

Tacoma Housing Authority **MOVING TO WORK PLAN** 2021

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Table of Contents

- Section I: Introduction..... 1**
- Section II: General THA Operating Information..... 8**
- Section III. Proposed MTW Activities19**
- Section IV. Approved MTW Activities 20**
 - Extend Allowable Tenant Absences From Unit For Active Duty Soldiers 21
 - Local Project-Based Voucher Program 22
 - Allow transfers between public housing and voucher waitlists: 25
 - Local Policies for Fixed-Income Households 26
 - Local Policies for Work-Able Households 28
 - Local Income and Asset Verification Policy 31
 - Local Interim Processing and Verification Policies (HCV/PH) 33
 - Simplified Utility Allowance..... 35
 - Local Port-Out Policy..... 36
 - Regional Approach for Special Purpose Housing 37
 - Creation and Preservation of Affordable Housing..... 39
 - Housing Opportunity Program (HOP) 45
 - Elimination of the 40% Rule: 50
 - Modification of the Family Self Sufficiency Program: 51
 - MTW Seed Grants:..... 53
 - Children’s Savings Account (formerly Local Asset Building Activity):..... 54
 - Exclude Excess Income from Financial Aid for Students: 57
 - Rental Assistance Success Initiative (formerly) Local Security and Utility Deposit Program: 58
 - Modify HQS 60
- B. Not Yet Implemented..... 63**
- C. On Hold Activities: 64**
- D. Closed Out Activities: 65**

Section V: Sources and Uses of MTW Funds 67
Section VI: Administrative 73
Appendix A: Letter of Consistency 82
Appendix B: LAMP..... 83
Appendix C: THA’s Strategic Objectives with Performance Measures 83

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Section I: Introduction

Over the last few years, the City of Tacoma has seen tremendous growth which has brought opportunities and challenges that directly impact Tacoma Housing Authority's work and the households we serve. Tacoma's housing market has been one of the fastest growing nationwide making it more difficult for our families to secure and maintain affordable housing. Tacoma is experiencing a growing homeless population among single adults, families, and unaccompanied children and young adults. Many of these children and adults attend Tacoma's public schools and colleges.

We will continue to take an active role in our long-term vision for its city. Our Board of Commissioners states this vision clearly:

"THA envisions a future where everyone has an affordable, safe and nurturing home, where neighborhoods are attractive places to live, work, attend school, shop and play, and where everyone has the support they need to succeed as parents, students, wage earners and neighbors."

We acknowledge that such a future is not presently plausible. This makes THA's mission all the more urgent. THA's Board of Commissioners also states this mission clearly:

"THA provides high quality, stable and sustainable housing and supportive services to people in need. It does this in ways that help them prosper and help our communities become safe, vibrant, prosperous, attractive and just."

Our Moving-to-Work (MTW) designation is essential to this effort. Our MTW status does not give us more funding, but instead, and critically, MTW status makes the funding more flexible. It allows us to design programs that best serve Tacoma's community in ways that account for Tacoma's local community needs.

THA's vision and mission align with the three MTW statutory objectives:

1. Increase housing choices for low-income families

2. Give incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that help people obtain employment and become economically self-sufficient
3. Reduce cost and achieve greater cost-effectiveness in federal expenditures

We look forward to determining effective uses of MTW authority for these purposes.

Long-Term Goals

Tacoma Housing Authority's Board has chosen the agency's seven strategic objectives, each with performance measures that guide the agency through the coming years. We summarize them on the following pages and provide full detail as an appendix item, see [Appendix C: THA's Strategic Objectives with Performance Measures](#).

These strategic choices advance our mission to provide high-quality housing and supportive services to people in need, with a focus on the neediest. We strive to do this in ways that also get two other things done. **First**, we seek to help people who can work to succeed, not just as tenants but also, as our vision statement and strategic objectives contemplate, as “parents, students, wage earners and builders of assets”. We want their time on its housing programs to be transforming and temporary. We want this certainly for grownups but emphatically for children, because we do not wish them to need its housing when they grow up. **Second**, we seek to help the City of Tacoma develop projects equitably. We seek this so that Tacoma becomes a place that households of all incomes, races, needs and compositions experience that, as our mission statement contemplates, is “safe, vibrant, prosperous, attractive, and just.” The following seven strategic objectives and strategies are ambitious. THA will require all the tools within reach, including its MTW flexibility.

1. Housing and Supportive Services

THA will provide high quality housing, rental assistance and supportive services. Its supportive services will help people as tenants, parents, students, wage earners, and builders of assets who can live without assistance. It will focus this assistance to meet the greatest need.

2. Housing and Real Estate Development

THA will efficiently develop housing and properties that serve primarily families and individuals unable to find affordable and supporting housing they need. Its work will serve to promote the community's development. Its properties will be financially sustainable, environmentally innovative, and attractive.

