



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, MAY 27, 2015

(The italicized font indicates quorum changes gained/lost/or maintained in the document).

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at Dixon Village, 5420 South Stevens, Tacoma WA at 4:45 PM on Wednesday, May 27, 2015.

1. CALL TO ORDER

Vice Chair Arthur Banks called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:45 PM.

2. ROLL CALL

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

PRESENT	ABSENT
Commissioners	
Stanley Rumbaugh, Chair	
Arthur C. Banks, Vice Chair	
Janis Flauding, Commissioner	
Rose Lincoln Hamilton, Commissioner	
Minh-Anh Hodge, Commissioner	
Staff	
Michael Mirra, Executive Director	
Sha Peterson, Executive Assistant	
Ken Shalik, Finance and Director	
April Black, Deputy Executive Director	
	Barbara Tanbara, Human Resources Director
	Greg Claycamp, Client Services Director
Kathy McCormick, RED Director	
	Todd Craven, Administration Director
Pat Patterson, Property Management Director	

Vice Chair Banks declared there was a quorum present @ 4:46 p.m. Chair Rumbaugh arrived at 5:01 pm.

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Chair Rumbaugh asked for any corrections to the discussion of minutes of the Regular Session of the Board of Commissioners for Wednesday, April 22, 2015. Chair Rumbaugh asked for a correction on the minutes — remove Commissioner Hamilton under Present for April 22nd Roll-Call.

4. GUEST COMMENTS

President of Seniors Advocating for Equity (SAFE) Hope Rehn informed the Board that she will be attending an all-day Fair Housing seminar. She is also starting to work on the planning for the annual meeting/BBQ. The BBQ is scheduled to take place at People's Park but Yvonne Ginoulis suggested holding it at Bay Terrace. Rehn does not feel that there is enough room at Bay Terrace. Director Patterson suggested that the property manager at Bay Terrace be contacted. Deputy Executive Director April Black reminded the group how busy People's Park is and suggested securing the location right away. Rehn stated that the Planning Committee did not require electricity at its meeting last year. Steve from Maintenance provided the event with an AMP to use.

5. COMMITTEE REPORTS

Real Estate Development Committee	None
Finance Committee	None
Citizen Oversight Committee	None

6. ADMINISTRATIVE REPORTS

Executive Director

Executive Director Michael Mirra directed the Board to his report. He informed the Board that negotiations between the 39 MTW agencies and HUD (Housing and Urban Development) over the terms of the new MTW contract are not going very well. He noted the interest that Senator Patty Murray has taken in the matter. He reviewed the areas of contention with HUD. He answered questions from the Board about those areas.

Finance

Director Ken Shalik directed the Board to his report. He informed the Board that THA's actuals will most likely be negative but will not reflect true numbers until the close of the budget period. He does not see any concern from any of the categories. THA will be closing on RAD (Rental Assistance Demonstration) at the end of the year and he expects that there will be a number of expenses adjusted mid-year. Funds will be coming from capital funds. The Finance Department has already started on the mid-year budget adjustment. He stated that HUD's cash management processes make it hard to account for funds that are actually available. The financial audit is scheduled for July and the Finance Department will be done within nine months.

Executive Director Mirra noted that HUD is proposing to hold the reserves of all MTW agencies. If HUD does that, he asked, would THA's balance sheet show those funds as a THA asset even though HUD was holding them. Director Shalik did not think so.

Chair Rumbaugh called to adopt a consent motion ratifying the payment of cash disbursements totaling \$5,266,810 for the month of April. Commissioner Flauding moved to ratify the payment of cash disbursement. Commission Hamilton seconded.

Chair Rumbaugh inquired about tenant revenue. Director Shalik stated that about 5 tenants charged for damages from methamphetamine accounts for \$200k. Director Shalik has this amount on the expense side; he stated that it is a wash. Chair Rumbaugh also mentioned relocation. Director Shalik will look into it more closely. Bergerson Terrace and relocating tenants were not budgeted.

Motion approved.

Client Services

Director Greg Claycamp was not present to report on Client Services. Chair Rumbaugh asked for a status report on the McCarver initiative. Executive Director Mirra stated that TPS (Tacoma Public Schools) and THS have tentatively made two decisions: (1) In September, the McCarver initiative will change from a pilot program to a regular offering of the school; (2) starting a year from September, we will start expanding it to the other elementary schools in Tacoma with ruinous student transient rates because of family homelessness. TPS has not identified what those schools will be. He noted our hope that TPS will at some point assume the cost of the caseworkers. He noted as well that this next year the McCarver school building will be rebuilt. Its students and faculty of the upper grades will be moving to McKinley. He described the transportation plan to get them there and back every day.

