. Vice Chair Flauding and other neighbors came together to help clean the unit. *"There was a sense of community; it was a good feeling,"* according to Vice Chair Flauding. Commissioner Young suggested telling the story, which he believes is a good way of spreading this type of community support. Director Black and Vice Chair Flauding will make sure the story is shared on the next resident newsletter.

10. EXECUTIVE SESSION

None.

11. ADJOURNMENT

There being no further business to conduct the meeting ended at 6:14 PM.

APPROVED AS CORRECT

Adopted: July 26, 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: July 20, 2017
Re: Executive Director's Report

This is my monthly report for July 2017. It supplements the departments' reports.

1. BUDGET NEWS: CONGRESS AND THA

THA faces some budget puzzles in 2018 and possibly in 2017, largely related to Congressional appropriations and HUD rules. Much of the puzzles arise from a combination of three factors:

- Tacoma's increasingly expensive residential rental market means that our Housing Assistance Payments (HAP) are increasing;
- our federal funding for HAP is not keeping up with those rising costs;
- HUD's rules nevertheless require us to serve the baseline number of households that HUD has assigned to us.

Serving the same number of households at rising costs with diminishing dollars is an arithmetical impossibility. Instead, THA will have to respond in one or a combination of three ways. All of them have costs:

- We can lower the value of our vouchers (more "soup thinning"). This would make it even harder for our voucher families to use their voucher.
- We can reduce the number of households we serve. This would leave more households unserved. This would also risk turbulence with HUD and its requirement that we serve the baseline number of households that HUD has assigned to us. A number of housing authorities in tight rental markets are doing this.
- We can also redirect some of our spending to HAP. THA spends its MTW dollars on other important services besides HAP. (*i.e.* backfilling Congressional underfunding of the portfolio; backfilling Congressional underfunding of the costs of managing the voucher programs; supportive services that help tenants comply with their lease and succeed in school and in the job market, and other administrative services). I attach the single page depiction of these other uses of our MTW dollars. We can redirect some of the dollars to paying HAP. There are limits, however, on our ability to do this. Here are the two main ones.

First, the main limitation is contractual. The largest non-HAP use we make of our MTW funds is to backfill the losses in our portfolio. We spend \$1.5 million doing that. Our RAD contracts with investors and lenders require us to do this. Congress may find it acceptable to underfund the portfolio's operations; our investors and lenders do not. As a condition of their financing on RAD fix-up, they required THA to commit MTW dollars to pay toward the portfolio's operations. We cannot change that without violating our contracts and imperiling our RAD financing. [I must note an irony: HUD strongly urged THA to do the RAD refinancing; we did so; doing so meant we had to commit large amounts of our MTW funds to the portfolio; having locked up our MTW funds in that way now makes it harder to serve HUD's baseline number of households.]

Second, we are limited for practical and program reasons from redirecting MTW dollars to rental assistance if doing so would unduly weaken other parts of THA's work or the services we provide. For example, we can weaken our voucher administration. Yet, this risks lowering our customer service to landlords. That in turn may make it harder to elicit their willingness to take our vouchers, something that is getting harder to do anyway in a tightening rental market. We can reduce our supportive services to our clients but those services are important. They help families succeed as tenants, and are an important property management tool. They help people prosper, adults and children. This money, for example, pays for THA's Education Project. We can also weaken other parts of administration. Right now, for example, we are spending a lot of money on our software conversion, asset management, finance management, program evaluation and many other services necessary for our safe and effective operation. Clearly there will be no easy answers.

The answers for 2018 will emerge from our budget process. If we need budget adjustments for 2017, I expect to bring them to the board in the next month or so.

A big part of the answer will clarify when the Congressional budget appropriations clarifies. In my July 16th email to the board, and staff, I conveyed a bit of budget news from Congress. I repeat it here with some further elaboration. I emphasize that this news is preliminary and it emerges from a pretty confusing Congressional budget process.

On July 10th, the House Appropriations Committee released its proposals for HUD's budget in 2018. It proposes an overall reduction of about 1.4%. In better times and with a different administration, this would count as a serious disappointment. Yet, it feels almost like a victory in contrast to the 16% cut that the Trump administration proposed. I attach a chart from the Council of Large

Housing Authorities (CLPHA). It compares the House proposal, showing in the column on the far right, with the Trump/HUD proposal showing in the column to its left. Farther to the left are columns showing what Congress actually appropriated in earlier years. You will see that the House proposal for 2018 resembles the 2017 budget.

Here are some details most pertinent to THA:

Housing Voucher HAP: 1.9% increase from 2017

This is our most important, and our largest, funding pot. Our main use of this money pays landlords on behalf of households in our various rental assistance programs. We also use this money backfilling the underfunding in our portfolio and in our voucher administration. We also use this money to pay for supportive services, building and buying properties, and other administrative services. All these costs are rising, in some cases notably faster than 2%. Tacoma rents in particular are rising faster than most places in the nation.

Housing Voucher Administration: 6% decrease from 2017

This is the money we get to run the voucher program. Congress generally funds us at about 80% of what even HUD says it takes to do this work. The House proposal would continue this underfunding. It represents about a \$400,000 cut for us.

Public Housing Operations: No changes from 2017

Public Housing Capital Expenses: 5% decrease

Congress has long underfunded public housing. It usually underfunds operating expenses at about 80% of what HUD says is necessary. It usually underfunds capital needs at less than 50% of what HUD says is necessary. This year will be no different. However, this matters less to THA than it used to. It matters less because THA is converting from public housing to section 8 financing. That is what RAD is all about. One reason the Board decided to do this is upon its judgment that the section 8 funding has traditionally been politically more stable than public housing and that it is likely to continue that way. This year's budget proposals from the administration and Congress justify that judgment.

Please note that the House Appropriations Committee's proposals come early in the Congressional budget process. The House Budget Committee still must vote. Then the full House must approve a budget. The Senate of course must agree on its own proposal. To do that the Senate has its own committee process to undertake. Then the two houses must agree on a budget. The President must then sign. It is not clear when all this will happen. You might know from the news that the Senate is preoccupied with health care "reform" and then "tax reform". The President also has his own difficulties of various sorts. Congress and the President must approve a budget or at least a Continuing Resolution by September 30th to avert a shutdown of the government on October 1st.

