



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, November 18, 2015

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at 911 North K Street, Tacoma, WA 98405 at 4:45 PM on Wednesday, November 18, 2015

1. CALL TO ORDER

Chair Stanley Rumbaugh called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:50 pm.

2. ROLL CALL

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

PRESENT

Commissioners

Chair Rumbaugh (Stan)

Vice Chair Banks (Arthur)

Commissioner Young (Derek)

Staff

Sha Peterson, Executive Assistant

April Black, Deputy Executive Director

Ken Shalik, Finance Department Director

Kathy McCormick, RED Director

Greg Claycamp, Client Services Director

Todd Craven, Information Technology and
Asset Management Director

Pat Patterson, Property Management
Director

ABSENT

Commissioner Flauding (Janis)

Commissioner Hodge (Minh-Anh)

Michael Mirra, Executive Director

Barbara Tanbara, Human
Resources Director

Vice Chair Banks arrived at 4:50 pm. Chair Rumbaugh declared there was a quorum present @ 4:50 pm and proceeded.

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

3.1 October 28, 2015 Minutes

Chair Rumbaugh asked for any corrections to or discussion of minutes for the Regular Session of the Board of Commissioners for Wednesday, October 28, 2015. One correction made which was noted by Commissioner Derek Young in an email he sent to Tacoma Housing Authority. Vice Chair Banks moved to adopt the minutes, Commissioner Derek Young seconded.

Upon roll call, the vote was as follows:

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

Motion approved.

4. GUEST COMMENTS

Hope V. Rehn, Tenant at South Wright Avenue (SAFE Manager)

Hope addressed the Board. She informed the Board that she has been gone because her unit flooded and she was relocated during the repairs. SAFE is voting for their Board members on the November 30th. Hope asked Tacoma Housing Authority (THA) Board if there was a way to fund SAFE trips. Chair Rumbaugh suggested that she ask her board members where they would like to go and present a proposal to THA Board. Hope also stated that B Street Apartments hired a secretary but is still looking for a building representative.

Donna Miller, Tenant at North K Street

Donna Miller addressed the Board. She is representing North K Apartments. She informed the Board that tenants at North K have had problems with the building boiler. Donna wanted to acknowledge Property Management (PM) Director Pat Patterson who has been "amazing." Donna is on the 3rd floor, which is way at the end of the building. She had problems getting hot water, but with PM Director Patterson's diligence, ability to listen and willingness, she now has hot water. Chair Rumbaugh asked PM Director Patterson what the problem was. He stated that North K Apartments has had boiler problems for the past 2-3 years. Chair Rumbaugh asked for the age of the boiler. The boiler was 7-8 years old, and some necessary parts were discontinued. PM negotiated for a new boiler. North K received a new boiler saving Tacoma Housing Authority \$15k. PM spent a lot of hours insuring the proper boiler fix. PM Director Patterson thanked his staff for their hard work. It was a team effort.

5. COMMITTEE REPORTS

Real Estate Development Committee – Chair Rumbaugh

The Real Estate Development Committee did not meet this past month. Chair Rumbaugh will have a report in December

Finance Committee – Commissioner Hodge and Commissioner Young

Commissioner Minh-Anh Hodge and Commissioner Derek Young met last week. Commissioner Young stated that it was a good meeting; He learned more about the organization.

Education Committee—Commissioner Hodge

Commissioner Minh-Anh Hodge was not in attendance.

Citizen Oversight Committee – Vice Chair Banks

According to Vice Chair Banks, Bay Terrace understands THA's commitment to WMVP.

6. COMMENTS FROM THE EXECUTIVE DIRECTOR

Deputy Executive Director (DED) April Black covered for Executive Director (ED) Michael Mirra. DED Black relayed a few messages from ED Mirra. There is a Moving to Work (MTW) conference call scheduled for tomorrow and DED Black will have an update for the Board at the December meeting. There is a Study Session for strategic planning for December. DED Black is requesting to replace it with a RAD Financing discussion. DED Black reminded the Board of the policy regarding social gatherings and forums. ED Mirra sent the Board an email regarding the policy. Chair Rumbaugh summarized the policy to mean that if three or more Board members are present at gatherings or forums, no housing items should be discussed.

