



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS

BOARD PACKET

September 25, 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, September 25, 2013

The Board of Commissioners of the Housing Authority of the City of Tacoma will hold their Board Regular Meeting on **Wednesday, September 25, 2013 at 4:45 PM**

The meeting will be held at:

**902 South L. 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 September 20, 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



REVISED

TACOMA HOUSING AUTHORITY

**AGENDA
REGULAR MEETING
BOARD OF COMMISSIONERS
September 25, 4:45 PM
902 South L. Street**

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING**
 - 3.1 Minutes of August 28, 2013 – Annual Meeting
 - 3.2 Minutes of August 28, 2013 – Regular Session
- 4. GUEST COMMENTS**
- 5. COMMITTEE REPORTS**
- 6. COMMENTS FROM THE EXECUTIVE DIRECTOR;**
- 7. RAD DISCUSSION**

We will resume the discussion began at the September 13th study session about the proposal likely headed to the board in October to apply to HUD to convert THA's public housing units to Section 8 units – the Rental Assistance Demonstration (RAD) conversion.
- 8. ADMINISTRATION REPORTS**
 - 8.1 Finance
 - 8.2 Real Estate Management and Housing Services
 - 8.3 Real Estate Development
 - 8.4 Community Services
 - 7.5 Administration
- 9. NEW BUSINESS**
 - 8.1 2013-9-25 (1), 2014 Moving to Work Plan
 - 8.2 2013-9-25 (2), Authorization to Support the Puget Sound Council's "Growing Transit Communities Compact"
 - 8.3 2013-9-25 (3), Project-based Voucher Renewal, New Look Apartments
 - 8.4 2013-9-25 (4), Project-based Voucher Renewal, Hillside Gardens
 - 8.5 2013-9-25 (5), Credit Card Policy
 - 8.6 2013-9-25 (6), MTW Reserve Commitment
 - 8.7 ~~2013-9-25 (7), RAD Physical Condition Assessment Contractor~~ **(Withdrawn)**
 - 8.8 2013-9-25 (8), Purchase and Sale Agreement, 1120 & 1124 MLK Jr. Way
 - 8.9 2013-9-25 (9), Many Lights Foundation Memoranda of Understanding and Letter of Intent to Lease or Purchase Real Property **(WALK-ON)**
 - 8.10 2013-9-25 (10), Resolution Approving an Interlocal Cooperative Agreement with KCHA about Procurement of an Evaluator of Education Initiatives
- 10. COMMENTS FROM THE COMMISSIONERS**
- 11. EXECUTIVE SESSION (if any)**
- 12. ADJOURNMENT**

MEETING MINUTES



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES ANNUAL SESSION WEDNESDAY, August 28, 2013

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at 1724 East 44th Street, Tacoma, WA at 4:45 PM on Wednesday, August 28, 2013.

1. CALL TO ORDER

Chair Flauding called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:47 PM.

2. ROLL CALL

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

PRESENT

ABSENT

Commissioners

Janis Flauding, Chair

Greg Mowat, Vice Chair

Arthur C. Banks

Stanley Rumbaugh, Commissioner (arrived at 5 PM)

Rose Lincoln Hamilton

Staff

Michael Mirra, Executive Director

Christine Wilson, Executive Administrator

Duane Strom, Finance and Administration

April Davis, REMHS Director

Tina Hansen, Interim RED Director

Todd Craven, Administration Director

Chair Flauding declared there was a quorum present @ 4:48 and proceeded.

3. DESIGNATED EXECUTIVE DIRECTOR TO BE TEMPORARY CHAIRPERSON

Chair Flauding called for a motion to designate Executive Director Mirra to be temporary Chairperson for the nomination of chair. Motion made by Vice Chair Mowat and seconded by Commissioner Lincoln Hamilton.

Upon roll call, the vote was as follows:

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

Motion approved.

4. NOMINATIONS FOR CHAIRPERSON

Temporary Chair Mirra called for nominations for the office of Chair of the board of Commissioners. Commissioner Flauding nominated Commissioner Mowat to serve as Chair. Commissioner Lincoln Hamilton seconded the motion.

Upon roll call, the vote was as follows:

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

Motion approved.

5. EXECUTIVE DIRECTOR MIRRA RETURNS CHAIR TO CHAIRPERSON

Executive Director Mirra turned the chair over to Chair Mowat.

6. NOMINATIONS AND VOTE FOR VICE CHAIR

Chair Mowat called for nominations for the office of Vice Chair for the coming year. Commissioner Flauding nominated Commissioner Rumbaugh to serve as Vice Chair. Commissioner Lincoln Hamilton seconded the motion.

Upon roll call, the vote was as follows:

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

Motion carried

7. REMARKS FROM THE NEWLY ELECTED OFFICERS AND EXECUTIVE DIRECTOR

Chair Mowat thanked the Board for their confidence. Executive Director Mirra extended thanks to the Commissioners for their service.

8. APPOINTMENT TO STANDING COMMITTEES

Chair Mowat stated committee assignments would stand as follows:

Finance Committee – Commissioner Lincoln Hamilton
Real Estate Development Committee – Commissioner Rumbaugh
Citizen Oversight Committee – Commissioner Banks

9. BY-LAW REVIEW AND RECOMMENDATION

Recommendations for amendments to the by-laws will be presented under new business.

10. COMMISSIONER ANNUAL CERTIFICATION

In accordance with section 5.4 of the By-laws, the Board Secretary, Executive Director Mirra, acknowledged receipt from all Commissioners of certification of whether any conflict of interest occurred during the prior calendar year. No conflicts exist in the reported year 2012-2013.

11. ADJOURNMENT

There being no further business to conduct at the Board of Commissioners Annual Meeting, Chair Mowat moved to adjourn, Commissioner Flauding seconded the motion. All votes were in favor of adjournment.

The Board of Commissioners Annual Reorganization meeting adjourned at 4:59 PM.

APPROVED AS CORRECT

Adopted: September 25, 2013

Greg Mowat, Chair



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, August 28, 2013

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at 1724 East 44th Street, Tacoma, WA at 4:45 PM on Wednesday, August 28, 2013.

1. CALL TO ORDER

Chair Flauding called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:47 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 5PM)

Arthur C. Banks, Commissioner

Janis Flauding, Commissioner

Rose Lincoln Hamilton, Commissioner

Staff

Michael Mirra, Executive Director

Christine Wilson, Executive Administrator

Duane Strom, Finance and Administration

April Davis, REMHS Director

Michael Power, Interim Community Services
Director

Tina Hansen, Interim RED Director

Todd Craven, Administration Director

Chair Mowatt declared there was a quorum present @ 4:48 and proceeded.

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Chair Mowat asked for any corrections to or discussion of minutes for the Regular Session of the Board of Commissioners for Wednesday, July 24, 2013. Commissioner Flauding moved to adopt the minutes, Commissioner Lincoln Hamilton seconded.

Upon roll call, the vote was as follows:

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

Motion approved.

4. GUEST COMMENTS

Hope Rehn addressed the board. She thanked THA for the ongoing work to eliminate illegal drug activity (meth) from her building. Four residents were removed from the building today; there are a total of 11 vacancies at Wright Street Apartments due to meth contamination. She said that THA's staff were doing a very good job. SAFE is doing well; a trip has been scheduled to Leavenworth in September. The board is considering a grant writing training opportunity to help fund board activities. The July picnic at People's Park was well attended. Ms. Rehn has requested THA re-review our policies and process for applicant background checks. She encouraged the board to adopt policies to better restrict those with drug and alcohol problems. She advocated THA to adopt drug testing policies. Director Black reminded the board about THA's current policies and screening criteria. Applicants with a such history can show their effective participation in drug treatment programs and perhaps get a second chance at housing. Changing this policy language is an option for the board. ED Mirra stated Ms. Rehn's comment is a good one; staff will continue to be diligent about reviewing applicants.

5. COMMITTEE REPORTS

Real Estate Development Committee – Commissioner Rumbaugh stated there was no meeting last month. He anticipates a meeting scheduled within the next two weeks.

Finance Committee – Chair Mowat provided his final report, there was no meeting this month.

Citizen Oversight Committee - none

6. ADMINISTRATIVE REPORTS

Executive Director

ED Mirra referred the board to his report and welcomed questions. He noted the one-page analysis he included with his board report showing how New Salishan, through its home purchasers, is repaying through increased property taxes the state and local funding that built it. Chair Mowat requested a summary report from DR Horton of the construction progress in Area 3.

Finance

Duane Strom, Finance Manager reported for Director Shalik and directed the board to the finance report. THA is in good financial shape. Commissioner Lincoln Hamilton asked about our reserve levels and the potential of a federal sweep of those reserves. ED Mirra noted that concern and reported that a resolution in September will seek to protect those reserves by committing them to specific purposes. He summarized what we know thus far about congressional budget deliberations. Duane reported that the state auditors completed the field work for both the Single Audit and financial portions of the audit without findings. The auditors will return later on in the year to complete the Accountability portion of the audit. The auditors exit conference is expected to take place sometime in November.

Commissioner Lincoln Hamilton moved to ratify the payment of cash disbursements totaling \$3,706,305 for the month of July, 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 introduced Frankie Johnson, Senior Property Manager at Salishan, and Rachel Drew, the new Salishan Association Manager. The Association has also advertised for a Community Builder position. The bedbug issue at G Street has been resolved as much as bed bugs can ever be completely controlled. Our contractor gave THA an all clear report. April reminded the board of the caution from our contractor that bed bugs are never fully conquered. Property Management will regularly schedule bedbug inspections of the buildings. Director Black thanked SAFE President Hope Rehn for a successful picnic and thanked Commissioner Flauding for organizing Salishan's annual National Night Out event. Commissioner Flauding thanked THA staff for their participation in the event. Director Black stated THA continues to address meth contaminated units. She stated she is confident in THA's meth policies. The Rental Assistance Department continues to issue HOP vouchers. ED Mirra was pleased to report THA has leased up all VASH vouchers. Vice Chair Rumbaugh inquired about the unit turns. Director Black summarized the schedule to get the problem addressed.

Real Estate Development

Interim Director Hansen directed the board to her report. There will be a walk-on resolution next month for RAD physical needs assessment. The LASA project is ready to go to the permitting phase. The New Look Apartments is awaiting MLKHDA to return the purchase and sale agreement. DR Horton is working to purchase 16 lots from Quadrant to add to the 143 lots D.R. Horton purchased from THA. She will schedule a

DR Horton presentation at an upcoming BOC meeting. The Brown Star Grill purchase and sale agreement will come to the board next month. ED Mirra stated the city is issuing two RFP's for construction management services and inspection services. These two RFP's may be a good fit for THA and a chance for THA to earn money.

Community Services

Interim Director Power directed the board to his report. Retired Director Vignec prepared the report prior to her departure. He reviewed the Community Services grant funded programs. He reported that Workforce Central is working closely with McCarver families to prepare them with employment skills training. Summer youth activity programs have gone very well. Salishan recently hosted an event in partnership with Communities in Schools and distributed 300 backpacks.

7. OLD BUSINESS

None.

8. NEW BUSINESS

8.1 RESOLUTION 2013-8-28 (1), AMENDMENT TO CONTRACT FOR CARPET AND VINYL REPLACEMENT

Whereas, Tacoma Housing Authority procured for carpet and vinyl replacement in January 18, 2011;

Whereas, The contracts were signed in February 11, 2011 and was for a duration of one (1) years with an option for three (3) one year extensions;

Whereas, The current contract term with American, Drapery, Blinds and Carpet has expired and THA is exercising its option to extend the contract one additional year, making the new expiration date of July 31, 2014;

Whereas, The current contract with American, Drapery, Blinds and Carpet cannot exceed \$100,000;

Whereas, The accumulative budget from services rendered are exceeding the \$100,000 limit authorized by the Executive Director;

Whereas, Current and future carpet and vinyl replacement are and will be required for unit turns when a tenant moves out on all THA properties, and

Whereas, The amended contracts will be for an amount Not-to-Exceed \$250,000.00;

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

1. The Executive Director be authorized to amend the existing Carpet and Vinyl Replacement contract with American Drapery, Blind and Carpet to increase the contract value to \$250,000 and extend the contract term to July 31, 2014.

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

Upon roll call, the vote was as follows:

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

Motion Approved: August 28, 2013

Greg Mowat, Chairman

8.2 RESOLUTION 2013-8-28 (2), AUTHORIZED SIGNERS FOR FINANCIAL INSTITUTION ACCOUNTS

Whereas, The Board selects its chair and vice chair at its annual meeting. When these Board officers change, THA needs a resolution changing the authorized signatures for its accounts at its various financial institutions;

Whereas, This resolution does that and replaces Resolution 2011-8-24(4), which had authorized previous offices as signers; and

Whereas, The Board of Commissioners needs to formally authorize the financial institutions and the authorized signers on the accounts.

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

The funds of THA are hereby authorized by the laws of the State of Washington and the regulations of the Department of Housing and Urban Development to be utilized, held and invested and that said funds may be deposited with any or all of the following institutions:

BANK OF AMERICA
HERITAGE BANK
KEY BANK
J.P. MORGAN CHASE BANK
U.S. BANK
THE BANK OF NEW YORK MELLON TRUST CO.
WASHINGTON STATE INVESTMENT POOL

Or such other institutions as may be found to provide the highest interest rate.

Be it further resolved that any of the below designated individuals are authorized to enter into any and all transactions relating to the above mentioned institutions as they exist now or may be created in the future upon signature of any two (2) of the following designated individuals:

Greg Mowat	Chairman _____
Stanley Rumbaugh	Vice Chair _____
Michael Mirra	Executive Director _____
Kenneth Shalik	Director of Finance _____
Duane Strom	Finance Manager _____

Be it further resolved that this resolution replaces any and all previous resolutions designating authorized financial institutions and signers.

Be it further resolved that the authorized signers acknowledge and accept Heritage Bank's policy of accepting any check with one authorized signature.

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

Upon roll call, the vote was as follows:

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

Motion Approved: August 28, 2013

Greg Mowat, Chairman

8.3 RESOLUTION 2013-8-28(3), ADOPTION OF THE LOSS OF THE POLICY FOR REPORTING LOSS OF FUNDS OR PROPERTY

Whereas, state law (RCW 43.09.185) requires the Authority to report known and suspected loss of public resources or other illegal activity to State Auditor's Office (SAO); and

Whereas, state law (RCW 42.56.590) requires the Authority to notify all individuals whose personal information was potentially disclosed through a breach of security or data loss; and

Whereas, the attached draft policies governing the reporting of loss of funds or property would help the Authority comply with these state laws; and

Whereas, the Authority intends to distribute and train all employees on the Reporting Loss of Funds or Property policies.

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

The Board adopts the “Reporting Loss of Funds or Property” policy in substantially the form set forth in the attached draft, allowing for changes to format and procedures, and other changes pursuant to THA Policy G-01 on the Adoption, Amendment and Promulgation of Policies.

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

Upon roll call, the vote was as follows:

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

Motion Approved: August 28, 2013

Greg Mowat Chairman

8.4 RESOLUTION 2013-08-28 (4), AMENDING THA’s By-Laws

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

Whereas, the Board’s annual meeting is a good time to review its by-laws for any changes that may be appropriate;

Whereas, THA’s attorneys have suggested the changes set forth in the attached redlined draft;

Whereas, these changes help make the by-laws still more useful and appropriately flexible;

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

1. the by-laws of the THA board are amended as set forth in the substance of the attached redlined draft.

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

Upon roll call, the vote was as follows:

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

Motion Approved: August 28, 2013

Greg Mowat, Chairman

9. COMMENTS FROM COMMISSIONERS

Commissioner Flauding thanked the board for their confidence electing her chair of the board for the past two years. She also thanked Chair Mowat for serving as Vice Chair and stepping in to assist her along the way. The board thanked Commissioner Flauding for her willingness to serve as chair.

10. EXECUTIVE SESSION

11. ADJOURNMENT

There being no further business to conduct the meeting ended at 6:25PM.

APPROVED AS CORRECT

Adopted: September 25, 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: September 16, 2013

Re: Executive Director's Report

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

1. TEN RESOLUTIONS: A Record!

Staff are set to present ten (10) resolutions for the board's considerations in September:

2013-9-25 (1), 2014 Moving to Work Plan

2013-9-25 (2), Authorization to Support the Puget Sound Council's "Growing Transit Communities Compact"

2013-9-25 (3), Project-based Voucher Renewal, New Look Apartments

2013-9-25 (4), Project-based Voucher Renewal, Hillside Gardens

2013-9-25 (5), Credit Card Policy

2013-9-25 (6), MTW Reserve Commitment

2013-9-25 (7), RAD Physical Condition Assessment Contractor (WALK-ON)

2013-9-25 (8), Purchase and Sale Agreement, 1120 & 1124 MLK Jr. Way

2013-9-25 (9), Many Lights Foundation Memoranda of Understanding and Letter of Intent to Lease or Purchase Real Property (WALK-ON)

2013-9-25 (10), Resolution Approving an Interlocal Cooperative Agreement with KCHA about Procurement of an Evaluator of Education Initiatives

I mention this for two reasons. **First**, the lists of resolutions emphasizes the importance of the meeting. I thank the commissioners in advance for the brisk attention the meeting will require of them. **Second**, the list shows the pace of the work at THA. Staff are indeed busy.

2. STRATEGIC PLANNING

In part because of the press of work, we have reset the schedule for our continuing strategic planning. I attach the project outline and schedule. We now expect to present the board in October with proposed baselines and targets for each of the performance measures the board chose in February. Thank you for your patience.

3. MISCELLANEOUS

I attach a sweet letter of thanks THA received from Mr. M.. Mr. M. and his family received our rental assistance. More importantly, they took full advantage of our FSS program and the assistance of our talented caseworker, Mariya Yakimenko. Here is Mariya's account of this family's efforts, and inspiring success:

"I.M., wife D., & two daughters came to United States back in 2000. They came to United States from Siberia, Russia with very little. They had a lot of barriers such as; financial instability, language barrier, & lack of resources. Luckily I's sister in law was a Hope VI resident and she pointed them in our direction. After they got section 8 they were referred to THA FSS program and enrolled in FSS program. They started to learn English at TCH, they completed all ESL levels and transferred to Tacoma Community College. I. majored in Information Technology Engineering, his wife D major was accounting. Both reached their goals and got associates in their majors. Igor had a work study at TCC and showed his skills and talent and was hired immediately after he finished his degree. At the same time D. was hired as an accountant. The elder daughter is currently completing her masters in journalism & the younger daughter is a UW student completing her BA degree. This family has worked very hard to achieve their goals & dreams. They were section 8 participants and FSS family. They completed all their goals even before their 5 year FSS contract ended. I. graduated from FSS program with a large check which helped use this money for down payment assistance. They purchased their own house & moved out of section 8 assistance. I'm very proud of my client's success. I always strive to work above & beyond to help my clients achieve their dreams the best I can. I do so by managing their goals, showing them the right directions to take with all the resources available & helping them overcome all barriers that came in their path. Here at Community Services Department we work hard and hope to have all of our clients have these kinds of success stories."

-Mariya Yakimenko
THA FSS Caseworker



Tacoma Housing Authority
Project Database
PROJECT OUTLINE

Project Number: EX-2008-21

Project: STRATEGIC PLANNING PROCESS DESIGN AND INITIAL IMPLEMENTATION

Date: September 16, 2013

Deadline: January 31, 2014

Project Manager: Michael Mirra

Task or Objective	Who	Deadline	Status
1. MISSION STATEMENT AMENDMENTS AND STRATEGIC OBJECTIVES	M. Mirra	4/25/2011	Closed
1.1 Draft proposed amendments for circulation	M. Mirra	9/30/2008	Closed
1.2 Board Chair approval of draft	M. Mirra	12/31/2008	Closed !
1.3 Post proposed amendments on the shadow drive	M. Mirra	10/1/2008	Closed
1.4 Post in staff newsletter	M. Mirra	10/10/2008	Closed
1.5 Request to Cabinet to convene department discussions	M. Mirra	10/7/2008	Closed
1.6 Department Staff Discussions of Proposed Amendments	M. Mirra	12/8/2008	Closed
1.6.1 Finance	K. Shalik	12/3/2008	Closed
1.6.2 Real Estate Development	J. Rice+	11/9/2008	Closed
1.6.3 Real Estate Management	R. Sowerby+	11/9/2008	Closed
1.6.4 Community Services	M. Fait+	11/9/2008	Closed
1.6.5 Human Resources	B. Tanbara	12/1/2008	Closed
1.7 Cabinet Review	M. Mirra	12/8/2008	Closed
1.8 Board Approval Of Statements of Vision and Mission and Strategic Objectives	M. Mirra	12/31/2008	Closed
1.8.1 Proposal in Board packet	M. Mirra	12/8/2008	Closed
1.8.2 Board approval	M. Mirra	12/17/2008	Closed !