Property Management

Director Pat Patterson directed the Board to his report and pointed to the highlighted portions describing what his staff members are doing out in the field. He reminded the Board that last month Chair Rumbaugh inquired about the reasons tenants were moving out of units. Director Patterson added information in his report comparing tenants who moved out last year vs. this year. Director Patterson and his team will find out the reasons for the moves and will invest time with Client Services to see if those are savable tenancies.

There are currently six THA senior units with bed bugs. Commissioner Flauding asked if the tenants are repeat offenders. Director Patterson said they were not. Property Management is trying to make tenants understand that free furniture poses risks of bed bugs. As a result, Director Patterson informed the Board that there might be a spike in the budget for bed bugs treatment. Chair Rumbaugh inquired about asking tenants to have THA hold the furniture for a couple of days to cure it. Director Patterson stated that a hot box was recommended in the past but added that it would not be a permanent fix. He stated that he spoke to his colleagues in the industry and it seems bed bugs come out this time of year. Chair Rumbaugh suggested a hot box as mentioned but at 145 degrees to kill the bugs. Director Patterson also suggested a mobile system. He will continue searching for ideas. Commissioner Minh-Anh Hodge stated that clothing could also be a source of bed bugs. Director Patterson stated that the pest company thinks that the bugs may have been at the most invested unit because of the extent of infestation.

Commissioner Hamilton stated that communication with the other tenants is important. Director Patterson said THA is using a new pest company so he will see how effective they are. Chair Rumbaugh requested additional information regarding vacancy—more breakdown is required. The Board would like to see a quarterly report from Director Patterson.

Real Estate Development

Director Kathy McCormick directed the Board to her report. She stated that RED presented its proposed to the City of Tacoma for the redevelopment of Valhalla Hall. Director McCormick heard informally that THA's presentation was well received.

RED's construction costs on Bay Terrace Phase 2 are coming in higher than anticipated. She stated that THA is preparing to invite bids from tax credit investors. Executive Director Mirra asked if there is an advantage in applying for tax credit for Bay Terrace the same time as THA applies for tax credits for the RAD work. Director Burgess stated that she and Director McCormick spoke with THA's consultant on that questions. The consultant recommends keeping them separate.

7. OLD BUSINESS

None.

8. NEW BUSINESS

8.1 RESOLUTION 2015-5-27 (1), Reconstruction of Market Rate Scattered Sites Units to Be Disposed

WHEREAS, On March 27, 2015, Tacoma Housing Authority (THA) staff advertised an Invitation to Bid (ITB) for proposals from interested general contractors to provide THA with competitive bids to perform the renovation needed for the Market Rate Scattered Sites; and

WHEREAS, The ITB was posted on the Washington Electronic Business Solutions and THA's websites and forwarded to twelve (12) plan centers; and

WHEREAS, Two firms submitted proposals by the deadline of April 15, 2015; and

WHEREAS, The lowest and responsive and responsible bidder was M.A.D. Construction in the amount of \$362,200; and

WHEREAS, This resolution will authorize the Executive Director to sign a contract procuring M.A.D. Construction, LLC as the contractor to provide renovation services; now, therefore, be it

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

1. The Executive Director is authorized to negotiate, and if negotiations are successful, to execute a contract with M.A.D. Construction, in the amount of \$338,600, plus a contingency amount of \$67,720. The total amount of the contract is not to exceed \$406,320 including contingency, to rehabilitate five (5) Market Rate Scattered Site Units.
2. If the negotiation with M.A.D Construction is not successful, he is authorized to negotiate and execute a contract with Rainbow International.

Chair Rumbaugh motioned to approve the resolution. Vice Chair Banks seconded the motion.

