



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, FEBRUARY 22, 2012

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at 902 S. L Street, Tacoma, WA at 4:00 PM on Wednesday February 22, 2012.

1. CALL TO ORDER

Chair Flauding called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:00 PM.

2. ROLL CALL

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

Present	Absent
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Janis Flauding, Chair
Greg Mowat, Vice Chair

Arthur C. Banks, Commissioner

Ken Miller, Commissioner
Stanley Rumbaugh, Commissioner (arrived at
4:10 PM)

Staff

Michael Mirra, Executive Director
Christine Wilson, Executive Administrator
Ken Shalik, Finance Director
April Black, REMHS Director
Barbara Tanbara, Human Resources Director
Nancy Vignec, Community Services Director
Walter Zisette, RED Director

Todd Craven, Administration Director

Chair Flauding declared there was a quorum present @ 4:02 PM.

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Chair Flauding asked for any corrections to or discussion of minutes for the Regular Session of the Board of Commissioners for Wednesday, January 25, 2012.

Commissioner Mowat moved to adopt the minutes, Commissioner Miller seconded.

Upon roll call, the vote was as follows:

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

Motion approved.

4. GUEST COMMENTS

Hope Rehn, President of SAFE, reported SAFE is doing well.

5. COMMITTEE REPORTS

Real Estate Development Committee – Commissioner Miller reported that he anticipates the committee meeting on February 24th and anticipates giving a report at the March meeting.

Finance Committee – Vice Chair Mowat met with the Finance Director. He stated that the finance department's report will provide a thorough update. He said that the report looks good.

ADMINISTRATIVE REPORTS

Executive Director

ED Mirra referred the board to his report. He provided an update on the City of Tacoma funding for Hillside Terrace and distributed his notes on some of the issues before the city council. Discussion ensued. ED Mirra directed the board to his report on some MTW planning decisions ahead and how to spend the money our changes will save. Commissioner Rumbaugh stated our current properties are maintained well. He is looking forward to reviewing development opportunities to purchase within the city.

Finance

Director Shalik directed the board to his report. He reported his staff is closing the books for 2011. Commissioner Miller asked if there are concerns the board should be aware of with the upcoming state audit. Director Shalik stated he does not anticipate any concerns at this time. Commissioner Rumbaugh has concerns about the rate of return on our reserve balance. It is very low and he would like THA to seek out better rates. Director Shalik stated the rates have been low for many years and is not aware of better rates. He will continue to keep this issue in front of him and recognizes the importance for the agency.

Commissioner Rumbaugh moved to ratify the payment of cash disbursements totaling \$3,812,328 for the month of January, 2012. Commissioner Miller 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 the new Senior/Disabled buildings site manager Lisa Herrera. She went on to state that her department reorganization has been delayed until the second round of interviews are completed for key positions in her department. Commissioner Miller inquired about how staff is responding to the reorganization. Director Black stated there have been questions but staff seem supportive of the plan. Commissioner Mowat asked how the labor discussions are proceeding with the plan. Director Black mentioned that she is consulting with the unions. She is also working with Troy Andrews on the internal promotion issues. The REAC inspections have been completed. Two Salishan scores increased over last year's score.

The board discussed staff plans to present information about the implementing a non-smoking policy across our portfolio. Commissioners expressed varied views on such a policy and the value of receiving more information on the topic. ED Mirra suggested that Director Black select an upcoming board meeting to brief the board on this proposed plan.

Real Estate Development

Director Zisette directed the board to his report. Discussion ensued about the Hillside Terrace project. Staff reported that THA is currently discussing with the Bremerton Housing Authority the possibility that its staff will provide contracted services for this expertise. Director Zisette mentioned the Salishan Core project and the recent field trip conducted to the Seattle Housing Authority. He is considering hiring a fundraising consultant who can assess whether our fundraising chances are plausible or not. Commissioner Miller suggested he look to hospitals and universities for their expertise and experience. ED Mirra added we are in conversations with our DC lobbyist about funding streams for libraries and nutritional programs.

