



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, MAY 25, 2011

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at 602 South Wright Avenue, Tacoma, WA at 4:00 PM on Wednesday, May 25, 2011.

1. CALL TO ORDER

Vice Chair Flauding called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:07 PM.

2. ROLL CALL

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

Present	Absent
Arthur C. Banks, Chair*	
Janis Flauding, Vice Chair	
Ken Miller, Commissioner*	Greg Mowat, Commissioner
Stanley Rumbaugh, Commissioner (arrived at 4:11 PM)	

Staff

Michael Mirra, Executive Director
Christine Wilson, Executive Administrator
April Black, REMHS Director
Barbara Tanbara, Human Resources Director
Nancy Vignec, Community Services Director
Walter Zisette, RED Director

*participated in the board meeting via conference phone

Vice Chair Flauding declared there was a quorum present @ 4:08 PM.

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Vice Chair Flauding asked for any corrections to or discussion of minutes for the Meeting of the Board of Commissioners of Wednesday, April 27th. Chair Banks moved to adopt the minutes, Commissioner Miller seconded.

Upon roll call, the vote was as follows:

AYES: 3

NAYS: None
Abstain: None
Absent: 2

Motion approved.

4. GUEST COMMENTS

Ms. Emily Pierce-North, resident of the EB Wilson building commented that the SAFE by-laws need to be revised. She added that SAFE needs to put their funds to better use, and community rooms in the senior building need to be updated by using different colors of paint. She believes that if the community surrounding were more appealing and attractive then residents would be more willing to come out of their units and participate in group activities. Ms. Pierce-North did state that she is happy with the number of activities available to residents. Ms. Marion Bass, resident from Salishan, also attended and expressed her desire that the Safe Street program be active in Salishan. She is concerned with what she described as an increase in gang activity and drug dealers present in Salishan.

5. COMMITTEE REPORTS

Real Estate Development Committee – Commissioner Rumbaugh reported on Hillside Terrace discussions at the last committee meeting. The committee may have a plan to present to the BOC soon. He also reported that staff is making progress with the Citibank loan discussions.

Finance Committee – No report

6. ADMINISTRATIVE REPORTS

Finance Administration

ED Mirra presented for Director Shalik and directed the board to Ken's monthly report. He noted that there continues to be a budget surplus. There will be a budget revision study session June 10th that will change those numbers. This budget will continue the FY 2011 budget thru December 31st, 2011.

Chair Banks moved to ratify the payment of cash disbursements totaling \$3,777,147 for the month of April 2011., Commissioner Rumbaugh seconded.

Upon roll call, the vote was as follows:

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

Motion Approved

Real Estate Management and Housing Services

Director Black directed the board to her monthly report. She introduced Mr. Josh Crites, the new Planning and Policy Analyst. Mr. Crites came from the Community Services department where he served as the Families in Transition Caseworker. She touched on the unit turn report. The unit turn average is higher than last month due to the number of turns of long vacant units. Director Black expects this trend to decrease again as the number of this long vacant units are turned. She referred the BOC to the MTW update and changes. Those included moving from four rent reform activities to one rent reform activity. These changes are the subject of a Board study session in June. They will come to the board for approval at the July Board meeting. Commissioner Flauding asked for a Salishan appliance update. Director Black stated the number of work orders have decreased and added that she expects the appliance issue is close to resolution.

Real Estate Development

Director Walter Zisette referred the board to his monthly report. He discussed the Salishan Core Campus adding that RED staff delivered surveys to Salishan residents, renters and homeowners, as well as community members and businesses surrounding Salishan. Director Zisette stated these survey results would be ready for discussion in June. He added that a sale is pending on 28 Area 3 lots. He also reported that the Washington State Housing Trust Fund received \$50M for the legislative bienium. This bodes well for THA's prospect for funding from the Trust Fund for both the Hillside Terrace and Stewart Court properties.

Community Services

Director Vignec referred the board to her report and clarified for the commissioners that all of the tables listed in her report refer to calendar years. Commissioner Rumbaugh asked if Bates Technical College is continuing to assist THA clients with GED classes. Director Vignec stated yes until September. After that the future for these classes is unknown. She added that these GED classes are very important and valuable to our clients. She also stated that Bates will offer more parenting classes in May which are important to our FIT families. She noted adding that the partnerships between Bates and THA are very helpful.