Project: STRATEGIC PLANNING PROCESS DESIGN AND INITIAL IMPLEMENTATION
Date: September 16, 2013
Deadline: January 31, 2014
Project Manager: Michael Mirra

Task or Objective		Who	Deadline	Status
1.9 Publish Amended Statements of Vision, Mission and Values, and Strategic Objectives		C. Wilson	5/1/2009	Closed
1.9.1	Email to all staff	M. Mirra	12/31/2008	Closed
1.9.2	Share drive	M. Mirra	1/16/2009	Closed
1.9.3	Desk Manuals	T. Craven	2/27/2009	Closed
1.9.4	Post at THA properties	C. Wilson	5/1/2009	Closed
1.9.5	Web site	M. Mirra	1/16/2009	Closed
1.9.6	Send to Community Partners	N. Vignec	12/31/2008	Closed
1.9.7	Send to Media	M. Mirra	1/2/2009	Closed
2. MODIFY PROJECT DATA BASE DESIGN		M. Mirra	1/28/2009	Closed
3. PRELIMINARY DISCUSSIONS, CONSULTATIONS AND ENVIRONMENTAL SCAN		M. Mirra	10/1/2011	Closed
3.1	General	M. Mirra	10/1/2011	Closed
3.2	Design Survey Tool	M. Mirra	6/21/2011	Closed
3.3 Arrange Staff Participation		M. Mirra	8/8/2011	Closed
3.3.1	Email to Staff to Sign Up for Committee Work	M. Mirra	6/23/2011	Closed
3.3.2	Email Invitation to Staff to Take Survey	M. Mirra	6/23/2011	Closed
Monkey Survey				
3.3.3	Convene Committees	M. Mirra	8/1/2011	Closed
3.4 Community Consultation		M. Mirra	9/15/2011	Closed
3.4.1	Compile List of Community Partners to Consult	M. Mirra	6/6/2011	Closed
Monkey				
3.4.2	Email Community Invitation to Take Survey	M. Mirra	6/23/2011	Closed

Project: STRATEGIC PLANNING PROCESS DESIGN AND INITIAL IMPLEMENTATION
Date: September 16, 2013
Deadline: January 31, 2014
Project Manager: Michael Mirra

Task or Objective		Who	Deadline	Status
3.4.3	Close SurveyMonkey	M. Mirra	8/16/2011	Closed
4.	REVIEW STRATEGIC DIRECTIVES	M. Mirra	3/30/2013	Closed !
4.1	Draft Chart to Record Discussions	M. Mirra	2/16/2011	Closed
4.2	Cabinet Review of Vision Statement, Mission Statement and Strategic Objectives	M. Mirra	3/7/2011	Closed
4.3	Arrange for Consultant	M. Mirra	6/27/2011	Closed
4.4	General Discussion of Performance Measurement Techniques with Teams	M. Mirra	8/8/2011	Closed
4.5	Staff Draft Performance Measures for Strategic Objectives, Strategies and Performance Measures for Strategies	M. Mirra	1/31/2012	Closed
4.5.1	Housing and Supportive Services	N. Vignec	1/1/2012	Closed
4.5.2	Housing and Real Estate Development	W. Zisette+	1/31/2012	Closed
4.5.3	Creating Community	W. Zisette+	1/31/2012	Closed
4.5.4	Property Management	A. Black	1/1/2012	Closed
4.5.5	Financially Sustainable Operations	K. Shalik	10/31/2011	Closed
4.5.6	Environmental Responsibility	W. Zisette+	1/31/2012	Closed
4.5.7	Advocacy/Public Education	M. Mirra	10/31/2011	Closed
4.5.8	Administration	T. Craven	1/1/2012	Closed
4.6	Compile Drafts for Cabinet Review	M. Mirra	4/4/2012	Closed
4.7	Cabinet Review	M. Mirra	10/8/2012	Closed !
4.8	Executive Director Review and Approval	M. Mirra	10/8/2012	Closed !
4.9	Board Review	M. Mirra	3/30/2013	Closed !
4.9.1	Board Study Sessions	M. Mirra	2/1/2013	Closed

Project: STRATEGIC PLANNING PROCESS DESIGN AND INITIAL IMPLEMENTATION
Date: September 16, 2013
Deadline: January 31, 2014
Project Manager: Michael Mirra

Task or Objective	Who	Deadline	Status
4.9.2 Board Review and Adoption of Statements of Vision and Mission, Strategic Objectives, and Their Performance Measures	M. Mirra	2/28/2013	Closed !
5. DISTRIBUTE NEW STRATEGIC DIRECTIVES	M. Mirra	11/30/2013	Open
5.1 Post New Directives Around THA	C. Wilson	3/29/2013	Closed
5.2 Post New Directives on THA's Web Site and Intranet	C. Wilson	4/15/2013	Closed
5.3 To Media and Friends of THA List Serve	M. Mirra	11/30/2013	Open
5.4 Present Directives to Staff	M. Mirra	5/31/2013	Closed
5.4.1 All Staff Email	M. Mirra	5/31/2013	Closed
5.4.2 Present at All Staff Retreat	M. Mirra	4/24/2013	Closed
6. CHOOSE BASELINES AND TARGETS FOR PERFORMANCE MEASURES	M. Mirra	11/30/2013	Open
6.1 Committees Proposals	M. Mirra	10/31/2013	Open
6.1.1 Housing and Supportive Services	G. Claycamp	10/31/2013	Open
(a) Convene first meeting	N. Vignec	6/19/2013	Closed
(b) Convene second meeting	N. Vignec	6/26/2013	Closed
6.1.2 Housing and Real Estate Development	T. Hansen	10/31/2013	Open
(a) Convene First Meeting	T. Hansen	10/31/2013	Open
(b) Convene 2nd meeting	T. Hansen	10/31/2013	Open
6.1.3 Property Management	A. Black	10/31/2013	Open
(a) Convene first meeting	A. Black	10/31/2013	Open
(b) Convene second committee meeting	A. Black	10/31/2013	Open
6.1.4 Financially Sustainable Operations	K. Shalik	10/31/2013	Open

Project: STRATEGIC PLANNING PROCESS DESIGN AND INITIAL IMPLEMENTATION
Date: September 16, 2013
Deadline: January 31, 2014
Project Manager: Michael Mirra

	Task or Objective	Who	Deadline	Status
	(a) Convene Committee	K. Shalik	10/31/2013	Open
	(b) Convene Second Meeting	K. Shalik	10/31/2013	Open
6.1.5	Environmental Responsibility	T. Hansen	10/31/2013	Open
	(a) Convene first meeting	T. Hansen	10/31/2013	Open
	(b) Convene second meeting	T. Hansen	10/31/2013	Open
6.1.6	Advocacy and Public Education	M. Mirra	7/4/2013	Closed
	(a) Convene committee - first meeting and review performance measures and draft targets	M. Mirra	6/10/2013	Closed
	(b) Second committee meeting - preliminary choices of targets	M. Mirra	6/21/2013	Closed
	(c) Final committee meeting - choose targets	M. Mirra	6/28/2013	Closed !
6.1.7	Administration	T. Craven	7/4/2013	Closed
	(a) Convene first committee meeting	T. Craven	6/24/2013	Closed
	(b) Second committee meeting	T. Craven	7/1/2013	Closed
6.2	Cabinet Review	M. Mirra	10/31/2013	Open
6.3	Executive Director Review and Approval	M. Mirra	10/31/2013	Open !
6.4	Board Review and Approval	M. Mirra	11/30/2013	Open
7. DEVISE STRATEGIES AND THEIR PERFORMANCE MEASURES		M. Mirra	1/31/2014	Open
7.1	Committee Proposals	M. Mirra	1/31/2014	Open
7.2	Cabinet Review and Approval	M. Mirra	1/31/2014	Open
7.3	Executive Director Review and Approval	M. Mirra	1/31/2014	Open !
8. ENTER NEW DIRECTIVES INTO PROJECT DATA BASE		M. Mirra	1/31/2014	Open

Dear Tacoma Housing Authority staff,

Thank you very much for the hard work you are doing in the important job of helping people reach essential goals in their lives. Without your help, we would not have been able to become financially literate, and achieve financial stability, self-sufficiency, and success in education. We deeply appreciate the assistance and support we have received from THA in general and IDA program in particular. We would like to express special thanks to the director of CS Department of THA Nancy Vignec, the program manager Mary Syslo, the executive director Michael Mira, manager of Asset Building Programs Metesa Green, and the Caseworker and translator, Maria Yakimenko.

Thank you very much!

Sincerely,

FINANCE



TACOMA HOUSING AUTHORITY

Motion

Adopt a consent motion ratifying the payment of cash disbursements totaling \$7,734,793 for the month of August, 2013.

Approved: September 25, 2013

Greg Mowat, Chair

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

		Check Numbers				
		From	To	Amount	Totals	
A/P Checking Account						
Low Rent Module Checks	Check #'s	N/A	-	N/A	-	
Accounts Payable Checks	Check #'s	80,176	-	80,455		
Business Support Center				211,700	Program Support	
Moving To Work Support Center				28,590		
Section 8 Programs				31,225	Section 8 Operations	
SF Non-Assisted Housing - N. Shirley				9	Local Funds	
SF Non-Assist Housing - 9SF Homes				50,186		
Stewart Court				20,331		
Wedgewood				653		
Salishan 7				31,996		
Tacoma Housing Development Group				13,000	Development	
Hillsdale Heights				3,557		
Salishan Developer Fee				3,507		
Section 4 Capacity Grant - Dome District				11,322		
Salishan Area 3				2,096		
NSP Grant				192		
Development Activity				2,338		
Salishan Area 2B-Dev				6,944		
Hillside Terrace Development				263,569		
Hillside Terrace Community Ctr Development				130,040		
Hillside Terrace 2500 Court G Development				5,904		
Hillside Terrace 1800 Court G Development				6,164		
Hillside Terrace 2500 Yakima Development				730,013		
CS General Business Activities				5,000	Community Service	
Bea's Fund				4		
Weyerh. Homeless Grant				885		
Community Services MTW Fund				11,364		
Salishan Sound Family				26		
Paul G. Allen Foundation Grant				54		
Gates Scholar Incentive Grant				882		
Gates Ed Grant				559		
ROSS FSS Coord				25		
ROSS Svc Coord				662		
WA Families Fund				5,039		
City of Tacoma FSS Grant				1		
COT-CDBG-FSS Grant				3		
Pierce Co. 2163 Funds				23		
WA Families Fund - Systems Innovation				1,106		
AMP 1 - No K, So M, No G				26,022	Public Housing	
AMP 2 - Fawcett, Wright, 6th Ave				29,650		
AMP 3 - Lawrence, Orchard, Stevens				71,299		
AMP 4 - Hillside Terr - 1800/2500				12,385		
AMP 5 - Salishan Common Areas				393		
AMP 6 - Scattered Sites				19,772		
AMP 7 - HT 1 - Subsidy				15,696		
AMP 8 - HT 2 - Subsidy				3,916		
AMP 9 - HT 1500 - Subsidy				2,056		
AMP 10 - SAL 1 - Subsidy				9,994		
AMP 11 - SAL 2 - Subsidy				9,015		
AMP 12 - SAL 3 - Subsidy				6,982		
AMP 13 - SAL 4 - Subsidy				9,423		
AMP 14 - SAL 5 - Subsidy				11,897		
AMP 15 - SAL 6 - Subsidy				10,680		
Allocation Fund				83,026	Allocations-All Programs	
THA SUBTOTAL				1,901,175		
Hillside Terrace 1 through 1500				1,990	Tax Credit Projects - billable	
Salishan I - through Salishan 6				616		
Salishan Association - Operations				8,331		
TAX CREDIT SUBTOTAL (Operations - billable)				10,937	1,912,112	
Section 8 Checking Account (HAP Payments)						
SRO/HCV/TBRA/VASH/FUP/NED	Check #'s	479,657	-	479,922	417,608	
	ACH	47,990	-	49,223	2,127,260	
Payroll & Payroll Fees - ADP					\$ 447,917	
Other Wire Transfers						
Local Funds Semi-Annual Bond Payment - Heritage				-		
Payoff of Salishan Seven Debt - WCRA				2,829,896		
					\$ 2,829,896	
TOTAL DISBURSEMENTS					\$ 7,734,793	



TACOMA HOUSING AUTHORITY

Date: September 25, 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 August, 2013 disbursement report for your approval.

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

THA remains in good financial shape considering the reduced funding we are receiving from HUD based on sequestration, along with Meth coverage ending under our insurance policy. At the end of July's reporting period, THA had a YTD surplus of \$100,931 on Line 68 before Capital Expenditures. On Line 72, there is a projected surplus for the year based on current information of approximately \$99,667, as compared to a budgeted \$3,795 surplus.

Even with a mid-year revision, there are a number of areas that still have significant variances from budget. Some of these are timing issues, such as in the community services area, where we are in the initial stages of implementation of the asset-building program, with the majority of expenses coming in the latter part of the year. Some are not significant budget amounts, which would cause 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:

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. Based on the challenges of administering the program with our current Meth testing strategy, we will not be moving forward until later in the year.

- *Line 11 – Fraud Recovery* – This is an estimate based on previous year activity. This is based on unreported income we collect. As we have moved to bi-annual recertifications, this amount has slowed down. 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 are under budget at this point, it is anticipated this will be close to fully expending funds the end of the year. We have not utilized our MTW contract with John Seasholz yet, and we had \$25K budgeted for Leadership training which we have yet to access. We are engaging a search firm for the hiring of our Real Estate Development director, and just recently hired a financial consultant to assist with our RAD conversion.
- *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.
- *Line 59 – Extraordinary Maintenance* – As this point, there are still minimal expenditures in this category. This will change during the second part of the year, as we will charge our unit repair costs due to Meth contamination that are not covered by insurance to this category.
- *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.

The payoff of the Salishan 7 loan of approximately \$2.8 million to WCRA was accomplished on August 30th. This reduced our THA cash, as well as paid off a loan with a 7% interest rate, thereby saving the agency approximately \$200K in annual interest and debt service payments for the property. This transaction has reduced the MTW cash in our August cash position.

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 .15%.

3. AUDIT

The auditors have completed the fieldwork for both the Single Audit and Financial Statement audit without any findings. All steps have been completed and we have met the September 30th deadline for submitting the audited financial statements to HUD REAC. The auditors will be returning later on in the year (approximately October) to complete the Accountability audit.

4. BUDGETS

We are now in the preliminary stages of the 2014 Budget preparation. All initial paperwork has been submitted to the Departments for completion of 2014 requests. These requests are due back to Finance before the end of September.. As we have in the past, we will be taking our cues from both the Board and Michael on what to focus on in 2014. As budget discussions have stalled in Congress, it is not known what funding we will be receiving in 2014. We will continue to budget conservatively in anticipation of a Continuing Resolution which would keep funding levels at 2013 levels. We are also submitting to the Board in September a recommendation of commitment of MTW funds for future purposes. The intent of this request is to assist us in planning future funding commitments, and to identify needs for reserves to keep HUD from recapturing what they consider to be excess MTW reserves.

5. YEAR END CLOSING UPDATE

There is no update at this time.

**TACOMA HOUSING AUTHORITY
AGENCY WIDE**

	July, 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	237,665	2,001,329	2,076,000	-3.60%	3,430,850	3,558,857	-3.60%
2 Tenant Revenue - Other	5,053	50,240	34,339	46.31%	76,126	58,867	29.32%
3 HUD grant - Section 8 HAP reimburseme	2,473,586	18,336,455	19,675,029	-6.80%	33,685,738	33,728,621	-0.13%
4 HUD grant - Section 8 Admin fee earned	198,413	1,470,422	1,431,425	2.72%	2,400,723	2,453,872	-2.17%
5 HUD grant - Public Housing subsidy	182,612	1,340,355	1,248,620	7.35%	2,077,751	2,140,491	-2.93%
6 HUD grant - Community Services	9,901	62,860	82,241	-23.57%	107,760	140,984	-23.57%
7 HUD grant - Capital Fund Operating Reve	8,903	90,305	755,315	-88.04%	1,143,977	1,294,826	-11.65%
8 Management Fee Income	270,002	1,894,474	2,042,325	-7.24%	3,347,670	3,501,128	-4.38%
9 Other Government grants	10,326	101,048	140,835	-28.25%	154,812	241,432	-35.88%
10 Investment income	4,582	362,711	220,471	64.52%	388,161	377,950	2.70%
11 Fraud Recovery Income - Sec 8	1,267	9,683	17,500	-44.67%	16,599	30,000	-44.67%
12 Other Revenue- Developer Fee Income	0	379,743	254,450	49.24%	379,743	436,200	-12.94%
13 Other Revenue	86,650	365,260	470,513	-22.37%	626,160	806,594	-22.37%
14 TOTAL OPERATING RECEIPTS	3,488,960	26,464,885	28,449,063	-6.97%	47,836,071	48,769,822	-1.91%
OPERATING EXPENDITURES							
<i>Administrative Expenses</i>							
15 Administrative Salaries	319,390	2,318,341	2,600,637	-10.85%	4,505,490	4,458,235	1.06%
16 Administrative Personnel - Benefits	127,494	842,750	1,047,181	-19.52%	1,619,714	1,795,167	-9.77%
17 Audit Fees	21,821	45,029	41,383	8.81%	70,942	70,942	0.00%
18 Management Fees	219,574	1,543,700	1,567,255	-1.50%	2,646,343	2,686,722	-1.50%
19 Rent	23,526	164,682	164,674	0.00%	282,312	282,299	0.00%
20 Advertising	0	4,181	10,879	-61.57%	7,167	18,650	-61.57%
21 Information Technology Expenses	15,132	109,193	161,132	-32.23%	247,188	276,227	-10.51%
22 Office Supplies	5,218	27,012	54,272	-50.23%	76,306	93,037	-17.98%
23 Publications & Memberships	1,138	33,432	31,655	5.62%	57,312	54,265	5.62%
24 Telephone	5,684	55,933	68,594	-18.46%	95,885	117,589	-18.46%
25 Postage	3,344	18,998	23,295	-18.45%	32,568	39,935	-18.45%
26 Leased Equipment & Repairs	6,145	41,598	37,529	10.84%	71,311	64,335	10.84%
27 Office Equipment Expensed	2,357	28,685	49,982	-42.61%	49,174	85,684	-42.61%
28 Legal	6,115	91,109	136,643	-33.32%	216,187	234,245	-7.71%
29 Local Milage	300	3,452	8,973	-61.53%	5,918	15,383	-61.53%
30 Staff Training/Out of Town travel	9,096	68,841	117,609	-41.47%	177,020	201,616	-12.20%
31 Administrative Contracts	34,678	128,397	347,614	-63.06%	520,109	595,910	-12.72%
32 Other administrative expenses	3,788	48,166	54,991	-12.41%	92,570	94,270	-1.80%
33 Due diligence - Perspective Development	0	155,550	212,917	-26.94%	266,657	365,000	-26.94%
34 Contingency	0	0	58,304	-100.00%	0	99,950	-100.00%
35 Total Administrative Expenses	804,800	5,729,049	6,795,519	-15.69%	11,040,174	11,649,461	-5.23%

		July, 2013				Thru 12/31/2013		
		CURRENT MTH ACTUAL	YEAR TO DATE ACTUAL	BUDGETED	VARIANCE	PROJECTED ACTUAL	BUDGETED	VARIANCE
	Tenant Service							
36	Tenant Service - Salaries	60,689	435,279	541,706	-19.65%	883,375	928,639	-4.87%
37	Tenant Service Personnel - Benefits	14,168	165,705	222,569	-25.55%	314,066	381,547	-17.69%
38	Relocation Costs	5,750	36,661	34,656	5.79%	62,847	59,410	5.79%
39	Tenant Service - Other	10,176	42,354	124,381	-65.95%	172,607	213,225	-19.05%
40	Total Tenant Services	90,783	679,999	923,312	-26.35%	1,432,895	1,582,821	-9.47%
	Project Utilities							
41	Water	10,856	70,944	70,764	0.25%	121,618	121,310	0.25%
42	Electricity	16,618	125,492	126,029	-0.43%	215,129	216,050	-0.43%
43	Gas	4,078	32,037	38,191	-16.11%	54,921	65,470	-16.11%
44	Sewer	30,392	224,926	210,073	7.07%	385,587	360,125	7.07%
45	Total Project Utilities	61,944	453,399	445,057	1.87%	777,255	762,955	1.87%
	Ordinary Maintenance & Operations							
46	Maintenance Salaries	44,275	288,122	364,261	-20.90%	625,084	624,448	0.10%
47	Maintenance Personnel - Benefits	16,029	87,508	111,420	-21.46%	180,014	191,005	-5.75%
48	Maintenance Materials	15,117	117,085	154,117	-24.03%	250,717	264,200	-5.10%
49	Contract Maintenance	42,730	489,837	606,405	-19.22%	1,014,721	1,039,552	-2.39%
50	Total Routine Maintenance	118,151	982,552	1,236,203	-20.52%	2,070,535	2,119,205	-2.30%
	General Expenses							
51	Protective Services	12,817	92,257	86,858	6.22%	158,155	148,900	6.22%
52	Insurance	14,583	97,741	107,201	-8.82%	167,556	183,773	-8.82%
53	Other General Expense	82,469	614,393	655,515	-6.27%	1,053,245	1,123,740	-6.27%
54	Payment in Lieu of Taxes	1,199	8,391	8,436	-0.53%	14,385	14,461	-0.53%
55	Collection Loss	5,820	56,384	47,350	19.08%	75,000	81,171	-7.60%
56	Interest Expense	34,030	397,905	373,773	6.46%	640,753	640,753	0.00%
57	Total General Expenses	150,918	1,267,071	1,279,132	-0.94%	2,109,094	2,192,798	-3.82%
58	TOTAL OPERATING EXPENSES	\$ 1,226,596	\$ 9,112,070	\$ 10,679,223		\$ 17,429,954	\$ 18,307,240	
	Nonroutine Expenditures							
59	Ext. Maint/Fac Imp/Gain/Loss Prop Sale	14,094	19,876	210,775	-90.57%	350,000	361,329	-3.14%
60	Casualty Losses	(22,632)	152,282	35,690	326.69%	60,000	61,182	-1.93%
61	Sec 8 HAP Payments	2,361,272	17,029,255	17,448,529	-2.40%	29,593,009	29,911,764	-1.07%
62	Total Nonroutine Expenditures	2,352,734	17,201,413	17,694,994	-2.79%	30,003,009	30,334,275	-1.09%
63	TOTAL EXPENDITURES	3,579,330	26,313,483	28,374,217	-7.26%	47,432,962	48,641,515	-2.48%
64	OPERATING SURPLUS/(DEFICIT)	(90,370)	151,402	74,846	102.29%	403,108	128,307	214.17%
65	Debt Service Principal Payments	(160,657)	(268,821)	(325,939)	-17.52%	(539,844)	(558,753)	-3.38%
66	Surplus/Deficit Before Reserve Appropriations	(251,027)	(117,419)	(251,094)	-53.24%	(136,736)	(430,446)	
67	Reserve Appropriations - Operations	4,434	218,350	253,307	-13.80%	236,403	434,241	-45.56%
68	Surplus/Deficit Before Capital Expenditures	(246,593)	100,931	2,214		99,667	3,795	
69	Revenue - Capital Grants	1,248,609	3,025,687	(7,275,371)	-141.59%	7,644,754	(12,472,064)	-161.30%
70	Capitalized Items/Development Projects	(1,308,623)	(3,458,240)	6,204,954	-155.73%	(8,346,461)	10,637,064	-178.47%
71	Reserve Appropriations - Capital	60,014	432,553	1,070,417	-59.59%	701,707	1,835,000	-61.76%
72	THA SURPLUS/(DEFICIT)	(246,593)	100,931	2,214		99,667	3,795	

TACOMA HOUSING AUTHORITY					
CASH POSITION - August 2013					
Account Name		Current Balance		Interest	
HERITAGE BANK					
Accounts Payable		\$	954,340	0.40%	
Section 8 Checking			6,247,977	0.40%	
THA Investment Pool			287	0.40%	
THA LIPH Security Deposits			89,446	0.40%	
THDG - Tacoma Housing Development Group			46,364	0.40%	
LF - Stewart Court			35,697	0.40%	
LF - Stewart Ct Security Deposit Account			9,731	0.40%	
LF - SF 9Homes Alaska			126,252	0.40%	
LF - SF 9Homes Alaska Sec Dep Acct			4,553	0.40%	
LF - SFH No. Shirley			9,248	0.40%	
LF - SFH N Shirley Security Deposit Acct			1,001	0.40%	
LF - Wedgewood Homes			263	0.40%	
Salishan 7			1,177,169	0.40%	
Salishan 7 Security Deposit			25,768	0.40%	
Payroll Account			5,002	0.40%	
General Fund Money Market			1,082,459	0.40%	
IDA Account			16,664	0.40%	
WASHINGTON STATE					
Investment Pool		\$	1,625,202	0.15%	
1. TOTAL THA CASH BALANCE		\$	11,457,424		
Less:					
2. Total MTW Cash Balance		\$	4,799,375		
Less MTW Cash Set-Aside Restrictions					
2.1 Hillside Terrace Redevelopment RHF fund guarantee to Chase Bank			1,232,000		
3. MTW Cash Available		\$	3,567,375		
4. Non MTW Cash					
Other Restrictions:					
4.01 FSS Escrows	139,325				
4.02 VASH, FUP & NED HAP Reserves	166,392				
4.03 Mod Rehab Operating Reserves	166,296				
4.04 Security Deposit Accounts	129,185				
4.05 Salishan Sound Families - 608	151,406				
4.06 IDA Accounts - 604	16,664				
4.07 Paul Allen Foundation - 609	4,062				
4.08 Gates Foundation - 612, 622 & 623	194,995				
4.09 WA Families Fund - 673, 712	30,915				
4.10 Wedgewood Replacement Reserve	803,724				
4.11 Bond Financed Single Family Homes Reserve	90,000				
4.12 Salishan 7 Reserves	425,000				
4.13 THDG - 048	46,364				
4.20 Total - Other Restrictions		\$	2,364,327		
Agency Liabilities:					
4.30 Windstar Loan - 042	315,696				
4.40 Total - Agency Liabilities		\$	315,696		
4.50 Development Advances/Due Diligence Commitments ¹		\$	29,166		
5. Total Non MTW Cash Restrictions (Lines 4.20+4.40+4.50)		\$	2,709,189		
6. THA UNENCUMBERED (Non-MTW) CASH (Lines 1-2-5)		\$	3,948,860		
Agency Current Commitments:		Board Approval	Expended	Obligation Balance	
LASA Development advance	\$	375,000	\$	401,667	\$ (26,667)
Salishan Campus (2012 exp plus 2013 budget)	\$	167,840	\$	112,007	\$ 55,833
¹ Total Current Commitments outstanding				\$ 29,166	
Agency Advances that resulted in reduced the amount of Unencumbered Cash (line 6)					
LASA Development advance			\$	401,667	
Hillside Terrace Redevelpmnt - HTF, HOME, CDBG and COT Funds			\$	20,000	
Total Agency Advances			\$	421,667	

REAL ESTATE MANAGEMENT
AND
HOUSING SERVICES



TACOMA HOUSING AUTHORITY

Date: September 25, 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 August 2013. The high vacancy rate is attributable to THA's meth strategy. I have outlined our plans for improving the occupancy on the following page.

