



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS

BOARD PACKET

November 28, 2012



TACOMA HOUSING AUTHORITY

Michael Mirra
Executive Director

BOARD OF COMMISSIONERS

Janis Flauding, Chair
Greg Mowat, Vice Chair
Dr. Arthur C. Banks
Stanley Rumbaugh

Regular Meeting BOARD OF COMMISSIONERS

WEDNESDAY, November 28, 2012

The Board of Commissioners of the Housing Authority of the City of Tacoma will hold their Board Regular meeting on **Wednesday, November 28, 2012 at 4:00 PM**

The meeting will be held at:

**902 South L Street
Tacoma, WA 98405**

The site is accessible to persons with disabilities. Persons requiring special accommodations should contact Christine Wilson at (253) 207-4421, before 4:00 p.m. the day before the scheduled meeting.

I, Christine Wilson, certify that on or before Wednesday, November 21, 2012, I FAXED/EMAILED, the preceding PUBLIC MEETING NOTICE to:

City of Tacoma	747 Market Street Tacoma, WA 98402	fax: 253-591-5123
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	emailed to tips@q13fox.com
KSTW-TV/Channel 11	602 Oaksdale Avenue SW Renton, WA 98055-1224	fax: 206-861-8915
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 resident organizations with notification requests on file

Christine Wilson
Executive Administrator



TACOMA HOUSING AUTHORITY

**AGENDA
ANNUAL MEETING
BOARD OF COMMISSIONERS
NOVEMBER 28, 2012, 4:00 PM
902 South L Street**

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

3.1 Minutes of October 24, 2012 Regular meeting

4. GUEST COMMENTS

5. COMMITTEE REPORTS

6. COMMENTS FROM THE EXECUTIVE DIRECTOR

7. ADMINISTRATION REPORTS

- 7.1 Finance
- 7.2 Real Estate Management and Housing Services
- 7.3 Real Estate Development
- 7.4 Community Services

8. NEW BUSINESS

- 8.1 THA Resolution 2012-11-28 (1), Amending THA Policy G-05 Exercising and Delegating Executive Director Authority
- 8.2 THA Resolution 2012-11-18 (2), Architectural and Engineering Services for Gravelly Lake Drive – Contract Amendment

9. COMMENTS FROM THE COMMISSIONERS

10. EXECUTIVE SESSION

- 10.1 Potential Real Estate transaction
- 10.2 Human Resources update

11. ADJOURNMENT

MEETING MINUTES



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, October 24, 2012

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at 902 South L Street, Tacoma, WA at 4:00 PM on Wednesday, October 24, 2012

1. CALL TO ORDER

Chair Flauding called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:05PM.

2. ROLL CALL

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

PRESENT	ABSENT
Commissioners	
Janis Flauding, Chair (via phone)	
Greg Mowat, Vice Chair	
	Arthur C. Banks
Stanley Rumbaugh, Commissioner (arrived at 4:10 PM)	
Staff	
Michael Mirra, Executive Director	
Christine Wilson, Executive Administrator	
Ken Shalik, Finance and Administration Director	
April Black, REMHS Director	
Barbara Tanbara, Human Resources Director	
Nancy Vignec, Community Services Director	
Walter Zisette, RED Director	
Todd Craven, Administration Director	

Chair Flauding declared there was a quorum present @ 4:06 and proceeded handing the gavel to Vice Chair Mowat to run the meeting.

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Vice Chair Mowat asked for any corrections to or discussion of minutes for the Annual Session of the Board of Commissioners for Wednesday, September 26, 2012.

Commissioner Rumbaugh moved to adopt the minutes, Commissioner Flauding seconded.

Upon roll call, the vote was as follows:

AYES:	3
NAYS:	None
Abstain:	None
Absent:	1

Motion approved.

4. GUEST COMMENT

Hope Rehn, President of SAFE provided comment regarding the SAFE board officer's recent elections. Approximately 120 THA residents voted on these board positions. Ms. Rehn stated the elections produced a very good representation of resident board officers. She also stated the board is working with the NWJP updating the SAFE by-laws.

5. COMMITTEE REPORTS

Real Estate Development Committee – Commissioner Rumbaugh provided his committee report. The committee met yesterday and discussed several items. THA is currently reviewing offers that have come into THA for the sale of Salishan lots. The Tacoma Historic Preservation Commission recently filed a petition to designate the Brown Star Grill site as historically significant. The board recalls a discussion about 70 units of workforce housing this development could create. Further discussions will occur between THA and the Tacoma Historic Preservation Commission related to this historic designation. THA will learn more about the petition they are filing and the potential impacts. Final cost estimates for Hillside Terrace are coming in at about \$4.7 million over previous estimates. Director Zisette reported that staff and A&E consultants are working on those cost adjustments.

Finance Committee – Vice Chair Mowat reported he has reviewed the financial documents presented in the board report and the agency financials are in good order.

Citizen Oversight Committee – Vice Chair Mowat reported on the committee discussions. He reiterated the benefit of having very talented stakeholders sitting on this committee. The group will meet monthly to review progress.

6. ADMINISTRATIVE REPORTS

Executive Director

Executive Director Mirra directed the board to his report. Staff is ready to present the Board with proposed changes to THA's strategic directives and proposed performance measures for the strategic objectives. We will schedule a special session of the board in early 2013 to review the proposals. The new commissioner should be in place prior to

scheduling the strategic plan special session. ED Mirra noted that staff is busy drafting the proposed 2013 budget. A budget special session is set for the end of November.

He also reported that DSHS and 17 housing authorities and four nonprofit housers in Washington State have signed the MOU creating the child welfare – housing collaboration. He added that THA has been nominated to receive the Tacoma Pierce County Affordable Housing Consortium’s Innovation Award this evening.

Finance

Director Shalik directed the board to his finance report. He reviewed the agency financials stating that THA has a surplus of \$1M. Expenses and income are currently running at lower rates than anticipated. Additional HAP information will be arriving by the end of the year. The Washington State Auditors Office have completed their financial audits. Director Shalik is working to schedule the Auditor’s exit interview. The 2013 agency budget has also consumed a good amount of his time. He is making good progress and looks forward to the upcoming Special Session with the board to review the 2013 budget. Discussion ensued related to various capital projects and associated developers fee.

Commissioner Rumbaugh moved to ratify the payment of cash disbursements totaling \$4,110.403 for the month of September, 2012. Commissioner Flauding seconded.

Upon roll call, the vote was as follows:

AYES:	3
NAYS:	None
Abstain:	None
Absent:	1

Motion Approved

Real Estate Management and Housing Services

Director Black directed the board to her report. Unit turn time continues to remain high due to the issuance of vouchers to our public housing residents. This is creating multiple vacancies that her departments maintenance staff is unable to keep up with. The recent discovery of units exposed to methamphetamine contamination has brought many unit turns to a halt. The Tacoma Pierce County Health Department will assess the contamination levels to determine whether or not the unit is fit for use. Director Black reviewed her department plan to address this troubling issue. Chair Flauding asked if all units will be tested? Director Black stated testing will occur on all suspected units exposed to meth, all unit transfers, and all vacant units. Chair Flauding stated she appreciated the attention being given to this problem and agrees with the approach presented by Director Black.

Real Estate Development

Director Zisette directed the board to his report. He reported that the Hillside Terrace construction project lowest bid came in \$4.7 million over the original construction cost. He will work with THA's consultants to address the bids and will propose alternative construction materials. Director Zisette reported the MLKHDA New Look Apartment project review continues moving forward. There are open lines of communication between THA and MLKHDA. The Tax Credit partner discussions related to this project continue to move forward, they have indicated they are interested in signing this agreement. Commissioner Rumbaugh asked about deferred maintenance costs for the New Look Apartments, Director Zisette reported there are warranty protections in place that will cover those costs.

Community Services

Director Vignec directed the board to her report. She reported on the Housing and Education Conference held on October 9th. Housing Authorities in attendance provided innovative ideas about their housing and education programs. She thanked the Tacoma Public Schools for their participation in the conference. Other themes included the discussion of data sharing and provide meaningful evaluations. The conference spotlighted the value of MTW flexibility in housing authorities' education initiatives. She noted that two non-MTW agencies at the conference were also accomplishing significant progress with their education initiatives. HUD commented that the HA's in attendance are notable because they were focused on service, outcomes and innovation rather than compliance. Commissioner Rumbaugh asked about housing stabilization and school district involvement and asked if we can see how our metrics compare with those of other housing authorities. Director Vignec will look at other HA's data and compare it to THA. She will report back her findings to the board. Commissioner Rumbaugh also asked how long Home Forward has been working on their education program. Director Vignec responded that it has been approximately one-year. Vice Chair Mowat mentioned the importance of getting this group back together in one-year to continue learning how these programs are progressing and where further discussion is needed.

Human Resources

Director Tanbara directed the board to her report. She mentioned that the Human Resources budget for 2013 will fund pro-active programs in her department. She expressed the satisfaction that we are now able to focus more and more on such programs, rather than responding to events. She discussed the upcoming employee event in December and encouraged commissioners to attend. Director Tanbara mentioned the resolution to be considered this evening. Vacation leave/cash out program was recently rolled out to staff for their consideration. This program will be available to those employees who have accrued an excess amount of hours. She also reported post-secondary education opportunities for employees. THA will set aside funding for this program as an incentive to those employees seeking educational opportunities to further

their careers and knowledge base. Director Tanbara will also plan an executive session to discuss recent uptick of employee turnover.

7. OLD BUSINESS

None.

8. NEW BUSINESS

8.1 RESOLUTION No. 2012-10-24 (1), AUTHORIZING FORMATION OF LLLP AND APPLICATION FOR FUNDING THA STEWART COURT APARTMENTS.

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 within the City of Tacoma, Washington (the “City”).

Whereas, the Authority is authorized by the Housing Authorities Law (chapter 35.82 RCW) to, among other things: (i) “prepare, carry out, acquire, lease and operate housing projects; to provide for the construction, reconstruction, improvement, alteration or repair of any housing project or any part thereof” (RCW 35.82.070(2)); (ii) “lease or rent any dwellings . . . buildings, structures or facilities embraced in any housing project” (RCW 35.82.070(5)); (iii) “make and execute contracts and other instruments, including but not limited to partnership agreements” (RCW 35.82.070(1)); (iv) “delegate to one or more of its agents or employees such powers or duties as [the Authority] may deem proper” (RCW 35.82.040); and (v) “make . . . loans for the . . . acquisition, construction, reconstruction, rehabilitation, improvement, leasing, or refinancing of land, buildings, or developments for housing persons of low income.”

Whereas, the phrase “housing project” is defined by RCW 35.82.020 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, the Authority expects to develop an affordable multifamily rental housing project consisting of approximately 59 dwelling units, to be located at 321-3218 South Tyler Street, Tacoma, WA in the City (the “Project”). The total financing for the project will require the use of various funding sources, which may include low-income housing tax credits, the issuance of tax-exempt bonds, loans from public and private lenders, and/or grants. Certain of those sources will require creation of a partnership or limited liability company to maximize the benefits and minimize the risks to the Authority.

Whereas, the Board finds and determines that both the Partnership (as defined below) and the Project will provide for the necessary support of the poor within the City.

Whereas, based on its consideration of the funding sources available for the Project, the need for affordable housing in the City, and other matters, the Authority's Board of Commissioners (the "Board") has deemed it necessary to proceed with the transactions described in this resolution.

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

1. The Authority is authorized to: (i) participate in the formation of, and become the sole general partner in, a Washington limited liability limited partnership (the "Partnership"), which Partnership shall have an initial limited partnership agreement (the "Partnership Agreement") and a certificate of limited partnership (the "Certificate of Limited Partnership") substantially in the forms on file with the Authority's Executive Director (the "Executive Director"), with such changes as the Executive Director may deem necessary or advisable (and not inconsistent with the terms of this resolution). The Board intends that the Partnership will develop the Project and receive low income housing tax credits in connection therewith.
2. The Executive Director and his designee (each, an "Authorized Officer" and, together, the "Authorized Officers"), and each of them acting alone, are authorized on behalf of the Authority to: (i) execute, deliver and file (or cause to be executed, delivered and filed), to the extent required by law, and cause the Authority to perform its duties under, the Partnership Agreement, the Certificate of Limited Partnership and all forms, certificates, applications and other documents that are necessary to form the Partnership; (ii) approve any changes to the Partnership Agreement and the Certificate of Limited Partnership, including any material changes, that any Authorized Officer may deem necessary or advisable (and not inconsistent with the terms of this resolution); (iii) determine the name of the Partnership (it being understood that the words "Stewart Court Apartments LLLP" should appear in the name to the greatest extent feasible); and (iv) take any other action that they deem necessary and advisable to give effect to this resolution and the transactions contemplated herein. The Authority's Executive Director is delegated the authority to cause, in his discretion, the Partnership to be created as a Washington limited liability company, in which case all references in this resolution to limited partnership, partnership agreement, general partner, limited partner, and certificate of limited partnership shall be deemed to be references to limited liability company, operating agreement, managing member, investor member, and certificate of formation, respectively.

3. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority (in its individual capacity and/or in its capacity as the Partnership's general partner) to: (i) apply for, and enter into contracts relating to, such funding for the Project as they deem necessary or desirable, including without limitation public and/or private sector financing, an allocation of private activity bond volume cap from the Washington State Department of Commerce (if it is determined that tax-exempt bonds should be issued to finance the Project), Washington State Housing Trust Fund grant(s) and/or loans(s), and other federal, state and local funds; (ii) apply for any and all necessary approvals from the U.S. Department of Housing and Urban Development in connection with such funding; (iii) lend or grant all or any portion of the money derived from such funding sources to the Partnership, and/or cause any contracts relating to such funding to be assigned to the Partnership; (iv) apply to the Washington State Housing Finance Commission for an allocation of (or approval of the use of) low income housing tax credits for the Project (depending on whether the Authorized Officers determine to pursue "9%" or "4%" tax credits), prepare, execute and enter into such agreements (including a credit reservation and carryover allocation contract), provide such documents (including cost certifications) necessary to secure such allocation, and cause such allocation (or any portion thereof) to be assigned to the Partnership if the allocation is initially made to the Authority; (v) seek and approve investors to serve as subsequent limited partners in the Partnership in connection with the receipt of low income housing tax credits for the Project; (vi) negotiate with potential investors regarding their acquisition of limited partnership interests in the Partnership; (vii) prepare all appropriate resolutions for Board review and approval; (viii) prepare all documents required so that the Authority and the Partnership comply with state and federal securities laws; (ix) negotiate contracts relating to the use, management and naming of Project buildings; (x) take all necessary and appropriate actions to dispose of the Project by sale or lease to the Partnership (including entering into any option to lease, or lease, necessary to provide the Partnership with control of the Project site); (xi) apply for bond insurance and other credit enhancement for any bonds to be issued by the Authority for the Project (but only if the Authority's Executive Director determines such credit enhancement to be cost effective); (xii) solicit investment banking firms to serve as the lead underwriter(s) and as members of a selling group (if any) for any bonds to be issued for the Project, and select such lead underwriter(s) and the members of any selling group (if the Executive Director determines that a selling group is desirable); (xiii) apply for ratings of any bonds to be issued by the Authority for the Project (but only if the Authority's Executive Director determines such ratings to be desirable); (xiv) assist in the preparation of any official statement to be used in connection with the offering of any bonds by the Authority for the Project; and (xv) otherwise execute the

Authority's rights under the Partnership Agreement. Nothing herein shall commit the Authority to issuing bonds to finance the Project.

4. The Authorized Officers, and each of them acting alone, are hereby directed, and granted the discretionary authority, to execute and deliver any and all other certificates, documents, agreements and instruments that are necessary or appropriate in their discretion to give effect to this resolution and to consummate the transactions contemplated herein, including, but not limited to, a development services agreement between the Partnership and the Authority (and/or others) providing for the development of the Project, contracts with architects, engineers and other consultants, and construction contracts.
5. The Authority is authorized to expend such funds as may be necessary to be paid by the Authority in connection with filing fees, application fees, registration fees and other costs relating to the actions authorized by this resolution. To the extent any fees or predevelopment costs are incurred and payable by the Partnership prior to the time the Authority enters into a formal loan agreement, the Authority may lend up to \$[_____] million to the Partnership to pay such costs, with the loan bearing interest at such rate as the Executive Director determines, in his discretion (which may be 0% *per annum*).
6. Any action required by this resolution to be taken by the Executive Director of the Authority may, in his absence, be taken by the duly authorized acting Executive Director of the Authority.
7. 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.
8. This resolution shall be in full force and effect from and after its adoption and approval.

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

Upon roll call, the vote was as follows:

AYES: 3
NAYS: None
Abstain: None
Absent: 1

Motion Approved: October 24, 2012 _____
Janis Flauding, Chair

8.2 RESOLUTION 2012-10-24 (2), PROHIBITION OF SMOKING IN THA UNITS

Public Testimony and Board Discussion:

Director Black introduced this resolution and described the policy as stated below in the resolution language. She stated that THA staff strongly recommends adoption of this resolution. She reviewed the basis for this recommendation as outlined in the background provided and covered in the study session. She summarized that a smoking ban is necessary for THA to fulfill its fundamental obligations as a landlord that it owes to tenants to provide a safe living environment, and as an employer that it owes to employees to provide a safe working environment.

Mr. Orlando Gonzalez spoke. He is a resident. He supports this policy and stated that in general smoking is bad. He also stated that he has smoked for 43 years and has spoken with several THA residents who smoke and support this policy. He supports smokers required to be 25 feet away from the building. Although he will continue to smoke, he agrees smoking should not be allowed in the building. He would like also the board to consider drug testing of all applicants and residents who are participants in THA's housing programs.

Ms. Hope Rehn provided testimony. She is a resident and the president of SAFE. Although she is not a smoker, she has lived with a smoker and understands why THA is considering this policy. She added that several THA residents are smokers and do not agree with this policy recommendation. Ms. Rehn believes that residents who are disabled and elderly who have difficulty getting out of their units should be allowed to smoke in their unit. She added that THA has one building that is smoke free and is unable to enforce the no-smoking policy. She agrees with Mr. Gonzalez that drug testing should be a requirement for all THA residents. She is aware of several residents using drugs and alcohol.

Several THA employees provided testimony. Mr. Jason Epton, THA Maintenance Supervisor, has over 20 years of experience in maintenance and agrees with this policy. He stated the high cost to turn units with even limited smoke exposure to walls, appliances, and carpet. Second hand smoke also has a negative impact on our staff who must work in this environment. [He displayed a photo of a wall in a unit that a smoker had occupied for only two years. It showed what Jason said was nicotine dripping off the walls in yellowish lines.] He has special concerns for staff with smoke sensitivities. Mr. Epton stated as a smoker himself he supports the non-smoking policy.

Mr. Matt Drew, THA Maintenance Specialist, stated that he finds it difficult to turn a unit that was occupied by a smoker. He noted the extra time and materials

necessary to do the work. THA provides protective equipment when turning these units; however, it stills gives him an ill feeling.

Mr. Tony Briggs, THA Maintenance Specialist spoke. He had been a smoker for 30 years. He stated the units make him cough upon entering the units and he has difficulty breathing. Because the appliances are exposed to the smoke, staff must often throw them out upon a unit turn because cleaning them is too difficult.

Dr. Anthony Chen, Director of the Tacoma Pierce County Health Department, spoke. He strongly supported the ban on smoking. He commended THA for taking this step. He stated that health and housing are intertwined. Tobacco use is the leading cause of death. He said that smoke-free housing is preferred by renters. He repeated the results of the Health Department survey of THA resident that found that a clear majority of them favored the ban. Dr. Chen encouraged board to pass this resolution.