3. Property Management

THA will manage its properties so they are safe, efficient to operate, good neighbors, attractive assets to their neighborhoods and places where people want to live.

4. Financially Sustainable Operations

THA seeks to be more financially sustaining.

5. Environmental Responsibility

THA will develop and operate its properties in a way that preserves and protects natural resources.

6. Advocacy and Public Education

THA will advocate for the value of THA's work and for the interests of the people it serves. It will be a resource for high quality advice, data, and information on housing, community development, and related topics. THA will do this work at the local, state and national level.

7. Administration

THA will have excellent administrative systems. Its staff will have skills that make THA highly efficient and effective in the customer service it provides to the public and among its departments. It will provide a workplace that attracts, develops and retains motivated and talented employees.

Short-Term Goals

Over the last few years, Tacoma Housing Authority has faced a challenging housing market that has made it difficult for our voucher holders to secure housing in a market that rapidly grew unaffordable and competitive. In the face of rapidly rising rents and stagnant funding, it became more difficult to continue serving our MTW baseline of households. Still, we started this year with over 100% of our MTW baseline of households served. We did this by employing strategies that focused on building

relationships with local property owners, advocating for increased tenant protections and bringing new affordable units online through project-based vouchers and the Property-Based Subsidy program.

We highlight some important updates as we look to 2021:

Creating and Preserving Affordable Housing

We will continue to seek new development and acquisition strategies that will allow us to create and preserve affordable housing in Tacoma. We also stay alert for purchases that will be profitable. This continues to be an important strategy to keep affordable housing available in Tacoma.

[Leasing-up The Arlington Drive Youth Campus and The Rise on 19th](#)

The completion of Arlington Drive Youth Campus and The Rise on 19th were a primary focus for our agency this year. Despite the troubles COVID-19 brought with it this year, we are grateful that these two important development projects remained on schedule. Combined, both developments will bring over 100 units of housing dedicated to serving young adults, families and Veterans experiencing homelessness. Leasing began in late-2020 and will continue into the early part of 2021.

[Housing Hilltop – a neighborhood plan for affordable housing, retail and community public space](#)

In 2021, we are dedicating 57 project-based vouchers for studio units that will provide permanent supportive housing. We began the design work in 2020 and we will seek community input for the exterior façade design and art.

[Home at Last—a partnership with the YWCA Pierce County](#)

In 2021, the YWCA Pierce County will begin leasing its Home at Last property. There will be a total of 54 new permanent affordable housing units for people overcoming domestic violence and homeless. Of the 54 apartments, 30 will have THA's project based voucher assistance.

Voucher Program Administration

We'll be looking at strategies to embrace and adopt new technologies to move operations and communications into the digital space. These projects aim to make working remotely as seamless as possible for staff, streamline operations and processes to reduce waste and provide better customer service to our clients and property owners. Some projects we'll explore are

online recertifications and briefings, reducing verification requirements, and revamping our website, which will include an on-line portal for better communication with our applicants, clients and landlords.

Providing Excellent Customer Service

Our Landlord Engagement Specialist has been essential in developing and strengthening our relationships with landlords. Through our Landlord Advisory Group, we can learn from, and collaborate with landlords. In 2021, we will continue to look for opportunities that will bring more value to our vouchers—for example, we'll be looking at the next best steps to bring back our security deposit assistance program. We'll also stay alert for new opportunities and partnerships that will build upon Renter Readiness certifications and increase the appeal of renting to our voucher holders.

Providing Support and Resources to our Clients

Amid the chaos and uncertainty, our work will continue to focus on building partnerships and uncovering resources to give our households the supports they need to stay housed and care for themselves and their families. This has led staff to think differently about their work and to come together more now than ever before to collaborate with community partners, share resources and practice creative problem-solving. We have partnered with a myriad of local providers, including Tacoma Public Schools, St. Leo's Food Bank, Tacoma Farmer's Market, Nourish Foodbank, Boys and Girls Club of Puget Sound, MetroParks Tacoma, and KBTC Educational Programming to provide food, technology and summer camp resources to families with children.

As we look into 2021, the families we serve continue to face not only economic uncertainty, but the uncertainty of financially supporting their families while schools are physically closed, distance learning becomes the norm, and Pierce County childcare resources are at a minimum. We will continue to work alongside families during this uncertainty, helping to address employment, income and training needs, along with the educational, social and emotional needs of children and health and well-being needs of family members with a higher risk of complications due to COVID-19 infection. Our community partnerships with local school districts, behavioral health partners and the Tacoma-Pierce County Health Department will only continue to strengthen.

