



# TACOMA HOUSING AUTHORITY

## BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, May 25, 2016

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at 401 North G. Street, Tacoma, WA at 4:45 pm on Wednesday, May 25, 2016.

### 1. CALL TO ORDER

Chair Rumbaugh called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 5:02 PM.

### 2. ROLL CALL

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

| PRESENT   | ABSENT                                    |
|---|---|
| <b>Commissioners</b>  |   |
| Chair Stanley Rumbaugh                                      |   |
| Vice Chair Arthur Banks                                     |   |
| Commissioner Janis Flauding                                 |   |
|   | Commissioner Minh-Anh Hodge               |
| Commissioner Derek Young                                    |   |
| <b>Staff</b>  |   |
| Michael Mirra, Executive Director                           |   |
| Sha Peterson, Executive Assistant                           |   |
| April Black, Deputy Executive Director                      |   |
| Ken Shalik, Finance Director                                |   |
|   | Barbara Tanbara, Human Resources Director |
| Pat Patterson, Property Management Director                 |   |
| Kathy McCormick, Real Estate Development Director           |   |
| Todd Craven, Administration Director                        |   |
| Greg Claycamp, Client Services Director                     |   |
| Sandy Burgess, Associate Director for AD & Asset Management |   |

Chair Rumbaugh arrived at 4:56 pm, Vice Chair Banks at 5:00 pm, and Commissioner Flauding at 5:02 pm. The Chair declared a quorum present at 5:02 pm, and proceeded with the meeting.

### 3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Chair Rumbaugh asked for any corrections or discussion of the April 27, 2016 minutes of the Regular Session of the Board of Commissioners. Vice Chair Arthur Banks moved to adopt the minutes; Commissioner Janis Flauding seconded.

Upon roll call, the vote was as follows:

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

**Motion approved.**

### 4. GUEST COMMENT

#### **Karen Scott: Resident at North G, Unit G207**

Ms. Karen Scott requested that THA more widely share information with residents regarding the renovation at North G. Currently, THA posts that information only on the bulletin board in the building. She also reported that the windows at North G are dirty, particularly those facing the alley. She believes that the windows have not been cleaned in five years and suggested that a sign posted in the alley directing front-end parking only might help keep the windows from getting dirty. Chair Rumbaugh informed Ms. Scott that the alley is public property; THA does not have full control of the parking situation. Property Management Director Pat Patterson stated that the maintenance schedule for North G includes window cleaning. [During her comments to the Board, Sandy Burgess assured Ms. Scott that the Rental Assistance Demonstration (RAD) team will review the adequacy of the notices to residents about the renovation.]

### 5. COMMITTEE REPORTS

#### ***Real Estate Development Committee—Commissioner Rumbaugh***

The Real Estate Development Committee did not meet in May, but Chair Rumbaugh met with ED Mirra regarding Bay Terrace Phase 2.

#### ***Finance Committee—Commissioner Hodge and Commissioner Young***

There was nothing new to report.

#### ***Education Committee—Commissioner Hodge***

Commissioner Minh-Anh Hodge was not in attendance.

#### ***Citizen Oversight Committee—Vice Chair Banks***

There was nothing new to report.



## 6. COMMENTS FROM THE EXECUTIVE DIRECTOR

Executive Director (ED) Michael Mirra directed the Board to his report. Mirra reported on what he learned in Washington, D.C. about the possible and plausible outcomes of Congress's efforts to pass a federal budget for FY 2017. He shared the chart from the Council of Large Public Housing Authorities (CLPHA) that showed the housing budget proposals from the President and the Senate. In general, the year will have its customary uncertainties because of Congress's customary difficulties in making decisions. The year is more uncertain because it is an election year. The uncertainties may be still more pronounced because it is an unusual election.