Commissioner Rumbaugh stated that there has been a thorough and lively discussion of this proposed policy. He appreciates the amended policy proposal before the Board and its omission of candles and incense from the ban. He acknowledges that smoking causes serious health effects and imposes costs on THA. However, he cannot support the proposal because he remains concerned about residents who cannot leave their units if they want to smoke. He would have liked to have seen an inside area of the building defined in the policy where smoking is allowed. He also stated that people who to come to THA for housing assistance should not have to give up their rights. A total ban on smoking or lose your housing is not a proposal he can support. He will be voting no on the resolution.

RESOLUTION 2012-10-24 (2), PROHIBITION OF SMOKING IN THA UNITS

Whereas, the Board of Commissioners must approve all revisions to THA's public housing leases;

Whereas, providing safe housing is a fundamental attribute of THA's obligation as a landlord and providing a safe working environment is a fundamental attribute of THA's obligation as an employer;

Whereas, second hand smoke in THA's residential units poses serious health risks to other residents, guests and THA staff and for that reason it prevents THA from fulfilling these fundamental obligations as landlord and employer;

Whereas, smoking also makes the management of the portfolio more expensive and difficult;

Whereas, a survey of THA's residents indicates that most of them favor a prohibition of smoking.

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

THA staff is authorized to implement a Non-Smoking lease addendum for all new and existing residents at all THA properties after March 1, 2013.

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

Upon roll call, the vote was as follows:

AYES:	2
NAYS:	1
Abstain:	None
Absent:	1

Approved: October 24, 2012

Janis Flauding, Chair

8.3 RESOLUTION 2012-10-24 (3), APPROVAL OF WAGE INCREASE FOR TRADES COUNCIL EMPLOYEES

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

Whereas, The collective bargaining agreement between the Tacoma Housing Authority (THA) and the Pierce County, Washington Building and Trades Council called for a salary and insurance benefit opener in 2012;

Whereas, THA and the Trades Council have reached an agreement on a salary increase of 2.35%, retroactive to the first full pay period in July 2012: and

Whereas, On October 10, 2012, the THA staff in the bargaining unit that the Trades Council represents have voted to ratify the salary increase agreement; and

Whereas, The Board of Commissioners finds that the wage increase for maintenance staff is fair and reasonable and that it would serve THA's interests;

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

The Board authorizes the Executive Director to implement the 2.35% wage increase, retroactive to the first full pay period in July 2012, pursuant to the wage re-opener provision of the current collective bargaining agreement with the Pierce County, Washington Building and Trades Council.

Approved: October 24, 2012

Janis Flauding, Chair

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

Upon roll call, the vote was as follows:

AYES: 3
NAYS: None
Abstain: None
Absent: 1

Motion Approved: October 24, 2012

Janis Flauding, Chair

9. COMMENTS FROM COMMISSIONERS

Chair Flauding thanked staff and our partners for their work on the non-smoking policy. Vice Chair Mowat attended a meeting at Salishan regarding community improvement. He thanked staff for their work.

11. ADJOURNMENT

There being no further business to conduct the meeting ended at 5:26 PM.

APPROVED AS CORRECT

Adopted: November 28, 2012

Janis Flauding, Chair

Finance Committee
Commissioner Mowat

Real Estate and Development Committee
Commissioner Rumbaugh

Citizen Oversight Committee
Commissioner Mowat

ADMINISTRATION REPORTS

EXECUTIVE DIRECTOR REPORT



TACOMA HOUSING AUTHORITY

To: THA Board of Commissioners
From: Michael Mirra
Executive Director

Date: November 19, 2012
Re: Executive Director's Report

This is my monthly report for November 2012. The Departments' reports supplement it.

1. MTW NATIONAL DISCUSSION

Stan, April, Ken and I attended the CLPHA conference last week in Washington, D.C.. We heard discussion about a number of topics. The Moving to Work (MTW) Program was one of them. As the Board knows, for the past 5 years or so congress has been deliberating various proposals to expand or limit the program. These proposals have been occasions for a lively expression of various views about MTW, both favorable and unfavorable.

The Board well knows the reasons that make MTW so valuable to THA. It allows us to try our innovative programs. It allows us to serve more people in different ways. It has allowed us to weather the budget cuts with some measure of stability.

Some national advocates and congressional representatives do not favor MTW for three main reasons. First, it gives PHAs flexibility that allows policies that some believe inappropriately disadvantage tenants and voucher holders. Time limits, minimum rents and fixed subsidies are examples of policies that attract this criticism. Second, some fear that turning the HUD allocation into a block grant, as MTW does, makes the allocation more vulnerable to congressional budget cutting. Third, they assert that HUD has not done a good job in collecting data from MTW agencies that show whether the program is meeting its three statutory objectives: savings administrative costs; promoting self-sufficiency; and increasing housing choice. I enclose some material from the Center for budget and Policy Priorities expressing some of these views.

HUD has varied greatly in its ability or willingness to defend the program. Its leadership says that it favors the program. Yet, HUD has been uneven in its support for the flexibility that the program needs.

The present bill before the House of Representative is a rough approximation of a compromise among the advocates who would prefer to end MTW and the public housing community that wants to expand it. I enclose a chart from CLPHA outlining its features. The bill would expand the program on conditions that would somewhat limit its hallmark flexibility. Significantly, those limits would not apply to current MTW agencies until the present MTW contracts expire in 2018.

At the CLPHA conference, we heard a lot of uncertainty about the prospect for that bill. If it does not pass in the lame duck session of congress, its fate in the new congress is even less clear. It is possible, we are told, that the compromise may unravel and negotiations would restart from the beginning.

At the CLPHA conference, we heard remarks from Congresswoman Maxine Waters (Calif – D). Representative Waters is the ranking member of the House committee with jurisdiction over these matters. She noted that she has supported the compromise bill. She explained that she did so despite her reservations about the program because of her fear that it threatens the welfare of recipients. She mentioned time limits and minimum rents in particular as measures she does not support.

I note that the MTW controversy seems mainly to occur in the elevated policy circles of Washington, D.C.. Locally, we find uniform support for MTW and the flexibility it confers on THA. In particular, community partners, advocates, local officials, recipients and people on our waiting lists all generally and sometimes enthusiastically support our own versions of time limits, minimum rents, fixed subsidies and other initiatives.

CLPHA's leadership is considering how it can more effectively participate in the national debate. It may ask THA to help because of the national attention we have received for our use of MTW flexibility. I attach a recent article in the Advocate, published recently by PHADA (Public Housing Authority Directors Association). It highlights THA.

2. MISCELLANEOUS

2.1 THA's Education Project in the Spotlight

CLPHA has published a slim volume highlighting the educational initiatives of public housing authorities. I attach its section on THA.

2.2 Hillside Terrace Relocation Successes

The Hillside Terrace relocation is going well. Staff have relocated most of the 104 households. About fifteen remain. It appears we will accomplish this without a single eviction! This is a notable achievement. Relocation requires detailed, individualized attention to households, many of whom have frail or elderly persons. Staff needs to take the time to understand and accommodate a wide array needs and preferences. Relocation is when we would learn that we moved too quickly or did not listen carefully enough, causing tenants to withhold their willingness to move. THA's staff is good at this work. They treat people well. They listen carefully. They are flexible. And they do it in five languages.

Hillside's relocation success would be a repeat of the same success we saw at Salishan. I attach a copy of a nice note of praise from Cathy Morton at the City of Tacoma. Cathy audits our relocation efforts.

January 10, 2012

PROPOSAL TO GREATLY EXPAND “MOVING TO WORK” INITIATIVE RISKS DEEP CUTS IN HOUSING ASSISTANCE OVER TIME

By Douglas Rice and Will Fischer

Overview

A recent proposal from Representative Gary Miller (R-CA) to permit an unlimited expansion of the Moving to Work (MTW) demonstration, which now exempts 35 housing agencies from nearly all federal housing laws and regulations so they can experiment with alternative ways of administering low-income housing aid, risks deep cuts to housing assistance over time.

The proposal could lead a very large share of the nation’s 3,900 state and local housing agencies to convert their Housing Choice Voucher and public housing funding streams to Moving to Work block grants. Many agencies are likely to be attracted to the MTW option, particularly in view of the bleak budget outlook and sizable funding shortfalls that agencies already face. Further budget cuts are inevitable, they might reason, and block grant funding would at least give them more flexibility to decide how to use shrinking resources — to use a larger share of funds for program administration or public housing renovations, for example, two areas that have been hit particularly hard in the 2011 and 2012 funding cycles.

But such reasoning ignores the fact that large-scale conversions to MTW block grants would likely lead over time to even deeper cuts in program funding than would otherwise occur. Funding for the four major housing block grant programs — the Native American Housing Block Grant (NAHBG), HOME Investment Partnerships program, the Community Development Block Grant (CDBG), and Public Housing Capital Fund — has declined sharply in relation to other low-income housing programs over the past decade (see Figure 1). Together, those four block grants have lost fully 38 percent of their value since 2001, after adjusting for inflation.

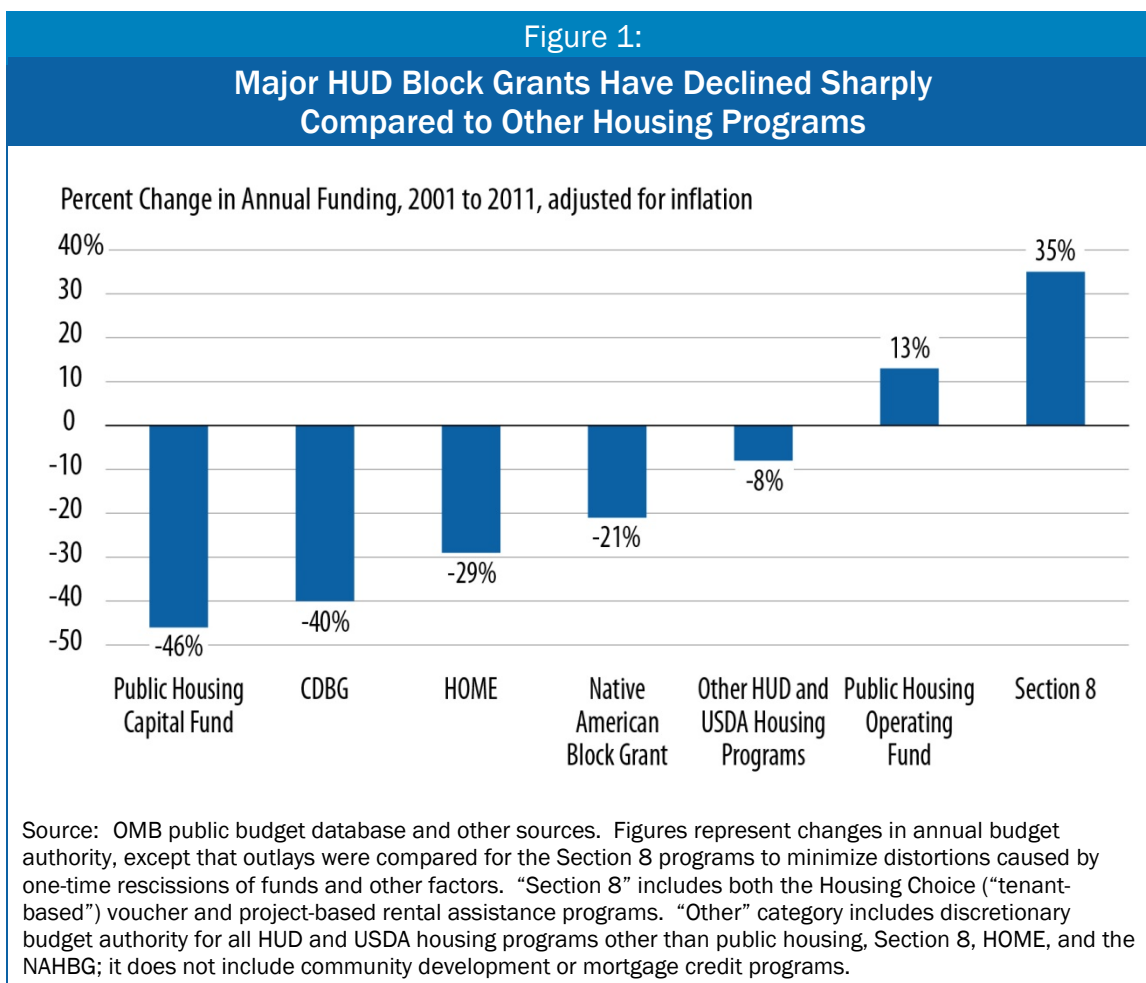
Funding for most other federal block grant programs has likewise shrunk substantially over time in real (i.e., inflation-adjusted) terms. Ten of the 12 major discretionary-program block grants that are targeted on lower-income households and have been in effect for some time shrunk in real terms over the past decade, with eight of the ten being cut by between 20 percent and 64 percent (see Table 1). The other two programs reflect special circumstances not applicable to low-income housing programs, as explained below.

This same pattern holds for mandatory-program block grants. Federal funding for the Temporary Assistance for Needy Families block grant has shrunk 27 percent in real terms since TANF’s

enactment in 1996. Funding for the Social Services Block Grant has fallen 85 percent since its creation in 1972.

Block grants are particularly vulnerable to funding cuts over time because the broad flexibility they confer regarding the use of the funds makes it extremely difficult for federal policymakers to determine how many families will receive assistance under a proposed funding level. Policymakers can justify cutting a block grant by making claims that the entities administering it will use that broad flexibility to absorb a funding reduction without eliminating assistance for any families. This is very different than today, when federal policymakers usually endeavor to provide enough funding for Section 8 vouchers each year to maintain the current number of vouchers in use.

Moreover, the fiscal pressure on block grant programs is likely to increase over the next decade as Congress struggles to adhere to the binding spending limits enacted under the Budget Control Act of 2011 (BCA).¹ Indeed, the consequences of this pressure are already evident in the final HUD appropriations law for fiscal year 2012, the first year under the new BCA spending limits. Congress *increased* funding for housing vouchers and Section 8 project-based rental assistance, the two largest non-block grant housing assistance programs, while *deepening further* the cuts to NAHBG, HOME, CDBG, and the Capital Fund to levels that are 22 percent, 57 percent, 48 percent, and 51 percent below their respective 2001 funding levels, adjusted for inflation.



The historical trend in housing block grant funding strongly suggests that a sweeping expansion of MTW block grants would risk considerably deeper cuts in funding for public housing agencies. The Miller proposal therefore offers a very risky tradeoff: in exchange for less regulation and more flexibility, agencies would trade away the funding mechanisms that have enabled stakeholders to successfully defend funding for vouchers and public housing operations over the past decade.

The effects of such a tradeoff could be devastating to low-income families. While agencies may be able to reduce administrative costs modestly under MTW, such savings would likely compensate for only a small share of any funding reductions. As a result, agencies would be compelled to cut costs in other ways, such as by increasing housing costs for assisted residents, shifting assistance from lower to higher income families, and reducing the number of families assisted.² In addition, as in many other block grants, most federal rules that protect residents would no longer apply.

Proposal Would Make MTW Block Grants Available to Most Housing Agencies

Congress established MTW in 1996 as a limited initiative to develop and test alternative ways of administering rental assistance. Despite its name, MTW is primarily a *deregulation* initiative that:

- Authorizes HUD to waive most federal laws and regulations under the public housing and Housing Choice Voucher programs for participating agencies.³ For instance, MTW agencies typically do not have to limit rents for assisted families to 30 percent of their income or enable families to use vouchers to move to neighborhoods with more jobs or better schools. MTW replaces other federal rules — such as the requirement that agencies target vouchers on households with extremely low incomes — with much looser requirements.
- Allows housing agencies to consolidate funds from the public housing and Housing Choice Voucher programs into a single, fungible pool of resources that they may use for a much broader range of activities than those authorized under the regular public housing and voucher programs.

Congress originally limited MTW participation to 30 public housing agencies.⁴ This limitation was important for two reasons: first, MTW gives housing agencies broad discretion to modify program rules, and restricting the number of test sites limits the potential risks that such discretion carries for the low-income families that MTW agencies assist. In addition, it is extremely difficult for HUD to oversee and collect reliable research information from a large number of test sites. Indeed, the most rigorous results have come from a sub-group of just six MTW agencies that took part in the controlled Jobs-Plus experiments; most MTW test sites, in contrast, have produced few demonstrable policy lessons due to poorly designed and implemented research evaluations.

Representative Miller's draft proposal would retain the central features of MTW, convert the demonstration to a permanent program, and eliminate the limits on the number of agencies that may join MTW.⁵ Indeed, the proposal, as drafted, appears to *require* HUD to accept into the program any state or local housing agency that applies, so long as HUD deems the agency to have adequate capacity to administer its proposed MTW plan and acceptable performance under the public housing management assessment system. (Voucher program performance is ignored.) Moreover,

the proposal sets no minimum standards for agency capacity or performance, leaving it up to HUD to do so. While HUD could choose to set strong performance thresholds to limit participation, it could also go in the opposite direction and extend MTW status to the vast majority of agencies. In addition, even if the current HUD administration were to limit expansion to reward high performing agencies, a new administration could adopt vastly broader selection criteria and allow any and every agency in.

Furthermore, the proposal would not allow HUD to limit waivers of the U.S. Housing Act to preserve important protections for low-income tenants or to facilitate rigorous research on the effects of new policies imposed by MTW agencies.⁶ As a result, agencies accepted into the program would face few restrictions with respect to how they administer rental assistance for low-income families, and few requirements regarding meaningful evaluation of the effects of the sweeping changes they could make.⁷

In short, the Miller proposal would transform MTW from a limited research demonstration into a full-fledged block grant program open to thousands of agencies that serve millions of low-income families — and, in so doing, largely eliminate federal standards on the use of as much as \$25 billion a year in federal funds.

Many housing agencies would likely take Congress up on the offer of MTW participation. For one, many agencies are interested in reducing federal regulation and oversight of their programs. Second, by removing restrictions on the use of funds, MTW would enable agencies to reprogram funds to address funding shortfalls for program administration and public housing capital repairs. Due to chronic underfunding, public housing developments confront a growing backlog of repair and renovation needs estimated at roughly \$26 billion. Agencies also will experience shortfalls in administrative funding in the voucher and public housing programs in 2012, and likely in future years, given the overall federal budget outlook. Under MTW, agencies could seek to fill these gaps by diverting housing voucher funding that non-MTW agencies now must use to assist low-income families.⁸ A substantial number of agencies may be inclined to prioritize their staff and properties they own over the provision of rental assistance.

Proposal Similar to Bush Administration Block Grant Plans

Representative Miller's proposal is not the first effort to convert the housing voucher and public housing programs into a block grant. From 2003 to 2005, the Bush Administration introduced a series of very similar housing block grant proposals:

- In 2003, the Bush Administration proposed to replace the voucher program with a state-run block grant called Housing Assistance for Needy Families (HANF). The Administration included the proposal in its fiscal year 2004 budget, coupled with a funding request that was roughly \$1 billion below the amount needed to renew all housing vouchers in use. The conjunction of these proposals made explicit that a primary goal of HANF was to facilitate cuts in rental assistance funding.
- In 2004, the Administration introduced a revised proposal, the Flexible Voucher Program (FVP).⁹ Like HANF, FVP would replace the voucher program with a block grant, though one administered by housing agencies rather than the states. In addition, FVP eliminated important

provisions of the voucher authorizing statute, such as requirements that agencies target vouchers to families with extremely low incomes and not raise rents to unaffordable levels. FVP, like HANF, also would have allowed agencies to impose time limits or work requirements on voucher recipients. In fiscal year 2005 (as in the previous year), the Administration proposed a voucher program funding level that would have resulted in a substantial cut in the number of families receiving assistance.