OCCUPANCY SUMMARY REPORT					
PROGRAM	UNITS AVAILABLE	UNITS VACANT	UNITS OFFLINE	UNITS OCCUPIED	% MTH OCCUPIED
All Hillside	61	5	106	56	93.4%
Family Properties	204	21	2	181	87.9%
Salishan	628	67	1	560	89.0%
Senior/Disabled	349	17	4	328	92.9%
All Total	1,242	110	113	1,125	90.8%

1.2 Vacant Unit Turn:

The following page includes a table with all of the units turned in fiscal year 2013. Thirteen (13) units were turned and rented in the month of August. The average unit turn for the month of August was 125.46 days and 206.7 days FYTD. Five of the units that were turned in August had tested positive for meth and needed to be remediated.

As of September 16, 2013, 107 of the 239 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 51 home tests that have been conducted, 18 or 35% have tested positive for contamination. This is an encouraging downward trend in the percentage of units testing positive.

The Asset Management Committee (AMC) has recommended a change in THA's methamphetamine testing practice as we move forward. This revised practice is outlined in the attached memo. The new practice will be used for the remaining untested vacant units within THA's portfolio.

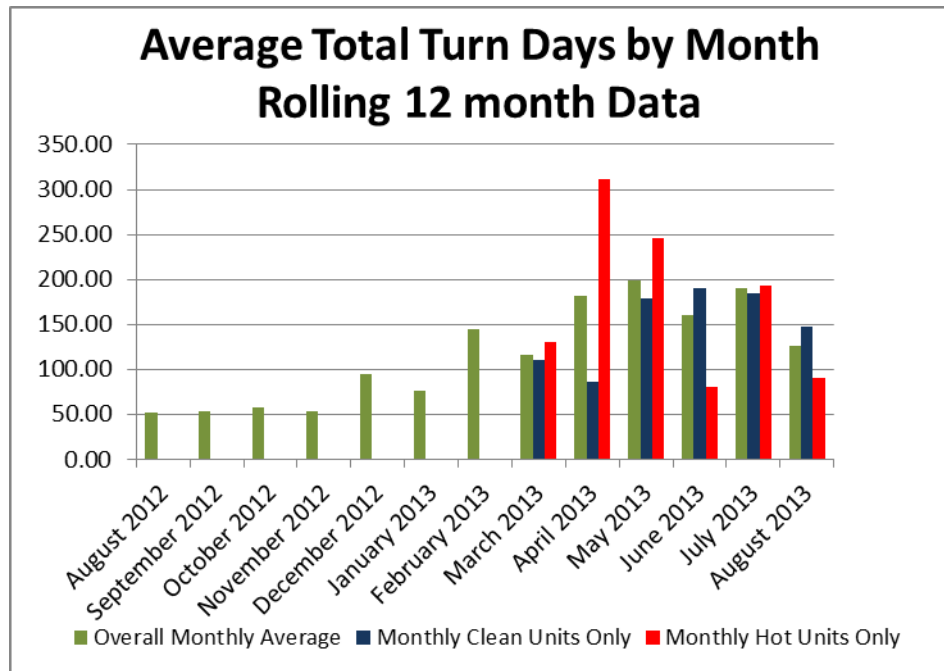
As of September 13, 2013 there were 128 vacant units in THA's portfolio. The following table outlines the units by the month they became vacant and whether they are contaminated, clean or awaiting testing.

MONTH UNIT VACANT	CONTAMINATED	CLEAN	AWAITING TESTING/ RESULTS
Prior to October 2012	2	1	0
OCTOBER 2012	4	1	0
NOVEMBER 2012	5	0	0
DECEMBER 2012	10	0	0
JANUARY 2013	10	3	0
FEBRUARY 2013	10	6	0
MARCH 2013	6	5	0
APRIL 2013	8	4	0
MAY 2013	7	3	0
JUNE 2013	3	6	0
JULY 2013	3	14	0
AUGUST 2013	8	1	8
SEPTEMBER 2013	0	0	3

Due to the volume of units that are coming up clean by our new testing thresholds we have done the following:

- THA will continue to contract painting and janitorial services in our Tax Credit properties (Salishan and Hillside Terrace).
- THA has added 3 additional contractors to assist in the painting and put back process in all tax credit units (Salishan and Hillside Terrace) to free up THA staff time to work in more units across the portfolio.
- Property management and leasing will continue to screen applicants to improve our applicant ready times so that we may have the appropriate number of tenants ready once these units come back on line.

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



1.3 Work Orders: In the month of August all emergency work orders were completed within 24 hours. This month, maintenance staff completed 209 non-emergency work orders and a total of 2,619 for the calendar year. The annual average number of days to complete a non-emergency work order is 12.13. All vacant units are currently being reported as open work orders. In next month's report we will break out the vacant units in attempt to show what work orders are reflected as not completed <25 and >25days.

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

Completed Work Orders								
Portfolio	Emergency				Non-Emergency			
	Month	YTD	Month	YTD	Month	YTD	Month	YTD
	# Completed	% Completed in 24 Hrs	# Completed	% Completed in 24 hrs (99% HUD Std)	# Completed	Avg Completion Days	# Completed	Avg Completion Days (25 days HUD Std)
All Hillside								
HILLSIDE TERRACE 1500 Block	0	0.0%	1	100.0%	6	1.67	81	1.49
HILLSIDE TERRACE PH 1	1	100.0%	4	100.0%	7	5.57	114	1.71
HILLSIDE TERRACE PH II	0	0.0%	4	100.0%	10	12.50	146	2.17
	1	100.0%	9	100.0%	23	7.57	341	1.86
Family Properties								
ALL SCATTERED SITES	0	0.0%	2	100.0%	13	8.31	108	48.86
BERGERSON TERRACE	3	100.0%	7	100.0%	20	6.90	136	29.25
DIXON VILLAGE	0	0.0%	1	100.0%	19	27.53	76	24.83
STEWART COURT APARTMENTS	0	0.0%	4	100.0%	11	17.36	103	14.90
	3	100.0%	14	100.0%	63	15.24	423	29.97
Salishan								
SALISHAN I	0	0.0%	4	75.0%	9	10.00	205	11.76
SALISHAN II	0	0.0%	4	100.0%	14	9.64	283	12.32
SALISHAN III	0	0.0%	11	100.0%	18	10.33	197	11.32
SALISHAN IV	0	0.0%	8	100.0%	9	3.56	173	14.14
SALISHAN V	0	0.0%	3	100.0%	18	15.44	211	8.16
SALISHAN VI	0	0.0%	4	100.0%	13	3.92	197	8.77
SALISHAN VII	0	0.0%	8	100.0%	6	10.00	171	11.74
	0	0.0%	42	97.6%	87	9.56	1,437	11.16
Senior / Disabled Properties								
6TH AVE	1	100.0%	5	100.0%	5	5.60	79	5.00
E.B. WILSON	1	100.0%	20	100.0%	11	1.91	94	3.52
FAWCETT APARTMENTS	2	100.0%	3	100.0%	10	0.40	46	8.33
LUDWIG APARTMENTS	0	0.0%	1	100.0%	6	5.50	51	4.14
NORTH G ST	1	100.0%	6	100.0%	5	26.80	54	11.50
NORTH K ST	1	100.0%	5	100.0%	4	15.00	40	8.35
WRIGHT AVE	1	100.0%	10	90.0%	7	4.43	66	3.24
	7	100.0%	50	98.0%	48	6.48	430	5.79
Agency Totals:	11	100.0%	115	98.3%	221	10.30	2,631	12.10

Open Work Order Summary by Portfolio For the Month of August, 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	2	0	0	0	0
HT1500	HILLSIDE TERRACE 1500 Block	0	0	0	0	0
HT2	HILLSIDE TERRACE PH II	0	0	0	0	0
		2	0	0	0	0
Family Properties						
020	BERGERSON TERRACE	3	0	5	4	1
022	LOW RENT SCATTERED SITES (19)	0	0	8	6	2
023	DIXON VILLAGE	0	0	6	6	0
043	NORTH SHIRLEY	0	0	1	1	0
044	ALASKA 9 HOMES	0	0	2	1	1
045	STEWART COURT APARTMENTS	0	0	5	3	2
		3	0	27	21	6
Salishan						
SAL1	SALISHAN ONE LLC (PH)	1	5	18	13	5
SAL2	SALISHAN TWO LLC (PH)	1	2	28	20	8
SAL3	SALISHAN THREE LLC (S8)	1	3	18	9	9
SAL4	SALISHAN FOUR LLC (PH)	0	0	28	15	13
SAL5	SALISHAN V LLC (S8)	1	1	32	19	13
SAL6	SALISHAN SIX LLC (S8)	0	0	15	13	2
SAL7	SALISHAN SEVEN	0	0	24	18	6
		4	11	163	107	56
Senior / Disabled Properties						
006	NORTH K ST	1	18	8	7	1
008	E.B. WILSON	1	0	19	17	2
009	FAWCETT APARTMENTS	2	0	4	4	0
010	WRIGHT AVE	1	0	19	14	5
012	LUDWIG APARTMENTS	0	0	9	9	0
013	NORTH G ST	1	0	8	5	3
014	6TH AVE	1	0	11	6	5
		7	18	78	62	16
Agency Totals:		16	29	268	190	78

2. RENTAL ASSISTANCE DIVISION

Housing Choice Voucher utilization is reported at 97% for the month of August 2013. Rental Assistance continues working towards 100% utilization. The Leasing Department continues to hold weekly briefings to meet our goal of 100% utilization.

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	127	6 referrals pending
Non-Elderly Disabled Vouchers (NED)	100	94 (including 17 port outs)	6 referrals pending
Family Unification Program (FUP)	50	40	3shoppers and 7 referrals pending
McCarver Program	50	46	
Life Manor	150	150	0

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

The NED units continue to have a large number of turn over. The turn over average is around 15%. This is due to increased health problems, including deaths of clients, service requirements of the clients, and program non-compliance. DSHS continues to supply referrals quickly. We meet regularly with the DSHS staff. They provide excellent customer service to our clients and continue to be extremely responsive to our requests.

The FUP shortfall continues to be with the youth program and we are working with our partners to identify ways to increase referrals and program stability for that population. Currently FUP has seven (7) referrals in place for youths.

REAL ESTATE

DEVELOPMENT



TACOMA HOUSING AUTHORITY

DATE: September 25, 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 Working Group - consisting of potential tenants of the Core, residents, and other stakeholders – met on March 28 to discuss steps being made by each member and to develop a slate of activities for the summer and fall. We held a Field Day on Saturday, July 20. Vendors included Tacoma Children's Museum, Tacoma Community College, Ted Brown Music, Write@253, Metro Parks, and food trucks

The Board approved the general Master Plan Concept at its June 2012 meeting.

Feasibility studies related to THA's ability to raise the money necessary to develop the project are now being conducted. THA has procured The Alford Group to assist us in assessing financial feasibility. The Alford group is on their last set of interviews. We should have a report by the end of September

1.1.2 *Area 3 Lot Sales, Citibank Loan*

D.R. Horton, which purchased 143 Salishan lots, is purchasing an additional 16 lots from Quadrant. The deal is scheduled to close on Sept. 24, 2013.

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.

Demolition.
1800 and 2500 Blocks; Asbestos abatement and Building demolition has been completed.

Site work.
Community Center; Utility groundwork is complete, Structural steel erection is finished and the roof decking is in place. Roof insulation and TPO roofing installation are finished. Standing seam metal roofing has been installed. Steel stud framing is complete, Mechanical Electrical and Plumbing rough-ins have been completed and passed inspection. The HVAC and fire sprinkler rough-in is underway. Exterior sheathing, rigid insulation, shear walls, Weather Resistant Barrier (Tyvek) and window flashing installation are underway.

Phase-I Housing;
Building A (mid-rise): Footings and columns are complete. Shoring wall rebar and waterproofing is installed and the shotcrete exterior walls are constructed. All under floor utilities have been placed and the slab on grade work is ongoing.

Buildings B – F: Excavation for building B-F footings is complete. The footings for buildings B, C & D have been poured and the stem walls for Building D are formed and poured.

ROW/ Utilities.

Construction of the mainline sewer, side sewers, storm drainage system and storm drain retention vaults are in place. Joint utility trench work is complete and electrical vaults are in place. Tacoma Power required finish grade elevations at vaults prior to cable pulling and this work has been finished. Cable pulling is scheduled for September. Private residences are scheduled to be switched over to permanent power the third or fourth week of September.

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 9-11-13
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%	50%	47%
Apprenticeship	15%	6.93%	8.73%

2.1.7 *Project Schedule.*

	HILLSIDE Terrace, Phase I - MAJOR PROJECT MILESTONES THROUGH 2012, EARLY 2013							
	Demolition/Disposition approval received from HUD						Complete	
	Begin Tenant Relocation Process						Complete	
	Phase I Permit Package Submitted to City for Review						Complete	
	Section 3 Construction Over Sight Committee Convenes						September 2012	
	Construction Bidding Process						Complete	
	Phase I Project Area Vacated						Complete	
	Close on all Financing						Complete	
	Construction Notice to Proceed						Complete	
	Demolition Completion						Complete	
	Infrastructure Development Begins						July 2013	
	Vertical Construction Begins						June 2013	

3. CAPITAL FUNDS

3.1 Capital Fund Construction.

3.1.1. *Public Housing Scattered Site Renovations*

MULTI-SCOPE WORK

The Multi-Scope work is being managed in two Phases;

Group A – 120 E. Bismark, 6413 S. Pine, 5801 E. Roosevelt and 6438 S. Puget Sound are finished, final punch is complete and back punch finishing details are underway.

Group B – 4939 32nd St NE, 1605 E 59th Street and 807 S Prospect are complete. Final punch is complete and back punch finishing details are underway.

Letters of Substantial Completion have been issued and Final Completion letters as well.

4. OTHER PROJECTS

4.1 *Neighborhood Stabilization Program (NSP 1)*

THA purchased 4825 E L Street on March 20. This will be the last NSP house that THA purchases. THA will be returning the balance of funds to the City of Tacoma. All renovation work has been completed, a final punch list has been issued and the final back punch is pending. A Letter of Substantial Completion has been issued. The house was listed for sale on September 9.

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. Due to THA's meth policy there has been a delay in starting this program but we should start looking for houses to purchase by the end of September.

4.3 *LASA Supportive Housing Project*

On June 10 we received notice that the Housing Trust Fund will provide the funds THA expected to receive through the tax credit equity provider. The project will no longer be using low income housing tax credits. In addition to the HTF, funding will come from Pierce County and the City of Lakewood. Staff is working with the development team to revise the schedule and move the project forward. Staff submitted for building permits on September 9. Draft loan documents should begin circulating at the end of September for a November 20 closing. Relocation activities are underway for the families that are living in the houses. One family is in the

process of being evicted as they have not paid rent since June. The other family is looking but is having a difficult time finding another unit in Lakewood that will accept a Section 8 voucher. THA issued a 30-day notice per URA/Section 104(d) guidelines on September 13. LASA will need THA to bridge the capital campaign.

Estimated Project Schedule

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

4.4 *Stewart Court*

THA has received an offer to purchase the property. The purchase and sale agreement is signed with an effective date of May 24, 2013. The buyer is going through their feasibility period. The closing is anticipated to occur by mid-October.

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

This project is on hold pending further budget review. The project, as currently design is over the \$500,000 budget. The current estimate is at \$700,000 and includes furniture, moving expenses and new data lines. The actual construction estimate is under the \$500,000 budget. A resolution is before the Board to approve a new budget, via MTW funding, and it includes the increased cost for this work.

5. **DEVELOPMENT PIPELINE PROJECTS**

5.1 *Intergenerational Housing at Hillsdale Heights*

In March, the Board of the Many Lights Foundation met with staff to extend an offer to THA to serve as the developer of the project they seek to build at Hillsdale Heights. Many Lights also offered to purchase the land it seeks to build upon at Hillsdale Heights. Staff met with Many Lights Foundation founders to further discuss the project. MLF would like to enter into a Letter of Intent with THA for 3.8 acres of the Hillsdale Heights site to enable them to begin fundraising in earnest. Staff and Many Lights Foundation have drafted a Memorandum of Understanding and a Letter of Intent to Lease or Purchase Real Property. Staff has prepared and intends to submit a Board resolution this month requesting authorization for the HA Executive Director to enter into both agreements and to conduct future negotiations toward the drafting of a Development Agreement and either a long term land lease or purchase of 3.8 acres of the Hillsdale Heights site.

Helen Lakeru, Many Lights Foundation Founder and Executive Director, will be in attendance during the September 25th, 2013 Board meeting to introduce Many

Lights Foundation to the Board.

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

Tacoma Housing Authority (THA) in collaboration with Tacoma Business District

Staff is presenting a resolution to the Board requesting authorization for the HA Executive Director to enter a Purchase and Sale Agreement with the City of Tacoma for two tax parcels located at 1120 and 1124 Martin Luther King Jr. Way, Tacoma, WA. The City has agreed that in order to assist THA in its mission of providing high quality, stable and sustainable housing and supportive services to people in need, and in furtherance of the City's own goals for economic redevelopment and productive reuse of the property and for the benefit of the surrounding community, to forego the receipt of a monetary purchase price for the property.

The HA will have the right to terminate the agreement at the end of a feasibility period ending June 30, 2014. Construction and permanent financing must be obtained by June 1, 2016 and closing for the acquisition completed by June 30, 2016.

5.3 *New Look Apartments/Alberta Canada Building Acquisition*

THA presented a revised PSA to MLKHDA at the end of May. It went to their board for approval in early June. The National Equity Fund (NEF), the investor in the project, has approved the PSA and has approved the changes THA requested on the Operating Agreement. THA received the PSA executed by MLKHDA on September 9. THA will have 90 days, until December 9, to conduct its feasibility studies.

5.4 *Dome District Feasibility Grant Opportunity*

In response to an invitation from Enterprise Community Partners, THA submitted and received \$50,000 to finance work needed to evaluate the feasibility of developing a mixed income and mixed use building on a site owned by Pierce Transit (PT) in the Dome District. This project has been completed. Based on a certain set of assumptions, the project could be feasible. THA/PT proposed a 75 unit building with mostly studio and 1-bedroom units; five stories of housing over 2 stories of retail/commercial and parking. Based on the cost assumptions used for the project, THA would need approval from the Washington State Housing Finance Commission for a state designated boost in order to bring more tax credit equity to the project. We would also need to identify some new sources of funds for the project, for example TOD-specific funding. Before proceeding, Pierce Transit needs to answer some internal questions to determine if and how they will move forward.

6. M/WBE CONTRACT COMPLIANCE and SECTION 3 HIRING

6.1 As of August 31, 2013, 8 of 17 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 September 4, 2013 for THA's obligation and expenditure of the public housing capital funds it receives from HUD.

Grant	Total Grant	Obligation Start Date	Obligated	% Obligated	Obligation Deadline	Expended	% Expended	Expended Deadline
2008 CFP	\$1,849,412	6/13/08	\$1,849,412	100%	06/12/10	\$1,849,412	100%	06/12/12
2009 CFP	\$2,410,953	9/15/09	\$2,410,953	100%	9/14/11	\$2,410,953	100%	9/14/13
2009 CFP (1 st R)	\$703,863	9/15/09	\$703,863	100%	9/14/11	\$703,863	100%	9/14/13
2009 CFP (2 nd R)	\$54,932	9/15/09	\$54,932	100%	9/14/11	\$54,932	100%	9/14/13
2009 CFP (3 rd R)	\$2,724	4/2/10	\$2,724	100%	4/2/12	\$2,724	100%	4/2/14
2010 CFP	\$2,345,627	7/15/10	\$2,345,627	100%	7/14/12	\$1,229,638	52%	7/14/14
2010 CFP (1 st R)	\$1,216,978	7/15/10	\$1,216,978	100%	7/14/12	\$1,165,767	96%	7/14/14
2010 CFP (2 nd R)	\$219,721	7/15/10	\$219,721	100%	7/14/12	\$219,721	100%	7/14/14
2011 CFP	\$1,721,353	8/3/11	\$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	\$610,425	83%	8/2/15
2011 CFP (2 nd R)	\$549,895	8/3/11	\$549,895	100%	8/2/13	\$0	0%	8/2/15
CFCF**	\$1,881,652	8/3/11	\$1,848,952	98%	8/2/13	\$950,190	50%	8/2/15
2012 CFP	\$1,593,197	3/12/12	\$0	0%	3/11/14	\$0	0%	3/11/16
2012 CFP (1 st R)	\$1,026,290	3/12/12	\$528,609	51%	3/11/14	\$393,413	38%	3/11/16
2012 CFP (2 nd R)	\$128,701	3/12/12	\$0	0%	3/11/14	\$0	0%	3/11/16

** Capital Fund Community Facilities Grant (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: September 25, 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 August and for the calendar year 2013.

We are pleased to report that although earlier in the year we saw a lag in Housing Opportunity Program work-able attendees engaging in CS services, in August we saw an increase in requests for and participation in CS services. Staff will continue outreach to HOP orientation attendees to encourage their participation in CS self-sufficiency programs.

1.1 Employment

As of the end of July, the department reached or exceeded 58% of the annual goals for most employment activities. The number of clients in employment readiness soft skills training continues to lag behind the annual goal. We have entered into a contract for these services to begin in October. We will be holding this training at the FIC and it will be open to all work-able THA residents.