2. WASHINGTON STATE LEGISLATURE: 2017-2019 BUDGET

The state legislature has passed an operating budget. That is good. As I write this in the evening of July 20th, the legislature still has not passed a capital budget. It has until midnight tonight to do that. That is when the third special session adjourns.

Knowledgeable people tell us that a capital budget appears unlikely. The Senate and the House have both approved versions of a capital budget. The versions are similar. The substance of the budget is not the problem. Instead, the Senate is insisting, as a condition of passing a capital budget, that the legislature also address some unrelated issues relating to water rights arising from a state Supreme Court decision. The House and the Senate cannot agree how to do that.

Doing without a capital budget is a serious matter. The state has not faced this before. Having no capital budget would delay construction on an array of public projects, including school construction. For the housing field, it would mean no housing trust fund. For THA, it would preclude the \$3 million that both the House and the Senate would provide for THA's Arlington Drive Youth Campus.

3. BAY TERRACE RIBBON CUTTING: August 7th at 1 PM

We will cut the ribbon on Bay Terrace Phase 2 with a public celebration on **August 7th at 1 PM**. Senator Patty Murray and Congressmen Denny Heck and Derek Kilmer will lead the program. Mayor Strickland will be our Program Emcee. I attach a press release with more information about the event.

I hope all Commissioners will be able to help us celebrate. It will be a good day for the Hilltop, for THA and for Tacoma.

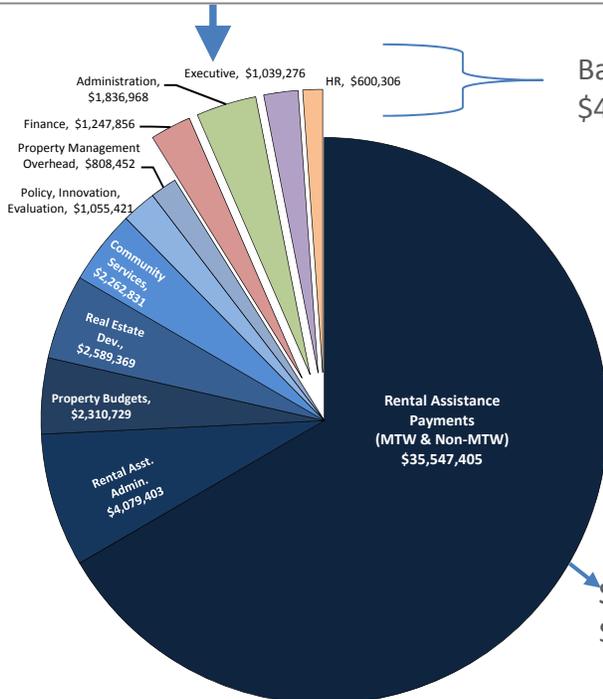
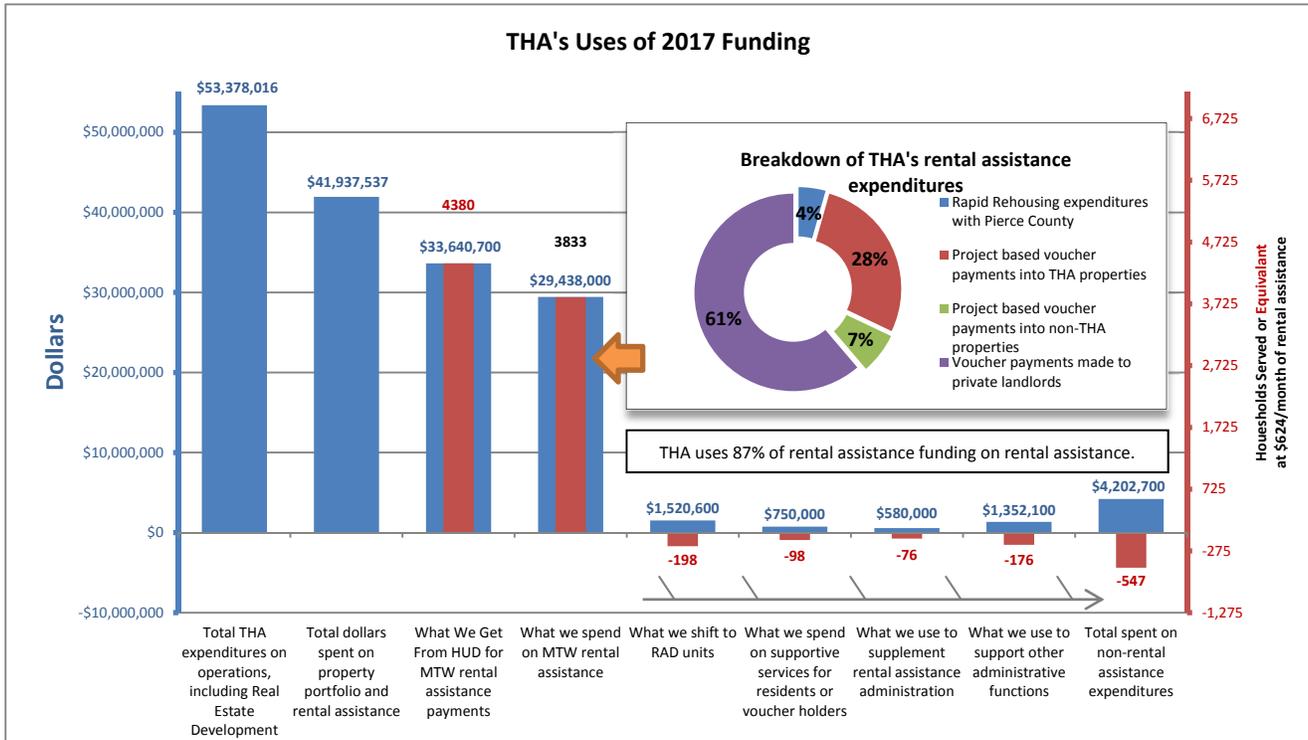


TACOMA HOUSING AUTHORITY

THA USES OF FUNDING

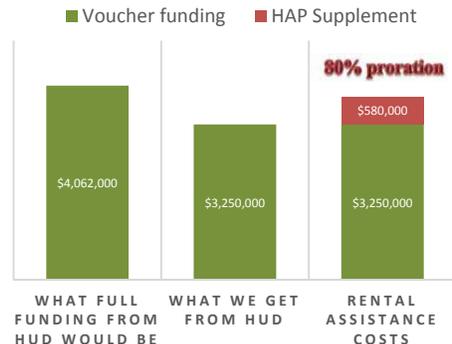
December 7, 2016

This document illustrates the choices THA faces when allocating its housing resources to housing and other related purposes.