- In 2005, the Bush Administration incorporated a modified FVP proposal into a broader package of changes called the State and Local Housing Flexibility Act (SLHFA). SLHFA, which Rep. Miller sponsored, would also have created a permanent Moving to Work program.

These proposals sparked vigorous opposition by many housing residents and other program stakeholders. Even groups that were receptive to some features of the proposals, such as the public housing agencies that favored some deregulation of rental assistance programs, raised serious concerns about the potential impact of the block grant on future program funding. Congress held hearings on the proposals but took no action on them.

Expanding MTW Would Lay Groundwork for Cuts in Housing Assistance

Block grants can appeal to state and local grantees because they offer reduced regulatory oversight and greater flexibility in the use of federal funds. But block grants have usually experienced considerable declines in federal funding over the long term, as Table 1 shows. Of the 12 block grants reflected in the table — which includes all major discretionary-program block grants that are targeted on low-income households and have been in effect for some time (see footnote 10) — nine have experienced cuts in real funding levels (i.e., funding levels adjusted for inflation) since their inception, and ten have experienced cuts since 2001. In most cases, the cuts equal 20 percent or more.

Three programs in Table 1 show funding gains, but all three reflect unusual circumstances not applicable in the low-income housing arena. The growth in funding for the Child Care and Development Block Grant (CCDBG) resulted from large increases provided in the initial years of the block grant's existence; since 2001, CCDBG funding has declined in real terms. The higher level of funding in 2011 for the Low-income Home Energy Assistance Program reflects a sharp increase in funding that Congress provided in 2009 and sustained in 2010 and, at a somewhat reduced level, in 2011 because of the weak economy and high oil prices. In 2012, however, LIHEAP funding fell to \$3.5 billion, 19 percent *below* the real level in the year of the program's inception. The third program is Title I education; among discretionary programs, education programs such as Title I generally receive favored status and enjoy much broader political support than low-income housing programs do.

These funding patterns are a consequence of the basic features of the block grant structure — features that MTW shares:

- Block grants offer recipient agencies loosened standards and rules regarding the activities and purposes for which funds may be used. Such flexibility typically makes a program's impact less clear to the policymakers who make funding decisions.

- The formulas or other means used to determine block grant funding levels typically do not take into account the number of families assisted, the actual costs of that assistance, or the performance of local agencies in delivering assistance.

Because block grants lack a clear and quantifiable relationship between program funding and the impact on low-income families and communities, it is easier for lawmakers to cut their funding, even when the block grant has the support of strong political constituencies.

Table 1:				
Funding History of Major Discretionary Low-Income Block Grant Programs ¹⁰				
Program	Year of inception	Funding in FY 2011 (millions)	Change in funding since 2001*	Change in funding since inception*
Preventive Health and Health Services Block Grant	1982	\$80	-64%	-57%
Public Housing Capital Fund	1998	\$2,040	-46%	-40%
Community Development Block Grants	1982	\$3,336	-39%	-57%
Training and Employment Services Block Grants	1982	\$2,884	-38%	-55%
Home Investment Partnership Program	1992	\$1,607	-29%	-32%
Maternal and Child Health Block Grant	1982	\$661	-27%	-22%
Native American Housing Block Grant	1998	\$649	-21%	-21%
Mental Health and Substance Abuse Block Grants	1992	\$2,102	-20%	-5%
Child Care and Development Block Grant	1991	\$2,223	-12%	89%
Community Services Block Grant	1982	\$678	-11%	-18%
Education for the Disadvantaged (Title I)	1981	\$15,567	35%	128%
Low-income Heating and Energy Assistance	1982	\$4,701	86%	12%
*Adjusted for inflation				
Source: Office of Management and Budget documents, House Conference Report 112-331, and other sources. Housing and community development programs are in boldface.				

Agencies Risk Losing Billions in Funding Under Sweeping MTW Expansion

Under a greatly expanded MTW, funding for public housing agencies would very likely confront budgetary pressures similar to those that other block grants have faced.

Public housing agencies receive the vast majority of their funding through the Housing Choice (Section 8) Voucher program and the public housing operating fund. The voucher and public

housing programs both have well-defined purposes, and agencies' funding eligibility under both programs is based on the number of families assisted and the costs of that assistance, as estimated by HUD.¹¹ Thus, the funding formulas for these programs provide a concrete basis for examining proposed funding levels and enable stakeholders to spell out the specific consequences of funding shortfalls for low-income families.

When Congress appropriates funds for the housing voucher program, for example, Members know fairly precisely how many families will receive assistance — as well as how many families may lose or gain assistance — under a given level of funding.

In the public housing operating fund, the consequences of funding cuts are less predictable than under the voucher program, since agencies can absorb some cuts through less visible measures such as deferring maintenance or shaving staff salaries. This distinction is probably a major reason why the operating fund has experienced deeper shortfalls than the voucher program in many years. Yet there is still a clear, objective measure of what adequate funding is, and a rationale to argue that underfunding will have serious adverse effects over time.¹²

MTW lacks this clarity about program purpose and cost effectiveness. There are few constraints on what MTW agencies may do with the funds they receive; they can, for example, buy or renovate properties (for homeownership as well as rental) or provide case management and social services rather than help low-income families obtain housing.¹³ MTW agencies also face few restrictions on the amount of funding they may use to pay for staff and other administrative costs. Thus, the impact of a given level of funding — or a proposed reduction in funding — on actual low-income families is uncertain.

Under a sweeping expansion of MTW, Congress thus would lose sight of how agencies are using funds in the voucher and public housing programs and what the specific consequences of potential funding cuts would be for low-income families or communities. As a result, as competition for scarce federal resources intensifies in coming years, stakeholders would find it much more difficult to defend funding for public housing agencies, and Congress would find it easier to justify funding reductions by pointing to agency flexibility.

To get a rough sense of how great the risks of this tradeoff are, consider the following. Over the past decade, total annual funding for the four major housing block grants has fallen by 38 percent, in real terms. (See Figure 1.) If funding for the public housing operating fund and voucher program fell by that percentage over the next decade, it would represent an annual loss of more than \$10 billion in funding for public housing agencies by the year 2021, compared to the 2011 level adjusted for inflation. A funding reduction of this magnitude is equivalent to eliminating rental assistance for at least *1 million* low-income families.¹⁴

Experience Under Current MTW Is Poor Guide to Future Funding Under Expanded MTW

Most current MTW agencies have received relatively rich funding streams in comparison to other housing agencies, but this is due to factors that would no longer apply if Congress greatly expanded the program.¹⁵ Since Congress funds MTW agencies through the much larger voucher and public housing programs, the amount of funding available for MTW agencies largely reflects decisions about funding levels for those programs — which, in turn, typically reflect Congress' commitments

to fully fund voucher renewals and public housing operating costs at non-MTW agencies. In short, to date, MTW has received a free ride on the back of the regular voucher and public housing programs.

A broad expansion of MTW would remove the existing subordinate relationship between MTW and the regular programs: MTW would become a more independent program, and Congress would likely treat it as such in making decisions about annual funding levels. Indeed, if MTW were to expand to include most housing agencies and assisted residents, MTW would become the dominant program, and funding for the agencies that remained in the regular programs could be determined by the decisions made about MTW block grant funding. If this occurred, Congress would no longer base voucher program funding decisions on HUD's calculation of how much funding is required to renew all vouchers in use, as voucher assistance would be only one of a wide range of activities for which MTW agencies could use voucher program funds. In either case, as competition for scarce federal resources continues to increase, pressure to reduce funding for MTW would be difficult to resist, and the future course of funding would likely follow the historical path of other block grants.

Funding Squeeze Would Compel Agencies to Use MTW Flexibility to Make Harsh Cuts

If MTW funding followed the trend in other housing block grants, state and local agencies would be forced to cut expenditures in the programs deeply over time. Agencies could save some funds through administrative streamlining under MTW, but such savings would be limited. (Congress could permit agencies to carry out the most promising streamlining measures — such as less frequent income reviews and housing quality inspections — by amending the U.S. Housing Act *without* expanding MTW.¹⁶)

Agencies instead would need to reduce spending mainly through cuts in assistance for low-income families. Because MTW removes many federal standards that protect low-income families, it would expand the menu of cuts that agencies could choose from. The major options available to MTW agencies include:

- **Increasing rent burdens on assisted families.** Housing assistance recipients today generally pay 30 percent of their income for rent and utilities. Federal law permits agencies to set “minimum rents” that families must pay regardless of their income but caps these rents at \$50 per month. MTW eliminates these standards and instead permits an agency to charge families virtually any rent it chooses.

Some MTW agencies have raised rents considerably for the lowest-income families.¹⁷ In the face of funding cuts, rent increases would likely grow sharper and considerably more widespread. Even a 10 percent reduction in funding for housing vouchers and the public housing operating fund could result in annual rent increases of more than \$700 for low-income families, on average, if agencies absorbed the reduction entirely through such measures. Under a 20 percent reduction, housing costs for low-income families would increase by as much as \$1,400 per year. (These figures are in 2011 dollars.)

- **Shifting assistance to higher-income families.** MTW agencies are exempt from the statutory requirement that agencies set aside a sizeable share of housing assistance for

“extremely low-income families” (those with incomes below 30 percent of the local median income, which is roughly equivalent to the poverty line in the typical locality). Under that requirement, 75 percent of families entering the voucher program and 40 percent of those entering public housing must have incomes below 30 percent of the local median income. Instead, MTW requires that 75 percent of families assisted have incomes below 50 percent of median.

Shifting assistance to families with somewhat more income would generate added rent revenues, as long as agencies retain a policy of basing rents on resident incomes. Agencies could use such revenues to offset some funding cuts. But such shifts would leave more extremely low-income families without housing assistance.

Congress has targeted a substantial share of low-income housing assistance on extremely low-income families because without such assistance, these families face the highest cost burdens and the greatest risk of homelessness and other hardship. HUD data show, for example, that 5.1 million extremely low-income households without housing assistance had “severe housing problems” in 2009 — meaning that they paid more than half of their income for rent or lived in severely substandard housing. More than three of every four renter households in this income category who did *not* receive assistance — 77 percent of such households — had severe housing problems in 2009. By comparison, only 33 percent of unassisted renters with incomes between 30 and 50 percent of the area median income had severe housing problems.¹⁸

- **Assisting fewer families.** Some MTW agencies may opt to leave existing program standards largely in place so that they can continue to assist the lowest-income households without imposing high rent burdens on those families or limiting their housing choices. To maintain the current level of assistance in the face of funding cuts, however, agencies would have to reduce the number of families that they assist. As noted above, for example, a 38 percent reduction in funding for public housing and vouchers would eliminate assistance for at least 1 million low-income families if agencies absorbed the reduction solely by helping fewer families. Even today, the amount of housing assistance falls far short of the need: only one in four eligible low-income families receives federal housing assistance, and many agencies have very long and growing waiting lists.
- **Restricting housing choices for low-income families.** Housing agencies could also reduce costs by lowering the maximum amount of rent a voucher can cover, called the “payment standard.” A family that rents a unit for a rent above the payment standard must pay all of the extra cost itself.

Agencies generally must set maximum rents within 10 percent of the local Fair Market Rent (FMR), HUD’s estimate of the cost of modest rental housing in each metropolitan area or rural county. MTW agencies, in contrast, can set payment standards at any level they choose. Funding reductions could compel agencies to use this flexibility to significantly lower payment standards across the board. This would force families either to pay more in rent or move to a unit with a rent below the new, reduced payment standard. Such low-cost units are often located disproportionately in higher-poverty neighborhoods with relatively high crime rates, poor schools, and few job opportunities.

Some MTW agencies have used the above flexibility to raise rent burdens on the neediest families, restrict housing choice, or assist fewer families than they could have with available funds, while others have opted to avoid such policies. For the most part, however, agencies have made these decisions in the context of *abundant* funding; when they raised rents or restricted choice, it generally reflected the agency's policy preferences. But if a large increase in the share of the voucher and public housing programs subject to MTW block grants caused funding to drop or erode substantially over time, all MTW agencies would be compelled to reduce expenditures, and harsh cuts likely would become more common.

Notes

¹ For more on the BCA, see Richard Kogan, "How the Across-the-Board Cuts in the Budget Control Act Will Work," Center on Budget and Policy Priorities, December 2, 2011, <http://www.cbpp.org/cms/index.cfm?fa=view&id=3635>, and Richard Kogan, "Coming Reductions in Discretionary Funding Will Be Larger For Non-Defense Programs than Defense Programs," Center on Budget and Policy Priorities, January 3, 2012, <http://www.cbpp.org/cms/index.cfm?fa=view&id=3650>.

² The risk of long-term reductions in funding is only one of many strong reasons that large-scale expansion of the MTW demonstration would be unwise. See Will Fischer, "Expansion of HUD's "Moving-To-Work" Demonstration Is Not Justified," Center on Budget and Policy Priorities, September 27, 2011, <http://www.cbpp.org/cms/index.cfm?fa=view&id=3590>.

³ The HUD Secretary has no power to waive statutes unless Congress specifically authorizes such power. Under MTW, HUD may waive any provision of the U.S. Housing Act of 1937 for participating agencies except for those governing labor standards and the demolition and disposition of public housing.

⁴ In some recent annual appropriations laws, Congress has permitted HUD to expand MTW incrementally. Currently, 35 agencies that administer roughly 420,000 voucher and public housing units participate in the demonstration, and HUD may add four agencies in the near future.

⁵ The proposal, dated October 5, 2011, is entitled, "The Moving to Work Improvement, Expansion, and Permanency Act of 2011," and is available on our website: <http://www.cbpp.org/files/MTWbill.pdf>.

⁶ As noted above, HUD is currently granted the authority to waive most federal housing laws and rules for MTW agencies, but it retains the power of choosing which rules shall be waived in each agency's case; the latter power would be eliminated under the Miller proposal.

⁷ Unlike the current MTW statute, the Miller proposal would require agencies to provide residents with an informal hearing or grievance procedure prior to any eviction or termination of assistance. Such procedures likely are already constitutionally required, however, and the proposed language actually could undermine existing rights of applicants and tenants to challenge other adverse agency actions, such as denying admission to the program or determinations of tenants' required rental payment. Moreover, agencies would have unfettered discretion to establish new conditions on tenant participation in the programs, such as time limits.

⁸ This strategy generally results in agencies assisting significantly fewer low-income families with vouchers. See Will Fischer, *op cit*.

⁹ Separately, the Bush Administration proposed a new public housing block grant demonstration for up to 100 public housing agencies.

¹⁰ A GAO study identified 15 federal block grants in existence in 1993 (see Table II.1 of report number GAO/HEHS-95-74). Of those identified by GAO, we excluded three programs that are either very small or do not target benefits to low-income families or communities. We also excluded a mandatory program, as the process by which Congress makes funding decisions for mandatory programs differs significantly from that for discretionary programs such as the housing voucher and public housing programs. We then added three housing programs (HOME, NAHBG, and public housing capital fund) that have the essential characteristics of a block grant and are particularly relevant in this context (two of these programs were created after the GAO report was released). The resulting list includes most, if not all, of the large

federal discretionary block grant programs that target benefits to low-income families, but excludes some block grants that are either small, not targeted to low-income families, or mandatory programs. For CDBG, we chose 1982 as the initial funding year; this is the first year in which the new small cities block grant was incorporated into CDBG as a result of the Omnibus Reconciliation Act of 1981. Figures for “Education for the Disadvantaged” are for the entire account, which includes a handful of relatively small programs that are not block grants. Figures for “Training Employment and Services” include only the adult training and employment, dislocated worker, and youth activities block grants. Figures are budget authority, although annual obligations were used in some cases where budget authority figures were not available.

¹¹ HUD’s estimates are based on recent actual program cost data in the voucher program and on costs at comparable developments in the private market in the operating fund, with adjustments based on recent data on tenant payments, utility costs, and other factors.

¹² By contrast, there is no established method to determine adequate funding for the Public Housing Capital Fund. As is typical of block grants, the Capital Fund’s formula determines how HUD will distribute the funding that Congress provides among housing agencies, but does not calculate a full funding level.

¹³ Every current MTW agency receives housing voucher funding via a block grant formula, and about one third receive public housing operating funding as a block grant. Every MTW agency is allowed the fungible use of voucher and public housing funds.

¹⁴ This figure is based on the average cost per housing voucher in use, as of June 2011, including administrative fees, and adjusted for inflation.

¹⁵ In addition to the reasons discussed in the remainder of this paragraph of the text, two other points are worth mentioning. First, most current MTW agencies initiated agreements under generous terms that are no longer available to new MTW agencies. Prior to 2003, Congress provided every agency with annual funding sufficient to cover the cost of using every authorized Housing Choice voucher, including those that were not currently in use. The amount of annual funding received under this scheme formed the initial-year baseline for agencies entering the MTW demonstration at that time. Since 2003, however, Congress has funded agencies based on actual voucher usage and costs. For agencies admitted to MTW since 2003, the more frugal recent-cost basis has been used to determine the funding baseline.

Second, MTW agencies were effectively exempted from the “reserve offset” policies authorized by Congress in 2008 and 2009 that reduced the amount of new budget authority provided to many non-MTW agencies in those years. For 2012, however, Congress has directed HUD to apply reserve offsets to MTW agencies as well, thereby removing this source of favorable treatment.

¹⁶ See Will Fischer’s testimony before the House Subcommittee on Insurance, Housing, and Community Opportunity on October 13, 2011: <http://www.cbpp.org/cms/index.cfm?fa=view&id=3595>.

¹⁷ For instance, a HUD-sponsored study found that as of 2009, seven MTW agencies had set minimum rents of \$125 or more for some or all poor families. Abt Associates *et al.*, *Study of Rents and Rent Flexibility*, prepared for HUD Office of Public and Indian Housing, May 26, 2010, http://www.huduser.org/publications/pdf/Rent%20Study_Final%20Report_05-26-10.pdf, p 27.

¹⁸ Barry Steffan *et al.*, *Worst Case Housing Needs 2009: Report to Congress*, HUD Office of Policy Development and Research, February 2011.