Activities	August 2013	YTD 2013	Annual Goal	% of Goal
Clients referred for employment services	32	184	130	142%
Clients who received employment services	48	221	120	184%
Clients enrolled in employment readiness soft skills workshops	10	40	80	50%
Clients completed employment readiness soft skills workshops	8	24	50	48%
Enrolled in job readiness training	0	18	20	90%
Job placement	22	67	45	149%
WorkSource Participants Assisted	12	112	100	112%
Entered Apprenticeship	0	0	3	0%
Work Study/Community Jobs/Internships	0	9	30	30%
Earned Income Increased	14	54	35	154%

Average annual increase in earned income in 2012	\$2,761.61
--	------------

1.2 Education

1.2.1 Adult Education Programs

The department is making good progress toward most of its annual goals for education activities. The completion rates for ESL levels and GED tests tend to be lower during the earlier months of the calendar year. Typically, these rates increase during the final quarter of the year. We expect to reach the goals for ESL and GED test completion by the end of 2013.

We anticipate that the number of adults completing education programs will increase over the course of the year and we will reach the goal for this activity by the end of 2013.

During tax season, we offered opportunity for assistance with FAFSA applications but none of the participants in our Volunteer Income Tax Assistance site chose to accept our offer for this help. We will increase our efforts to alert participants to this opportunity during next tax season.

Activities	August 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	1	22	10	220%
Adults complete education program	1	5	25	20%
Participants attending GED classes	9	135	200	68%
Completes one or more GED tests	0	11	25	44%
Attains GED	1	11	15	73%
FAFSA applications completed	3	7	10	0%

1.2.2 McCarver Special Housing Program

THA's McCarver Elementary School Housing Program seeks to stabilize McCarver Elementary, a low-income school in Tacoma's Hilltop neighborhood. As of August 2013, 46 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%

Currently just one family is paying 40% of their rent. The other families will reach this level as their leases are renewed this fall and early winter.

Activities	August 2013	YTD 2013	Annual Goal	% of Goal
Families participating	46	50	50	100%
Families able to pay 20% of their rent (50 of 50)	46	50	50	100%
Families able to pay 40% or their rent (43 of 50)	1	1	43	2%
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%

*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.

Activities	Baseline Fall 2011	At End of May 2013
Average annual household income	\$5232	\$9180
Employed	7	20
Enrolled in Training Programs	2	14

WorkForce Central has designated an employment navigator to assist McCarver parents who need additional help with pre-employment and employment services. The employment navigator will focus on clients with the most need for employment support. The navigator will make sure the clients are able to access all Workforce Investment Act resources for which they are eligible.

1.3 Housing Opportunities Program (HOP)

THA began HOP orientations in March 2013. REMHS and CS staff collaborated in planning and offering the orientations. In August 2013, we saw an increase in HOP work-able attendees engaging in CS services. Staff will continue outreach to HOP orientation attendees to encourage their participation in CS self-sufficiency programs.

Community Services is offered to all THA households and there are occasionally families who sign-up for our services even though they are not subject to the time limit.

Activities	August 2013	YTD 2013	Annual Goal	% of Goal
HOP orientations	1	15	n/a	n/a
Work-able attendees	11	215	120	179%
Attendees requesting CS	14	142	120	118%
Work-able attendees housed	19	70	120	58%
Participants receiving CS	6	34	60	57%

1.4 Families in Transition (FIT)

The Community Service Department's FIT program is funded by Washington Families Fund and Sound Families grants. FIT caseworkers help participants succeed as tenants, parents and wage earners. FIT participants are homeless at the time they are admitted into the program and placed 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	21		3		3	
	August 2013	YTD 2013	August 2013	YTD 2013	August 2013	YTD 2013
Entrances	1	13	0	3	0	0
Graduations	0	2	0	0	0	1
Exits	0	0	0	0	0	0
Terminations	1	4	1	1	0	0

1.5 Case Staffing

Case staffing is short-term, intensive intervention with households in danger of failing as tenants. Case staffing focuses on helping the family regain housing stability and avert eviction through compliance with their lease. Property management identifies families for case staffing. It is typically limited to 90 days.

Activities	August 2013	YTD 2013	Annual Goal 2013
Number of households referred for services	1	15	27
Number of successful completions (eviction averted)	0	0	12
Number terminated	0	0	n/a

1.6 MTW Hardship Exemption Casework

In January 2012, THA began Moving to Work rent calculations and biennial recertification cycles for all MTW households. THA anticipated that some households would be unable to pay their new rent and that up to 120 households would qualify for a hardship exemption. The exemption will allow the household up to six months to increase their income and pay the rent amount determined by MTW. In order for a household to qualify for a hardship, they must agree to participate in case management. A household can be terminated from hardship 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	August 2013	YTD 2013	Annual Goal 2013
Number of households referred for services	1	18	10
Number of successful completions	0	3	8
Number terminated	0	0	n/a

1.7 Preparing for Success

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

One client who was new in July found a job in August and her employment is captured in the Employment section of this board report. The client has secured employment at KinderCare as a day care assistant and Spanish teacher. The caseworker is assisting her navigating the process so that she can complete the necessary trainings and background to continue her employment. She will begin taking ESL classes at Tacoma Community House in the middle of September.

Two clients who have enrolled in the Preparing for Success program are new tenants and subject to the five year time. They are pushing themselves to be able to live without the THA's subsidy by the end of the five year term limit. The husband has found employment part-time as the key holder at his apartment complex and his wife has enrolled in a CNA program at BATES which starts September 23rd. With the assistance of the Basic Food Education and Training (BFET) program she qualified for assistance with her uniforms, books and license fee when the time comes.

Activities	August 2013	YTD 2013	Annual Goal	% of Goal
Second year cohort 2012 completed	0	11	15	73%
Third year cohort 2013 enrolled	0	28	25	112%
Third year cohort 2013 completed	0	0	15	0%

1.8 Family Self-Sufficiency Program

The THA Family Self-Sufficiency (FSS) program is a five year employment and savings incentive program funded by HUD and the City of Tacoma. 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	August 2013	YTD 2013	Annual Goal	% of Goal
Current Participants	98	116	153	76%
Graduates	0	7	17	41%
Removed/Voluntarily Withdrawn	2	11	n/a	n/a
New Contracts Signed	4	20	55	36%
Escrow Balance	\$147,646.43			

1.9 Life Skills and Parenting Classes

THA contracts with Bates Technical College to provide Life Skills classes and parenting support for Families in Transition participants. THA entered into a new contract with Bates for parenting and life skills classes for the 2013-2014 school year. The first parenting class will start the middle of September, followed by a life skills class later this fall. First priority for enrollment is given to FIT families and after that all THA families are welcome to participate.

Activities	August 2013	YTD 2013	Annual Goal	% of Goal
Life Skills Enrollment	0	21	20	105%
Life Skills Completion	0	15	10	150%
Parenting Enrollment	0	16	75	21%
Parenting Completion	0	7	65	11%

1.10 Senior and Disabled Services

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

Activities	August 2013	YTD 2013	Annual Goal	% of Goal
Unduplicated client contacts	21	246	260	95%
Referrals	3	28	50	56%
Unduplicated situation/wellness counseling	16	81	140	58%
Assistance with correspondence for Entitlement Programs	1	5	40	13%

1.12 Asset Building

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

Although THA's Volunteer Income Tax Assistance (VITA) site did not fully reach its goals this year, it had notable successes. The site coordinator doubled the number of volunteers in comparison with last year's tax season. The VITA site helped a total of 192 clients successfully file their tax returns. The total amount of refunds was \$358,908. Clients received a total of \$153,441.00 in earned income tax credit received. The THA VITA site saved all clients served a total of \$35,605 in tax preparation fees.

Activities	August 2013	YTD 2013	Annual Goal	% of Goal
Financial Education Enrollment	0	51	80	64%
Financial Education Completion	0	44	40	110%
Homebuyers Education Referral	1	5	50	10%
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	32	30	107%
Individual Development Account Participants Enrolled	7	7	11	64%
Individual Development Account Counseling (other than homeownership)	1	13	28	46%
Qualified Withdrawals	1	6	7	86%
Home Purchase	0	0	4	0%
Other Asset Purchases	1	6	3	200%
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%

1.13 Computer Labs

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

The summer lunch program at Hillside Terrace and Bergerson Terrace ended on August 30. Turnout at Bergerson Terrace was strong throughout the summer with 15-20 children coming each day. Turnout was very light at Hillside Terrace, only 6-8 children per day. This could be due to the construction activity.

Activities	August 2013	YTD 2013	Annual Goal	% of Goal
Computer Lab Participation (cumulative visits)	40	392	1200	33%

1.14 Youth Activities

Write@253 completed their second year of youth tutoring in Salishan in June. They served 21 children this school year. We anticipate that Write@253 will offer the program again next school year.

Summer youth programming in Salishan ended on August 30. The Brown Bags and Books program combined the free lunch program from St. Leo's Food Connection with fun learning activities every weekday. We ended the very successful program with a backpack distribution on August 28. Communities in Schools raises money through the year to buy school supplies and backpacks for children. They load them up on a school bus provided by the school district, and bring them to community locations. This is the second year we have had them come to the Brown Bags and Books location in Salishan, and the second year they brought Rhubarb, the mascot of the Tacoma Rainiers, to greet the children with high fives. This year we gave out over 200 backpacks. A few children came too late, but we were able to refer them to the back to school event at First Creek Middle School that Friday.

Activities	August 2013	YTD 2013	Annual Goal	% of Goal
Youth tutoring	61	99	10	990%
Summer youth programming	80	219	40	548%
Youth leadership mentoring	0	16	45	36%



ADMINISTRATION



TACOMA HOUSING AUTHORITY

To: THA Board of Commissioners
From: Todd Craven, Director of Administration
Date: September 25, 2013
Re: September 2013 Board Update

New Staff in the Administration Department

The Administration Department is fully-staffed for the first time since mid-2012. In the last month, we finalized the hiring of our new IT Manager, Business Process Analyst, and RAD Project Manager.

The addition of these staff to our team will help us to move forward on some long-pending projects, including the Business Process Improvement project, the agency Digital Dashboard, and the implementation of SharePoint. Also, our RAD Project Manager, Zak deGorgue, will be overseeing our applications for the Rental Assistance Demonstration project and we will have the ability to focus more on some of the areas that have not received the attention they deserved over the past year.

Business Process Improvement

The Business Process Improvement project is THA's effort to document the processes staff use and to set up a system for improvement. Michael Elenko is our Business Process Analyst and comes to us with an impressive career in process improvement. We are working closely with staff in HR, Rental Assistance, Property Management, and Policy to prioritize processes and gather the information we need to improve them. In addition, the REMHS department has dedicated several staff to this effort under Josh Crites' leadership, including Eric Lane, Andrea Bell, and Bob Drury. As we get through some of the first processes that we feel need to be improved, we will begin bringing other departments into the project to look at their processes as well. We are very excited about the new energy we have for this project, the focus on improvement, and the staff we have working to complete it.

Asset Management

Sandy Burgess has been with us almost a year now as THA's Asset Manager and I am so pleased with the progress we have made instituting our Asset Management function. We are developing processes for reviewing Development projects, holding weekly meetings to discuss a variety of topics as well as strategy. A few examples of our agenda items are reviewing the Stewart Court and New Look Purchase and Sale Agreements, reviewing Hillside Terrace closing documents, discussing how to spend our Capital Funds, discussing the RAD project, setting timelines, and making recommendations to Michael on all of the projects we discuss.

We are almost finished building the first set of Asset Management reports that we will use to review and assess our current portfolio. Our IT Analyst, Jennifer Watts, has been instrumental in developing these reports and helping us frame them in a way that is useful. Some of these may be included in future reports to the Board and many of the metrics included in them will also be used in the Agency Dashboard. On the next page you will find a sample of one of the "At-a-Glance" reports that we can run for each property.

September 25, 2013 Board of Commissioners Meeting
 ADMINISTRATION DEPARTMENT MONTHLY REPORT
 Page 2

Asset Management - At a Glance Report

December, 2012

SAL1 Salishan 1

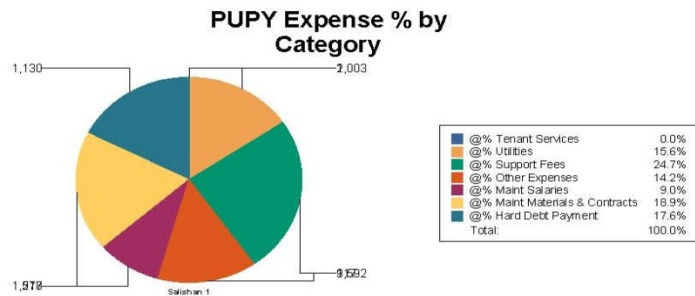
Address: 1724 E. 44th St.

Financing Type: Tax Credit

Tacoma, WA 98404

Development Type	Year Built	# Units	----- Bedroom Counts -----					Elevators	# Barrier Free
			1	2	3	4	5		
Salishan	2005	90	4	44	27	12	3		

Per Unit Per Year	Property Revenue	Subsidy Revenue	Total Revenue	Admin Expense	Tenant Services	Utility Expense	Maintenance Materials / Salaries	Other Operating Expense	Support Fees / Rent Expense	Total Operating Expense	Net Oper Income	Hard Debt Payment	Extraordinary Expense/ Casualty	Net Cash Flow	
	3,099	5,710	8,809	1,191	2	1,003	1,217	578	917	1,592	6,500	2,310	1,130	0	1,180



Total Debt and Reserve Balances	
Operating Reserve	247,267
Replacement Reserve	186,661
Rep Reserve Payment (Prior Year)	33,780
Soft Debt	3,761,467
Hard Debt	1,899,775
Hard Debt Payment (Prior Year)	101,706

Project Cash Flows	NOI	NCF
Net Operating	207,867	106,161
Net after Reserve App	641,675	539,969
Net % of Revenues	26.22%	13.39%
Net % of Expenses	35.53%	18.15%
<hr/>		
Debt Coverage Ratio	2.04	
Econ Occ Rate (Rent)	30.6%	
Econ Occ Rate (Rent Inc Sub)	94.8%	

Demographic Data

Families	80		Avg Income	13,894
Members	222	%Hispanic 9.46	%Earned Inc/Total Inc	41.65
Avg Family Size	2.78	%Caucasian 8.11	%Earned Inc / Total Fam	23.75

Open Work Orders As of December 01, 2012

Emergency WO (YTD)		Non Emergency Work Orders (Cur)		
Opened	Days Open	Non-Emergency WO	< 25 Days	>25 Days
2	0	0	0	0

Vacant and Turned Units - for 1/1/2012 thru 12/1/2012

Units Turns	2
Average Turn Days of Occupied	68
Units Vacant	3
Average Vacant Days of Vacant	178
Units Exempt	1

Rent Roll Summary as of December 01, 2012

PH Subsidy 10,816

	Leased	Vacant	Total	Total Rent	Avg Rent	\$8 HAP
Public Housing Units:	53	2	55	12,133	228.92	
Section 8 Units:	31	4	35	6,545	211.13	29,576
Total Units:	84	6	90	18,678	\$222.36	

AR Balance as of December 01, 2012

Collection Losses

8,344

* Rent is prior month total

S/D	Rent *	Maint	Other	Util	Retro	Loss	Late	Install	Total
0	3,159	794	3,123	1,118	3,931	0	615	0	12,739

9/11/2013 9:15 am

Crystal \Asset Management \At a Glance Report

Methamphetamine and Insurance

As the Board is aware, HARRP and AHRP, the two insurance pools that THA belongs to, discontinued coverage for methamphetamine contamination effective June 13, 2013. After this happened, three issues had remained unresolved between THA and the insurance pools:

1. Whether HARRP/AHRP would contest any of the claims submitted prior to June 13; they had indicated that they may do so and, although we do not believe they had the grounds to do so, we did not want to incur legal fees in order to justify coverage;
 - a. Whether THA would contest HARRP/AHRP's ability to change the coverage agreements effective immediately after the HARRP Board's decision on June 13th to eliminate coverage for methamphetamine and mold; we had indicated to HARRP that we did not believe they had the right to change coverage immediately in the middle of a term;
2. Whether AHRP would renew THA's coverage on November 1, 2013.

On Friday, August 30, THA and HARRP reached an agreement by which the pools agreed not to contest any claims submitted prior to June 13, AHRP would renew THA's coverage on November 1, 2013, and THA agreed not to contest HARRP's ability to change coverage mid-term. This agreement was executed by Michael Mirra and Bill Gregory, the Executive Director of HARRP.

We still have 37 open contamination claims between both HARRP and AHRP. We estimate that these will total an additional \$900,000 in losses for the two pools and are satisfied by the terms of the agreement mentioned above that they will pay on these claims.

Since the loss of insurance coverage, 22 additional units have tested positive for contamination. The remediation and put-back costs associated with these vacancies will need to be covered by either THA or the applicable Tax Credit project.

The Administration Department continues to work closely with the Finance and REMHS Departments to find ways to reduce costs and locate other funds to pay for this work.

This concludes the September 2013 report to the Board for the Administration Department.

NEW BUSINESS

RESOLUTION #1



TACOMA HOUSING AUTHORITY

RESOLUTION 2013-9-25 (1)

DATE: September 25, 2013
TO: Board of Commissioners
FROM: Michael Mirra, Executive Director
RE: Approval of THA's 2014 Moving to Work Plan

Background:

This resolution would approve the submission to HUD for THA's Moving to Work plan for 2014. It proposes activities that will be familiar to the board from previous discussions and approvals. Some were included in the 2013 MTW plan and need HUD approval of some further details. These proposals were also the subject of the Board's study session on September 13th and a memo to the board of September 13th. I attach a copy of that memo. This resolution would allow me to submit the proposals for HUD's approval. Because this separate approval is necessary for HUD purposes, we must use HUD's form for this resolution. That is why the format of the resolution appears as it does.

MTW activities are intended to meet the statutory goals of the MTW program:

- Reduce costs and achieve greater cost effectiveness in federal expenditures;
- Give incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and
- Increase housing choices for low-income families.

The attached September 13th memo to the board describes the five (5) proposed activities in more detail. It also described the robust community and staff consultation process that has led to this proposal. Here are the highlights of the proposal.

1. Amend the Housing Opportunity Program (HOP) to allow THA to:
 - house HOP applicants in nontraditional units (shared housing and or in units owned by relatives)
 - end the participation of a household if they reach 80% AMI or higher

- change forms as needed (policy approved authorization needs to be included)
 - change the rule on port outs (policy approved authorization needs to be included)
 - change the duration of Housing Opportunity Program Payment (HOPP) contract
 - streamline the re-exam process
2. Create a security deposit program to assist THA applicants and program participants.
 3. Create a Local Asset Building Activity that will allow THA to pay cash contributions to students in the Scholars Incentive Program.
 4. Work with the Tacoma Community College to create a special voucher program to house homeless students.
 5. THA would no longer include excess student aid in the rent calculations.

The draft plan can be found at this link: [THA Draft 2014 MTW Plan](#)

Community and Staff Consultation

THA has spent much of the year planning for and preparing the annual 2014 Moving to Work (MTW) plan. During the planning process, THA consulted widely:

- Meeting with Northwest Justice on August 1st.
- Meeting with the landlord advisory committee on August 8th.
- Meeting with the Tacoma Community College on multiple occasions.
- Direct mailings to all THA residents about the plan and the public hearings.
- Public hearings at all senior/disabled sites on August 19, 20, and 21st.
- Public hearings for residents and all interested parties on August 26th.
- Public hearings for residents and all interested parties on August 27th.
- Met with SAFE president on July 31st.
- Spoke with Tacoma area Coalition on the Homeless at the September meeting

Feedback from staff, program participants, and advocates has been mostly supportive of the five proposed activities. A full list of public comments is included in the draft plan on THA's website and in the attached September 13th memo to the board.

Recommendation

Approve Resolution 2013-9-25 (1) authorizing the Executive Director to submit the Housing Authority of the City of Tacoma's Fiscal Year 2014 Moving to Work (MTW) Plan.

RESOLUTION 2013-09-25 (1)

Annual Moving to Work Plan Certifications of Compliance

**U.S. Department of Housing and Urban Development
Office of Public and Indian Housing**

Certifications of Compliance with Regulations: Board Resolution to Accompany the Annual Moving to Work Plan Amendment

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the Annual Moving to Work Plan Amendment for the PHA fiscal year beginning 1/1/2014, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

1. The PHA published a notice that a hearing would be held, that the Plan and all information relevant to the public hearing was available for public inspection for at least 30 days, that there were no less than 15 days between the public hearing and the approval of the Plan by the Board of Commissioners, and that the PHA and conducted a public hearing to discuss the Plan and invited public comment.
2. The Agency took into consideration public and resident comment before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan Amendment;
3. The PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
4. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
5. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
6. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
7. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part
8. The PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F.
9. The PHA will comply with requirements with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment and implementing regulations at 49 CFR Part 24.
10. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.

11. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).

12. The PHA will provide HUD or the responsible entity any documentation that the Department needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58.

13. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.

14. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.

15. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.

16. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments.).

17. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the Moving to Work Agreement and Statement of Authorizations and included in its Plan.

18. All attachments to the Plan have been and will continue to be available at all times and all locations that the Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its Plan and will continue to be made available at least at the primary business office of the PHA.

Housing Authority of the City of Tacoma

PHA Name

WA005

PHA Number/HA Code

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official

Title



TACOMA HOUSING AUTHORITY

To: THA Board of Commissioners
From: April Black, Director of Real Estate Management and Housing Services
Date: September 13, 2013
Re: Proposed Moving to Work Plan 2014

THA has been preparing the annual 2014 Moving to Work (MTW) plan. During the planning process, there has been a wide range of community and staff input. THA reached out to staff on several occasions and conducted staff brainstorming sessions to gather ideas for activities. After those meetings, five activities were agreed upon. After receiving approval from the cabinet to go through the public hearing process, THA has taken the following actions to receive feedback:

- Meeting with Northwest Justice Project on August 1st 2013.
- Met with the landlord advisory committee on August 8th 2013.
- Meeting with the Tacoma Community College on multiple occasions.
- Direct mailings to all THA residents informing them of the plan and the public hearings.
- Public Hearing at all senior/disabled sites on August 19, 20, and 21st of 2013.
- Public Hearings for current residents and all interested parties on August 26th 2013.
- Public Hearings for current residents and all interested parties on August 27^h 2013.
- Met with SAFE president on July 31st 2013.
- Spoke with Tacoma area Coalition on the Homeless at the September meeting.

Attached is a summary of the feedback we received. It was positive with the exception of one proposed activity, which we have withdrawn as a result of the concerns about it from Northwest Justice Project. THA proposed a local affordable housing rent formula for the new Hillside Terrace development. It would have used the tax credit ceiling rents that the Washington State Housing Finance Commission uses. These are set as a percentage of the community's median income without regard to the family's actual income. (E.g, rent would be 30% of the monthly income a family would have whose income was at 50% of Tacoma's Area Median Income. A family would pay this even if its income was at 25% of the Area Median Income.) While those rents would still be affordable in comparison with the market, they exceed what a household would pay underneath an income based program. Northwest Justice Project was concerned because it would make it difficult for extremely low income families to lease up in those units. THA is also going through the process of applying for the Rental Assistance Demonstration (RAD) program. Because of the requirements involved in the RAD application, there is not enough time to focus on the creation of a new rent structure. Once the RAD process is finished, THA will reevaluate the concept of a new affordable housing rent structure. THA will continue to engage its partners and Northwest Justice in this conversation.

ACTIVITIES FOR THE 2014 PLAN

Based on the outcome of public hearings and stakeholder meeting, THA proposes that the following activities be included in the final 2014 MTW Plan.