Upon roll call, the vote was as follows:

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

Motion Approved: May 27, 2015

Stanley Rumbaugh, Chair

8.2 RESOLUTION 2015-5-27 (2), Redwood/Juniper, Pine Tree Harbor and Conifer South Defeasance of Revenue Bonds

WHEREAS, The Authority previously issued its \$12,175,000 original principal amount Multifamily Housing Revenue Bonds, 2005 (GNMA Collateralized Mortgage Loans – Redwood/Juniper, Pine Tree Harbor and Conifer South Projects) (the “Bonds”); and

WHEREAS, The Authority is a member of each of Redwood Juniper Tacoma Apartments, LLC, Pine Tree Harbor Tacoma Apartments, LLC, and Conifer South Tacoma Apartments, LLC (collectively, the “LLCs”), the limited liability companies that own the Redwood/Juniper, Pine Tree Harbor and Conifer South projects (collectively, the “Projects”); and

WHEREAS, The LLCs have determined that it is in their best interest to modify the loan underlying the Bonds to reduce the interest rate thereon;

WHEREAS, In connection with the loan modification, the Bonds will be defeased, and paid in full as soon as possible thereafter, which will be approximately thirty (30) days after notice of the redemption is provided to the owners of the Bonds; and

WHEREAS, A defeasance escrow agreement will be required to effect the defeasance; and

WHEREAS, It is in the best interest of the Authority, both in its capacity as a member of the LLCs and as issuer of the Bonds, to take such actions as are necessary to effect the loan modification, defeasance and redemption described herein; now, therefore, be it

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

Authorization of Documents and Execution Thereof. The Chair of the Board, the Authority’s Executive Director and their respective designees (each, an “Authorized Officer” and, collectively, the “Authorized Officers”), and each of them acting alone, are authorized and directed to execute and deliver a defeasance trust agreement substantially in the form on file with the Executive Director of the Authority, with such changes as the Authorized Officers deem necessary or desirable to further the purposes of this resolution. The Authority authorizes and approves the performance by the Authority of its obligations contained in, the defeasance trust agreement and this resolution and the consummation by the Authority of all other transactions contemplated by this resolution in connection with the defeasance trust agreement. The Authorized Officers, and each of them acting alone, are authorized and directed to execute and deliver, on behalf of the Authority (on its own behalf or in its capacity as member of the LLCs) any other documents that may be useful or necessary in connection with the defeasance trust agreement or the loan modification, defeasance and redemption described herein including, without limitation, notices of defeasance and redemption of the Bonds, resolutions of the members of the LLCs and amendments of the operating agreements governing the affairs of the LLCs.

1. Acting Officers Authorized. Any action required by this resolution to be taken by the Chair of the Board or Executive Director of the Authority may, in the absence of such person, be taken by the duly authorized acting Chair of the Board or acting Executive Director of the Authority, respectively.
2. Ratification and Confirmation. Any actions of the Authority or its officers prior to the date hereof, and consistent with the terms of this resolution, are ratified and confirmed.
3. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

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

Upon roll call, the vote was as follows:

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

Motion Approved: May 27, 2015

Stanley Rumbaugh, Chair

8.3 RESOLUTION 2015-5-27 (3), Project-Based Voucher Extension: Pacific Courtyard

WHEREAS, Tacoma Housing Authority (THA) has twenty-three (23) project-based vouchers (PBV) at the Pacific Courtyard Apartments; and

WHEREAS, THA and MDC wish to maintain the long-term affordability of this property; and

WHEREAS, A contract extension will be negotiated with the property for up to ten (10) years; now, therefore, be it

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

Authorizes the Executive Director to execute a new Project-Based Housing Assistance Payment (HAP) contract with MDC for Pacific Courtyard Apartments effective May 1, 2015, for a term not to exceed ten (10) years.

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

Upon roll call, the vote was as follows:

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

Motion Approved: May 27, 2015

Stanley Rumbaugh, Chair

8.4 RESOLUTION 2015-5-27 (4), Project-Based Voucher Extension: Hillside Terrace, 1500 Block

WHEREAS, Tacoma Housing Authority (THA) has four (4) project-based vouchers (PBV) at Hillside Terrace 1500 Block; and

WHEREAS, THA is the managing partner for the Hillside Terrace 1500 Block LLC and wishes to maintain the long-term affordability of this property; and

WHEREAS, A contract extension will be negotiated with the investor for up to fifteen (15) years; now, therefore, be it

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

Authorizes the Executive Director to execute a new Project-Based Housing Assistance Payment (HAP) contract with Hillside Terrace 1500 Block effective June 1, 2015, for a term up to fifteen (15) years.