MTW LEGISLATIVE PROPOSALS

	HR 3045, SEVRA 07/23/09	SEVRA Discussion Draft 12/01/10	AHSSIA Discussion Draft 01/31/12
Enforcement of HQS	<p>A PHA may withhold assistance for a unit in noncompliance with HQS. If the unit is brought into compliance, the PHA shall recommence assistance payments. Assistance withheld by a PHA during the correction period become abated funds if the unit is determined to be in noncompliance with HQS and such amounts may be used to make repairs to the unit.</p> <p>If assistance is withheld for a unit and the owner does not correct the noncompliance within 60 days, the agency shall terminate the assistance contract for the unit. If the contract is terminated, the tenant will have at least 90 days to find a new unit. The PHA must provide reasonable assistance until the family locates a unit.</p> <p>Amounts withheld for noncompliance may be used by the PHA to make repairs to the unit, or to contract to make repairs to the unit. If the PHA exercises this option, the PHA is not liable for any injury or damages that result to persons or property.</p>	<p>Same, except clarifies that decision to make repairs to a unit is at the sole discretion of the PHA, limits that authority to those jurisdictions where tenants have the right to withhold rent for the purpose of making repairs, and explicitly includes funds used for this purpose as eligible for renewal funding.</p>	<p>Same as SEVRA 12/01/10, except eliminates provisions allowing PHAs to use abated assistance to pay for repairs.</p>
MTW/HIP	<p>Moving-to-Work renamed "Housing Innovation Program" (HIP), with new structure and requirements. Authorizes up to 60 agencies to participate, with an additional 20 agencies allowed smaller number of flexibilities through "HIP-Lite."</p>	<p>Section eliminated.</p>	<p>Designates MTW as a HUD program, eliminating all references to "demonstration". Establishes no limitation on the number of agencies that may participate in the program. Repurposes MTW to focus on economic independence, flexibility and cost-</p>

<i>MTW/HIP (continued)</i>	HR 3045, SEVRA 07/23/09	SEVRA Discussion Draft 12/01/10	AHSSIA Discussion Draft 01/31/12
			<p>effectiveness, and housing choice. Requires HUD to create an application and review process for PHAs to achieve MTW status. Requires MTWs to provide assisted families with an informal administrative hearing or grievance process prior to any eviction or termination of assistance. Annual reporting by MTWs to include an analysis of effort in achieving the purposes of the program.</p> <p>HUD may only terminate an MTW's participation in the program if the PHA:</p> <ul style="list-style-type: none"> A) is in material default of the condition and obligations of their agreement; B) has misused or misappropriated funds; C) has failed to make a good faith effort to carry out the purpose of the program; or D) has failed to cure a material deficiency in performance after notice and opportunity to correct the deficiency. <p>Current MTWs may elect to continue under their current agreement until contract expiration, or they may transition to the new program at any time prior to the expiration of their current agreement. Upon expiration of a current MTW agreement, a PHA is considered approved for participation in the new program.</p>

Evidence and MTW Key to Tacoma Innovation

HA Provides Stability, Services, Less Subsidy and Time Limits



Michael Mirra, executive of the Tacoma Housing Authority (THA), testified at the quarterly meeting of the United States Interagency Council on Homelessness (USICH) on September 12. The Council is comprised of 19 member federal agencies (HUD, HHS, Ag, Commerce, Defense, Education, Energy, Interior, Justice, Labor, Transportation, VA, Corp. for National

and Community Service, GSA, OMB, Social Security, Postal Service and the White House Office of Faith-Based and Neighborhood Partnerships) and tasked with developing a strategic plan to prevent and end homelessness. Its mission is to “coordinate the federal response to homelessness and to create a national partnership at every level of government and with the private sector to reduce and end homelessness in the nation while maximizing the effectiveness of the Federal Government in contributing to the end of homelessness.”

The September meeting was billed as an opportunity to demonstrate the use of federal mainstream programs in innovative ways to help end homelessness. Michael Mirra ended up in front of the Council because of his agency's efforts to coordinate closely with the organizations and systems that serve Tacoma's homeless community.

Mirra became executive director of THA in 2004 and began THA's quest to become an MTW agency in 2005. THA saw MTW as necessary for several purposes central to its mission. MTW would allow THA to become more relevant to the effort in Tacoma to address the community's growing housing crisis. MTW would allow THA to serve more households. It would allow THA to try innovative efforts to improve educational outcomes of the children on its programs and the schools that serve its communities. It would allow THA to try new ways to spur earned income and asset growth among its served families. MTW also helps to bring financial stability to the agency, especially as HUD allocations diminish.

THA At-A-Glance	Current	Waiting list
Public Housing units	817	4,562
Section 8 Vouchers	3,693	1,003

Many of his views were shaped by THA's participation over the past ten years in cutting-edge programs and discussions in the Puget Sound region funded and led by the Bill and Melinda Gates Foundation, Building Changes and Pierce County. The rules and regulations of HUD's mainline programs limited their flexibility and usefulness and left THA watching “from the sideline.” Finally, in 2010, THA became an MTW agency. Like the other three dozen MTW agencies, Tacoma quickly became a testing ground for several new ideas that could provide new evidence and better inform policymakers on the Hill and at HUD. Among some of Tacoma's new initiatives are:

“Thinning the soup”

Mirra refers to some of THA's initiative to serve a sustained or increased number of households in the face of shrinking resources as

“thinning the soup rather than taking chairs away from the dinner table.” After consultation with residents and voucher holders, those on agency waitlists, community partners and advocates, and others, THA developed a MTW Plan that seeks to ensure that as many families as possible get a “seat at the table.” It may not fill them up but it provides access to affordable housing in a difficult marketplace in the middle of an affordable housing crisis. By expanding access to affordable housing THA also allows more families access to concentrated services that focus on education, better employment and asset building. To that end, THA will phase out its traditional tenant-based Section 8 program in favor of a program for new admittees to its rental assistance programs that will provide a time-limited (5-years) flat subsidy program that provides just 50% of the payment standard.

“Thinning the Soup” Subsidy Amount					
Voucher by bedroom size	1	2	3	4	5
Subsidy at 50% of payment standard	\$390	\$486	\$709	\$798	\$921

Seniors and disabled households are excluded from the time limits and a hardship exemption is in place for families unable to make the transition from traditional subsidy levels. THA designed its MTW rental subsidy and its menu of supportive services to be “transforming and temporary.” Families are expected to make the most of their five years by using available services to become self-sufficient. After five years families will give up their assistance to a waiting family. The agency described its approach in its 2013 MTW plan submission: “THA provides supportive services that allow tenants to succeed as tenants. Yet, as its strategic directives contemplate for the non-disabled, non-elderly households with children, THA wants them also to succeed as ‘parents, students and wage earners.’ THA wants them to come into its housing programs and prosper so they can live without assistance. In this way, it wants its housing programs to be a transforming experience for them and for their time with us to be temporary. Supportive services make this transformation much more likely. In this way, THA regards itself as much more than a landlord.”

Mirra also noted a difficult reality that drove this discussion. “It is very hard to explain who gets assistance from THA and who gets nothing. We have families, relatively few in relation to the need, who are fortunate to receive permanent deep housing subsidies. And then we have many more thousands looking in from the outside who get nothing.” He observed that people on the waiting list or who cannot even get on the waiting list are generally left out of these discussions. “They will tell you that at some point it is someone else's turn to use the housing assistance. We may not have favored some of these changes if we had a housing market that was more just or resources that were enough to meet the need. But we must make our hard choices with the market and the resources we have.”

The Education Project

THA established the Education Project because it believes that edu-

See “tacoma,” continued on page 13

...“tacoma”

Continued from page 7

cation is central to lifting families out of poverty and into self-sufficiency. The agency set two overarching goals to guide its efforts in education. First, THA “seeks to help the children it houses succeed in school” and two, it helps “promote the success of the schools serving THA’s communities.”

The agency also uses the educational outcomes of school-age children as a more dependable albeit less direct measure of family stability and progress. In an October 2011 report THA stated, “educational outcomes are a useful proxy for other important outcomes that are harder to measure. For example, THA helps parents improve their parenting skills, overcome domestic violence, and address drug and alcohol affliction. These efforts are important, but measuring the effect is hard. Their effect, however, can show in the improving school outcomes for children in those households. A family is likely doing well on these other metrics if its children are reading at grade level.”

One important experiment underway as part of the Tacoma MTW program is the McCarver Elementary School Project. THA brought evidence and MTW flexibility to leverage its wide ranging community partnership to address a number of intractable problems ranging from family homelessness, student mobility, and under resourced housing and schools. McCarver Elementary School serves among the poorest households in Tacoma. It also has the most homeless children among schools in the region. And as Mirra testified, “it has all the outcomes we have come to expect and accept from a school like that.” At the start of the Project the school’s turnover (mobility) rate was 107%. In recent years it had been as high as 179% making it difficult for children to learn and succeed. Mirra noted that the mobility was not due to migratory farm work or because of military moves. Instead he said it resulted from “deep poverty, homelessness and the family dysfunction that comes with it.”

THA’s solution to poor educational outcomes and destructive family mobility was to use MTW creatively to establish stability for poor families and for classrooms at McCarver. Mirra said, “the standard housing intervention into a school like McCarver would be to give vouchers to families so they can escape to a better school and perhaps better their situation.” But, he noted, if THA had done that and 50 families left McCarver, “50 other families from the shelters would have replaced them and McCarver would not have changed a bit.” The churning of poor students would keep McCarver a low-performing school. THA, instead, offered to break the pattern of failure and student turnover. Fifty (50) families would receive 5-year vouchers if they would agree to keep their children in school at McCarver. The 79 children in these “stable” voucher households represent about 20% of McCarver’s total enrollment. Parents that agreed to keep their children at McCarver also had to take a “blood oath” to follow through with a series of education commitments. Participating parents agree to: 1) get their children to school on time every day; 2) attend all parent-teacher conferences; attend PTA meetings; 3) provide time and space available for homework; and 5) actively participate in their own individual education and employment plan, with the help of an array of social service partners.

THA also leveraged its commitments to McCarver to secure school improvements from the school district. This came in the form an intense joint planning process that resulted in a number of improve-

ments including the establishment of an International Baccalaureate Primary Grade (IB) program at the school. That program will raise standards and expectations for both teachers and students at McCarver and eventually become a marketing feature to attract families to McCarver. The initiative includes a detailed third party evaluation that will track numerous outcomes of the participating families and the entire school over five years.

Rapid Re-housing

In his opening statement before the USICH, Mirra pointed out that neither public housing nor housing choice vouchers were well suited to intervening into family homelessness. He pointed out that public housing and the voucher program were designed to alleviate poverty. They were not designed as a quick intervention in family homelessness. This fact pushed THA, in close consultation with community partners, to try other ways to do business. With the flexibility provided by MTW, Tacoma Housing Authority is redirecting a significant amount of housing dollars (from the voucher program) into the Pierce County Rapid Re-Housing program. The example Mirra gave was this, “we will redirect 1 million of our housing dollars into that program to serve homeless families. I will ask you to do this thought experiment – if we redirect \$1 million, we would serve 130 fewer families, but processed through Rapid Re-Housing, we will then be able to save more than 300 families from homelessness. We count that as a good use of the housing dollar. Housing dollars used in this way represents only 3% of voucher dollars but can intervene in more than a third of homeless families in Pierce County every year.”

Need for more MTW

During the questions and answers portion of the USICH meeting Secretary Donovan asked how HUD’s mainstream programs --public housing and vouchers-- could be used more effectively as a homelessness prevention tool. The Secretary prefaced his question with a brief description of MTW for the benefit of Council members, “MTW is a demonstration program that we have entered into with some of the highest-performing housing authorities around the country – to give them dramatically more flexibility in how they implement our programs – to be able to move money between programs -- to change the structure and nature of programs themselves – so it’s very broad flexibility.”

The Secretary went on to say about MTW, “we are actually trying to get an increase in the number of (MTW) agencies right now from Congress. But at the end of the day, it is going to remain, in the short run, a relatively small number of overall housing authorities.”

The unstated reality behind the Secretary’s words is that the MTW demonstration has become an intellectual and financial laboratory for providing affordable housing and the future hope for preserving deeply affordable rental housing. MTW has allowed vision, creativity and innovation to reside, not in Washington, but in approximately three dozen agencies freed to use housing resources efficiently to meet local needs. The Secretary’s support for a broad MTW expansion will be critical. It will be necessary to convince Congress to allow MTW expansion. It will also be necessary to resist the other voices that appear to favor limits on MTW funding flexibility, even as that flexibility would allow agencies to preserve more of the country’s severely underfunded rental assistance programs. ■

Tacoma, Washington

MCCARVER ELEMENTARY SCHOOL PROJECT



McCarver Elementary School

The strategic mission of Tacoma Housing Authority (THA) is to help people succeed not just as tenants but as parents, students, and wage earners. THA wants the families it houses to prosper, and for their time with the housing authority to be transforming and temporary. It wants this especially for the children. School success is part of this transformation. Accordingly, THA has undertaken its Education Project.

"The purpose of THA's Education Project is to find out how a public housing authority can help the children it houses succeed in school and help improve schools that serve its communities. If this project is effective, its strategies will be instructive for thousands of public housing authorities and school districts and their community partners," explains Michael Mirra, THA's Executive Director.

One of the components of the Education Project centers around McCarver Elementary School, in Tacoma's Hilltop Neighborhood. At McCarver, 99.5 percent of students are very poor. Student turnover over the last four years has ranged from 100 to 179 percent, reflecting the housing instability of poverty. The school has more homeless students than any other in the city.

Additional Elements of the THA - Tacoma Public Schools Partnership

- Plans are underway to locate Head Start classrooms at two THA public housing communities.
- AmeriCorps volunteers at community computer labs provide afterschool tutoring.
- THA receives hundreds of surplus books from the school district and distributes them to residents through the "Reach Out and Read" model.
- The State of Washington administers a College Bound Scholarship program that makes post-secondary schooling affordable for every eligible low-income child that signs up by the end of the eighth grade year. THA now enrolls effectively 100 percent of its eighth graders every year.

In the first year of the McCarver Elementary School Project, THA used housing assistance to stabilize 49 families with 76 children who attended the school and were experiencing homelessness or whose families were at imminent risk of experiencing homelessness. In order to receive this assistance, families are expected to keep their children, who represent 20 percent of the school's students, enrolled in McCarver. Parents must both commit to active involvement in their children's education (as defined by the school) and develop an individual plan for their own education and employment. THA placed two case managers in an office at the school to facilitate interaction and support, as they help participants identify needs and goals, provide counseling, and make connections to resources.

Further, THA has leveraged its housing dollars for commitments from the school district to reform on teacher quality and curriculum. The school culture will be transformed as it adopts the Primary Years International Baccalaureate (IB) curriculum, hoping to help its students feed into the already established IB middle and high school in the area.

Dr. Carla Santorno, Superintendent of Tacoma Public Schools commented, "We appreciate the partnership with the Tacoma Housing Authority and the important work being done with the McCarver students and their families. What we're confirming is what we've always suspected—that school is more difficult for kids from families forced to move often due to economic and other life circumstances. Not every school can teach exactly the same things at the same time on every subject. So bouncing around from school to school with breaks in between means some kids don't get that solid foundation of learning concepts that build on each other. For these kids in the Housing Authority program at McCarver, the stability they're experiencing could mean they will experience huge academic excesses that otherwise might pass them by."

After one year of operation, the McCarver program is working. Housing outcomes clearly improved, as all 49 families accepted into the program have been stabilized in their own homes. The program and its community partners have also provided other types of assistance to participating families, such as food, clothing, toys, utility subsidies, furniture, bedding, and household items. Overall, the annual turnover rate for the school as a whole declined from 107 percent in 2010-2011 to 97 percent in 2011-2012.

"This program has helped me and my daughter tremendously," says single parent Shandel Clinton, who no longer faces frequent moves as

she struggles to make ends meet. Her daughter is on the right academic track, and Shandel has been able to pursue her own goals that will position her to provide for her family. "Having a support system...has shown that there are people who care if I succeed in life...actually giving me the opportunity to be in my own stable home and stable environment all while enrolled at Everest College as a Medical Assistant." The program provides parents with motivation, support, tools and resources to improve their lives and livelihoods. Since joining the program, two parents have gotten their GED, one completed an associate's degree, and two received professional certification. Twenty are now employed, and their monthly income has increased by about \$100 on average.

Further, as observed by a McCarver staff member, "For the parents that are really truly engaged in the Program, the kids are showing growth in their academics." Available data show that in the first year of the program, there have been fewer suspensions, an increase in attendance, increased parent engagement, and signs of both academic and behavioral progress for students. Teachers report that the students in the program made significant gains in social skills, maturity, learning skills, and self-confidence. This year, twenty-six of the students in the program received school awards; one was named student of the year. While the academic data from one year is just a preliminary indicator, important measures of student academic growth are promising. Program students made substantial progress in reading, showing more than three times the gain of students in similar schools and comparison groups.

As intended, the McCarver program has eliminated a major source of stress on its families—housing instability—and has succeeded in providing additional supports. With some of their burdens relaxed, parents have turned their attention to improving their economic standing and becoming more involved in their children's schooling, which has helped better school performance. Just one year has made all the difference for participating THA families and for the McCarver Elementary School, and further gains are expected as the agency continues to partner with the Tacoma School District on this and other elements of the agency's Education Project. ■

Michael Mirra

From: Michael Mirra
Sent: Monday, November 05, 2012 2:10 PM
To: 'Morton, Cathy'
Cc: Roberta Schur; Linda Ramsey; THA Cabinet; 'drart6651@aol.com'; 'Greg Mowat (gregtm@wamail.net)'; 'Janis Flauding'; 'Stan Rumbaugh'
Subject: RE: Relocation Monitoring

Dear Cathy:

Thank you very much for your sweet note. You are very thoughtful to send it. THA's staff is not often situated to receive the appropriate thanks for the hard and high quality work they do. Your appreciation is very meaningful.

Michael

Michael Mirra
Executive Director
Tacoma Housing Authority
902 South L Street
Tacoma, WA 98405
(253) 207-4429
mmirra@tacomahousing.org
www.tacomahousing.org

From: Morton, Cathy [mailto:CMORTON@ci.tacoma.wa.us]
Sent: Monday, November 05, 2012 11:24 AM
To: Michael Mirra
Cc: Roberta Schur; Linda Ramsey
Subject: Relocation Monitoring

Michael: I just wanted to let you know what a wonderful job your relocation staff has been doing at Hillside Terrace. I've audited about 2/3 of the tenant files; they have all been well-documented and meet or exceed all the HUD relocation requirements. I have never had such a easy monitoring of relocation files!

Additionally, I have had the opportunity (while monitoring) to "observe" your staff interaction with Hillside clients regarding relocation. In particular, I have worked with Linda Ramsey on my three site visits. She is not only courtesy and helpful to me with any questions, but balanced conflicting clients demands with timeliness and courtesy to all who entered her office.

You are very fortunate to have such a dedicated staff working with your tenants during what can be a very uncertain and upsetting time in their lives.

Cathy

Cathy Morton, Contract & Program Auditor
City of Tacoma / Tacoma Community Redevelopment Authority
747 Market Street, Room 1036, Tacoma WA 98402
Phone: (253) 591-5763 / TTY-711
Fax: (253) 591-2002

E-mail: cmorton@cityoftacoma.org

Website: www.cityoftacoma.org/housing

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FINANCE



TACOMA HOUSING AUTHORITY

Motion

Adopt a consent motion ratifying the payment of cash disbursements totaling \$4,313,629 for the month of October, 2012.