1. Re-propose the Housing Opportunity Program (HOP) activity:

This activity was approved in the 2013 MTW plan. After receiving MTW approval, THA wrote a new chapter for the Administrative Plan and went through the public process to have those policy details included. THA is re-proposing this activity because several MTW authorizations need to be included in the activity. The authorizations would allow THA to:

- House HOP applicants in nontraditional units (shared housing and or in units owned by relatives). Currently, voucher holders may not lease up in units owned by relatives.
- End the participation of a household if they reach 80% AMI or higher. Currently a household may stay on the program until their income based rent reaches the point where they are paying the full rent.
- Change forms as needed (policy approved authorization needs to be included)
- Change the rule on port outs (policy approved authorization needs to be included). The standard HUD rule allows households to port out.
- Change the duration of Housing Opportunity Program Payment (HOPP) contract. THA will allow for longer HOPP contracts so households have longer to look if needed. Currently there is a 90 day limit with the chance of one extension.
- Change the Re-exam process-streamline it for administrative efficiency. Currently THA verifies all income sources and asks for a lot of personal information. The HOP program rules make it unnecessary to ask for all of this information. THA believes we can reduce the time and money spent on the process by over 50%.

2. Create a local security deposit program:

The program would be for approved THA applicants and program participants. THA would not require the security deposit to be paid back however; THA would pay no more than 50% of any applicant or participants total security deposit. The activity would meet two important goals:

- Ensure that approved applicants in need of affordable housing are not turned away because they cannot come up with the security deposit.
- Help cut back on the number of unit turn downs THA receives because a client cannot come up with the security deposit.
- The program would be open for Public Housing and voucher applicants and residents. THA would initially contribute \$20,000 to the program.

3. Exclude excess financial aid income from students in the rent calculation process:

To further encourage self-sufficiency among participants and streamline administrative processes, THA proposes to modify the administration of the full-time student deduction by excluding 100 percent of a student's financial aid. This activity would encourage students to go to college or finish college without worrying about excess student aid being counted in their income calculations.

Currently, THA must count excess student aid from grants in the Housing Choice Voucher program if it is more than the tuition and books. An example is the G.I. Bill. If a veteran receives a G.I. Bill grant and the amount is more than the tuition and books, THA would count the excess money towards rent. This does not happen often, but when it does it is troubling. This type of activity has been implemented by a majority of MTW agencies.

4. Local Asset Building Activity:

THA has partnered with the Bill and Melinda Gates Foundation (BMGF) to create a program to encourage and support student success. THA will use the BMGF funding to support planning and development of the Scholar Incentive Program. The incentive program will be aimed at improving academic achievement, graduation rates and college preparation/enrollment. The program will identify a series of pay points for engaging in specific activities tied to academic success, or achieving specific academic outcomes. These activities and achievements will help students succeed in school, graduate with a 2.0 or higher grade point average, and take necessary college preparatory coursework. In turn, these achievements will help qualify students for use of Washington State's College Bound Scholarship.

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

This proposal will support student success, and help us learn more about effective strategies to increase student engagement in learning and student achievement through use of carefully targeted incentives. The project will target THA public housing and Housing Choice Voucher middle-school aged students who are enrolled in the College Bound Scholarship program. THA would spend up to \$150,000 on this activity in the form of incentives to students in the program. If the activity starts before MTW approval, THA would use non MTW funds for the savings accounts. THA would reimburse non-MTW funds once MTW approval is granted.

5. Learn to Succeed:

THA is proposing a partnership with the Tacoma Community College (TCC) where THA will provide rental assistance to homeless students at the community college. TCC would provide services designed to help the families succeed so they are ready to be independent of housing subsidies after graduation. The program would offer the same fixed subsidies as the HOP program (50%) of payment standards and participants would have a three (3) year limit on assistance. Graduates would be considered a success and transitioned off of the program with a 30 day notice. The community college would handle all eligibility but anyone on the program would have to be an active student at the community college. Students will have to continue to stay in college and keep up a 2.0 grade point average. There would be a due process before anyone was terminated from the program. All units would receive HQS exams. THA would assist a maximum of 25 households at any given time. The program would cost approximately \$150,000 a year.

COMMENTS FROM COMMUNITY PARTNERS

SOURCE OF COMMENT	DATE	2014 MTW Activity	Question/Comment	Our Response
SAFE	7/31/13	RAD	What will this do to seniors?	At this point, THA does not foresee the proposed RAD changes effecting rents for the properties. We do not see any major rule changes. THA will come back to all properties/resident with more details in the near future.
SAFE	7/31/13	Local Asset Building	No questions	
SAFE	7/31/13	Learn to Succeed	No questions	
SAFE	7/31/13	Security Deposit Activity	Would this be for seniors too?	If approved and implemented, it would be available for seniors.
SAFE	7/31/13	Ignore student financial aid	This will be good for the younger students. They will be motivated to finish school.	THA also believes the activity will be good for any student regardless of age.
SAFE	7/31/13	HOP	Can someone rent from relatives	Right now only with an approved RA. We would offer this up to more people if approved. However; THA would not grant this without a manager examining the situation first.

SOURCE OF COMMENT	DATE	2014 MTW Activity	Question/Comment	Our Response
SAFE	7/31/13	HOP	Why do you have to designate someone senior?	There are rules about what ages is considered senior in HUD programs. THA is changing the age from 62 to 57 for the HOP program because of the 5 year time limit.
SAFE	7/31/13	Alternative Rent Structure at former Hillside	How much would someone need to make to rent the unit?	Everyone would need to income qualify 80% AMI or below.
Northwest Justice Legal Advocates NWJ	8/1/13	RAD	What type of subsidy will households get for an exit voucher?	At this point, THA would offer a HOP voucher.
NWJ	8/1/13	Match student asset building	Where does the money go? Make sure there are checks for fraud.	The money will go into a savings account. THA will look into every aspect of the savings accounts to prevent fraud.
NWJ	8/1/13	Learn to Succeed	Who will choose the students and when would it start.	-Will start in January, -TCC will choose the students.
NWJ	8/1/13	Learn to Succeed	This is a good program.	THA is excited about this program.
NWJ	8/1/13	HOP	How does it change the term limit?	The time limit has not changed.
NWJ	8/1/13	HOP	Leases need to be at least a year to provide security (Bremerton HA).	More landlords may participate with shorter terms. THA is not going to actively push short leases but use them in the cases where they could help a client find a unit.

SOURCE OF COMMENT	DATE	2014 MTW Activity	Question/Comment	Our Response
NWJ	8/1/13	HOP	Is shared housing part of the equation? Will it help them get leased up? Possibility of fraud?	THA already has some shared housing. THA will monitor the program for any fraud.
NWJ	8/1/13	Alternative Rent Structure at Former Hillside Terrace	Concerning the >50% AMI bracket, why are we moving away from helping people with greater need?	THA has taken this activity off the table for the plan year.
NWJ	8/1/13	Alternative Rent Structure at Former Hillside Terrace	We do not agree with this rent structure. Where will the extremely poor live if THA keeps cutting subsidy.	THA has taken this activity off of the table.
Landlord Advisory Committee(LAC)	8/8/13	HOP	How do you justify forcing someone out because of increasing family size?	THA will still subsidize a family but only at the size of initial determination.
LAC	8/8/13	Non MTW	HQS is inspected by city code levels. It's making landlords consider leaving the program.	THA needs to inspect to city levels because of code enforcement. If THA does not inspect to city levels, it risks passing a unit only to have the city come in and fail it later.
LAC	8/8/13	Non MTW	Inspections are going beyond HQS requirements.	Section 8 managers will meet with committee.
LAC	8/8/13	Non MTW	Landlords were not given notice about tenant rent change.	We can copy landlords on anything regarding the lease or review issues.

SOURCE OF COMMENT	DATE	2014 MTW Activity	Question/Comment	Our Response
LAC	8/8/13	Rent Reform	There are more minimum rent households than necessary, and the programs are not appealing.	THA has increased the minimum rents over the last three years. There is a hardship program but very few families have used it.
LAC	8/8/13	Scholar incentive program (local asset building) (LAC)	Is the scholar incentive program open for everyone?	We can open up scholarship information to landlords.
LAC	8/8/13	Security Deposit Activity	Security deposits should be allowed for Section 8, THA should keep it fair across the two programs.	THA will open up security deposits for all programs
LAC	8/8/13	HOP	Landlords should not be subjected to stricter policies than public housing.	THA is looking at changes that will work best in all of its housing programs. While some of the policies have differed between programs, the lease up rates have been good for the HOP program and there have been no landlord complaints outside of the LAC.
Resident G Street	8/20	N/A	<i>I thought this was about working? I need a job.</i>	We gave this resident information about our services department
Resident G Street	8/20	Security Deposit	I am happy we can get help with security deposits.	THA would implement this in 2014 if approved.
Resident G Street	8/20	RAD	Will we get a HOP voucher right away?	Vouchers would be issued by availability and date requested.
Resident K Street	8/19/13	N/A	The front side of the building is too hot.	I directed the resident to the property manager

SOURCE OF COMMENT	DATE	2014 MTW Activity	Question/Comment	Our Response
Resident K Street	8-19-13	Asset Building	I am happy you are working with the Gates foundation.	THA is happy about the partnership
Resident K Street	8-19-13	RAD	I would not want a HOP voucher. Public housing is a better program	THA would not force you to move out of your unit with a RAD conversion. The HOP voucher would be an option.
Resident- K Street	8-19-13	RAD	When is RAD going to happen?	THA is going to put the application in to HUD in October.
Resident-K Street	8-19-13	RAD	Is our rent going to go up?	The rent would not increase with the RAD conversion.
Resident- 6 th Ave	8-19-13	Security Deposit	<i>Will you pay for our utilities?</i>	No, THA would pay for the costs of the deposit of utilities being turned on.
Resident -6 th Ave	9-19-13	RAD	I am excited if THA will improve the building	THA is going through a process to determine what upgrades need to happen within our portfolio.
Resident- Fawcett	8-20-13	HOP	I never heard of a HOP program. Is it going to affect me?	Because you are in public housing, the HOP program rules do not apply to you. If you apply and join the HOP program at any time, the program rules would apply to you.

SOURCE OF COMMENT	DATE	2014 MTW Activity	Question/Comment	Our Response
Resident Fawcett	8/20/13	HOP	Are there any other housing authorities doing HOP?	No. Because THA is in a demonstration program, we have the authority to try new ideas. This is a new program that only THA is running right now. There are a few similar programs in the U.S. but not many.
Resident Fawcett	8/20/13	HOP/RAD	If I get a HOP voucher through RAD, can I port it out.	Not unless you have a reasonable accommodation or there is a DV situation.
Resident Fawcett	8/20/13	RAD	If THA gets RAD, when can I get a HOP voucher? Is the one year retroactive? I have lived here for seven years.	HOP vouchers would be available depending on funding and attrition rates. The mobility option would not be retroactive and you would need to be in your unit for one year after THA received approval before requesting to be put on the HOP waitlist.
Resident M Street	8/20/13	MTW	I thought this meeting was about helping me get a job. This has nothing to do with that. This is boring policy mumbo jumbo.	THA apologizes for any misunderstanding when we hold Moving to Work public meetings and hearings. THA directed this tenant to our services department.
Resident M Street	8/20/13	Security Deposit	Can I get a security deposit if I move out of here?	If you are moving to a THA property or using the voucher program, you may qualify.

SOURCE OF COMMENT	DATE	2014 MTW Activity	Question/Comment	Our Response
Resident M Street	8/20/13	RAD	Would I get a HOP voucher right away?	No, you would need to stay in the unit one year after RAD conversion and then ask to be put on the waitlist. Your name would go towards the top depending on who else asked to be put on the waitlist and when they did so.
Phone Call from Resident	8/21/13	Rent Reform	I received your newsletter, do I get annual reviews anymore?	This client was informed we will only review her every three years.
Phone call from resident- 6 th Ave	8/21/13	RAD	I would like to get on the HOP waitlist now.	We need to have RAD approved first. If RAD is approved, then you can request to have your name on the HOP waitlist. You must stay in your unit for at least one year.

RESOLUTION #2



TACOMA HOUSING AUTHORITY

RESOLUTION 2013-9-25 (2)

DATE: September 25, 2013
TO: Board of Commissioners
FROM: Michael Mirra, Executive Director
RE: Authorization to Support the Puget Sound Regional Council's "Growing Transit Communities Compact"

Background

This resolution would state THA's support for the Puget Sound Regional Council's "Growing Transit Communities Compact." In June of 2011, the THA Board of Commissioners passed a resolution supporting the Puget Sound Regional Council's (PSRC) "Growing Transit Communities Consortium." The resolution allowed THA to participate in the planning process to devise regional strategies for the following purposes:

- provide more transportation choices.
- promote equitable, affordable housing.
- enhance economic competitiveness.
- support existing communities.
- coordinate and leverage federal policies and investment.
- value communities and neighborhoods.

Since that time, PSRC has worked with agencies and organizations around the region on a regional compact resulting in three main goals for the strategies:

- attract more of the region's residential and employment growth near high-capacity transit.
- provide housing choices affordable to a full range of incomes near high-capacity transit.
- increase access to opportunity for existing and future community members in transit communities.

The planning group developed twenty-four strategies that revolve around these three main goals. From overarching regional approaches to local and individual actions, together these provide a set of coordinated steps toward ensuring a prosperous, sustainable, and equitable future. As a whole, the strategies are a call to action for partners across the region to redouble efforts to create great urban places and build equitable communities around transit. Fully recognizing the strong policy foundation embodied in regional and local plans, as well as the innovative work in implementing those plans to date, the Partnership makes these recommendations as a challenge to do more than is being doing today.

The Growing Transit Communities Recommended strategies and actions fall into four groupings:

1. **The Foundation Strategies** recommend a regional and local framework for ongoing work to support transit communities. Modeled on the relationships and values at the heart of the Growing Transit Communities Partnership, these strategies envision an ongoing regional effort involving diverse partners and community members in decision making and implementation at all levels.
2. **The Strategies to Attract Housing and Employment Growth** recommend actions to make great urban places that are attractive to households and businesses, remove barriers to development and support development in emerging markets.
3. **The Strategies to Provide Affordable Housing Choices** recommended actions to define and quantify housing needs, preserve existing and supply new housing choices, and capitalize on the value created by the private market, enhanced by transit investments, in order to achieve the broadest range of affordability in transit communities.
4. **The Strategies to Increase Access to Opportunity** recommend actions to understand regional disparities in access to opportunity, identify existing and potential new resources and tools to meet community needs, and build support for equitable opportunities through education, coalitions, and leadership.

Recommendation

Approve Resolution 2013-9-25 (2) authorizing the Executive Director to support and sign on to the Growing Transit Communities Compact.



TACOMA HOUSING AUTHORITY

RESOLUTION 2013-09-25 (2)

AUTHORIZATION TO SUPPORT AND SIGN ON TO THE GROWING TRANSIT COMMUNITIES COMPACT

Whereas, THA agrees that the region's long-range growth management, economic, environmental, and transportation goals depend heavily on continued investment in more and better public transportation services;

Whereas, THA acknowledges the acute need for additional resources and tools to create and preserve affordable housing throughout the region;

Whereas, THA recognizes that cities and counties will require new resources to create the critical physical and social infrastructure that will support growth, including transportation, utilities, recreation, and public services;

Whereas, THA agrees that progress toward equitable transit communities requires a cooperative, regional approach with diverse partners across governmental and nongovernmental sectors that supports and builds upon existing and ongoing planning efforts by regional and local governments and transit agencies;

Whereas, THA commits to build upon the work of the Growing Transit Communities Partnership through the promotion of equitable transit communities in light rail station areas and transit nodes located within the region's three long-range light rail transit corridors, and around transit nodes outside these corridors in other parts of the region;

Whereas, THA recognizes that each corridor is at a different stage of high capacity transit system development, and that future stations may be identified and sited that should also be considered under this Compact;

Whereas, THA understands that this Compact is designed to express the intent of diverse partners to work together toward common goals, with specific actions identified by partners appropriate to their roles and responsibilities;

Whereas, THA recognizes that the policies and programs promoted by the Partnership may also benefit community development around other transit investments and corridors, including but not limited to bus rapid transit, streetcar, commuter rail, intercity express bus, and ferries;

Whereas, THA supports a continuing process of collaboration and coordinated action to advance the development of equitable transit communities, as guided by the following goals, signatories to this Compact will strive to: attract more of the region's residential and employment growth to high capacity transit communities.

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

1. The Tacoma Housing Authority supports the Growing Transit Communities Compact; and,
2. The Executive Director of the Tacoma Housing Authority, or his representative, is authorized to sign on to the Growing Transit Communities Compact.

Approved: September 25, 2013

Greg Mowat, Chair

RESOLUTION #3



TACOMA HOUSING AUTHORITY

RESOLUTION 2013-9-25 (3)

DATE: September 25, 2013
TO: Board of Commissioners
FROM: Michael Mirra, Executive Director
RE: Project Based Voucher Renewal, New Look Apartments

Background

THA provides project based vouchers (PBV) in a number of properties throughout the city. Current contracts have terms of 10-15 years. THA has a contract to provide 42 project based vouchers to the MLKHDA for its New Look Apartments property. The contract has expired and we are requesting the renewal of the contract for 10 years.

If Tacoma Housing Authority fails to renew the HAP contract for New Look Apartments, 42 residents will be in jeopardy of losing their safe and secure housing due to it no longer being affordable. Their rents would increase from approximately \$140/month to \$625/month. This would be a 400+% increase.

Although THA serves many elderly and disabled persons, our waiting list tells us that many more in our city need assistance. Renewing the HAP contract with New Look Apartments would allow the residents to continue to receive their subsidy and remain in their homes.

Number of units under contract	Occupancy	Potential Impact on Residents	Population Served	Property Amenities
42, 1 bedroom units	Averages 97% per month	New Look keeps their rents at a reasonable rate. Currently their rents are \$625 per month for a one bedroom unit. Although \$625 is a very low rent, \$155 below the payment standard, the average resident at New Look, receiving SSI in the amount of \$710 per month would be paying 88% of their income toward rent without the subsidy provided from the Project Based Voucher.	Many of these residents are elderly or disabled. 90% of the clients receive SSI.	Easy access to shopping, transportation and medical services.

Recommendation

Approve Resolution 2013-9-25 (3) authorizing renewal of the New Look Project Based Vouchers for a period of 10 years.



TACOMA HOUSING AUTHORITY

WHEREAS, Tacoma Housing Authority (THA) has a contract with the Martin Luther King Housing Development Agency (MLKHDA) to provide 42 project based vouchers (PBV) at the New Look Apartments;

WHEREAS, that contract is expiring;

WHEREAS, renewing the contract will keep the New Look rents affordable to its residents, who are very low-income elderly or disabled persons.

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

The Executive Director is authorized to execute another Housing Assistance Payment (HAP) contract with Martin Luther King Housing Development Agency for up to ten (10) years to place forty-two (42) project based vouchers at New Look Apartments.

Approved: September 25, 2013

Greg Mowat, Chair

RESOLUTION #4



TACOMA HOUSING AUTHORITY

RESOLUTION 2013-9-25 (4)

DATE: September 25, 2013
TO: Board of Commissioners
FROM: Michael Mirra, Executive Director
RE: Project Based Voucher Renewal, Hillside Gardens

Background

THA provides project based vouchers (PBV) in a number of properties throughout the city. Current contracts have terms of 10-15 years. THA has a contract with Mercy Housing to provide 8 project based vouchers at its Hillside Gardens property. That contract is expiring.

Hillside Gardens is located at 1708 South "G" Street Tacoma, WA 98405. This property is in an up and coming area of Tacoma. In addition to it being a neighbor of THA's Hillside Terrace, it is surrounded by several new, high end properties as well as University of Washington, Tacoma and Downtown.

THA's subsidy makes Hillside Gardens affordable to low-income households. Renewing the HAP contract with Hillside Gardens would allow the residents to continue to receive their subsidy, important services and remain in their homes.

Contract Expiration	Number of units under contract	Occupancy	Potential Impact on Residents	Population Served	Property Amenities
8/27/13	8, 2 bedroom units	88% Since the site only has 8 units receiving subsidy, one empty unit makes a big difference in occupancy rate.	Rents for these units are below the payment standard (2 BR \$973) at \$900/ mo for a 2 BR unit but if their income was anything except the top of the 30% range, they would be paying well over 50% of their income for rent. If clients would have to pay the full amount of rent, they would most likely have to move and lose access to the valuable services Hillside Gardens provides.	Families with incomes below 30% AMI	*Community room *Computer lab *Outdoor children's play area *On-site parking *After school and summer youth programs *Adult life skills classes *ESL classes *Financial literacy program

Recommendation

Approve Resolution 2013-9-25 (4) authorizing renewal of the Hillside Gardens Project Based Vouchers for a period of 10 years.



TACOMA HOUSING AUTHORITY

RESOLUTION 2013-9-25(4)

WHEREAS, Tacoma Housing Authority (THA) has a contract with Mercy Housing for 8 project based vouchers (PBV) at the Hillside Gardens Apartments ;

WHEREAS, that contract is expiring;

WHEREAS, the vouchers make Hillside Gardens Apartments affordable to low-income households.

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

the Executive Director is authorized to execute another Housing Assistance Payment (HAP) contract with Mercy Housing for up to ten (10) years to place eight (8) project based vouchers at Hillside Garden Apartments.

Approved: September 25, 2013

Greg Mowat, Chair

RESOLUTION #5



TACOMA HOUSING AUTHORITY

RESOLUTION 2013-9-25 (5)

Date: September 25, 2013
To: THA Board of Commissioners
From: Michael Mirra
Executive Director
Re: Credit Card Policy

Background

This resolution will have the board adopt a policy to allow for an expanded staff use of credit cards for purchases their THA work requires. Allowing this will save considerable transaction costs. State law requires a board policy to govern our use of credit cards. A board policy is also part of the assurance auditors require.

The traditional way we buy something uses a requisition, purchase order, invoice and check payment. The cost of this process is the same regardless of the dollar amount of the purchase. In other words, the process cost of a \$5 purchase is the same as that of a \$5,000 purchase. Often the process cost exceeds the value of the item being acquired (e.g., the cost to acquire a \$25 wrench may exceed \$100). A recent study completed by the Finance Department with the help of staff in other departments disclosed that in 2012 about 26% of maintenance supply invoices for the Salishan projects and 28% of maintenance supplies for all other THA projects were for purchases under \$20. This same study also revealed that the processing costs for each invoice were valued between \$80 and \$100.

Unlike many other organizations, governmental agencies and private enterprises alike, THA has not yet taken advantage of the cost savings in the form of reduced process costs that are inherent in the use of purchasing/credit cards. THA currently only uses a few credit cards, primarily for travel expenses but not for most small purchases where the greatest savings could be realized.

To take advantage of these costs savings requires an adequate system of controls in the form of policy, procedures and standardized forms. THA has begun working with US Bank, using cooperative purchasing through the Washington State master contract, to set up an online system to record and approve credit card transactions, which will result in a monthly download of accounting coding that can be uploaded into THA's accounting system to pay the monthly statements.

The Finance Department is currently developing a comprehensive procedures manual, as well as a credit card quick reference guide that will guide cardholders in the use of the credit cards and the online US Bank system. Additionally, US Bank has very detailed training videos and help files to ensure the cardholders understand how to use their system; these training videos will be mandatory for each cardholder before the card is issued. The Finance Department plans to initially roll out the credit cards to limited sites to ensure that all procedures are adequately documented and then extend the roll out to all sites and current cardholders (Heritage Bank credit cards).

