



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS

BOARD PACKET

December 8, 2021



**Tacoma
Housing
Authority**

Executive Director
April Black

Board of Commissioners

Stanley Rumbaugh, Chair | Shennetta Smith, Vice Chair
Dr. Minh-Anh Hodge | Derek Young | Pastor Michael Purter

REGULAR MEETING

Board of Commissioners

WEDNESDAY, DECEMBER 8, 2021

The Board of Commissioners of the Housing Authority of the City of Tacoma will hold a Regular Meeting on **Wednesday, December 8, 2021, at 4:45 pm** via Zoom.

<https://us02web.zoom.us/j/84808351312> / Meeting ID: 848 0835 1312 / Dial: (253) 215-8782

The site is accessible to people with disabilities. Persons who require special accommodations should contact Sha Peterson (253) 207-4450, before 4:00 pm the day before the scheduled meeting.

I, Sha Peterson, certify that on or before December 1, 2021, I FAXED/EMAILED, the preceding PUBLIC MEETING NOTICE before:

City of Tacoma	747 Market Street Tacoma, WA 98402 CityClerk@cityoftacoma.com	fax: 253-591-5300
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	tips@q13fox.com
KSTW-TV/CW 11	2211 Elliott Avenue, Suite 200 Seattle, WA 98121	
Tacoma News Tribune	1950 South State Tacoma, WA 98405	

and other individuals and organizations with residents reporting applications on file.

Sha Peterson
Executive Administrator



TACOMA HOUSING AUTHORITY

AGENDA

REGULAR BOARD OF COMMISSIONERS MEETING

December 8, 2021, 4:45 PM

Join Zoom Meeting

<https://us02web.zoom.us/j/84808351312> / Meeting ID: 848 0835 1312 / Dial: (253) 215-8782

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **APPROVAL OF MINUTES**
 - 3.1 Minutes of November 10, 2021—Regular Session
4. **GUEST COMMENTS**
5. **COMMITTEE REPORTS**
 - 5.1 Real Estate Development Committee
 - 5.2 Finance and Audit Committee
 - 5.3 Community Partnerships and Advocacy Committee
 - 5.4 Education, Housing, Services and Partnerships Committee
 - 5.5 Diversity, Equity, Inclusion and Belonging Committee
6. **COMMENTS FROM THE EXECUTIVE DIRECTOR**
7. **ADMINISTRATION VERBAL REPORTS**
 - 7.1 Finance
 - 7.2 Executive: THA Motion 2021-12-08, Approval of the 2022 THA BOC Meeting Schedule
 - 7.3 Client Support and Empowerment
 - 7.4 Rental Assistance
 - 7.5 Property Management
 - 7.6 Real Estate Development
8. **NEW BUSINESS**

8.1	2021-12-08 (1)	2022 THA Budget
8.2	2021-12-08 (2)	2022 Board Commitments
8.3	2021-12-08 (3)	RRH Contract
8.4	2021-12-08 (4)	TSHAP Contract Extension
8.5	2021-12-08 (5)	Authorize Creation of Aviva Crossing 4 LLLP
8.6	2021-12-08 (6)	Authorize Creation of Aviva Crossing 9 LLLP
8.7	2021-12-08 (7)	Interlocal Agreement with the Pierce County Housing Authority for Brawner Contract
9. **EXECUTIVE SESSION if any**
10. **COMMENTS FROM THE COMMISSIONERS**
11. **ADJOURNMENT**



TACOMA HOUSING AUTHORITY

MINUTES



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, NOVEMBER 10, 2021

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session via Zoom at 4:45 PM on Wednesday, November 10, 2021.

1. CALL TO ORDER

Commissioner Young 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	
	Chair Stanley Rumbaugh
	Vice Chair Shennetta Smith
Commissioner Derek Young	
Commissioner Dr. Minh-Anh Hodge	
Commissioner Pastor Michael Purter	
Staff	
April Black, Executive Director	
Sha Peterson, Executive Administrator	
Julie LaRocque, Interim Deputy Executive Director	
Rich Deitz, Interim Finance Director	
Barbara Tanbara, Interim Human Resources Director	
Marquis Jenkins, Interim Property Management Director	
Roberta Schur, Interim Real Estate Development Director	
Sandy Burgess, Administrative Services Director	
Aley Thompson, Interim Rental Assistance Director	
	Cacey Hanauer, Client Support & Empowerment Director
	Katie Escudero, Interim Policy, Innovation and Evaluation Director

Commissioner Young declared there was a quorum present @ 4:46 pm and proceeded.

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Commissioner Young asked for any corrections to or discussion of minutes for the Regular Session of the Board of Commissioners for Wednesday, October 27, 2021. Commissioner Hodge moved to adopt the minutes. Commissioner Purter seconded.

Upon roll call, the vote was as follows:

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

Motion approved.

4. GUEST COMMENTS

None.

5. COMMITTEE REPORTS

Real Estate Development Committee—Chair Rumbaugh, Commissioner Young
The committee meeting was canceled.

Finance Committee—Commissioner Hodge and Commissioner Young
The committee did not meet.

Education, Housing Services and Partnerships Committee—Vice Chair Smith, Commissioner Hodge
The committee did not meet.

Community Partnerships and Advocacy Committee—Vice Chair Smith, Commissioner Purter
The committee did not meet.

Diversity, Equity and Inclusion Committee—Vice Chair Smith, Commissioner Hodge
The committee did not meet.

6. COMMENTS FROM THE EXECUTIVE DIRECTOR

Executive Director (ED) April Black directed the board to her report. Tacoma Housing Authority (THA) selected its Diversity, Equity, and Inclusion (DEI) consultant, The Lindsay Group. ED Black thanked the DEI staff review committee who reviewed 20 proposals.

THA has been working with Janice Jackson-Haley to assess and improve THA's recruitment and hiring practices and to search for and select the best Director of Human Resources. An internal search committee will be led by Jackson-Haley. ED Black hopes to meet with the Finance Board Committee the last week of November to go over the 2022 budget. She is continuing to track the federal budget. THA is doing a limited waitlist opening for households from Monday through December 3rd. There will be a Salishan townhall on November 27th in response to the shooting a few weeks ago. ED Black's report also includes the agency vision and strategies, all of which will be discussed further when more commissioners are present.

7. ADMINISTRATIVE REPORTS

Finance

Finance Department (FD) Interim Director Rich Deitz directed the board to the finance report. The Accountability audit is wrapping up with potential results on Friday. Director Deitz is not aware of any findings. There is no information yet on the Exit Conference. THA's Cash is at \$1.2M, Housing and Urban Development (HUD) funds is at \$8.7M, and Revenue is significantly under.

Commissioner Hodge moved to ratify the payment of cash disbursements totaling \$5,867,638 for the month of October 2021. Commissioner Purter seconded.

Upon roll call, the vote was as follows:

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

Motion Approved.

Rental Assistance

Rental Assistance (RA) Interim Director Aley Thompson directed the board to her report. Utilization this month is slightly down at 100.8% over last month. RA staff are preoccupied with the waitlist opening, which is not open to everyone. It is only open to households with 9-10 people. One household is leased with Emergency Housing Voucher (EHV) and RA expects to lease another 2-4 within the next week. Staff will continue to monitor the program participation. RA staff are monitoring their roles and responsibilities, working hard on shared caseload. They are shaking up the way work is processed.

Property Management

Interim Property Management (PM) Director Marquis Jenkins directed the board to her report. Occupancy remains over 90% for the portfolio. Staff are moving forward with urgent and emergency work orders. Management is working on late rent funds. Overall, October was especially heavy for PM staff as they navigate events at Salishan when four people lost their lives. There is a townhall being hosted later this month. Marquis is thankful for the PM team and grateful to the veterans on the team and across the agency.

Real Estate Development

Real Estate Development (RED) Interim Director Roberta Schur directed the board to her report. THA is moving forward with the purchase of Saraveda property between Alberta J Canada and the bullpen. Planning is continuing with the Housing Hilltop Project. in that direction.

8. NEW BUSINESS

8.1 RESOLUTION 2021-11-10 (1) (Amendment #1 to LaVonne Dorsey & Associates Contract for Human Resource Leadership Services)

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

WHEREAS, On October 7, 2021, THA used its small works roster to sign a contract with LaVonne Dorsey & Associates for Human Resources (HR) Leadership Services. The original contract maximum amount was \$72,000; and

WHEREAS, This contract requires an increase due to the unexpected workload to support the Human Resource Department while we search for a new Human Resources Director and support a department consisting of all new staff; and

WHEREAS The contract maximum amount shall be increased to \$125,000; 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 increase the contract with LaVonne Dorsey & Associates by \$53,000 for a contract maximum amount of \$125,000.

Commissioner Hodge motioned to approve the resolution. Commissioner Purter seconded the motion.

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

Motion Approved: November 10, 2021

Stanley Rumbaugh, Chair

**8.2 RESOLUTION 2021-11-10 (2)
(DEI and HR Consulting Spending Authority)**

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

WHEREAS, The current 2021 budget has a line item of \$50,000 for Diversity, Equity and Inclusion (DEI) Consulting.; and

WHEREAS, This line item has been used for DEI work within THA's Human Resources Department and will need to be used for agency-wide Diversity, Equity, Inclusion and Belonging (DEIB) work; and

WHEREAS, This line item needs to be renamed to "DEIB and HR Consulting" and increased from \$50,000 to \$175,000; 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 rename budget line item "Diversity, Equity and Inclusion" to "DEIB and HR Consulting" and increase the line item from \$50,000 to \$175,000.

Commissioner Purter motioned to approve the resolution. Commissioner Hodge seconded the motion.

Upon roll call, the vote was as follows:

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

Motion Approved: November 10, 2021

Stanley Rumbaugh, Chair

**8.3 RESOLUTION 2021-11-10 (3)
(COVID-19 Vaccination Policy)**

WHEREAS, during the pandemic, following state guidelines and for the safety of all employees, the agency has required many employees to telework. The agency now wants to give our employees the safest environment to return to the offices when the offices and worksites re-open; and

WHEREAS, the policy and accompanying documents have been shared and negotiated with both unions who support the mandatory vaccination; 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 implement the COVID-19 Vaccination Policy for all employees, Commissioners, and contractors on our sites.

Commissioner Purter motioned to approve the resolution. Commissioner Hodge seconded the motion.

Upon roll call, the vote was as follows:

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

Motion Approved: November 10, 2021

Stanley Rumbaugh, Chair

9. COMMENTS FROM COMMISSIONERS

Commissioner Hodge thanked staff for their hard work with the Salishan incident and to the DEI committee for their hard work. Commissioner Purter echoed Commissioner Hodge's comments and greeted everyone a Happy Veterans' Day and thanked military personnel even those not in uniform. He also thanked staff for their diligent work. Commissioner Young thanked staff. "It has been a pretty wild year and I want staff to know how much they are appreciated for the work they do," expressed Commissioner Young.

10. EXECUTIVE SESSION

None.

11. ADJOURNMENT

There being no further business to conduct the meeting ended at 5:24 PM.

APPROVED AS CORRECT

Adopted: December 8, 2021

Stanley Rumbaugh, Chair



TACOMA HOUSING AUTHORITY

Real Estate Development Committee

Chair Stanley Rumbaugh
Commissioner Derek Young

Finance Committee

Commissioner Derek Young
Commissioner Minh-Anh Hodge

Community Partnerships and Advocacy Committee

Vice Chair Shennetta Smith
Commissioner Pastor Michael Purter

Education, Housing, Services and Partnerships Committee

Vice Chair Shennetta Smith
Commissioner Minh-Anh Hodge

Diversity, Equity and Inclusion Committee

Vice Chair Shennetta Smith
Commissioner Minh-Anh Hodge



TACOMA HOUSING AUTHORITY

**COMMENTS FROM THE
EXECUTIVE DIRECTOR**



TACOMA HOUSING AUTHORITY

To: THA Board of Commissioners
From: April Black, Executive Director
Date: December 10, 2021
Re: Executive Director's Monthly Report

The Executive Director report serves as a summary of high-level agency activities.

There are no written reports from the departments in the month of December. Department staff will be available to provide verbal updates at the meeting.

I'd like to start this month's report with a thank you. This work would not be possible without the leadership of THA's Board and the commitment and grit of THA's staff. I could not wish for a more dedicated, smart, thoughtful, and enjoyable team to work with. Thank you for all you do for and with THA. I appreciate you.

1. THA Budget and Federal Funding

2.1. 2022 THA Budget

The "main event" for this month's board meeting will be the review and adoption of THA's 2022 Budget. The details of the budget are included in the board packet. You will note that:

- The proposed budget balances recurring income within recurring expenses
- Many of the budget increases, and new staff positions, support the 2022 agency priorities we set with the Board in September. The priorities are:
 - *Incorporate Diversity, Equity, Inclusion and Belonging (DEIB) in all THA work.*
 - *Support staff and make THA a place where people belong and are valued as people.*
 - *Provide excellent customer service for internal and external customers.*
 - *Align THA's goals and strategies with greater community goals.*
 - *Realign THA departments, positions, etc. to meet the goals of the community and agency, support staff, reduce redundancy, and offer clearer lines of responsibility and authority.*
 - *Refine education project—relationships with institutions/students/property owners, clear and measurable goals, simplify so work can be embedded in THA programs.*
 - *Renew overt goals related to Section 3—THA hiring, CSE priorities, all development projects.*

- *Maintain 99% occupancy in the portfolio.*
- *Fully utilize Emergency Housing Voucher funds.*
- *Maintain financial sustainability.*

2.2. FY22 Federal Budget

There have been few changes to the federal fiscal year budget since the November Board meeting. As of the time I wrote this report, we were still waiting on news about a Continuing Resolution and the Build Back Better Infrastructure Bill. Both Congressional actions will significantly impact THA's work. While we have budgeted for flat funding in the 2022 budget you will review and approve this month, we remain hopeful that additional funds will come in once the HUD budget is passed and the Build Back Better funding is finalized.