Human Resources

Director Tanbara referred the board to her report. She is please that our turnover trend is hovering at 7%. She noted that this is a very big improvement over the past year. Commissioner Rumbaugh is concerned with Director Black's need for staff to keep up with the unit turns and is requesting a cost benefit analysis on labor costs v. lost revenue of units that are off-line. Director Tanbara stated that she will work with Director Black to gather those numbers for review and will report back to the BOC.

7. OLD BUSINESS

None.

8. NEW BUSINESS

8.1 THA RESOLUTION 2011-5-25 (1), 2009 & 2010 Cap Funds Renovations at 2 Facilities

Whereas, The Housing Authority of the City of Tacoma (the "Authority") solicited bids for Phase 3- Renovations at 2 Facilities;

Whereas, The timely advertisements for bids were placed in the following publications, websites and dates; the Skanner and the Tacoma Small Business Incubator on April 28, 2011; the WEBS government projects website on April 28, 2011; bid documents were provided to 13 plan centers, and the Blue Book website on April 28, 2011.

Whereas, Seven (7) companies received the bid package;

Whereas, Bids were received in the following amounts;

The bid results from lowest to highest bid are as follows:

Company	Base Bid	Fawcett Deductive Alt. #1	Fawcett Deductive Alt. #2	Fawcett Deductive Alt. #3	Fawcett Deductive Alt. #4	Ludwig Deductive Alt. #1	Ludwig Deductive Alt. #2	Ludwig Deductive Alt. #3	Responsive-Responsible Y / N
Porter Construction	\$1,430,500.00	\$1,700.00	\$6,000.00	\$900.00	\$1,500.00	\$3,200.00	\$10,000.00	\$1,500.00	NO
CDK Construction Services	\$1,521,907.00	\$1,900.00	\$5,000.00	\$1,000.00	\$4,500.00	\$2,500.00	\$25,000.00	\$000.00	YES
Shinstine Associates	\$1,574,500.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$4,000.00	\$3,800.00	\$000.00	YES

Whereas, Staff determined that the lowest responsive and responsible bidder is CDK Construction Services; and

Whereas, Total financing for the work is from 2009 & 2010 Capital Funds;

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

1. The Executive Director is authorized to negotiate and execute Contract Number WA: 5-AMPS 1, 2, 3 - CFP-01-11 for renovation of Fawcett Apartments, Ludwig Apartments, and insulation at North K Street and North G Street Apartments with CDK Construction Services in compliance with all bid documentation

requirements in the amount of \$1,521,907.00 plus a Not-to-Exceed contingency of \$152,200.00. If those negotiations are not successful he is authorized to do so with the next lowest responsive and responsible bidder or to reissue the invitation to bid and elicit more bids.

Approved: May 25, 2011

Dr. Arthur C. Banks, Chairman

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

Upon roll call, the vote was as follows:

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

Motion approved

8.2 RESOLUTION 2011-5-25(2), (SECOND SUPPLEMENTAL INDENTURE – INFRASTRUCTURE IMPROVEMENT REVENUE BONDS)

A RESOLUTION authorizing the execution and delivery of a Second Supplemental Trust Indenture with respect to the Housing Authority of the City of Tacoma Infrastructure Improvement Revenue Bonds, Series 2008, to provide that certain amounts contributed by the Authority in connection with the sale of 28 homeownership lots will be credited to the Authority's \$3,300,000 maximum General Revenues pledge to the payment of the Bonds, and that certain additional amounts that may be received by the Authority in connection with the sale of such lots will be pledged to the payment of the Bonds and applied to redeem Bonds prior to maturity.