State Law (RCW 43.09.2855) requires local governments that use credit cards for purchases to have the agency's legislative body adopt a system for the distribution of the credit cards, the authorization and control of the use of credit cards funds, the credit limits available on the credit cards, the payment of the bills, and any other rule necessary to implement or administer the system. This state law also prohibits any cash advances on credit cards.

The purpose of the attached policy is to establish responsibilities for implementation of credit card procedures, to ensure compliance by THA with state law identified above, and to ensure the credit card usage and administration is within the guidelines of THA's Procurement Policy (THA Policy PCI-01 Procurement).

Recommendation

Approve Resolution 2013-9-25 (5) adopting the draft policy in substantially the attached form governing the use and administration of credit cards.



TACOMA HOUSING AUTHORITY

RESOLUTION 2013-9-25 (5)

ADOPTION OF THE CREDIT CARD POLICY

Whereas, the Authority can reduce purchase transaction cost by using credit cards for purchases;

Whereas, state law (RCW 43.09.2855) allows THA to use credit cards but requires the board to adopt a policy setting up a system of control over credit card administration and usage;

Whereas, the attached draft policies governing the use and administration of credit cards would help the Authority comply with state law and save money; and

Whereas, the Authority intends to distribute and train all cardholders and their supervisors on the credit card policies and procedures.

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

The Board adopts the "Credit Card" policy in substantially the form set forth in the attached draft, allowing for changes to format and procedures, and other changes pursuant to THA Policy G-01 on the Adoption, Amendment and Promulgation of Policies

Approved: September 25, 2013

Greg Mowat, Chair



TACOMA HOUSING AUTHORITY

Policy No.	F-20
Policy	Credit Cards
Date	August 1, 2013

1. Purpose

The purpose of this policy is to establish responsibilities for implementation of credit card procedures, which improve efficiency in the procurement process for travel and small purchases and provide appropriate controls over expenditure of public funds.

2. Sources for Policy

- ▶ RCW 43.09.2855 Local governments – Use of credit cards
- ▶ THA Policy PCI-01 Procurement

3. Scope of Policy

This policy applies to all THA directors, managers and employees issued credit cards, their supervisors as well as those tasked with administering the credit card program.

4. Who is Responsible for Implementing Policy

Who	Responsibilities
<i>Finance Director</i>	Implement and maintain a system for the distribution, authorization and control of credit cards issued to THA directors, managers and employees. Approve and set transaction and credit limits on each card. Develop Credit Card Procedures guide. Establish and implement procedures for the timely payment of credit card bills.
<i>Accounting Specialist designated as Credit Card Administrator</i>	Overall administration of the credit card program. Acts as the liaison between the credit card issuer and the credit cardholders.
<i>Department Director and Department Contact</i>	Each Department Director is responsible to designate a Department contact who will oversee, collect receipts, track purchases, monitor disputes and reconcile statements monthly for each credit card issued to and within the department.
<i>Employee/Cardholder</i>	Receive and read the Credit Card Policy and the Credit Card Procedures and sign a THA Credit Card Usage Agreement acknowledging their understanding of the policy and procedures. Follow procedures outlined in the Credit Card Procedures and use credit card only for expenses allowed under THA policies.

5. Definitions		
	<i>Credit Card Procedures</i>	Detailed instructions for cardholders, Department contacts and Department Directors outlining credit card procedures for travel and small purchases, and providing appropriate controls over expenditures of public funds.
	<i>Credit Limit</i>	Monthly spending limit set for each individual credit card.
	<i>Transaction Limit</i>	Maximum individual purchase amount set for each individual credit card.

6. Forms Associated with this Policy		
	<i>THA Form F-20(01)</i>	Credit Cardholder Application
	<i>THA Form F-20(02)</i>	Credit Card Usage Agreement

7. Policy

7.1 Application and Issuance

THA credit cards may be directly issued to those regular full-time THA officials and employees who, in the opinion of their Department Director and the Finance Director, have job responsibilities that could be more easily facilitated by the use of a credit card and the credit card use would benefit THA.

The application and approval of such credit card issuances are completed using the Credit Cardholder Application form, which includes the identification and approval of credit and transaction limits. Department Directors may request pre-approval of credit and transaction limits for new cardholders from the Finance Director to expedite the application process. The Finance Director will ensure that the approved limits are in compliance with the bid limits specified in THA's procurement policy and approved purchasing levels.

Once the new credit card is received, each cardholder will be required to sign a THA Credit Card Usage Agreement acknowledging that they have read and understand this policy and the THA Credit Card Procedures, and that they understand that violations of the policy and procedures will subject them to possible disciplinary actions and payroll deductions. Before issuance of the credit card, the applicant will also be required to complete online training to familiarize the cardholder with the credit card company's website, the online coding of expenses, and the monthly reconciliation process. Once this process is completed, the THA credit card can be issued to the cardholder.

7.2 Authorized Card Use

THA credit cards shall only be used for purposes of incurring ordinary, reasonable and usual expenses to properly maintain and continue Housing Authority operations including authorized training and travel expenses and the purchase of supplies, services and equipment. Use of the credit card does not

relieve the cardholder from adhering to the Housing Authority's Procurement Policy and procedures.

No obligation shall be incurred, nor shall such obligation be deemed a valid obligation of the Housing Authority, unless such obligation is for matter or matters otherwise properly provided for in the budget of the Housing Authority or its component units. Should a non-budgeted credit card purchase become necessary, the Department Director requires the Finance Director's written approval in advance of the purchase.

A purchase made with a credit card may be made in-store, by telephone, fax, internet or U.S. mail. Use of purchase orders is required as specified in the THA Procurement Policy. When a credit card is used for the purpose of covering authorized travel expenses, these credit card expenses are required to be included in a fully itemized travel expense voucher in accordance with the THA Travel Policy.

7.3 Unauthorized Card Use

Any unauthorized charges incurred by an authorized cardholder may be deducted from any payment otherwise due to the cardholder. Unauthorized charges include, but are not limited to the following:

- a) Personal items and services
- b) Capital equipment (tangible equipment with a life expectancy of over 1 year valued over \$5,000)
- c) Cash advances, money orders, travelers checks, and gift cards
- d) Alcoholic beverages
- e) Entertainment and recreation
- f) Bars, taverns, night clubs, and lounges
- g) Jewelry, watches, clocks, and silverware stores
- h) Furriers and fur shops
- i) Rental or lease of space
- j) Contract services

RESOLUTION #6



TACOMA HOUSING AUTHORITY

RESOLUTION 2013-9-25 (6)

Date: September 25, 2013
To: THA Board of Commissioners
From: Michael Mirra
Executive Director
Re: MTW Reserve Commitment

Background

This resolution commits THA's MTW reserves for specified purposes. This commitment is necessary to better preserve those reserves for those purposes and protected from some sort of recapture or offset by HUD. Such a recapture or offset seems to be contemplated in some versions of the 2014 federal budget. On June 18, 2013 the House Appropriations Committee released its version of the Fiscal Year 2014 Transportation, Housing and Urban Development (THUD) funding bill. This version specifies that *"...public housing agencies participating in the MTW demonstration shall be funded pursuant to their MTW agreements and shall be subject to the same pro rata adjustments under the previous provisos: Provided further, That the Secretary may offset public housing agencies' calendar year 2014 allocations by the excess amount of agencies' reserves as established by the Secretary; Provided further, That public housing agencies participating in the MTW demonstration shall also be subject to the offset, as determined by the Secretary, from the agencies' calendar year 2014 MTW funding allocation..."*

This issue is related to our recent settlement with HUD of our dispute over HUD's "rebenchmarking" of our Section 8 funding. According to that settlement, we received \$1.2 million. The settlement makes clear that HUD shall deem the \$1.2 million to be committed by THA, and not subject to a sweep of reserves, provided that THA describes in its MTW plan how the funds will be used and provides a schedule for spending them.

For these reasons, this resolution commits our MTW reserves according to the attached Schedule of MTW Reserve Commitments. THA wishes to include this schedule in the 2014 MTW Plan along with a detailed narrative description of the reasons why this funding is needed and that THA reserves the right to shift monies between these line items as the need may arise. We believe this will allow for the flexibility required in predicting our future funding streams, while at the same protect our MTW reserves from an otherwise detrimental offset.

Recommendation

Approve Resolution 2013-9-25 (6) committing THA MTW reserves as identified in the attached Schedule of MTW Reserve Commitments and directing that this commitment be included in the 2014 MTW Plan.



TACOMA HOUSING AUTHORITY

RESOLUTION 2013-9-25 (6)

COMMITMENT OF MOVING TO WORK RESERVES

Whereas, HUD has identified that uncommitted MTW Reserves are subject to offset; and

Whereas, THA has MTW Reserves that are currently not specifically committed but are included in the Authority's plans for future capital and operational expenditures; and

Whereas, the attached Schedule of MTW Reserve Commitments reflects the Authority's current plans for such capital and operational expenditures of MTW Reserves; and

Whereas, the Authority intends to include this Schedule of MTW Reserve Commitments in the 2014 MTW Plan including language that allows for shifting monies between the identified commitments.

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

1. The Board commits THA's MTW Reserves as outlined in the attached Schedule of MTW Reserve Commitments, subject to adjustment in future budgets and budget revisions.
2. The Board directs the Executive Director to include these MTW Reserve Commitments in the 2014 MTW Plan.

Approved: September 25, 2013

Greg Mowat, Chair

Tacoma Housing Authority Schedule of MTW Reserve Commitments

September 25, 2013

Planned Expenditure	Committed Funds	Planned Expenditure Date
2nd Phase of Hillside Terrace redevelopment project	\$ 2,420,000	12/31/2015
Renovation/Remodel of 2nd Floor of Administrative Building	\$ 700,000	12/31/2014
Renovation/Remodel of Salishan Family Investment Center	\$ 300,000	12/31/2014
RAD Conversion Costs - Capital Contributions to Projects	\$ 1,000,000	6/30/2015
Software Conversion for Unsupported/Obsolete ERP Software (Visual Homes)	\$ 600,000	6/30/2015
Education Projects - McCarver & Others	\$ 310,000	12/31/2015
Exigent Health & Safety Issues (Meth Remediation)	\$ 500,000	12/31/2014
Total Committed Funds	\$ 5,830,000	

RESOLUTION #7
This is a walk on Resolution

RESOLUTION #8



TACOMA HOUSING AUTHORITY

RESOLUTION 2013-9-25 (8)

Date: September 25, 2013
To: THA Board of Commissioners
From: Michael Mirra
Executive Director
Re: Purchase and Sale Agreement, 1120 & 1124 MLK Jr. Way

Background

This resolution would authorize the Executive Director to negotiate and execute an agreement with the City of Tacoma for two parcels of property the City owns on MLK Avenue on the Hilltop. Attached is a copy of the draft agreement that the City Council already approved. This agreement contemplates that THA would develop and own 40-50 units of workforce housing above retail. The agreement would give THA about two years to determine the project's feasibility on the following schedule:

If THA determines the project is feasible, the City would give the parcels to THA at no cost, "as is", and on condition that THA completes the development on schedule. The agreement does not commit THA to the development. Such a commitment would require further THA board approval and staff would seek it only after the feasibility period determines the project is feasible.

The agreement's schedule is as follows:

June 30, 2014	Preliminary Feasibility Complete
April 30, 2016	Financial Feasibility
June 1, 2016	Construction and Permanent Financing
June 30, 2016	Acquisition Closing
July 15, 2016	Relocation Complete
August 14, 2016	Construction Start
July 31, 2017	Construction Completion

This project would coordinate with Tacoma Business District Revitalization Group (RG). RG is signing a companion agreement with the City to purchase two adjacent parcels known as the Brown Star Grill properties. The redevelopment of these four properties could be an important spur to the revitalization of the Hilltop.

THA and RG have consulted widely with notable organizations and views on the Hilltop, including:

- Central Area Neighborhood Council
- New Tacoma Neighborhood Council
- Hilltop Action Coalition
- Hilltop Business Association
- Tacoma-Pierce County Black Collective
- Jim Walton
- MLK Subarea Planning Group
- Historic Tacoma
- SEIU
- United Food and Commercial Workers Union
- Community Health Care

Our proposal met with widespread support. The City Council has already approved the agreement on August 13, 2013. THA and RG staff addressed the council on that date and heard favorable comment from individual councilmembers.

Recommendation

I recommend that the board approve this resolution authorizing me to negotiate, and if those negotiations are successful, to execute the Purchase and Sale Agreement with the City of Tacoma to acquire the properties located at 1120 & 1124 MLK Jr. Way, Tacoma, WA and begin studying the feasibility of the project.



TACOMA HOUSING AUTHORITY

RESOLUTION 2013-9-25(8) Purchase and Sale Agreement 1120 & 1124 MLK Jr. Way

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

Whereas, the Housing Authority of the City of Tacoma (the “Authority”) seeks to encourage the provision of long-term housing for low-income persons residing within the City of Tacoma, Washington (the “City”).

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

Whereas, the phrase “housing project” is defined by RCW 35.82.020 to include, among other things, “any work or undertaking . . . to provide decent, safe and sanitary urban or rural dwellings, apartments, mobile home parks or other living accommodations for persons of low income.”

Whereas, The City of Tacoma Council met on August 13, 2013 and approved a resolution to enter into a Purchase and Sale Agreement with THA for two tax parcels located at 1120 & 1124 MLK Jr. Way, Tacoma, WA;

Whereas, The Housing Authority has an interest to develop approximately 40-50 affordable housing units at the property;

Whereas, The Executive Director and the Board of Commissioners find the terms of the Purchase and Sale Agreement acceptable to THA;

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

1. The Executive Director has the authority to negotiate, and if those negotiations are successful, to execute a Purchase and Sale Agreement with the City of Tacoma, in substantially the same form as attached.

2. The Executive Director has the authority to commence the feasibility study necessary to evaluate the development and in accordance with the conditions of the Agreement;
3. The Executive Director has the authority to apply for various types of funding including but not limited to, City, County, State and Federal resources, such as HOME, CDBG and Housing Trust Funds, Low Income Housing Tax Credit equity, Tax Exempt Bonds and other grants or sources necessary to evaluate and determine feasibility.
5. Acting Officers Authorized. The proper officers of the Authority are and are hereby authorized, empowered, and directed to take such further action on behalf of the Authority as they deem necessary to effectuate the foregoing sections of this resolution. Any action required by this resolution to be taken by the Executive Director of the Authority may in his absence be taken by the duly authorized acting Executive Director of the Authority.

Approved: September 25, 2013

Greg Mowat, Chair

REAL ESTATE PURCHASE AND SALE AGREEMENT

This REAL ESTATE PURCHASE AND SALE AGREEMENT (this "Agreement") is entered into as of _____, 201__ between the **City of Tacoma**, a first class municipal corporation ("Seller") and the **Housing Authority of the City of Tacoma**, a public body corporate and politic of the State of Washington that has been granted by Seller the authority to exercise the powers of a public development authority ("Buyer").

RECITALS

WHEREAS, Seller is the owner of those certain parcels of real property, together with all improvements thereon, located at the street addresses of 1120 (tax parcel no. 2011220040) and 1124 Martin Luther King Jr. Way (tax parcel no. 2011220050), which are more particularly described in Section 1, below; and

WHEREAS, Buyer desires to purchase from Seller, and Seller desires to sell to Buyer the aforementioned real property on the terms and conditions set forth herein; and

WHEREAS, the real property described in Section 1 below, is being conveyed by Seller via a negotiated sale with the Buyer, and Buyer has agreed to develop the Property (as defined below) in conjunction with **KELLOGG SICKER POCHERT LLC** ("KSP") and its project on the immediately adjacent real property as set forth in a Cooperative Development Agreement to be entered into between Buyer and KSP in order to coordinate complementary design and parking arrangements, among other things; and

WHEREAS, Buyer intends, and has agreed to develop the real property in a manner that benefits the community by providing forty to fifty (40-50) units of mixed-income, affordable housing targeting households earning between thirty and eighty percent (30-80%) of area median income, adjusted for family size, developed in a way that will be aesthetically consistent with neighboring development (the "Project");

NOW THEREFORE, in consideration of the mutual covenants contained in this Agreement and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, Seller and Buyer agree as follows:

AGREEMENT

1. Real Property. Seller agrees to sell and convey to Buyer and Buyer agrees to purchase from Seller, subject to the terms and conditions set forth in this Agreement, the real property and improvements legally described in Exhibit A and depicted in Exhibit B, together with all of Seller's right, title and interest therein (collectively the "Property").

2. Monetary Consideration. Seller has agreed, that in order to assist Buyer in its mission of providing high quality, stable and sustainable housing and supportive services to people in need, and in furtherance of Seller's own goals for economic redevelopment and productive reuse of the Property and for the benefit of the surrounding community, to forego the receipt of a monetary purchase price for the Property.

3. Additional Consideration. In addition to the public benefits referenced in Section 2, as part of the consideration for this Agreement, Buyer hereby agrees that, at Closing, the Property shall be made subject to the Covenants and Conditions attached hereto and incorporated herein as Exhibit C. The Covenants and Conditions shall be recorded against the Property at Closing in a separately recordable document.

ORIGINAL

4. INTENTIONALLY OMITTED.

5. Title to Property.

5.1 Conveyance. At Closing, Seller shall convey the Property to Buyer by duly executed and acknowledged Quit Claim Deed (the "Deed") subject only to those encumbrances that Buyer approves pursuant to Section 5.3 below (the "Permitted Encumbrances"). The Deed shall be substantially in the form attached hereto as Exhibit D.

5.2 Commitment. Upon execution of this Agreement, Seller authorizes Buyer to order a commitment for an owner's standard coverage policy of title insurance (or, at Buyer's election, an owner's extended coverage policy of title insurance) for the Property in the amount equal to the appraised (or the assessed value if no appraisal is required by either party) value of the Property to be issued by a Title Company mutually agreeable to the parties ("Title Company") and accompanied by copies of all documents referred to in the commitment ("Commitment").

5.3 Condition of Title. If Buyer elects to obtain a Commitment for the Property, Buyer shall review any encumbrances on the Property listed in the Commitment and shall advise Seller by written notice what encumbrances to title, if any, are disapproved by Buyer ("Disapproved Encumbrances") within 10 (ten) business days of receipt of the Commitment. Any monetary encumbrances other than non-delinquent ad valorem property taxes will be deemed to be disapproved. Seller will have ten (10) business days after receipt of Buyer's notice to give Buyer notice that (i) Seller will remove Disapproved Encumbrances, or (ii) Seller elects not to remove Disapproved Encumbrances. If Seller fails to give Buyer notice before the expiration of the ten (10) day period, Seller will be deemed to have elected not to remove Disapproved Encumbrances. If Seller elects not to remove any Disapproved Encumbrances, Buyer will have fifteen (15) business days to notify Seller of Buyer's election either to proceed with the purchase and take the Property subject to those encumbrances, or to terminate this Agreement. If Buyer elects to terminate this Agreement pursuant to this section, any opened escrow will be terminated, all documents and other funds will be returned to the party who deposited them, and neither party will have any further rights or obligations under this Agreement, except as otherwise provided for in this Agreement. If this Agreement is terminated through no fault of Seller, then Buyer shall be responsible for any costs of terminating the escrow and any cancellation fee for the Commitment. Refusing to remove any objected to encumbrance shall not be considered the fault of Seller in any termination. If Buyer elects not to obtain a Commitment for the Property, this Section 5.3 shall not apply.

Buyer acknowledges that Seller has granted KSP a right of first purchase for the Property that only accrues, and may only be exercised, in the event that this Agreement has been terminated by either party without proceeding to Closing on the Property. This right of first purchase shall not be considered a Disapproved Encumbrance.

5.4 Title Policy. Buyer, at its election, may cause the Title Company to issue to Buyer at Closing a standard coverage owner's policy of title insurance insuring Buyer's title to the Property in an amount determined by Buyer subject only to the Permitted Encumbrances (the "Title Policy"). The Title Policy must be dated as of the Closing Date.

6. Buyer's Feasibility.

6.1 Feasibility Study. Buyer will have until June 30, 2014 (the "Feasibility Study Period") to conduct a review of the Property and satisfy itself with respect to the condition of, and other matters related to the Property and its suitability for Buyer's intended use (the "Feasibility Study"). The Feasibility Study may include all inspections and studies

Buyer deems reasonably necessary or desirable as well as inquiry and/or project scoping meetings with Seller's Planning and Development Services Department. Buyer and Buyer's agents, representatives, consultants, architects and engineers will have the right, from time to time, from and after the date of this Agreement to enter onto the Property and make borings, drive test piles and conduct any other reasonable tests and studies that may be necessary or desirable to ascertain the condition and suitability of the Property for Buyer's intended use. Buyer shall coordinate all such entries with Seller through Seller's Facilities Division of its Public Works Department. All tests and inspections are to be performed in a manner not disruptive to the operation of the Property and in a manner that does not compromise the structural integrity of any improvements on the Property. Buyer shall protect, defend and indemnify Seller from and against any construction or other liens or encumbrances arising out of or in connection with its exercise of this right of entry and shall cause any such liens or encumbrances to be promptly released. Buyer and Seller may extend the Feasibility Study Period for one thirty (30) day extension by mutual agreement in a written supplement hereto.

6.2 Non-Suitability. At the expiration of the Feasibility Study Period, Buyer will have the right to terminate this Agreement if, in Buyer's good faith judgment, the Property is not suitable for Buyer's intended use. Buyer's right to terminate must be exercised by delivering written notice of its election to Seller on or before the expiration of the Feasibility Study Period. In the event Buyer does not complete the purchase, Buyer shall return the Property as near as is practicable to its original condition. Failure by Buyer to notify Seller in writing of any matters affecting the suitability of the Property, whether or not an inspection has been carried out, shall be deemed to be a waiver by Buyer of this contingency.

6.3 Buyer's Indemnification. Buyer agrees to assume all liability for and to defend, indemnify and save Seller harmless from all liability and expense (including reasonable costs and attorneys' fees) in connection with all claims, suits and actions of every name, kind and description brought against Seller or its agents or employees by any person or entity as a result of or on account of injuries or damages to persons, entities and/or property received or sustained, arising out of, in connection with or as a result of the acts or omissions of Buyer, or its agents or employees in exercising its rights under this Agreement and the right of entry granted in connection with its Feasibility Study, except for claims caused by Seller's sole negligence.

7. Conditions Precedent to Closing. All of the following must be achieved/completed prior to Closing on Buyer's purchase of the Property:

Seller's Conditions Precedent

7.1 City Council Approval. This Agreement, and the transaction contemplated herein, is subject to Tacoma City Council approval. If Tacoma City Council approval has not been obtained prior to the execution of this Agreement, such approval must be obtained prior to Closing. In the event that the Tacoma City Council has not approved this Agreement at least ten (10) days prior to the Closing Date, this Agreement will automatically terminate, and all documents and other funds deposited, if any, will be returned to the Buyer, and neither party will have any further rights or obligations under this Agreement, except as otherwise provided for in this Agreement. Nothing in this Paragraph 7.1 will obligate the Seller to obtain City Council approval beyond the ordinary course of City procedure.