We continue to implement the Salishan Center for Strong Families (CSF) site within the Family Investment Center in East Tacoma. In partnership with local non-profit Sound Outreach, the CSF provides employment coaching, income supports and financial coaching to families, most of whom are enrolled in THA's Family Self-Sufficiency program. We also continue to embed staff with Sound Outreach at the Hilltop Neighborhood Financial Opportunity Center. Additionally, in 2020 we became a

partner in the WorkForce Central-led Economic Security for All initiative. The goal of this initiative is to leverage resources within the 98404 zip code to provide enhanced employment, educational and income progression supports for residents of East Tacoma. We continue to operate our Children's Savings Account program to help to create a multi-generational approach to asset building and income progression.

Improving Our Programs and Services

In 2021, we anticipate positive program changes as we evaluate our Family Self-Sufficiency (FSS) program, the Children Savings Account (CSA) program and the Housing Opportunity Program (HOP). The resulting recommendations will help improve the efficiency, delivery and outcomes of each program.

In 2021, our Client Support and Empowerment department is looking to adopt changes to the FSS program. These changes may include: allowing any adult household member to enroll into the FSS program; institute more frequent check-ins and short-term monetary incentives; continue to implement second generation programming and operational changes such as new pay points, definition of self-sufficiency and updating software processes to allow for better collection of meaningful data to capture outcomes and provide information for analysis.

We continue to offer children savings accounts to help the children of New Salishan develop a savings habit, improve academic outcomes and college preparation. The CSA program is being evaluated by a third-party consultant which includes recommendations as to how to restructure incentives to be more equitable and centered on the family's definition of education success; and strategies to increase enrollment.

Finally, we are beginning to engage in intentional equity work, encouraging staff to participate in a newly developing workgroup aimed at helping the housing authority dismantle internal and external systemic oppression and racism specifically. This will continue to be a priority throughout 2021.

Emergency Operations

The COVID-19 pandemic has dramatically disrupted the lives of people all over the world impacting every area of our lives. There is still much that is uncertain for everyone. But, the one thing that we are all sure of is that it has changed our lives in ways that we will not move away from easily. And, with those changes, we need to prepare to function within them. As we enter 2021 with uncertainty, we want to use our MTW flexibility to ensure continuity of operations as the COVID-19 pandemic continues and plan for future emergencies that may disrupt our ability to connect with and serve our households. In this plan,

we propose some amendments to our existing activities that will allow us to be more flexible in times of crisis. We propose changes to way we accept income verifications, our recertification schedules, program time limits and HQS procedures during a state of emergency. An emergency may be a national or local disaster, emergency or other situation that affects the health and/or safety of our clients, staff and the public.

We are grateful for the flexibilities granted through MTW that allows us to be agile and responsive to today's challenges and continue our mission to house and keep families housed in safe, decent, quality housing.

Section II: General THA Operating Information

HOUSING STOCK INFORMATION

Planned New Public Housing Units

New public housing units that the MTW PHA anticipates will be added during the Plan Year

ASSET MANAGEMENT PROJECT (AMP) NAME AND NUMBER	BEDROOM SIZE						TOTAL UNITS	POPULATION TYPE*	# of Uniform Federal Accessibility Standards (UFAS) Units	
	0/1	2	3	4	5	6+			Fully Accessible	Adaptable
N/A	#	#	#	#	#	#	0	N/A	#	#

Total Public Housing Units to be Added in the Plan Year 0

Planned Public Housing Units to be Removed

Public housing units that the MTW PHA anticipates will be removed during the Plan Year

AMP NAME AND NUMBER	NUMBER OF UNITS TO BE REMOVED	EXPLANATION FOR REMOVAL
N/A	0	N/A
	0	

Planned New Project Based Vouchers

Tenant-based vouchers that the MTW PHA anticipates project-basing for the first time during the Plan Year. These include only those in which at least an Agreement to enter into a Housing Assistance Payment (AHAP) will be in place by the end of the Plan Year. Indicate whether the unit is included in the Rental Assistance Demonstration (RAD).

PROPERTY NAME	# of PBV	RAD?	DESCRIPTION OF PROJECT
Hilltop Lofts	57	No	Studio units of permanent supportive housing for individuals exiting homelessness
	57	Planned Total Vouchers to be Newly Project-Based	

Planned Existing Project Based Vouchers

Tenant-based vouchers that the MTW PHA is currently project-basing in the Plan Year. These include only those in which at least an AHAP is already in place at the beginning of the Plan Year. Indicate whether the unit is included in RAD.