7. ADMINISTRATIVE REPORTS

Finance

Vice Chair Banks moved to ratify the payment of cash disbursements totaling \$8,157,812 for the month of October, 2015. Commissioner Flauding seconded. Finance Department (FD) Director Ken Shalik provided the Board the financial report as it was not included in their Board packets. He went over the financials with Commissioner Young and Hodge prior to the Board meeting.

He explained THA's surplus. Line 3 shows Section 8 HAP reimbursement, which are funds held by Housing and Urban Development (HUD). In September, THA received \$25M of the \$27M held by HUD. At end of year, there will be no funds held at HUD. On line 7, the projected actual budget is \$1.2M but actual is only \$400K. This is an intentional change because of RAD, which is another way of spending MTW dollars. FD

Director Shalik then directed the Board to cash position. He stated that when reserve money is used, it is bringing down MTW dollars. Right now THA is in good shape financially and will also be in good shape for 2016. He noted the Board's direction to await until early 2016 to adopt a 2016 budget because of the need to await clarification on RAD and other uncertainties.

Upon roll call, the vote was as follows:

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

Motion Approved.

Administration

Asset Management Associate Director Sandy Burgess updated the Board on Rental Assistance Demonstration (RAD). All public housing properties will be placed in a single-credit tax partnership for the RAD conversion. Asset Management (AM) is working with lenders and investors. PM is training staff on tax credit program rules. THA is leasing properties into partnership. THA will do all title insurance and title work. Chair Rumbaugh asked for the cost of renovations. Cost for renovations will be \$35M. Training will help improve living experiences for THA residents and reduce THA cost. Chair Rumbaugh asked about previously established deadlines. Sandy reported that HUD is too backed up to stay on the original schedule. She said that this was okay with THA. AM is pushing hard for a mid-January close and pushing hard for February start. Chair Rumbaugh thanked the staff for their hard work.

Administration Department (AD) Director Todd Craven addressed the Board. He provided an update on the software conversion. Processes at THA are scheduled to go live late January. AD is close to finalizing a financial system. Chair Rumbaugh asked if the plan will go to the Board for approval. AD Director Craven confirmed. He added that if AD stays on schedule, the new financial system would go live in July or August of next year. Chair Rumbaugh asked if the new system would be able to determine whether a contract is in compliance. According to AD Director Craven, the new project management tool will manage procurement of contract. Chair Rumbaugh asked if benchmarks are not completed on time will the new system be able to alert staff. AD Director Craven stated that the system does have that capability. He added that if projects are set-up correctly, staff can set alerts. Commissioner Derek Young asked about internal change processes and what is being done. AD Director Craven stated that the new system is being built based on processes currently being used at THA. All processes are being improved.

Property Management

Property Management (PM) Director Pat Patterson addressed the Board. He stated that PM stopped testing for meth on every unit turn and instead is using a new protocol since October. In November, there were 5 units that went through the wash process under the new protocol. He is still looking for ways for THA staff to do the work. Chair Rumbaugh asked about Graph 2.2. According to PM Director Patterson, in October several units in tax credit properties were turned by contractors; the graph shows the units that THA staff turned. Chair Rumbaugh asked if the 36 days referred to per unit or all units. PM Director Patterson stated that it is a combined 18 days, more or less. Chair Rumbaugh asked about AMP 8 on G which had 105 days. PM Director Patterson stated that 77 is the average of all contracted units on his report. He added that the days in parenthesis are key-to-key. Chair Rumbaugh requested clarification. Commissioner Young stated that the numbers show a pretty big drop. Chair Rumbaugh stated that there seems to be something else prolonging the delay of key-to-key, which is keeping PM from the 20-day expectation. According to PM Director Patterson, PM is trying to accomplish cleaning units the day they are vacated and turning them. The cleaning protocol is allowing PM to do the work (i.e., paint, floor repair, and carpet), which should speed things up but they still need to come up with a better process. Chair Rumbaugh stated that the delay is not only a service loss but also a loss to the program. PM Director Patterson stated that another struggle for PM is finding contractors to do the work. Chair Rumbaugh asked if it is because contractors are too busy or if it is because they do not want to work with THA. PM Director Patterson stated that it is the season and also because contractors do not want just a piece of the project but all of it. There is also cost to consider. PM wants to control most of the mark-up that contractors want to do. PM is making adjustments and will have good qualified team willing to work with THA standards.

