



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS

BOARD PACKET

November 20, 2013



TACOMA HOUSING AUTHORITY

Michael Mirra
Executive Director

BOARD OF COMMISSIONERS

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

REGULAR MEETING BOARD OF COMMISSIONERS

WEDNESDAY, November 20, 2013

The Board of Commissioners of the Housing Authority of the City of Tacoma will hold their Board Regular Meeting on **Wednesday, November 20, 2013 at 4:45 PM**

The meeting will be held at:

**911 North K. Street
Tacoma, WA**

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 November 15, 2013, 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	1000 Dexter Avenue N #205 Seattle, WA 98109	fax: 206-861-8865
Tacoma News Tribune	1950 South State Tacoma, WA 98405	fax: 253-597-8274
The Tacoma Weekly	PO Box 7185 Tacoma, WA 98406	fax: 253-759-5780

and other individuals and resident organizations with notification requests on file

Christine Wilson
Executive Administrator



TACOMA HOUSING AUTHORITY

**AGENDA
REGULAR MEETING
BOARD OF COMMISSIONERS
November 20, 2013 4:45 PM
911 North K. Street**

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING**
 - 3.1 October 23, 2013 – Regular Session
- 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 2013-11-20 (1), General Contractor Selection for Prairie Oaks
 - 8.2 2013-11-20 (2), Prairie Oaks Apartments - **(WALK ON)**
- 9. COMMENTS FROM THE COMMISSIONERS**
- 10. EXECUTIVE SESSION (if any)**

None this month.
- 11. ADJOURNMENT**

MEETING MINUTES



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, October 23, 2013

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at 902 South L Street, Tacoma, WA at 4:45 PM on Wednesday, October 23, 2013.

1. CALL TO ORDER

Chair Mowat called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:46 PM.

2. ROLL CALL

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

PRESENT	ABSENT
Commissioners	
Greg Mowat, Chair	
Stanley Rumbaugh, Vice Chair (arrived at 5:08 PM)	
Arthur C. Banks, Commissioner	
Janis Flauding, Commissioner	
Rose Lincoln Hamilton, Commissioner	
Staff	
Michael Mirra, Executive Director	
Christine Wilson, Executive Administrator	
Ken Shalik, Finance and Administration Director	
April Davis, REMHS Director	
Kate O'Farrell, Human Resources	
Greg Claycamp, Community Services Director	
Tina Hansen, Interim RED Director	
Todd Craven, Administration Director	

Chair Mowat declared there was a quorum present @ 4:47 and proceeded.

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Chair Mowat asked for any corrections to or discussion of minutes for the Annual Session of the Board of Commissioners for Wednesday, September 25, 2013. Commissioner Flauding moved to adopt the minutes, Commissioner Banks seconded.

Upon roll call, the vote was as follows:

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

Motion approved.

4. GUEST COMMENT

Ms. Karen Scott, G Street Apartment resident addressed the board. Ms. Scott provided the board written documentation that included both verbal and email communications between herself and THA Property Management staff. Ms. Scott is requesting an email report every Friday from the person in charge of bed bugs at G Street. She is also requesting THA staff leave a card behind when needing to enter her unit and she is not present. She believes this is a courtesy practice that THA needs to follow. She complained that a mattress from a unit infested with bed bugs was left leaning against the outside of the building for two months.

Mr. Carl Mastberg, Ludwig Apartment resident addressed the board. Mr. Mastberg began his comments pointing to Mr. Patterson and making the statement that Mr. Patterson lied to the tenants. He did not explain himself further. He provided the BOC chair copies of some paper he said he found in the trash at the Ludwig Apartments suggesting that THA staff did not properly dispose of papers containing personal information of tenants.

Mr. Gary Aleshire, Chair of the LASA Board addressed the board. He thanked the THA BOC and staff for lending their expertise and funding to the LASA project. Mr. Aleshire appreciates the strong relationship between LASA and THA, and looks forward to continuing their work together to complete the project.

Ms. Jan Hutchins, Executive Director of LASA addressed the board and echoed Mr. Aleshire's comments. Chair Mowat stated his appreciation for their comments and recognition of our partnership.

Ms. Helen Lakera, President of Many Lights Foundation, addressed the board and thanked it for its support of the project contemplated for Hillside Heights. She described Many Lights' vision for the project. She explained its purpose to create an intentional community of families fostering or adopting high needs children and seniors who will serve as mentors and respite care givers and support. She recounted how it is modeled after successful communities in Portland and Illinois. Mr. Femi Lakeru, a Many Lights Board Member, also addressed the board. Commissioner Rumbaugh thanked them both for their forward thinking project. He asked them both what happens when the seniors in the community become too frail to participate in the community. Ms. Lakera stated if those seniors require a skilled nursing facility, they would need to move to that skilled facility. She also noted the experience of other

communities. The adoptive families who have received assistance from those frail seniors have stepped in and provided care to those seniors. Commissioner Rumbaugh was pleased to learn the seniors are not necessarily uprooted from their homes and the community steps up to allow those seniors to age in place.

D.R. Horton representatives made a presentation to the board. There are currently 24 homes available for sale in Salishan, 5 offers on those homes have been made to date, and more homes are currently being built. D.R. Horton is the first builder to come into the Tacoma area and build homes under \$200K. Commissioner Flauding stated the homes are beautiful, and the construction crews are polite. Chair Mowat asked about the status of labor jobs for the construction. D.R. Horton stated there are upwards of 200 sub-contractors that are used to build these homes. D.R. Horton will provide demographic data on the workforce.

Ms. Hope Rehn, President of SAFE, is planning a trip for THA tenants to Leavenworth. She thanked and stated her appreciation for THA staff keeping our buildings clean.

5. COMMITTEE REPORTS

Real Estate Development Committee – Commissioner Rumbaugh provided his report. Although he missed the last RED Committee meeting, he was pleased to see the RED Director candidates and their qualifications. ED Mirra announced that THA has selected a candidate to fill the director position. Kathy McCormick has accepted the position and will start the beginning of December. ED Mirra also reported we will close on the Stewart Court sale in early November.

Finance Committee – Commissioner Lincoln Hamilton met with staff and reviewed the financials for this month. They are in good order. She shared her belief we must focus on the long-term financial goals of the agency and what we can sustain. Both the costs for meth remediation and the congressional funding levels will potentially have a significant impact on short and long term budgets.

Citizen Oversight Committee – Commissioner Banks stated Hillside Terrace construction project is moving right along.

6. ADMINISTRATIVE REPORTS

Executive Director

ED Mirra referred the board to his report and welcomed questions. ED Mirra focused his comments on the effort to draft a THA 2014 budget. He recounted discussions with Chair Mowat and Commissioner Lincoln Hamilton. With their approval, he proposed the following and asked for the Board's direction. He referred the Board to his recent email conveying this proposal:

Drafting the two budgets: ED Mirra proposed that THA write two budgets, the first will assume that we receive in 2014 the same federal appropriation we received in 2013. The second budget will prepare a list of “sequestration cuts” totaling \$3 million. We will go as deep into the list of cuts as necessary to account for what Congress ends up doing. The board agreed.

How to cut \$3 million if necessary: ED Mirra that while some staff cuts may be necessary to cover \$3 million in cuts, there is no bearable extent of staff cuts that would save us \$3 million. Instead, he proposes we seek most of the savings from our largest expense: our rental assistance programs. There are two ways to save money in those programs. We could terminate households from the programs. To save \$3 million we would have to terminate about 400 households. Instead of doing that, ED Mirra recommends that we plan to “thin the soup” by reducing what each household receives. This would essentially extend the HOP rent changes to the full voucher program of existing participants. The board agreed to his proposal.

Issuance of HOP Vouchers: ED Mirra proposed THA stop issuing HOP vouchers until we know what the 2014 budget will be. THA must carefully monitor our usage levels to make sure we do not go notably below the HUD baseline. THA can start issuing the vouchers once the federal funding levels become clearer. The board directed staff to stop the issuance will maintaining the baseline.

902 and FIC Renovations: Until the federal funding level becomes clearer, ED Mirra proposed we place these two capital projects on hold. The board directed staff to place these projects on hold.

Finance

Director Shalik directed the board to the finance report. He reviewed the financial statements included in his report. He stated the agency is in good shape for the 2014 budget.

Commissioner Rumbaugh moved to ratify the payment of cash disbursements totaling \$5,167,861 for the month of September, 2013. Commissioner Flauding seconded.

Upon roll call, the vote was as follows:

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

Motion Approved

Real Estate Management and Housing Services

Director Black directed the board to her report. She reported staff turned and rented 23 units in September. This is very good progress made by her staff. She is very proud of their continued efforts. There are regular meth strategy meetings scheduled weekly. THA has engaged NJP in discussions to help us clarify our meth processes. NJP has offered a view that our meth plan does not adequately comply with due process requirements governing the termination of a tenancy or a housing subsidy. Commissioner Flauding asked for the number of grievances submitted to date to challenge our handling of a meth unit. Director Black stated five greivaances have been submitted. Chair Mowat followed up on the due process issue. Director Black stated THA is looking at other interim housing options we might provide to tenants not responsible for the contamination. She also stated THA will look at the admissions process along with NJP, adding that more voices at the table are necessary. ED Mirra added he is meeting with elected officials who have voiced their support for our meth approach. Commisisoner Rumbaugh stated he recently met with Governor Inslee about the financial help THA will need. The Governor has referred the matter to a staff person in his office.

Director Black reported on the new name for Hillside Terrace Phase 1 that our rebranding project chose after consultation with residents and neighbors and staff: Bay Terrace. She also showed the new logo. Chair Mowat asked in the future that staff bring these issues to the BOC for their input. He has no problem with the process, but would have been disappointed had a community member made mention of this without his knowledge. Director Black appreciates the feedback and apologized for not including the board in the discussions.

Real Estate Development

Interim Director Hansen directed the board to her report. She reviewed the project summary in her report. LASA bids were opened today. All bids came in within budget. Chair Mowat asked about the general EEO contractors numbers on the Hillside Terrace issue brought to the Oversight committee meeting. Chair Mowat stated THA staff was not clear if the EEO data was required on the report. Interim Director Hansen will follow-up and get that answer to the board and the Oversight Members.

Community Services

Director Claycamp directed the board to his report. He noted the new layout of his department report. He is making the rounds within Community Services, visiting with his staff to better understand their responsibilities. He reports a very capable staff, and no performance issues that he has identified. THA received two grants this week, \$400K from Gates Foundation and \$86K from the 2163 funding through Pierce County. Community Services will put extra emphasis on measuring outcomes to allow staff to review the efficacy of the programs. Director Claycamp described a new approach he

will introduce to CS's work: trauma informed care and motivational interviewing. He gave a brief explanation of both. He acknowledged these are ambitious goals. He believes his staff is up to the challenge. Commissioner Rumbaugh stated he is interested in seeing the metrics for the programs, and the costs associated with providing the services. Chair Mowat asked Director Claycamp to stay close to Workforce Central during this process. Director Claycamp agreed.

Human Resources

Kate O'Farrell, Human Resources Analyst presented the HR report and introduced herself to the board. She directed the board to Director Tanbara's board report and provided additional comment on the Employee Opinion Survey. She referenced the Independent Development Plans for employees. THA healthcare benefits will see an 8.5% increase, not the 10% increase as stated in Director Tanbara's report. Ms. O'Farrell reported that the THA employee Wellness Program through Viridian is on hold due to the uncertainty of this federally funded program. She did report that there continues to be other wellness initiatives moving forward in the agency. Chair Mowat asked about the wage reopener. Ms. O'Farrell reported that discussions are underway with the Trade Council.

7. OLD BUSINESS

None.

8. NEW BUSINESS

8.1 RESOLUTION 2013-10-23 (1), RENTAL ASSISTANCE DEMONSTRATION (RAD) APPLICATION

Whereas, Public Housing funding continues to decline with insufficient capital funds to adequately meet THA's mounting portfolio capital needs;

Whereas, Contract renewal funding for tenant and project-based Section 8 has, in contrast, satisfactorily met the capital needs to effectively administer the program;

Whereas, RAD helps address the backlogged, immediate, short term and long term repairs needed to provide residents a safe and attractive home;

Whereas, A RAD conversion relinquishes THA from numerous Public Housing requirements, both reducing administrative burden and streamlining processes;

Whereas, Through a RAD conversion, THA retains the right to further supplement portfolio operations with MTW funding throughout the 15 year Project Based Voucher contract, regardless of MTW contract renewal in 2018;

Whereas, THA residents have voiced strong support during RAD community meetings, much of which stems from their recognition that THA needs to plan for immediate and long term repairs;

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

1. The Executive Director has the authority to submit the Housing Authority of the City of Tacoma's Rental Assistance Demonstration (RAD) Portfolio Application to HUD.

Commissioner Rumbaugh motioned to approve the resolution. Commissioner Lincoln Hamilton seconded the motion.

AYES: 5
NAYS: None
Abstain: None
Absent: 0

Motion Approved: October 23, 2013

Greg Mowat, Chairman

8.2 RESOLUTION 2013-10-23 (2), APPROVAL OF TENANT ACCOUNT RECEIVABLE WRITE OFFS

Whereas, Tacoma Housing Authority (THA) provided housing services to Public Housing and Housing Choice Voucher participants who discontinued housing assistance with debt owing to THA.

Whereas, Tacoma Housing Authority (THA) provided housing assistance payments to property owners in excess to the amount the owner is entitled to receive and the owner has not repaid this amount to THA.