Chair Rumbaugh brought up the idea of dormitory-type configurations as an outreach to students, especially single parents struggling to make ends meet. This topic has previously been discussed by the Board. Historically, dormitory-type housing is not widely accepted outside college campuses. However, Chair Rumbaugh suggested that THA can provide substantial housing in a dorm setting with communal kitchen and other facilities that would be acceptable to student renters. This can be provided in conjunction with Tacoma Community College (TCC) and he has requested a meeting with the TCC President to further explore the idea. Commissioner Derek Young commented that there could also be a potential for housing University of Washington Tacoma (UWT) students. Chair Rumbaugh agreed to invite UWT to the TCC discussion.

ED Mirra introduced Teresa Power Drudis from New Connections, a shelter for women transitioning to the community from prison. New Connections is a small organization with a \$50k annual budget, two part-time staff and volunteers. They have multiple individual donors and foundation assistance and are interested in partnerships of all kinds.

New Connections has two houses — one for single women and the other for women with children. The average stay is two to three months and longer for women with children. They provide mentoring, counseling, civic engagement in the community, and advocacy work. New Connections volunteers work directly with the women, providing peer-to-peer mentoring. Most of their connections are with community partners and transition services, including chaplains who provide housing applications. Within 72 hours of being released from prison, the women receive a mental health intake, a driver's license, and food stamps. New Connections works directly with the Department of Corrections to ensure that the women in their shelters comply with the conditions of their release. New Connections also has accepted women from the Pierce County jail.

## **7. ADMINISTRATIVE REPORTS**

### **Finance**

Finance Director Ken Shalik directed the Board to his report. He presented two financial motions - one for March and one for April. Due to clerical issues last month, the March motion did not match the dollar amount. Expenses increased by \$15M but THA is still on its budget targets and in good shape financially. THA received \$2.5M in advances after the close on RAD and Bay Terrace. Reserves for the month decreased because all properties are now under Renew Tacoma, but there are no concerns. Director Shalik reminded the Board that the Budget Study Session is scheduled for Friday, May 27, at 12:00 pm.

Additionally, the report shows THA's financial position year-to-date. There was an operating deficit due to the way Housing and Urban Development (HUD) disperses Housing Assistance Program funds, which are used for other expenses. Year-to-date figures will reflect a deficit position, but by the end of the year, THA will have caught up. Director Shalik will participate in a call with the other Moving to Work (MTW) agencies to discuss HUD's cash management proposals. For the 2016 revision, Director Shalik ran the financial reports for public housing through April.

Upon roll call, the vote was as follows:

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

**Motion for March and April approved.**

### **Policy, Innovation, and Evaluation**

Deputy Executive Director April Black directed the Board to her report. Policy, Innovation, and Evaluation (PIE) was formed during the agency reorganization in 2014-2015, so this is the first report to the Board. The PIE report lists the topics that the Board may expect quarterly. Per Chair Rumbaugh's request, Director Black will add Housing for Students to her quarterly report. The PIE team started an education advisory committee in May. THA has a meeting scheduled with Tacoma Community College.



## **Administration**

Associate Director of Administration and Asset Management Sandy Burgess directed the Board to her report. Financing for Renew Tacoma Housing closed in April. THA is now working on converting the existing tax credit portfolio to Rental Assistance Demonstration financing. HUD requires THA to perform energy efficient upgrades. THA is in compliance with HUD deadlines and tax credit investors are on board. THA is also exiting investors for New Look and Hillside 1500, which potentially could take a year.

## **Client Services**

Client Services Director Greg Claycamp directed the Board to his report. Rental Assistance has noted numerous landlord requests for rent increases, which have doubled from 2014 to 2015. He will provide additional information and mapping at the June Board meeting.

Tacoma Community House is interested in co-locating with the Sound Outreach partnership at the Key Bank property. Client Services continues to have discussions with other organizations such as Clover Park Technical College, Goodwill, Tacoma Community House, and United Way of Pierce County to increase services to THA households. One program of interest is Goodwill's Women 2 Work, which serves single mothers who are enrolled in vocational training programs and who have young children. Client Services is scheduled to meet with an architectural consultant for a cost analysis for the space at Key Bank. After that meeting, they will be able to determine what rent would be reasonable and how much partners can afford. The consultant is aware that this use of the facility will not be long-term. Real Estate Development Director Kathy McCormick added that Sound Outreach likes the open concept and space for private consultation, so this makes the design for Key Bank less expensive.