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

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

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

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

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

Whereas, 42 USC 1437z-2 permits the Secretary of the United States Department of Housing and Urban Development (“HUD”) to authorize a public housing agency to mortgage or otherwise grant a security interest in a public housing project or other property of the public housing agency;

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

Whereas, the Bonds are payable, in part, from the net proceeds from the sale of 182 certain individual lots, as depicted on Plat of Salishan Division 3, prepared by Parametrix, dated December 4, 2007 (the “Lots”) and General Revenues of the Authority up to a maximum amount of \$3,300,000; and

Whereas, as set forth in a First Supplemental Trust Indenture and a Resolution No. 2010-6-23(2), the Authority and Citicorp Municipal Mortgage Inc. (the “Bondowner Representative”), as the owner of all of the outstanding Bonds, previously agreed to restructure certain provisions of the Bonds and the related documents to, among other things, extend the maturity date of the Bonds, modify the redemption provisions of the Bonds, revise minimum Lot sale prices and certain provisions relating to the release of Lots from the lien of the Deed of Trust, and provide for future pledges of security interests in certain individual lots located in Salishan Division 4 or Area 2b (“Additional Collateral – Area 2b”) as additional security for the Bonds; and

Whereas, the Authority and the Bondowner Representative have agreed that 28 Lots (the “Quadrant Lots”) may be sold to the Quadrant Corporation (“Quadrant”) pursuant to a Real Estate Purchase and Sale Agreement between the Authority and Quadrant dated May 5, 2011 (the “Quadrant Purchase and Sale Agreement”) at prices below the minimum Lot sale prices permitted by the Bond documents, provided that the Authority will deposit of money equal to that shortfall in the sale price for the Quadrant Lots with the Trustee for the Bonds and that the maximum principal amount of the Authority’s General Revenue Pledge shall be reduced by the amount so contributed by the Authority; and

Whereas, the Authority and the Bondowner Representative have further agreed that any Lot Premiums or Upside Component (each as defined in the Quadrant Purchase and Sale

Agreement) actually received by the Authority pursuant to the Quadrant Purchase and Sale Agreement shall be applied to redeem and pay the Bonds prior to their maturity date; and

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

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

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

1. Authorization of Documents and Execution Thereof. The Board approves the Second Supplemental Indenture substantially in the form on file with the Executive Director of the Authority, with such changes as the Executive Director of the Authority shall deem necessary or appropriate. The Board authorizes and approves the execution by the Executive Director of the Authority and delivery of the Second Supplemental Indenture and any other documents reasonably required to be executed by the Authority to carry out the transactions contemplated by this resolution or the Second Supplemental Indenture. The Board authorizes and approves the performance by the Authority of its obligations contained in, and the consummation by the Authority of all other transactions contemplated by this resolution and the Indenture as amended by the First Supplemental Indenture and the Second Supplemental Indenture.
2. Acting Officers Authorized. Any action required by this resolution to be taken by the Chair of the Board or Executive Director of the Authority may in the absence of such person be taken by the duly authorized acting Chair of the Board or acting Executive Director of the Authority, respectively.
3. Ratification and Confirmation. Any actions of the Authority or its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.
4. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

Adopted: May 25, 2011

Dr. Arthur C. Banks, Chairman

Commissioner Miller motioned to approve the resolution. Chair Banks seconded the motion.

Upon roll call, the vote was as follows:

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

Motion approved

9. COMMENTS FROM COMMISSIONERS

Commissioner Rumbaugh noted that he believes the federal 2012 budget will roll out sooner than later due to the 2012 presidential election. ED Mirra stated this will be a benefit to THA to know what the HUD budget prior to writing the THA FY2012 budget. ED Mirra also added that THA, KCHA, and SHA are working with the Senate congressional appropriations staff and Congressman Dicks staff on MTW language for the budget.

10. COMMENTS FROM THE EXECUTIVE DIRECTOR

ED Mirra directed the board to his report. He noted that Common Ground has offered to train commissioners in advocacy and asked Commissioners to let him know of their interest. Pierce Transit will be cutting their transit budget by 20% now and 15% later. He reported that Chair Banks and ED Mirra sent a letter to the Pierce Transit Board asking them to spare routes that serve Salishan and other THA properties.

11. EXECUTIVE SESSION

None.

12. ADJOURNMENT

There being no further business to conduct, Commissioner Rumbaugh moved to adjourn, and Chair Banks seconded the motion. All voted in favor. The meeting adjourned at 5:05 PM.

APPROVED AS CORRECT

Adopted: June 22, 2011



Dr. Arthur C. Banks, Chair