Approved: November 28, 2012

Janis Flauding, Chair

TACOMA HOUSING AUTHORITY
Cash Disbursements for the month of October, 2012

		Check Numbers			
		From	To	Amount	Totals
A/P Checking Account					
Low Rent Module Checks	Check #'s	2,674	- 2,703	8,439	
Accounts Payable Checks	Check #'s	77,523	- 77,850		
Business Support Center				243,416	Program Support
Moving To Work Support Center				21,273	
Section 8 Programs				113,049	Section 8 Operations
SF Non-Assisted Housing - N. Shirley				76	
SF Non-Assist Housing - 9SF Homes				1,672	
Stewart Court				16,808	Local Funds
Wedgewood				899	
Salishan 7				39,171	
Salishan Developer Fee				747	
Hillside Terrace 2500 Yakima Relocation				56,490	
Salishan Area 3				6,925	
NSP Grant				2,658	Development
Development Activity				119,842	
Salishan Area 2B-Dev				5,522	
Hillside Terrace Development				14,523	
Hillside Terrace 2500 Yakima Development				332,963	
Weyerh. Homeless Grant				350	
Assets for Independence				34,298	
Community Services General Fund				11,839	
Paul G. Allen Foundation Grant				7	
2006 WA Families Fund				33	Community Service
Gates Ed Grant				2,454	
ROSS Svc Coord				64	
WA Families Fund				257	
Pierce Co. 2163 Funds				4,177	
WA Families Fund - Systems Innovation				802	
AMP 1 - No K, So M, No G				35,468	
AMP 2 - Fawcett, Wright, 6th Ave				25,031	
AMP 3 - Lawrence, Orchard, Stevens				28,114	
AMP 4 - Hillside Terr - 1800/2500				37,184	
AMP 5 - Salishan Common Areas				14,869	
AMP 6 - Scattered Sites				7,972	
AMP 7 - HT 1 - Subsidy				3,216	Public Housing
AMP 8 - HT 2 - Subsidy				37	
AMP 9 - HT 1500 - Subsidy				12	
AMP 10 - SAL 1 - Subsidy				10,986	
AMP 11 - SAL 2 - Subsidy				9,062	
AMP 12 - SAL 3 - Subsidy				8,225	
AMP 13 - SAL 4 - Subsidy				8,381	
AMP 14 - SAL 5 - Subsidy				9,486	
AMP 15 - SAL 6 - Subsidy				8,714	
Allocation Fund				66,025	Allocations-All Programs
THA SUBTOTAL				1,311,534	
Hillside Terrace 1 through 1500				3,087	
Salishan I - through Salishan 6				1,038	Tax Credit Projects - billable
Salishan Association - Operations				10,856	
TAX CREDIT SUBTOTAL (Operations - billable)				14,982	1,326,516
Section 8 Checking Account (HAP Payments)					
SRO/HCV/TBRA/VASH/FUP/NED	Check #'s	473,576	- 474,242	988,319	
	ACH	38,486	- 39,375	1,517,708	\$ 2,506,027
Payroll & Payroll Fees - ADP					\$ 437,254
Other Wire Transfers					
Local Funds Semi-Annual Bond Payment - Heritage				-	
Salishan Seven Debt Service - WCRA				19,108	
Area 3 Revenue Bonds Monthly Interest - Citibank				24,725	\$ 43,833
TOTAL DISBURSEMENTS					\$ 4,313,629



TACOMA HOUSING AUTHORITY

Date: November 28, 2012

To: THA Board of Commissioners

From: Ken Shalik
Director of Finance

Re: Finance Department Monthly Board Report

1. FINANCIAL STATEMENT COMMENTS

I present the October, 2012 disbursement report for your approval.

The Finance Department is submitting the financial statement for the month of September, 2012. I continue to point out that the Capital information only applies to funds that flow through THA and is not reflective of any development projects separate from the THA portfolio that are underway.

Overall, the financial health of the agency remains in very good shape. At the end of August's reporting period, THA is in very good financial shape with a surplus before capital expenditures (line 68) of \$2,073,867, and a projected actual of \$1,461,525. Currently, the total projected THA anticipated surplus at Year End (line 71), which includes Capital Income and Expenditures, is \$809,069.

Below I will address other major anomalies between Budgeted and Actual numbers:

- Line 3 – Section 8 HAP reimbursement – Due to cash management at HUD, we will not receive all the funds we are eligible for in 2012. They will remain eligible for draw down in 2013 and future years.
- Line 6 – HUD Grant – Community Services – The grants are tracking lower than expected, but anticipate they may be closer to budget at Year end.
- Line 7 - HUD Grant Capital Fund Operating Revenue – This category includes Debt Service payments for our Capital Fund Finance Payments for Salishan, which will not be paid until the end of the year. It also includes the Relocation payments for Hillside Terrace, which are in starting to be expended, and thus reimbursed. The projected actual column reflects these expenditures.
- Line 9 – Other Government Grants – This includes \$184,000 in Development for reimbursement of relocation costs for Hillside redevelopment from TCRA. As relocation is just commencing, by the end of the year, these funds should be expended and reimbursed.

FINANCE DEPARTMENT MONTHLY REPORT

November 2012

Page 2

- Line 11- Fraud Recovery Income: This is for repayments of unreported income agreements for Section 8 tenants. The Section 8 staff has been more aggressive in this area in setting up the agreements than what was budgeted. This continues to trend higher than budget, even with the revision amount.
- Line 12 – Other Revenue – Developer Fee Income: This is developer fee income for the Hillside Terrace Redevelopment. Due to the challenges that have arisen in construction costs, the closing date has been moved back, and no developer fee income will be received in 2012.
- Lines 15 – 34 – Administrative Expenses: There are a number of areas that have variances at the moment. Changes were made during the mid-year revision process, but some areas reflect differences between budget and actual . We should see some increases in areas such as Staff Training, IT, and Administrative Contract, but do not see any areas of concern. The category remains under budget in total.
- Line 38 – Relocation Services – We are in the process of relocating tenants at Hillside Terrace. By year end, the majority of this category should be expended.
- Line 39 – Tenant Services Other – The overage is based on Individual Development Payouts over the budgeted amount, and also tenant training expenses above what had been budgeted. As these are reimbursed by grant funding, there will be corresponding income to pay for these services.
- Line 61 – HAP Payments: We are currently under budget by approximately \$800K. . This is due to both lower HAP averages and leasing %. We are below our MTW baseline unit count. We are currently in a lease up period and are anticipating both the unit count and expenses to increase.
- Lines 69 & 70 – Capital Expenditures. Unless there are contracts in place we are not projecting either revenues or expenditures for capital purposes. These funds are associated with Capital Funds where funding is received from HUD, or funds that flow through the Housing Authority for the Hillside redevelopment project. As we are now in the beginning phases of the Hillside Redevelopment project, expenditures are starting to increase. This category also includes the purchase of the General Partner interest in the New Look Apts, which as to date has not progressed.

THA remains in good financial health overall. With the push back of Developer fee income, the advancing of agency funds for Hillside Terrace redevelopment, the current restrictions on these reserves, and ongoing costs of development, we are dropping below optimal levels for our NonMTW reserves. We need to closely monitor these reserves closely. For the agency overall, we will continue to monitor our financials, our cash reserves, and agency needs. The goal is to ensure we are maximizing utilization of funds in a manner that keeps the agency strong, provides adequate reserves, and meets the needs of our clients and agency.

We are continuing to work with HUD on reestablishing our MTW baseline amount for Housing Assistance payments. This is the issue where HUD has re-benchmarked the baseline to our 2010 expenditures rather than our eligibility as stated in our MTW agreement, This represents an annual reduction in funding of approximately \$600,000. We are still without

resolution on the issue to our satisfaction. We are continuing to process through the intricacies of this issue, hoping for resolution in a fair and equitable manner.

2. INVESTMENTS

Surplus funds had been invested in Heritage checking and the Washington State Investment Pool. Rates with Heritage Bank currently remain at .40%. The Washington State Local Government Investment Pool currently provides a return rate of .17%.

3. AUDIT

All aspects of the audit for 2012 are complete. An exit conference with the Finance Committee is being held on November 20th.

4. BUDGETS

We are currently in the process of crafting the 2013 Agency budget. With the board's direction, we are budgeting to 2012 levels, and identifying areas that we will either delay implementation of expenses, or areas that we will reduce expenditures if sequestration is in place for all of 2013. All information has been entered, the cabinet (sans Michael) has had several meetings to discuss and flush out the budget. Staff have come up with items to address the reduction in budget if sequestration occurs. The remainder of the cabinet is meeting with Michael on November 20th to discuss the budget to date, and we will be ready to submit our budget proposals to the Board of Commissioners at the November 30th study session. Board adoption for the 2013 budget is scheduled for the December 19th Board meeting.

**TACOMA HOUSING AUTHORITY
AGENCY WIDE**

	September, 2012				Thru 12/31/2012		
	CURRENT MTH ACTUAL	YEAR TO DATE ACTUAL	BUDGETED YTD	VARIANCE	PROJECTED ACTUAL	BUDGETED	VARIANCE
OPERATING RECEIPTS							
1 Tenant Revenue - Dwelling rent	308,776	2,845,094	2,811,617	1.19%	3,793,459	3,748,822	1.19%
2 Tenant Revenue - Other	4,826	61,228	60,659	0.94%	81,637	80,879	0.94%
3 HUD grant - Section 8 HAP reimbursemer	2,797,628	25,658,473	25,875,718	-0.84%	34,126,000	34,500,957	-1.09%
4 HUD grant - Section 8 Admin fee earned	234,047	2,084,807	2,021,144	3.15%	2,695,000	2,694,859	0.01%
5 HUD grant - Public Housing subsidy	160,060	1,440,544	1,515,948	-4.97%	1,920,725	2,021,264	-4.97%
6 HUD grant - Community Services	13,533	125,783	144,871	-13.18%	167,711	193,161	-13.18%
7 HUD grant - Capital Fund Operating Reve	19,743	362,794	714,600	-49.23%	887,009	952,800	-6.91%
8 Management Fee Income	249,232	2,266,664	2,349,864	-3.54%	3,072,219	3,133,152	-1.94%
9 Other Government grants	76,364	185,149	278,008	-33.40%	334,880	370,677	-9.66%
10 Investment income	4,410	46,900	39,804	17.83%	62,533	53,072	17.83%
11 Fraud Recovery Income - Sec 8	28,953	88,476	45,000	96.61%	102,968	60,000	71.61%
12 Other Revenue- Developer Fee Income	0	0	397,500	-100.00%	0	530,000	-100.00%
13 Other Revenue	40,134	419,298	417,482	0.43%	559,064	556,643	0.43%
14 TOTAL OPERATING RECEIPTS	3,937,706	35,585,210	36,672,215	-2.96%	47,803,205	48,896,286	-2.24%
OPERATING EXPENDITURES							
<i>Administrative Expenses</i>							
15 Administrative Salaries	334,334	2,856,509	2,958,635	-3.45%	3,928,679	3,944,846	-0.41%
16 Administrative Personnel - Benefits	127,903	1,103,590	1,258,336	-12.30%	1,511,453	1,677,781	-9.91%
17 Audit Fees	40,871	73,638	50,910	44.64%	73,638	67,880	8.48%
18 Management Fees	197,747	1,790,753	1,916,005	-6.54%	2,387,671	2,554,673	-6.54%
19 Rent	23,707	213,363	210,755	1.24%	284,484	281,007	1.24%
20 Advertising	1,126	1,657	4,174	-60.30%	4,500	5,565	-19.14%
21 Information Technology Expenses	30,970	130,385	180,442	-27.74%	213,847	240,589	-11.12%
22 Office Supplies	6,852	42,682	46,785	-8.77%	56,909	62,380	-8.77%
23 Publications & Memberships	887	37,046	33,949	9.12%	49,046	45,265	8.35%
24 Telephone	8,551	74,767	71,719	4.25%	99,689	95,625	4.25%
25 Postage	2,269	27,113	34,111	-20.51%	36,151	45,481	-20.51%
26 Leased Equipment & Repairs	2,258	50,143	43,205	16.06%	66,858	57,607	16.06%
27 Office Equipment Expensed	6,984	49,684	52,538	-5.43%	66,245	70,050	-5.43%
28 Legal	9,766	56,652	72,203	-21.54%	75,536	96,270	-21.54%
29 Local Milage	762	7,062	6,165	14.55%	9,416	8,220	14.55%
30 Staff Training/Out of Town travel	12,967	78,010	121,178	-35.62%	104,013	161,570	-35.62%
31 Administrative Contracts	30,094	156,598	233,078	-32.81%	288,797	310,770	-7.07%
32 Other administrative expenses	3,657	50,298	68,575	-26.65%	67,064	91,433	-26.65%
33 Due diligence - Development projects	121,329	265,641	596,625	-55.48%	454,188	795,500	-42.91%
34 Contingency	0	0	26,250	-100.00%	0	35,000	-100.00%
35 Total Administrative Expenses	963,034	7,065,591	7,985,634	-11.52%	9,778,184	10,647,512	-8.16%

		September, 2012				Thru 12/31/2012		
		CURRENT MTH ACTUAL	YEAR TO DATE ACTUAL	BUDGETED	VARIANCE	PROJECTED ACTUAL	BUDGETED	VARIANCE
	Tenant Service							
36	Tenant Service - Salaries	70,774	601,452	620,190	-3.02%	821,936	826,920	-0.60%
37	Tenant Service Personnel - Benefits	28,732	242,776	278,827	-12.93%	333,701	371,769	-10.24%
38	Relocation Costs	42,704	92,448	303,824	-69.57%	404,300	405,099	-0.20%
39	Tenant Service - Other	7,910	89,887	75,227	19.49%	109,849	100,302	9.52%
40	Total Tenant Services	150,120	1,026,563	1,278,068	-19.68%	1,669,787	1,704,090	-2.01%
	Project Utilities							
41	Water	11,279	99,165	92,618	7.07%	132,220	123,490	7.07%
42	Electricity	14,958	147,589	150,394	-1.86%	196,785	200,525	-1.86%
43	Gas	4,012	40,175	49,935	-19.55%	53,567	66,580	-19.55%
44	Sewer	29,750	286,953	286,703	0.09%	382,604	382,270	0.09%
45	Total Project Utilities	59,999	573,882	579,649	-0.99%	765,176	772,865	-0.99%
	Ordinary Maintenance & Operations							
46	Maintenance Salaries	45,513	427,770	475,880	-10.11%	615,360	634,507	-3.02%
47	Maintenance Personnel - Benefits	15,944	135,125	136,164	-0.76%	180,167	181,552	-0.76%
48	Maintenance Materials	20,878	140,164	157,483	-11.00%	211,885	209,977	0.91%
49	Contract Maintenance	55,180	563,584	590,210	-4.51%	751,445	786,947	-4.51%
50	Total Routine Maintenance	137,515	1,266,643	1,359,737	-6.85%	1,758,857	1,812,983	-2.99%
	General Expenses							
51	Protective Services	29,338	130,012	127,460	2.00%	173,349	169,946	2.00%
52	Insurance	13,725	129,628	152,128	-14.79%	182,837	202,837	-9.86%
53	Other General Expense	77,699	736,624	781,926	-5.79%	922,165	1,042,568	-11.55%
54	Payment in Lieu of Taxes	1,199	10,789	9,114	18.38%	14,385	12,152	18.38%
55	Collection Loss	39,293	48,234	29,790	61.91%	64,312	39,720	61.91%
56	Interest Expense	63,904	679,748	705,572	-3.66%	906,331	940,763	-3.66%
57	Total General Expenses	225,158	1,735,035	1,805,990	-3.93%	2,263,380	2,407,986	-6.01%
58	TOTAL OPERATING EXPENSES	\$ 1,535,826	\$ 11,667,714	\$ 13,009,077		\$ 16,235,384	\$ 17,345,436	
	Nonroutine Expenditures							
59	Ext. Maint/Fac Imp/Gain/Loss Prop Sale	0	22,628	66,975	-66.21%	30,171	89,300	-66.21%
60	Casualty Losses	0	0	3,750	-100.00%	0	5,000	-100.00%
61	Sec 8 HAP Payments	2,416,432	22,373,137	23,181,098	-3.49%	30,330,849	30,908,130	-1.87%
62	Total Nonroutine Expenditures	2,416,432	22,395,765	23,251,823	-3.68%	30,361,020	31,002,430	-2.07%
63	TOTAL EXPENDITURES	3,952,258	34,063,479	36,260,900	-6.06%	46,596,404	48,347,866	-3.62%
64	OPERATING SURPLUS/(DEFICIT)	(14,552)	1,521,731	411,315	269.97%	1,206,801	548,420	120.05%
65	Debt Service Principal Payments	(2,991)	(110,600)	(387,911)	-71.49%	(528,324)	(517,215)	2.15%
66	Surplus/Deficit Before Reserve Appropriations	(17,543)	1,411,131	23,404	5929.51%	678,477	31,205	
67	Reserve Appropriations - Operations	22,253	662,736	775,278	-14.52%	783,048	1,033,704	-24.25%
68	Surplus/Deficit Before Capital Expenditures	4,710	2,073,867	798,682		1,461,525	1,064,909	
69	Revenue - Capital Grants	408,743	1,740,019	2,689,114	-35.29%	2,448,268	3,585,485	-31.72%
70	Capitalized Items/Development Projects	(436,723)	(2,465,228)	(3,567,207)	-30.89%	(3,215,515)	(4,756,276)	-32.39%
71	Reserve Appropriations - Capital	0	114,791	377,093	-69.56%	114,791	502,791	-77.17%
71	THA SURPLUS/(DEFICIT)	(23,270)	1,463,449	297,682		809,069	396,909	

REAL ESTATE MANAGEMENT
AND
HOUSING SERVICES



TACOMA HOUSING AUTHORITY

Date: November 14, 2012

To: THA Board of Commissioners

From: April Black
Director of Real Estate Management and Housing Services

Re: Department of Real Estate Management and Housing Services Monthly Board Report

1. PROPERTY MANAGEMENT DIVISION

1.1 Occupancy:

Unit occupancy is reported for the first day of the month. This data is for the month of October 2012.

OCCUPANCY SUMMARY REPORT					
PROGRAM	UNITS AVAILABLE	UNITS VACANT	UNITS OFFLINE	UNITS OCCUPIED	% MTH OCCUPIED
All Hillside	166	5	56	105	95.5%
Family Properties	206	13	5	188	93.5%
Salishan	628	19	0	609	97.0%
Senior/Disabled	353	2	0	351	99.2%
All Total	1,353	39	61	1,253	99.4%

1.2 Vacant Unit Turn:

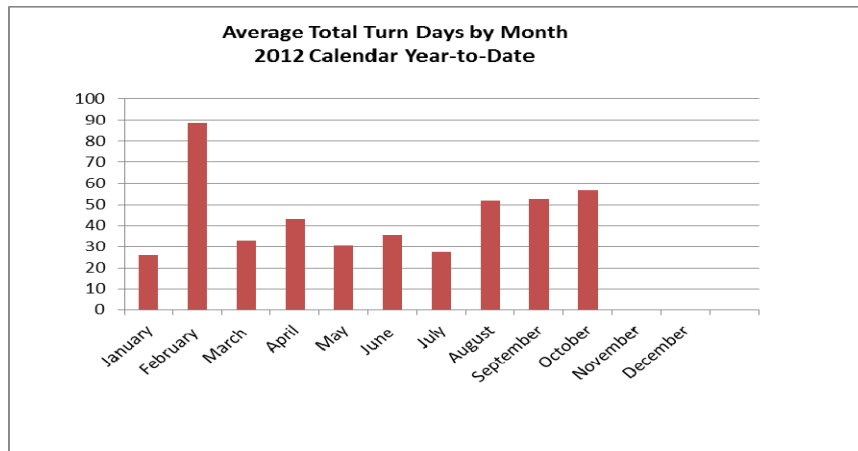
The following page includes a table with all of the units turned in fiscal year 2012. Seven (7) units were turned and rented in the month of October. The average unit turn for the month of October was 56.86 days and 48.10 days FYTD.

As discussed in the October board meeting, we have made a decision to test all of our vacant units for methamphetamine contamination. We are also testing units where we suspect that residents are using or selling methamphetamine.

As of November 13, 2012, there were currently seventeen (17) units in the portfolio of 1,400 units that have tested positive for contamination. A contractor will need to remediate the contamination before the units can be turned for re-occupancy. To date, two units have been remediated. The average time to remediate a unit has been 64 days. This does not account for the days that will be required of the THA maintenance staff to get the unit rent-ready.

The pre-testing adds 5-10 days to each unit turn because we are using a third-party contractor for testing. This time will be reduced once we have a company under contract and establish a smoother process.