Whereas, each individual included in this tenant account write off has been notified of their debt and given the opportunity to pay prior to this resolution.

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

1. authorizes THA staff to "write off" the following accounts and send these debts to an external collection agency to pursue collection action:

Project: Section 8 Write offs to Collection

Client #	Amount Owed
00000890	\$102.00
00004283	\$55.00
00004465	\$68.00
00004633	\$55.00
00008987	\$396.00
121196	\$1,704.00

121266	\$60.00
126383	\$134.00
129529	\$398.13
132029	\$111.00
132225	\$440.00
132885	\$174.00
134734	\$186.00
137053	\$80.00
137285	\$748.00
140302	\$306.00
141089	\$51.00
141750	\$247.00
142340	\$186.00
144814	\$127.00
146236	\$64.00
146457	\$98.00
713559	\$1,277.00
713826	\$504.00
714336	\$471.00
714508	\$621.00
714700	\$498.00
714846	\$2,439.00
715141	\$940.00
716116	\$1,162.00
716130	\$709.00
716169	\$782.00
716586	\$296.00
716763	\$849.00
716778	\$627.00
716793	\$794.00
716827	\$1,264.00
716843	\$718.00
717146	\$759.00
717206	\$216.00
717227	\$1,201.00
717352	\$498.00

717457	\$519.00
717480	\$569.00
Total S8	\$23,503.13

LIPH Projects Write offs to Collections

N G St

125875	\$286.32
132438	\$185.00
138271	\$215.00
	\$686.32

Dixon Village

133495	\$128.82
135133	\$1,356.13
	\$1,484.95

Scattered Sites

00001282	\$1,945.78
	\$1,945.78

Scattered Sites

114837	\$456.44
	\$456.44

9 SF Homes

XX001181	\$2,503.57
	\$2,503.57

Stewart Court

xx000966	\$1,995.00
XX001173	\$3,081.50
XX001262	\$996.75
	\$6,073.25

North K Street

109953	\$182.14
122962	\$559.03
130414	\$254.00
131413	\$399.03
135699	\$136.58
	\$1,530.78

S M Str (EB
Wilson)

133025	\$185.00
142468	\$375.23
145045	\$498.60
	\$1,058.83

S Wright Str

131534	\$1,059.94
	\$1,059.94

Total LIPH to Collections: \$16,799.86

Write offs – No other action*

SEC 8

123926	\$143.00
716780	\$629.00

LIPH

Bergerson Terrace	126269	\$1498.07
Stewart Court	xx000727	\$3.63
Salishan Vii	xx0001050	\$2979.50
FIT	2707	\$10.00
Total Write offs – No other action		\$5263.20*

Write-off Grand total \$45,566.19

*This total includes accounts where tenant is deceased or the balance is under \$30.

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

Upon roll call, the vote was as follows:

AYES: 5
NAYS: None
Abstain: None
Absent: 0

Motion Approved: October 23, 2013

Greg Mowat, Chairman

9. COMMENTS FROM COMMISSIONERS

None.

10. EXECUTIVE SESSION

11. ADJOURNMENT

There being no further business to conduct the meeting ended at 7:09 PM.

APPROVED AS CORRECT

Adopted: November 20, 2013

Greg Mowat, Chairman

Finance Committee
Commissioner Lincoln Hamilton

Real Estate and Development Committee
Commissioner Rumbaugh

Citizen Oversight Committee
Commissioner Banks

ADMINISTRATION REPORTS

EXECUTIVE DIRECTOR REPORT



TACOMA HOUSING AUTHORITY

To: THA Board of Commissioners

From: Michael Mirra
Executive Director

Date: November 11, 2013

Re: Executive Director's Report

This is my monthly report for November 2013. The departments' reports supplement it.

1. **WRITING THA's FY 2014 BUDGET**

Staff is busy writing the THA budget proposal for 2014. At the October board meeting, the board provided very helpful direction. I recounted that direction in my email to All THA staff of October 26, 2013. I sent a copy to the board. I attach a printed version.

Part of the board's direction pertains to an alternative budget we will use in case the \$3 million "sequester" cuts occur. The board directed that we **not** seek to absorb such a cut by mass termination of families from the voucher program or by large scale lay-offs of staff, which would cripple our program administration. Instead, we will seek to absorb such a cut by "thinning the soup" measures that will ask all voucher holders to accept less assistance. Staff are planning for the board's consideration various "recipes" for doing this on various schedules. I attach a memo from April containing some early analyses.

I write now to convey a supplemental proposal that grew out of more recent discussions with Greg and Stan: that we proceed with "thinning the soup" even if the full "sequester" cut does not happen this year. We propose this for four reasons:

- Even if the "sequester" cut does not occur this year, we judge that we remain on a discouraging longer term downward slope of congressional funding. We cannot and should not change the voucher program either quickly or often in response to year-to-year congressional funding fluctuations. The program and its participants, both landlords and tenants, need some administrative stability upon which we can all rely. This means that we should design the program according to the general climate pattern of rainy weather we expect, and not according to the episodic and brief intervals of sunny weather we may see.
- In any case, Congress's budget plans even for this single year of 2014 have been very hard to anticipate. Changing this program requires extensive community consultation and will cause uneasiness among participants, both landlords and tenants. It would be hard to have that civic discussion in a stop and go fashion as the news from Congress shifts. Changing the program also requires extensive staff work. We do not have the staff resources to do this repeatedly we change our bets on what Congress will do. Accordingly, we should not propose such

changes unless we mean to follow through.

- Other important parts of our programming and services, themselves underfunded, will need MTW subsidy: e.g, education projects; asset building initiatives, meth remediation.
- We have “thinned the soup” for the HOP program participants. We did this not only to save money but for substantive policy reasons: to serve more families; to more effectively spur work-able families to increase their earned income; to reduce our intrusion into their private affairs; to make the program easier to understand and administer. We thought from the beginning that at some point we may wish to extend these changes to the entire voucher program.

I look forward to the board’s discussion on November 20th.

2. RAD CONVERSION

I am pleased to report we submitted our application to HUD to convert our public housing units to section 8 units. We do this under HUD’s program called Rental Assistance Demonstration project (RAD). RAD has been available for a while. However, as HUD initially proposed it, we had judged that it would not benefit us. Earlier this year HUD changed its RAD rules. We undertook a close analysis of those new rules, with the help of consultants, and judged that under those new rules RAD would be good for us. In particular, we anticipate the following advantages:

- increase of \$800,000 in operating funds
- lock in 2012 FMR rates
- extend MTW flexibility regarding that part of our portfolio even if MTW ends in 2018
- ability to put debt on that part of our portfolio and make the portfolio more attractive to tax credit investors
- escape the regulatory burdens of the public housing world.

After we decided that this new RAD would benefit us, we began the complex application process. We were in a hurry because Congress capped the number of RAD conversions at 60,000 for the nation. The board authorized our application at its meeting last month on October 23rd. We submitted it the next morning.

This past week, we received some news from HUD on the status of RAD applications

generally. When the government shut down on October 1, HUD estimated that it received applications for 42,000 units to that date. HUD announced last week that as of October 25th, the day after we submitted, it had received applications for 76,000 units. This means that at first glance, THA likely will not be under the 60,000 unit cap.

There are three main ways this could turn out for us, in the following order of preference for us and for all those we wish us well.

- By mid-December, HUD will have gone through all of the applications it has received and deny applications that were incomplete or did not meet the general requirements for submission. Our contact at HUD informs us that there will definitely be some of these as some agencies just threw an application together at the last minute to get something in. However, we would need there to be at least 16,000 units-worth of these faulty applications for us to get in. If this happens, this would be the best outcome for THA.
- The next best outcome would be for Congress to raise the cap from 60,000 units enough to encompass our application and to allow HUD to fill the additional slots with those of us who applied under the first 60,000 units. This would allow us to use the 2012 contract rents, which is one of the main benefits of applying when we did. With this option, the main question is whether and when Congress will act. HUD believes they have support for a congressional increase of the cap to 150,000. However, it will likely not be part of a continuing resolution and will therefore require an appropriations bill. This will entangle us in the general congressional disarray that seems to prevent most any bill from advancing.
- . The least favored outcome would be for Congress to raise the cap but not to honor HUD's "waiting list" of housing authorities that applied under the first 60,000 units. This would require us to reapply for RAD using 2013 contract rents--or perhaps even 2014 contract rents, which are far from certain at this point.

The news is not what we had hoped to get when we applied, but we will hope for the first option that I list above. Meanwhile we will hold off on endeavors such as the Physical Condition Assessment that RAD would require until we know more from HUD. We will keep the board posted as more information arises, which will likely be in mid-December when we find out from HUD which applications they will be moving on to the next stage.

3. THA's NEW REAL ESTATE DEVELOPMENT DIRECTOR: KATHY McCORMICK

I am very pleased to confirm what I mentioned at the October board meeting: Kathy McCormick will be THA's new director of real estate development! I attach a copy of

Kathy's resume. She comes to us from the San Antonio Housing Authority where she led its real estate development department. She also has a strong background in urban planning. We think she brings the skills and values to lead THA's development work through and beyond the many opportunities and challenges we face: strong technical expertise, leadership to inspire a talented staff, a civic sense of how our development should fit within the city, ability to manage and grow the many relationships that this hard work requires, and a good humor that will make her an enjoyable colleague. Kathy begins work at THA on December 9th. I look forward to introducing her to the board.



TACOMA HOUSING AUTHORITY

To: April Black
From: THA Cabinet
Date: November 6, 2013
Re: 2014 REMHS Budget Request Overview v.2

Cost Expenditures

Staffing—the Cooks

I am recommending maintaining the regular staff positions that are currently filled and making the following additions/deletions:

Position	Duration	Recurring/ Non	Included in 2013?	% FTE +/-
Assoc. RA Mgr fills Meth Project Manager: <i>Rich will continue to fill the meth role until the end of March and then return to his regular position.</i>	1/1/14- 3/31/14	Non- recurring/ Recurring	Yes	Neutral
Senior Office Assistant: <i>I'm requesting to add a support position to support PM staff, particularly with contracting/procurement. There has been a shift in Administration away from assisting with contracts/procurement and more oversight from Finance. We will also continue to need some support tracking the meth project.</i>	Full 2014	Recurring	No	+1
Inventory Process Analyst: <i>This will extend this position to help with the BPI project and then transition to inventory management.</i>	1/1/14- 3/31/14	Non- recurring	Yes	+.25
Inventory Specialist: <i>The Warehouse Process Analyst will transition into this role as we plan a better inventory management system for our maintenance team.</i>	4/1/14- 12/31/14	Recurring	No	+.75
Maintenance Specialist—Bay Terrace <i>With the addition of 70 Bay Terrace units, we will need to add a Maintenance Specialist to that team. Covered by new source of funding.</i>	4/1/14- 12/31/14	Recurring	No	+.75

Position	Duration	Recurring/ Non	Included in 2013?	% FTE +/-
Overhead PMA moves to Bay Terrace PMA: <i>We will move the overhead PMA (Josh J) out of meth tracking and into the Bay Terrace PMA role as we begin pre-leasing/management of that site. Covered by new source of funding.</i>	4/1/14- 12/31/14	Recurring	Yes	Neutral
Marketing Guru: <i>This position will assist in THA marketing and outreach. Examples include: marketing Bay Terrace, improving our internet presence for customers and potential employees, highlighting MTW activities for the national MTW discussion, workplace safety materials, healthy worksite materials, disaster planning signage, non-smoking policy materials, HOP expansion materials, social media, etc.</i>	4/1/14	Recurring	No	+.75
Business Process Improvement Analyst: <i>Extend Eric's position 12 months to help complete the agency-wide BPI process. The majority of processes originate in REMHS and the position will help initiate the department process improvement.</i>	Full 2014	Non-recurring	Yes	+1
Open L&O: <i>We will not re-fill the L&O position that became vacant when Dolores Taylor left the agency.</i>	Full 2014	Recurring	Yes	-1

Training—the ingredients

Lack of training and promotional opportunities have been recurring themes in our employee opinion survey. A majority of the agency employees work within this department so I am taking this feedback seriously. There is \$108,785 in the budget for travel and training for the entire REMHS department; this represents a nearly \$50,000 increase from 2013. This budget supports 68 employees, including myself. I have budgeted for more people to attend conferences such as PNRC-NAHRO, National NAHRO, Regional and National MTW, Trends, and Fair Housing. There are also more training opportunities for tax credit updates, HQS, hearing officer, project management, property management. In addition, I've budgeted \$20,000 for in-house Six Sigma Lean training for all interested staff.

Contracts

- \$25,000 increase in HVAC contracts to continue making incremental fixes to the 902 HVAC system to improve habitability.
- \$13,000 increase in miscellaneous contracts for items such as tree inventory and tree replacement and other incidental contracts that come up in the management of 902 and the FIC.
- \$105,000 for interior painting at the senior buildings (carry over from 2013)
- \$7000 for window washing (carry over from 2013)
- \$21,000 scattered site window replacement (carry over from 2013)

Capital

- \$120,000 for vehicle replacement
- \$300,000 for the FIC remodel
- \$35,000 for articulated boom lift (carry over from 2013)
- \$10,000 for 6th Ave security gate (carry over from 2013)
- \$10,000 for Dixon perimeter fence (carry over from 2013)
- \$350,000 for Wedgewood repairs (carry over from 2013)

Special Programs

- Youth Housing contract to increase from \$250,000 to \$288,000 per year
- Rapid Rehousing contract to increase from \$88,000 to \$400,000 per year.
- New Tacoma Community College homeless housing programs \$150,000 per year.
- New DSHS Child Welfare Vouchers \$192,000 per year.