PROPERTY NAME	# of PBV	PLANNED STATUS AT END OF PLAN YEAR*	RAD?	DESCRIPTION OF PROJECT
Arlington Youth Drive	58	Leased/Issued	No	Youth and Young Adult Housing
Bay Terrace 1	20	Leased/Issued	No	THA Family Housing
Bay Terrace 2	52	Leased/Issued	No	THA Family Housing
Bay Terrace – RAD	26	Leased/Issued	Yes	THA Family Housing
Eliza McCabe Townhomes	10	Leased/Issued	No	Mercy Housing Family Housing
Flett Meadows	13	Leased/Issued	No	LASA Family Housing
Guadalupe Vista	38	Leased/Issued	No	CCSWW Family Housing
Harborview Manor	147	Leased/Issued	No	Affordable Senior Housing
Hillside Gardens	8	Leased/Issued	No	THA Family Housing
Hillside Terrace 1500	12	Leased/Issued	No	THA Family Housing
Hillside RAD	33	Leased/Issued	Yes	THA Family Housing
Hillside 2	13	Leased/Issued	No	THA Family Housing
Home at Last	30	Leased/Issued	No	YWCA Family Housing

PROPERTY NAME	# of PBV	PLANNED STATUS AT END OF PLAN YEAR*	RAD?	DESCRIPTION OF PROJECT
Nativity House	50	Leased/Issued	No	CCSWW Permanent Supportive Housing for adults
New Tacoma Phase 2	8	Leased/Issued	No	Senior housing
Olympus Apts.	18	Leased/Issued	No	KWA affordable housing units at 60% AMI or below
Pacific Courtyards	23	Leased/Issued	No	MDC transitional family housing
Rialto Apts.	52	Leased/Issued	No	PHS affordable housing units at 50% AMI or below
Salishan 1-7 ¹	340	Leased/Issued	No	THA Family Housing
Salishan RAD	290	Leased/Issued	Yes	THA Family Housing
The Rise at 19 th	64	Leased/Issued	No	THA Family housing
Tyler Square	15	Leased/Issued	No	TRM Family Housing
Renew Tacoma Housing	456	Leased/Issued	Yes	THA Senior/Disabled Housing
	1776	Planned Total Existing Project-Based Vouchers		

¹ Please note: Salishan 7 never had public housing units and will not be found in PIC

Planned Other Changes to MTW Housing Stock Anticipated During the Plan Year

Examples of the types of other changes can include (but are not limited to): units held off-line due to relocation or substantial rehabilitation, local, non-traditional units to be acquired/developed, etc.

PLANNED OTHER CHANGES TO MTW HOUSING STOCK ANTICIPATED IN THE PLAN YEAR
THA will develop Hilltop Lofts as part of the Housing Hilltop plan. This property will have up to 57 units of workforce housing developed with low income housing tax credits.
THA will acquire existing housing in the market to preserve affordable housing to households earning up to 80% of the area median income (AMI).
THA has sold the last seven lots of in Area 2B of Salishan. These lots were planned to be developed into market rate rentals. THA received an offer to purchase the lots by a small, minority owned Tacoma based firm. They will be developing 18 market-rate rental units.
THA completed its RAD conversion of Salishan and Hillside properties in 2019. The disposition of its scattered site public housing through Section 32 has also been completed, except for one remaining unit. This unit is being leased to a community partner. This will leave THA with 719 public housing units available for use under faircloth. THA is considering placing Public Housing Faircloth units in new acquisitions and new developments.

General Description of All Planned Capital Expenditures During the Plan Year

Narrative general description of all planned capital expenditures of MTW funds during the Plan Year.

GENERAL DESCRIPTION OF ALL PLANNED CAPITAL EXPENDITURES DURING THE PLAN YEAR

In 2019, THA converted all but 5 units under the RAD. THA does not intend to close its PH ACC and will keep it open for the purpose of developing new PH units. THA will receive minimal Capital funds in 2021, yet has funds carried over from 2021 that will be reflected in the budget and will transfer them to Operations.

LEASING INFORMATION

Planned Number of Households Served

Snapshot and unit month information on the number of households the MTW PHA plans to serve at the end of the Plan Year.

PLANNED NUMBER OF HOUSEHOLDS SERVED THROUGH:	PLANNED NUMBER OF UNIT MONTHS OCCUPIED/LEASED*	PLANNED NUMBER OF HOUSEHOLDS TO BE SERVED**
MTW Public Housing Units Leased	48	4
MTW Housing Choice Vouchers (HCV) Utilized	49,747	4,146
Local, Non-Traditional: Tenant-Based [^]	2,396 ²	200
Local, Non-Traditional: Property-Based [^]	4,260	355
Local, Non-Traditional: Homeownership [^]	0	0
Planned Total Households Served	56,451	4,704

* "Planned Number of Unit Months Occupied/Leased" is the total number of months the MTW PHA plans to have leased/occupied in each category throughout the full Plan Year.

² Under HUD approval, THA includes LNT: Tenant-Based households six months post-participation. See Activity 15 for further details.

** "Planned Number of Households to be Served" is calculated by dividing the "Planned Number of Unit Months Occupied/Leased" by the number of months in the Plan Year.

^ In instances when a local, non-traditional program provides a certain subsidy level but does not specify a number of units/households to be served, the MTW PHA should estimate the number of households to be served.