Back Office Function
\$4,724,406; 6%

VOUCHER PROGRAM: DOES NOT RECEIVE FULL HUD FUNDING FOR ADMINISTRATIVE COSTS



Services
\$48,653,610; 94%

Comparative Funding Chart for FY18

2017

TRUMP
2018

July 11, 2017

HOUSE 2018

	FY 2015 Final	FY 2016 Final	FY 2017 Final	FY 2018 CLPHA Request	FY 2018 HUD Request (5-23-17)	FY18 House SubCmte (7-11-17)
Operating Fund	\$4.44 billion	\$4.5 billion	\$4.4 billion	\$5.074 billion	\$3.9 billion	\$4.4 billion
Capital Fund [Emergency Capital Needs] [Resident Opportunity and Supportive Services] [Jobs Plus]	\$1.875 billion [\$23 million] [\$45 million] [\$15 million]	\$1.9 billion [\$21.5 million] [\$35 million] [\$15 million]	\$1.942 billion [\$21.5 million] [\$35 million] [\$15 million]	\$5.0 billion [\$21.5 million] [\$35 million] [\$15 million]	\$628 million [\$20 million] [\$0] [\$10 million]	\$1.85 billion [\$20 million] [\$35 million] [\$15 million]
Housing Choice Voucher (HCV) Renewals	\$17.486 billion	\$17.681 billion	\$18.355 billion	\$19.840 billion	\$17.584 billion	\$18.710 billion
HCV Administrative Fees	\$1.53 billion	\$1.65 billion	\$1.65 billion	\$2.389 billion	\$1.55 billion	\$1.55 billion
VASH Vouchers	\$75 million	\$60 million	\$40 million	\$75 million	\$0	\$7 million ²
Family Self Sufficiency (FSS) Program	\$75 million	\$75 million	\$75 million	\$95 million	\$75 million	\$75 million
Tenant Protection Vouchers (TPV)	\$130 million	\$130 million	\$110 million	\$165 million	\$60 million	\$60 million
Choice Neighborhoods Initiative (CNI)	\$80 million [\$50 million] ¹	\$125 million [\$75 million] ¹	\$137.5 million [\$50 million] ¹	\$200 million [\$133 million] ¹	\$0	\$20 million [\$10 million] ¹
Rental Assistance Demonstration (RAD)	\$0	\$0	\$0 ³	\$50 million	\$0	\$0
Project-Based Rental Assistance [Contract Administration]	\$9.73 billion [\$210 million]	\$10.62 billion [\$215 million]	\$10.816 billion [\$235 million]	\$11.4 billion [fully fund]	\$10.751 billion [\$285 million]	\$11.082 billion
Homeless Assistance Grants	\$2.135 billion	\$2.25 billion	\$2.383 billion	n/a	\$2.25 billion	\$2.383 billion
Family Unification Program (FUP)	n/a	n/a	\$10 million ⁴	n/a	\$0	\$0
Community Development Block Grant	\$3.0 billion	\$3.0 billion	\$3.0 billion	\$3.3 billion	\$0	\$2.9 billion
HOME Investment Partnership	\$900 million	\$950 million	\$950 million	\$1.2 billion	\$0	\$850 million

¹ Not less than this amount shall be awarded to public housing authorities.

² HUD-VA Supportive Housing vouchers amount for Native American veterans only.

³ Increased the cap to 225,000 units.

⁴ New funding for incremental FUP vouchers.



TACOMA HOUSING AUTHORITY

FOR RELEASE MONDAY, JULY 18, 2017

Media Contacts:

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

Adam Ydstie, Tacoma Housing Authority
(253) 207-4415; aydstie@tacomahousing.org

THA to CELEBRATE and CUT THE RIBBON

on final phase of

BAY TERRACE in the HILLTOP

Monday, August 7, 2017; 1:00 to 4:00 PM

2550 S. G St., Tacoma, WA 98405

TACOMA – July 18, 2017 – Please join Senator Patty Murray, Congressmen Denny Heck and Derek Kilmer to help Tacoma Housing Authority (THA), residents and neighbors celebrate the completion of Bay Terrace in Tacoma’s exciting Hilltop neighborhood. The program will include remarks from residents, community leaders, and others who made this ambitious development possible. The program will feature live music, refreshments from local artisans, and self-guided tours, with Mayor Marilyn Strickland as our Program Emcee.

Bay Terrace is THA’s newest development in the Hilltop. THA demolished 81 old, unsightly public housing units. In their place, in two phases, THA has built a brand new community:



- 144 affordable apartments for a range of incomes
- walking distance to the coming light rail station on MLK Ave.
- walking distance to public schools
- more apartments accessible to persons with disabilities
- financially sustainable operations
- 7,000 sq. foot community building with Head Start classroom, computer lab and meeting space
- appropriately higher density as directed by the city’s comprehensive plan
- environmentally responsible design
- bigger tree canopy
- designed for families, children, teenagers, and grandparents
- outdoor play areas and gathering spaces
- working gardens for residents
- outdoor art

We also wanted Bay Terrace to look lovely. Join us on August 7th and judge for yourself!

Construction Manager/General Contractor: Absher Construction Company

Architect: GGLO Architects, LLC

Financing: JP Morgan Chase; RBC Capital Markets; Tacoma Community Redevelopment Authority; THA

About Tacoma Housing Authority

Established in 1940, Tacoma Housing Authority provides high-quality, stable and sustainable housing and supportive services to people in need. It does this in ways that help them prosper and help our communities develop equitably. THA develops and manages real estate and provides rental housing. In partnership with thousands of private landlords, it helps families pay the rent in the private rental market. It delivers supportive services to help families succeed as “tenants, parents, students, wage earners and builders of assets who can live without assistance”. THA seeks to do its work in ways that help our community be an “attractive place to live, work, attend school, shop and play,” and that help Tacoma be “safe, vibrant, prosperous, attractive and just.” For more information about THA and its work, go to www.tacomahousing.net.



TACOMA HOUSING AUTHORITY

**ADMINISTRATION
REPORTS**



TACOMA HOUSING AUTHORITY

FINANCE



TACOMA HOUSING AUTHORITY

Motion

Adopt a consent motion ratifying the payment of cash disbursements totaling \$5,758,526 for the month of June, 2017.