Cost Savings—Thinning the Soup

To paraphrase Michael, the board asked us to thin the soup and has given us the directive to recommend recipes and flavors to get there.

Tenant Based Voucher Program

I met with the Rental Assistance team on October 23rd since they will be the staff group most impacted by any change we undertake. They had a variety of recipes that we could use to yield a \$3 million cost savings in 2014. I have outlined them below to give us a menu of flavors to choose from:

Proposal Overview*	Estimated 2014 Savings	Top Pros	Top Cons
\$200 minimum rents for all tenant based voucher households effective 4.1.14	\$1 million	Would prepare lowest income households for HOP in 2015	Only the lowest income households would be impacted.
\$150 minimum rents for all tenant based voucher households effective 4.1.14	\$825,000	Would prepare lowest income households for HOP in 2015	Only the lowest income households would be impacted.
Eliminate utility allowances from the tenant based voucher calculations effective 4.1.14	\$1.425 million	Would prepare lowest income households for HOP in 2015	Larger households and households renting houses will be impacted most.
Switch households to HOP when they move from one unit to another beginning 7.1.14	TBD	<ul style="list-style-type: none"> • Would prepare lowest income households for HOP in 2015 • Would provide disincentive to move 	Would be difficult for households that have to move for reasons out of their control.

Proposal Overview*	Estimated 2014 Savings	Top Pros	Top Cons
Switch all tenant based vouchers to HOP over a 12 month period beginning 7.1.14	\$800,000	Would eventually simplify the rent calculation/recert process for entire voucher population	Would be a difficult public process on a short time frame; little work has been done to prepare households and staff.
Switch all tenant based voucher to HOP on 7.1.14	\$1.8 million	Would immediately simplify the rent calculation/recert process for entire voucher population	<ul style="list-style-type: none"> • Would be a difficult public process on a short time frame; little work has been done to prepare households and staff. • Little notice to allow tenants and landlords to fulfill leases so people can move to more affordable housing if necessary.

*All proposals will require MTW Plan revisions, public comment and Board approval.

Special Programs

I'd like us to consider these additional cost savings:

- Rapid Rehousing contract to increase from \$88,000 to \$140,000 per year.
- Delay new Tacoma Community College homeless housing programs \$150,000 per year.
- Delay new DSHS Child Welfare Vouchers \$192,000 per year.

*Initial Impact Analysis of Policy Options***Raise minimum rent to \$150**

- Annual HAP change: -\$1.1 million (\$825,000 if implemented 4/1/14)
- Average monthly HAP: \$562
- #HHs with rent increases >\$100: 73

		All Units	
Change in Tenant Rent		# Tenants	% Total
# Total Households		3844	100.0%
# Households whose Tenant Rent decreased		0	0.0%
Difference of \$0 to -\$5		0	0.0%
Difference of -\$5 to -\$15		0	0.0%
Difference of -\$15 to -\$25		0	0.0%
Difference of -\$25 to -\$50		0	0.0%
Difference of -\$50 to -\$75		0	0.0%
Difference of -\$75 to -\$100		0	0.0%
Difference of -\$100 to -\$125		0	0.0%
Difference of -\$125 to -\$150		0	0.0%
Difference of -\$150 to -\$175		0	0.0%
Difference of -\$175 to -\$200		0	0.0%
Difference < -\$200		0	0.0%
# Households whose Tenant Rent did not change		2271	59.1%
# Households whose Tenant Rent increased		1573	40.9%
Difference of \$0 to \$5		0	0.0%
Difference of \$5 to \$15		319	8.3%
Difference of \$15 to \$25		37	1.0%
Difference of \$25 to \$50		171	4.4%
Difference of \$50 to \$75		145	3.8%
Difference of \$75 to \$100		828	21.5%
Difference of \$100 to \$125		39	1.0%
Difference of \$125 to \$150		6	0.2%
Difference of \$150 to \$175		19	0.5%
Difference of \$175 to \$200		2	0.1%
Difference > \$200		7	0.2%

Eliminate all UAs

- Annual HAP change: -\$1.9 million (\$1.425 million if implemented 4/1/14)
- Average monthly HAP: \$546
- #HHs with rent increases >\$100: 532

		All Units	
Change in Tenant Rent		# Tenants	% Total
# Total Households		3844	100.0%
# Households whose Tenant Rent decreased		206	5.4%
Difference of \$0 to -\$5		11	0.3%
Difference of -\$5 to -\$15		24	0.6%
Difference of -\$15 to -\$25		26	0.7%
Difference of -\$25 to -\$50		39	1.0%
Difference of -\$50 to -\$75		38	1.0%
Difference of -\$75 to -\$100		19	0.5%
Difference of -\$100 to -\$125		27	0.7%
Difference of -\$125 to -\$150		2	0.1%
Difference of -\$150 to -\$175		16	0.4%
Difference of -\$175 to -\$200		4	0.1%
Difference < -\$200		0	0.0%
# Households whose Tenant Rent did not change		1556	40.5%
# Households whose Tenant Rent increased		2082	54.2%
Difference of \$0 to \$5		9	0.2%
Difference of \$5 to \$15		52	1.4%
Difference of \$15 to \$25		92	2.4%
Difference of \$25 to \$50		254	6.6%
Difference of \$50 to \$75		909	23.6%
Difference of \$75 to \$100		234	6.1%
Difference of \$100 to \$125		245	6.4%
Difference of \$125 to \$150		39	1.0%
Difference of \$150 to \$175		87	2.3%
Difference of \$175 to \$200		122	3.2%
Difference > \$200		39	1.0%

2014 REMHS Budget Request Overview

November 6, 2013

Page | 8

Change Minimum Rents and TTP %

Scenario	TTP%	Rent Calc	Min Rent	Deductions	UAs	Annual HAP Chg	Avg Mo. HH HAP	# HHs Rent Inc>\$100
1	30.0%	Tiered	\$150	None	Yes	-\$1.7 million	\$550	135 (4% total)
2	32.5%	Tiered	\$150	None	Yes	-\$2.6 million	\$530	289 (8% total)
3	35.0%	Tiered	\$150	None	Yes	-\$3.5 million	\$510	681 (18% total)

Modeling Assumptions						Projected Shelter Burdens			
Scenario	TTP%	Rent Calc	Min Rent	Deductions	UAs	SB All HHS	SB for Inc<\$10K	SB for Inc \$10-\$20K	SB for Inc\$20K+
1	30.0%	Tiered	\$150	None	Yes	31.0%	41.0%	28.5%	26.8%
2	32.5%	Tiered	\$150	None	Yes	32.8%	42.1%	30.7%	28.8%
3	35.0%	Tiered	\$150	None	Yes	34.6%	43.4%	32.8%	30.6%

2014 REMHS Budget Request Overview

November 6, 2013

Page | 9

Scenario 1

		All Units	
Change in Tenant Rent		# Tenants	% Total
# Total Households		3844	100.0%
# Households whose Tenant Rent decreased		10	0.3%
Difference of \$0 to -\$5		0	0.0%
Difference of -\$5 to -\$15		0	0.0%
Difference of -\$15 to -\$25		0	0.0%
Difference of -\$25 to -\$50		1	0.0%
Difference of -\$50 to -\$75		0	0.0%
Difference of -\$75 to -\$100		1	0.0%
Difference of -\$100 to -\$125		0	0.0%
Difference of -\$125 to -\$150		0	0.0%
Difference of -\$150 to -\$175		0	0.0%
Difference of -\$175 to -\$200		0	0.0%
Difference < -\$200		8	0.2%
# Households whose Tenant Rent did not change		128	3.3%
# Households whose Tenant Rent increased		3706	96.4%
Difference of \$0 to \$5		0	0.0%
Difference of \$5 to \$15		882	22.9%
Difference of \$15 to \$25		984	25.6%
Difference of \$25 to \$50		674	17.5%
Difference of \$50 to \$75		185	4.8%
Difference of \$75 to \$100		846	22.0%
Difference of \$100 to \$125		44	1.1%
Difference of \$125 to \$150		43	1.1%
Difference of \$150 to \$175		27	0.7%
Difference of \$175 to \$200		6	0.2%
Difference > \$200		15	0.4%

Scenario 2

		All Units	
Change in Tenant Rent		# Tenants	% Total
# Total Households		3844	100.0%
# Households whose Tenant Rent decreased		10	0.3%
Difference of \$0 to -\$5		0	0.0%
Difference of -\$5 to -\$15		0	0.0%
Difference of -\$15 to -\$25		0	0.0%
Difference of -\$25 to -\$50		2	0.1%
Difference of -\$50 to -\$75		0	0.0%
Difference of -\$75 to -\$100		0	0.0%
Difference of -\$100 to -\$125		0	0.0%
Difference of -\$125 to -\$150		0	0.0%
Difference of -\$150 to -\$175		0	0.0%
Difference of -\$175 to -\$200		0	0.0%
Difference < -\$200		8	0.2%
# Households whose Tenant Rent did not change		128	3.3%
# Households whose Tenant Rent increased		3706	96.4%
Difference of \$0 to \$5		0	0.0%
Difference of \$5 to \$15		3	0.1%
Difference of \$15 to \$25		41	1.1%
Difference of \$25 to \$50		1529	39.8%
Difference of \$50 to \$75		875	22.8%
Difference of \$75 to \$100		969	25.2%
Difference of \$100 to \$125		152	4.0%
Difference of \$125 to \$150		68	1.8%
Difference of \$150 to \$175		19	0.5%
Difference of \$175 to \$200		8	0.2%
Difference > \$200		42	1.1%

Scenario 3

		All Units	
Change in Tenant Rent		# Tenants	% Total
# Total Households		3844	100.0%
# Households whose Tenant Rent decreased		10	0.3%
Difference of \$0 to -\$5		0	0.0%
Difference of -\$5 to -\$15		0	0.0%
Difference of -\$15 to -\$25		1	0.0%
Difference of -\$25 to -\$50		1	0.0%
Difference of -\$50 to -\$75		0	0.0%
Difference of -\$75 to -\$100		0	0.0%
Difference of -\$100 to -\$125		0	0.0%
Difference of -\$125 to -\$150		1	0.0%
Difference of -\$150 to -\$175		0	0.0%
Difference of -\$175 to -\$200		0	0.0%
Difference < -\$200		7	0.2%
# Households whose Tenant Rent did not change		128	3.3%
# Households whose Tenant Rent increased		3706	96.4%
Difference of \$0 to \$5		0	0.0%
Difference of \$5 to \$15		3	0.1%
Difference of \$15 to \$25		14	0.4%
Difference of \$25 to \$50		801	20.8%
Difference of \$50 to \$75		794	20.7%
Difference of \$75 to \$100		1413	36.8%
Difference of \$100 to \$125		301	7.8%
Difference of \$125 to \$150		185	4.8%
Difference of \$150 to \$175		84	2.2%
Difference of \$175 to \$200		31	0.8%
Difference > \$200		80	2.1%

Kathryn McCormick
PROFESSIONAL OVERVIEW

Proactive manager with a proven record in creatively and successfully implementing programs and policies that builds upon the strengths of organizations and communities. Dedicated to creating atmospheres where people and ideas succeed. Excellent fiscal and project management skills and ability to work with persons with diverse opinions and gain consensus on difficult issues.

PROFESSIONAL HISTORY

Present

Officer, Development Services and Neighborhood Revitalization
San Antonio Housing Authority (SAHA)

Oversee the functions associated with the development, redevelopment and strategic acquisition of properties that are owned and managed by SAHA. Led the team that developed a successful CHOICE Implementation Grant application, with continuing leadership in the implementation of CHOICE. Facilitated a public-private partnership to redevelopment two projects into mixed-income rental housing that are under construction. Oversaw the creation of a community master plan which will result in over 350 mixed-income, rental and for-sale housing with neighborhood retail in downtown San Antonio. Initiated the planning and implementation for an 85-unit, single family housing re-building project that will add for-sale housing into the area.

Acted in an interim position on the management of a 6,000 unit affordable housing portfolio, which resulted in increasing NOI by 30% and adding an Asset Management function to the agency.

Prior

Director, Housing and Community Development
City of Santa Fe
January 2006 - September 2010

Put into action a newly formed department that included affordable housing, economic development, long range planning, sustainability and renewable energy. Oversaw the adoption of a master plan for 738 homes in a mixed-development where 70% of the land is devoted to open space. Instrumental in negotiating the purchase of the College of Santa Fe on behalf of the City and negotiating the lease with Laureate Education for its management and operations. Worked with local

business and talent to capture emerging business opportunity that to diversify the local economy beyond tourism and government. Provide oversight for renewable energy projects and the implementation of the Sustainable Santa Fe Plan.

Principal, McCormick and Associates, Inc.
January 1999 - January 2006

Owned and managed business that offered a range of consulting services to local governments, non-profit organizations and private sector developers. This included the analysis of information to identify opportunities and constraints in any given community or market area and make recommendations for policies, programs and new development that would address market demand and housing needs. Extensively involved in conducting public meetings, strategic planning with staff, citizen groups and elected officials. Engaged by over 15 local governments and five housing authorities. Completed over 40 market studies for various private and non-profit clients and facilitated employer assisted housing programs in high cost areas.