LOCAL, NON-TRADITIONAL CATEGORY	MTW ACTIVITY NAME/NUMBER	PLANNED NUMBER OF UNIT MONTHS OCCUPIED/LEASED*	PLANNED NUMBER OF HOUSEHOLDS TO BE SERVED*
Tenant-Based	Regional Approach for Special Purpose Housing/15	2,396	200
Property-Based	Creation & Preservation of Affordable Housing/16	4,260	355
Homeownership	N/A	0	0

* The sum of the figures provided should match the totals provided for each local, non-traditional category in the previous table. Figures should be given by individual activity. Multiple entries may be made for each category if applicable.

Discussion of Any Anticipated Issues/Possible Solutions Related to Leasing

Discussions of any anticipated issues and solutions in the MTW housing programs listed.

HOUSING PROGRAM	DESCRIPTION OF ANTICIPATED LEASING ISSUES AND POSSIBLE SOLUTIONS
<p>MTW Housing Choice Voucher</p>	<p>Due to COVID-19 THA anticipates that many clients will have a hard time leasing up due to decreases in household income. In response, THA is re-evaluating the security deposit assistance program. THA is working in conversation with our County's rental assistance program that was established as a response to the pandemic. A number of THA owned properties will be leasing up in 2021 and we want to ensure the lease up of those buildings goes as smoothly as possible and that there is assistance available to those who need it.</p>
<p>Local, Non-Traditional</p>	<p>THA currently invests in two local non-traditional housing programs that are administered through Pierce County. The county is responsible for allocating THA's investment to local rapid rehousing providers. Depending on the capacity of county and local providers to utilize and allocate these funds, there may be issues related to fully utilizing the allocated amount. THA will work closely with Pierce County to monitor the contract amount and the number of households served and will plan accordingly for unused funds.</p>

WAITING LIST INFORMATION

Waiting List Information Anticipated

Snapshot information of waiting list data as anticipated at the beginning of the Plan Year. The “Description” column should detail the structure of the waiting list and the population(s) served.

WAITING LIST NAME	DESCRIPTION	NUMBER OF HOUSEHOLDS ON WAITING LIST	WAITING LIST OPEN, PARTIALLY OPEN OR CLOSED	PLANS TO OPEN THE WAITING LIST DURING THE PLAN YEAR
THA Consolidated Waitlist	Other/ Consolidated waitlist for THA voucher programs and THA site-based waiting list	1,900	Closed	No

Please describe any duplication of applicants across waiting lists:

N/A

Planned Changes to Waiting List in the Plan Year

Please describe any anticipated changes to the organizational structure or policies of the waiting list(s), including any opening or closing of a waiting list, during the Plan Year.

WAITING LIST NAME	DESCRIPTION OF PLANNED CHANGES TO WAITING LIST
THA Consolidated Waitlist	THA anticipates launching an online client portal as part of its website redesign. Through this portal applicants can check their status, update their information and check-in. Upon a successful launch of this online portal, THA will require applicants to check-in quarterly. Applicants who do not check-in will be removed from the waiting list. The check-in policy will be a change to THA's current waiting list policies. The online portal will also enable THA to help applicants become renter ready prior to an offer of housing to ensure applicants are qualified and eligible.

Section III. Proposed MTW Activities

N/A

Section IV. Approved MTW Activities

1. Extend Allowable Tenant Absences From Unit For Active Duty Soldiers

THA proposed and implemented this activity in 2011. THA modified its policy for terminating households who were absent from their unit for more than 180 days. Modifying the policy was necessary to account for households with adults called to active duty from retirement, from the reserves, or national guards. THA's programs have a number of reserve or guard military families because of close proximity to Fort Lewis, one of the nation's largest military bases. Active duty may force a household to be absent from their assisted unit for more than 180 days than the normal rules allow, leaving them without housing assistance when the service member returns home. Although the question of having to terminate such a household of service men and women arose only a few times during the war and although THA managed to avoid such terminations with an artful understanding of the rules, even the prospect of terminating these households is too unsettling even to risk. This activity allowed THA to make the following policy revisions:

- Allow a previously assisted household returning from deployment to request reinstatement within 90 days from the date they return from deployment.

Status Update: THA has not needed to exercise this flexibility since 2010 but, since Tacoma is home to one the nation's largest military bases, THA wants to be ready if this issue arises again.

Planned Non-Significant Changes: THA does not anticipate any changes to this activity during the Plan year.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the baselines or benchmarks during the plan year.

Planned Significant Changes: THA does not anticipate any significant changes to this activity during the Plan year.

3. Local Project-Based Voucher Program

THA proposed this activity in 2011. THA implemented parts of the program in 2011, and to date, it has implemented most of the activity except that THA has not yet exceeded the cap on PBVs in its own developments. This program introduced several changes to the way THA operates the project-based voucher program. They are as follows:

- **Remove 20% cap on project-based voucher for THA developments**

Traditionally, HUD mandates that PHAs not spend more than twenty (20) percent of their Annual Budget Authority (ABA) toward Project Based Vouchers. THA received permission through MTW to go above this threshold toward PBVs in projects owned and operated by the agency.