2. Diversity, Equity, Inclusion, and Belonging

1.1. DEIB Consultant

THA has selected the Lindsay Group as its DEIB Consultant. We are still finalizing the contract terms but expect work to begin by mid-December. The work will consist of an organizational assessment. The tentative work plan for the assessment is below:

Phase	Task Details
Phase 1	<ul style="list-style-type: none">• Engage research plans and establish an antiracist & anti-oppressive DEI strategic plan template based on EDI audit.
Phase 1	<ul style="list-style-type: none">• Schedule key informant interviews and focus groups for goals and objectives survey• Organizational Background research
Phase 1	<ul style="list-style-type: none">• Complete key informant interviews, focus groups• Conduct Values identification session• Conduct Vision Worksheet session• Touchpoint #1• Analyze data• Complete situational analysis• Final data narrative to be reported to Tacoma Housing Authority Leadership
Phase 2	<ul style="list-style-type: none">• Touchpoint #2<ul style="list-style-type: none">○ Facilitate strategic planning sessions with management and staff○ Identify critical HR systems issues facing Tacoma Housing Authority○ Establish Strategic Planning Taskforce (STP)

Phase 2	<ul style="list-style-type: none"> • Touchpoint #3 <ul style="list-style-type: none"> ○ Goal setting, establish objectives, and strategies/tactics for the strategic plan
Phase 3	<ul style="list-style-type: none"> • Touchpoint #4 <ul style="list-style-type: none"> ○ Develop timelines, benchmarks, and a process for reviewing the plan; ○ Develop HR policies where necessary
Phase 4	<ul style="list-style-type: none"> • Touchpoint #5 <ul style="list-style-type: none"> ○ Review complete Strategic Plan, effect final adjustments • Touchpoint #6 <ul style="list-style-type: none"> ○ Presentation of the finalized Strategic Plan to Tacoma Housing Authority

While the Lindsay Group is completing its organizational assessment, they will also provide Anti-oppressive and Anti-racist DEI Focused Learning and Development Workshops. The timeline and highlight of those workshops are below:

Week	Activity	Objective	Applied Learning: Case Method Approach
Week 1 (120 Mins)	<i>Introduction: What is Oppression? (Implicit Racial Bias in society and organization context)</i>	Facilitators will lay the foundation for all the training, introducing antiracist philosophy and frameworks. Participants will be provided a brief but thorough history of racism from a multicultural perspective to present day events weaving in everyday occurrences of bias and microaggressions that BIPOC encounter.	Participants will be given examples of scenarios where they will be asked to apply their learning and share with the group how they handled the situation.
Week 2 (120 Mins)	<i>Microaggressions & Macroaggressions Using Restorative Justice Practice to Preventing and Addressing Microaggressions</i>	Through interactive activities and media, participants build a shared understanding of how implicit bias functions and how it can materialize in the act of microaggressions and how microaggressions can harm BIPOCs. Participants will explore a framework for preventing and addressing microaggressions in the workplace.	Participants will draw on their learning and engage in courageous conversations from a students perspective.

Week 4 (120 Mins)	<i>Applied Learning of the anti-racist framework</i>	Using scenarios as learning tools (case method approach), participants will practice applying the anti-oppressive framework, designed to address implicit and unconscious bias and begin considering how to continue these techniques and practices in their own work.	Participants will engage in real world experiences so that real transformational change occurs in their approach to teaching their students and interacting with their colleagues and peers.
Week 5 (90 Mins)	<i>Antiracist/Anti-oppressive Reflexive Dialogics Follow up and ongoing guidance via learning and development</i>	Cementating radical and transformative change of self for multicultural organizational behavior outcomes. Using a case method approach, participants will practice applying the restorative framework and begin considering how to continue these practices in their own work through a facilitated dialogic process.	Surveys and tools will be administered to participants for reinforcement of learning activities to ensure the adoption of anti-racism framework is successful.

Thank you to the THA staff committee that reviewed the 20 DEI Consultant proposals, conducted finalist interviews and made the recommendation to work with Lindsay. This process was time-consuming and took a lot of thought and care. Sha Peterson led this group. The other committee members were Lester Pogue, Alyssa Torrez, Yvonne Ginoulis, Lacie Ricci, Rainy Esteves, and William Morse.

3. THA Property for Temporary Shelter

For the past several months, we have been talking about our plans to license THA's property on the corner of S 10th and L Streets to the City of Tacoma for a temporary shelter. Unfortunately, those plans have fallen through and the property will not be used. This is disappointing news, especially given the growing number of campers near the property.

Thank you to Vickie Stark in RED for her work negotiating with the City and trying to find solutions.

Over the next several weeks we will be working with the City to provide outreach to the campers on THA property to offer safe, sanitary alternative housing options. Once the City has made contact with all campers and alternative options have been identified and offered, we will sign a no-trespass order for THA's properties.

4. MTW Compliance Letter

THA received confirmation that it is compliant with its Moving to Work (MTW) requirements. Thank you to Katie Escudero and the PIE team for monitoring and reporting on THA's MTW activities.

5. Salishan Town Hall

There was a Salishan Town Hall on November 22nd to discuss community safety in the wake of the deadly shooting there in late October. About thirty people attended the meeting, about ten of them were residents of Salishan. The meeting also included Mayor Woodards, City Councilmember Ushka, County Councilmember Campbell, members of the police department, Salishan Association Board members and staff, and THA staff. We were able to answer many of the questions from the community and committed to ongoing conversations about resident involvement.

6. Agency Strategy and Priorities

At the November board meeting, I introduced my proposed vision, strategies, and goals for the next 100 days. I have provided this information in the following pages. I am hopeful that we can mutually align behind these strategies and goals and begin to use them in our monthly reporting and in building the metrics by which we will measure our success as an agency. At the November meeting we agreed these vision, strategies and goals needed broader Board discussion. I am hopeful we can begin digging into this in January. I suggest a study session.

In the meantime, I am beginning to refine the proposed goals with proposed metrics and prepare a more detailed proposal about how we realign our goals around creating affordable housing within the community. We are also moving forward with driving to achieve the goals we set for the remainder of 2021 and for the first 100 days I am in this new role.

6.1. Goals for remainder of 2021

We set priorities with the Board in September 2021. We have already achieved a few goals we set to accomplish October through December 2021:

- *Began implementing the cyber security policies/procedures/practices*
- *Launched the Business Process Improvement Project*
- *Went live with the new THA website*
- *Made a recommendation about a new software system for the agency*

6.2. Goals for first 100 days

Below is an update on the remaining goals for the first 100 days (*November 1 to February 9, 2022*):

- Create enough space in our work to allow people to enjoy the upcoming agency holidays.
- Complete an agency reorganization that clarifies roles and responsibilities and increases efficiency across the agency.
 - I have been working with the Leadership Team on a proposed reorganization. The first phase of the reorganization will be limited because of the high number of vacancies we have within the agency—I do not want to lose track of important tasks and projects by reorganizing without adequate leadership. The

proposed reorg will be shared with staff in December and discussed in staff meetings that are already scheduled. I hope to finalize the plan and implement it in January.

- Post vacant leadership positions. (Not all will be posted at the same time since some positions will report to others)
 - I have identified the leadership positions that will need to be posted and filled and prioritized them with HR. We have strong internal candidates for some of these positions but all of them will be posted internally and externally. The positions are listed below:
 - Director of Human Resources (Posted)
 - Asset Manager (Re-writing job description. Will post in December)
 - Property Operations Manager (Re-writing job description. Will post in December)
 - Director of Finance (Updating job description. Will post in December)
 - Deputy Executive Director of Housing and Services
 - Director of Policy, Improvement and Evaluation (PIE)
 - Director of Strategy, Engagement and Communications
 - Intergovernmental Affairs Manager
 - Compliance Manager
 - Any internal promotions into these positions will result in more vacant positions that will be posted.
- Select a Diversity, Equity and Inclusion consultant and complete the first phase of work outlined in the RFP.
 - Work will begin in December.
- Fully implement the vaccine policy.
 - The vaccine policy was released to staff November 21st. All staff must complete their vaccinations or exemptions by January 14th.
- Fully implement the cyber security policies/procedures/practices.
 - In process
- Make a recommendation about the DOC-CHAP set aside.
 - PIE and Rental Assistance have been exploring options for utilizing these subsidies, including a potential partnership with a local service provider. Staff are assessing the feasibility of the options, with the recognition that there continues to be a mismatch in the availability of sustainable services funding and the high needs of the target population - unhoused folks exiting the criminal

justice system. Staff are working towards making a recommendation by the February 9th deadline.

- Formalize THA's acquisition and development process.
 - This work will begin in January once the reorganization is complete.
- Update the 3-year financial forecasting tool.
 - Finance is working on this and it will be completed by January 10th.
- Award at least 50 new PBV-VASH, PBV or PBS into existing housing immediately available to households exiting homelessness.
 - The RFP has been published.
- Acquire one new residential property.
 - The Rapid Acquisition Team continues to evaluate properties to purchase.
- Create a THA reopening plan and finalize a Telework policy.
 - This policy is in draft form. It will be prioritized in January.

7. Housing Opportunity Program Recommendations

Over the past year, the Policy, Innovation, and Evaluation Department (PIE) has evaluated the Late Rent Assistance Program, the College Housing Assistance Program (CHAP), and the Housing Opportunity Program (HOP). Findings from these evaluations and feedback from partners and staff compelled PIE to explore the outcomes among participants in our special programs compared to the participants in our traditional Housing Choice Voucher (HCV) program.

The Housing Opportunity Program (HOP) was launched in 2013 with a goal of serving more households without increasing costs. Any new clients receiving a voucher would be issued a fixed subsidy HOP voucher instead of the income-based Housing Choice Voucher. The HOP subsidy is worth 50% of the payment standard, with the household paying the remaining rental costs. In contrast, HCV limits the household's contribution to approximately 30% of their monthly income with THA covering the remaining rent payment. Additionally, households that are not senior or disabled are limited to five years of assistance on HOP. HCV does not have a time limit for assistance.

At the time the HOP subsidy was implemented, THA could not have predicted the rental market would become as competitive as it has. Nor would we have predicted that our community would be facing the added challenge of navigating a new family and work life resulting from a global pandemic. These dramatic changes call for THA to closely evaluate if and how our MTW innovations have helped households navigate these challenges. Further, an increased focus and commitment to racial equity led PIE staff to look at how housing outcomes compared between demographic groups.

The evaluation work was framed around four guiding questions:

1. *Leasing: At what rate do HOP households successfully lease a unit?*
2. *Income: Does a HOP household's income change while receiving assistance?*
3. *Program Exits: When and why does a HOP household exit the program?*
4. *Rent Burden: What level of market rent burden does a HOP household face at exit?*

The findings of the HOP evaluation demonstrate that households with a traditional HCV subsidy are better off than households receiving a HOP subsidy. HCV households are more likely to lease up, less likely to experience a severe rent burden, more likely to increase their income, more likely to exit under positive circumstances, and exit with lower rates of a severe market rent burden.

The findings hold true across nearly all demographic groups. Most significantly, disparities that are observed in the HOP program are often reduced, if not entirely reversed, when compared to the HCV population. For instance, while both Black, Indigenous, and people of color (BIPOC) and white households have greater lease up success on HCV, the disparity in lease up rates is half what it is on HOP (a difference of 3 percentage points compared to 7 percentage points).

Discussions about HOP's efficacy often include concerns about how modifications to HOP will impact the waitlist. While reviewing these findings, we ask the Board to consider not only how these outcomes impact turnover and the rate at which more families are pulled from the waitlist, but also how these outcomes impact how many households are left returning to the waitlist, or the homelessness system more broadly.

The HOP evaluation is attached to this report for your review. Sha and I will coordinate with the Board in early January to schedule a study session to discuss the HOP report and next steps.

Thank you to Jess Thompson and Katie Escudero for their work on this evaluation. It shows an incredible amount of critical analysis.



TACOMA HOUSING AUTHORITY

**ADMINISTRATION
REPORTS**



TACOMA HOUSING AUTHORITY

FINANCE



TACOMA HOUSING AUTHORITY

Motion

Adopt a consent motion ratifying the payment of cash disbursements totaling \$7,638,287 for the month of November 2021.

Approved: December 8, 2021

Stanley Rumbaugh, Chair

TACOMA HOUSING AUTHORITY
Cash Disbursements for the month of November 2021

		Check Numbers		Amount	Totals
		From	To		
A/P Checking Accounts					
Accounts Payable Checks	Check #'s	95,277	- 95,331		
Accounts Payable ACHs	ACHs	912	- 955		
Business Support Center				498,989	Program Support
Moving To Work Support Center				105,924	
Moving To Work Buildings (used by Support Center)				130,551	
Tax Credit Program Support Center				38,600	
Section 8 Programs				127,077	Section 8 Operations
Arlington Crisis Residential Center				3,558	Properties
Hillsdale Heights				16	
Highland Crest Apts				36,804	
Hilltop Lofts				6	
James Center				21,995	
KeyBank Building				1,096	
Outrigger				18,920	
Prairie Oaks Operations				10,959	
Salishan 7				72,981	
Alberta J Canada Bldg				32,281	
Arlington Youth Campus				56,000	
Saravida Building				2,800	Development
James Center				263	
Court F (HT 1800 Block)				35	
HT 1500 Block				4	
Hilltop Redevelopment				7,023	
Hillsdale Heights				9	
Bus Development Activity				33,136	Client Support
CS General Business Activities				854	
CSA Program - Business Activities				1,850	
Department of Commerce Funding for Crisis Residential Center				166,815	
Community Services MTW Fund				20,608	
Education Private Grants (Gates, etc.)				18,444	
Education-Local Gov't Grants (County, City)				96	
COT-Community Wellness Program				50	
HUD-FSS Grant				133	Public Housing
AMP 6 - Scattered Sites				656	
AMP 9 - HT 1500 - Subsidy				664	
THA SUBTOTAL				1,409,198	
Hillside Terrace 2 & 1500				36,263	Tax Credit Projects - Reimbursable
Bay Terrace I & II & Community Facility				103,057	
Arlington Youth Campus				45,192	
Court F (The Rise)				800,049	
Renew Tacoma Housing				218,691	
Salishan 1 - Salishan 6				347,312	
TAX CREDIT SUBTOTAL (Operations & Development - billable)				1,550,565	2,959,763
Section 8 Checking Account (HAP Payments)					
SRO/HCV/VASH/FUP/NED	Check #'s	485,053	- 485,141	131,284	
	ACHs	12,392	- 13,321	3,663,392	\$ 3,794,676
Payroll & Payroll Fees - ADP					\$ 883,848
TOTAL DISBURSEMENTS					\$ 7,638,287