Executive Director - Housing Authority of the City of Boulder
Director of Housing - City of Boulder
October 1993 - April 1998

Managed an entrepreneurial Local Housing Authority and City's Division of Housing. This included working directly with a City Council and separate Housing Authority Board of Directors. Oversaw a 90 person staff and administered operating budgets in excess of \$15 million. Was responsible for management of 1,200 market rate and income restricted housing units valued at over \$25M. Established the agency's development plan and strategy and oversaw the acquisition, planning and development for new rental housing as well as acquiring land for future development.

As the Director of the Division of Housing, oversaw federal and local funding allocations for housing and civic uses as well as the Inclusionary Housing and Homeownership Programs with a seven-member staff. The Housing Division piloted several new housing initiatives in partnership with local developers and non-profits to include mixed income development, unique marketing approaches and community land trusts to maintain affordability.

Housing Planner - City of Boulder
January 1985 - October 1993

For two years was acting Housing Division director while national search for new director was conducted. Accepted promotion at request of City manager.

This was also a dual role in which real estate development services were provided to the Housing Authority and the City of Boulder Programs were managed.

EDUCATION

Bachelor of Arts, Northern Arizona University
Housing Finance Certificate - National Development Council
Leadership Training - American Management Association
Housing and Community Development Training - Harvard

MEMBERSHIPS

Former Board Member of Funding Partners
International Sonoran Desert Alliance Board Member
Santa Fe Complex Board Member

Workshops

Presentations on:

- Employer Assisted Housing
- Best Housing Practices
- Housing and Economic Development
- Mixed Use Development
- Regional Housing Opportunities and Initiatives

References

Available Upon Request

FINANCE



TACOMA HOUSING AUTHORITY

Motion

Adopt a consent motion ratifying the payment of cash disbursements totaling \$5,470,105 for the month of October, 2013.

Approved: November 20, 2013

Greg Mowat, Chair

TACOMA HOUSING AUTHORITY
Cash Disbursements for the month of October, 2013

		Check Numbers			
		From	To	Amount	Totals
A/P Checking Account					
Low Rent Module Checks	Check #'s	2,765	- 2,766	695	
Accounts Payable Checks	Check #'s	80,727	- 81,031		
Business Support Center				245,418	Program Support
Moving To Work Support Center				29,951	
Section 8 Programs				33,060	Section 8 Operations
SF Non-Assisted Housing - N. Shirley				7	Local Funds
SF Non-Assist Housing - 9SF Homes				2,653	
Stewart Court				14,783	
Wedgewood				677	
Salishan 7				37,689	
Hillsdale Heights				3,770	
Salishan Developer Fee				445	Development
NSP Grant				226	
Development Activity				30,492	
Salishan Area 2B-Dev				5,707	
Hillside Terrace Development				68,414	
Hillside Terrace Community Ctr Development				136,258	
Hillside Terrace 2500 Court G Development				133,079	
Hillside Terrace 1800 Court G Development				109,076	
Hillside Terrace 2500 Yakima Development				1,052,457	
Weyerh. Homeless Grant				270	
Community Services MTW Fund				1,682	
Paul G. Allen Foundation Grant				2	
Gates Scholar Incentive Grant				22	
Gates Ed Grant				298	
ROSS Svc Coord				5	
WA Families Fund				147	
WA Families Fund - Systems Innovation				477	
AMP 1 - No K, So M, No G				31,902	Public Housing
AMP 2 - Fawcett, Wright, 6th Ave				30,479	
AMP 3 - Lawrence, Orchard, Stevens				37,188	
AMP 4 - Hillside Terr - 1800/2500				18,928	
AMP 6 - Scattered Sites				16,133	
AMP 7 - HT 1 - Subsidy				16,463	
AMP 8 - HT 2 - Subsidy				997	
AMP 9 - HT 1500 - Subsidy				2,071	
AMP 10 - SAL 1 - Subsidy				9,712	
AMP 11 - SAL 2 - Subsidy				8,732	
AMP 12 - SAL 3 - Subsidy				6,751	
AMP 13 - SAL 4 - Subsidy				9,192	
AMP 14 - SAL 5 - Subsidy				11,665	
AMP 15 - SAL 6 - Subsidy				10,449	
Allocation Fund				91,376	
THA SUBTOTAL				2,209,795	
Hillside Terrace 1 through 1500				2,216	Tax Credit Projects - billable
Salishan I - through Salishan 6				3,147	
Salishan Association - Operations				11,852	
TAX CREDIT SUBTOTAL (Operations - billable)				17,214	2,227,009
Section 8 Checking Account (HAP Payments)					
SRO/HCV/TBRA/VASH/FUP/NED	Check #'s	480,160	- 480,365	317,145	
	ACH	50,472	- 51,749	2,164,841	\$ 2,481,986
Payroll & Payroll Fees - ADP					\$ 729,581
Other Wire Transfers					
Local Funds Semi-Annual Bond Payment - Heritage				-	
Return SCO Overdraw to HUD				31,529	\$ 31,529
TOTAL DISBURSEMENTS					\$ 5,470,105



TACOMA HOUSING AUTHORITY

Date: November 20, 2013

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 2013 disbursement report for your approval.

The Finance Department is submitting the financial statement for the month of September, 2013.

THA continues to remain in good financial shape considering the reduced funding we are receiving from HUD, along with Meth coverage ending under our insurance policy. At the end of September's reporting period, THA's deficit for the month was \$380,800 on Line 68, and a YTD deficit of \$677,421. The main reason for this is regarding Section 8 HAP Income. At the end of September, HUD was holding approximately \$2.5 million in HAP funds owed to THA due to their cash management procedures. With the payoff of Salishan 7, we requested HUD pay THA the funds, which we received in October, and will be reflected in the October financial reports. These funds are included in the projected actual (line 3) column. This will allow THA to cover expenses by year end. Also, we have intentionally been dipping into reserves, and have not drawn down MTW expenditures from Capital funds to properly position ourselves for MTW cash at Year end. We will continue to monitor our cash position as we head towards year end, and it is our intention to draw down some of these funds if needed.

There are a number of categories that are experiencing variations from budget. Some of these are timing issues. In the community services area we are in the initial stages of implementation of our Youth asset building program. The majority of expenses will occur in the latter part of the year. Some are not significant budget amounts, where there may be a fairly large % variance with minimal dollar variances. Some expense areas are ones that we anticipated expenditures at a certain level, but will not reach. Very few of the expense line items are above budget, and none of those are significant. In the cases of certain grants, the income is based on a dollar for dollar match. In those areas where we have not utilized the grant at budgeted levels, the income side will also be affected. Below, I will address a few areas I would like to expound upon:

FINANCE DEPARTMENT MONTHLY REPORT

November 2013

Page 2

The following are major anomalies between budgeted and actual numbers.

- *Line 2 – Tenant Revenue* – This area remains difficult to project. The majority of the income consists of charges passed on to the tenant for both legal proceedings heading towards eviction, as well as significant damages (including Meth damage) at move out. The challenge with this increase is due to the type of charge, we will most likely not be able to collect these funds, and they will be written off.
- *Line 9 – Other Government Grants* – Included in this line item is approximately \$60K that we would be receiving for administering a type of Neighborhood Stabilization program with the city. We are just now in the implementation phase of that program, and may not reach budget by year end.
- *Line 11 – Fraud Recovery* – Income is based on income we collect from tenants unreported income agreements, and the budget is based on previous year's activity. We had reduced the budgeted amount at mid-year, but remain below our targeted amount.
- *Line 28 – Legal* – This category was adjusted at mid-year to reflect expenditures to date and anticipated needs. During the second half of the year, we will be incurring expenses for our Rental Assistance Demonstration (RAD) conversion, as well as costs for some of our pending development activities.
- *Line 32 – Administrative Contracts* - Even though we remain under budget at this point, it is anticipated this category will be close to being fully expended by year end. We are just now utilizing our MTW contract with John Seasholz and we had \$25K budgeted for Leadership training which we have yet to access. We engaged a search firm for the hiring of our Real Estate Development director and are working with a financial consultant to assist with our RAD conversion. Expenses will increase accordingly by the end of the year.
- *Lines 36-39 – Tenant Services* – Much of the variance has to do with timing. We are just getting our youth asset building function off the ground. There was funding for both the administration of the program and then funding of accounts that will either not be realized until later this year, or deferred until next year.
- *Lines 46 – 50 – Maintenance* – These costs will increase as the year goes on as we turn units that had been on hold due to Meth testing. There are also contracts such as exterior painting and window washing that we included in our mid-year Budget revision. Some of these mid-year requests will not be accomplished in 2013 and will be again requested in the 2014 budget. This category should not be fully utilized by year end.
- *Line 59 – Extraordinary Maintenance* – As this point, there are still minimal expenditures in this category, this will most likely change by year end, as unit repair costs due to Meth contamination that are not covered by insurance will be charged to this category. We are not yet sure of the overall impact by the end of the year, as it appears the number of contaminated units is higher than anticipated in the mid-year budget.
- *Line 60 – Casualty Loss* - The Year to date amount is higher than the projected actual amount. This is due to payments that have been made that have not been reimbursed by the insurance carrier. It is anticipated the final amount will be closer to the projected actual amount.

- *Lines 69 – 71 – Capital Items* - The amounts in these categories only reflect active projects that we have contracts on. In the budget, we have the purchase of New Look Apts., and the LASA development included. As we have not closed on LASA, and are still in the predevelopment phase of New Look, these amounts are not included in the projected actual category.

In our cash positions, we are including the commitment of funds passed by the Board in the September board meeting. These commitments along with designated Public Housing and Section 8 reserves, leaves us with minimal unobligated MTW cash levels. Due to the fact that even though funds are committed by the board, our MTW cash level is adequate, and keeps us from recapture even if HUD does not honor our commitments.

2. INVESTMENTS

Surplus funds are 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

In October, the Washington State auditors came out and completed the final portion (accountability) of the audit for 2012. There were a few minor issues that we are working through, but it is not anticipated that we will receive any findings. We will communicate with the Auditor's office to set up an exit conference with them.

4. BUDGETS

The cabinet is working diligently in the preparation of the 2014 budget. We have received direction from the Board to balance the budget to the 2013 Federal Funding level. We have also been tasked to come up with \$3 million of additional reductions in case Congress does not stop the additional sequester that will take effect on January 1. We are having continuous budget discussions to work out a thoughtful budget that allows us to continue moving forward during the continuing difficult budgetary climate. A board study session is scheduled on December 6th to discuss the 2014 budget. The budget will be presented to the Board at the December board meeting.

5. YEAR END CLOSING UPDATE

There is no update at this time.

**TACOMA HOUSING AUTHORITY
AGENCY WIDE**

	September, 2013				Thru 12/31/2013		
	CURRENT MTH ACTUAL	YEAR TO DATE ACTUAL	BUDGETED YTD	VARIANCE	PROJECTED ACTUAL	BUDGETED	VARIANCE
OPERATING RECEIPTS							
1 Tenant Revenue - Dwelling rent	274,498	2,565,120	2,669,143	-3.90%	3,420,160	3,558,857	-3.90%
2 Tenant Revenue - Other	5,093	60,361	44,150	36.72%	70,481	58,867	19.73%
3 HUD grant - Section 8 HAP reimburseme	2,428,791	23,245,049	25,296,466	-8.11%	33,485,738	33,728,621	-0.72%
4 HUD grant - Section 8 Admin fee earned	204,111	1,872,940	1,840,404	1.77%	2,377,253	2,453,872	-3.12%
5 HUD grant - Public Housing subsidy	167,766	1,690,814	1,605,368	5.32%	2,034,419	2,140,491	-4.96%
6 HUD grant - Community Services	11,252	88,396	105,738	-16.40%	117,861	140,984	-16.40%
7 HUD grant - Capital Fund Operating Reve	14,243	115,645	971,120	-88.09%	1,148,587	1,294,826	-11.29%
8 Management Fee Income	271,941	2,443,668	2,625,846	-6.94%	3,358,224	3,501,128	-4.08%
9 Other Government grants	9,066	122,979	181,074	-32.08%	155,379	241,432	-35.64%
10 Investment income	12,138	375,710	283,463	32.54%	391,920	377,950	3.70%
11 Fraud Recovery Income - Sec 8	4,990	19,208	22,500	-14.63%	25,611	30,000	-14.63%
12 Other Revenue- Developer Fee Income	0	379,743	327,150	16.08%	379,743	436,200	-12.94%
13 Other Revenue	44,521	483,597	604,946	-20.06%	644,796	806,594	-20.06%
14 TOTAL OPERATING RECEIPTS	3,448,410	33,463,230	36,577,367	-8.51%	47,610,172	48,769,822	-2.38%
OPERATING EXPENDITURES							
<i>Administrative Expenses</i>							
15 Administrative Salaries	352,017	3,154,826	3,343,676	-5.65%	4,467,130	4,458,235	0.20%
16 Administrative Personnel - Benefits	137,021	1,134,688	1,346,375	-15.72%	1,662,917	1,795,167	-7.37%
17 Audit Fees	2,823	52,534	53,207	-1.26%	70,942	70,942	0.00%
18 Management Fees	222,155	1,992,374	2,015,042	-1.12%	2,656,499	2,686,722	-1.12%
19 Rent	23,526	211,734	211,724	0.00%	282,312	282,299	0.00%
20 Advertising	0	4,181	13,988	-70.11%	5,575	18,650	-70.11%
21 Information Technology Expenses	16,080	136,723	207,170	-34.00%	242,297	276,227	-12.28%
22 Office Supplies	4,980	34,266	69,778	-50.89%	75,688	93,037	-18.65%
23 Publications & Memberships	1,383	37,103	40,699	-8.84%	49,471	54,265	-8.84%
24 Telephone	8,137	70,100	88,192	-20.51%	93,467	117,589	-20.51%
25 Postage	2,617	25,054	29,951	-16.35%	33,405	39,935	-16.35%
26 Leased Equipment & Repairs	11,422	60,700	48,251	25.80%	80,933	64,335	25.80%
27 Office Equipment Expensed	4,496	44,228	64,263	-31.18%	58,971	85,684	-31.18%
28 Legal	13,511	124,831	175,684	-28.95%	226,441	234,245	-3.33%
29 Local Milage	226	3,847	11,537	-66.66%	5,129	15,383	-66.66%
30 Staff Training/Out of Town travel	20,624	97,358	151,212	-35.61%	194,716	201,616	-3.42%
31 Administrative Contracts	13,044	190,877	446,933	-57.29%	554,503	595,910	-6.95%
32 Other administrative expenses	5,442	61,920	70,703	-12.42%	92,560	94,270	-1.81%
33 Due diligence - Perspective Development	4,395	180,376	273,750	-34.11%	240,501	365,000	-34.11%
34 Contingency	0	0	74,963	-100.00%	0	99,950	-100.00%
35 Total Administrative Expenses	843,899	7,617,720	8,737,096	-12.81%	11,093,458	11,649,461	-4.77%