Approved: July 26, 2017

Dr. Arthur Banks, Chair

TACOMA HOUSING AUTHORITY
Cash Disbursements for the month of June 2017

		Check Numbers		Amount	Totals
		From	To		
A/P Checking Account					
Accounts Payable Checks	Check #'s	90,108	-	90,266	
Business Support Center				444,624	Program Support
Moving To Work Support Center				31,149	
Moving To Work Buildings (used by Support Center)				111,885	
Tax Credit Program Support Center				4,768	
Section 8 Programs				61,732	Section 8 Operations
Hillsdale Heights				4,234	Properties
KeyBank Building				15,407	
Salishan 7				51,955	
Salishan Common Areas				235	
Salishan Developer Fee				4,049	Development
Program Income				750	
Bus Development Activity				2,886	
MTW Development Activity				1,036	
Salishan Area 4				3,846	
Salishan Common Areas				650	
Hilltop Redevelopment				3,300	
New Look-Development				26,871	
CS Asset Building				224	Community Service
CSA Program - Business Activities				1,000	
Community Services MTW Fund				13,202	
Education Private Grants (Gates, etc.)				1,570	
HUD-ROSS Svc Coord				40	
AMP 6 - Scattered Sites				59,243	Public Housing
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				20,700	
THA SUBTOTAL				933,378	
Hillside Terrace 1 through 1500				1,627	Tax Credit Projects - Reimbursable
Bay Terrace 1				1,708	
Bay Terrace 2				1,217,844	
Renew Tacoma Housing				47,318	
Salishan I - through Salishan 6				20,097	
				-	
TAX CREDIT SUBTOTAL (Operations & Development - billable)				1,288,594	2,221,972
Section 8 Checking Account (HAP Payments)					
SRO/HCV/VASH/FUP/NED	Check #'s	481,979	-	482,028	53,561
	ACH				2,858,581
					\$ 2,912,142
Payroll & Payroll Fees - ADP					\$ 624,412
Other Wire Transfers					
					\$ -
TOTAL DISBURSEMENTS					\$ 5,758,526



TACOMA HOUSING AUTHORITY

CLIENT SERVICES



TACOMA HOUSING AUTHORITY

DATE: July 26, 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

Pierce County Housing Authority (PCHA) requests THA to absorb at least 182 Housing Choice Vouchers (HCVs) issued by PCHA to households residing within THA's jurisdictional boundaries. Due to an internal accounting error, PCHA is over-utilizing its Housing Affordability Payment (HAP), and needs this relief urgently.

THA is currently under-utilizing HAP relative to our Moving to Work (MTW) Baseline Unit Count (95.7% in June) and Total Vouchers Authorized (93.2% in June). Absorbing these fully utilized vouchers from PCHA would increase current MTW Baseline utilization to about 101%, and Total Vouchers Authorized utilization to 98%. Note that these rates do not incorporate utilization by Rapid Rehousing. Based upon 2016 performance, utilization rates adjusted to include Rapid Rehousing increase by 1.0 – 1.5%.

There are some concerns about average monthly subsidy cost, administrative burden, and the impacts on households and landlords in instances where differences in occupancy standards and unity allowances will adversely impact some households. THA and PCHA are negotiating ways to address these concerns. We are hopeful that by the July Board of Commissioners' meeting, we will reach agreement on terms and process for absorption.

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

June 2017	Program/ Caseload Entries this Month	Program/ Caseload Exits this Month	Unduplicated Number Served (Month)	Unduplicated Number Served (YTD)
Case Staffing (Eviction Prevention Services)	2	7	26	51
Families in Transition (FIT)	0	1	2	8
Family Self Sufficiency (FSS)	7	5	165	177
General Services	17	23	113	160
Hardship	0	0	4	4
Housing Opportunity Program (HOP) Case Management	0	0	48	58
Children's Savings Account (CSA) K-5th Grade	0	0	54	54
Children's Savings Account (CSA) 6th - 12th Grade	3	0	43	43
McCarver	3	5	49	55
Senior & Disabled	14	0	186	202
DEPARTMENT TOTAL	46	41	690	812

3.2 PROGRAM UPDATES

3.2.1 Summer Programming Update

The free summer meals program began at the family properties in June. Meals are provided by St. Leo's Food Connection and sites are located at Salishan, Bergerson Terrace and Hillside Terrace.

Metro Parks began work with youth on the Summer Audio Recording program (SAP) at Bay Terrace and Hillside Terrace. The SAP is a fantastic opportunity to engage youth in positive activities during the summer and offer youth insight into the world of music production.

The Book Rich Environment event at Bergerson Terrace was a huge success: 43 kids showed up for free books, and each child received three free books. We also introduced kids to KBTC partners at and encouraged them to participate in summer lab hours and activities. The Girl Scouts also attended this event and informed clients of the opportunity to start a fully funded Girl Scout troop at Bergerson Terrace! The Girl Scouts also brought free cookies to share with everyone. Sound Outreach was also represented at this event, and provided food benefits checks at this event. A big thank you to everyone who helped to make this event a success!

At Salishan, KBTC is offering programming for youth during the summer three afternoons a week. THA has also partnered with Salishan Association to offer free family art classes from local art studio, FEAST Arts Center. Additionally, the Tacoma Farmers Market at Salishan began in June. The market got off to a great start this year. Community Services has worked especially hard to help promote this market to the community and bring in free vendors for the weekly markets. THA residents have been offered the opportunity to host a booth at the Market free of charge. Three of our Fawcett residents are skilled knitters and have created several blankets to sell at this market.

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

Housing Choice Voucher utilization is reported at 95.49% of MTW baseline for the month of June, 2017.

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

Program Name	Units Allocated	Units Leased	Shoppers	Percentage Leased
VASH (Veterans Administration Supportive Housing)	177	149	31	84%
NED (Non Elderly Disabled) Vouchers	100	89	9	89%
FUP (Family Unification Program)	50	43	9	86%
CHOP (Child Welfare Housing Opportunity Program)	20	15	3	75%
McCarver Program	50	36	13	72%
CHAP (College Housing Assistance Program)	25	21	29	84%
TOTAL	422	353	94	84%

* The CHAP program is currently over issuing vouchers in an attempt to increase utilization. We continue to take referrals in preparation for the CHAP expansion.