## **Property Management**

Property Management (PM) Director Pat Patterson directed the Board to his report. Director Patterson introduced Eric Owens, THA's new Property Manager. Gretchen Sinkula has been promoted to Portfolio Manager. These changes will increase THA's presence in buildings. Director Patterson reported on efforts of TPU and THA to determine if there is lead in the water supply from the City of Tacoma. He said that TPU found no lead "gooseneck" fittings on its side of the meters. THA does not believe that it has any lead fixtures or pipes on its side of the meter. Chair Rumbaugh noted that unit turn times have decreased remarkably.

## Real Estate Development

Real Estate Development (RED) Director Kathy McCormick directed the Board to her report. Things are going smoothly at Bay Terrace. At EB Wilson, only one elevator is working; the state red tagged the other elevator because it needs repair. Walsh Construction is working to resolve this problem but it will take four to six weeks to get the parts and another week or so to repair the elevator. RED has started its effort to fix up and sell the public housing scattered sites, and will start planning for the fix up of New Look. They have the same team working on New Look as they did for RAD. Structural and mechanical work is anticipated to be \$1.5M. They are evaluating financing options. According to Director McCormick, the auto shop across from Key Bank is open to the idea of selling his property if THA can find another location for his repair shop. In addition, RED is talking with the City regarding the Donaldson building on 10<sup>th</sup> and MLK. Only the City bid on the building and they are no longer interested.

DR Horton sold the final home at Salishan. The News Tribune will do a story on the topic. In addition, Community Youth Services (CYS) is interested in building a youth home on one of the three acres on Arlington Drive at Salishan. The original plan was for an assisted living facility, but in 10 years THA has not found an organization to purchase or build on the land. The Board reviewed the factors THA must consider to determine if a youth home would be a good use of the land. This matter will come before the Board in June. CYS is seeking a letter from THA committing this use of the land for the youth home. Chair Rumbaugh and the other commissioners expressed support for the proposal and interest in learning more.

## 8. OLD BUSINESS

There was no old business to report or discuss.

## 9. NEW BUSINESS

### 8.2 RESOLUTION 2016-05-25(2) Moving to Work Contract Extension

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

**WHEREAS**, Tacoma Housing Authority's (THA's) Moving to Work contract is set to expire December 31, 2018; and

**WHEREAS**, Housing and Urban Development (HUD) has provided a letter to THA restating the 2016 HUD appropriations act language to extend the contract to 2028; and

**WHEREAS**, signing the letter will show THA's explicit acceptance of the contract extension; now, therefore, be it



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

THA's Executive Director is authorized to sign the attached letter as an amendment to THA's MTW Contract and to return the letter to HUD. The amendment will extend the contract to 2028.

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

**Approved: May 25, 2016**

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Stanley Rumbaugh, Chair

**8.3 RESOLUTION 2016-05-25(3)  
Amendment of Salishan Four Program Loan Agreement**

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma authorizing the amendment of the Loan Agreement pertaining to the Salishan Four Program Income Loan, and determining related matters.

**WHEREAS**, The Housing Authority of the City of Tacoma (the "Authority") and Salishan Four LLC (the "LLC") entered into a Loan Agreement (the "Agreement") dated June 28, 2007, pursuant to which the Authority agreed to lend the Borrower up to \$5,279,951 (the "Loan") to finance costs incurred by the LLC with respect to the Salishan Four portion of the Salishan HOPE VI Redevelopment Project; and

**WHEREAS**, Although the Authority and the LLC intended that interest on the Loan be compounded annually, the Agreement does not specifically require such interest to be compounded; and

**WHEREAS**, The Board of Commissioners finds and determines that it is necessary and appropriate to amend the Agreement to reflect the original intent that interest on the Loan be compounded annually; now, therefore, be it

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

1. Approval of Amendment. The Authority and the LLC each are authorized to amend the Agreement to reflect that interest on the Loan be compounded annually. 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 (or cause to be executed and delivered) on behalf of the Authority (acting on its own behalf or as the managing member of the LLC) an amendment to the Agreement that

reflects the intent that interest on the Loan be compounded annually; and (ii) any other documents reasonably required to be executed by the Authority or the LLC in connection with such amendment.