THA removed the cap on project-based vouchers for its own developments which will allow THA to finance more developments in the future.

- **Established a reasonable competitive process and contract terms for PBV assistance**

THA established a reasonable competitive process and contract terms, including the length of the contract, for project-basing HCV assistance at units owned by for-profit or non-profit entities. Units must meet existing HQS or any standard developed by THA and approved by HUD pursuant to the requirements of this Restated Agreement.

- **In-house Housing Quality Standards (HQS) inspections**

THA began conducting Housing Quality Standards (HQS) inspections on units it owns or has interest in.

- **Modified Choice Mobility options for non-RAD, PBV households**

THA used this flexibility to waive the Choice Mobility option for PBV households in previous years. THA's board approved policy changes that would allow all PBV holders to exercise CM given that households meet the following conditions: 1) in good status/no debts owed; 2) one-time use policy 3) required pre-issuance counseling; 3) unpaid tenant charges could result in termination of voucher assistance.

- **Streamline PBV program**

In 2018, THA modified the activity by waiving the per project cap on a case-by-case basis for projects, including those not owned by THA; and allowing individual project owners to manage their own waiting lists. The changes

have allowed THA to streamline many parts of the project-based program that were inefficient or unfair to those on the waitlist.

Status Update: THA will maintain the cap in projects not owned or operated by the agency. Below are the percentages of THA's ABA toward both types of PBV subsidy:

PBVs in THA Properties* (1,690 units): 20.3%

PBVs in THA Partner Properties (390 units): 6.3%

Together, THA spends roughly twenty-seven (27) percent of its ABA towards PBVs.

*Includes RAD PBV

Planned Non-Significant Changes:

Emergency Operations: As learned through the COVID-19 pandemic THA may need to implement temporary changes to its activities to ensure continuity of operations and respond to the needs of THA staff, participants and the general public. In continued response to the current pandemic and planning for the need of emergency operations in the future, THA may implement temporary changes to its MTW activities.

During declared (national, state, local or by Executive declaration) disasters, emergency or other situations affecting the health and/or safety of staff, participants and the general public. THA may temporarily implement the following changes to this activity:

- **Defer end of participation dates:** THA will delay the end of participation for households when due to program time limits for a specified period of time as determined by the circumstances and need of the agency during a state of emergency.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the baselines or benchmarks during the plan year.

Planned Significant Changes: THA does not anticipate any significant changes to this activity in the Plan year.

4. Allow Transfers Between Public Housing and Voucher Waitlists

This activity was proposed and implemented in 2011. THA created transfers to make it easier for families to move to a unit that better meets their needs. Households on the public housing transfer list can be issued a voucher if there are no units that meet their needs. The activity has made it easier for reasonable accommodation clients to find units that meet their needs. THA is continuing to look into ways to help clients on our transfer list find units that better meet their needs

Status Update: THA has not needed this flexibility as only 4 public housing units remain and transfers between units have not been necessary. THA will close this activity when there are no remaining public housing units.

Planned Non-Significant Changes: THA anticipates that this activity will be closed out after the agency's public housing portfolio has been converted to RAD.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the baselines or benchmarks during the plan year.

Planned Significant Changes: THA does not anticipate any significant changes to this activity in the Plan year.

5. Local Policies for Fixed-Income Households

THA proposed and implemented this activity in 2012. THA used local policies to implement rent reform for fixed income households in 2012. This plan applies to households in which all adult members are either elderly or disabled and at least 90% of total household income comes from a fixed source such as social security, SSI, or pension. These households are subject to the following rent policy:

- Eliminate elderly/disabled deduction;
- Eliminate dependent deduction;
- Eliminate medical deductions below \$2500 and implement bands;
- Implement 28.5% TTP to help offset the elimination in the elderly/disabled deduction and simplification of medical expense allowances;
- Implement a tiered rent model based on adjusted income bands;
- Implement local verification policies as outlined in Activity 7;
- Implement minimum rent of \$25 (and therefore eliminate utility allowance reimbursements).

THA's hardship policy for MTW-HCV households states that households may submit a written request for a hardship exemption if they are paying the minimum rent but are no longer able to do so due to financial hardship. For MTW elderly/disabled households they must meet one of the following requirements: (1) income changes will require household to pay more than 40% of their income as rent; or (2) household has zero income. THA's hardship policy also required households to obtain third-party documentation to show that they had applied for other hardship programs. THA recognized that this was an unnecessary burden for households and made it extremely difficult for households who income-qualified for a hardship to receive one. In 2020, THA has revised its hardship policy to remove the third-party documentation requirements.

Status Update: THA continues to see time and cost savings due to streamlined processes provided through this activity. As of April 2020, THA has adopted a new payment standard schedule which will increased payment standards by 10%. This was

approved by THA’s Board based on the data that shows a slight decrease in the vacancy rates, increased shopping days, and twice the amount of rent increase requests.