7.2 Buyer Financing. In order to proceed to Closing on the Property, Buyer must meet the following financing feasibility milestones/deadlines:

7.2.1 Buyer must be able to demonstrate to Seller's reasonable satisfaction no later than August 31, 2014 that it has obtained all financing necessary for Buyer to complete its predevelopment architecture and engineering/design and related Project activities;

7.2.2 No later than May 31, 2015, Buyer must submit to Seller its final design, and construction cost estimates for Seller's reasonable approval;

7.2.3 No later than April 30, 2016, Buyer must submit to Seller Buyer's written statement regarding its determination of financial feasibility for the Project to be completed on the Property; if Buyer is unable, in good faith, to submit its assessment that the Project is feasible in all respects by this date, Seller may terminate this Agreement and have no further obligation to Buyer; and

7.2.4 No later than June 1, 2016, Buyer must submit to Seller all documentary evidence of Buyer's having obtained all construction and permanent financing reasonable necessary to complete the Project on the Property; if Buyer is unable in good faith to do so, Seller may terminate this Agreement without further obligation to Buyer.

The foregoing conditions are hereafter collectively referred to as the "Financing Feasibility Conditions." Buyer acknowledges that Seller's primary purpose in entering into this Agreement is to achieve redevelopment and productive use of the Property in a manner that benefits the community by providing affordable housing that is aesthetically compatible with the surrounding neighborhood. To that end, if Buyer is unable to prove to Seller's reasonable satisfaction that it has procured sufficient funds/financing to complete the Project no later than June 1, 2016, Seller may discretionarily terminate this Agreement and market the Property to other buyers.

7.3 Cooperative Development Agreement With KSP. No later than December 1, 2013, Buyer must have entered into a Cooperative Development Agreement with KSP addressing, at least preliminarily to Seller's reasonable satisfaction, the elements of developing the Property such as complementary design and parking that are necessary for a coordinated development of the Property and the real property located at 1110-1112 and 1114 Martin Luther King Jr. Way. If Buyer is unable to prove to Seller's reasonable satisfaction that cross-coordination issues have been addressed in a Cooperative Development Agreement with KSP, Seller may discretionarily terminate this Agreement.

7.4 Construction Plan/Schedule. No later than thirty (30) days prior to the scheduled Closing Date, Buyer and Seller must have agreed upon construction plans and a construction schedule for Buyer's project to be completed on the Property.

Buyer's Conditions Precedent

7.5 Feasibility. As set forth at Section 6.1 above, prior to Closing, Buyer must have concluded its Feasibility Study and have satisfied itself with respect to the condition of, and other matters related to the Property and its suitability for Buyer's intended use.

7.6 Permits. Buyer shall have either obtained permits for its project on the Property or reasonable assurance of their issuance no later than ten (10) days prior to the scheduled Closing date.

Buyer or Seller may waive satisfaction of their specific conditions to Closing listed above at their discretion. To the extent any condition is not either satisfied or waived, either party may terminate this Agreement.

8. Closing.

8.1 Closing. This transaction will be closed in escrow by the Title Company acting as escrow agent ("Escrow Agent"). The Closing will be held at the office of the Title Company on or before June 30, 2016 (the "Closing Date"). If Closing does not occur on or before the Closing Date, or any later date mutually agreed to in writing by Seller and Buyer, Escrow Agent will immediately terminate the escrow, return any monies to the party entitled to receive them and return all documents to the party that deposited them. When notified by Escrow Agent, Buyer and Seller will deposit with Escrow Agent without delay all instruments and moneys required to complete the transaction in accordance with this Agreement. "Closing," for the purpose of this Agreement, is defined as the date that all documents are executed and legal title passes to the Buyer.

8.2 Closing Costs and Prorations. Buyer shall be responsible for state of Washington real estate excise taxes if any are applicable to the sale, any Escrow Agent's escrow fee, all costs associated with title insurance coverage for the Property (if elected by Buyer) and any endorsements required by Buyer, any financing costs, the cost of recording the deed and any financing documentation. Property taxes and assessments for the current year, water and other utility charges, if any, shall be prorated as of the Closing Date unless otherwise agreed. Both Buyer and Seller are property tax exempt organizations pursuant to RCW 35.82.210 and RCW 84.36.010, respectively, and therefore it is not anticipated that property taxes will be due from either.

8.3 Representations and Warranties. As further set forth in the Covenants and Conditions (Exhibit C), Buyer represents and warrants the following:

8.3.1 Buyer shall begin construction of the Project on the Property no later than forty-five (45) days after Closing on the purchase of the Property and shall complete construction of the Project no later than July 31, 2017;

8.3.2 In constructing the Project on the Property, Buyer shall participate in the City of Tacoma's SBE and LEAP program at the level of five percent (5%) participation for the project;

8.3.3 Buyer will design the Project to be aesthetically consistent with KSP's historic design at 1110-1112 and 1114 Martin Luther King Jr. Way; Buyer will consult with the City of Tacoma's Historic Preservation Officer, the Landmarks Preservation Commission in advisory design review, and neighboring developments regarding design compatibility for the Project;

8.3.4 Buyer intends, where possible, to employ construction firms, contractors and subcontractors that have a presence in Pierce County, Washington in constructing the Project on the Property;

8.3.5 In constructing the Project on the Property, Buyer intends to promote hiring staff from the Tacoma/Pierce County area;

8.3.6 Buyer agrees to construct the Project to include a mix of housing units focused on households at approximately 50-60% of Area Median Income and to include approximately forty to fifty (40 to 50) units; Buyer will operate the Property for such use for a minimum of ten (10) years from completion of construction;

8.3.7 After Closing, Buyer shall not oppose the formation of any Local Improvement District ("LID") in which Buyer, as the owner of the Property, is

considered a benefitted owner and Buyer will either (a) make LID payments as assessed or (b) payments in lieu thereof, at its option.

8A. Condition Subsequent to Closing—Seller's Rescission Right for Failure to Start Construction. If Buyer fails to "commence construction" of its project on the Property by the fourth (4th) day after Closing, Seller shall have the discretionary right to rescind the sale of the Property (the "Rescission Right") by giving written notice to Buyer. Upon giving such notice to Buyer, Buyer shall be obligated to sign a reconveyance deed conveying the Property back to Seller.

For purposes of this Agreement, "commencing construction" shall mean that Buyer, or its agents, employees or contractors have begun vertical construction work involving the foundation or the structure of the building(s) to be constructed as part of the Project. Site preparation, grading, excavation and mobilization alone are not sufficient to "commence construction" and prevent Seller's Rescission Right from accruing. If Buyer fails to commence construction of the Project by the construction start date set forth above and Seller has not given written notice of its intent to exercise the Rescission Right by the 180th day after the construction start date, then Seller shall be deemed to have waived its right to exercise the Rescission Right as of such 180th day.

The completion of the rescission shall be not later than fifteen (15) days following Seller's notice of exercise of the Rescission Right. Seller and Buyer agree that the reconveyance of the Property pursuant to Seller's Rescission Right is self-executing and that Buyer shall execute a reconveyance deed to Seller upon presentation by Seller. If Buyer fails to reconvey the Property to Seller as provided in this Section 8A, then Buyer shall pay to Seller liquidated damages in the amount of \$500 per day until the Property is reconveyed as required in this section. The parties agree that Seller's damages in the event of such delay are difficult to measure and such liquidated damages are a reasonable estimate of the damages that Seller will suffer for Buyer's delay in reconveying the Property as provided herein

Buyer shall pay all transfer and excise taxes (to the extent not exempt under WAC 458-61A-209 or otherwise) in connection with such reconveyance. The deed will be in substantially the same form as used to convey the Property to Buyer. Upon such reconveyance to Seller, no encumbrances shall exist on title other than those that existed when title transferred to Buyer, those consented to by Seller in writing (except any Mortgage, which shall not be a permitted encumbrance) and those that were recorded as part of the closing of the acquisition of the Property. Buyer shall be responsible for obtaining the release of any Mortgage. If Seller exercises the Rescission Right, after Buyer's reconveyance, Buyer shall be released from further obligations under this Agreement, except those that by their terms expressly survive termination. If Buyer commences construction prior to Seller's exercise of the Rescission Right, the Rescission Right shall terminate. At Buyer's request, upon commencement of construction, Seller shall provide written confirmation to a Mortgagee that commencement of construction has occurred to satisfy a condition of a Mortgagee to advance funds under a construction loan.

As a part of the Rescission Right, Seller may require that Buyer transfer to Seller all architecture/engineering/design documents/deliverables relevant to the Project, provided that Seller reimburse Buyer for the cost of said documents/deliverables.

9. Condition of the Property.

9.1 "AS-IS" Buyer acknowledges that the Property will be sold under this Agreement in an "as is" "where is" condition. Seller shall surrender the Property in as good condition, except for normal wear and tear, as exists on the date of this Agreement. Seller agrees that it will not damage or commit waste on the Property between the date of acceptance of this Agreement and the date of closing. The "as is" "where is" basis of this Agreement includes releasing Seller, without limitation, from all potential liabilities under all

applicable laws such as (by way of illustration and not limitation) the Model Toxics Control Act (RCW 70.105D *et seq*) and CERCLA (42 USC 103 *et seq*) and their related regulations.

9.2 Inspections. Buyer agrees that it will rely on its own inspections and evaluations of the Property, with the exception of written documentation, including, but not limited to any disclosures required by law, provided to it by Seller, to determine the suitability of the Property for Buyer's intended use. Buyer acknowledges that Seller has provided it copies of all printed materials Seller has in its possession regarding the current physical and environmental condition of the Property and all improvements thereon.

10. Casualty Loss. Seller shall promptly notify Buyer of any event prior to the Closing Date which causes damage to or destruction of any portion of the Property. If Buyer and Seller cannot come to an agreement regarding any such damage to or destruction of the Property, including the settlement of any insurance claims, then Buyer and Seller will each have the right to terminate this Agreement by giving written notice of termination to the other party within twenty (20) days after receipt of actual notice of such casualty loss. Upon exercise of such termination election by either party, this Agreement shall terminate.

11. Possession. Seller shall deliver possession of the Property to Buyer once the Deed is recorded with the Pierce County Auditor.

12. Events of Default. In the event that either party defaults in its obligations hereunder, the non-defaulting party shall be entitled to whatever remedies are available to it in law or in equity, including without limitation, injunctive relief and specific performance.

13. Notices. Any notice under this Agreement must be in writing and be personally delivered, delivered by recognized overnight courier service, or given by mail or via facsimile. E-mail transmission of notice shall not be effective. All notices must be addressed to the parties at the following addresses, or at such other addresses as the parties may from time to time direct in writing:

Seller: City of Tacoma, Community and Economic Development
Department
Attn: Ricardo Noguera, Director
747 Market Street, 9th Floor
Tacoma, WA 98402
Phone: 253-591-5139

With a copy to: City of Tacoma, Legal Department
Attn: Jeff H. Capell, Deputy City Attorney
747 Market Street, Rm 1120
Tacoma, WA 98402

Buyer: Tacoma Housing Authority
Attn: Steve Clair
902 South L Street
Tacoma, WA 98405
Ph. 253-207-4429

Any notice will be deemed to have been given, when personally delivered, and if delivered by courier service, one business day after deposit with the courier service, and if mailed, two

business days after deposit in the U.S. mail, and if delivered by facsimile, the same day as verified.

14. Counterparts. This Agreement may be executed in any number of counterparts by the parties hereto, each of which counterpart when so executed shall have the same force and effect as if that party had signed all other counterparts.

15. Brokers and Finders. Each party represents and warrants to the other that, to such party's knowledge, no broker, agent or finder is involved in this transaction. In the event any broker or other person makes a claim for a commission or finder's fee based upon the transaction contemplated by this Agreement, the party through whom said broker or other person makes its claim shall indemnify and hold harmless the other party from said claim and all liabilities, costs and expenses related thereto, including reasonable attorneys' fees, which may be incurred by such other party in connection with such claim. This indemnity shall survive the closing of this transaction.

16. Amendments. This Agreement may be amended or modified only by a written instrument executed by Seller and Buyer, and shall be attached as an addendum to this Agreement.

17. Continuation and Survival of Representations and Warranties. All representations and warranties by the respective parties contained in this Agreement or made in writing pursuant to this Agreement are intended to and will remain true and correct as of the time of closing, will be deemed to be material and will survive the execution and delivery of this Agreement and the delivery of the Deed and transfer of title. Such representations and warranties, however, are not assignable and do not run with the land, except as may be expressly provided herein or contained in a written instrument signed by the party to be charged.

18. Governing Law. This Agreement will be governed and construed in accordance with the laws of the State of Washington.

19. Attorney Fees. If either party fails to perform any of its obligations under this Agreement or if a dispute arises concerning the meaning or interpretation of any provision of this Agreement, the defaulting party or the party not prevailing in the dispute, as the case may be, shall pay any and all costs and expenses incurred by the other party in enforcing or establishing its rights under this Agreement, including without limitation, court costs and reasonable attorney fees incurred in connection with any federal, state or bankruptcy proceeding.

20. Time of the Essence. Time is of the essence of this Agreement and of all acts required to be done and performed by the parties hereto.

21. Waiver. Neither Seller's nor Buyer's waiver of the breach of any covenant under this Agreement will be construed as a waiver of the breach of any other covenants or as a waiver of a subsequent breach of the same covenant.

22. Non-merger. The terms and provisions of this Agreement, including without limitation, all indemnification obligations and the Rescission Right will not merge in, but will survive, the closing of the transaction contemplated under the Agreement.

23. Assignment. Buyer shall not assign this Agreement without Seller's prior written consent.

24. Negotiation and Construction. This Agreement and each of its terms and provisions are deemed to have been explicitly negotiated between the parties, and the language in all parts of this Agreement will, in all cases, be construed according to its fair meaning and not strictly for or against either party.

25. Additional Acts. Except as otherwise provided herein, in addition to the acts and deeds recited herein and contemplated to be performed, executed and/or delivered by any party hereto, the parties agree to perform, execute and/or deliver, or cause to be performed, executed and/or delivered, any and all such further acts, deeds and assurances, which may reasonably be required to give effect to the Agreement contemplated herein.

26. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the purchase and sale of the Property, and supersedes all prior agreements and understandings, oral or written, between the parties relating to the subject matter of this Agreement.

27. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal, unenforceable or in conflict with the law, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby

IN WITNESS WHEREOF the parties hereto have executed this document as of the day and year first written above.

SELLER:

CITY OF TACOMA, a first class municipal corporation

Marilyn Strickland
Mayor

Attest:

Doris Sorum
City Clerk

Department Approval:

Ricardo Noguera
Director, Community and Economic Development

Approved as to form:

Deputy City Attorney

Legal Description(s) Approved

City Surveyor

BUYER:

HOUSING AUTHORITY OF THE CITY OF TACOMA, a public body corporate and politic of the State of Washington

Michael Mirra
Executive Director

Exhibit A

Legal Description

That portion of the Southwest quarter of the Northeast quarter of Section 05, Township 20 North, Range 03 East, W.M. more particularly described as follows:

Lots 9 and 10, Block 1122, Map of New Tacoma, W.T. according to the Plat thereof filed for record on February 3, 1875 in Pierce County, Washington.

Together with Lots 11 and 12, Map of New Tacoma, W.T. according to the Plat thereof filed for record on February 3, 1875 in Pierce County, Washington.

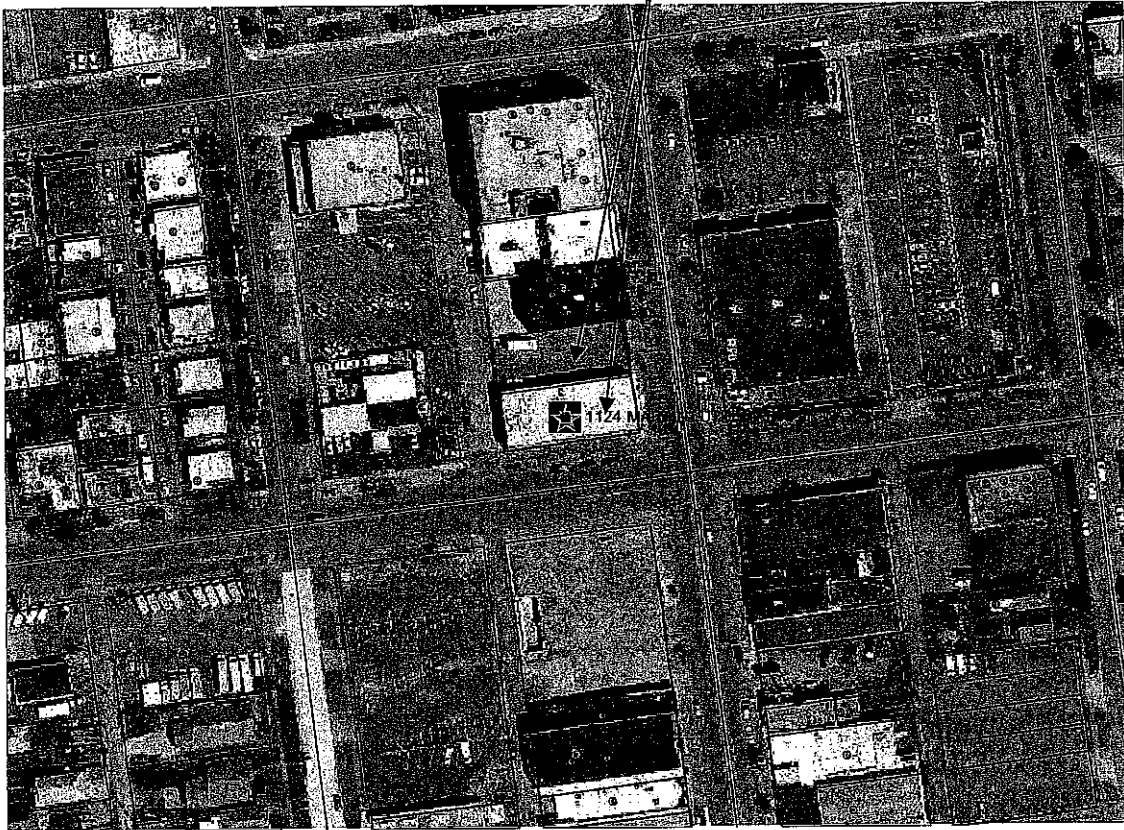
All situate in the City of Tacoma, County of Pierce, State of Washington.

Exhibit B

Depiction of the Property



The Property



**EXHIBIT C
COVENANTS AND CONDITIONS**

When Recorded Return To:

City of Tacoma
Public Works Department
Real Property Services
747 Market Street, Room 737
Tacoma WA 98402-3701

Document Title:	COVENANTS AND CONDITIONS
Reference No.	
Grantor:	HOUSING AUTHORITY OF THE CITY OF TACOMA
Grantee:	CITY OF TACOMA
Legal Description:	
Additional Legal Description:	PAGE __, EXHIBIT A
Assessor's Tax Parcel Numbers:	2011220040, and 2011220050

DECLARATION OF COVENANTS AND CONDITIONS

FOR 1120 AND 1124 MARTIN LUTHER KING JR. WAY

The City of Tacoma, a Washington State municipal corporation (the "City"), and the **HOUSING AUTHORITY OF THE CITY OF TACOMA**, a public body corporate and politic of the State of Washington authorized to execute the powers of a public development authority (the "Developer") have agreed pursuant to that certain Purchase and Sale Agreement dated _____, 201__ (the "PSA"), to the terms and conditions for the sale/disposition of certain surplus City owned real property located at the street addresses of 1120 and 1124 Martin Luther King Jr. Way, as legally described in Exhibit A (the "Property") attached hereto and by this reference incorporated herein, which property will be conveyed to Developer by a Quit Claim Deed of even date herewith, referenced as City of Tacoma Deed #____ and recorded under Auditor's File No. _____ (the "Quit Claim Deed") immediately prior to recording this Declaration of Covenants and Conditions. Conveyance and recording of the Quit Claim Deed is conditioned upon Developer executing this Declaration of Covenants and Conditions (this "Covenant").

The City's primary purpose in conveying the Property to the Developer is to see it redeveloped and returned to productive use in a manner, primarily as to use, but also as to appearance, that benefits the surrounding community. To that end, this Covenant is an integral part of the consideration for the conveyance of the Property. By this Covenant, Developer agrees to use the Property for the purpose of redeveloping the existing buildings/improvements into a forty to fifty (40-50) unit, multi-family, affordable housing complex with at least thirty (30) units focused on households earning approximately 50-60% of Area Median Income, adjusted for family size (the "Designated Purpose").

In light of the foregoing, and as consideration for the conveyance of the Property, the City and the Developer hereby covenant and agree as follows:

I. Developer Covenants.

A. Designated Purpose. Developer covenants to use the Property for the Designated Use for a period of no less than ten (10) years from the date Developer has completed its project on the Property (as verified by issuance of a certificate of occupancy).

B. Construction Commencement. Developer shall begin construction of its project on the Property no later than forty-five (45) days after Closing on the purchase of the Property in accordance with the terms and conditions of the PSA. If Developer violates the foregoing, the City shall have the right to rescind the conveyance of the Property to Developer in accordance with Section 8A of the PSA.

C. SBE and LEAP Participation. In constructing its project on the Property, Developer covenants to participate in the City of Tacoma's SBE and LEAP program at the level of five percent (5%) participation for the project.

D. Historic Preservation. Developer will design the Project to be aesthetically consistent with KSP's historic design at 1110-1112 and 1114 Martin Luther King Jr. Way; Developer will consult with the City of Tacoma's Historic Preservation Officer, the Landmarks Preservation Commission in advisory design review, and neighboring developments regarding design compatibility for the Project.

E. Cooperative Development with KSP. Pursuant to Section 7.3 of the PSA, prior to December 1, 2013,, Developer must have entered into a Cooperative Development Agreement with KSP addressing, at least preliminarily to Seller's reasonable satisfaction, the elements of developing the Property such as complementary design and parking that are necessary for a coordinated development of the Property and the real property located at 1110-1112 and 1114 Martin Luther King Jr. Way. Developer hereby covenants to develop the Property consistent with the agreement memorialized in the Cooperative Development Agreement.

F. Completion of Construction. Developer hereby covenants to complete construction of the project on the Property no later than July 31, 2017.

G. Local Improvement District. Developer hereby covenants to not oppose the formation of any Local Improvement District ("LID") in which Developer, as the owner of the Property, is considered a benefitted owner, and Developer will either (a) make LID payments as assessed or (b) payments in lieu thereof, at its option.

II. City Covenants.

The City covenants to work cooperatively with Developer to meet the construction commencement deadline set forth herein and in the PSA and to assist Developer in order to achieve the following:

1. Compliance with development requirements and standards,
2. Landmarks Preservation Commission design approval, as necessary,
3. Building permit issuance, and
4. Issuance of certificate of occupancy upon project completion.

III. Miscellaneous Provisions.

A. No Joint Venture. It is not intended by this Covenant to, and nothing contained in this Covenant shall, create any partnership or joint venture or create the relationship of principal and agent between Developer and the City, or any of their successors in interest.

B. Enforcement and Remedies. In the event of any violation of any of the provisions of this Covenant by the parties, the non-violating party shall have the right to enforce the violated covenant by any appropriate proceedings at law or in equity, including the right to apply to a court of competent jurisdiction for an injunction against such violation. Any remedies specifically provided herein are non-exclusive and are in addition to all other remedies available to the non-violating party at law or in equity.