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

Upon roll call, the vote was as follows:

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

Motion Approved: May 27, 2015

Stanley Rumbaugh, Chair

8.5 RESOLUTION 2015-5-27 (5), Project-Based Voucher Extension: Tyler Square

WHEREAS, Tacoma Housing Authority (THA) has twelve (12) project-based vouchers (PBV) at the Tyler Square Apartments; and

WHEREAS, THA and Tacoma Rescue Mission wish to maintain the long-term affordability of this property; and

WHEREAS, A contract extension will be negotiated with the property for up to ten (10) years; now, therefore, be it

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

Authorizes the Executive Director to execute a new Project-Based Housing Assistance Payment (HAP) contract with Tacoma Rescue Mission for Tyler Square Apartments effective February 1, 2015, for a term not to exceed ten (10) years.

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

Upon roll call, the vote was as follows:

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

Motion Approved: May 27, 2015

Stanley Rumbaugh, Chair

8.6 RESOLUTION 2015-5-27 (6), PSA Salishan Area 2B Metro Parks

WHEREAS, THA collaborated with Metro Parks Tacoma during the design process for Salishan to provide future access to Swan Creek Park from 51st Street; and

WHEREAS, THA's Legal Counsel and THA staff worked in collaboration with Metro Parks to draft a Purchase and Sale Agreement; and

WHEREAS, The transfer of about sixteen (16) acres of undeveloped land on the west slope of First Creek in Area 2B, would free THA of its maintenance while preserving adequate THA control over its future development; and

WHEREAS, The Executive Director and the Board of Commissioners find the terms of the Purchase and Sale Agreement acceptable to THA; now, therefore, be it

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

The Executive Director has the authority to negotiate, and if those negotiations are successful to execute a Purchase and Sales Agreement with Metro Parks Tacoma for their purchase of the indicated land in Salishan.

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

Upon roll call, the vote was as follows:

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

Motion Approved: May 27, 2015

Stanley Rumbaugh, Chair

8.7 RESOLUTION 2015-5-27 (7), THA Resolution Brawner & Company, Financial Advisor Services

WHEREAS, THA owns, manages, and develops affordable rental housing in Tacoma; and

WHEREAS, THA is committed to developing additional residential housing in Tacoma to meet THA and community goals and needs; and

WHEREAS, THA's financial feasibility and pre-development are important tasks to be completed for all new development, acquisition, and redevelopment projects; and

WHEREAS, Brawner & Company was selected through a competitive process to provide financial feasibility and real estate development and redevelopment services; and

WHEREAS, Predevelopment costs are repaid when projects are completed; now, therefore, be it

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

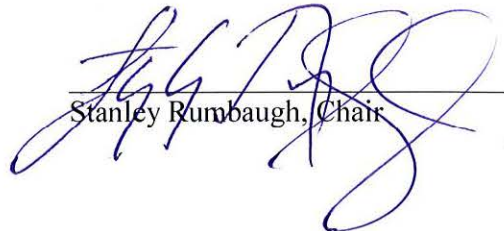
That the Executive Director or his designee is authorized, in the role of contracting officer, to amend the contract with Brawner & Company by \$250,000, not to exceed \$650,000, allowing for the completion of additional new development, redevelopment, and acquisition transactions related to meeting THA's goal to expand the supply of affordable housing in Tacoma.

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

Upon roll call, the vote was as follows:

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

Motion Approved: May 27, 2015


Stanley Rumbaugh, Chair

9. Commissioner Comments:

Chair Rumbaugh thanked Commissioner Hamilton for her commitment to affordable housing and to the community. He stated that it has been great having her on the Board. Chair Rumbaugh then read a plaque of appreciation for Commissioner Hamilton. Commissioner Hamilton responded that she really enjoyed her time at THA and stated how rewarding her experience has been.

10. Executive Session

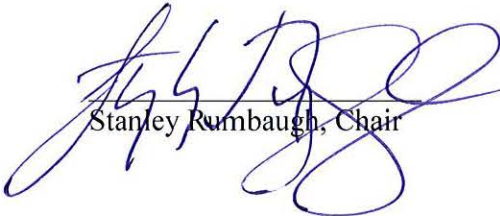
The Board went to Executive Session for 20 minutes with no action to follow. After 20 minutes, the Board came out of executive session.

11. ADJOURNMENT

There being no further business to conduct, the meeting ended 6:40 PM.

APPROVED AS CORRECT

Adopted: June 24, 2015



Stanley Rumbaugh, Chair