TACOMA HOUSING AUTHORITY

CASH POSITION - October 2021

Account Name	Current Balance	Interest
HERITAGE BANK		
Accounts Payable	8,394,803	0.27%
Section 8 Checking	3,762,849	0.27%
THA Affordable Housing Proceeds-Salishan	1,972,989	0.27%
THA Scattered Sites Proceeds	5,889,740	0.27%
FSS Escrows	220,286	0.27%
CSA Escrows	123,421	0.27%
Note Fund Account	103	0.27%
Key Bank Security Deposits	1,053	0.27%
THA Investment Pool	337	0.27%
THDG - Tacoma Housing Development Group	839,673	0.27%
Salishan 7 Operations	1,772,458	0.27%
Salishan 7 Security Deposit	28,968	0.27%
Salishan 7 Replacement Reserve	484,209	0.27%
Salishan 7 Operating Reserve	203,768	0.27%
Highland Crest Operations	1,508,646	0.27%
Highland Crest Replacement Reserve	306,611	0.27%
Highland Crest Security Deposit	41,278	0.27%
Outrigger Operations	622,634	0.27%
Outrigger Replacement Reserve	244,474	0.27%
Outrigger Security Deposit	24,349	0.27%
Prairie Oaks Operations	223,048	0.27%
Prairie Oaks Replacement Reserve	38,055	0.27%
Prairie Oaks Security Deposit	6,655	0.27%
Payroll Account	3,655	0.27%
HOME STREET BANK		
James Center North Operations	1,039,007	0.00%
James Center North Security Deposit	63,049	0.00%
WASHINGTON STATE		
Investment Pool	\$ 1,526,095	0.09%
1. TOTAL THA CASH BALANCE	\$ 29,342,211	
Less:		
2. Total MTW Cash Balance	\$ 1,306,512	
<i>Less Minimum Operating Reserves</i>		
2.01 Public Housing AMP Reserves (4 months Operating Exp.)		
2.02 S8 Admin Reserves (3 months Operating Exp.)	726,000	
2.09 <i>Less Total Minimum Operating Reserves</i>	\$ 726,000	
2.1. MTW Cash Available (Lines 2-2.09)	\$ 580,512	
3. MTW Cash Held By HUD	\$ 9,685,449	
4. Non MTW Cash Restrictions/Obligations		
4.1 <i>Non MTW Operational Restrictions</i>		
4.10 HUD Restricted - Lot and Property Sales	\$ 7,862,728	
4.101 Area 2B Sales Proceeds (Afford Hsg)	1,972,989	
4.102 Scattered Sites Proceeds (Afford Hsg)	5,889,740	
4.20 THA Property Accounts Reserved	\$ 2,693,035	
4.201 Security Deposit Accounts	165,351	
4.202 Highland Crest Operations Reserves	320,000	
4.203 Highland Crest Replacement Reserves	306,611	
4.204 James Center North Operations Reserves	230,000	
4.205 James Center North Capital	262,935	

TACOMA HOUSING AUTHORITY

CASH POSITION - October 2021

4.206	Outrigger Operations Reserve	150,000		
4.207	Outrigger Replacement Reserves	244,474		
4.208	Prairie Oaks Operations Reserves	77,000		
4.209	Prairie Oaks Replacement Reserves	78,055		
4.210	Salishan 7 Operations Reserves	374,400		
4.211	Salishan 7 Replacement Reserves	484,209		
4.30	Rental Assistance Reserves		\$	1,417,552
4.301	Mod Rehab Operating Reserves	113,107		
4.302	VASH, FUP, NED, EHV & MAIN HAP Reserves	1,043,893		
4.303	FSS Escrows	260,551		
4.40	Prepaid Grants		\$	2,307,336
4.401	TPS Interlocal (CS-2017-011)	238,018		
4.402	UWPC - Strong Families (CS-2018-003)	-		
4.403	Balmer Foundation - Education Prog (CS-2020-005)	507,026		
4.404	College Spark (PI-2018-005)	66,612		
4.405	GTCF Grant (PI-2019-005)	246,886		
4.406	Gates - THA Education Program (PI-2020-006)	154,299		
4.407	Kresge Foundation - CHAP Program (RA-2019-009)	204,821		
4.408	Ballmer Foundation - COVID Rent Assist (RA-2020-003)	50,000		
4.409	THDG	839,673		
4.60	Total - Non MTW Cash Restrictions (4.10+4.20+4.30+4.40+4.50)		\$	14,280,650
4.70	Agency Contracted or Budgeted Commitments Remaining		\$	-
		-		
		-		
4.99	Total Non MTW Cash Restrictions/Obligations (Lines 4.60+4.70)		\$	14,280,650
5.	THA UNENCUMBERED (Non-MTW) CASH (Lines 1-2-4.99)		\$	13,755,049
6.	Development Advances - Project Reimbursement upon closing/draw		\$	-
6.01	Arlington Youth Housing	-		
6.02	Court F LLLP (1800 Block)	-		



TACOMA HOUSING AUTHORITY

EXECUTIVE



TACOMA HOUSING AUTHORITY

Motion

Date: December 8, 2021
To: THA Board of Commissioners
From: Sha Peterson
Executive Administrator
Re: THA Board of Commissioners 2022 Meeting Schedule

Motion

Move to approve the 2022 Tacoma Housing Authority Board of Commissioners' meeting schedule.

Intent

Approve the 2022 THA BOC meeting schedule to comply with THA Bylaws and RCW 42.30.070.

THA Bylaws Section 4.1.2

Regular meetings of the Authority are held on a schedule and at locations that the board shall determine in advance.

RCW 42.30.070

"The governing body of a public agency shall provide the time for holding regular meetings by ordinance, resolution, bylaws, or by whatever other rule is required for the conduct of business by that body. Unless otherwise provided for in the act under which the public agency was formed, meetings of the governing body need not be held within the boundaries of the territory over which the public agency exercises jurisdiction. If at any time any regular meeting falls on a holiday, such regular meeting shall be held on the next business day. If, by reason of fire, flood, earthquake, or other emergency, there is a need for expedited action by a governing body to meet the emergency, the presiding officer of the governing body may provide for a meeting site other than the regular meeting site and the notice requirements of this chapter shall be suspended during such emergency. It shall not be a violation of the requirements of this chapter for a majority of the members of a governing body to travel together or gather for purposes other than a regular meeting or a special meeting as these terms are used in this chapter: PROVIDED, that they take no action as defined in this chapter."

Implementation

After the Board adopts the meeting schedule, changes to dates and/or locations have to be submitted to the board for approval.

Approved: December 8, 2021

Stanley Rumbaugh, Chair



TACOMA HOUSING AUTHORITY

2022 Board of Commissioners Meeting Schedule

Regular Meetings		Special Sessions	Location or Zoom Information Dial In: (253) 215-8782
Monthly Meetings	Study Sessions		
	January 14		https://us02web.zoom.us/j/83211929416
January 26			https://us02web.zoom.us/j/83044819834
	February 4		https://us02web.zoom.us/j/81309460837
February 23			https://us02web.zoom.us/j/81766942807
March 23			https://us02web.zoom.us/j/84257803342
April 27			https://us02web.zoom.us/j/85288412040
	May 6		https://us02web.zoom.us/j/88048656307
May 25			https://us02web.zoom.us/j/81552710062
June 22			https://us02web.zoom.us/j/88355525834
	July 8		https://us02web.zoom.us/j/89897851263
July 27			https://us02web.zoom.us/j/87128259596
August 24			https://us02web.zoom.us/j/85746321000
	September 9		https://us02web.zoom.us/j/86518638609
September 28			https://us02web.zoom.us/j/82245634727
October 26			https://us02web.zoom.us/j/88913547854
	November 4		https://us02web.zoom.us/j/86208240888
November 9			https://us02web.zoom.us/j/87268443994
December 14			https://us02web.zoom.us/j/88497102854

Regular Meetings begin at 4:45 pm / **Study Sessions** begin at 12:00 p.m. and end at approximately 1:00 pm

Meeting dates, locations, and times are subject to change.

Up-to-date information is posted on the Tacoma Housing Authority (THA) [website](#). You may contact the THA office the week prior to the scheduled meeting to confirm this information. The sites are accessible to persons with disabilities. Persons requiring special accommodations should contact Sha Peterson at (253) 207-4450, before 4:00 p.m. the day before the scheduled meeting.



TACOMA HOUSING AUTHORITY

NEW BUSINESS

Resolution 1



TACOMA HOUSING AUTHORITY

RESOLUTION 2021-12-08 (1)

Date: December 8, 2021
To: THA Board of Commissioners
From: April Black
Executive Director
Re: Fiscal Year 2022 Agency Budget

This resolution would adopt THA's budget for 2022. The details are set forth in the attachments.

SOME BACKGROUND

By this resolution, the Board would adopt a THA budget for FY 2022. Each year THA budgets for the upcoming fiscal year. The annual budget reflects an estimate of the expected revenues and expenditures for each of its departments and major programs. The budget denotes strategic choices. It shows individual department expenses. For management purposes each department director will manage and control their department budget in accordance with Federal, State and Local regulations.

The Board provided direction for writing this budget through discussions about 2021-2022 priorities discussion at the September Board meeting. I have provided additional direction to staff based on these discussions. The Finance Director facilitated multiple meetings with the other Directors to come up with a budget to present to both me, and now the Board. As is typically the case each year, one of the biggest topics of discussion has been the expenditure of THA's Housing Assistance Payment (HAP) funds. This is the largest allocation of federal funding that THA receives, approximately \$55.3 million in 2021, as well as the largest expenditure of funds (\$50.8 million).

Here are some of the other notable features within the budget:

- The budget is based on current year federal funding (2021 HAP funding)
- The budget accounts for our agreed-upon agency priorities for 2022.
- The 2022 budget fits recurring expenses within recurring income.
- Like past budgets, this one is based on conservative estimates. THA's past prudence has allowed us to weather the continuing budget challenges. As we remain in an unsettled

environment for predicting future HUD funding, this approach should continue to serve the agency well.

- The 2022 Budget proposal leaves THA with adequate reserves of both MTW and non-MTW funds. There are also reserves remaining from the sale of ACC property (Salishan lots and AMP 6 Single Family homes), which are designated by HUD under the terms of the demo/diso application for rehab or existing and developing of new affordable housing in the community. Additionally, we are anticipating that there will be HAP reserves remaining at HUD at the end of 2022. This is due to Cash management regulations HUD follows not allowing agencies to have excess MTW reserves held at the agency.

I am pleased to present this budget proposal to the Board. It reflects discussions throughout the year by both the Board and staff. The proposed budget leaves THA in good shape for 2022. It allows THA to continue core programs. It allows for more than 100% MTW utilization of Voucher allocation. It also allows THA to expand its focus on being an excellent provider of affordable housing, being an excellent place to work, and being a strong community partner.

Lastly, this budget allows us to continue making adjustments as needed in both operations and client support to the ongoing COVID pandemic that we have been dealing with since March, 2021.

PRINCIPLES GUIDING THE BUDGET CHOICES

Staff have used the following principles to guide the preparation of this budget proposal:

- **THA's priorities will drive the budget**

During the September Board meeting, we discussed the priorities that will drive our work in 2022. Those priorities are listed below with some brief detail about how they are accounted for in the 2022 budget.

- *Incorporate Diversity, Equity, Inclusion and Belonging (DEIB) in all THA work*
 - We have budgeted \$125,000 for a DEIB Consultant;
 - We have budgeted for HR recruitment support in an effort to embed DEIB in our recruitment efforts;
- *Support staff and make THA a place where people belong and are valued as people*
 - The DEIB assessment, including its interviews of staff, will help identify where we should prioritize our time and money to support this

effort. We have budget funds for HR supports and contracts that might be identified within the DEIB consultant analysis of THA's needs.

- We have budgeted for increases to THA's salaries, a salary analysis, and annual salary increases.
- We have budget for staff training and travel.
- Based on staff feedback, we have budgeted for additional staff to right-size workloads and provide training and management support for new staff.
- *Provide excellent customer service for internal and external customers*
 - We are adding staff in the customer-interfacing departments in order to better meet the needs of THA's customers.
 - We added several temporary positions to support getting caught up on contracts and improve our website.
 - The software conversion is a major investment in streamlining THA's operations to better meet the needs of THA internal and external customers.
 - Continue to invest in the Process Improvement project to create better systems for our customers and to make sure staff have access to the training resources they need to do their jobs.
- *Break down silos within the agency*
 - We have budgeted for staffing costs associated with a reorganization of the agency that will be focused on moving THA away from departmental priorities and into a "one agency" approach to our work.
 - We will be posting to fill all vacant leadership positions. We have budgeted for those recruitment efforts and will be seeking leaders with:
 - Substantive expertise
 - A willingness and commitment to creating a THA culture of diversity, equity, inclusion and belonging
 - A willingness and commitment to a human-centered leadership approach.
 - An ability to help THA move toward operating as "one-agency"

- Experience setting goals and metrics and streamlining operations to deliver on those goals.
- *Increase affordable housing in Tacoma using all available means*
 - Adding 57 Project-Based Voucher (PBV) units to Hilltop Lofts, making 57 new permanent supportive housing units available in Tacoma.
 - Adding 50 new subsidies to existing housing that could be made immediately available to households existing homelessness.
 - Funding a \$7M gap in the Housing Hilltop project and continuing to fund the Development staff necessary to plan and oversee this project that will add roughly 230 new units of affordable housing.
 - Continuing to fund development staff and pre-development expenses related to Aviva Crossing (previously known as James Center North (JCN)) and the redevelopment of Hillside 1500.
 - Continuing to fund staff and pre-development expenses related to acquiring new rental housing units.
- *Align THA's goals and strategies with greater community goals.*
 - We have set aside budgeted funds for new positions that will likely result from the new organizational structure. I plan to hire for a Director of Strategy and Community Engagement and an Intergovernmental Affairs Manager. Both of these positions will work to improve the alignment of THA's goals with the greater community goals and further leverage the work that is already being done.
- *Realign THA departments, positions, etc. to meet the goals of the community and agency, support staff, reduce redundancy, and offer clearer lines of responsibility and authority.*
 - We have budgeted for the costs associated with reorganizing the agency.
- *Refine education project—relationships with institutions/students/property owners, clear and measurable goals, simplify so work can be embedded in THA programs.*
 - We have budgeted to contract with the Foundation for Tacoma Students to analyze THA's education programs, suggest strategies for supporting students, and propose metrics we should use in measuring the success of our investment in student supports.