The table below shows the calendar year trend in average unit turn days each month:



Vacant and Turned Units - for 1/1/2012 thru 10/31/2012

	Units Turned	Average Turn Days of Units Turned	Units Vacant	Average Vacant Days of Units Vacant	Units Exempt
All Hillside					
HILLSIDE TERRACE	0	0.0	88	0.9	0
HILLSIDE TERRACE 1500 Block	2	83.5	4	44.8	0
HILLSIDE TERRACE PH 1	2	60.5	0	0.0	0
HILLSIDE TERRACE PH II	1	62.0	3	27.7	0
All Hillside	5	70.0	95	3.6	0
Family Properties					
ALL SCATTERED SITES	3	42.7	3	89.0	5
BERGERSON TERRACE	7	25.1	1	33.0	0
DIXON VILLAGE	5	34.8	0	0.0	0
STEWART COURT APARTMENTS	12	59.7	8	127.1	0
Family Properties	27	44.2	12	109.8	5
Salishan					
SALISHAN I	3	53.0	2	55.5	0
SALISHAN II	9	44.6	4	54.3	0
SALISHAN III	2	49.0	3	37.7	0
SALISHAN IV	13	54.9	7	42.9	0
SALISHAN V	11	61.4	4	44.3	0
SALISHAN VI	12	43.1	4	39.5	0
SALISHAN VII	5	47.0	1	85.0	0
Salishan	55	50.9	25	46.4	0
Senior / Disabled Properties					
6TH AVE	4	26.0	0	0.0	0
E.B. WILSON	12	25.3	0	0.0	0
FAWCETT APARTMENTS	4	20.8	2	11.0	0
LUDWIG APARTMENTS	7	29.6	0	0.0	0
NORTH G ST	3	32.7	0	0.0	0
NORTH K ST	5	33.8	0	0.0	0
WRIGHT St	6	26.0	0	0.0	0
Senior / Disabled Properties	41	27.3	2	11.0	0

November 2012 Board of Commissioners Meeting
REAL ESTATE MANAGEMENT and HOUSING SERVICES DEPARTMENT MONTHLY
REPORT
Page 4

1.3 Work Orders:

In the month of October all 6 emergency work orders were completed within 24 hours. This month, maintenance staff completed 219 non-emergency work orders and a total of 3,505 for the calendar year. The annual average number of days to complete a non-emergency work order is 13.50. We continue to address the most pressing work orders while maintaining the grounds and our vacant units.

Work Order Completion Table:

Portfolio	Completed Work Orders							
	Emergency				Non-Emergency			
	Month		YTD		Month		YTD	
	# Completed	% Completed in 24 Hrs	# Completed	% Completed in 24 hrs (99% HUD Std)	# Completed	Avg Completion Days	# Completed	Avg Completion Days (25 days HUD Std)
All Hillside								
HILLSIDE TERRACE	0	0.0%	4	100.0%	23	6.52	171	6.04
HILLSIDE TERRACE 1500 Block	0	0.0%	5	100.0%	4	1.25	63	4.67
HILLSIDE TERRACE PH I	0	0.0%	1	100.0%	10	1.00	65	3.71
HILLSIDE TERRACE PH II	0	0.0%	6	83.3%	8	7.25	78	8.33
	0	0.0%	16	100.0%	45	4.96	377	5.88
Family Properties								
ALL SCATTERED SITES	0	0.0%	4	100.0%	16	21.25	110	29.35
BERGERSON TERRACE	1	100.0%	13	100.0%	23	9.13	190	5.66
DIXON VILLAGE	0	0.0%	1	100.0%	13	18.23	107	7.73
STEWART COURT APARTMENTS	0	0.0%	3	100.0%	19	40.58	127	16.44
	1	100.0%	21	100.0%	71	21.94	534	13.52
Salishan								
SALISHAN I	1	100.0%	2	100.0%	5	25.60	259	15.42
SALISHAN II	0	0.0%	8	100.0%	4	18.25	220	17.90
SALISHAN III	1	100.0%	4	100.0%	2	33.50	215	14.31
SALISHAN IV	1	100.0%	13	100.0%	11	7.18	298	17.65
SALISHAN V	0	0.0%	5	100.0%	12	6.92	353	18.98
SALISHAN VI	0	0.0%	4	100.0%	9	17.11	269	23.35
SALISHAN VII	0	0.0%	7	100.0%	13	9.15	162	15.01
	3	100.0%	43	100.0%	56	12.55	1,776	17.84
Senior / Disabled Properties								
6TH AVE	0	0.0%	15	100.0%	11	4.55	155	4.30
E.B. WILSON	1	100.0%	15	100.0%	8	1.75	184	7.78
FAWCETT APARTMENTS	0	0.0%	4	100.0%	6	3.17	91	11.42
LUDWIG APARTMENTS	0	0.0%	5	100.0%	4	0.50	66	3.97
NORTH G ST	1	100.0%	6	100.0%	4	3.75	83	6.16
NORTH K ST	0	0.0%	7	100.0%	5	1.80	100	4.41
WRIGHT St	0	0.0%	2	100.0%	9	3.22	139	13.22
	2	100.0%	54	100.0%	47	2.94	818	7.57
Agency Totals:	6	100.0%	134	99.3%	219	11.97	3,505	13.50

Outstanding Work Orders Table:

Open Work Orders for the month of October 2012					
	Open Emergency	Days Open	Open Non- Emergency	< 25 Days Days	>25 Days Days
All Hillside					
HILLSIDE TERRACE	0	0	17	11	6
HILLSIDE TERRACE 1500 Block	0	0	2	1	1
HILLSIDE TERRACE PH 1	0	0	2	1	1
HILLSIDE TERRACE PH II	0	0	2	1	1
ALL HILLSIDE TOTALS	0	0	23	14	9
Family Properties					
ALL SCATTERED SITES	0	0	19	3	16
BERGERSON TERRACE	0	0	4	3	1
DIXON VILLAGE	0	0	4	3	1
STEWART COURT APARTMENTS	0	0	12	1	11
FAMILY PROPERTIES TOTAL	0	0	39	10	29
Salishan					
SALISHAN I	0	0	36	19	17
SALISHAN II	0	0	35	19	16
SALISHAN III	0	0	32	19	13
SALISHAN IV	0	0	55	16	39
SALISHAN V	0	0	29	17	12
SALISHAN VI	0	0	44	29	15
SALISHAN VII	0	0	17	11	6
SALISHAN TOTAL	0	0	248	130	118
Senior / Disabled Properties					
6TH AVE	0	0	4	1	3
E.B. WILSON	0	0	24	4	20
FAWCETT APARTMENTS	0	0	3	2	1
LUDWIG APARTMENTS	0	0	6	2	4
NORTH G ST	0	0	9	1	8
NORTH K ST	0	0	4	1	3
WRIGHT St	0	0	5	1	4
SENIOR/DISABLED TOTAL	0	0	55	12	43
Agency Totals:	0	0	365	166	199

2. RENTAL ASSISTANCE DIVISION

Housing Choice Voucher utilization is reported at 97.3% for the month of October 2012. Rental Assistance has been working very hard to reach 100% utilization. A large number of vouchers have been issued and have clients shopping over the last few months. November should show yet another rise in the number of utilized vouchers. Below is a breakdown of the progress leasing our special programs:

Program Name	Units Allocated	Units Leased	Number of shoppers*
Veterans Administration Supportive Housing (VASH)	130	93	7
Non-Elderly Disabled Vouchers (NED)	100	90 (13 port outs)	4
Family Unification Program (FUP)	50	38	12
McCarver Program	50	45	0
Life Manor	150	150	0

*"Shoppers" are households that have been approved for the program and are searching for housing.

The VA continues to make referrals for the regular VASH program as well as the Project Based units. We are meeting on a regular basis to ensure the referrals continue. The VA lost another case manager so they have slowed down on referrals due to being understaffed.

TACOMA HOUSING AUTHORITY			
CASH POSITION - October 2012			
Account Name		Current Balance	Interest
HERITAGE BANK			
Accounts Payable		\$ 2,361,100	0.400%
Section 8 Checking		6,646,809	0.400%
THA Investment Pool		286	0.400%
THA LIPH Security Deposits		113,032	0.400%
THDG - Tacoma Housing Development Group		57,099	0.400%
LF - Stewart Court		55,852	0.400%
LF - Stewart Ct Security Deposit Account		7,320	0.400%
LF - SF 9Homes Alaska		175,162	0.400%
LF - SF 9Homes Alaska Sec Dep Acct		6,691	0.400%
LF - SFH No. Shirley		5,208	0.400%
LF - SFH N Shirley Security Deposit Acct		1,004	0.400%
LF - Wedgewood Homes		42,633	0.400%
Salishan 7		854,493	0.400%
Salishan 7 Security Deposit		27,153	0.400%
Payroll Account		5,242	0.400%
General Fund Money Market		3,523,846	0.400%
WASHINGTON STATE			
Investment Pool		\$ 1,522,876	0.190%
CHASE			
IDA Account		25,717	0.01%
TOTAL THA CASH BALANCE		\$ 15,431,522	
Less:			
MTW:			
MTW Reserves		\$ 7,141,296	
Other Restrictions:			
FSS Escrows	174,512		
VASH, FUP & NED HAP Reserves	487,969		
Mod Rehab Operating Reserves	161,505		
Security Deposit Accounts	139,453		
Salishan Sound Families - 608	182,112		
IDA Accounts - 604,605	25,717		
Paul Allen Foundation - 609	20,261		
Gates Foundation - 621 & 622	72,415		
WA Families Fund - 672 & 711	38,029		
Wedgewood Replacement Reserve	702,601		
THDG - 048	57,099		
Total - Other Restrictions		\$ 2,061,672	
Agency Liabilities:			
Windstar Loan - 042	324,004		
Citibank Loan for Area 3 - Guarantee (Current)	1,506,147		
Additional Set Aside Reserves - Salishan	2,400,000		
Total - Agency Liabilities		\$ 4,230,151	
Development Set Aside for Due Diligence:			
		\$ 124,661	
Total Restrictions		\$ 13,557,780	
THA UNENCUMBERED CASH		\$ 1,873,742	
Agency Current Commitments:		Obligated	Balance
Salishan Campus - On hold			
Total Current Commitments outstanding			\$ -
Agency Advances			
Hillside Terrace Redevelopment - HTF and COT Funds		\$ 256,550	
LASA Development		\$ 110,100	
Total Agency Advances		\$ 366,650	

REAL ESTATE MANAGEMENT
AND
HOUSING SERVICES



TACOMA HOUSING AUTHORITY

Date: November 14, 2012

To: THA Board of Commissioners

From: April Black
Director of Real Estate Management and Housing Services

Re: Department of Real Estate Management and Housing Services Monthly Board Report

1. PROPERTY MANAGEMENT DIVISION

1.1 Occupancy:

Unit occupancy is reported for the first day of the month. This data is for the month of October 2012.

OCCUPANCY SUMMARY REPORT					
PROGRAM	UNITS AVAILABLE	UNITS VACANT	UNITS OFFLINE	UNITS OCCUPIED	% MTH OCCUPIED
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Senior/Disabled	353	2	0	351	99.2%
All Total	1,353	39	61	1,253	99.4%

1.2 Vacant Unit Turn:

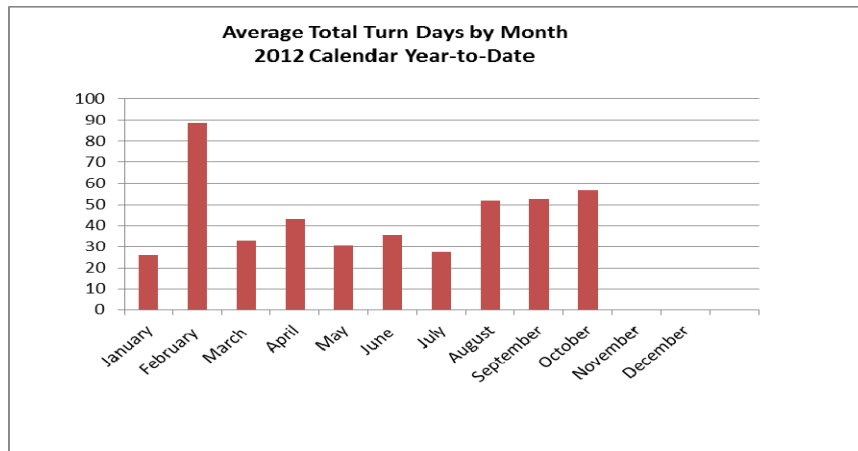
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Vacant and Turned Units - for 1/1/2012 thru 10/31/2012

	Units Turned	Average Turn Days of Units Turned	Units Vacant	Average Vacant Days of Units Vacant	Units Exempt
All Hillside					
HILLSIDE TERRACE	0	0.0	88	0.9	0
HILLSIDE TERRACE 1500 Block	2	83.5	4	44.8	0
HILLSIDE TERRACE PH 1	2	60.5	0	0.0	0
HILLSIDE TERRACE PH II	1	62.0	3	27.7	0
All Hillside	5	70.0	95	3.6	0
Family Properties					
ALL SCATTERED SITES	3	42.7	3	89.0	5
BERGERSON TERRACE	7	25.1	1	33.0	0
DIXON VILLAGE	5	34.8	0	0.0	0
STEWART COURT APARTMENTS	12	59.7	8	127.1	0
Family Properties	27	44.2	12	109.8	5
Salishan					
SALISHAN I	3	53.0	2	55.5	0
SALISHAN II	9	44.6	4	54.3	0
SALISHAN III	2	49.0	3	37.7	0
SALISHAN IV	13	54.9	7	42.9	0
SALISHAN V	11	61.4	4	44.3	0
SALISHAN VI	12	43.1	4	39.5	0
SALISHAN VII	5	47.0	1	85.0	0
Salishan	55	50.9	25	46.4	0
Senior / Disabled Properties					
6TH AVE	4	26.0	0	0.0	0
E.B. WILSON	12	25.3	0	0.0	0
FAWCETT APARTMENTS	4	20.8	2	11.0	0
LUDWIG APARTMENTS	7	29.6	0	0.0	0
NORTH G ST	3	32.7	0	0.0	0
NORTH K ST	5	33.8	0	0.0	0
WRIGHT St	6	26.0	0	0.0	0
Senior / Disabled Properties	41	27.3	2	11.0	0

November 2012 Board of Commissioners Meeting
REAL ESTATE MANAGEMENT and HOUSING SERVICES DEPARTMENT MONTHLY
REPORT
Page 4

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Work Order Completion Table:

Portfolio	Completed Work Orders							
	Emergency				Non-Emergency			
	Month		YTD		Month		YTD	
	#	%	#	% Completed	#	Avg	#	Avg Completion
	Completed	Completed	Completed	in 24 hrs (99%	Completed	Completion	Completed	Days
		in 24 Hrs		HUD Std)		Days		(25 days HUD Std)
All Hillside								
HILLSIDE TERRACE	0	0.0%	4	100.0%	23	6.52	171	6.04
HILLSIDE TERRACE 1500 Block	0	0.0%	5	100.0%	4	1.25	63	4.67
HILLSIDE TERRACE PH I	0	0.0%	1	100.0%	10	1.00	65	3.71
HILLSIDE TERRACE PH II	0	0.0%	6	83.3%	8	7.25	78	8.33
	0	0.0%	16	100.0%	45	4.96	377	5.88
Family Properties								
ALL SCATTERED SITES	0	0.0%	4	100.0%	16	21.25	110	29.35
BERGERSON TERRACE	1	100.0%	13	100.0%	23	9.13	190	5.66
DIXON VILLAGE	0	0.0%	1	100.0%	13	18.23	107	7.73
STEWART COURT APARTMENTS	0	0.0%	3	100.0%	19	40.58	127	16.44
	1	100.0%	21	100.0%	71	21.94	534	13.52
Salishan								
SALISHAN I	1	100.0%	2	100.0%	5	25.60	259	15.42
SALISHAN II	0	0.0%	8	100.0%	4	18.25	220	17.90
SALISHAN III	1	100.0%	4	100.0%	2	33.50	215	14.31
SALISHAN IV	1	100.0%	13	100.0%	11	7.18	298	17.65
SALISHAN V	0	0.0%	5	100.0%	12	6.92	353	18.98
SALISHAN VI	0	0.0%	4	100.0%	9	17.11	269	23.35
SALISHAN VII	0	0.0%	7	100.0%	13	9.15	162	15.01
	3	100.0%	43	100.0%	56	12.55	1,776	17.84
Senior / Disabled Properties								
6TH AVE	0	0.0%	15	100.0%	11	4.55	155	4.30
E.B. WILSON	1	100.0%	15	100.0%	8	1.75	184	7.78
FAWCETT APARTMENTS	0	0.0%	4	100.0%	6	3.17	91	11.42
LUDWIG APARTMENTS	0	0.0%	5	100.0%	4	0.50	66	3.97
NORTH G ST	1	100.0%	6	100.0%	4	3.75	83	6.16
NORTH K ST	0	0.0%	7	100.0%	5	1.80	100	4.41
WRIGHT St	0	0.0%	2	100.0%	9	3.22	139	13.22
	2	100.0%	54	100.0%	47	2.94	818	7.57
Agency Totals:	6	100.0%	134	99.3%	219	11.97	3,505	13.50

Outstanding Work Orders Table:

Open Work Orders for the month of October 2012					
	Open Emergency	Days Open	Open Non- Emergency	< 25 Days Days	>25 Days Days
All Hillside					
HILLSIDE TERRACE	0	0	17	11	6
HILLSIDE TERRACE 1500 Block	0	0	2	1	1
HILLSIDE TERRACE PH 1	0	0	2	1	1
HILLSIDE TERRACE PH II	0	0	2	1	1
ALL HILLSIDE TOTALS	0	0	23	14	9
Family Properties					
ALL SCATTERED SITES	0	0	19	3	16
BERGERSON TERRACE	0	0	4	3	1
DIXON VILLAGE	0	0	4	3	1
STEWART COURT APARTMENTS	0	0	12	1	11
FAMILY PROPERTIES TOTAL	0	0	39	10	29
Salishan					
SALISHAN I	0	0	36	19	17
SALISHAN II	0	0	35	19	16
SALISHAN III	0	0	32	19	13
SALISHAN IV	0	0	55	16	39
SALISHAN V	0	0	29	17	12
SALISHAN VI	0	0	44	29	15
SALISHAN VII	0	0	17	11	6
SALISHAN TOTAL	0	0	248	130	118
Senior / Disabled Properties					
6TH AVE	0	0	4	1	3
E.B. WILSON	0	0	24	4	20
FAWCETT APARTMENTS	0	0	3	2	1
LUDWIG APARTMENTS	0	0	6	2	4
NORTH G ST	0	0	9	1	8
NORTH K ST	0	0	4	1	3
WRIGHT St	0	0	5	1	4
SENIOR/DISABLED TOTAL	0	0	55	12	43
Agency Totals:	0	0	365	166	199

2. RENTAL ASSISTANCE DIVISION

Housing Choice Voucher utilization is reported at 97.3% for the month of October 2012. Rental Assistance has been working very hard to reach 100% utilization. A large number of vouchers have been issued and have clients shopping over the last few months. November should show yet another rise in the number of utilized vouchers. Below is a breakdown of the progress leasing our special programs:

Program Name	Units Allocated	Units Leased	Number of shoppers*
Veterans Administration Supportive Housing (VASH)	130	93	7
Non-Elderly Disabled Vouchers (NED)	100	90 (13 port outs)	4
Family Unification Program (FUP)	50	38	12
McCarver Program	50	45	0
Life Manor	150	150	0

*"Shoppers" are households that have been approved for the program and are searching for housing.