2. Ratification and Confirmation. All actions of the Authority and 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.

**Approved: May 25, 2016**

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Stanley Rumbaugh, Chair

### CERTIFICATE

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

1. That the attached copy of Resolution 2016-05-25(3) (the "Resolution") is a full, true and correct copy of the resolution of the Board of Commissioners of the Authority, as adopted at a regular meeting of the Authority held on May 25, 2016, and duly recorded in the minute books of the Authority; and
2. That such meeting was duly convened and held in all respects in accordance with the law; that a quorum was present throughout the meeting and a majority of the members of the Board of Commissioners of the Authority present at the meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand on May 25, 2016.

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Michael Mirra, Secretary and Executive Director of the Authority



**8.4 RESOLUTION 2016-05-25(4)  
Renewal of Salishan Three Housing Assistance Payment**

**WHEREAS**, THA's contract to provide housing assistance payments to Salishan Three LLC on behalf of its residents is set to expire on June 30, 2016; and

**WHEREAS**, This rental assistance is necessary to make the housing affordable to its residents; now, therefore, be it

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

THA's Executive Director is authorized to sign an Agreement to execute a Housing Assistance Payment (HAP) contract with Salishan Three LLC. He is further authorized to set the terms and duration of this rental assistance.

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

**Approved: May 25, 2016**

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Stanley Rumbaugh, Chair

**8.5 RESOLUTION 2016-05-25(5)  
Amendment No. 2 to Residential Floor Replacement Contract with Great Floors**

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

**WHEREAS**, Tacoma Housing Authority (THA) procured for a new contract for residential flooring replacement in February, 2015 and received no proposals; and

**WHEREAS**, Tacoma Housing Authority (THA) used the Washington State Contract as a means of procuring prices for a new Contract signed on May 26, 2015, for one year with an allowance for four (4) twelve-month extensions; and

**WHEREAS**, by Resolution 2015-12-16(6) the Board approved a current contract limit of \$200,000; and

**WHEREAS**, the accumulative expenditures from services rendered are near that limit; and

**WHEREAS**, THA anticipates the need to do more residential flooring replacements; and

**WHEREAS**, an additional \$150,000 and with a Not-to-Exceed amount of \$350,000 will carry us through May 31, 2016 when the present contract expires; now, therefore, be it

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

THA's Executive Director is authorized to amend the existing Residential Flooring Replacement contract to increase the contract value to a Not-to-Exceed \$350,000.

Vice Chair Banks raised a motion to approve the resolution. Commissioner Young seconded the motion.

**Approved: May 25, 2016**

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Stanley Rumbaugh, Chair

**8.6 Board Review of Hearing Examiner's Decision Upholding Termination of Tenancy**

Pursuant to tenant's complaint and written appeal, the Tacoma Housing Authority Board of Commissioners decided to uphold the original decision by the hearing officer "*Complainant has not shown entitlement to the relief requested, that is relief from termination of tenancy. The Housing Authority has sustained its burden justifying its decision to terminate tenancy. The Notice to Vacate remains in effect.*"

Chair Rumbaugh recused. Commissioner Flauding motioned to uphold the hearing officer's decision. Commissioner Young seconded.

**Approved: May 25, 2016**

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Stanley Rumbaugh, Chair

**9. COMMENTS FROM COMMISSIONERS**

This year, THA's Executive Director proposed to split THA's yearly \$50k donation: \$25k to be donated to Affordable Housing Consortium and \$25k to be donated to New Connections.

Chair Rumbaugh motioned to approve the split of donations. Vice Chair Banks seconded the motion.



**10. EXECUTIVE SESSION**

None.

**11. ADJOURNMENT**

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

**APPROVED AS CORRECT**

**Adopted:** June 22, 2016



Stanley Rumbaugh, Chair