Project-Based Properties	Units Allocated	Units Leased	Percentage Leased
Bay Terrace	20	20	100%
Eliza McCabe Townhomes	10	10	100%
Flett Meadows	14	11	79%
Guadalupe Vista	40	39	98%
Harborview Manor	125	125	100%
Hillside Gardens	8	7	88%
Hillside Terrace	9	9	100%
Nativity House	50	49	98%
New Look Apts.	42	39	93%
Pacific Courtyards	23	23	100%
New Tacoma Phase II	8	5	63%
Salishan 1-7	340	338	99%
Tyler Square	15	10*	67%
TOTAL	704	685	97%

* Tyler Square has repaired damage from a fire at their property and has forwarded referrals for this property. Tyler Square improved their utilization last month but is still underutilized. We will schedule a meeting with them to discuss their progress.

Rental Assistance continues to learn new processes with Open Door. Improvements continue and repairs are made quickly. Rental Assistance designated Housing Specialist Rath Sao-Moun as a subject matter expert (SME). Designating an SME helps other Rental Assistance staff learn these processes quickly and accurately. She also works with IT regarding process concerns and clarifying need for some changes.



TACOMA HOUSING AUTHORITY

PROPERTY MANAGEMENT



TACOMA HOUSING AUTHORITY

Date: July 26, 2017

To: THA Board of Commissioners

From: Frankie Johnson
Interim Director of Property Management

Re: Property Management Monthly Board Report

1. OCCUPANCY OVERVIEW

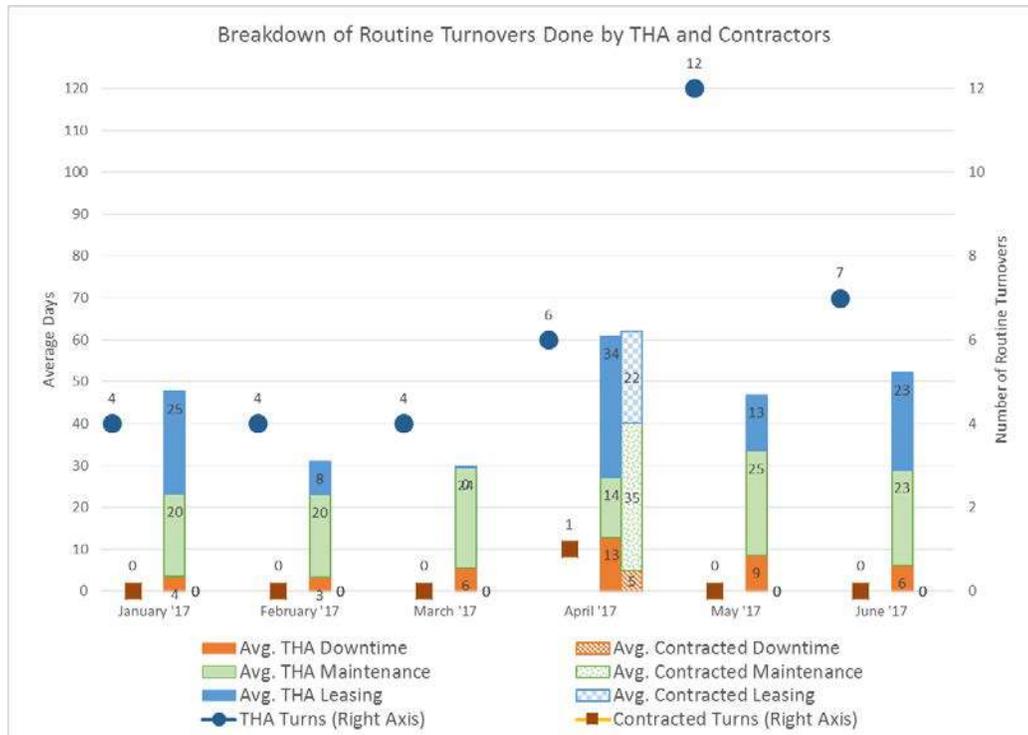
1.1 Occupancy

PROPERTY	UNITS AVAILABLE	UNITS VACANT	UNITS OFFLINE	UNITS OCCUPIED	% MONTH OCCUPIED	% YTD OCCUPIED
All Hillside/Bay Terrace	132	4	2	126	95.45%	96.78%
Family Properties	118	5	0	113	96.61	98.09%
Salishan	631	4	0	627	99.36	99.20%
Senior/Disabled	353	16	1	336	94.6	95.53%
All Total	1,234	29	3	1,202	97.32%	97.49%

Unit occupancy is reported for the first day of the month. This data is for the month of June, 2017.

1.2 Vacant Clean Unit Turn Status





All Turns - Performed by THA and Contractors

Today's Date 7/14/2017

Select End Month & Year	June	6	2017
	May	5	2017
	April	4	2017
	March	3	2017
	February	2	2017
Beginning Month	January	1	2017

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	June	7	7	0	52.1	6.1	22.7	23.3	
2017	May	12	12	0	46.8	8.5	25.0	13.3	
2017	April	7	6	0	60.8	12.8	14.3	33.7	
2017	March	5	5	0	45.6	22.8	20.6	2.2	
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	
		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	June	7	0	0	0.0	0.0	0.0	0.0	
2017	May	12	0	0	0.0	0.0	0.0	0.0	
2017	April	7	1	0	62.0	5.0	35.0	22.0	
2017	March	5	0	0	0.0	0.0	0.0	0.0	
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	

The average unit turn time for the month of June was 52 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 either Routine or Extraordinary turns.

Routine means units that receive normal wear and tear that can be repaired in 5-10 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

3910 Roosevelt Avenue-Staff made two offers on the unit; one of the applicants was denied (did not meet minimum qualifications) before unit was leased.

4356 East R Street-Three offers were made on the unit; one was no response, and one was over income before it was rented.

4003 Salishan Blvd-There was a delay in leasing this unit due to pest control issues. Pest control treatment requires a minimum of 14 days without access before maintenance could begin the unit turn process.

1909 East 44th Street-There was a delay with the flooring vendor as discussed in the May report to the Board. There were also six offers made on the unit, two were over income, two were denied and one no response before the unit was finally leased.

3901 Everett Ave-The unit turn process was delayed due to pest control issues and 14 days without access. During the unit process, the flooring was redone due to improper installation. Management required the vendor to correct the error before move-in, which avoided inconveniencing the resident. There were five offers extended, two were denied, one rented at Bay Terrace and one was over income before the unit was leased.