- The CSE department is updating its strategic plan and priorities. The focus on supporting students and their entire family, will be part of their plan, staffing, and metrics.
- *Renew overt goals related to Section 3—THA hiring, CSE priorities, all development projects.*
 - We did not explicitly budget for this. Through the hiring of our Director of Human Resources, I hope to increase the capacity of our agency to provide the training and necessary support for applicants with training gaps.
 - The CSE department is updating its strategic plan and priorities. The focus on Section 3 and resident employment support will be part of their plan, staffing, and metrics.
- *Maintain 99% occupancy in the portfolio.*
 - Continue to invest in community building and community safety so our communities are places people want to live.
 - Invest in 2 temporary positions to support Eviction Prevention efforts in the portfolio and Voucher program.
 - Add an additional Maintenance Supervisor to provide the maintenance staff with supervision and training supports they need to do their jobs well.
- *Fully utilize Emergency Housing Voucher funds.*
 - The budget includes new staff positions with Rental Assistance to support new voucher holders in their search for housing and provide post-placement supports necessary to meet the needs of the households using these vouchers.
- *Maintain financial sustainability.*
 - You will see our commitment to financial sustainability within this budget resolution. We maintain a conservative budget while remaining forward thinking and retaining ample reserves to pursue opportunities as they become available.
- **Congressional appropriations**
Congress is supposed to adopt a federal budget by October 1st. Per usual, there have been delays. As of the date this resolution was crafted, we are operating under a Continuing Resolution which expires December 3rd and provides funding

at 2021 levels. We are using this flat funding level as our basis for the 2022 budget proposal. Any additional funds received for 2022 will be beneficial to the agency in completing its mission. One of the first things we will be looking at depending on how much additional funding we receive, if any, is the absorption of approximately 100 Port in vouchers at approximately \$1 million per annum. This will increase our utilization over 100% and decrease the administrative burden of supporting these vouchers. We only receive a portion of the administrative fee for administering these vouchers, while the level of work is greater than the fee received.

- **Recurring income and expenses**

We seek a budget where our recurring income pays for our recurring expenses. We try not to spend reserves on recurring expenses because it is not sustainable. Our proposed budget provides a comfortable aggregate surplus of recurring income over recurring expenses.

- **Reserves and reserve spending**

Reserves are important. We want to keep enough for important purposes; to operate safely, remain credit worthy to investors and partners, and to allow enough funding for real estate development opportunities when they arise. We continue to identify minimum and maximum levels of reserves overall and for each type of reserve. A determination is then made by the Board as to what level of reserves is optimal. For our MTW funds, we project reserve levels at approximately, \$1.6 million at THA, and \$1.8 million at HUD at the end of 2022. For our Business Activity funds (Non-MTW without restrictions), we anticipate approximately \$16.3 million. It is important to note that we are anticipating receiving \$12 million from the closing of the Trees properties at the end of 2021. Even though we are intending to provide funds to cover a financing gap for Housing Hilltop, and property purchases in 2022, we still end up with a significant balance above optimal at the end of 2022. This will provide us flexibility in reviewing opportunities that may arise during the year, and into the future.

The budget also spends reserves as the Board's principles direct. The best use of reserves is to fund activities that have a plausible prospect of: (i) saving us money; (ii) making us money; (iii) making us more effective. A substantial portion of the spending of non-MTW reserves is on development projects that we expect will add more affordable housing to the market.

For the 2022 budget we will be moving forward on a platform conversion from Salesforce (OpenDoor) to Yardi's traditional housing platform; and ramp up our process improvement and documentation effort; We will also continue to support our families with services. As we typically have in recent years, we have set funds aside for property purchases, We also intend to provide gap funding for the Hilltop Redevelopment, allow for acquisition of new properties, and continued predevelopment needs for James Center and Hillside 1500.

NOTABLE BUDGET ASSUMPTIONS

All budgets rely on assumptions. These are the notable ones for this budget:

- **Budgeting at 2021 funding levels**
Between 2018- 2021, we received an approximate \$10.1 million combined HAP funding increase from HUD. As of this writing, we are operating under a Continuing Resolution for the 2022 Federal Budget, with HAP funded at 2021 levels. We will finalize this budget, using 2021 funding levels, with hope that there will be some increase once the Federal Budget is finalized.
- **Public Housing Operating Subsidy:**
This is no longer a significant factor in the agency budget, as we only have 5 units of Public Housing remaining. We are looking at bringing on Public Housing Faircloth units and transitioning them to RAD at some point. If this is done, due to the timing of how long a property may be Public Housing before being transitioned, we may periodically receive additional funds in this category.
- **Section 8 Admin Fee**
Section 8 Admin Fees are budgeted at 82% of authorized amount. This % is based upon an average of what we have received over the past few years.
- **Wages and salaries**
In connection with our 2018 Union negotiations, we established a minimum and maximum pay range for each position. These pay ranges have not been adjusted to reflect the current market conditions, and it is impacting recruitment and could lead to future retention issues. We are budgeting an increase to our range amounts to bring the ranges into closer alignment with the current employment market. This change will not impact many existing staff. Some salaries will be adjusted based on a compression chart that factors a staff member's years of service in their current position.

For all existing administrative staff, we will provide a wage adjustment effective the first full pay period in January to help with the salary alignment as we bring new staff members in with the revised range amounts in place. We are still in the process of negotiating with Trades regarding the maintenance staff salaries.

We are budgeting an increase for OPEIU non-represented and Trades staff effective July, along with an extra 2% for Variable pay based on performance. There is an additional \$200K added to the Executive Department's Special Recognition fund, above the 2% allocated to each department, to address any extraordinary efforts throughout the agency during 2022.

This resolution would also authorize the Executive Director to approve raises different from what is budgeted based on market conditions and Union negotiations.

Lastly, even though we are making the adjustments identified above, there has not been a salary analysis of positions since 2017-2018. To ensure our adjustments are in line with the market, we will be commissioning an analysis in 2022, and will make additional adjustments if necessary.

The budget includes an additional \$100K for compression adjustments, along with \$250K plus benefits for any adjustments that may be needed for reorganization.

- **Employee benefits**

We calculated the costs of employee benefits on the following assumptions:

Health Care benefits

We plan for a 5% increase in the Laborers Trust for our maintenance staff, effective July 1st. For our OPEIU and Non-represented staff, there was an approximate 4% increase in rates from 2021 for PEBB.

Dental

There was a 22.3% increase in our rates from 2021. This was the first substantial increase in the last few years.

Retirement

Washington State employer portion of retirement plan is budgeted at the 10.25%. This is a decrease in rates from the 12.97% in place the majority of 2021. This was the first decrease after several years of increases.

Short and Long Term Disability/Life Insurance

There is no significant change in these rates for 2022.

Unemployment Insurance

THA pays out all unemployment claims and remains self-insured for 2020. We are maintaining the accrual at 1.5% in 2022. THA pays for all of the claims from this accrual.

Benefits, on average, are approximately 40.0% of salary dollars.

- **Property Reserves**

We will maintain a six month operating reserve based on expenses, as well as a replacement reserve for all properties that we own. This accounts for the \$2.8 million reserve level for this category.

SOME BUDGET DETAIL

- **HAP Utilization:**

The intent is to serve as many families as possible under THA's rental assistance programs. In 2018, the Board of Commissioner approved a utilization rate of 95% of our Section 8 MTW authorization when there were issues with funding and utilization. No changes in utilization rate have occurred by the Board since that approval. Due to the additional funding received over the past few years, THA was able to increase MTW utilization to 100% by the end of 2019. We have maintained the utilization at 100% or higher since that time. In 2021, we increased our Project Based Vouchers by 132 for Arlington, Court F, and Home at Last. Households have left the program at a little lower rate than budgeted in 2021, we believe primarily due to the ongoing pandemic. In 2022, we intend to add 50 Property Based units to our portfolio and 57 new Project-Based Voucher (PBV) units at Hilltop Lofts.

- **Special Program Initiatives**

The budget provides approximately \$2.1 million for special program initiatives that the Board will recognize from past discussions:

- DSHS-PHA child welfare collaboration
- Rapid rehousing for homeless families
- Housing for unaccompanied youth
- Tacoma Schools Housing Assistance Program (TSHAP)

The funding for special programs represents housing an equivalent of approximately 150 families per year.

You will note that some of these program costs have been moved to non-recurring expenses to account for pending discussions to significantly reduce or end THA's investment in Rapid Rehousing (RRH) and TSHAP. We will talk in more detail about this when we review extensions to both of these contracts. In short, THA directed its funds into Pierce County's RRH and TSHAP programs when it was obvious that THA's mainline programs were mostly inaccessible to households experiencing homelessness. The landscape of THA's programs have changed since we began these investments.

- THA is now a recipient of Mainstream and Emergency Housing Vouchers. Both of those programs are available to households accessing housing through Coordinated Entry and exiting homelessness.
- In 2020, THA added a new Crisis Residential Center to its portfolio. This 12-bed center serves about 350 youth per year with this housing.
- In 2020-21, THA added 18 units in The Rise for veterans served by the VASH program and 44 homeless set aside units in Arlington Drive for young adults 18-24 years old and their children.

In total, THA now owns and manages 98 units of housing set aside for

people exiting homelessness.

- In 2022, THA will be attempting to add 50 new units of PBV, PBS or VASH assistance to units immediately available to households exiting homelessness. This will be an increased HAP cost of approximately \$600,000 per year.
- In 2022, THA partnered with Horizon Housing to provide the land to build Hilltop Lofts. Hilltop Lofts will provide 57 units of permanent supportive housing for people exiting homelessness.

All of these new investments cost money while adding long-term deeply subsidized housing options to the housing continuum. While we slowly divest from RRH programs, we are increasing permanent housing options. We see this as a win for the community and housing continuum in Tacoma-Pierce County.

- **HAP Expenditures**

Due to increasing upward pressure in the area's housing market, our average HAP has been increasing since 2016. With COVID presenting challenges for employment, and a freeze on rent increases during the majority of the pandemic, as well as escalating rents in the Tacoma market, we are budgeting for an average \$4 per month HAP increase for 2022.

We are also budgeting for HAP increases that could result from changes to the subsidy calculation for Housing Opportunity Program (HOP) and College Housing Assistance Program (CHAP) households. This decision is pending but we are budgeting for all possible outcomes.

- **Tax Property Cash Flows**

For 2022, we are budgeting approximately \$669K in recurring Cash flow from Renew Tacoma Housing; \$966K for the Salishan 1-6 properties; \$182K for Hillside 2300 & 1500. We are not projecting any cash flow from our Bay Terrace 1 or 2 properties, as there is minimal surplus in their 2022 budgets. We are projecting \$236K from the Rise at 19th, and \$93K from Arlington Youth Rental Apts., both in their first full year of operations in 2021. In total, including what we will receive from Alberta Canada, THA should receive an approximate \$2.24 million in recurring waterfall payments for 2022.

- **IT /Process Improvements/ Document Management**

We transitioned to our current IT platform (OpenDoor and Intacct) in 2017. Over the years, we found OpenDoor has not met our needs in the programmatic area of our operations. For the agency to make the changes necessary for the program to meet staff and client needs, it would be prohibitively expensive. In 2021, we conducted an analysis, and reached out to different vendors to see what options we had. In our analysis, and working with Yardi, it became increasingly

apparent that moving to Yardi from our current platform would improve our operations and be less costly for us over time. We are therefore intending to embark on a transition to Yardi as our IT platform for the work we do at THA. Even though initial steps have been taken, after the first of the year, we will more aggressively prepare the data and agency for conversion. It will take up to a couple of years to fully convert, and we believe Yardi will be fully operational by the end of 2023. We have budgeted \$1.2 million for the conversion in our 2022 budget, along with \$300K for software development for gaps identified when investigating Yardi. An additional \$250K has also been budgeted for Yardi consultants who understand the platform and who will keep us on track to set up and utilize Yardi the best we can from the start.

In 2021, we moved forward with the Process Improvement and Documentation effort by hiring three Business Analyst positions that were approved in the Budget. We believe this team will assist the agency in formalizing processes, and will also be a big asset in our conversion to Yardi.

Lastly, we had selected Laserfiche as our Document Management software, and pan on moving forward on implementing it, and determining how it integrates with Yardi.

Client Support

In 2019, it was decided that a \$250 fee would be charged to all properties we own and manage to support the clients we serve in being successful in their tenancy. This fee was made possible when we determined the rents for our Public Housing properties when they transitioned to Project Based Section 8 RAD units, and helps offset the MTW funds utilized for this area.

We also have staff assigned to support our Voucher tenants and partnering them with 3rd party services when necessary.

Lastly, we have realized that our clients have had challenges paying their rent during the pandemic. We are working to support our tenants in finding rental assistance, and ways for them to maintain their tenancy.

- **James Center North (Aviva Crossing)**

This complex was purchased in 2017, with commercial leases in place. THA is still investigating redevelopment opportunities, and working to come up with a plan for it's redevelopment in the early to mid 2020's. The development will be a mix of Affordable Housing, along with student housing, market rate and Commercial. This property will continue to generate revenue from a portion of the complex that we identified as being able to execute long term leases (10 years), and will be the last part of the development to be redeveloped.

- **Hilltop**

THA's development of roughly 230 housing units on its property along S L Street between S 10th and 12th Streets will begin in 2022. THA has included \$7 million in the 2022 budget to assist in filling a funding gap that exists for the affordable housing units before development can proceed.

- **Reserve Appropriations/Operating Transfers**

In the budget, we specify certain areas where we will either make transfers from certain areas, or pull from reserves rather than operations for expenditures

- Budgeting \$7 million from our unrestricted funds for the funding gap at the Housing Hilltop development.
- Budgeting \$2 million from unrestricted funds for rental property purchases.
- Budgeting a \$700K transfer of funds from THA-owned rental properties to Business activities at end of 2022 in order to maintain optimal Operating and Replacement reserves at the properties.

- **Use of MTW flexibility**

Due to our MTW flexibilities, we have had the ability to combine our Public Housing Operating subsidies, Public Housing Capital Funds and Section 8 Housing Choice Voucher Program assistance into a single authority-wide funding source. With our Public Housing primarily converted to Section 8 RAD units, our flexibility lies in combining our Section 8 Housing Choice Voucher HAP funds and Section 8 admin fees for those units into a single funding source to carry out the mission of the MTW Demonstration program through activities that would otherwise be eligible under sections 8 and 9 of the 1937 act.

- **Reserves**

The budget will leave us with the following reserves as indicated in Attachment A:

○ MTW Reserves	\$ 1,576,000
○ Business Activities (Non-MTW) reserves	\$ 16,333,000
○ PH Owned Property reserves	\$ 2,823,000
○ Reserves with Restrictions	\$ 7,465,000
○ Section 8 Reserves held at HUD	<u>\$ 1,800,000</u>
	\$ 29,997,000

Recommendation

I recommend that the Board adopt Resolution 2021-12-08 (1) to formally approve THA's Fiscal Year 2022 Annual Budget.