Community Services

Director Vignec directed the board to her report and the new table categories that will be included every month. Her case managers will report on the referrals and the outcome of those referrals. She mentioned the new MTW Hardship Exemption program and the case management for our individual clients who qualify for an exemption. Chair Flauding asked if our participants are aware of this new program. Director Black stated that they are and if the clients qualify under the hardship exemption they will receive the services. We anticipate approximately 120 families will qualify for this program. Director Vignec also mentioned her recent neighborhood stabilization and employment opportunity discussions with area hospitals. THA is looking to these partnerships for additional training and employment for our McCarver Project family members. Commissioner Mowat will connect Director Vignec with the SEIU contact for these providers.

Human Resources

Director Tanbara directed the board to her report. THA has contracted with a new benefits broker for a thorough review of our current benefit package. The THA benefits committee will reconvene to continue its work in 2012. She also reported that she contracted with a compensation study consultant to review 10 positions identified as individuals who have peaked in their salary range. These positions have not been reviewed for 10 years. Although this study will provide an update on the salary for these positions, she clarified that the purpose of this study is not intended to provide salary adjustments. Director Tanbara reported that Corinne Lee, HR Generalist for THA has decided to resign from THA. She will be interviewing candidates during the month of March. She extended her appreciation for Corinne's service to THA. At the January Board meeting, one of our union representatives expressed concern about opportunities for internal employees for positions. Director Tanbara now includes a report that shows the comparison of external hires to internal transfers and promotions.

6. OLD BUSINESS

None.

7. NEW BUSINESS

8.1 RESOLUTION 2012-2-22 (1), ARCHITECTURE & ENGINEERING SERVICES SELECTION FOR STEWART COURT APARTMENTS

WHEREAS, On December 30, 2011, Tacoma Housing Authority (THA) Staff issued a Request for Qualifications (RFQ) from firms interested in providing architectural and engineering services for renovations needed at the Stewart Court Apartments;

WHEREAS, The RFQ was posted in the Blue Book, Washington Electronic Business Solutions and on THA's website;

WHEREAS, Eleven firms (11) submitted proposals by the deadline of January 27, 2012;

WHEREAS, an evaluation team, composed of three (3) THA staff reviewed and scored the proposals according to evaluation criteria listed in the RFQ;

WHEREAS, the evaluation team voted in favor of proceeding with contract negotiations with ORB Architects.

WHEREAS,

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

Authorizes the Executive Director to negotiate and award a contract for architectural and engineering services for the Stewart Court Apartments with ORB Architects. If staff is unable to negotiate a contract with this firm, the board authorizes the Executive Director to negotiate and award a contract with the next highest ranked firm, The Casey Group Architects.

Upon roll call, the vote was as follows:

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

Approved: February 22, 2012

Janis Flauding, Chair

8.2 RESOLUTION 2012-2-22 (2), AMENDMENT TO THA'S MOVING TO WORK AGREEMENT

WHEREAS, The RHF amendment is THA's 2nd amendment to its Moving to Work agreement with HUD.

WHEREAS, The amendment is required to maximize THA's flexibility to develop affordable and public housing units.

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

1. Authorizing THA to adopt the RHF amendment to THA's Moving to Work Agreement with HUD.

Upon roll call, the vote was as follows:

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

Approved: February 22, 2012

Janis Flauding, Chair

8.3 RESOLUTION 2012-2-22 (3), HILLSIDE TERRACE PHASE I REDEVELOPMENT

A RESOLUTION of the Housing Authority of the City of Tacoma declaring its intention to sell bonds in an amount not to exceed \$12,000,000 to provide financing to a Washington limited liability limited partnership of which the Authority will be sole general partner in connection with the construction of the Hillside Terrace Phase I redevelopment project to be located at 2500 South G Street within the City of Tacoma, Washington, and determining related matters.

