



TACOMA HOUSING AUTHORITY

RESOLUTION 2017-02-22 (2)

Date: February 22, 2015

To: THA Board of Commissioners

From: Michael Mirra
Executive Director

Re: Crisis Residential Center Development Agreements

Purpose

The purpose of this resolution is to authorize Tacoma Housing Authority's (THA) Executive Director:

1. To negotiate and execute an agreement with the City of Tacoma, on behalf of the Authority, for the capital funds required for the development at Arlington Drive of a Crisis Residential Center (CRC) for youth experiencing homelessness.
2. To negotiate and execute an agreement with Community Youth Services (CYS) and/or Pierce County for the additional funds required to complete the CRC.

Background

The Board adopted resolution 2016-06-22(5) that authorized THA's Executive Director to lease its Arlington Drive property to the City of Tacoma to develop a youth home and contract with the City. The resolution made it clear that the commitment was contingent on the board's approval. A crisis residential center for 12 youth ages 12-17 is proposed on a portion of the Arlington site. The facility would be licensed by the State of Washington and operated by Community Youth Services (CYS). The focus in this center will be on youth who are unhoused, are in protective custody due to abuse and neglect, are state dependent and have run from foster care system, and youth being referred out of detention because their criminal involvement is solely related to homelessness.

The center will be a therapeutic, home-like setting staffed 24 hours a day, seven days a week. The services at the home will meet all of the basic needs of the children: transportation to school and other scheduled appointments, individual and group counseling, meals, clothing, hygiene supplies, and assistance in accessing medical and dental services.

CYS has been operating in Thurston County for 46 years. CYS runs a youth shelter, day center, transitional housing and a crisis residential center in Olympia. They have also been running a temporary young adult shelter in Beacon Senior Center in Tacoma since November, 2015.

BUSINESS TERMS

Since adoption of resolution 2016-06-22(5), staff have been negotiating with representatives from the City of Tacoma. The terms of the agreement have evolved, as follows:

1. THA will own the land. It will not be leased to the City of Tacoma. Approximately one acre of the 3.5 acres will be set aside for the CRC;
2. The City of Tacoma will provide the funding for building a Crisis Residential Center. Pierce County will also contribute funds through an allocation to CYS. THA will own the building;
3. The City of Tacoma is initially committing \$1 Million for the CRC. This is a combination of Community Development Block Grant (CDBG) and City funds. It is expected that Pierce County, through an allocation to CYS, will contribute additional funds;
4. The target population is homeless youth who must self-certify that they earn 80% or less of the Area Median Income (AMI);
5. The funds allocated by the City will be in the form of a loan. The loan is 0% interest and is forgivable over 30 years. This means that \$33,333 of the original \$1M loan will be forgiven annually;
6. THA will be required to ensure that the property is operated for its intended purpose. If it fails to do so, the loan will be in default, with a 12% interest rate. The City and THA may agree to change the use in the future, if this becomes necessary;
7. THA will ensure that the operator meets all of the program compliance requirements imposed by the City; and,
8. The City will require that the property be maintained in good condition and is properly repaired over time.

Recommendation

Authorize THA's Executive Director to negotiate, approve, and execute the loan agreement and related documents necessary to develop the Crisis Residential Center with City funds.



TACOMA HOUSING AUTHORITY

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

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

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

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

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

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

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

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

WHEREAS, THA has identified unaccompanied homes youth and young adults as some of Tacoma and Pierce County's citizens in most need; now, therefore, be it

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

Authorize THA's Executive Director to negotiate and finalize the loan agreement and regulatory agreement with the City of Tacoma to begin the design and construction of a Crisis Residential Center for youth experiencing homelessness.

Approved: February 22, 2017


Dr. Arthur C. Banks, Chair