TACOMA HOUSING AUTHORITY

RESOLUTION 2021-12-08(X)

FISCAL YEAR 2022 ANNUAL BUDGET

WHEREAS, The Housing Authority of the City of Tacoma (“Authority”) intends to incur expenses and other cash outflows for Fiscal Year 2022.

WHEREAS, Authority staff has prepared and the Board of Commissioners of the Housing Authority of the City of Tacoma as reviewed and provided input to the proposed Fiscal Year 2022 annual budget,

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

1. The Board of Commissioners of the Housing Authority of the City of Tacoma adopts the attached FY 2022 Agency wide budget. Expenses and other cash outflows are projected as follows:

<u>Expenses - Operations</u>	
Administration	\$ 5,635,432
Client Support & Empowerment	4,882,825
Executive	2,079,254
Finance	1,876,873
Human Resources	1,358,311
Policy, Innovation and Evaluation	843,999
Rental Assistance	57,194,658
Real Estate Development	3,036,875
Property Management Overhead	2,033,638
Property Budgets	<u>2,514,590</u>
Subtotal	81,456,455
<u>Additional Cash Outflows</u>	
Debt Service	199,982
Capital Expenditures	10,997,000
Replacement Reserves	<u>172,653</u>
Subtotal	11,369,545
TOTAL APPROVED BUDGET	<u>\$92,826,090</u>

Approved: December 8, 2021

Stanley Rumbaugh, Chair



Attachment A

BOARD OF COMMISSIONER DECISION POINTS: 2022 Budget
December, 2021

Rev 2021-11-30 PM

The green boxes below denote the main decisions for the THA Board. The contents of the green boxes are staff proposals.

The yellow boxes below and other text contain information and staff proposals that will help the Board decide.

1. AVAILABLE RESERVES

Minimum necessary and Optimal Reserves

Type/Purpose of Reserves	Projected Reserves 01/01/22	-	Minimum	Maximum	Amount to Reserve ~ 2022	=	Amount of reserves available to use in FY-2022
a. MTW Reserves	\$1,500,000		\$600,000	\$5,000,000	\$1,000,000		\$500,000
b. Business Activities (Non-MTW) reserves	\$23,000,000		\$5,000,000	\$8,500,000	\$8,000,000		\$15,000,000
c. THA Owned Property	\$2,700,000		\$2,700,000	\$3,000,000	\$2,800,000		(\$100,000)
d. Reserves with Restrictions (ACC sale proceeds)	\$7,465,000		\$0	\$0	\$0		\$7,465,000
e. Section 8 Reserves held at HUD.	\$8,300,000		\$0	\$0	\$0		\$8,300,000
	\$42,965,000		\$8,300,000	\$16,500,000	\$11,800,000		\$31,165,000

MTW Reserves

MTW Expenses Non-HAP

Annual Amount	Minimum		Maximum	
	Period	Amount	Period	Amount
\$15,000,000	1/2 month	\$600,000	4 months	\$5,000,000
	Total	\$600,000	Total	\$5,000,000

2. RECURRING OPERATIONAL INCOME AND EXPENSES FY-2022

	Recurring Income	-	Cost of Recurring operations	=	Surplus or (Shortfall) in recurring operations ¹
MTW	\$57,186,000		\$57,693,000		(\$507,000)
Non-MTW	\$11,976,000		\$12,140,000		(\$164,000)
Rental Properties	\$3,697,000		\$2,864,000		\$833,000
Total	\$72,859,000		\$72,697,000		\$162,000

3. BUDGET IMPACT - RESERVES - FY-2022

	Non - MTW					
	MTW	Business Activities	THA Owned Property	Reserves with Restrictions (ACC sale proceeds)	Section 8 Reserves held at HUD.	Total
Estimated Reserves - 01/01/22	\$1,500,000	\$23,000,000	\$2,700,000	\$7,465,000	\$8,300,000	\$42,965,000
a. Recurring Surplus/(Shortfall) ¹	(\$507,000)	(\$164,000)	\$833,000			\$162,000
Non-Recurring Income/(Expense)						Amount
b. Non Recurring Income - Operational	\$246,000	\$2,991,000	\$13,000			\$3,250,000
c. Non Recurring Income - Capital	\$0	\$1,250,000				\$1,250,000
d. Non Recurring Expenses - Operational	(\$4,166,000)	(\$4,943,000)	(\$23,000)			(\$9,132,000)
e. Non Recurring Expenses - Capital	(\$1,997,000)	(\$9,000,000)				(\$10,997,000)
f. Operating Transfers		\$700,000	(\$700,000)			\$0
g. HUD HAP Drawdown/Transfer to MTW	\$6,500,000				(\$6,500,000)	\$0
h. Arlington Youth Housing Developer Fee Receivable (2021)		\$1,749,000				\$1,749,000
i. Court F (The Rise) Developer Fee Receivable (2021)		\$750,000				\$750,000
j. Projected Reserves - 12/31/22	\$1,576,000	\$16,333,000	\$2,823,000	\$7,465,000	\$1,800,000	\$29,997,000

4. **FY-2022 PROJECTED END OF YEAR RESERVE LEVELS**

Type/Purpose of Reserves	Projected Reserves 12/31/22	Minimum	Maximum
a. MTW Reserves	\$1,576,000	\$600,000	\$5,000,000
b. Business Activities (Non-MTW) reserves	\$16,333,000	\$5,000,000	\$8,500,000
c. THA Owned Property	\$2,823,000	\$2,700,000	\$3,000,000
d. Reserves with Restrictions (ACC sale proceeds)	\$7,465,000	\$0	\$0
e. Section 8 Reserves held at HUD.	\$1,800,000	\$0	\$0
f. Totals	\$29,997,000	\$8,300,000	\$16,500,000

Amount to Reserve - 2022	Excess/(Deficit) Reserves Over Amount to Reserve
\$1,000,000	\$576,000
\$8,000,000	\$8,333,000
\$2,800,000	\$23,000
\$0	\$7,465,000
\$0	\$1,800,000
\$11,800,000	\$18,197,000

5. **A LOOK AHEAD (ADDITIONAL INCOME, SAVINGS OR EXPENSES TO EXPECT)**

5.1	Notable New Recurring FY-22 Income	Amount	Notable New Recurring FY-22 Expense	Amount
a.	Section 8 HAP - HUD increase		Staffing	
b.	-FY 2021 MTW Funding Increase	\$2,091,000	- New Positions/Reclass/Transitions from Non Recurring (Includes benefits)	\$1,218,000
c.	-FY 2022 Projected MTW Funding Increase	\$0	- Staff Compression/Reorg Placeholder (includes benefits)	\$426,000
d.	- Non-MTW Special Programs (FYI,EHV)	\$1,500,000	IT Contract Costs	
e.	Section 8 Admin Fees	\$80,000	- Siemens/Genetec Access Control System Maintenance	\$108,000
f.	Section 8 Portability In Voucher Income	\$370,000	IT Licenses (Various)	\$190,000
g.			Section 8 HAP	
h.			- Potential switch to Income Bases subsidy for HOPP Vouchers	\$300,000
i.			- 50 New Property Based Subsidy Vouchers	\$600,000
j.			- HAP increases existing MTW Vouchers - 2021	\$1,400,000
k.			-Section 8 Port In Vouchers	\$370,000
l.			- Non-MTW Special Programs (FYI,EHV)	\$1,500,000
m.				
n.	Subtotal	\$4,041,000		\$6,112,000
5.2	Notable Recurring 2022 Savings			
a.	Move Rapid Rehousing to Non Recurring - 2023 Reduction Amount	\$650,000		
b.	Move Rapid Rehousing to Non Recurring - Keep this amount in 23 and reevaluate for 24	\$650,000		
c.	Reduce TSHAP from \$800K to \$400K in 2022	\$400,000		
d.	Move remaining TSHAP funds to Non Recurring - reevaluate in 2023	\$400,000		
e.	Subtotal	\$2,100,000		
5.3	Recurring FY-23 Income		Recurring FY-23 Expense	Amount
a.	Section 8 HAP - HUD increase	TBD	HAP expenditures for Hilltop Lofts PBV's	(\$650,000)
b.				
5.4	Non-Recurring FY-23 Income		Non-Recurring FY-23 Expense	Amount
a.	Developer Fees		Hillside 2300 Substantial Rehab	\$2,000,000
1.	Housing Hilltop	\$875,000	Property Purchases	TBD
2.	Hillside 1500	TBD		

6. Board Future Commitments	2021 Commitments	2022 Budget Future Commitments	MTW or Non-MTW	Period

a. Business Process Improvement Project	\$1,260,000	\$1,000,000	MTW	2022-2024
b. Development Projects	\$2,500,000		Non MTW	2021 Forward
c. Education Projects	\$2,400,000		MTW	2021-2025
d. Faircloth RAD units	\$1,500,000	\$1,500,000	MTW	2021-2024
e. James Center North Loan Payment	\$3,000,000	\$3,000,000	Non MTW	2023
f. James Center North Loan Payment	\$2,000,000	\$2,000,000	Non MTW	2025
g. Open Door Future Enhancements	\$2,000,000		MTW	2022-2024
h. Software Platform Conversion/Upgrades		\$2,500,000	MTW	2022 -
i. Property Acquisitions	\$2,000,000	\$2,000,000	MTW/Non MTW	2022 -
j. Section 8 HOPP Increases	\$1,500,000	\$300,000	MTW	2022 -
k. Hillside 2300 Substantial Rehab		\$2,000,000	MTW/Reserves w/ restrictions	2023
l. Reserves				
1. Business Activity Reserves	\$8,000,000	\$8,000,000	Non MTW	In perpetuity
2. MTW Reserves	\$500,000	\$1,000,000	MTW	In perpetuity
3. THA Property Reserves	\$2,600,000	\$2,800,000	Non MTW	In perpetuity
Totals	\$29,260,000	\$26,100,000		

Back-up Detail - Notable Items

7. Non-Recurring Income: FY-2022

Sources of Non-Recurring Income	Amount	MTW/Non-MTW/Properties	Department
Operational			
a. 2021 HAP income carryover and included in 2022 budget	\$6,500,000	MTW	RA
b. <i>Developer Fee Income</i>			
1. Arlington Youth Rental Housing - Additional	\$185,000	Non-MTW	RD
2. Rise at 19th - Additional	\$760,000	Non-MTW	RD
3. Shiloh Development	\$250,000	Non-MTW	RD
c. Public Housing Capital Funds (Final Year carryover)	\$250,000	MTW	PM
d. Grant Income (All grants with end dates)	\$3,581,000	Non-MTW	CS/PI/RA
e. <i>Other Revenue</i>			
1. Pierce County Fees-lease up EHV (Emergency Housing Vouchers)	\$253,000	Non-MTW	RA

Capital	Amount	MTW/Non-MTW/Properties	Department
a. James Center North Land Sale	\$1,250,000	Non -MTW	RD

8. Notable Non-Recurring Expenses (Non Grant Funded) - 2022

8.1 Operational

	Amount	MTW/Non-MTW/Properties	Department
a. Salaries		\$903,500	
1. Non project oriented positions	\$453,500	MTW/Non-MTW	Multiple
2. Overtime/Interns	\$75,000	MTW/Non-MTW	Multiple
3. Executive Special Recognition Funds- Salary only	\$200,000	MTW/Non-MTW	EX
4. Temp hires to shore up contracts	\$175,000	MTW/Non-MTW	
b. Information Technology Expenses		\$585,000	
1. Cyber Security Consulting	\$40,000	MTW/Non-MTW	AD
2. Eagle Eye Camera System	\$50,000	MTW/Non-MTW	AD
3. EightCloud Managed Services	\$185,000	MTW/Non-MTW	AD
4. Microsoft Azure & 365 consultant	\$50,000	MTW/Non-MTW	AD
5. Yardi Consulting	\$250,000	MTW/Non-MTW	AD
6. Lease Software Implementation	\$10,000	MTW/Non-MTW	FD
c. Office Equipment		\$100,000	
1. Upgraded Computers and Replacements	\$100,000	MTW/Non-MTW	Multiple
2. Office Furniture & Equipment	\$0	MTW/Non-MTW	Multiple
d. Legal		\$320,000	
1. HR Litigation	\$100,000	Non-MTW	AD
2. New or upcoming Development Projects/Acquisitions	\$205,000	Non-MTW	RD
3. Eviction Requirement Analysis	\$15,000	MTW/Non-MTW	PM
e. Administrative Contracts		\$913,000	
1. Process Improvement Consulting	\$50,000	MTW/Non-MTW	AD
2. Capital Plan - THA Managed/Owned Properties	\$100,000	MTW	AD
3. Cabinet Succession Planning	\$75,000	MTW/Non-MTW	EX
4. Diversity, Equity & Inclusion Contractor	\$125,000	MTW/Non-MTW	EX
5. Budget Support & Finance Consulting	\$25,000	MTW/Non-MTW	FD
6. Employee Engagement Survey	\$25,000	MTW/Non-MTW	HR
7. Salary Compensation & Compensation Study	\$45,000	MTW/Non-MTW	HR
8. HR Consulting and Executive Recruitment	\$175,000	MTW/Non-MTW	HR
9. Administrative Plan	\$25,000	MTW	PI
10. Section 8 Market Study	\$15,000	MTW	RA
11. Service Fees-Lease up of EHV (Emergency Housing Vouchers	\$253,000	Non-MTW	RA
f. Due Diligence - Development Opportunities		\$1,250,000	
1. Existing Opportunities			
1.1 Hilltop Redevelopment	\$250,000	Non-MTW	RD
1.2 James Center North Redevelopment	\$250,000	Non-MTW	RD
1.3 Hillside 1500 Resyndication	\$250,000	Non-MTW	RD
1.4 Hillsdale Heights/Bridge Meadows	\$250,000	Non-MTW	RD
2. New Opportunities	\$150,000	Non-MTW	RD
3. Potential land/building acquisition	\$100,000	Non-MTW	RD
g. Tenant Services			
1. Security Deposit Assistance		\$85,000	
1.1 Section 8 Voucher Program	\$65,000	MTW	RA
1.2 THA Managed Rental Units	\$20,000	MTW	PM
h. Housing Assistance Payments		\$100,000	
1. Eviction Prevention/Landlord Incentives	\$100,000	MTW	RA
i. Contingency	\$150,000	Non-MTW	EX/PI