The VA continues to make referrals for the regular VASH program as well as the Project Based units. We are meeting on a regular basis to ensure the referrals continue. The VA lost another case manager so they have slowed down on referrals due to being understaffed.

REAL ESTATE

DEVELOPMENT



TACOMA HOUSING AUTHORITY

DATE: November 28, 2012

TO: THA Board of Commissioners

FROM: Walter Zisette
Director of Real Estate Development

RE: Real Estate Development Department Monthly Board Report

1. SALISHAN/HOPE VI

1. Phase II Construction

1.1.1 *Area 2A, Community Core Development*

The Working Group - consisting of potential tenants of the Core, residents, and other stakeholders - had its fourth and final meeting for this phase of the project on June 6. The Board approved the general Master Plan Concept at its June meeting. Feasibility studies related to THA's ability to raise the money necessary to develop the project are now being conducted. THA has procured The Alford Group to assist us in assessing financial feasibility. The first step is a Philanthropic Market Assessment to gauge how the community perceives THA as a philanthropic entity. This will take approximately 16-18 weeks to complete. We will be forming a Committee this fall to help staff in identifying names of community leaders to interview and will review the report from Alford before it goes to the Board.

1.1.2 *Area 3 Lot Sales, Citibank Loan*

Due to low sales activity at Salishan, Quadrant has suspended all sales activity in the community effective July 1. Staff will review quarterly market reports that Quadrant will prepare in order to assess the timing of the potential resumption of sales activity at Salishan.

The remaining Area 3 lots are listed for sale with Coldwell Banker Commercial. Coldwell Banker has assembled a sales package that it will use to attract home builders to the community. Two high capacity builders have recently contacted Coldwell Banker, expressing their interest in the Area 3 lots. THA received an offer which staff is reviewing internally and with Citibank to determine if it is a feasible offer.

Staff has met with CSG Advisors, THA's real estate finance consultant, to evaluate options for reaching a negotiated settlement with Citibank on the remaining balance (\$9 million) of the infrastructure loan commitment THA

has with the bank. The first step in the loan settlement strategy that staff is pursuing is to negotiate a letter of interest and purchase and sale agreement with a buyer. This is in process. Once a full purchase and sale agreement has been developed, we will prepare a request for Citibank regarding the balance of the outstanding loan that the purchase price will not cover.

1.1.3 *Arlington Rd (Area 4):*

In August 2011, staff issued an RFP for development proposals from Assisted Living Developers for this site. THA did not receive any responses. Staff will conduct an analysis of other feasible real estate development scenarios for this site, and prepare a proposal for moving forward in late 2012.

2. PUBLIC HOUSING PROJECTS

2.1 1800/2500 Hillside Terrace

2.1.1 *General Project Activities.*

Staff from throughout THA are now engaged in a multitude of activities related to this redevelopment project including: relocating current residents to comparable housing of their choice; working with City staff on utility right-of-way issues and needs; finalizing design selections so that the architect can complete detailed construction drawings; coordinating the review of draft financial documents received from funders; working with Head Start, THA's partner in the project's community center, on a Memorandum of Understanding between the agencies; preparing preliminary development and finance strategies for Phase II of the project; meeting with community leaders in the Hilltop in order to brief them on the project; and, coordinating with HUD on reviews and approvals needed from the federal government.

2.1.2 *Financing.*

Staff has requested the transfer of \$11,500,000 in Tax Exempt Bond Cap from the Washington State Housing Finance Commission for Phase I. THA will be the issuer of the bonds.

Staff has finalized negotiations and executed the Letters of Intent and Term Sheets with Chase Bank (Lender) and Enterprise Community Investments (Investor).

Closing on all project funding sources for Phase I of the project is scheduled for January 10, 2013.

2.1.3 *Project Planning.*
None to Report.

2.1.4 *Procurement.*
None

2.1.5 *Architecture.*
GGLO is finalizing the construction documentation. The drawings and specifications will be issued for construction in the beginning of January 2013.

2.1.6 *Construction.*
On November 7, 2013 Absher Construction submitted the Guaranteed Maximum Price in the amount of \$15,881,741 (plus applicable sales tax) for the Hillside Terrace Phase I. This amount is 10% over the budget. The increase in cost has been attributed to escalations in some materials and the lifting of labor wage freezes.

2.1.7 *Demolition/Disposition.*
Approved by HUD in June. No new report.

2.1.8 *Community Meetings.*
Staff assembled a construction oversight committee and facilitated the first meeting on August 30, 2012. The meeting was well attended with stakeholders representing community organizations, labor, and city officials. Below is a summary of the outreach goals for the project.

Summary of Absher Construction Company's total Resident Employment, WMBE Utilization, and Apprenticeship goal commitment:

Part 1: Section 3 Employment Plan - 20 Estimated New Hires

Part 2: Section 3 Business Concerns Plan - 10%

Part 3: WMBE Business Utilization Plan - 7% /MBE; 5% /WBE

Part 4: Apprenticeship Utilization Plan - 10%

2.1.9 *Relocation.*
As of mid-November all but 9 households have been relocated. We expect everyone will be moved to a new unit by the end of December. Most of the households have selected the Tenant Protection Voucher.

2.1.10 *Community/Education Center.*
Staff has finalized the Memorandum of Understanding (MOU) with Tacoma Public Schools to provide the Head Start program for Hillside Terrace.

2.1.11 *Project Schedule.*

HILLSIDE Terrace, Phase I - MAJOR PROJECT MILESTONES THROUGH 2012, EARLY 2013

Demolition/Disposition approval received from HUD	June
Begin Tenant Relocation Process	June
Phase I Permit Package Submitted to City for Review	July
Section 3 Construction Over Sight Committee Convenes	September
Execute Construction Contract	December
Construction Bidding Process	October
Phase I Project Area Vacated	December
Close on all Financing	January 2013
1800 & 2500 Blocks Fully Vacated	December
Construction Notice to Proceed	January 2013
Demolition Begins	January 2013
	March
Infrastructure Development Begins	2013
	March
Vertical Construction Begins	2013

3. CAPITAL FUNDS

3.1 Capital Fund Construction.

3.1.1. *Public Housing Scattered Site Renovations*

THA has categorized the work in order of importance and according to funding availability. Currently, the categories of work are as follows:

ROOF AND GUTTER REPLACEMENTS

Project is closed out

WINDOW AND SIDING REPLACEMENTS

Stetz Construction is in the final stages of this project. All sites will be substantially complete the middle of November and final punch is scheduled for November 20th. Work is on schedule and within budget.

ROOF AND GUTTER REPAIRS

D & B Roof & Home Services successfully completed all work and closeout documents are being processed.

EXTERIOR PREP AND PAINTING

Libby Builders has completed three of the twelve scattered sites and two others are underway. Preparation and cleaning has been completed at all of the sites. Weather delays have put the project behind approximately two weeks.

MISCELLANEOUS RENOVATIONS

The balance of the public housing scattered site restoration includes electrical and HVAC upgrades, structural repairs, plumbing repairs, kitchen renovation and flooring replacements. Work on the project Specifications and Scope continues and bid documents will be ready to advertise in early December. Work is within budget.

Note: THA received a High Performer status on its PHAS scores; therefore it will receive a High Performer bonus with its 2012 CFP grant.

4. OTHER PROJECTS

4.1 *Neighborhood Stabilization Program (NSP 1)*

THA received an offer on 925 E. 51st St. We closed on it in mid-November. THA has had two offers accepted to purchase new homes. Inventory remains low at the moment but THA continues to look for new houses to purchase.

THA is going to receive an additional \$960,000 from the City of Tacoma to continue the foreclosure work. The City received additional funding through the Attorney General's office. We anticipate entering into the contract with the City in November or December. The program will run for 36 months.

4.2 *LASA Supportive Housing Project*

Staff is working with a non-profit organization based in Lakewood that provides supportive services to homeless families to develop a 15-unit homeless family housing project on land owned by LASA. We will also be developing a client service center and new office space for LASA. THA will be the developer/owner of this project. LASA will provide case management services and will be the "master tenant" of the project once it is operational.

Project financing is structured as a 9% tax credit transaction. Staff submitted an application for and received an award from Pierce County 2163 funds in the amount of \$458,697. These funds from Pierce County are only available to projects that serve homeless households. A Phase II Housing Trust Fund application was submitted in late August and staff submitted a HOME Application to the City of Lakewood in mid-September.

Led by the architecture and engineering team, we submitted for a pre-application review to the City of Lakewood. The meeting with the City was held on September 6th. In addition to the THA-LASA team, there were representatives from Planning, Zoning, Engineering, Fire, Water and Sewer Departments of the City of Lakewood. The project was very well received. There were a couple of site work related items we need to follow up on but overall we got everything we requested (i.e.. reduction in number of parking spots needed; rear set back requirements; and a design review designation). The design team meets regularly to develop the site plan and building design. We have started to work on the exterior elevations.

Design development is almost complete. We are going out for an updated cost estimate which we should receive in early December. Included in the board packet is a request to increase the Architecture and Engineering Contract with Rice Fergus Miller (RFM) to include construction administration and close-out related tasks for both RFM and Parametrx, the engineer. In addition, the scope has been modified due to changes required by the City and state requirements. The overall A&E contract is approximately 12% of construction costs which is line with the state schedule.

Project Schedule

Submit Tax Credit Application	January 2013
Begin relocation activities	January 2013
Submit for Building Permit	January 2013
Issue RFP for Investor/Lender	January 2013
Select Investor/Lender	March 2013
Issue ITB for Contractor	March 2013
Award Contractor Contract	April 2013
Financial closing	June 2013
Construction Start	June 2013
Complete Construction	March 2014

4.3 *Stewart Court*

ORB has completed the Design Development phase of services. Staff met with the A&E team on October 30 to review the progress to date. THA requested a check estimate, based on minor revisions to the scope and the current bidding climate. The estimate was within a couple hundred dollars of the original estimate. Further design was put on hold pending word from the Housing Trust Fund (HTF) on THA's request for project funding.

Staff communicated with the HTF staff and based on HTF's policy to limit award to any one entity to no more than \$2.5M staff reduced the request to \$189,455.

The total project cost is \$9,596,380. Funding sources are:

THA MTW loan	\$ 291,987
Conventional loan	\$1,897,984
Housing Trust Fund	\$ 189,455
Low Income Housing Tax Credits 4%	\$2,880,063
Seller financing Note	\$3,520,000
Deferred Developer Fee	<u>\$ 816,891</u>
Total	<u>\$9,596,380</u>

Construction cost is \$ 3,659,519, including all contingencies and is scheduled to begin in June 2013.

Current schedule:

Update residents	October 2012
Apply for LIHTC 4% and bonds	December 2012
Issue RFP for Lender	January 2013
Issue RFP for Investor	January 2013
Lender selection	March 2013
Investor selection	March 2013
Complete Plans and Specs	March 2013
Issue ITB for General Contractor	March 2013
Selection General Contractor	May 2013
Begin Construction	June 2013

5. DEVELOPMENT PIPELINE PROJECTS

5.1 *Intergenerational Housing at Hillsdale Heights*

The ManyLights Foundation is considering making an offer to purchase some or all of THA's Hillsdale Heights property at S. 60th & McKinley. THA and ManyLights have signed a nonbinding MOU that defines each agency's role in exploring a potential joint venture to develop housing at Hillsdale Heights.

The Many Lights project concept is to develop 48 units of housing that includes a mix of housing affordable to low-income seniors and families caring for foster children. This project concept is based upon successes achieved by several other similar projects where seniors, families, and foster children live in an affordable, supportive and intentional community.

Board members from the Many Lights Foundation have recently indicated to THA that they will have a refined and specific development program for the Hillsdale Heights site completed by the end of the year. This development program will have two important purposes. First, it will help community members to understand the Many Lights development proposal; and, Second, it will help THA to determine how it might formally collaborate with Many Lights and its development team; and

it might enable THA to formulate a development concept of its own for the vacant land at Hillsdale Heights not purchased to the Many Lights Foundation.

THA is consulting with its community partners in the McKinley Avenue area about the Many Lights Foundation proposal.

5.2 *City-Owned Browne Star Grill Properties on MLK*

The City owns the four parcels located at the corner of S. 12th & MLK way that include the former Browne Star Grill building. THA has proposed to the City and community groups a project that would put 70 workforce apartments above retail on this site. THA is continuing its consultation with the City, and with leaders of the Hilltop community. THA is also consulting with major employers on the Hilltop and with the unions representing their employees. THA is discussing the interest those employees, employers and union may have in this housing and what collaboration in its development that interest might suggest. THA staff and City staff are now working on the specific terms of a potential transfer of this property to THA. Once staff is able to complete a draft term sheet for this transaction, the City Manager will review it.

Staff has recently begun meeting with Hilltop community representatives about the potential for preserving the exterior of the two older buildings on this site – and the impact that preserving these facades might have on a THA project at this site.

On October 23, Staff met with the Board of a local historic preservation organization, *Historic Tacoma*, concerned with the preservation of the Browne Star Grill building for its historic significance. Staff agreed to assess the feasibility of preserving the building and to report back to *Historic Tacoma* on THA's findings by the end of the year.

5.3 *Public Housing Conversion*

Staff is assessing the opportunity to convert some or all of THA's public housing using HUD's Section 8 Conversion program or HUD's new Rental Assistance Demonstration Program (RAD). With either program, THA would apply to HUD to dispose of certain public housing properties. Once HUD approves a proposed disposition or conversion, HUD would "turn off" the public housing operating subsidy and capital fund allocation for those units. Project-Based Vouchers would replace that funding. The Conversion program would also allow THA to sell the disposed public housing properties into an LLC that would finance long term physical needs at the properties using 4% tax credits and tax exempt bond financing.

Earlier this month, HUD released new guidance on RAD which it began last year. The purpose of RAD is to help housing authorities to address operating losses and deferred maintenance at its public housing properties by leveraging private financial investments into public housing and by project-basing public housing subsidies now

received by housing authorities. Staff is evaluating the opportunity included in the new guidance from HUD to apply by September 24 for the limited amount of RAD-style conversions that HUD is authorized to approve.

5.4 *New Look Apartments/Alberta Canada Building Acquisition*

This 49-unit mixed-use senior housing tax credit project is at the intersection of MLK and 11th in the Hilltop. Tax credit investors represented by the National Equity Fund (NEF) own 99% of the partnership that owns the property. Martin Luther King Housing Development Association (MLKHDA) owns 1% and is also the General Partner. MLKHDA is interested in selling its 1% ownership to THA.

In August, THA presented a purchase and sale agreement to MLKHDA for the purchase of the GP interest. Staff has learned from the MLKHDA's Executive Director that the Board of the MLKHDA has approved THA's purchase and sale proposal. Despite weekly inquiries, THA staff have yet to receive a formal response to the purchase proposal submitted to the MLKHDA in August.

5.5 *Multifamily Investment Opportunities*

Staff is tracking current multifamily listings and acquisition opportunities in the Tacoma area that meet the following investment goals: (1) minimal renovations and capital needs; (2) rapid resale potential; (3) reliable cash flows; (4) reliable short term return on investment. Other more specific investment criteria, communicated to staff by the Board's Development Committee, include: (1) 20 – 30 units, (2) \$50 - \$60,000 acquisition cost, and (3) suitable for a 3 – 6 year hold.

Properties that meet these goals might include HUD-assisted housing, housing located near other THA properties (offering management efficiencies), and market rate housing in strong market areas of the City (such as downtown and the Tacoma Mall area). This exercise will help THA determine an optimum real estate investment strategy. It should also inform THA's efforts to invest organizational reserve funds dedicated to real estate investments in its 2012 budget.

THA's real estate brokers are examining current listings and communicating with owners of non-listed properties that meet our buying criteria. THA's brokers have told staff that there have only been four multifamily sales in Pierce County so far in 2012, and that owners are more inclined to hold onto their properties in 2012 than they were in 2011.

6. M/WBE CONTRACT COMPLIANCE and SECTION 3 HIRING

6.1 Hillside Terrace Revitalization Project goals include 20 Section 3 New Hires, 10% Section 3 Businesses, 7% MBE and 5% WBE as well as 10% Apprenticeship Utilization.

7. PHAS INDICATOR FOR MODERNIZATION ACTIVITIES

The following are the schedules as of November 6, 2012 for THA's obligation and expenditure of the public housing capital funds it receives from HUD.

Grant	Total Grant	Obligation Start Date	Obligated	% Obligated	Obligation Deadline	Expended	% Expended	Expended Deadline
2008 CFP	\$1,849,412	6/13/08	\$1,849,412	100%	06/12/10	\$1,849,412	100%	06/12/12
2009 CFP	\$2,410,953	9/15/09	\$2,410,953	100%	9/14/11	\$2,406,896	99%	9/14/13
2009 CFP (1 st R)	\$703,863	9/15/09	\$703,863	100%	9/14/11	\$703,863	100%	9/14/13
2009 CFP (2 nd R)	\$54,932	9/15/09	\$54,932	100%	9/14/11	\$54,932	100%	9/14/13
2009 CFP (3 rd R)	\$2,724	4/2/10	\$2,724	100%	4/2/12	\$2,724	100%	4/2/14
2010 CFP	\$2,345,627	7/15/10	\$2,345,627	100%	7/14/12	\$797,875	34%	7/14/14
2010 CFP (1 st R)	\$1,216,978	7/15/10	\$1,216,978	100%	7/14/12	\$426,242	35%	7/14/14
2010 CFP (2 nd R)	\$219,721	7/15/10	\$219,721	100%	7/14/12	\$219,721	100%	7/14/14
2011 CFP	\$1,721,353	8/3/11	\$184,581	11%	8/2/13	\$0	0%	8/2/15
2011 CFP (1 st R)	\$736,455	8/3/11	\$443,660	60%	8/2/13	\$379,659	52%	8/2/15
2011 CFP (2 nd R)	\$549,895	8/3/11	\$0	0%	8/2/13	\$0	0%	8/2/15
CFCF**	\$1,881,652	8/3/11	\$301,682	16%	8/2/13	\$21,265	1%	8/2/15
2012 CFP	\$1,593,197	3/12/12	\$0	0%	3/11/14	\$0	0%	3/11/16
2012 CFP (1 st R)	\$1,026,290	3/12/12	\$441,922	43%	3/11/14	\$0	0%	3/11/16
2012 CFP (2 nd R)	\$128,701	3/12/12	\$0	0%	3/11/14	\$0	0%	3/11/16

** Capital Fund Community Facilities Grant

COMMUNITY SERVICES



TACOMA HOUSING AUTHORITY

DATE: November 28, 2012

TO: THA Board of Commissioners

FROM: Nancy Vignec
Community Services

RE: Monthly Board Report

STRATEGIC OBJECTIVE: ASSISTANCE

THA will provide high quality housing and supportive services. Its supportive services will help people succeed as residents, neighbors, parents, students, and wage earners who can live without assistance. It will focus this assistance to meet the greatest need.

1. 2012 GOALS

Sixteen major funding sources support the Community Services department's staff and activities. Most of these sources identify performance measures and goals. This report groups the various funding sources' annual goals by service area. It summarizes progress toward annual goals during the month of October and for the calendar year 2012.

1.1 Employment

Activities	Month	YTD	Annual Goal	% of Goal
Clients referred for employment services	14	86	130	66%
Clients who received employment services	47	213	100	213%
Clients enrolled in employment readiness soft skills workshops	8	59	80	74%
Clients completed employment readiness soft skills workshops	2	31	50	62%
Enrolled in job readiness training	3	17	20	85%
Job placement	6	26	35	74%
WorkSource Participants Assisted	9	73	35	209%
Entered Apprenticeship	0	0	3	0%
Earned income increased	6	22	35	63%

1.2 Education

Bates Technical College continued offering GED classes on-site at the Family Investment Center. This month's GED recipient is a former Salishan resident.