4110 East Q Street-This unit was leased to a FIT client, requiring additional steps and approvals.

Extraordinary Explanation

2547 South Yakima #308-Heavy tenant damage, requiring the floor to be replaced and maintenance time to restore the unit to occupancy ready.

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.

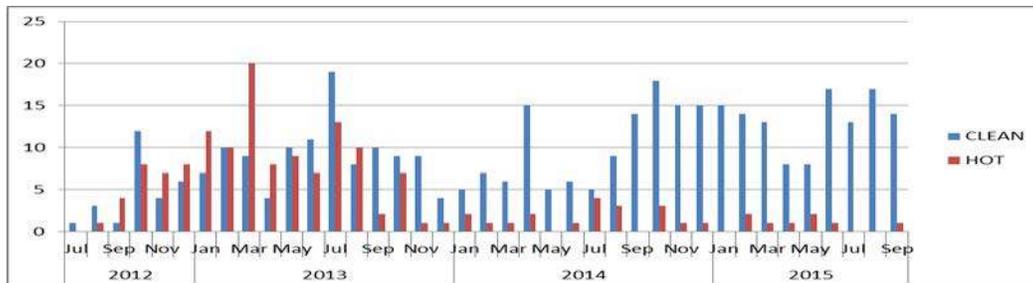
- ✓ Procure contractors who will respond to request for service if needed that have the appropriate staff to assign multiple units.
 - ✓ Increase inspections to deter heavy damage at move out.
 - ✓ Unit work every working day. Unit is the sole priority by assigned staff.
 - ✓ Use of tracking charts to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

COMPLETED WORK ORDERS				
For Month Ending June 30, 2017				
Property Name	Priority			Grand Total
	Routine	Urgent	Emergency	
Bergerson Terrace	32	7	2	41
Dixon Village	10	0	0	10
EB Wilson	1	0	0	1
Ludwig (Lawrence)	29	0	2	31
Scattered Sites	2	0	0	2
Salishan Five	10	0	0	10
Salishan Four	7	0	0	7
Salishan One	16	0	0	16
Salishan Seven	11	0	0	11
Salishan Six	9	0	0	9
Salishan Three	11	1	0	12
Salishan Two	7	0	0	7
Grand Total	145	8	4	157

Completed Work Orders

In the month of June, 100% of emergency work orders were completed within 24 hours; maintenance staff completed 145 non-emergency work orders with a total of 1,939 for the calendar year. The year-to-date average number of days to complete a non-emergency work order is 13¹ days.

It should be noted that with the new software conversion, some data and reports are still in the process of being created.

¹ This number is an estimated average based on the reports. Due to software conversion, accurate and precise numbers cannot be guaranteed at the time the board report was written.

OPEN WORK ORDERS
For Month Ending June 30, 2017

Property Name	Priority		Grand Total
	Routine	Urgent	
Bay Terrace Phase One	11	0	11
Bergerson Terrace	7	0	7
Dixon Village	4	3	7
E.B. Wilson	1	0	1
Hillside Terrace 1500	4	0	4
Hillside Terrace Ph II	1	0	1
Ludwig Apartments	2	0	2
North K St	1	0	1
Public Housing Scattered Sites	2	0	2
Salishan Five	6	11	17
Salishan Four	4	0	4
Salishan One	22	0	22
Salishan Seven	4	0	4
Salishan Six	10	0	10
Salishan Three	10	0	10
Salishan Two	18	1	19
Wright Ave	3	0	3
Grand Total	110	15	125

The Renew Tacoma buildings are not reporting work orders because the building is currently under RAD and no work orders are being completed outside of construction.

Property Management (PM) continues to bring down the number of outstanding work orders and trying to improve customer service.

Processes that PM is trying to improve are as follows:

- To 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; and
- Close work orders within 48 hours of completion.

1.5 Other Projects

Salishan Exterior Paint: THA identified buildings in Salishan that were in need of exterior painting. THA went out to bid for a contractor in June, and asked contractors to bid on one or all six Sals. THA received three contractor bids with one contractor having the lowest lump sum for each of the entity. Custom Coatings (who has done work for Tacoma Housing Authority under a different name) was the lowest responsive and responsible successful bidder. Each bid submitted by Custom Coatings was under the estimated amount for that entity. The total amount of the all bids is \$234,573.66. Since we are not required to prepare a resolution for this project, Property Management wanted to report the expense in its board report.



TACOMA HOUSING AUTHORITY

REAL ESTATE DEVELOPMENT



TACOMA HOUSING AUTHORITY

DATE: July 26, 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

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 98.9% complete. Building J – Contractor reached Substantial Completion and Temporary Certificate of Occupancy on June 23, 2017. Building G & H – Staff has occupied 3 of 7 townhome units. Substantial Completion was reached on schedule.

The following chart identifies the projected lease up schedule.

Lease-Up Schedule (Pre-leasing April- June)

Month	Per Month	Cumulative
July	30	30
August	16	46
September	12	58
October	16	74

Building J Potential Issues

Building J Lower Roof

Staff is working with the contractor regarding the TPO roofing system on Building J. The roof was installed during this winter’s rainy weather. Our building envelope special inspector (Wetherholt & Assoc.) had documented potential high moisture saturation within the roofing system which is limited to the lower roof. Staff is withholding \$78,000 of the roofing contractor’s final payment until the issues are remedied.

ADA Parking Stalls

The contractor did not install the seven ADA parking stalls per code. The code requires not more than a 2% slope. Slopes range from 2% to 5.5%. Staff is working with the civil engineer to develop a remedy at the contractors’ expense.

NOTE:

The following information is based on Draw 15 for period ending 6/12/2017.