8.2 Capital

	Amount	MTW/Non-MTW/Properties	Department
b. IT Program Development		\$2,227,000	
1. Laserfiche - 1st Year Implementation	\$250,000	MTW	AD
2. Yardi Implementation	\$1,200,000	MTW	AD
3. Software - Yardi Gaps	\$300,000	MTW	AD
4. Meraki Wi-Fi Access Points - THA	\$25,000	MTW	AD
5. Meraki Switches - 902	\$90,000	MTW	AD
6. Meraki Switches - FIC	\$12,000	MTW	AD
5. IT Community Room Infrastructure Upgrades	\$50,000	MTW	AD
5. Video Collaboration Capable Devices	\$300,000	MTW	AD
c. Maintenance Vehicles	\$50,000	MTW	PM
d. Hillside 2 (2300) Rehab - 2023			
e. James Center North			
2. Next REDI loan payment not due until 2023		MTW or Non MTW	RD
f. Housing Hilltop Redevelopment		\$7,000,000	
1. Gap Financing	\$7,000,000	Non MTW	RD
2. Amazon Loan (Directly to Property)		Directly to Property	RD
g. New Acquisitions			RD
1. THA Funds	\$2,000,000	Non-MTW	RD

9 Notable Position Information/ Changes - FY 2021

Position	Department
9.1 <i>Currently Occupied Position Upgrades</i>	
a. Reclass Finance Manager to range 25	FD
b. Lead Position	FD
c. Lead Position	RA
d. Reclass Landlord Engagement Specialist	RA
e. Transition Program Manager to Supervisor upon any vacancy	RA
f. Transition Compliance Auditor to Program Supervisor	RA
9.2 <i>New Positions in 2022 Budget from 2021 Budget- Recurring</i>	
a. Asset Management Analyst	AD
b. Caseworker (RA support)	CS
c. Program Specialist-Community Builder - RA	CS
d. Department Director	PI
e. Legal Counsel Placeholder	PM
f. Maintenance Supervisor (50%THA-50% Properties)	PM
g. Property Specialist	SM
h. Housing Specialists (2)	RA
i. Program Supervisor	RA
j. Staff Compression Placeholder	HR
k. Staff Changes to Reorganization Placeholder	EX
9.3 <i>Transitions - Non Recurring to Recurring Positions</i>	
a. Accounting Specialist	FD
b. Compliance Auditor - grant funded 2021-transition to Program Supervisor in 22	RA
c. Housing Navigator- Pd by grant through May, then THA recurring	RA
d. Business Process Analysts (3)	AD
9.4 <i>New Positions - Grant Funded - Time limited</i>	
a. Program Specialist-Community Builder-Salishan	CS
b. Program Specialist-Community Builder-Central Tacoma	CS
c. Program Specialist-Community Builder (2/3) 1/3 charged recurring	CS
10.4 <i>Notable Non-Recurring Non Grant Funded Positions</i>	
a. Digital Content Specialist	EX
b. HR Analyst	HR
c. Program Specialist - Eviction Prevention	PM
d. Program Specialist - Eviction Prevention	RA
e. Housing Specialist	RA
10.4 <i>Positions deleted</i>	
Project Manager 1 - Grant Funded in 2021	PI

Tacoma Housing Authority - Agency Wide Budget

FY2022

	<u>AD Admin</u>	<u>CS Client Support</u>			<u>HR Human</u>	<u>PI Policy</u>	<u>PM Property</u>	<u>RA Rental</u>	<u>RD Real Estate</u>	
	<u>Overhead</u>	<u>and</u>	<u>EX Executive</u>	<u>FD Finance</u>	<u>Resources</u>	<u>Innovation &</u>	<u>Management</u>	<u>Assistance</u>	<u>Development</u>	<u>Agency Total</u>
		<u>Empowerment</u>				<u>Evaluation</u>	<u>Overhead</u>			
Revenue - Operations										
Revenue										
Operating Grants	-	2,360,514	-	-	-	-	280,000	66,797,747	-	69,438,261
Tenant Revenue	-	-	-	-	-	-	2,888,179	-	-	2,888,179
Management Fee Revenues	783,375	631,737	152,220	766,779	141,695	-	385,799	437,990	-	3,299,594
Other Revenues	-	855,651	-	32,000	-	131,532	3,146,597	1,460,816	1,357,268	6,983,864
Total Revenue	783,375	3,847,902	152,220	798,779	141,695	131,532	6,700,574	68,696,553	1,357,268	82,609,898
Total Revenue	\$783,375	\$3,847,902	\$152,220	\$798,779	\$141,695	\$131,532	\$6,700,574	\$68,696,553	\$1,357,268	\$82,609,898
Expenses - Operations										
<i>Operating Expense</i>										
Administrative Expenses	5,592,527	154,506	2,071,436	1,845,507	1,294,500	840,806	1,911,388	6,254,221	2,998,968	22,963,859
Tenant Services	-	4,703,808	-	-	-	-	79,850	296,416	-	5,080,074
Utilities	-	-	-	-	-	-	426,394	-	13,000	439,394
Maintenance	-	3,000	-	-	-	-	1,015,829	6,000	10,000	1,034,829
Protective Services (THA)	-	-	-	-	-	-	88,400	-	-	88,400
Insurance Premiums	42,905	21,511	7,818	8,866	3,811	3,193	206,789	40,447	7,907	343,247
Total Other General Expenses	-	-	-	22,500	60,000	-	275,150	103,100	7,000	467,750
Interest Expense and Amortization Cost	-	-	-	-	-	-	526,828	-	-	526,828
Total Operating Expense	\$5,635,432	\$4,882,825	\$2,079,254	\$1,876,873	\$1,358,311	\$843,999	\$4,530,628	\$6,700,184	\$3,036,875	\$30,944,381
<i>Non-Operating Expenses</i>										
Extraordinary Maintenance Expense	-	-	-	-	-	-	17,600	-	-	17,600
Housing Assistance Payments	-	-	-	-	-	-	-	50,494,474	-	50,494,474
Total Non-Operating Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$17,600	\$50,494,474	\$0	\$50,512,074
Total Expenses - Operations	\$5,635,432	\$4,882,825	\$2,079,254	\$1,876,873	\$1,358,311	\$843,999	\$4,548,228	\$57,194,658	\$3,036,875	\$81,456,455
Surplus/(Loss) - Operations	(\$4,852,057)	(\$1,034,923)	(\$1,927,034)	(\$1,078,094)	(\$1,216,617)	(\$712,467)	\$2,152,347	\$11,501,895	(\$1,679,607)	\$1,153,442
Capital Expenses Revenue	(1,947,000)	-	-	-	-	-	(222,653)	-	(7,750,000)	(9,919,653)
Liability and Equity	-	-	-	-	-	-	(199,982)	-	-	(199,982)
Reserve Appropriation - Capital	-	-	-	-	-	-	-	-	9,000,000	9,000,000
Net Surplus/(Loss)	(\$6,799,057)	(\$1,034,923)	(\$1,927,034)	(\$1,078,094)	(\$1,216,617)	(\$712,467)	\$1,729,712	\$11,501,895	(\$429,607)	\$33,807

Resolution 2021-12-08 (1)

Attachment C

**Tacoma Housing Authority - Property Budget
FY- 2022**

	<u>AMP6</u>							
	<u>Scattered Site</u>		<u>Highland Crest</u>	<u>James Center</u>	<u>Key Bank</u>	<u>Outrigger</u>		
	<u>Homes</u>	<u>Salishan 7</u>	<u>Apartments</u>	<u>North</u>	<u>Building</u>	<u>Apartments</u>	<u>Prairie Oaks</u>	<u>Subtotal</u>
Revenue - Operations								
Revenue	22,400	1,106,955	1,007,169	772,508	3,000	574,651	223,494	3,710,177
Total Revenue	\$22,400	\$1,106,955	\$1,007,169	\$772,508	\$3,000	\$574,651	\$223,494	\$3,710,177
Expenses - Operations								
Operating Expense	7,506	829,701	605,311	564,266	1,441	301,162	189,104	2,498,490
Non-Operating Expenses								
Extraordinary Maintenance Expense	-	16,100	-	-	-	-	-	16,100
Total Non-Operating Expenses	-	16,100	-	-	-	-	-	16,100
Total Expenses - Operations	\$7,506	\$845,801	\$605,311	\$564,266	\$1,441	\$301,162	\$189,104	\$2,514,590
Surplus/(Loss) - Operations	\$14,894	\$261,154	\$401,858	\$208,242	\$1,559	\$273,489	\$34,390	\$1,195,586
Capital Expenses/(Revenue)	-	72,000	32,851	49,999	-	12,552	5,251	172,653
Liabilities and Equities	-	12,500	-	-	-	187,482	-	199,982
Net Surplus/(Loss)	\$14,894	\$176,654	\$369,007	\$158,242	\$1,559	\$73,455	\$29,139	\$822,951

Resolution 2



TACOMA HOUSING AUTHORITY

RESOLUTION 2020-12-08 (2)

Date: December 8, 2021
To: THA Board of Commissioners
From: April Black
Executive Director
Re: 2022 Board Commitments

This resolution would update the Board's commitment of Tacoma Housing Authority's (THA) reserves. These reserves are essential for purposes vital to THA's mission and to cover important obligations.

Background

THA is an MTW agency, and therefore subject to Housing and Urban Development (HUD) Cash Management rules. At the moment, any eligible Housing Assistance Payment funds (HAP) not reported on the agency's monthly report as HAP expenditures remain at HUD until the agency submits a request based on expenditures to draw it down.

Furthermore, HUD is now requiring MTW agencies to include it in HUD's annual MTW plan.

Over the years, THA has built up reserves in both its MTW and Business Activity areas. In doing so, the agency plans for the future in both capital and operational areas, and identifies areas where the Reserve funds will allow THA to move forward on accomplishing its goals.

Formally committing these funds with Board approval is a useful planning tool. It also helps HUD understand their purposes.

This Resolution updates the list of commitments.

Recommendation

Approve Resolution 2021-12-08 (2) committing THA reserves as identified in the attached Schedule of Board Reserve Commitments.



TACOMA HOUSING AUTHORITY

RESOLUTION 2021-12-08 (2) (COMMITMENT OF AGENCY & MOVING TO WORK RESERVES)

WHEREAS, For THA has to be effective in its mission it must plan its use of financial resources over multi-year periods and have assembled reserves for those purposes; and

WHEREAS, The Authority has assembled adequate reserves for those purposes through its responsible prudent, and patient management and budgeting; and

WHEREAS, The attached Schedule of MTW Reserve Commitments updates Resolution 2020-12-09 (3) and reflects the Authority's current plans for such capital and operational expenditures of THA' reserve's, both MTW and Non-MTW; and

WHEREAS, The Authority has submitted an initial MTW commitment of Reserves in the 2022 MTW plan, and intends to include an updated Schedule of Board Commitments in the MTW annual report, including language that allows for shifting monies between the identified commitments; now, therefore, be it:

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

1. The Board authorizes commitments of the Authority's Reserves as outlined in the attached Schedule of THA Reserve Commitments, subject to adjustment in future budgets and budget revisions.
2. The Board authorizes the Executive Director to include the latest THA Reserve Commitments in the annual MTW Report submitted to HUD.

Approved: December 8, 2021

Stanley Rumbaugh, Chair

2022 Schedule of Board Reserve Commitments

Board Future Commitments	2021 Commitments	2022 Budget Future Commitments	MTW or Non- MTW	Period
a. Business Process Improvement Project	\$1,260,000	\$1,000,000	MTW	2022-2024
b. Development Projects	\$2,500,000		Non MTW	2021 Forward
c. Education Projects	\$2,400,000		MTW	2021-2025
d. Faircloth RAD units	\$1,500,000	\$1,500,000	MTW	2021-2024
e. James Center North Loan Payment	\$3,000,000	\$3,000,000	Non MTW	2023
f. James Center North Loan Payment	\$2,000,000	\$2,000,000	Non MTW	2025
g. Open Door Future Enhancements	\$2,000,000		MTW	2022-2024
h. Software Platform Conversion/Upgrades		\$2,500,000	MTW	2022 -
i. Property Acquisitions	\$2,000,000	\$2,000,000	MTW/Non MTW	2022 -
j. Section 8 HOPP Increases	\$1,500,000	\$300,000	MTW	2022 -
k. Hillside 2300 Substantial Rehab		\$2,000,000	MTW/Reserves w/ restrictions	2023
l. Reserves				
1. Business Activity Reserves	\$8,000,000	\$8,000,000	Non MTW	In perpetuity
2. MTW Reserves	\$500,000	\$1,000,000	MTW	In perpetuity
3. THA Property Reserves	\$2,600,000	\$2,800,000	Non MTW	In perpetuity
Totals	\$29,260,000	\$26,100,000		

Resolution 3



TACOMA HOUSING AUTHORITY

RESOLUTION 2021-12-8 (3)

Date: December 8, 2021

To: THA Board of Commissioners

From: April Black
Executive Director

Re: Contract with Pierce County for Rapid Rehousing Homeless Housing Program

This resolution would approve a new contract with Pierce County for Homeless Rapid Rehousing Housing Programs.

Background

In 2013, the Tacoma Housing Authority (THA) began its investment into the rapid rehousing system through two contracts with Pierce County: (1) housing for homeless families with children and (2) housing for homeless young adults aged 18-24. Under the contracts, THA invested \$1.288 million annually. \$1 million of the funds were in the Family contract while the remaining \$288,000 were in the Young Adult contract. At the time, THA recognized that its mainline programs were mostly inaccessible to households experiencing homelessness so it sought out ways to bolster and invest in more immediate housing solutions for this population, leading to this partnership.

The contracts have been amended multiple times over the history of the investment and in 2020, the two contracts were combined into one and the overall investment was increased to \$1.3 million per year. This resolution will allow staff to negotiate a new agreement with Pierce County to continue the investment and encompass all the amendments to date.

The contract will continue to dedicate THA's investment to housing for families with children and unaccompanied young adults aged 18-24. Pierce County's use of funding includes rental assistance and other types of flexible assistance including rapid rehousing, diversion, and prevention. THA will continue to report the outcomes of this investment in its annual Moving to Work (MTW) Report and to the Board upon consideration of the next contract renewal.

Since 2013, THA has dramatically increased its capacity to serve households experiencing homelessness through dedicated voucher subsidies and the creation of housing units designated for this population. These investments include the project based vouchers in Arlington Drive and Hilltop Lofts (pending). As a result, THA intends to reduce its investment by 50% during the 2023 contract negotiation process. With the recognition of Tacoma's constrained housing supply and THA's position as a large housing developer, THA is re-allocating its resources to investments that make hard units available in the near term to individuals and families experiencing



TACOMA HOUSING AUTHORITY

homelessness while continuing to aggressively seek out every new special voucher allocation from the federal government.