Planned Non-Significant Changes:

Emergency Operations: As learned through the COVID-19 pandemic THA may need to implement temporary changes to its activities to ensure continuity of operations and respond to the needs of THA staff, participants and the general public. In continued response to the current pandemic and planning for the need of emergency operations in the future, THA may implement temporary changes to its MTW activities.

During declared (national, state, local or by Executive declaration) disasters, emergency or other situations affecting the health and/or safety of staff, participants and the general public. Based on the circumstances of the emergency, THA may temporarily implement any of following changes to this activity:

- **Implement emergency verification policies:** During times of declared emergencies, THA will implement the emergency operations verification policies as outlined in the “Local Income and Asset Verification Policy” activity. This will include treating all forms of verifications equally and allowing participants to self-certify over the phone, by e-mail or other means in lieu of a signature. During normal operations and times of emergency, THA maintains internal controls to ensure program compliance and integrity, such as using EIV to verify income.
- **Extend regular recertification due date:** THA will extend the validity of the household’s most recent completed recertification by one year. The recertification will be due one year from the original due date.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the baselines or benchmarks during the plan year.

Planned Significant Changes: THA does not anticipate additional authorizations for this activity during the Plan year.

6. Local Policies for Work-Able Households

This activity was proposed and implemented in 2012. Local policies for work-able households are very similar to the fixed income activity with minor differences. THA used this activity to implement rent reform for work-able households. Under this plan work-able households are subject to the following rent policy:

- Complete recertification reviews once every 2 years instead of every year (biennial recertifications) with no “off-year” COLA-related rent adjustments unless interim is triggered;
- Eliminate dependent deduction;
- Eliminate medical deductions below \$2500 and implement bands;
- Implement 28.5% TTP to help offset the dependent deduction;
- Implement a tiered rent model based on adjusted income bands;
- Implement local verification policies as outlined in Activity 7;
- Implement minimum rent of \$75 (and therefore eliminate utility allowance reimbursements).

This above rent policy allows THA to streamline the process of rent calculations and annual reviews. THA is not running off year reviews. THA has made changes to forms and documents in order to administer the rent reform program successfully. THA continues to see staff time and cost savings because of the biennial review schedule.

THA’s hardship policy for MTW-HCV households states that households may request in writing a hardship exemption if they are paying the minimum rent but are no longer able to do so due to financial hardship. For MTW work-able households they must meet one of the following requirements: (1) income changes will require household to pay more than 50% of their income as rent; or (2) household has zero income. THA also requires that MTW work-able households show that they have applied for unemployment. THA’s hardship policy previously required households to obtain third-party documentation to show that they had applied for other hardship programs. THA recognized that this was an unnecessary burden for households and made

it extremely difficult for households who income-qualified for a hardship to receive one. THA removed this verification requirement.

Status Update: In 2019, 398 households had at least one member employed full time and 258 households had at least one member employed part time.

Effective April 2020, THA has adopted a new payment standard schedule increasing the payment standards by 10%. This was approved by THA’s Board based on the data that shows a slight decrease in the vacancy rates, increased shopping days, and twice the amount of rent increase requests.

As of September 2019, Tacoma’s vacancy rates are as follows:

	Low-Income	Affordable Market	Market Rate	Out of Downtown Tacoma
Vacancy Rate (%)	2%	3%	2%	5%
Average Rent (\$) 2 bd	\$1052	\$1353	\$2265	\$1175

Planned Non-Significant Changes: THA does not anticipate any non-significant changes to metrics or data collection during the plan year.

Emergency Operations: As learned through the COVID-19 pandemic THA may need to implement temporary changes to its activities to ensure continuity of operations and respond to the needs of THA staff, participants and the general public. In continued response to the current pandemic and planning for the need of emergency operations in the future, THA may implement temporary changes to its MTW activities.

During declared (national, state, local or by Executive declaration) disasters, emergency or other situations affecting the health and/or safety of staff, participants and the general public. Based on the circumstances of the emergency, THA may temporarily implement any of following changes to this activity:

- **Implement emergency verification policies:** During times of declared emergencies, THA will implement the emergency operations verification policies as outlined in the “Local Income and Asset Verification Policy” activity. This will include treating all forms of verifications equally and allowing participants to self-certify over the phone, by e-mail or other means in lieu of a signature. During normal operations and times of emergency, THA maintains internal controls to ensure program compliance and integrity, such as using EIV to verify income.
- **Extend regular recertification due date:** THA will extend the validity of the household’s most recent completed recertification by one year. The recertification will be due one year from the original due date.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the baselines or benchmarks during the Plan year.

Planned Significant Changes: THA does not anticipate any significant changes to this activity in the Plan year.