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; and

WHEREAS, RCW 35.82.070(5) provides that a housing authority may, among other things and if certain conditions are met, "lease or rent any dwellings . . . buildings, structures or facilities embraced in any housing project"; and

WHEREAS, RCW 35.82.020 defines "housing project" 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"; and

WHEREAS, RCW 35.82.070(18) provides that a housing authority may, among other things and if certain conditions are met, "make . . . loans for the acquisition, construction, reconstruction, rehabilitation, improvement, leasing or refinancing of land, buildings, or developments for housing for persons of low income"; and

WHEREAS, RCW 35.82.020(11) and 35.82.130 together provide that a housing authority may issue bonds, notes or other obligations for any of its corporate purposes; and

WHEREAS, the Authority intends to form a Washington limited liability limited partnership of which the Authority will be the sole general partner (the "Borrower") to finance the construction of 70 apartment units as part of the Hillside Terrace Phase I redevelopment project, to be owned by the Authority and leased to the Borrower, located at 2500 Yakima Street in the City of Tacoma, Washington, to provide housing for low-income persons (the "Project"), the estimated cost of which is not expected to exceed \$20,991,748; and

WHEREAS, the Authority anticipates that the Borrower will request that the Authority issue and sell its revenue bonds for the purpose of assisting the Borrower in financing the Project; and

WHEREAS, the Authority desires to provide such assistance, if certain conditions are met; and

WHEREAS, Treasury Regulations Section 1.103-8(a)(5) requires that, in order for expenditures for an exempt facility that are made before the issue date of bonds issued to provide financing for that facility to qualify for tax-exempt financing, the issuer must declare an official intent under Treasury Regulations Section 1.150-2 to reimburse any such expenditures from the proceeds of those bonds, and one of the purposes of this resolution is to satisfy the requirements of such regulations;

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

1. To assist in the financing of the Project, with the public benefits resulting therefrom, the Authority declares its intention, subject to the conditions and terms set forth herein, to issue and sell its revenue bonds or other obligations (the "Bonds") in a principal amount of not to exceed \$12,000,000, and to reimburse itself or the Borrower, as applicable, from proceeds of the Bonds for expenditures for the Project made by itself or the Borrower before the issue date of the Bonds.
2. The proceeds of the Bonds will be used to assist in financing the Project, and may also be used to pay all or part of the costs incident to the authorization, sale, issuance and delivery of the Bonds.
3. The Bonds will be payable solely from the revenues derived as a result of the Project financed by the Bonds, including, without limitation, amounts received under the terms of any financing document or by reason of any additional security furnished by or on behalf of the Borrower in connection with the financing of the Project, as specified by resolution of the Board of Commissioners of the Authority. The Bonds may be issued in one or more

series, and shall bear such rate or rates of interest, payable at such times, shall mature at such time or times, in such amount or amounts, shall have such security, and shall contain such other terms, conditions and covenants as shall later be provided by resolution of the Board of Commissioners of the Authority.

4. The Bonds shall be issued subject to the conditions that (a) the Authority, the Borrower and the purchaser of the Bonds shall have first agreed to mutually acceptable terms for the Bonds and the sale and delivery thereof and mutually acceptable terms and conditions of the loan or other agreement for the Project, and (b) all governmental approvals and certifications and findings required by laws applicable to the Bonds first shall have been obtained. The Executive Director of the Authority or his or her designee is authorized to seek an allocation of volume cap for the Bonds from the Washington State Department of Commerce.
5. For purposes of applicable Treasury Regulations, the Borrower is authorized to commence financing of the Project and advance such funds as may be necessary therefor, subject to reimbursement for all expenditures to the extent provided herein out of proceeds, if any, of the issue of Bonds authorized herein. However, the adoption of this resolution does not constitute a guarantee that the Bonds will be issued or that the Project will be financed as described herein, or an endorsement of the Project by the Authority. The Board of Commissioners of the Authority shall have the absolute right to rescind this resolution at any time if it determines in its sole judgment that the risks associated with the issuance of the Bonds are unacceptable.
6. It is intended that this resolution shall constitute a declaration of official intent to reimburse expenditures for the Project made before the issue date of the Bonds from proceeds of the Bonds, for the purposes of Treasury Regulations Sections 1.103-8(a)(5) and 1.150-2.

ADOPTED by the Board of Commissioners of the Housing Authority of the City of Tacoma at an open public meeting this 22nd day of February, 2012.