Recommendation

This resolution recommends adopting Resolution 2021-12-8 (3) to allow staff to negotiate and sign a contract with Pierce County for housing for families and young adults experiencing homelessness.



TACOMA HOUSING AUTHORITY

RESOLUTION 2021-12-08 (3) **(Pierce County Contract for Rapid Rehousing Programs)**

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

WHEREAS, THA has been investing in the Pierce County Rapid Rehousing system and homeless housing programs since 2013; and

WHEREAS, The contract has been re-written to include historical contract amendments into a new contract effective January 1, 2022; and

WHEREAS, The contract will be in effect through 2023; 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 negotiate, and if those negotiations are successful, and to sign a new Pierce County contract for housing for families and young adults experiencing homelessness.

Approved: December 8, 2021

Stanley Rumbaugh, Chair

Resolution 4



TACOMA HOUSING AUTHORITY

RESOLUTION 2021-12-8 (4)

Date: December 8, 2021

To: THA Board of Commissioners

From: April Black
Executive Director

Re: Contract with Pierce County for Tacoma Schools Housing Assistance Program

This resolution would approve an extension of the contract with Pierce County for the Tacoma Schools Housing Assistance Program (TSHAP).

Background

The Tacoma Schools Housing Assistance Program (TSHAP) provides housing supports in the form of rapid rehousing, diversion, and/or other one-time assistance to Tacoma Public Schools (TPS) students experiencing homelessness or housing insecurity and their families. These students are identified as McKinney-Vento by the school district, reflecting a special investment and designation from the federal government.

In June 2019, the THA Board of Commissioners approved Resolution 2019-6-26(1) *authorizing the Executive Director to enter into contract negotiation with Pierce County to administer the TSHAP program. The value of the contract will be up to \$400,000 per year for three years. Approval to execute this contract is contingent upon THA securing other sources to pay for supportive services and administrative overhead.*

By the end of 2019, THA was able to secure funding commitments from Tacoma Public Schools, Pierce County Human Services, and Graduate Tacoma. However, THA lacked a sustainable funding source for the supportive services necessary for the program's success.

In March 2020, an \$800,000 contract was executed for housing assistance and in August 2020, the contract was amended and increased to \$1,192,107. The increase accounted for \$335,648 in supportive services and \$35,646 to account for 10% cost in administrative fees charged to supportive services. The addition of these dollars was fundraised from private entities (Gates Foundation and the Ballmer Family Foundation) to support the upstart of TSHAP.

Launching in the midst of the pandemic combined with the contracted provider's lack of capacity, high need for training and technical assistance, and near constant staff turnover resulted in the

program's poor performance. As of August 2021, the program has expended 35% of its funding and has not served an adequate number of households for the amount of housing support and administrative oversight committed. Increased technical assistance and accountability structures throughout the pilot's launch have not improved the provider's performance. Further, administering TSHAP is unnecessarily burdensome for the County and THA because it is almost entirely duplicative of the work both agencies conduct to deploy THA's rapid rehousing program. Both agencies acknowledge that streamlining the programs would improve efficiency.

THA consulted Pierce County and Tacoma Public Schools to determine a path forward. Given the pilot's poor performance and continued provider challenges, we recommend to sunset this contract in 2022 and determine an alternative way to continue to serve this population. This resolution will permit the contract term to extend through the 2021/2022 school year to ensure continuity for TPS families. Near the conclusion of the school year, THA's Department of Policy, Innovation, and Evaluation (PIE), will conduct an assessment of the program to gain insights from the pilot and inform how to better serve McKinney-Vento students and their families moving forward. PIE will explore the following questions and use the rapid rehousing population as a comparison group, when data is available on both programs:

- How many households were served by one-time assistance and/or time-limited assistance? For households served via time-limited assistance, how long are they assisted?
- For household who were unhoused prior to receiving services, at what rate do they successfully lease a unit and how long did it take them to do so? Were they able to secure housing in Tacoma?
- Does a household's income change while receiving assistance?
- Do households remain housed at 6 and 12 months post-participation (as measured by a return to Pierce County's homeless crisis response system)?

THA may explore options including, but not limited to serving TPS McKinney-Vento families through the agency's existing rapid rehousing investment, creating preferences within our portfolio, and/or dedicating Property Based Subsidy investments to prioritize this population.

Recommendation

This resolution recommends adopting Resolution 2021-12-8 (4) to extend the Tacoma Schools Housing Assistance Program through August 31, 2022. At that time, the contract would sunset and THA will work with its partners to determine a plan to continue to serve McKinney-Vento families.



TACOMA HOUSING AUTHORITY

RESOLUTION 2021-12-8 (4) **(Pierce County Contract for Tacoma Schools Housing Assistance Program)**

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

WHEREAS, THA, TPS and Pierce County Human Services share a vested interest to serve families with children and improve outcomes for students and the schools that serve low-income families; and

WHEREAS, The contract has been re-written to extend the term through the 2021/2022 academic year; and

WHEREAS, The contract will be in effect through August 2022; 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 extend the Pierce County contract for housing for the Tacoma Schools Housing Assistance Program.

Approved: December 8, 2021

Stanley Rumbaugh, Chair

Resolution 5



TACOMA HOUSING AUTHORITY

RESOLUTION 2021-12-8 (5)

Date: December 8, 2021

To: THA Board of Commissioners

From: April Black
Executive Director

Re: Redevelopment of James Center North (Aviva Crossing) – Formation of Aviva Crossing 4 LLLP

This resolution would authorize Tacoma Housing Authority's (THA) Executive Director to form and execute the documents associated with Aviva Crossing 4 LLLP associated with the redevelopment of James Center North (Aviva Crossing).

Background

THA purchased the retail center known as James Center North in October 2017. The master plan was completed in 2019. THA plans to sell four of the five parcels to third party developers and develop one of the parcels itself. THA is in the process of developing a financing and redevelopment plan for its parcel in the newly named Aviva Crossing (f/k/a James Center North). Financial options are being considered to develop the new affordable units. We anticipate using both 4% and 9% low-income housing tax credits (aka 4/9/combo) to develop approximately 150 units of new affordable housing for households earning between 30% and 60% of AMI. The unit breakdown is proposed to be one- and two-bedroom units located in a single mid-rise elevator building.

THA expects to lease the land and the improvements to the LLLP for up to 99 years.

The financing structure is expected to include, but not limited to, the following sources of funding: tax credit equity, City of Tacoma/TCRA funding, private debt, bond and THA funds.

This resolution will authorize THA's Executive Director to:

1. Form a limited liability limited partnership for the 4% tax credit/bond portion of (Aviva Crossing 4 LLLP)
2. To prepare, execute and submit to the Washington State Housing Finance Commission any agreements and other documents necessary to secure the proper approval of the LLLP's use of low-income housing tax credits for the project

3. To execute, deliver and/or file, on behalf of the Authority in its own behalf and in its capacity as the LLLP's general partner, as applicable, any other affidavits, certificates, letters, government forms, documents, agreements and instruments that the Executive Director determines to be necessary or desirable to give effect to this resolution and to consummate the transactions contemplated herein and/or in connection with the application for low income housing tax credits or other financing for the project; and
4. To expend such funds as may be necessary to be paid by the Authority in connection with filing fees, application fees, registration fees and other costs relating to the actions authorized by this resolution.

Recommendation

Approve resolution 2021-12-8 (5) authorizing THA's Executive Director to approve, execute and deliver all documents necessary to assume the role of the LLLP's general partner.



TACOMA HOUSING AUTHORITY

RESOLUTION 2021-12-8 (5)

(Initial Resolution authorizing the creation of Aviva Crossing 4 LLLP)

A RESOLUTION of the Board of Commissioners of the Housing Authority of the City of Tacoma providing for the formation of a limited liability limited partnership in which the Authority will be the sole general partner in connection with the acquisition, development, construction, equipping, and operation of an affordable rental housing project within the City of Tacoma, Washington, and providing for other matters properly related thereto.

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF TACOMA, as follows:

Section 1. The Board of Commissioners (the “Board”) of the Housing Authority of the City of Tacoma (the “Authority”) finds and determines that:

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

(b) 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) “make . . . loans for the . . . acquisition, construction . . . rehabilitation, improvement . . . or refinancing of land, buildings, or developments for housing of persons of low income” (RCW 35.82.070(18)); and (v) “delegate to one or more of its agents or employees such powers or duties as [the Authority] may deem proper” (RCW 35.82.040).

(d) 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.”

(e) The Authority expects to participate in the acquisition, development, rehabilitation, construction, equipping, operation and maintenance of [a residential rental housing project as part of the Aviva Crossing/James Center North redevelopment project located in the City of Tacoma in the vicinity of 1622 S. Mildred Street, Tacoma, Washington] (“Project”). The total financing for the Project is expected to require the use of various funding and credit enhancement sources, including low-income housing tax credits, loans from public and private lenders, and grants. Certain of these sources will require the creation of a partnership or limited liability company. The Board further finds and determines that the Partnership (as defined below) and the Project will provide for the necessary support of the poor within the City.

(e) Based on its consideration of the funding sources available for the Project, the need for affordable housing in the City, and other matters, the Board deems it necessary to proceed with the transactions described in this resolution, and that any financing provided by the Authority for the Project is important for the Project's feasibility and is necessary to enable the Authority to carry out its powers and purposes under the Housing Authorities Law.

Section 2. The Authority is authorized to participate in the formation of, and become the sole general partner of a Washington limited liability limited partnership (the "Partnership"). The Board intends that the Partnership will acquire, develop, construct, equip, operate and maintain the Project and receive low-income housing tax credits in connection therewith.

Section 3. The Authority's Executive Director, the Authority's Deputy Executive Director, and their respective designees (each, an "Authorized Officer" and, collectively, the "Authorized Officers"), and each of them acting alone, are authorized on behalf of the Authority to: (i) execute, deliver and file (or cause to be executed, delivered and filed), to the extent required by law, a partnership agreement, a certificate of limited partnership, and all such forms, certificates, applications and other documents that are necessary to form the Partnership; (ii) determine the name of the Partnership (it being understood that the words "Aviva Crossing 4 LLLP" should appear in the name to the greatest extent feasible); and (iii) take any other action that they deem necessary and advisable to give effect to this resolution and the transactions contemplated herein. The Authority's Executive Director is delegated the authority to cause, in their discretion, the Partnership to be created as a Washington limited liability company, in which case all references in this resolution to limited liability limited partnership, partnership agreement, general partner, limited partner, chapter 25.10 RCW, and certificate of limited partnership shall be deemed to be references to limited liability company, operating agreement, managing member, investor member, chapter 25.15 RCW and certificate of formation, respectively.

Section 4. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority (in its individual capacity and/or in its capacity as the general partner of the Partnership) to: (i) apply for, and enter into contracts relating to, such funding for the Project as they deem necessary or desirable, including without limitation public and/or private sector financing, Community Development Block Grant(s), Washington State Housing Trust Fund grant(s) and/or loan(s), an allocation of private activity bond volume cap from the Washington State Department of Commerce and/or the Washington State Housing Finance Commission, as applicable, and other federal, state and local funds; (ii) apply for any and all necessary approvals from the U.S. Department of Housing and Urban Development in connection with such funding; (iii) lend or grant all or any portion of the money derived from such funding sources to the Partnership, and/or cause any contracts relating to such funding to be assigned to the Partnership; (iv) apply to the Washington State Housing Finance Commission for an allocation of (or approval of the use of) low income housing tax credits for all or a portion of the Project (depending on whether the Authorized Officers determine to pursue "9%" tax credits, "4%" tax credits), enter into such agreements (including a credit reservation and carryover allocation contract), provide such documents (including cost certifications) necessary to secure such allocation(s) (or approval(s)), and cause such allocation(s) (or any portion(s) thereof) to be assigned to the Partnership if the allocation(s) initially are made to the Authority; (v) seek and approve investors to serve as subsequent limited partners in the Partnership in connection with the receipt of low income housing tax credits for the Project; (vi) negotiate with potential investors regarding their acquisition of limited partnership interests in the Partnership and, if the Executive Director

determines the same to be advisable, limited partner or member interests in limited partnerships and/or limited liability companies formed to finance other Authority tax credit projects; (vii) execute documents pursuant to which Authority funds (including amounts granted or lent to the Authority for the Project) may be lent to the Partnership; (viii) prepare all appropriate resolutions for Board review and approval; (ix) prepare all documents required so that the Authority and the Partnership comply with state and federal securities laws; (x) negotiate contracts relating to the use, management and naming of Project buildings; (xi) take all necessary and appropriate actions for the Partnership to acquire all or a portion of the Project by sale or lease from the existing owner thereof (including entering into any option to lease, or lease, necessary to provide the Partnership with control of all or a portion of the Project site); (xii) apply for bond insurance and other credit enhancement for any bonds to be issued by the Authority to finance the Project (but only if the Authority's Executive Director determines such credit enhancement to be cost effective); (xiii) solicit investment banking firms to serve as the lead underwriter(s) and as members of a selling group (if any) for any bonds to be issued for the Project, and select such lead underwriter(s) and the members of any selling group (if the Executive Director determines that a selling group is desirable); (xiv) apply for ratings of any bonds to be issued by the Authority for the Project (but only if the Authority's Executive Director determines such ratings to be desirable); (xv) assist in the preparation of any official statement to be used in connection with the offering of any bonds by the Authority to finance the Project; and (xvi) otherwise execute the Authority's rights under the Partnership Agreement. Nothing herein shall commit the Authority to issuing bonds to finance the Project.

Section 5. The Authorized Officers, and each of them acting alone, are hereby directed, and granted the discretionary authority, to execute and deliver any and all other certificates, documents, agreements and instruments that are necessary or appropriate in their discretion to give effect to this resolution and to consummate the transactions contemplated herein, including, but not limited to, any development services agreement between the Partnership and the Authority (and/or others) providing for the development of the Project, contracts with architects, engineers and other consultants, and construction contracts.

Section 6. The Authority is authorized to expend such funds as are necessary to pay for all filing fees, application fees, registration fees and other costs relating to the actions authorized by this resolution. To the extent any fees or predevelopment costs are incurred and payable by the Partnership prior to the time the Authority enters into a formal loan agreement, the Authority may lend money to the Partnership to pay such costs, with the loan bearing interest at such rate that the Executive Director determines, in his discretion (which may be 0% per annum).

Section 7. Any action required by this resolution to be taken by the Executive Director of the Authority may, in the absence of the Executive Director, be taken by the Deputy Executive Director of the Authority.

Section 8. 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.