C. Covenants to Run With the Land. The City and Developer hereby declare their express intent that the covenants and conditions set forth in this Covenant shall run with the land for the period covenanted herein, and shall bind all successors in title to the Property.

D. Governing Law and Choice of Venue. This Covenant shall be governed by the laws of the State of Washington. Any action brought regarding this Covenant shall be brought in the Superior Court for the State of Washington in Pierce County.

E. Amendments. This Covenant may be amended only by a written instrument executed by all the parties hereto or their successors in title, and duly recorded in the Official Records of Pierce County, Washington.

F. Severability. If any provision of this Covenant shall be found invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions of this Covenant shall not in any way be affected or impaired thereby.

G. Recording. This Covenant shall be recorded in the real property records of Pierce County, Washington.

IN WITNESS WHEREOF, the Developer has hereunto set their hand and seal the
_____ day of _____, 2011.

DEVELOPER

**HOUSING AUTHORITY OF THE CITY OF TACOMA, a
public body corporate and politic of the State of Washington**

Michael Mirra
Executive Director

STATE OF WASHINGTON)
) ss
COUNTY OF PIERCE)

I certify that I know or have satisfactory evidence that **MICHAEL MIRRA** is the person who appeared before me, and he acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the **EXECUTIVE DIRECTOR** of the **HOUSING AUTHORITY OF THE CITY OF TACOMA**, a public body corporate and politic of the State of Washington, to be the free and voluntary act of such company for the uses and purposes mentioned in the instrument.

Dated this _____ day of _____, 201_____.

Notary Public in and for the
State of Washington
Residing in _____
My Commission Expires _____

CITY OF TACOMA

Ricardo Noguera,
Director, Community and Economic Development

Approved as to From

Deputy City Attorney

Legal Description Approved

City Surveyor

EXHIBIT A to Covenants and Conditions

That portion of the Southwest quarter of the Northeast quarter of Section 05, Township 20 North, Range 03 East, W.M. more particularly described as follows:

Lots 9 and 10, Block 1122, Map of New Tacoma, W.T. according to the Plat thereof filed for record on February 3, 1875 in Pierce County, Washington.

Together with Lots 11 and 12, Map of New Tacoma, W.T. according to the Plat thereof filed for record on February 3, 1875 in Pierce County, Washington.

All situate in the City of Tacoma, County of Pierce, State of Washington.

Exhibit D

City of Tacoma Deed No. D-_____

When Recorded Return To:

City of Tacoma
Public Works Department
Real Estate Services
747 Market Street, Room 737
Tacoma WA 98402-3701

Document Title:	DEED
Reference Number:	
Grantor:	CITY OF TACOMA
Grantee:	HOUSING AUTHORITY OF TACOMA
Legal Description:	
Additional Legal Description:	SEE PAGE 1 FOR FULL LEGAL DESCRIPTION
Assessor's Tax Parcel Numbers:	2011220040 and 2011220050

QUIT CLAIM DEED NO.

The **CITY OF TACOMA** ("Grantor"), a municipal corporation operating under the laws of the State of Washington as a first class city, conveys and quit claims to **HOUSING AUTHORITY OF THE CITY OF TACOMA**, a public body corporate and politic of the State of Washington, ("Grantee"), all of its rights, title, and interest, including any after acquired title, in that certain real property, appurtenances and improvements thereon, situate in the City of Tacoma, County of Pierce, State of Washington, for good and valuable consideration, legally described as follows:

That portion of the Southwest quarter of the Northeast quarter of Section 05, Township 20 North, Range 03 East, W.M. more particularly described as follows:

Lots 9 and 10, Block 1122, Map of New Tacoma, W.T. according to the Plat thereof filed for record on February 3, 1875 in Pierce County, Washington.

Together with Lots 11 and 12, Map of New Tacoma, W.T. according to the Plat thereof filed for record on February 3, 1875 in Pierce County, Washington.

All situate in the City of Tacoma, County of Pierce, State of Washington.

Dated this _____ day of _____, 201__

CITY OF TACOMA

ATTEST:

Marilyn Strickland, Mayor

Doris Sorum, City Clerk

STATE OF WASHINGTON)
) ss
COUNTY OF PIERCE)

On this _____ day of _____, 201__, before me personally appeared **MARILYN STRICKLAND**, to me known to be the **MAYOR** of the municipal corporation that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument and that seal affixed is the corporate seal of said corporation.

Notary Public in and for the
State of Washington
My Commission Expires _____

Ricardo Noguera,
Director Community and Economic Development

Andrew Cherullo
Finance Director

Debbie L. Dahlstrom
Risk Manager

Approved as to Form:

Deputy City Attorney

Legal Description Approved:

Leonard J. Webster, P.L.S.
Chief Surveyor



RESOLUTION NO. 38718

1 A RESOLUTION relating to surplus property; declaring certain real property
2 owned by the City, located at 1110, 1114, 1120, and 1124 Martin Luther
3 King Jr. Way, to be surplus; authorizing approval of Purchase and Sale
4 Agreements with Kellogg Sicker Pochert LLC, for property located at
5 1110 and 1114 Martin Luther King Jr. Way; and with the Tacoma Housing
6 Authority, for property located at 1120 and 1124 Martin Luther King Jr.
7 Way, for the purpose of constructing apartments, ground floor office/retail
8 and parking.

9 WHEREAS that certain real property located at 1110, 1114, 1120, and 1124
10 Martin Luther King Jr. Way ("Property"), acquired by the City in 2005 after a history
11 of nuisance and code violations, is surplus to the City's needs, and
12

13 WHEREAS the Property site, located on a key block in the core of the Hilltop
14 business district, consists of four parcels, three with existing buildings and one used
15 for surface parking, and is approximately one-half acre in size, and
16

17 WHEREAS two of the three existing buildings were recently approved for
18 inclusion into the Tacoma Register of Historic Places, and
19

20 WHEREAS the City intends to sell said Property, identified as Tier 1 property
21 pursuant to the City's Policy for the *Sale/Disposition of City-owned General*
22 *Government Real Property*, for the purpose of constructing apartments, ground
23 floor office/retail, and parking, and
24

25 WHEREAS the City received a joint proposal from the Tacoma Housing
26 Authority and Kellogg Sicker Pochert LLC, represented by Kevin Grossman (the
"Parties"), to provide for high-quality market rate and subsidized housing with
commercial/retail uses on the ground floor, and



1 WHEREAS the project will preserve two historic buildings and redevelop the
2 remaining two parcels as new construction in a manner that benefits the community
3 by providing 40-50 units of mixed-income, affordable housing, targeting households
4 earning 30-80 percent of area median income, developed in a way that will be
5 aesthetically consistent with neighboring development, and

6 WHEREAS the Parties will coordinate on project design compatibility,
7 parking solutions, and occupancy/use, and have conducted significant public
8 outreach to key stakeholder groups in the neighborhood, with letters of support
9 received from all groups, and

10 WHEREAS, there being no foreseeable need for continued City ownership of
11 the Property, a declaration of surplus and negotiated disposition now appear to be
12 in the best interests of the City, pending final approval from the City Council; Now,
13 Therefore,

14
15 BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

16
17 Section 1. That the City-owned property located at 1110, 1114, 1120, and
18 1124 Martin Luther King Jr. Way is not essential to the needs of the City and is
19 hereby declared surplus property pursuant to RCW 35.22.020 and Article I,
20 Section 1.2, and Article IX of the Tacoma City Charter.

21 Section 2. That the proper officers of the City are hereby authorized to enter
22 into a Purchase and Sale Agreement and accompanying Declaration of Covenants
23 and Conditions with Kellogg Sicker Pochert LLC, in the amount of \$100,000, in
24 accordance with the appraisal dated May 23, 2013, for the real property located at
25 1110 and 1114 Martin Luther King Jr. Way, for the purpose of constructing
26

154




1 apartments, ground floor office/retail, and parking, said document to be
2 substantially in the form of the agreement on file in the office of the City Clerk.

3 Section 3. That the proper officers of the City are hereby authorized to enter
4 into a Purchase and Sale Agreement and accompanying Declaration of Covenants
5 and Conditions with Tacoma Housing Authority for conveyance of the real property
6 located at 1120 and 1124 Martin Luther King Jr. Way, for the purpose of
7 constructing apartments, ground floor office/retail and parking, said document to be
8 substantially in the form of the agreement on file in the office of the City Clerk.
9

10
11 Adopted AUG 13 2013

12
13 
Mayor

14 Attest:

15 
16 City Clerk

17 Approved as to form:

18
19 
20 Deputy City Attorney

**REQUEST FOR RECEIVED**
☐ ORDINANCE ☒ RESOLUTION

Request #:

Ord./Res. #:

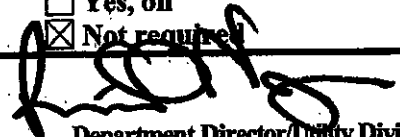

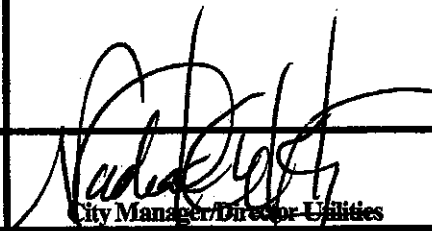
13597
38718

AUG 05 2013

1. DATE: JULY 22, 2013

CITY CLERK'S OFFICE

2. SPONSORED BY: COUNCIL MEMBER(S) N/A

3a. REQUESTING DEPARTMENT/DIVISION/PROGRAM Community & Economic Development Department 3b. "DO PASS" FROM Economic Development Committee, July 30, 2013. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> To Committee as information only <input type="checkbox"/> Did not go before a Committee 3c. DID THIS ITEM GO BEFORE THE PUBLIC UTILITY BOARD? <input type="checkbox"/> Yes, on <input checked="" type="checkbox"/> Not required	4a. CONTACT (for questions): Martha Anderson	PHONE: (253) 591-5207
	4b. Person Presenting: Martha Anderson	PHONE: (253) 591-5207
	4c. ATTORNEY: Jeff Capell	PHONE: 591-5638
 Department Director/Utility Division	 Budget Officer/Finance Director	 City Manager/Director Utilities

5. REQUESTED COUNCIL DATE

August 13, 2013

6. SUMMARY AGENDA TITLE: (A concise sentence, as it will appear on the Council agenda.)

Authorizing approval of a Purchase and Sale Agreement with Kelly Sicker Porchert, LLC for property located at 1110 and 1114 Martin Luther King Jr. Way and a Purchase and Sale Agreement with the Tacoma Housing Authority for property located at 1120 and 1124 Martin Luther King Jr. Way.

7. BACKGROUND INFORMATION/GENERAL DISCUSSION: (Why is this request necessary? Are there legal requirements? What are the viable alternatives? Who has been involved in the process?)

The City intends to sell four parcels of City-owned property at 1110, 1114, 1120 and 1124 Martin Luther King (MLK) Jr. Way for the purpose of construction of apartments, ground floor office/retail and parking. These properties are identified as Tier 1 properties according to the City's *Policy for the Sale/Disposition of City-owned General Government Real Property*.

The MLK properties were acquired by the City in 2005 after a history of nuisance and code violations. The property is located on a key block in the core of the Hilltop business district. The site is approximately .5 acre and consists of four parcels, three with buildings and one used for surface parking. Two of the buildings were recently approved for inclusion in the Tacoma Register of Historic Places.

The City has received a joint proposal from Tacoma Housing Authority and Kellogg Sicker Porchert, LLC, represented by Kevin Grossman. Their proposal is to provide a high quality market rate and subsidized housing, with commercial/retail uses on the ground floor. The MLK Rehab project will preserve the two historic buildings and redevelop the buildings for market rate housing. THA will develop the remaining two parcels as new construction, three to five floors and about forty to fifty housing units. THA's target market will be workforce housing, affordable to the employees at the

REQUEST (CONT)

CITY CLERK USE ONLY

Request #:

13597

Ord/Res #:

38718

lower end of the wage scales of the area's major employers, such as the health care facilities in the neighborhood. The two organizations will coordinate on design compatibility, parking solutions and occupancy/use.

The organizations have conducted a significant amount of public outreach to key stakeholder groups in the neighborhood and have received letters of support from all groups.

8. LIST ALL MATERIAL AVAILABLE AS BACKUP INFORMATION FOR THE REQUEST AND INDICATE WHERE FILED:

Source Documents/Backup Material

Location of Document

Purchase and Sale Agreements
City of Tacoma parcel map

City Clerk's Office
Community & Economic Development Dept.

9. WHICH OF THE CITY'S STRATEGIC GOALS DOES THIS ITEM SUPPORT? (CHECK THE GOAL THAT BEST APPLIES)

- A. ☐ A SAFE, CLEAN AND ATTRACTIVE COMMUNITY
B. ☒ A DIVERSE, PRODUCTIVE AND SUSTAINABLE ECONOMY
C. ☐ A HIGH-PERFORMING, OPEN AND ENGAGED GOVERNMENT

10. SUSTAINABILITY: IN WHAT WAYS HAVE YOU CONSIDERED THE CITY'S SUSTAINABILITY PRIORITIES?

Environment: How does this decision impact regional and local ecological well-being?

Project will return a former blighted, unsafe site to productive use.

Equity: How does this decision promote meeting basic needs and equitable access to opportunities for all city residents?

The THA portion of the housing development will be targeted to workforce housing, available to individuals working at the lower end of the wage scales.

Culture: How does this decision impact cultural (arts, innovation, heritage, and recreation) and quality of life for all citizens?

Two of the buildings are listed on the Tacoma Register of Historic Places and all design must be approved by the Landmarks Commission

Economy: How does this decision impact the local economy? What are the significant financial costs/benefits?

Two of the parcels will convert from public ownership to private ownership resulting in new property tax revenue. Ground floor uses will be retail/commercial/restaurant increasing the tax base through sales tax revenue

REQUEST (CONT)

CITY CLERK USE ONLY

Request #:

13597

Ord/Res #:

38718

11. IF THIS CONTRACT IS FOR AN AMOUNT OF \$200,000 OR LESS, EXPLAIN WHY IT NEEDS LEGISLATIVE APPROVAL:

N/A

12. FINANCIAL IMPACT:

☐

EXPENDITURE

☒

REVENUE

SALES PRICE IS \$100,000.

A. ☐ NO IMPACT (NO FISCAL NOTE)

B. ☐ YES, OVER \$100,000, Fiscal Note Attached

C. ☒ YES, UNDER \$100,000, (NO FISCAL NOTE)

Provide funding source information below:

FUNDING SOURCE: (Enter amount of funding from each source)

Fund Number & Name:

State \$

City \$

Other \$100,000

Total Amount \$100,000

1195-UDAG

If an expenditure, is it budgeted?

☐

Yes

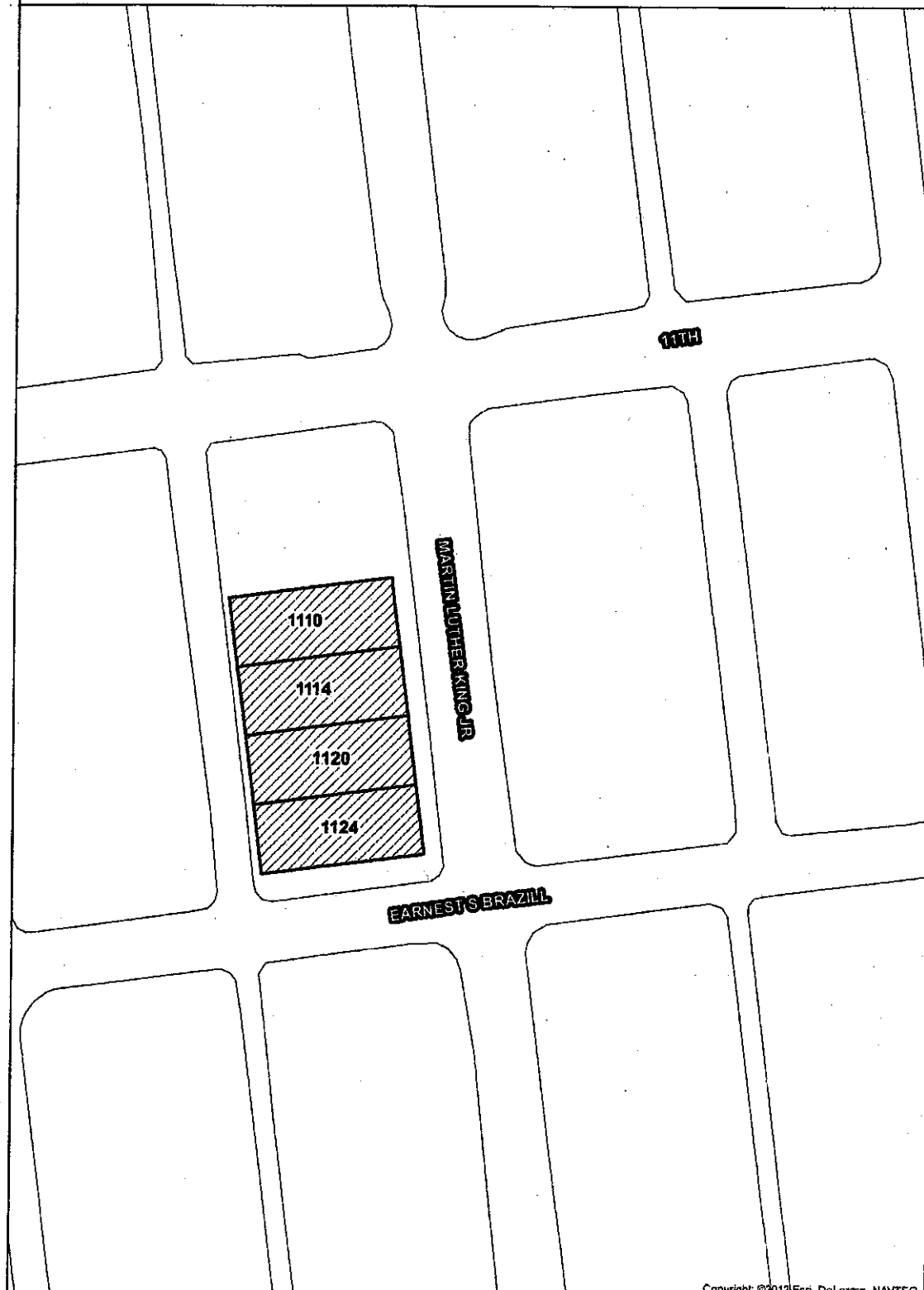
☐

No

Where? Cost Center:

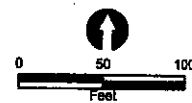
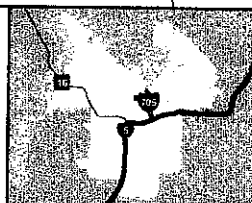
Acct #:

1110 - 1124 Martin Luther King, Jr. Way Properties



Copyright: ©2012 Esri, DeLorme, NAVTEQ

☒ COT parcels



Map is for reference only.



Resolution No. 38718

Adopted: AUG 13 2013

Maker of Motion: Loneragan

Seconded: Woodards

Voice Vote:

MEMBERS	AYES	NAYS	ABSTAIN	ABSENT
Mr. Boe	✓			
Mr. Campbell				✓
Mr. Ibsen	✓			
Mr. Lonergan	✓			
Mr. Mello	✓			
Mr. Thoms	✓			
Ms. Walker	✓			
Ms. Woodards	✓			
Mayor Strickland	✓			

Roll Call Vote:

MEMBERS	AYES	NAYS	ABSTAIN	ABSENT
Mr. Boe				
Mr. Campbell				
Mr. Ibsen				
Mr. Lonergan				
Mr. Mello				
Mr. Thoms				
Ms. Walker				
Ms. Woodards				
Mayor Strickland				

RESOLUTION #9
This is a walk on Resolution

RESOLUTION #10



TACOMA HOUSING AUTHORITY

RESOLUTION 2013-09-25 (10)

Date: September 25, 2013

To: THA Board of Commissioners

From: Michael Mirra
Executive Director

Re: Resolution Approving an Interlocal Cooperative Agreement with KCHA about
Procurement of an Evaluator of Education Initiatives

Background

THA uses a firm to evaluate some of its educational initiatives. The firm is Geo Education and Research. The King County Housing Authority (KCHA) wishes to use this same firm for similar purposes. KCHA would like to do this without going through its own procurement process; instead it would rely on THA's procurement of that firm. Chap. 39.34 RCW allows this if the two organizations sign an Interlocal Cooperation Agreement. KCHA asks THA to approve such an agreement. A copy is attached. Its board has already approved it. This resolution would allow me to add THA's approval.

This arrangement would not only benefit KCHA, a sister housing authority whose mission and work we want to assist whenever we can.. It would also benefit THA. If the two housing authorities share an evaluator of educational initiatives we can more easily compare the effectiveness of our varying approaches.

Recommendation

I recommend that the Board approve this resolution authorizing me to sign the attached Interlocal Cooperation Agreement with KCHA.



TACOMA HOUSING AUTHORITY

RESOLUTION 2013-09-25 (10)

INTERLOCAL COOPERATION AGREEMENT WITH KING COUNTY HOUSING AUTHORITY RE PROCUREMENT OF EDUCATIONAL EVALUATOR

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

Whereas, THA has procured a firm called Geo Education and Research to evaluate some of THA's educational initiatives;

Whereas, the King County Housing Authority (KCHA) would like to use this same firm for similar purposes;

Whereas, KCHA would like to rely on THA's procurement of the firm;

Whereas, Chap. 39.34 RCW allows this arrangement through an Interlocal Cooperation Agreement the two organizations would sign;

Whereas, such an arrangement would also benefit THA because using a common evaluator would more easily allow the two housing authorities to compare the results of their education initiatives.

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

The executive director is authorized to sign an Interlocal Cooperation Agreement in substantially the form of the attached version.

Approved: September 25, 2013

Greg Mowat, Chairperson

INTERLOCAL COOPERATIVE PURCHASING AGREEMENT

Pursuant to Chapter 39.34 of the Revised Code of Washington State, the Housing Authority of the County of King (KCHA) and the Tacoma Housing Authority (THA) hereby agree to the terms of this Interlocal Cooperative Purchasing Agreement for the use of the solicitation process in obtaining evaluation services from Geo Evaluation and Research. The following terms and conditions are applicable to this Agreement:

1. Each party has agreed that THA has followed the HUD procurement process 24 CFR 85.36 and THA's Procurement Policy in obtaining evaluation consultation services with Geo Education and Research.
2. Each party has agreed that KCHA's decision to contract with Geo Education and Research is without prejudice and meets applicable laws and policies.
3. Each party has agreed to enter into separate contracts with Geo Education and Research, with each contract having specific terms and agreements.
4. A party to this Agreement shall not accept responsibility for the performance of Geo Education and Research contracted for by the other party as a result of this Agreement.
5. A party to this Agreement shall not be responsible for the payment of any item(s) or service(s) contracted for by the other party as a result of this Agreement.
6. This Agreement shall continue in force until cancelled in writing by either party.

IN WITNESS WHEREOF, the parties hereto have executed this Interlocal Cooperative Purchasing Agreement by having their representatives affix their signatures below.

King County Housing Authority
600 Andover Park West
Tukwila, WA 98188

Tacoma Housing Authority
902 South L Street
Tacoma, WA 98405

Signature

Date

8/20/13

Stephen J. Norman
Executive Director

Signature

Date

Michael Mirra
Executive Director