Activities	Month	YTD	Annual Goal	% of Goal
Participating in ESL classes	10	16	15	107%
Completes one or more ESL levels	0	1	5	20%
Participants attending GED classes	24	198	75	264%

1.3 Families in Transition (FIT)

The Community Service Department's FIT program is funded by Washington Families Fund and Sound Families grants. FIT caseworkers help participants succeed as tenants, parents and wage earners. FIT participants are homeless at the time they are admitted into the program and placed into housing at Salishan or Hillside Terrace. In order to be admitted to the program, applicants must agree to participate in FIT case management.

One FIT participant was terminated in October and a total of three participants have been terminated in calendar year 2012. Participants are terminated for failure to engage in required FIT program casemanagement or failure to comply with other FIT program requirements. When FIT program participants are terminated, they also forfeit their housing assistance. All three terminated households moved out of THA housing at the time they were terminated from FIT.

	WFF/Sound Families		Hillside Terrace		Tax Credit	
Total Current Caseload	16		1		4	
	Month	YTD	Month	YTD	Month	YTD
Entrances	0	5	0	0	0	1
Graduations	0	5	0	1	0	1
Exits	0	0	1	1	0	1
Terminations	1	3	0	0	0	0

1.4 Case Staffing

Case staffing is short-term, intensive intervention with households in danger of failing as tenants. Case staffing focuses on helping the family regain housing

stability and avert eviction through compliance with their lease. Property management identifies families for case staffing. It is typically limited to 90 days.

There were no case staffing referrals in October. The press of other more urgent work prevented Property Management from identifying and referring residents for case staffing. The CS program manager contacted the Rental Assistance Manager to coordinate case staffing referrals from THA HCV households. We expect HCV referrals to begin in November.

No families were terminated from case staffing casemanagement in October. A total of nine families have been terminated in calendar year 2012. When a household is terminated from casemanagement, CS staff notify REMHS staff. REMHS staff determine, on a case-by-case basis, whether the termination from casemanagement will result in loss of housing assistance.

Activities	Month	YTD
Number of households referred for services	0	26
Number of successful completions (eviction averted)	0	8
Number terminated	0	9

1.5 MTW Hardship Exemption Casework

In January 2012 THA began Moving to Work rent calculations and biennial recertification cycles for all MTW households. THA anticipated that some households would be unable to pay their new rent and that up to 120 households would qualify for a hardship exemption. The exemption will allow the household up to six months to increase their income and pay the rent amount determined by MTW. In order for a household to qualify for a hardship, they must agree to participate in case management. A household can be terminated from hardship casemanagement for failure to participate. If a hardship exemption household is terminated from casemanagement, CS staff notify the appropriate REMHS staff. REMHS staff then terminate the exemption and the household is required to pay the full rent amount determined by MTW. To date, no households have been terminated from hardship exemption casemanagement.

In October, we continued to experience some problems with the hardship exemption referral process and with the process for tracking successful completions or terminations. We expect to have more accurate data on completions and terminations with next month's board report.

Activities	Month	YTD
Number of households referred for services	1	20
Number of successful completions	0	1
Number terminated	0	0

1.6 McCarver Special Housing Program

THA's McCarver Elementary School Housing Program seeks to stabilize McCarver Elementary, a low-income school in Tacoma's Hilltop neighborhood. Starting in fall 2011, THA provided rental assistance for up to 50 McCarver families. Rental subsidies for participating families will decrease to zero over the five year McCarver project period. By the end of 2012, all families will pay 20% of their rent and THA will subsidize 80%. Participating families receive intensive case management services and assistance to help the parents improve their education and employment prospects.

All McCarver Program parents participated in monthly parenting classes with a trainer from the Puget Sound Educational Service District. The classes helped the parents improve communication skills, discipline, and building positive connections with the school.

Activities	Month	YTD	Annual Goal	% of Goal
Families participating	45	49	50	98%
Families able to pay 20% of their rent	29	29	50	58%
Adults enrolled in education program	2	38	30	127%
Adults complete education program	0	6	20	30%
Average school attendance rate	93%	93%	90%	103%
Reduction in referrals for discipline	n/a		25%	n/a
Increase in children reading on grade level	29%	29%	20%	145%
Increase in math on grade level	n/a		20%	0%
Increase in average state test in reading	24%	24%	15%	160%
Increase in average state test in math	18%	18%	15%	120%

Activities	Baseline 2010-2011	2011-2012
Turnover rate at McCarver Elementary	107%	96.6

Some data we will track over the five years of this program are not yet available.

- The school district is compiling the data on referrals for discipline.
- We do not yet have the 2012 district math assessment scores.

On October 24, The Tacoma / Pierce County Affordable Housing Consortium hosted the “Excellence in Affordable Housing Awards Celebration.” The Consortium awarded THA the Innovation Award for the McCarver Special Housing Program. Dawn Cuthbertson, a Program participant was the keynote speaker. Her remarks highlighted the progress her family has made since their transition from homelessness to stable housing with THA.

1.7 Preparing for Success

Preparing for Success is funded by a three-year grant from The Paul G. Allen Family Foundation. Case management focuses on helping clients overcome barriers to employment readiness.

Activities	Month	YTD	Annual Goal	% of Goal
First year cohort enrolled (2011)	25	25	25	100%
First year cohort completed (fall 2012)	1	6	15	40%
Second year cohort 2012 referrals	2	15	40	38%
Second year cohort 2012 enrolled	0	26	25	104%

1.8 Family Self-Sufficiency Program

The THA Family Self-Sufficiency (FSS) program is a five year employment and savings incentive program funded by HUD and the City of Tacoma.

Status	Month	YTD	Annual Goal	% of Goal
Current Participants	100	137	153	90%
Graduates	1	14	0	
Removed/Voluntarily Withdrawn	0	23	n/a	
New Contracts Signed	3	28	0	
Escrow Balance	\$189,775.97			

1.9 Life Skills and Parenting Classes

THA contracts with Bates Technical College to provide Life Skills classes and parenting support for Families in Transition participants. Life Skills sessions focus on sound decision making, ways to enhance self-esteem and how to make appropriate choices around relationships.

Activities	Month	YTD	Annual Goal	% of Goal
Life Skills Enrollment	0	10	25	40%
Life Skills Completion	0	4	15	27%
Parenting Enrollment	0	21	25	84%
Parenting Completion	0	8	20	40%

1.10 Asset Building

The department provides pre-purchase counseling, 1st time homebuyer seminars, post-purchase counseling, financial literacy workshops, credit counseling, and individual development accounts to help THA clients build assets and prepare to become successful homeowners, business owners or to change careers and further their education.

Activities	Month	YTD	Annual Goal	% of Goal
Financial Literacy Enrollment	7	71	90	79%
Financial Literacy Completion	5	38	72	53%
Credit Counseling Enrollment	0	0	20	0%
Credit Counseling Completion	0	0	10	0%
Homeownership Counseling	18	86	79	109%
Individual Development Account Participants	12	19	18	106%
Qualified Withdrawals	3	9	18	50%
Home Purchase	0	1	8	13%
Other Asset Purchases	3	9	10	90%
VITA Tax Returns for THA clients	0	35	90	39%
EITC Received (PH only)	0	15	95	16%
Tax Returns for all clients served at VITA Site	0	171	170	101%

1.11 Computer Labs

THA has computer labs at Bergerson Terrace, Dixon Village, and Hillside Terrace. The AmeriCorps members assigned to the computer labs are responsible for outreach and computer lab programming. Each lab has scheduled times for adult activities and for youth activities including resume writing, research, and homework assistance.

Our new AmeriCorps volunteers for the 2012-2013 school year are Courtney Lawson at Hillside Terrace and Dina Brown at Bergerson Terrace and Dixon Village.

Activities	Month	YTD	Annual Goal	% of Goal
Computer Lab Participation (cumulative visits)	46	1364	1200	114%

In late October our AmeriCorps volunteers hosted Harvest Parties at the computer labs. At Bergerson Terrace 15 children came for snacks and movie night. At Hillside Terrace, 30 residents, many in costume, enjoyed a potluck and games.



1.12 Youth Activities

Our summer youth programming ended in August. We will begin reporting youth tutoring activities and youth leadership mentoring activities in the report for November 2012 activities.

Activities	Month	YTD	Annual Goal	% of Goal
Youth tutoring	0	20	10	200%
Summer youth programming	0	60	40	150%
Youth leadership mentoring	0	6	45	13%

1.13 Senior and Disabled Services

The Senior and Disabled Services Program Specialist had 75 client contacts (63 unduplicated) in the month of October.

Activities	Month	YTD	Annual Goal	% of Goal
Unduplicated client contacts	75	281	260	108%
Referrals	2	38	50	76%
Unduplicated situation/wellness counseling	9	102	140	73%
Assistance with correspondence for Entitlement Programs	2	12	40	30%

In October, the Specialist referred clients to the following services:

- United Way
- District Court

The Specialist arranged for fire safety presentations by the Tacoma Fire Department at each of the seven buildings. BASH food bank delivered groceries to 200 tenants. Every Monday, Elderly/Disabled Services visits each building for 45 minutes to an hour. This regularly scheduled time gives residents an opportunity to get services without making an appointment. Every Monday the bulletin boards are updated and information literature is distributed.

2. COORDINATION WITH LISTER ELEMENTARY SCHOOL

2.1 Partnership to help Lister children and families

On November 14, Lister Elementary School principal, assistant principal, counselor and dean of students, along with the pastor of First Creek Church, visited the Family Investment Center at Salishan. Purpose of the visit was to learn more about THA property management and community services in order to better serve Lister students and their families. The visitors toured the FIC and met property management staff. CS staff explained the ways that THA's supportive services help participants succeed as tenants, parents, students and wage earners. We identified several partnership opportunities:

- Lister staff can refer parents to FIC activities including computer lab, employment programs, financial literacy, Volunteer Income Tax Assistance, GED classes and homeownership preparation.
- Lister staff can contact CS program managers re Salishan families that are struggling as tenants.
- THA can help distribute information about Lister family activities, open school nights and community events.
- Lister parents and students can advise THA as we develop plans for the Salishan children's matched savings accounts.

2.2 Winter holiday event at Lister

Coordinated Care (a newly formed Medicare coordination agency) plans to host a winter holiday celebration at Lister elementary school. THA, Salishan Association and Comprehensive Health Education Foundation (CHEF) will co-sponsor this event. Coordinated Care initially inquired about holding the event at the FIC, but we encouraged them to contact Lister since the Lister facility includes a large multipurpose room and stage and would be a more suitable setting for the event. Coordinated Care plans to invite all Salishan families (renters and homeowners). We anticipate up to 1000 children and their families may attend. The date is set for December 11. The event will be publicized through direct mail to Salishan households, school newsletter, Salishan Association website and Lister website.

3. COMMUNITY CENTER FOR THE EASTSIDE

On October 4, the CS director participated in a discussion with the City Council's public safety, education and human services committee. The discussion focused on potential plans for a community center to be co-located on the First Creek Middle School campus. Representatives from Tacoma Public Schools, Metro Parks, the City of Tacoma and Team BillyRay also participated. (Team BillyRay is a group of young people, led by a Salishan resident, advocating for a new center on the Eastside.) The anticipated next step will be a feasibility study to identify costs to build the center, costs to operate the center once it is built, and potential funding sources.

4. GRANTS UPDATES

3.1 Sequoia Foundation

In mid-October, the Sequoia Foundation announced it awarded THA \$25,000 for costs related to planning the Salishan children's matched savings accounts. THA will use these funds to contract with the Corporation for Enterprise Development (CFED).

3.2 KeyBank Foundation

On October 16, KeyBank Foundation presented a check for \$3000 to THA. We will use these funds to help establish a matched savings account program for McCarver school project participants. McCarver case workers will provide the necessary case management. The \$3,000 from KeyBank will be used to match McCarver families' savings deposits. McCarver families will save for future needs related to increased economic self-sufficiency, such as purchasing reliable transportation or education.

3.3 Bill & Melinda Gates Foundation Scholar Incentive Grant

On October 18, the Bill & Melinda Gates Foundation announced it awarded THA \$150,000 to further our educational initiatives. The Foundation plans to make a similar amount available to each of the three housing authorities in each of the next 3 – 5 years.

THA's proposal requested funding to support planning and development of the Scholar Incentive Program. The incentive program will be aimed at improving academic achievement, graduation rates and college preparation/enrollment. The program will identify a series of pay points for engaging in specific activities tied to academic success, or achieving specific academic outcomes. These activities and achievements will help students succeed in school, graduate with a 2.0 or higher grade point average, and take necessary college preparatory coursework. In turn,

these achievements will help qualify students for use of Washington State's College Bound Scholarship.

Foundation support will pay for staff, supplies, and development of a data collection system to both manage and evaluate the program. THA will contribute a 1:1 cash match to pay the cash incentives to students. Multiple partners will provide advising, academic support and mentoring for Scholar Incentive participants.

The Scholar Incentive Program will support student success, and help us learn more about effective strategies to increase student engagement in learning and student achievement through use of carefully targeted incentives. The project will target THA public housing and Housing Choice Voucher middle-school aged students who are enrolled in the College Bound Scholarship program.

The Program will provide students with incentive funds that will be tied to a series of pay points for engaging in activities, or achieving outcomes, that will help students succeed in school and graduate with a 2.0 or higher grade point average, while taking necessary college prep coursework, so that they are prepared to use the College Bound Scholarship to pursue higher education.

The program will link students with school district, educational service providers and college based advising and academic supports to help students achieve their academic goals.

Examples of possible pay points, which will be finalized during the first year's planning phase, include:

- Attendance
- Avoiding discipline infractions
- Maintaining or increasing grades to targeted levels
- Increasing test scores
- Taking challenging course, such as Advanced Placement and International Baccalaureate courses
- Taking SAT and ACT tests
- Completing the FAFSA application

Funds awarded by the Gates Foundation will support staffing by a Youth Asset Building Specialist, data collection and IT costs associated with data collection, and supplies. The cash incentives for students will be provided by THA. Costs of academic support, mentoring and other student supports will be supported by project partner agencies as in-kind donations.

You are invited to a

Winter Community Celebration

for the families and residents of Salishan

Lister Elementary - Gym/Multipurpose Room
Tuesday, Dec. 11th • 4:00-6:30 p.m.

Come enjoy:

- Community
- Friendships
- Photo Booth
- Snacks
- Craft Stations
- More!

Sponsored by:



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care[™]

In Partnership With:
Salishan Association
Tacoma Housing Authority
Community Health Education Foundation (CHEF)

NEW BUSINESS



TACOMA HOUSING AUTHORITY

2013 Board of Commissioners Meeting Schedule

Regular Board Meetings	Special Sessions	Location
January 23		902 South L Street
	February 1, Strategic Planning	902 South L Street
<i>February 27</i>		<i>Wright Street, 602 South Wright Avenue</i>
March 27		902 South L Street
April 24		902 South L Street
<i>May 24</i>		<i>E.B. Wilson, 1202 South M Street</i>
June 26		902 South L Street
	July 12, Mid-Year Budget Review	902 South L Street
July 24		902 South L Street
<i>August 28 - Annual Meeting Regular Meeting</i>		<i>Salishan, FIC 1724 East 44th Street</i>
	September 13, MTW	902 South L Street
September 25		902 South L Street
October 23		902 South L Street
	November 15, 2014 Budget Review	902 South L Street
<i>November 27</i>		<i>K Street, 911 North K Street</i>
December 18		902 South L Street

All Regular Meetings begin at 5:00 pm unless noted otherwise. Please note that meeting dates, locations and times are subject to change.

All Study Sessions will begin at 12:00 p.m. and end at approximately 1:00 p.m. and take place in the 2nd Floor Conference Room at 902 South L Street unless otherwise noted.

You may contact our office the week prior to the scheduled meeting to confirm this information. The site is accessible to persons with disabilities. Persons requiring special accommodations should contact Christine Wilson at (253) 207-4421, before 4:00 p.m. the day before the scheduled meeting.

Please note for schedule changes, ~~strikethrough language~~ depicts a cancellation and underlined language depicts a scheduled addition.

RESOLUTION #1



TACOMA HOUSING AUTHORITY

RESOLUTION 2012-11-28 (1)

Date: November 28, 2012

To: THA Board of Commissioners

From: Michael Mirra
Executive Director

Re: Amending THA Policy G-05 Exercising and Delegating Executive Director Authority

Background

THA has a policy governing the Executive Director's exercise and delegation of his or her authority. THA Policy G-05. This policy states the authority of the Executive Director; it authorizes him or her to delegate his authority; and it states how THA can make a decision in the rare instance when the Executive Director is not available. Funders and other financial partners have sometimes required us to send them a copy of this policy when we have asked them to rely on signatures other than mine.

This is a good time to refresh and update this policy. I attach a redlined copy of the policy showing the changes I ask the Board to adopt. There is only one minor change. The one change would be to update the title of Director of Finance and Administration to Director of Finance.

Recommendation

I recommend that the Board adopt this resolution.



TACOMA HOUSING AUTHORITY

RESOLUTION 2012-11-28(1)

AMENDING THA POLICY G-05 PERTAINING TO THE EXERCISE AND DELEGATION OF THE EXECUTIVE DIRECTOR'S AUTHORITY

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

Whereas, THA Policy G-05 governs the Executive Director's exercise and delegation of authority.

Whereas, this policy needs some updating in the manner set forth in the attached redlined version. This change updates the title of the Director of Finance.

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

1. THA Policy G-05 is amended in the manner set forth in the attached redlined version.

Approved: November 28, 2012

Janis Flauding, Chair



TACOMA HOUSING AUTHORITY

Policy No.	G-05
Policy	Exercise and Delegation of Executive Director Authority
Date	December 15, 2010 November 28, 2012

1. Purpose

To state the general authority and responsibilities of the Executive Director and authorize the delegation of this authority to others in the Executive Director's absence.

2. Sources for Policy

[THA Resolution ~~2010-12-15(1)~~ 2012-11-28 (1)]

3. Scope of Policy

This policy pertains to the full range of the Executive Director's authority.

4. Who is Responsible for Implementing Policy

Who	Responsibilities
Executive Director and THA Staff	To comply with all terms of this policy.

5. Definitions

[none]	
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6. Forms Associated with this Policy

[none]	

7. Policy

7.1 Powers and Duties

The Executive Director is responsible, under the general direction of the Board of Commissioners, for the administration of the Tacoma Housing Authority.

7.2 Delegation or Ratification of Authority

The Executive Director may delegate to any subordinate Tacoma Housing Authority employee the authority to exercise or perform any of the Executive Director's powers or duties. The Executive Director may also ratify any such exercise or performance. This delegation or ratification must be in writing or must be pursuant to this policy. Acts performed within such delegation or ratification shall constitute acts of the Executive Director.

If the Executive Director is not available and in the absence of his or her express delegation, the Director of Finance ~~and Administration~~, or, if he or she is not available, the Director of Real Estate Management and Housing Services, or if he or she is not available, the Director of Real Estate Development, is authorized to exercise or perform the powers and duties of the Executive Director if one of them on such an occasion determines that all of the following are true:

- (i) the welfare of the agency requires the exercise or performance of these powers and duties;
- (ii) the Executive Director is not available by phone, email or otherwise either to exercise or perform them or to expressly delegate responsibility to do so within the time required by the circumstances; and,
- (iii) there is not a current and contrary delegation of authority.

RESOLUTION #2