Section 9. This resolution shall be in full force and effect from and after its adoption and approval.

ADOPTED by the Board of Commissioners of the Housing Authority of the City of Tacoma at an open public meeting this 8th day of December, 2021.

HOUSING AUTHORITY OF THE CITY
OF TACOMA

Stanley Rumbaugh
Chair, Board of Commissioners

ATTEST:

April Black
Executive Director

CERTIFICATE

I, April Black, the duly chosen qualified 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 Resolution 2021-12-8 (5_) (the “Resolution”) is a true and correct copy of the resolution of the Board of Commissioners of the Authority as adopted at a meeting of the Authority held on December 8, 2021 (the “Meeting”), and duly recorded in the minute books of the Authority;

2. That in accordance with RCW 43.06.220, and the Proclamations of the Governor of the State of Washington, as extended by the leadership of the Washington State Senate and House of Representatives (a) one or more options were provided for the public to attend the Meeting remotely, including by telephonic access, and (b) the means of attending the Meeting provided the ability for all persons attending the Meeting to hear each other at the same time;

3. The public was notified of access options for remote participation in the Meeting via _THA website and social media; and

4. The Meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of the Meeting was given; that a quorum was present throughout the Meeting through telephonic and/or internet means of remote access, 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 December 8, 2021.

HOUSING AUTHORITY OF THE CITY
OF TACOMA

April Black, Executive Director

Resolution 6



TACOMA HOUSING AUTHORITY

RESOLUTION 2021-12-8 (6)

Date: December 8, 2021

To: THA Board of Commissioners

From: April Black
Executive Director

Re: Redevelopment of James Center North (Aviva Crossing) – Formation of Aviva Crossing 9 LLLP

This resolution would authorize Tacoma Housing Authority's (THA) Executive Director to form and execute the documents associated with Aviva Crossing 9 LLLP associated with the redevelopment of James Center North (Aviva Crossing).

Background

THA purchased the retail center known as James Center North in October 2017. The master plan was completed in 2019. THA plans to sell four of the five parcels to third party developers and develop one of the parcels itself. THA is in the process of developing a financing and redevelopment plan for its parcel in the newly named Aviva Crossing (f/k/a James Center North). Financial options are being considered to develop the new affordable units. We anticipate using both 4% and 9% low income housing tax credits (aka 4/9/combo) to develop approximately 150 units of new affordable housing for households earning between 30% and 60% of AMI. The unit breakdown is proposed to be one- and two-bedroom units located in a single mid-rise elevator building.

THA expects to lease the land and the improvements to the LLLP for up to 99 years.

The financing structure is expected to include, but not limited to, the following sources of funding: tax credit equity, City of Tacoma/TCRA funding, private debt, bond and THA funds.

This resolution will authorize THA's Executive Director to:

1. Form a limited liability limited partnership for the 9% tax credit/bond portion of (Aviva Crossing 9 LLLP)
2. To prepare, execute and submit to the Washington State Housing Finance Commission any agreements and other documents necessary to secure the proper approval of the LLLP's use of low-income housing tax credits for the project;

3. To execute, deliver and/or file, on behalf of the Authority in its own behalf and in its capacity as the LLLP's general partner, as applicable, any other affidavits, certificates, letters, government forms, documents, agreements and instruments that the Executive Director determines to be necessary or desirable to give effect to this resolution and to consummate the transactions contemplated herein and/or in connection with the application for low income housing tax credits or other financing for the project; and
4. To expend such funds as may be necessary to be paid by the Authority in connection with filing fees, application fees, registration fees and other costs relating to the actions authorized by this resolution

Recommendation

Approve resolution 2021-12-8(6) authorizing THA's Executive Director to approve, execute and deliver all documents necessary to assume the role of the LLLP's general partner.



TACOMA HOUSING AUTHORITY

RESOLUTION 2021-12-8 (6)

(Initial Resolution authorizing the creation of Aviva Crossing 9 LLLP)

A RESOLUTION of the Board of Commissioners of the Housing Authority of the City of Tacoma providing for the formation of a limited liability limited partnership in which the Authority will be the sole general partner in connection with the acquisition, development, construction, equipping, and operation of an affordable rental housing project within the City of Tacoma, Washington, and providing for other matters properly related thereto.

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF TACOMA, as follows:

Section 1. The Board of Commissioners (the “Board”) of the Housing Authority of the City of Tacoma (the “Authority”) finds and determines that:

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

(b) 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) “make . . . loans for the . . . acquisition, construction . . . rehabilitation, improvement . . . or refinancing of land, buildings, or developments for housing of persons of low income” (RCW 35.82.070(18)); and (v) “delegate to one or more of its agents or employees such powers or duties as [the Authority] may deem proper” (RCW 35.82.040).

(d) 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.”

(e) The Authority expects to participate in the acquisition, development, rehabilitation, construction, equipping, operation and maintenance of [a residential rental housing project as part of the Aviva Crossing/James Center North redevelopment project located in the City of Tacoma in the vicinity of 1622 S. Mildred Street, Tacoma, Washington] (“Project”). The total financing for the Project is expected to require the use of various funding and credit enhancement sources, including low-income housing tax credits, loans from public and private lenders, and grants. Certain of these sources will require the creation of a partnership or limited liability company. The Board further finds and determines that the Partnership (as defined below) and the Project will provide for the necessary support of the poor within the City.

(e) Based on its consideration of the funding sources available for the Project, the need for affordable housing in the City, and other matters, the Board deems it necessary to proceed with the transactions described in this resolution, and that any financing provided by the Authority for the Project is important for the Project's feasibility and is necessary to enable the Authority to carry out its powers and purposes under the Housing Authorities Law.

Section 2. The Authority is authorized to participate in the formation of, and become the sole general partner of a Washington limited liability limited partnership (the "Partnership"). The Board intends that the Partnership will acquire, develop, construct, equip, operate and maintain the Project and receive low-income housing tax credits in connection therewith.

Section 3. The Authority's Executive Director, the Authority's Deputy Executive Director, and their respective designees (each, an "Authorized Officer" and, collectively, the "Authorized Officers"), and each of them acting alone, are authorized on behalf of the Authority to: (i) execute, deliver and file (or cause to be executed, delivered and filed), to the extent required by law, a partnership agreement, a certificate of limited partnership, and all such forms, certificates, applications and other documents that are necessary to form the Partnership; (ii) determine the name of the Partnership (it being understood that the words "Aviva Crossing 9 LLLP" should appear in the name to the greatest extent feasible); and (iii) take any other action that they deem necessary and advisable to give effect to this resolution and the transactions contemplated herein. The Authority's Executive Director is delegated the authority to cause, in their discretion, the Partnership to be created as a Washington limited liability company, in which case all references in this resolution to limited liability limited partnership, partnership agreement, general partner, limited partner, chapter 25.10 RCW, and certificate of limited partnership shall be deemed to be references to limited liability company, operating agreement, managing member, investor member, chapter 25.15 RCW and certificate of formation, respectively.

Section 4. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority (in its individual capacity and/or in its capacity as the general partner of the Partnership) to: (i) apply for, and enter into contracts relating to, such funding for the Project as they deem necessary or desirable, including without limitation public and/or private sector financing, Community Development Block Grant(s), Washington State Housing Trust Fund grant(s) and/or loan(s), an allocation of private activity bond volume cap from the Washington State Department of Commerce and/or the Washington State Housing Finance Commission, as applicable, and other federal, state and local funds; (ii) apply for any and all necessary approvals from the U.S. Department of Housing and Urban Development in connection with such funding; (iii) lend or grant all or any portion of the money derived from such funding sources to the Partnership, and/or cause any contracts relating to such funding to be assigned to the Partnership; (iv) apply to the Washington State Housing Finance Commission for an allocation of (or approval of the use of) low income housing tax credits for all or a portion of the Project (depending on whether the Authorized Officers determine to pursue "9%" tax credits, "4%" tax credits), enter into such agreements (including a credit reservation and carryover allocation contract), provide such documents (including cost certifications) necessary to secure such allocation(s) (or approval(s)), and cause such allocation(s) (or any portion(s) thereof) to be assigned to the Partnership if the allocation(s) initially are made to the Authority; (v) seek and approve investors to serve as subsequent limited partners in the Partnership in connection with the receipt of low income housing tax credits for the Project; (vi) negotiate with potential investors regarding their acquisition of limited partnership interests in the Partnership and, if the Executive Director

determines the same to be advisable, limited partner or member interests in limited partnerships and/or limited liability companies formed to finance other Authority tax credit projects; (vii) execute documents pursuant to which Authority funds (including amounts granted or lent to the Authority for the Project) may be lent to the Partnership; (viii) prepare all appropriate resolutions for Board review and approval; (ix) prepare all documents required so that the Authority and the Partnership comply with state and federal securities laws; (x) negotiate contracts relating to the use, management and naming of Project buildings; (xi) take all necessary and appropriate actions for the Partnership to acquire all or a portion of the Project by sale or lease from the existing owner thereof (including entering into any option to lease, or lease, necessary to provide the Partnership with control of all or a portion of the Project site); (xii) apply for bond insurance and other credit enhancement for any bonds to be issued by the Authority to finance the Project (but only if the Authority's Executive Director determines such credit enhancement to be cost effective); (xiii) solicit investment banking firms to serve as the lead underwriter(s) and as members of a selling group (if any) for any bonds to be issued for the Project, and select such lead underwriter(s) and the members of any selling group (if the Executive Director determines that a selling group is desirable); (xiv) apply for ratings of any bonds to be issued by the Authority for the Project (but only if the Authority's Executive Director determines such ratings to be desirable); (xv) assist in the preparation of any official statement to be used in connection with the offering of any bonds by the Authority to finance the Project; and (xvi) otherwise execute the Authority's rights under the Partnership Agreement. Nothing herein shall commit the Authority to issuing bonds to finance the Project.

Section 5. The Authorized Officers, and each of them acting alone, are hereby directed, and granted the discretionary authority, to execute and deliver any and all other certificates, documents, agreements and instruments that are necessary or appropriate in their discretion to give effect to this resolution and to consummate the transactions contemplated herein, including, but not limited to, any development services agreement between the Partnership and the Authority (and/or others) providing for the development of the Project, contracts with architects, engineers and other consultants, and construction contracts.

Section 6. The Authority is authorized to expend such funds as are necessary to pay for all filing fees, application fees, registration fees and other costs relating to the actions authorized by this resolution. To the extent any fees or predevelopment costs are incurred and payable by the Partnership prior to the time the Authority enters into a formal loan agreement, the Authority may lend money to the Partnership to pay such costs, with the loan bearing interest at such rate that the Executive Director determines, in his discretion (which may be 0% per annum).

Section 7. Any action required by this resolution to be taken by the Executive Director of the Authority may, in the absence of the Executive Director, be taken by the Deputy Executive Director of the Authority.

Section 8. 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.

Section 9. This resolution shall be in full force and effect from and after its adoption and approval.

ADOPTED by the Board of Commissioners of the Housing Authority of the City of Tacoma at an open public meeting this 8th day of December, 2021.

HOUSING AUTHORITY OF THE CITY
OF TACOMA

Stanley Rumbaugh
Chair, Board of Commissioners

ATTEST:

April Black
Executive Director

CERTIFICATE

I, April Black, the duly chosen qualified 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 Resolution 2021-12-8 (6) (the “Resolution”) is a true and correct copy of the resolution of the Board of Commissioners of the Authority as adopted at a meeting of the Authority held on December 8, 2021 (the “Meeting”), and duly recorded in the minute books of the Authority;

2. That in accordance with RCW 43.06.220, and the Proclamations of the Governor of the State of Washington, as extended by the leadership of the Washington State Senate and House of Representatives (a) one or more options were provided for the public to attend the Meeting remotely, including by telephonic access, and (b) the means of attending the Meeting provided the ability for all persons attending the Meeting to hear each other at the same time;

3. The public was notified of access options for remote participation in the Meeting via _THA website and social media; and

4. The Meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of the Meeting was given; that a quorum was present throughout the Meeting through telephonic and/or internet means of remote access, 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 December 8, 2021.

HOUSING AUTHORITY OF THE CITY
OF TACOMA

April Black, Executive Director

Resolution 7



TACOMA HOUSING AUTHORITY

RESOLUTION 2021-12-08 (7)

Date: December 8, 2021

To: THA Board of Commissioners

From: April Black
Executive Director

Re: Interlocal Agreement with the Pierce County Housing Authority for Brawner Contract

This Resolution would authorize Tacoma Housing Authority's (THA) Executive Director to execute an Intergovernmental Cooperative Purchasing Agreement with Pierce County Housing Authority (PCHA) so that it may rely on THA's procurement of Brawner & Company to contract with Brawner for financial services.

Background

Pierce County Housing Authority seeks to secure a consultant to assist in financial consulting services for the repositioning of its public housing portfolio under the Rental Assistance Demonstration (RAD) program. The work involves the repositioning and syndication of 498 units, of which 395 will be converted under the RAD program. For this same type of work THA procured Brawner & Company. PCHA wishes to rely on THA's procurement to contract with Brawner & Company. This is permissible if THA and PCHA sign an Interlocal Cooperation Agreement under The Interlocal Cooperation Act, Chap. 39.34 RCW.

Recommendation

Staff recommends entering into an Interlocal Agreement with Pierce County Housing Authority so it may contract for needed procurement services.



TACOMA HOUSING AUTHORITY

RESOLUTION 2021-12-08 (7) **(Interlocal Agreement with Pierce County Housing Authority)**

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

WHEREAS, Pierce County Housing Authority seeks to secure a consultant to assist in financial consulting services; and

WHEREAS, THA followed the Housing and Urban Development (HUD) procurement process 24 CFR 85.36 and THA's Procurement policy in procuring financial consultation services with J.H. Brawner & Company (Brawner) in August, 2016; and

WHEREAS, The THA Board of Commissioners approved resolution 2016-8-24 (3) authorizing a contract with Brawner for financial services; and

WHEREAS, PCHA wishes to use the services of Brawner to provide financial consulting services for the repositioning of its Public Housing Portfolio under the Rental Assistance Demonstration (RAD) program; and

WHEREAS, Chapter 39.34 RCW (The Interlocal Cooperation Act) permits public agencies to cooperate and exercise joint powers in carrying out their public purposes, includes the purchase of goods and services; 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 is authorized to enter into an Intergovernmental Cooperative Purchasing Agreement with Pierce County Housing Authority so that housing authority may rely on THA's procurement of Brawner & Company to contract with Brawner & Company for financial services provided.

Approved: December 8, 2021

Stanley Rumbaugh, Chair