Budget

% Complete

98.9%

Item	Original Budget	Revised Budget	Expended	Balance
Soft Cost Inc. Reserves	4,861,258	4,900,617	2,812,746	2,087,871
Interest Reserve	1,000,369	1,000,369	147,603	852,766
Hard Cost Inc. Contingency	16,980,410	16,941,051	15,329,996	1,611,055
Total Budget	22,842,037	22,842,037	18,290,345	4,551,692
<i>Owners Contingency</i>	<i>880,000</i>	<i>840,641</i>	<i>824,278</i>	<i>16,363</i>



Building J – At Court G



Buildings G&H – At Court G

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

	GOAL	PREVIOUS ACTUAL	ACTUAL AS OF 6/30/2017
MBE	10%	13%	13%
WBE	8%	12%	12%
Section 3 Business	10%	14%	14%
Section 3 New Hires	30%	27.27%	29.41%
Apprenticeship	15%	13.04%	13.05%

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
17	\$3,448,000.00	\$3,455,962.60	\$388,533.00	\$675,734.53	\$2,391,695.07
Units Listed	Market Value	List Price	Rehab Costs	Sales Costs Estimated	Projected Proceeds
1	\$232,000.00	\$232,000.00	\$42,350.00	\$92,420.00	\$97,230.00
Units in Construction	Scope Preparation	Occupied			
2	2	12			



635 S. Fife –SOLD



3835 S. D St. –SOLD

Rehabilitation Work on Scattered Site Units and Sold:

- 11 of the remaining 12 occupied homes will be remodeled as residents are relocated in 2017.
- CYS is occupying 120 Bismark to temporarily house homeless youth. They are consistently at capacity.
- 1605 E. 59th, 3835 S. D St. and 2011 E. Fairbanks have recently been sold and recorded.
- One house is currently listed and under contract to sell.
- 6932 S. Madison and 4033 E. J are on schedule to be completed and listed by the end of July.
- Relocation for the next 11 households with children has begun. Households are given 90 days to relocate. Households have recently needed extensions in order to utilize their voucher and this will allow them to be ahead of the summer rush or utilize the summer when students are out of school to move. The intention is to make this transition as easy on the families as much as possible.

The number of eligible buyers has increased with consistent communication and outreach efforts. THA hosted an information session on March 16th, for real estate agents to advertise the program and 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.

Staff is also working with the Korean Women's Association (KWA). They have asked THA to be their development advisor for a 150-unit senior building with a 60-bed skilled nursing center and an aquatic facility.

3.3 New Look Capital Planning and Resyndication

THA selected Buffalo Design to plan the capital work for the New Look Apartments. Responses by lenders and investors for the New Look resyndication were very strong. Staff will be recommending Banner Bank as the lender. Negotiations are underway with investors. Rehabilitation work is slated to start in the fall.

3.4 Community Youth Services (CYS): Arlington Drive Property

The City of Tacoma will allocate \$700,000 to the Tacoma Community Redevelopment Authority (TCRA) and the TCRA will allocate \$250,000 in CDBG funds for the development of the Crisis Residential Center (CRC) to be managed by Community Youth Services (CYS). SMR Architects will provide master site planning and related preliminary work. A portion of the SMR work will be reimbursed as part of the City of Tacoma Agreement and THA will fund the balance. A portion of the site will be developed with rental housing for youth age 18-24. THA will develop this rental housing and plans to fund the development with LIHTC and related sources. The initial costs to THA will not exceed \$50,000.

The team has reviewed the conceptual design for the CRC and SMR is working on incorporating comments from the design meeting. Construction is scheduled to begin in early June, 2018. The team is also concurrently working on the Master Plan for the site and THA plans to submit a 9% tax credit application for the Campus.

The firm of BDS Planning and Urban design was selected as the consultant for the community engagement and consultation effort. The first focus meeting is scheduled for July 24 at the Family Investment Center (FIC). They will be completing the main focus of their work by the end of September, 2018.

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 and is preparing to demolish them.

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. Many Lights continues to seek partners for this project. THA is also seeking partners.

Safe Streets has been selected as the consultant for the community engagement and consultation for the project. Their work will begin in 2018.

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. In the meantime, the City has asked THA to take over the property and manage the lease and building with Mr. Mack. The City will quit claim the deed to THA.

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	30	0	0
K Street	10/11/2016	3/27/2017	43	0	0
Wright Street	2/6/2017	8/18/2017	38	10	10
6 th Avenue	4/1/2017	8/8/2017	23	41	0
2G Street	3/7/2017	6/12/2017	40	0	0

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

The *Certificates of Substantial Completion* were issued on December 27, 2016, for 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

In addition to the 2016 projects described above, the *Certificates of Completion* were issued for Ludwig and K Street. Fawcett’s *Certificate of Completion* will be issued in the very near future. An error by an external public entity is the cause of the delay.

Walsh Construction and THA staff continue to simultaneously manage multiple projects successfully. All sites are projected to be completed by the end of October, 2017.

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. Roofing at Fawcett and G Street is anticipated to be completed in the very near future with Wright and 6th Avenue to follow.

Staff partnered with the Brawner team to forecast and monitor the tax-exempt bond 50% test on both a site and project level.

Elevators

Modernization of both elevators at E.B. Wilson passed inspection on December 29, 2016. The modernization of the two elevators at G Street and the Fawcett and Ludwig elevators are also complete. Similar to the approach with roofing, the elevator modernization work has an independent schedule to retain the subcontractor and accelerate completion.

Similar to Fawcett, 6th Avenue only has one elevator. Elevator modernization planning requires strategic analysis to arrive at the optimum approach considering construction schedule, relocation costs, resident welfare and overall project timing. Sixth Avenue will also have the upper floors vacated and residents relocated during the elevator modernization. Sixth Avenue elevator modernization is anticipated to be completed mid-July.

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 completed at Bergerson Terrace. No more relocation activity is happening. Relocation activity ended October, 2016.

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

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

All units are completed at North K Street. No more relocation activity is happening. Relocation activity ended March 1, 2017.

All units are completed at Fawcett Street Apartment. No more relocation activity is happening. Relocation activity ended March 17, 2017.

All units are completed at North G Street. No more relocation activity is happening. Relocation activity ended May 15, 2017.

Wright Street Apartments modernization is currently underway. Thirty-Eight units are completed and ten units are currently under construction with the residents fully relocated at hotels and friend's or relative's homes. There are ten units left for relocation. All relocation activity will be finished by September 11, 2017.

Sixth Avenue Apartments modernization is currently underway. Forty-Five units are completed and nineteen are currently under construction. The residents who reside on the third floor are in the process of returning as of July 10, 2017. Modernization for the second floor units will be completed and available by July 14, 2017. The residents will begin returning to their units the following week. All relocation activity will be finished by August 2, 2017.

5.3 Watch list

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

DOE requires 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 that the K Street plan looks good and only requires minimal additional testing. Vapor testing to the elevator pit was performed to assure there are no toxic emissions. The testing is complete and there are no vapor issues. THA's consultant prepared the *Remedial Investigation and Feasibility Study* and recommendation report for DOE review at the end of April.