Upon roll call, the vote was as follows:

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

Approved: February 22, 2012

Janis Flauding, Chair

8.4 RESOLUTION 2012-2-22 (4), HILLSIDE TERRACE PHASE I - LEGAL SERVICES

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;

WHEREAS, RCW 35.82.070(2) provides that a housing authority may "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...";

WHEREAS, The Authority has procured and entered into a contract with Foster Pepper, PLLC for legal services on January 30, 2012. The contract stipulates that each engagement will require a Letter of Engagement (LOE) and the contract shall not exceed \$100,000 unless approved by THA's board of commissioners;

WHEREAS, The Authority is entering into an LOE with Foster Pepper, PLLC to provide legal counsel for Hillside Terrace Phase I in the amount not to exceed \$150,000, which exceeds the \$100,000 limit of the contract;

WHEREAS, The Foster Pepper, PLLC, January 30, 2012 contract requires amendment and shall not exceed \$250,000.

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

The Executive Director or his designee is authorized to amend the January 30, 2012 contact with Foster Pepper, PLLC, to increase its not to exceed amount from \$100,000 to \$250,000.

Upon roll call, the vote was as follows:

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

Adopted: February 22, 2012

Janis Flauding, Chair

8.5 RESOLUTION 2012-2-22 (5), ARCHITECTURE & ENGINEERING SERVICES FOR HILLSIDE TERRACE I, AMENDMENT TO RESOLUTION 2009-06-24(1)

Architecture & Engineering Services for Hillside Terrace Phase I, Amendment to Resolution 2009-06-24(1)

WHEREAS, On May 2, 2009, Tacoma Housing Authority (THA) staff issued a Request for Qualifications (RFQ) from firms interested in providing architecture and engineering services for the 1800 and 2500 Hillside Terrace redevelopment project;

WHEREAS, On June 24, 2009 the THA Board of Commissioners approved Resolution 2009-06-24(1) authorizing the Executive Director to negotiate and award a contract for the architecture and engineering services to GGLO Architects for the 1800 and 2500 Hillside Terrace redevelopment in an amount not-to-exceed \$2,500,000;

WHEREAS, the Executive Director and/or his assigns have negotiated a contract and various amendments with GGLO Architects to provide programming, concept and preliminary design services required for various funding applications, and community outreach;

WHEREAS, staff has negotiated an A&E Services Scope of Work, a fixed fee of \$1,687,865.00 and not-to-exceed reimbursable cost of \$150,606 with GGLO Architects for the Hillside Terrace Phase I housing and community/education facilities A&E Services;

WHEREAS, the negotiated A&E fixed fee and reimbursable cost combined with expenditures for concept design services will exceed the not-to-exceed amount of \$2,500,000 authorized by Resolution 2009-06-24(1) on June 24, 2009;

WHEREAS, staff is proposing to amend Resolution 2009-06-24(1) to increase the not-to-exceed amount from \$2,500,000 to \$2,665,000 to accommodate for the A&E Services negotiated fees and reimbursable cost plus a 3% contingency fund for the Hillside Terrace Phase I A&E Services.

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

authorizes an increase in the not-to-exceed amount for Hillside Terrace A&E services of \$2,500,000 as set forth in Resolution 2009-06-24(1) dated June 24, 2009. The increase will be to \$2,665,000. In addition, the board authorizes the

Executive Director to award a contract for architecture and engineering services with GGLO Architects for a fix fee of \$1,687,865.00 and not-to-exceed reimbursable cost of \$150,606 for the Hillside Terrace Phase I redevelopment.

Upon roll call, the vote was as follows:

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

Approved: February 22, 2012

Janis Flauding, Chair

8. COMMENTS FROM COMMISSIONERS

None

9. EXECUTIVE SESSION

Personnel Performance Evaluation

Moved into Executive Session at 5:35 for 30 minutes. Moved out of regular session at 6:00 PM. No action was taken/

10. ADJOURNMENT

There being no further business to conduct the meeting ended at 6:00 PM.

APPROVED AS CORRECT

Adopted: March 28, 2012

Janis Flauding

Janis Flauding, Chair