		September, 2013				Thru 12/31/2013		
		CURRENT MTH ACTUAL	YEAR TO DATE ACTUAL	BUDGETED	VARIANCE	PROJECTED ACTUAL	BUDGETED	VARIANCE
	Tenant Service							
36	Tenant Service - Salaries	67,199	598,375	696,479	-14.09%	873,829	928,639	-5.90%
37	Tenant Service Personnel - Benefits	27,980	230,423	286,160	-19.48%	337,231	381,547	-11.61%
38	Relocation Costs	4,415	45,686	44,558	2.53%	60,915	59,410	2.53%
39	Tenant Service - Other	1,784	46,127	159,919	-71.16%	161,503	213,225	-24.26%
40	Total Tenant Services	101,378	920,611	1,187,116	-22.45%	1,433,477	1,582,821	-9.44%
	Project Utilities							
41	Water	9,298	93,155	90,983	2.39%	124,207	121,310	2.39%
42	Electricity	13,940	152,129	162,038	-6.11%	202,839	216,050	-6.11%
43	Gas	2,837	37,283	49,103	-24.07%	49,711	65,470	-24.07%
44	Sewer	29,345	287,424	270,094	6.42%	383,232	360,125	6.42%
45	Total Project Utilities	55,420	569,991	572,216	-0.39%	759,988	762,955	-0.39%
	Ordinary Maintenance & Operations							
46	Maintenance Salaries	56,601	409,887	468,336	-12.48%	620,898	624,448	-0.57%
47	Maintenance Personnel - Benefits	17,726	124,456	143,254	-13.12%	186,941	191,005	-2.13%
48	Maintenance Materials	19,183	162,792	198,150	-17.84%	252,056	264,200	-4.60%
49	Contract Maintenance	86,596	657,893	779,664	-15.62%	947,191	1,039,552	-8.88%
50	Total Routine Maintenance	180,106	1,355,028	1,589,404	-14.75%	2,007,086	2,119,205	-5.29%
	General Expenses							
51	Protective Services	10,410	113,693	111,675	1.81%	151,591	148,900	1.81%
52	Insurance	15,468	131,411	137,830	-4.66%	175,215	183,773	-4.66%
53	Other General Expense	78,925	812,870	842,805	-3.55%	1,083,827	1,123,740	-3.55%
54	Payment in Lieu of Taxes	1,199	10,789	10,846	-0.52%	14,385	14,461	-0.52%
55	Collection Loss	0	55,609	60,878	-8.66%	75,000	81,171	-7.60%
56	Interest Expense	16,890	486,202	480,565	1.17%	640,753	640,753	0.00%
57	Total General Expenses	122,892	1,610,574	1,644,599	-2.07%	2,140,770	2,192,798	-2.37%
58	TOTAL OPERATING EXPENSES	\$ 1,303,695	\$ 12,073,924	\$ 13,730,430		\$ 17,434,779	\$ 18,307,240	
	Nonroutine Expenditures							
59	Ext. Maint/Fac Imp/Gain/Loss Prop Sale	13,464	67,623	270,997	-75.05%	350,000	361,329	-3.14%
60	Casualty Losses	(38,941)	94,130	45,887	105.14%	60,000	61,182	-1.93%
61	Sec 8 HAP Payments	2,455,604	21,959,078	22,433,823	-2.12%	29,628,771	29,911,764	-0.95%
62	Total Nonroutine Expenditures	2,430,127	22,120,831	22,750,706	-2.77%	30,038,771	30,334,275	-0.97%
63	TOTAL EXPENDITURES	3,733,822	34,194,755	36,481,136	-6.27%	47,473,550	48,641,515	-2.40%
64	OPERATING SURPLUS/(DEFICIT)	(285,412)	(731,525)	96,230	-860.18%	136,623	128,307	6.48%
65	Debt Service Principal Payments	(100,244)	(369,065)	(419,065)	-11.93%	(539,844)	(558,753)	-3.38%
66	Surplus/Deficit Before Reserve Appropriations	(385,656)	(1,100,590)	(322,835)	240.91%	(403,221)	(430,446)	
67	Reserve Appropriations - Operations	4,856	423,169	325,681	29.93%	436,020	434,241	0.41%
68	Surplus/Deficit Before Capital Expenditures	(380,800)	(677,421)	2,846		32,799	3,795	
69	Revenue - Capital Grants	1,133,029	5,204,771	(9,354,048)	-155.64%	9,691,631	(12,472,064)	-177.71%
70	Capitalized Items/Development Projects	(1,138,052)	(5,708,549)	7,977,798	-171.56%	(10,393,338)	10,637,064	-197.71%
71	Reserve Appropriations - Capital	5,023	503,778	1,376,250	-63.39%	701,707	1,835,000	-61.76%
71	THA SURPLUS/(DEFICIT)	(380,800)	(677,421)	2,846		32,799	3,795	

TACOMA HOUSING AUTHORITY

CASH POSITION - October 2013

Account Name	Current Balance	Interest
HERITAGE BANK		
Accounts Payable	\$ 1,027,809	0.40%
Section 8 Checking	8,661,950	0.40%
THA Investment Pool	287	0.40%
THA LIPH Security Deposits	89,506	0.40%
THDG - Tacoma Housing Development Group	46,545	0.40%
LF - Stewart Court	29,475	0.40%
LF - Stewart Ct Security Deposit Account	9,738	0.40%
LF - SF 9Homes Alaska	89,755	0.40%
LF - SF 9Homes Alaska Sec Dep Acct	4,556	0.40%
LF - SFH No. Shirley	11,545	0.40%
LF - SFH N Shirley Security Deposit Acct	1,001	0.40%
LF - Wedgewood Homes	288	0.40%
Salishan 7	1,190,587	0.40%
Salishan 7 Security Deposit	25,785	0.40%
Salishan 7 Replacement Reserve	81,424	0.40%
Salishan 7 Operating Reserve	197,478	0.40%
Payroll Account	4,952	0.40%
General Fund Money Market	1,083,183	0.40%
IDA Account	16,175	0.40%
WASHINGTON STATE		
Investment Pool	\$ 1,625,540	0.12%
1. TOTAL THA CASH BALANCE	\$ 14,197,579	
Less:		
2. Total MTW Cash Balance	\$ 7,599,786	
<i>Less MTW Reserve Commitments</i>		
2.01 2nd Phase Hillside Terrace Redevelopment	\$ 2,420,000	
2.02 Renovation/Remodel of 2nd Floor of Admin Building	700,000	
2.03 Renovation/Remodel of Salishan FIC Building	300,000	
2.04 RAD Conversion Costs - Capital Contributions to Projects	1,000,000	
2.05 Software Conversion for Unsupported Software (VH)	600,000	
2.06 Education Projects - McCarver & Others	310,000	
2.07 Exigent Health & Safety Issues (Meth Remediation)	500,000	
2.10 Total Reserve Commitments	\$ 5,830,000	
<i>Add MTW Reserves Not Yet Received from HUD</i>		
2.11 Undisbursed CFP funds for RAD Conversion	1,000,000	
2.20 Total Undisbursed Reserves held by HUD	\$ 1,000,000	
<i>Less Minimum Operating Reserves</i>		
2.21 Public Housing AMP Reserves (4 months Operating Exp.)	1,130,000	
2.22 S8 Admin Reserves (3 months Operating Exp.)	726,000	
2.30 Total Minimum Operating Reserves	\$ 1,856,000	
3. MTW Cash Available (Lines 2 - 2.10 + 2.20 - 2.30)	\$ 913,786	

TACOMA HOUSING AUTHORITY

CASH POSITION - October 2013

4. Non MTW Cash

Other Restrictions:

4.01 FSS Escrows	\$	129,616		
4.02 VASH, FUP & NED HAP Reserves		203,262		
4.03 Mod Rehab Operating Reserves		168,490		
4.04 Security Deposit Accounts		129,085		
4.05 Salishan Sound Families - 608		141,126		
4.06 IDA Accounts - 604		16,175		
4.07 Gates Foundation - 612, 622 & 623		146,317		
4.08 WA Families Fund - 673, 674, 712, 713		54,438		
4.09 Wedgewood Replacement Reserve		803,889		
4.10 Bond Financed Single Family Homes Reserve		90,000		
4.11 Salishan 7 Reserves		703,902		
4.12 THDG - 048		46,545		

4.20 Total - Other Restrictions

\$ 2,632,846

Agency Liabilities:

4.30 Windstar Loan - 042		315,587		
4.40 Total - Agency Liabilities			\$	315,587
4.45 Development Draw Receipts for Pending Vendor Payments			\$	679,924
4.50 Development Advances/Due Diligence Commitments ¹			\$	26,866

5. Total Non MTW Cash Restrictions (Lines 4.20+4.40+4.50)

\$ 3,655,223

6. THA UNENCUMBERED (Non-MTW) CASH (Lines 1-2-5)

\$ 2,942,570

Agency Current Commitments:	Board Approval	Expended	Obligation Balance
LASA Development advance	\$ 425,000	\$ 439,800	\$ (14,800)
Salishan Campus (2012 exp plus 2013 budget)	\$ 167,840	\$ 126,174	\$ 41,666
¹ Total Current Commitments outstanding			\$ 26,866

Agency Advances that resulted in reduced amount of Unencumbered Cash (line 6)

LASA Development advance		\$ 439,800	
Hillside Terrace Redevlpmnt - HTF, HOME, CDBG and COT Funds		\$ 20,000	
Total Agency Advances		\$ 459,800	

REAL ESTATE MANAGEMENT
AND
HOUSING SERVICES



TACOMA HOUSING AUTHORITY

Date: November 20, 2013

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 2013. The high vacancy rate is attributable to THA's meth strategy.

OCCUPANCY SUMMARY REPORT					
PROGRAM	UNITS AVAILABLE	UNITS VACANT	UNITS OFFLINE	UNITS OCCUPIED	% MTH OCCUPIED
All Hillside	62	7	106	55	89.5%
Family Properties	206	27	0	169	91.4%
Salishan	631	55	1	576	89.5%
Senior/Disabled	353	34	4	319	94.7%
All Total	1,252	123	111	1,129	91.1%

1.2 Vacant Unit Turn:

On page three (3) there is a table with all of the units turned in fiscal year 2013. Forty Six (46) units were turned and rented in the month of October. The number of units doubled from the previous month (23). The average unit turn for the month of October was 148.04 days and 186.80 days FYTD. The average for the month increased due to the aged units coming on line. The FYTD has dropped from 212.10 from the previous month. 18 of the units that were turned in October had tested positive for meth and needed to be remediated.

As of November 6, 2013, 118 of the 260 units that have been tested for contamination have tested positive for methamphetamine. This is a 45% positive rate for the units that have been tested. THA implemented the home testing kits that are testing for contamination at the health-based contamination level. Of the 77 home tests that have been conducted since June 25, 2013, 21 or 27% have tested positive for contamination.

1.2.1 Vacant clean unit turn status

There are 21 vacant, clean units as of November 7, 2013. Of these units, 13 are rent ready, awaiting lease up. The remaining 8 are scheduled to be completed and ready to rent in the month of November. There were a total of 28 clean units turned in the month of October.

Out of the 28 clean units turned in October, the average turn days were 113.5. Please keep in mind that as the aged units come on line, we capture all of the vacant days from key to key. It is anticipated that we will continue to see the average turn days climb as a result of more aged units that are scheduled to be rented in the month November. We would anticipate that we would start to trend these numbers down in the month of December because most if not all aged vacant units will be housed.

In the month of October the average maintenance days to complete the put back work for units vacated in October was 12.5 days. October was our first month that THA staff did all of the unit turn process from paint, repairs and cleaning in all THA units. Leasing's average days for our clean units that were rent ready are 9.1 days. This is a 22 day average from key to key. Even though this is a small sample of units (5), it shows that we are improving. We will continue to refine our processes to ensure that we address and eliminate all wasted time in the process. We have created a process improvement project team that is tackling unit turn times for clean units. This is a cross-departmental team that is being led by Michael Elenko with help from THA maintenance, property managers and leasing staff.