THA and its consultant met with DOE staff the end of May. DOE will prepare an opinion letter in approximately 90 days but did state that they were going to recommend some monitoring be performed. They anticipate 3-4 monitoring events and then long-term monitoring at longer intervals over the next 5 years.

Wright Street:

Contaminated Dirt: THA staff and Robinson Noble met with DOE and a report with mitigation requirements is forthcoming from DOE. At the meeting, Ecology staff verbally reported that two monitoring wells and long-term monitoring will be required. Department of Ecology staff verbally stated that removal of dirty dirt is not required because of the cost and anticipate they can issue an NFA letter.

Underground Storage Tank: Pierce County stated that if an Underground Storage Tank (UST) is confirmed, it can stay in place with the following conditions: 1) an annual permit is required at annual fee of \$1,200/year (current cost); and 2) restrictive covenant is placed against the property.

Robinson Noble will conduct 2 more test borings to test if the dirty dirt has moved upward. The contamination is likely bunker oil.

Robinson Noble suggests that THA buy the contaminated portion of the neighbor's property or encumber the property with an environmental covenant. The property owner may object to the covenant. If we buy the portion with the contamination, we may want to offer the neighbor an easement to continue using it for parking. Environment condition exists only on the edge adjoining THA property. Of two tests bores one tested clean and the other dirty. The toxic dirt is so far below the surface that no risks for gardening exist right now.

Robinson Noble will prepare 1) a work plan for mitigation activities; and 2) an assessment report for investors that identify anticipated costs, predicted outcomes, and the likely receipt of NFA from Department of Ecology.

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. Superior Linen's legal counsel has not responded to any of the letters. THA staff is evaluating whether to file a lawsuit against Superior Linen as the previous owner of the site.

5.4 Issues Encountered/Status

Budget	Total budget	Expended	Outstanding
Soft Costs*	\$24,023,498	\$8,010,994	\$16,012,504
Construction	\$29,812,529	\$28,771,255	\$1,041,274
Owner's contingency	\$3,343,026	\$2,905,277	\$437,749
Environmental Escrow	\$3,500,000	**\$600,000	\$2,900,000

NOTE: The above reflects the budget status through Draw13 (June 2017 draw). Draw #14 has not been received at the time of updating this report.

*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 5/31/2017
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 is a challenge:

- The small work scope is such that it is difficult to package scopes into smaller packages to achieve minority and 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 National Association of Minority Contractors (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.



TACOMA HOUSING AUTHORITY

NEW BUSINESS

Resolution 1



TACOMA HOUSING AUTHORITY

RESOLUTION 2017-07-26 (1)

Date: July 26, 2017

To: THA Board of Commissioners

From: Michael Mirra
Executive Director

Re: RAD A&E Work Addendum #8, Casey + DeChant Architects

This Resolution would authorize Tacoma Housing Authority's (THA) Executive Director to increase the amount of the contract with Casey + DeChant Architects for Architectural and Engineering (A&E) Services needed to complete the Rental Assistance Demonstration (RAD) by \$240,500 for a not-to-exceed amount of \$1,271,500.

Background

On June 24, 2015, the board approved Resolution 2015-06-24 (1) authorizing THA's Executive Director to negotiate and award a contract for the Architectural and Engineering (A&E) Services for the RAD Conversion Project, in an amount not-to-exceed \$500,000 for the predevelopment phase of work, to Casey + DeChant Architects.

On July 7, 2015, THA entered into a contract with Casey DeChant Architects to provide limited professional Architectural and Engineering in conjunction with Walsh Construction, the General Contractor/Construction Manager (GCCM).

On January 27, 2016, the board approved Resolution 2016-01-27 (1) authorizing THA's Executive Director to proceed with additional Work Scope. During the Design Phase, numerous requests for additional Work Scope were requested from several sources; RAD funders required additional Seismic and Environmental Reports, THA Property Management staff requested all new security system designs, changes to the HVAC systems required additional Consulting Engineer work, and during the Permit review process the City of Tacoma requested significant changes to the ROW improvements at all of the sites. Value Engineering also added additional costs. THA staff requested the inclusion of Construction Administration costs for the duration of the project from Casey + Dechant Architects. The additional A&E work resulted in an increase in the A&E contract to a not-to-exceed amount of \$1,031,000, including an additional amount of \$162,000 for contingency.

At this time, THA would like to revise the total contract for Casey + DeChant Architects due to

additional scope. This additional scope includes issuing Architects Supplemental Instructions (ASI's), reviewing and approving Submittals, Request for Information RFI's, and Change in Condition (CIC's), site design questions and other services. The construction schedule has been extended from August to September and follow up work will add a month or more to the A&E schedule and Scope of Work.

The additional fee for Construction Administration Services is \$120,000, the increase in Consultant fees for Mechanical Engineering, Civil Engineering and Roofing/Envelope Observations is \$89,100 (billed at time) and a contingency of \$31,400 is included for a total increase of \$240,500.

Funding for the proposed increase is from the miscellaneous sources of RAD Funds, Moving to Work (MTW) funds and other funding sources contributing to the mixed finance project budget. Soft costs are running under budget and this will come from a reallocation of those funds and will not affect contingency.

Recommendation

Authorize THA's Executive Director to increase the contract amount for the A&E Services for the RAD Conversion Project by \$240,500 for a not-to-exceed amount of \$1,271,500 for the A&E services of Casey + DeChant Architects.



TACOMA HOUSING AUTHORITY

RESOLUTION 2017-07-26 (1) (RAD A&E Work Addendum #8, Casey + DeChant Architects)

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

WHEREAS, On June 24, 2015, THA's Board of Commissioners approved Resolution 2015-06-24 (1) authorizing THA's Executive Director to award a contract for the Architectural and Engineering Services for the RAD Conversion Project to Casey + DeChant Architects in an amount not-to-exceed of \$500,000; and

WHEREAS, On January 27, 2016, THA's Board of Commissioners approved Resolution 2016-01-27 (1) in the amount of \$531,000 for additional A&E work scope for the project; and

WHEREAS, THA has estimated an additional \$240,500 in A&E services will be needed for the RAD Conversion project; 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 increase the contract amount with Casey + DeChant Architects by \$240,500 for a total not-to-exceed of \$1,271,500.00.

Approved: July 26, 2017

Dr. Arthur C. Banks, Chair