



# TACOMA HOUSING AUTHORITY

## RESOLUTION 2017-06-28 (2)

**Date:** June 28, 2017

**To:** THA Board of Commissioners

**From:** Michael Mirra  
Executive Director

**Re:** Amendments to Rapid Rehousing Contracts with Pierce County

*This resolution would amend Tacoma Housing Authority's (THA) Rapid Rehousing (RRH) contracts with Pierce County.*

### Background

THA began this investment in 2013 through two contracts with Pierce County: (1) funding housing for homeless families with children and (2) housing for homeless young adults aged 18-24. The initial amount of the contracts was \$330,000 and the family contract set a schedule to scale up the investment each year until 2017. Under the contracts, THA's investment increased to \$1.288 million annually in 2017 and 2018. The current contracts are set to expire at the end of 2018. The contracts allow THA to increase, decrease or end that investment at any time.

Over the past several months you have been hearing about the evaluation that staff have completed of these contracts. The report in the May 24, 2017, board report showed the full analysis and we summarized these findings in the June 14, 2017, study session.

Based on the results of this analysis, community consultation and discussion with the Board, we recommend the following:

- (1) THA to fully honor its investment in RRH per the existing contract, as follows:

	Family Contract	Young adults Contract	Total
<b>2017</b>	\$1 million	\$288,000	\$1.288 million
<b><u>2018</u></b>	<u>\$1 million</u>	<u>\$288,000</u>	<u>\$1.288 million</u>
<b>Total</b>	\$2 million	\$576,000	\$2.576 million

- (2) THA to revisit the duration and amount of the contract once the 2018 federal budget clarifies. The evaluation supports doubling THA's investment. However, with the shrinking availability of federal housing funds, it will be hard to justify such an increase unless Pierce County secures the service dollars necessary to support the housing investments.

- (3) THA to amend the Family contract to reduce the percentage of THA's contract dollars that can be spent on non-housing services from 44% to 25%.
- (4) THA to amend the Young Adult contract to increase the percentage of THA's contract dollars that can be spent on non-housing services from 0% to 25%.
- (5) Amend the family contract to expand the definition of "family" to include parents whose children Department of Social and Health Services (DSHS) has removed from the home and for whom DSHS judges that the housing assistance would be necessary and would likely be effective to allow for the children's return to the parents.
- (6) Amend both contracts to expand the use of funds to include all types of housing. Additional housing types could include diversion, transitional housing, permanent supportive housing, or other types of housing the County will have the flexibility to identify. This will allow the County more maneuvering room to award these funds based on current needs, market conditions, and research.
- (7) Amend the contracts to remove the geographic restrictions to Tacoma and instead allow Pierce County to use THA funds to assist homeless families and youth originating anywhere in Pierce County.

#### **Recommendation**

Authorize THA's Executive Director to negotiate these changes to the respective Pierce County contracts.





# TACOMA HOUSING AUTHORITY

## **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.

**Approved: June 28, 2017**

  
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Dr. Arthur C. Banks, Chair