Property management and Leasing continue to process applicants at a steady pace to ensure clients are ready for units as they become available. All units that are rent ready have files ready to lease up except for 2 units. They are 5 bedroom units in Salishan and these units are in their final phases of verification and should be filled by November 15th.

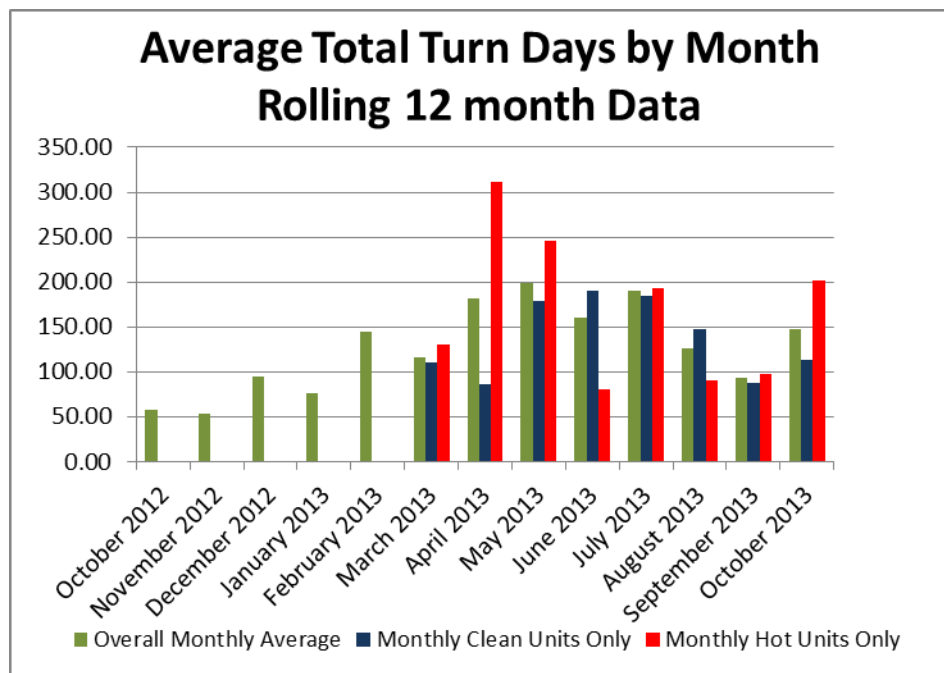
We will continue to work on strategies to help prevent the delay in obtaining qualified applicants to move into units that are ready to achieve our 20 day key to key unit turn goals. Our 2013 MTW plan included a deposit assistance program that could help qualified applicants overcome their barrier to lease up.

1.2.2 Contaminated unit turns

As of November 7, 2013 there were 86 vacant units in THA's portfolio. Of these units:

- 21 are not contaminated,
- 4 are awaiting testing,
- 20 are awaiting decontamination
- 9 are in remediation,
- 21 units are in Put-Back
- 11 have been completed by the contractor and are ready for occupancy.

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



1.3 *Work Orders*: In the month of October all emergency work orders were completed within 24 hours. This month, maintenance staff completed 234 non-emergency work orders and a total of 3,241 for the calendar year. The annual average number of days to complete a non-emergency work order is 12.48.

Work Order Summary by Portfolio For the Month of October, 2013

Completed Work Orders								
Portfolio	Emergency				Non-Emergency			
	Month	YTD			Month	YTD		
	# Completed	% Completed In 24 Hrs	# Completed	% Completed In 24 hrs (93% HUD Std)	# Completed	Avg Completion Days	# Completed	Avg Completion Days (25 days HUD Std)
All Hillside								
HILLSIDE TERRACE 1500 Block	0	0.0%	1	100.0%	7	17.43	108	2.94
HILLSIDE TERRACE PH I	0	0.0%	5	100.0%	5	0.20	124	1.59
HILLSIDE TERRACE PH II	0	0.0%	4	100.0%	7	0.71	158	2.04
	0	0.0%	10	100.0%	19	6.74	390	2.15
Family Properties								
ALL SCATTERED SITES	1	100.0%	3	100.0%	9	18.00	130	43.01
BERGERSON TERRACE	2	100.0%	10	100.0%	16	8.88	171	24.86
DIXON VILLAGE	0	0.0%	1	100.0%	18	22.56	107	22.09
STEWART COURT APARTMENTS	0	0.0%	4	100.0%	7	10.71	127	14.65
	3	100.0%	18	100.0%	50	15.70	535	26.29
Salishan								
SALISHAN I	1	100.0%	8	75.0%	16	16.44	247	11.79
SALISHAN II	1	100.0%	6	83.3%	17	32.12	328	13.50
SALISHAN III	2	100.0%	14	100.0%	21	34.10	243	13.89
SALISHAN IV	2	100.0%	11	100.0%	15	19.53	214	15.14
SALISHAN V	1	100.0%	4	100.0%	30	26.57	272	10.28
SALISHAN VI	1	100.0%	6	83.3%	33	13.88	253	10.08
SALISHAN VII	1	100.0%	10	100.0%	13	17.69	210	12.19
	9	100.0%	59	93.2%	145	22.78	1,767	12.37
Senior / Disabled Properties								
6TH AVE	1	100.0%	9	100.0%	5	12.00	102	7.14
E.B. WILSON	1	100.0%	24	100.0%	4	30.25	127	4.09
FAWCETT APARTMENTS	3	100.0%	8	100.0%	0		54	8.78
LUDWIG APARTMENTS	9	100.0%	11	100.0%	2	3.00	65	4.78
NORTH G ST	0	0.0%	7	100.0%	2	52.00	66	11.97
NORTH K ST	2	100.0%	9	100.0%	5	6.20	56	9.14
WRIGHT AVE	0	0.0%	13	92.3%	2	54.00	79	4.48
	16	100.0%	81	98.8%	20	21.50	549	6.72
Agency Totals:	28	100.0%	168	97.0%	234	19.85	3,241	12.48

Open Work Order Summary by Portfolio For the Month of October, 2013

		Emergency		Non Emergency		
Portfolio		Opened Emergency WO	Days Open	Open Non- Emergency WO	< 25 Days	>25 Days
All Hillside						
HT1	HILLSIDE TERRACE PH 1	0	0	1	0	1
HT1500	HILLSIDE TERRACE 1500 Block	0	0	0	0	0
HT2	HILLSIDE TERRACE PH II	0	0	2	0	2
		0	0	3	0	3
Family Properties						
020	BERGERSON TERRACE	2	0	3	2	1
022	LOW RENT SCATTERED SITES (19)	1	0	0	0	0
023	DIXON VILLAGE	0	0	1	1	0
045	STEWART COURT APARTMENTS	0	0	0	0	0
		3	0	4	3	1
Salishan						
SAL1	SALISHAN ONE LLC (PH)	1	0	31	19	12
SAL2	SALISHAN TWO LLC (S8)	1	0	27	14	13
SAL3	SALISHAN THREE LLC (PH)	2	0	20	11	9
SAL4	SALISHAN FOUR LLC (S8)	2	0	21	7	14
SAL5	SALISHAN V LLC (PH)	2	0	31	14	17
SAL6	SALISHAN SIX LLC (PH)	1	0	29	16	13
SAL7	SALISHAN SEVEN	1	0	26	8	18
		10	0	185	89	96
Senior / Disabled Properties						
006	NORTH K ST	3	2	18	8	10
008	E.B. WILSON	1	0	29	13	16
009	FAWCETT APARTMENTS	3	0	14	3	11
010	WRIGHT AVE	0	0	20	5	15
012	LUDWIG APARTMENTS	10	24	43	33	10
013	NORTH G ST	0	0	18	10	8
014	6TH AVE	1	0	31	18	13
		18	26	173	90	83
Agency Totals:		31	26	365	182	183

2. RENTAL ASSISTANCE DIVISION

Housing Choice Voucher utilization is reported at 98% for the month of October 2013. The Leasing Department has discontinued holding briefings as we puzzle through our plan to fill the projected budget deficit for 2014.

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)	145	126	8 shoppers 11 referrals needed
Non-Elderly Disabled Vouchers (NED)	100	97 (including 21 port outs)	3 referrals pending
Family Unification Program (FUP)	50	40	5 shoppers and 5 referrals needed
McCarver Program	50	44	

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

All referrals have improved over the last couple of months. We have worked closely with our partners to ensure we have our vouchers utilized.

REAL ESTATE

DEVELOPMENT



TACOMA HOUSING AUTHORITY

DATE: November 20, 2013

TO: THA Board of Commissioners

FROM: Tina Hansen
Interim 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 Board approved the general Master Plan Concept at its June 2012 meeting.

Staff met with representatives from The Alford Group to review the results of the Philanthropic Market Assessment. THA is considering the various options and information provided and over the next several months will determine the next step.

1.1.2 *Area 3 Lot Sales*

Two of the models built by D.R. Horton opened on October 15; the others will open by the end of the month. To date, interest has been high.

2. Salishan other

1.2.1 *Salishan Storm Sewer Rebate*

Staff has been working with the City of Tacoma Environmental Services Department over the past two years to reduce the City's storm sewer charges in Salishan. THA seeks a reduction because under a Storm Water Agreement with the City the Salishan Association is responsible for the maintenance of the City's storm water system in Salishan. The COT collects storm water fees from all Salishan property owners whose dues support the Association. We are pleased to report that the City has agreed to pay the Association a "rebate" equal to approximately 30% of the storm water fees collected yearly from the property owners. This money will go directly to the Salishan Association to assist with the maintenance of the system.

2. PUBLIC HOUSING PROJECTS

2.1 1800/2500 Hillside Terrace

2.1.1 *Summary of Project Activities.*

The Hillside Terrace Phase I project is progressing according to budget and schedule.

2.1.2 *Financing.*

Staff has begun studying options for the Phase II financing.

2.1.3 *Procurement.*

No Report

2.1.4 *Architecture.*

No report

2.1.5 *Construction.*

The Owner, Architect and Contractor (OAC) construction meetings are held weekly at the site.

Site work;

Site work is currently 51% complete. The current work includes franchise utility services, installing perimeter drains and backfilling near the building foundations.

Phase-I Vertical Construction;

Building A (mid-rise): Housing is currently 30% complete. The current work includes post tensioning the parking structure deck and first and second floor framing.

Buildings B – F: Housing is currently 30% complete. All foundations are poured and crews are framing the structures.

Right of Way (ROW)/ Utilities: Work is 70% complete. The main area of focus is installation of permanent power to the three single family homes owned by others. The bulk of the remaining ROW work will be completed after the first of the year.

Community Center; the community center is 38% complete. Crews are concentrating on completing the exterior finishings and interior rough-in work.

2.1.6 *Community Meetings.*

The Construction Oversight Committee continues to meet on the second Wednesday of each month.

Below is a summary of the outreach goals for the project.

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

	GOAL	PREVIOUS ACTUAL	ACTUAL AS OF 10-9-13
MBE	14%	9.31%	9.31%
WBE	8%	12.13%	12.13%
Section 3 Business	10%	12.05%	12.05%
Section 3 New Hires	30%	47%	55%
Apprenticeship	15%	8.73%	9.34%

Below is the EEO Status of the project:

Target Business

MBE/Section 3	2 African American/Black
MBE/Section 3	1 Hispanic/Latino
WBE	2 Caucasian
WBE/Section 3	1 Caucasian
Section 3	1 Caucasian

Section 3 Hiring

African American/Black	9 workers
Hispanic/Latino	1 workers
Caucasian	2 workers

3. OTHER PROJECTS

4.1 *Neighborhood Stabilization Program (NSP 1)*

THA has received a full price offer on the last house under the NSP program. Closing occurred in early November. THA will be returning the balance of the funds to the City of Tacoma.

4.2 *AG Program*

THA was awarded \$970,000 from the City of Tacoma to continue the foreclosure work through the AG Program. The City received additional funding through the Attorney General's office. The contract between the City of Tacoma and THA is

now executed and staff has started to look for houses. THA purchased its first home, 6607 E K Street in early November. The project will go out to bid shortly. THA has a pending offers on 3918 S Thompson (short sale) and 4836 S K Street (foreclosure).

4.3 *LASA Supportive Housing Project*

On the housing side, this project is funded by the Housing Trust Fund, Pierce County 2163, City of Lakewood and a THA loan of about \$275,000 (pending approval by the THA Board in November). On the LASA Office/Client Service Center side the project is funded by Pierce County CDBG & 2163 funds, City of Lakewood CDBG, a Section 108 loan from the City of Lakewood, private grants, and LASA equity. AN LLLP will own the housing portion of the project. The LLLP will be comprised of THA as the General Partner and LASA as the Limited Partner. The building will be condominiumized. Bids were returned on October 23rd. A total of five bids were received; one bid came in late and was not included. The low bidder is Pavilion Construction NW. Included in the board packet is a resolution to award the bid to Pavilion Construction. The project will be separated into two construction contracts, one for the housing and one for the office/client service center due to the separate funding and condo structure. The total is \$3,343,223, exclusive of owner contingency and sales tax. Due to the switch from the Columbia Bank loan to the Section 108 loan closing has been delayed to early December. Also included in the board packet is a resolution approving the financing structure and authorizing the executive director to execute the documents associated with the closing.