Real Estate Development

Real Estate Development (RED) Director Kathy McCormick directed the Board to her report. She informed the Board that THA acquired New Look last month. RED is preparing improvements to New Look but also also needs to fill a commercial space occupied previously by Columbia Bank. RED Director McCormick is meeting with other banks since the space is already set-up as a bank. She is also working with Sound Outreach to see if its space can be used more efficiently and provide more space. Chair Rumbaugh asked whom she has approached regarding the space. RED Director McCormick stated that she has met with John Wise and AM Associate Director Burgess suggested she reach out to Columbia Bank. RED Director McCormick asked the Board if they know of any agencies looking to lease a 2k square feet space. Chair Rubmbaugh suggested she contact Ricardo at Columbia Bank.

In regards to Key Bank, RED is hoping to finalize the agreement by the end of December. Everything is going smoothly but RED is making sure legal language is good.

Regarding THA's newly acquired Outrigger Apartments on 6th Avenue, RED is looking at setting standards for individual unit turns that will generate more rent. RED is looking at necessary improvements and sitting down with Windermere. \$500k is needed to do work for the turns. RED Director McCormick stated that the units do not stay vacant very long. RED Director McCormick is looking at a 5-year lease for a billboard. Chair Rumbaugh stated that there is much sound and fury about billboard issues in town; there is no gain in getting involved in it for THA. Commissioner Young asked if the billboard is currently unused. According to RED Director McCormick, it is located by the driveway into 6th Avenue Apartments, next to Brown Bear Car Wash. It is not a huge billboard, but does generate \$5k per year for the property. Chair Rumbaugh stated that THA also has to remember politeness to the neighborhood. Commissioner Young stated that he has listened to all public comments regarding billboards and reminded staff that THA does not want to be on the news headline. According to RED Director McCormick, THA is currently on a month-to-month lease with the billboard.

RED will be overseeing rehabilitation and relocation, which is a team effort. The focus right now is to get the relocation team on board. Two current THA staff have been hired and one will be coming from Bremerton. RED will then need to recruit site managers.

Chair Rumbaugh asked for an update on the Lakewood project and asked if it is operating as THA had hoped. RED Director McCormick said no. The main concern is that the units are not leasing as quickly as anticipated. They do not know if the problem lies with Access Point for Housing or with Pierce County. Residents are not being qualified on time. LASA who is THA's service provider and owns the office space applied for a \$70k grant as well as grant for the other programs they provide. They did not receive all the funds they requested. RED thinks there is not enough funding for Prairie Oaks. Sandy will talk to Jan Brazell, but THA may need to find another provider for Prairie Oaks. It is a beautiful project, but slow in getting it staffed.

Client Services

According to DED Black, Client Services (CS) Director Greg Claycamp is out of the office, but she can answer questions the Board may have. CS Director Claycamp did not provide his organization report. Chair Rumbaugh suggested including the CS report in December's packet.

8. NEW BUSINESS

8.1 2015-11-18 (1) Utility Allowance Update

WHEREAS, Utility allowances must be reviewed annually; and

WHEREAS, PHAs must revise utility allowances if they raise more than ten percent; and

WHEREAS, Changes to the utility allowances must be approved by the Board of Commissioners; now, therefore, be it

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

Authorizes THA to adopt updates to the zero bedroom size utility allowance.

Approved: November 18, 2015

Stanley Rumbaugh, Chair

9. COMMENTS FROM COMMISSIONERS

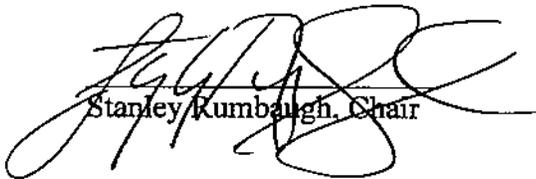
10. EXECUTIVE SESSION

11. ADJOURNMENT

There being no further business to conduct the meeting ended at 6:46 pm.

APPROVED AS CORRECT

Adopted: December 16, 2015


Stanley Rumbaugh, Chair