Estimated Project Schedule

Begin relocation activities	July 2013 Completed
Submit for Building Permit	September 2013 Completed
Issue ITB for Contractor	October 2013 Completed
Award Contractor Contract	November 2013
Financial closing	December 2013
Construction Start	January 2014
Complete Construction	September 2014

4.4 *Stewart Court*

The sale of the property was completed the first week in November.

4.5 *902 South L Street 2nd Floor Tenant Improvement*

This project continues to be on hold pending THA's 2014 budget. The updated estimate of \$700,000 which includes furniture, moving expenses and new data lines was included in the September MTW funding resolution, which was approved by the Board.

4.6 *Construction Management Services for the City of Tacoma*

Tacoma Community Redevelopment Authority (TCRA) issued an RFP for

Construction Management Services (CMS) for three of their programs; Single Family Homeowner Occupied Rehab, Single Family Blight Abatement and Multi-family Development. THA is being considered as one of the providers for this service.

5. DEVELOPMENT PIPELINE PROJECTS

5.1 *Intergenerational Housing at Hillsdale Heights*

In November staff forwarded a revised Letter of Intent (LOI) to Lease or Purchase Real Property to Many Lights Foundation (MLF). The revised LOI states the possibility that THA may enter into discussions with MLF to be the housing project developer or Many Lights development consultant.

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

Staff received the fully executed Purchase & Sale Agreement from the City. Staff is beginning to plan for due-diligence activities to assess the feasibility of the project.

5.3 *New Look Apartments/Alberta Canada Building Acquisition*

THA received the Purchase and Sale Agreement executed by MLKHDA on September 9. THA has 90 days, until December 9, to conduct its feasibility studies. Staff is finally in receipt of many of the due diligence items that MLKHDA delayed in providing. Tatley Grund has completed the testing to determine the extent of water damage in the building. There is not any structural damage that needs to be repaired immediately. Within the next 5-7 years there are a number of items that will need to be addressed. The Asset Management Committee is reviewing the report and deciding how to proceed with the repairs. THA Staff has completed a walkthrough of the units.

6. M/WBE CONTRACT COMPLIANCE and SECTION 3 HIRING

6.1 As of October 8, 2013, 12 of 22 new hires at the Hillside Terrace Revitalization Project are Section 3 Hires. M/WBE, and Section 3 goals for said project are provided in Section 2.1.10 of this report.

7. PHAS INDICATOR FOR MODERNIZATION ACTIVITIES

The following are the schedules as of November 4, 2013 for THA's obligation and expenditure of the public housing capital funds it receives from HUD.

<u>Grant</u>	<u>Total Grant</u>	<u>Obligation Start Date</u>	<u>Obligated</u>	<u>% Obligated</u>	<u>Obligation Deadline</u>	<u>Expended</u>	<u>% Expended</u>	<u>Expended Deadline</u>
2010 CFP	\$2,345,627	7/15/10	\$2,345,627	100%	7/14/12	\$1,251,417	53%	7/14/14
2010 CFP (1 st R)	\$1,216,978	7/15/10	\$1,216,978	100%	7/14/12	\$1,216,978	100%	7/14/14
2011 CFP	\$1,721,353	8/3/11	\$1,721,353	100%	8/2/13	\$232,955	14%	8/2/15
2011 CFP (1 st R)	\$736,455	8/3/11	\$736,455	100%	8/2/13	\$736,455	100%	8/2/15

November 2013 Board of Commissioners Meeting
REAL ESTATE DEVELOPMENT DEPARTMENT MONTHLY REPORT
Page 6

2011 CFP (2 nd R)	\$549,895	8/3/11	\$549,895	100%	8/2/13	\$501,201	91%	8/2/15
CFCF**	\$1,881,652	8/3/11	\$1,848,952	98%	8/2/13	\$1,094,686	58%	8/2/15
2012 CFP	\$1,593,197	3/12/12	\$91,157.00	5%	3/11/14	\$0	0%	3/11/16
2012 CFP (1 st R)	\$1,026,290	3/12/12	\$1,026,290	100%	3/11/14	\$393,413	38%	3/11/16
2012 CFP (2 nd R)	\$128,701	3/12/12	\$128,701	100%	3/11/14	\$0	0%	3/11/16
2013 CFP	\$1,319,864	9/9/13	\$0	0%	9/8/15	\$0	0%	9/8/17
2013 CFP (1 st R)	\$322,158	9/9/13	\$0	0%	9/18/15	\$0	0%	9/8/17
2013 CFP (2 nd R)	\$1,015,495	9/9/13	\$0	0%	9/18/15	\$0	0%	9/8/17

** Capital Fund Community Facilities Grant (Note: 98% is acceptable to HUD to be obligated by this date. The remaining 2% of the funds are budgeted for computer equipment.)

COMMUNITY SERVICES



TACOMA HOUSING AUTHORITY

DATE: November 20, 2013

TO: THA Board of Commissioners

FROM: Greg Claycamp
Community Services

RE: Monthly Board Report

STRATEGIC OBJECTIVE: HOUSING AND SUPPORTIVE SERVICES

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

1. 2013 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 2013.

Director's Comment: In the 10.23.13 Report, we identified a set of expectations to better define, evaluate and communicate Community Services' work. A number of points to clarify or improve were identified in the body of that report. Some but not all are addressed this month. As a management team, we have been highly focused on the 2014 draft Department budget, and upon how Community Services best serves THA and our client households as the agency undertakes some large transitions. We have identified the following points of guidance as we align with these transitions.

- Funding for Community Services' programs should be stable and sustainable. Direct services provided in **Special Projects** should be funded by external grants and contracts, and **General Services** that rely heavily on MTW funds should demonstrably result in timely, sustained exits from subsidized housing, and in unit cost reductions reported by REMHS.
- Community Service staff providing direct services should routinely participate in evaluating current programs and remodeling CS.
- Other THA Departments and Board should participate in remodeling CS.
- Client voice should be prominent in identifying services and outcomes that are meaningful and successfully engage THA households.

- CS' staff and programs should be better integrated with REMHS, and with the staff and programs of other community providers.

Special Projects

The McCarver Project and Scholarship Incentive Program are innovative Special Projects that build communities larger than THA and necessarily engage THA in vital partnerships. They may implement best practices developed elsewhere, or develop new best practices that are models for others to emulate.

THA's long-term investment in Special Projects should primarily be in the form of housing subsidies. These subsidies should leverage financial and operational commitments from community partners. When THA provides direct services within Special Projects, this case work should be funded by external grants and contracts.

In early November, the CS Management Team began meeting monthly with our Grant Writer to routinely evaluate our program priorities and budget needs: task research into potential funding sources; and aggressively apply for more diverse external funding. Our goal is to externally fund staff, operations and administrative costs for all Special Projects, with no reliance on MTW. We also seek to increase the overall percentage of CS' operational budget that is externally funded.

General Services

General Services to THA households should secure external grants where practical, but rely much more heavily on MTW funds. Outcomes should be measurable and directly relevant to increasing household stability and income. The service model should be cost effective in securing these outcomes: and should not duplicate services already available in the community.

The service model should also be directly linked to creating efficiencies with REMHS, and reducing unit costs reported by that department. Successful redirections from termination; reductions in general maintenance and turn costs; and positive impacts on methamphetamine mitigations are possible examples of financially measurable impacts.

At present, CS' programs tend to provide intensive services to small client caseloads. In some programs, we have difficulty case finding, although THA provides a large potential client base. The effort to establish meaningful measurable outcomes and the cost effectiveness of our services is ongoing. A thorough examination of why we have difficulty recruiting households to some programs has not yet been undertaken, but it is worth observing that we are generally the passive recipients of referrals from REMHS, and could do more to proactively identify households. For example, CS could be routinely monitoring delinquent rents and reaching out to those households.

As we adopt more consistent practices and streamline documentation, there is probably some room to increase caseload size within current staffing. There may also be a necessary cultural shift, acknowledging that more households can be supported with less intensity without negatively impacting outcomes.

We can also increase staffing and capacity at relatively modest cost by incorporating Peer Advocacy within our model. For THA CS, Peer Advocates will be persons who have recently successfully transitioned from subsidized to market-rate housing; have maintained housing stability and increased income through stable employment. Peer Advocates can be successful in engaging households who are otherwise reluctant to accept support, and offer expertise in resource navigation that is only gained through direct experience.

In October, we submitted our first Letter of Intent requesting grant funding to pilot Peer Advocacy within Community Services.

In September and October, the CS Director met individually with all Case Work and Management staff. As a team, there is enthusiasm to remodel, and to expand collaboration within THA and the community at large. We have a diverse, talented and receptive team that is doing good work now and wants to up the game.

1.1 Employment

Manager's Comment – Mary Syslo: The first soft skills training for all work-able residents was held in October with 5 people attending. There are 11 people signed up for the class in November.

Grants and contracts that provide funding for the department include the 2011 ROSS Service Coordinator grant, the 2012 PH FSS and 2012 HCV FSS grants. Contracts with employment requirements are the Community Services and CDBG contracts with the City of Tacoma. The department goal for residents entering apprenticeships, work study, community jobs and internships is a struggle to meet due to lack of availability within the community of these opportunities.

Activities	Oct. 2013	YTD 2013	Annual Goal	% of Goal
Clients referred for employment services	14	224	130	172%
Clients who received employment services	35	291	120	243%
Clients enrolled in employment readiness soft skills workshops	10	59	80	74%
Clients completed employment readiness soft skills workshops	10	40	50	80%
Enrolled in job readiness training	7	25	20	125%
Job placement	7	84	45	187%
WorkSource Participants Assisted	13	129	100	129%
Entered Apprenticeship	0	0	3	0%
Work Study/Community Jobs/Internships	0	12	30	40%
Earned Income Increased	2	60	35	171%

Average annual increase in earned income in 2012	\$2761.61
--	-----------

1.2 Education

1.2.1 Adult Education Programs

Activities	Oct. 2013	YTD 2013	Annual Goal	% of Goal
Participating in ESL classes	0	17	15	113%
Completes one or more ESL levels	0	1	5	20%
Adults enrolled in education program	4	26	25	104%
Adults complete education program	0	5	10	50%
Participants attending GED classes	16	163	200	82%
Completes one or more GED tests	3	17	25	68%
Attains GED	2	14	15	93%
FAFSA applications completed	1	8	10	0%

Manager's Comment – Metesa Greene: The goal # for enrolled and completed adult education program as I believe these #s were transposed originally and are now corrected.

1.2.2 McCarver Special Housing Program

Manager's Comment – Michael Power: THA's McCarver Elementary School Housing Program seeks to stabilize McCarver Elementary, a low-income school in Tacoma's Hilltop neighborhood. As of October 2013, 43 McCarver families are enrolled in the Program. Rental subsidies for participating families will decrease to zero over the five years of the McCarver Program. Each year, all families will pay an additional 20% of their rent and THA will subsidize the balance. Participating families receive intensive case management services and assistance to help the parents improve their education and employment prospects.

Activities	Baseline 2010-2011	2011-2012
Turnover rate at McCarver Elementary	107%	96.6%
Turnover among Program students	n/a	4.5%
Turnover among other McCarver students	n/a	114.2%

Director's Comment: Of the 44 families currently participating, 17 are able to pay 40% of their rent, with rent not exceeding 30% of total household income. 29 households are able to pay 40% of total rent, with rent not exceeding 50% of household income. 14 households remain unable to pay 20% of total rent, with rent not exceeding 30% of income.

The desired outcome is for all participating households to be able to pay 100% of rent at graduation from the program, with rent not to exceed 30% of household income. Stagnant or slowly rising incomes for some households are therefore a significant concern. This concern is highlighted by the fact that 34% of households still cannot comfortably pay 20% of total rent.

We are reviewing all households to identify what circumstances contribute to the successes and challenges encountered in adequately increasing income to meet annual benchmarks.

Activities	Oct. 2013	YTD 2013	Annual Goal	% of Goal
Families participating	44	50	50	100%
Families able to pay 20% of their rent (46 of 46)	29	29	44	66%
Families able to pay 40% or their rent (46 of 46)	17	17	43	40%
Average school attendance rate	94%	94%	93%	101%
Reduction in referrals for discipline*	n/a	n/a	25%	n/a
% students increase scores on district reading test (K-5)	22%	22%	20%	110%
% students increase scores on district math test (K-5)**	n/a	n/a	20%	n/a
Average increase in state reading test (Gr. 3-5)	24%	24%	20%	120%
Increase in average state math test (Gr. 3-5)***	-16%	-16%	18%	-89%

Manager's Comment – Michael Power:

*We are working with the school district to establish a procedure to get discipline data from their new data system.

** We have not received the math data from the school district.

*** As of the end of the 2011-2012 school year there were few data on standardized tests of math to analyze and compare. We had math scores on only 15 McCarver Program students as of the most recent program evaluation. This number of students is too small to warrant comparisons or further statistical analysis. We anticipate having more robust data in the 2012-2013 evaluation report which was received at the end of October and is being reviewed.

Activities	Baseline Fall 2011	At End of October 2013
Average annual household income	\$5232	\$15,960
Employed	7	31
Enrolled in Training Programs	2	4

Director's Comment: In the future, we will also report median household income for McCarver participants. There are two very successful households participating, with relatively high annual incomes of \$50,000 and \$76,500. These incomes are not representative of McCarver households generally, and skew average in a small sample. The current median income for McCarver participants is \$11,892.

Manager's Comment – Michael Power:

Extended Learning for McCarver Program Children

This month our partner Peace Community Center began a free after-school tutoring program funded by their 21st Century grant from the U.S. Department of Education.. The grant also pays for transportation which removes a major barrier for our families. 16 McCarver Program children are participating in the PCC program. They were selected as needed the additional help in their school work.

1.3 Housing Opportunities Program (HOP)

Manager's Comment – Mary Syslo: HOP briefings have stopped until the questions regarding the 2014 budget are resolved. Community Services continues to work with HOP residents in job search and completing their five year goal plan. Thirteen individuals who signed up for Community Services at the time of their briefing did not use their subsidy and let it expire or decided to stay in public housing. The disparity in the number of attendees who sign up for Community Services and the number who actually receive services has not yet been surveyed. Anecdotally, some households who express an initial interest in employment may find that are not ready, becoming focused on stabilizing in housing or immobilized by other challenges.

Community Services will be sending information annually to the HOP households who are not receiving services reminding them of the help available. We will track changes in annual incomes by accessing client records in Visual Homes.

Activities	Oct. 2013	YTD 2013	Annual Goal	% of Goal
HOP orientations	1	19	n/a	n/a
Work-able attendees	8	242	120	202%
Attendees requesting CS	12	184	120	153%
Work-able attendees housed	10	90	120	75%
Participants receiving CS	3	39	60	65%

1.4 Families in Transition (FIT)

Manager's Comment – Mary Syslo: 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

in housing at Salishan or Hillside Terrace. In order to be admitted to the program, applicants must agree to participate in FIT case management.

	WFF/Sound Families		Hillside Terrace		Tax Credit	
Total Current Caseload	22		2		3	
	Oct. 2013	YTD 2013	Oct. 2013	YTD 2013	Oct. 2013	YTD 2013
Entrances	2	15	1	4	0	0
Graduations	0	2	0	0	0	1
Exits	1	1	0	0	0	0
Terminations	0	5	0	2	0	0

1.5 Case Staffing

Manager's Comment – Mary Syslo: 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.

Caseworkers are currently working with 9 families who were referred for services earlier this past summer. All 9 families will successfully complete the improvement plans they entered into with the caseworker.

Activities	Oct. 2013	YTD 2013	Annual Goal 2013
Number of households referred for services	2	19	27
Number of successful completions (eviction averted)	4	6	12
Number terminated	2	4	n/a

1.6 MTW Hardship Exemption Casework

Manager's Comment – Mary Syslo: 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 case management for failure to participate. If a hardship exemption household is terminated from case management, CS staff notifies the appropriate REMHS staff. REMHS staff then terminates the exemption and the household is required to pay the full rent amount determined by MTW.

Activities	Oct. 2013	YTD 2013	Annual Goal 2013
Number of households referred for services	3	26	10
Number of successful completions	2	5	8
Number terminated	0	2	n/a

1.7 Preparing for Success

Manager's Comment – Mary Syslo: 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	Oct. 2013	YTD 2013	Annual Goal	% of Goal
Second year cohort 2012 completed	0	12	15	80%
Third year cohort 2013 enrolled	0	28	25	112%
Third year cohort 2013 completed	2	2	15	13%

1.8 Family Self-Sufficiency Program

Manager's Comment – Mary Syslo: The THA Family Self-Sufficiency (FSS) program is a five year employment and savings incentive program funded by HUD and the City of Tacoma. The new pay point system that was implemented in January has significantly reduced the amount of time caseworkers were spending on calculating escrow for their clients. They now have more time to provide direct services to their clients.

Status	Oct. 2013	YTD 2013	Annual Goal	% of Goal
Current Participants	103	124	153	81%
Graduates	1	9	17	53%
Removed/Voluntarily Withdrawn	0	11	n/a	n/a
New Contracts Signed	2	28	55	51%
Escrow Balance	\$111,242.91			

1.9 Life Skills and Parenting Classes

Manager's Comment – Mary Syslo: THA contracts with Bates Technical College to provide Life Skills classes and parenting support for Families in Transition participants. The first parenting class started in the middle of September and has gotten off to a good start. There are 5 Russian-speaking participants so we are providing an interpreter to help these parents participate fully in the class.

Activities	Oct. 2013	YTD 2013	Annual Goal	% of Goal
Life Skills Enrollment	0	21	20	105%
Life Skills Completion	0	15	10	150%
Parenting Enrollment	0	37	75	49%
Parenting Completion	12	18	65	28%

1.10 Senior and Disabled Services

Manager's Comment – Mary Syslo: THA's Senior and Disabled Services Program Specialist works closely with Property Management to identify residents who could benefit from her services.

Activities	Oct. 2013	YTD 2013	Annual Goal	% of Goal
Unduplicated client contacts	23	305	260	117%
Referrals	12	50	50	100%
Unduplicated situation/wellness counseling	21	117	140	84%
Assistance with correspondence for Entitlement Programs	7	14	40	35%

1.11 Asset Building

Manager's Comment – Metesa Greene: 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	Oct. 2013	YTD 2013	Annual Goal	% of Goal
Financial Education Enrollment	14	65	80	81%
Financial Education Completion	12	56	40	140%
Homebuyers Education Referral	0	7	50	14%
Credit Counseling Enrollment	0	0	15	0%
Credit Counseling Completion	0	0	5	0%
Homeownership Pre-Purchase Counseling	0	1	10	10%
Homeownership Post-Purchase Counseling	6	39	30	130%
Individual Development Account Participants Enrolled	3	7	11	64%
Individual Development Account Counseling (other than homeownership)	1	15	28	54%
Qualified Withdrawals	1	7	7	100%
Home Purchase	0	1	4	25%
Other Asset Purchases	1	7	3	233%
VITA Tax Returns for THA clients	0	33	40	83%
EITC Received (PH only)	0	11	20	55%
Tax Returns for all clients served at VITA Site	0	192	200	96%

1.12 Computer Labs

Manager's Comment – Michael Power: THA has community computer labs at Bergerson Terrace and Hillside Terrace. For several years THA has partnered with Northwest Leadership Foundation to receive AmeriCorps volunteers to run tutoring and community support programs at the labs. Due to budget cuts from the AmeriCorps program, NLF cannot provide us with volunteers this year. This month we hired two part-time temporary After School Program Coordinators to provide afterschool tutoring, youth leadership, and adult access to the computers. We will monitor this program closely to see if it fits our needs.

Activities	Oct. 2013	YTD 2013	Annual Goal	% of Goal
Computer Lab Participation (cumulative visits)	120	512	1200	43%

1.13 Youth Activities

Manager's Comment – Michael Power: Write@253 completed their second year of youth tutoring in Salishan in June. They served 21 children this school year. They are scheduled to bring this year's program in November.

Eighteen McCarver Program children are part of the McCarver Elementary Peacemakers program. This youth leadership group works with other students and community partners on projects such as the Zina Linnik (McCarver Park) project, community gardens, and the annual Hilltop Play in Peace Day.

Activities	Oct. 2013	YTD 2013	Annual Goal	% of Goal
Youth tutoring	16	115	10	1150%
Summer youth programming	0	219	40	548%
Youth leadership mentoring	18	18	45	40%

NEW BUSINESS

RESOLUTION #1



TACOMA HOUSING AUTHORITY

RESOLUTION 2013-11-20 (1)

Date: November 20, 2013
To: THA Board of Commissioners
From: Michael Mirra
Executive Director
Re: General Contractor Selection for Prairie Oaks

Background

On October 3, 2013 THA issued an Invitation to Bid (ITB) for a general contractor to construct the Prairie Oaks project in Lakewood that THA is developing with LASA. This project is a 15 unit permanent supportive housing project for homeless families and a new office and client service center for LASA.

The ITB was posted on the Blue Book, the Washington Electronic Business Solutions, and THA's websites, as well as the Tacoma News Tribune and the Puyallup Herald.

A pre-bid conference was held on October 9, 2013. The Project Manager reviewed the scope of work and the bidding process at the conference. Six (6) firms attended the conference. Questions were answered via one Addendum.

Four (4) responsive proposals were submitted by the deadline, October 23, 2013. One bid came in late and was deemed non-responsive. At the bid opening, CDK appeared to be the low bidder. Upon further review the base bid amount submitted by Pavilion Construction did not match the sub-total on the bid breakdown page. THA requested clarification from the bidder, Pavilion Construction. Written confirmation from the company's president, Brian Gerritz, verifies that the base bid amount was \$3,343,223 and a clerical error was made on page 4 of the bid form when they incorrectly entered the bid price amount including taxes (\$3,657,486). The bid form indicated that the amount was to be without taxes.

Per THA's Procurement Policy Paragraph 8.7.6 Mistakes in Bids, "(b) THA may, in its sole discretion, permit a bidder to correct a bid after a bid opening only if the bidder can show by clear and convincing evidence that (i) a mistake was made, (ii) what the nature of the mistake was; and (iii) the bid price actually intended."

Therefore, the low bidder for the Prairie Oaks project is now Pavilion Construction NW in the amount of \$3,343,223, before taxes. Staff recommends awarding the contract to Pavilion Construction.

In compliance with THA's Procurement Policy Paragraph 8.7.6 Mistakes in Bids, "(d) All decisions to allow correction or withdrawal of bid mistakes shall be supported by a written

determination signed by the Contracting officer...” a written determination was documented and signed by Michael Mirra the Contracting officer.

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

Company	Base Bid	Deductive Bid Alt. #1	Deductive Bid Alt. #2	Deductive Bid Alt. #3	Deductive Bid Alt. #4	Responsive- Responsible Y / N
Pavilion Construction NW	\$3,343,223	\$36,000	\$14,000	\$7,000	\$1,800	Y
CDK	\$3,372,000	\$130,900	\$22,650	\$11,650	\$3,050	Y
Neely Construction	\$3,785,000	\$125,000	\$15,000	\$12,000	\$3,000	Y
Washington Patriot Construction	\$3,850,000	\$162,000	\$27,311	\$6,011	\$3,072	Y
Stetz Construction						N

Pavilion Construction is headquartered in Portland Oregon. They have offices in nine (9) states, including Washington. They have done work for other housing authorities, particularly in Texas and New Mexico. They have experience in a wide range of construction projects including rehabilitation, mixed use new construction, senior buildings, light commercial, condominiums & townhouses, and HUD financed properties.

THA will be executing one contract with two separate and distinct Schedules of Values to track the office/client service center and housing projects. The sources of funds for the housing contract are WA State Housing Trust Fund, City of Lakewood HOME, Pierce County 2163 and THA. The sources of funds for the office contract are Pierce County 2163, Pierce County CDBG, City of Lakewood CDBG and a Section 108 loan. The contract amount is \$3,927,491 including owner contingency and sales tax on materials.

Recommendation

Approve Resolution 2013-11-20(1) authorizing the Executive Director to award 4 Construction Contract for Prairie Oaks in the bid amount of \$3,343,223 with a not to exceed amount of \$3,927,491 including contingency and sales tax on materials to Pavilion Construction NW.



TACOMA HOUSING AUTHORITY

RESOLUTION 2013-11-20 (1) General Contractor Selection for Prairie Oaks

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

Whereas, On October 3, 2013 THA issued an Invitation to Bid (ITB) for construction of Prairie Oaks a 15-unit permanent supportive housing project for the homeless and new office and client service center for LASA located at 8954-60 Gravelly Lake Drive SW, Lakewood;

Whereas, The ITB was posted in the Blue Book, Washington Electronic Business Solutions and on THA's website and The Tacoma News Tribune and Puyallup Herald;

Whereas, Four firms (4) submitted responsible and responsive bids by the deadline of October 23, 2013;

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

Company	Base Bid	Deductive Bid Alt. #1	Deductive Bid Alt. #2	Deductive Bid Alt. #3	Deductive Bid Alt. #4	Responsive-Responsible Y / N
Pavilion Construction NW	\$3,343,223	\$36,000	\$14,000	\$7,000	\$1,800	Y
CDK	\$3,372,000	\$130,900	\$22,650	\$11,650	\$3,050	Y
Neely Construction	\$3,785,000	\$125,000	\$15,000	\$12,000	\$3,000	Y
Washington Patriot Construction	\$3,850,000	\$162,000	\$27,311	\$6,011	\$3,072	Y

Whereas, Staff determined the lowest responsive and responsible bidder is Pavilion Construction NW.;

Whereas, Total financing for the work is from a variety of funding sources including WA State Housing Trust Fund, HOME, 2163 and THA for the housing portion and CDBG, 2163 and Section 108 for the office/client service center;

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

The Executive Director is authorized to negotiate and award a Construction Contract for Prairie

Oaks in the bid amount of \$3,343,223 with a not to exceed amount of \$3,927,491 including contingency and sales tax on materials to Pavilion Construction NW.

Approved: November 20, 2013

Greg Mowat, Chairman

CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Executive Director of the Housing Authority of the City of Tacoma (the “Authority”) and keeper of the records of the Authority, CERTIFY:

1. That the attached Resolution No. 2013-11-20(1) (the “Resolution”) is a true and correct copy of the resolution of the Board of Commissioners of the Authority as adopted at a meeting of the Authority held on the 20th day of November, 2013, and duly recorded in the minute books of the Authority.

2. That such meeting was duly convened and held in all respects in accordance with law, and, to the extent required by law, due and proper notice of such meeting was given; that a quorum was present throughout the meeting and a majority of the members of the Board of Commissioners of the Authority present at the meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 20th day of November , 2013.

Michael Mirra Executive Director of the Authority

RESOLUTION #2
This is a walk on Resolution