7. Local Income and Asset Verification Policy

THA proposed and implemented this activity in 2011. THA implemented the following policies:

- Allow tenants to self-certify assets valued at less than \$25,000;
- Disregard income from assets valued at less than \$25,000;
- Eliminate earned income disallowance (EID);
- Exclude resident stipends up to \$500;
- Accept hand-carried, third-party verifications and increase number of days verifications are valid up to 180 days;
- Extend the authorization of the HUD-9886 form.

These changes allowed THA to further streamline inefficient processes and save both staff time while reducing the burden on clients to provide information that made little difference in rent calculation.

Status Update: The activity has been successful and THA has seen 100% time and cost savings most years by no longer having to verify income in the stated cases. Prior to this activity, staff used about 967 hours each year to verify income from assets. In 2019, staff used 2 hours in the year to verify income from assets.

Planned Non-Significant Changes:

Emergency Operations: As learned through the COVID-19 pandemic THA may need to implement temporary changes to its activities to ensure continuity of operations and respond to the needs of THA staff, participants and the general public. In continued response to the current pandemic and planning for the need of emergency operations in the future, THA may implement temporary changes to its MTW activities.

During declared (national, state, local or by Executive declaration) disasters, emergency or other situations affecting the health and/or safety of staff, participants and the general public. THA may temporarily implement the following changes to this activity:

- **Weigh all forms of income verification equally:** THA will accept self-certifications for income with equal weight as other forms of income verifications. THA will allow households to self-certify over the phone, by e-mail or other means in lieu of a signature.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the baselines or benchmarks during the Plan year.

Planned Significant Changes: THA does not anticipate additional authorizations for this activity during the Plan year.

8. Local Interim Processing and Verification Policies (HCV/PH)

THA proposed and implemented this activity in 2011 to streamline the interim review process. THA found that parts of its interim policy were causing more work than necessary. With MTW flexibility THA revised its interim processing and verification policies in the following ways:

- THA will no longer require an interim increase for every income increase reported;
- THA will only process interim decreases when the income loss is 20% or more and is expected to last more than 90 days;
- THA will accept all interims online.

Status Update: THA will keep the 20% rule because it has been the major factor in the reduction of interims processed. THA has seen staff time cut in half since implementation of this activity. THA has reduced staff time processing interims by at least 50% since the implementation of this activity.

Planned Non-Significant Changes: THA does not anticipate any modifications to the baselines or benchmarks during the Plan year.

Emergency Operations: As learned through the COVID-19 pandemic THA may need to implement temporary changes to its activities to ensure continuity of operations and respond to the needs of THA staff, participants and the general public. In continued response to the current pandemic and planning for the need of emergency operations in the future, THA may implement temporary changes to its MTW activities.

During declared (national, state, local or by Executive declaration) disasters, emergency or other situations affecting the health and/or safety of staff, participants and the general public. Based on the circumstances of the emergency, THA may temporarily implement any of following changes to this activity:

- **Remove 90-day and 20% rule requirements:** During states of emergencies, THA will remove the 90-day requirement and the 20% rule for processing interims for income decreases.

- **Implement emergency verification policies:** THA will implement the emergency operations verification policies as outlined in “Local Income and Asset Verification Policy” activity. This will include treating all forms of verifications equally and allowing participants to self-certify over the phone, by e-mail or other means in lieu of a signature.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the baselines or benchmarks during the Plan year.

Planned Significant Changes: THA does not anticipate additional authorizations for this activity during the Plan year.

11. Simplified Utility Allowance

THA proposed and implemented this activity in 2011. This activity streamlined the utility allowance credit given to housing choice voucher and public housing clients. Utility allowances varied by building type, bedroom size, and type of fuel/energy used. These variables resulted in numerous possible utility allowance combinations that are difficult to explain to property owners and clients, and often result in methodological misunderstandings. In addition, HUD determined that incorrectly calculated utility allowances are one of the most common rent calculation errors in the country.

The Housing Authority has calculated the average utility allowance currently provided to housing choice voucher and public housing program participants, and revised allowances. The revision provides each household responsible for tenant supplied utilities with the average allowance based upon unit bedroom size. Households have a more simplified explanation of utility allowance benefits and the Housing Authority staff now selects an allowance based only on unit size instead of determining individual allowances for every unit leased.

Status Update: THA continues to see significant staff time saved each year because of this activity.

Planned Non-Significant Changes: THA does not anticipate any changes to this activity during the Plan year.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the baselines or benchmarks during the Plan year.

Planned Significant Changes: THA does not anticipate additional authorizations for this activity during the Plan year.

12. Local Port-Out Policy

THA proposed and implemented this activity in 2012. THA put limits on outgoing portability except for households that need to move out of the jurisdiction due to reasonable accommodation, employment, situations covered underneath the Violence Against Women Act (VAWA), and education. THA also allows a family to port-out if the receiving housing authority absorbs the voucher. The policy intends to cut back on the number of invaluable housing dollars leaving Tacoma and to cut back on the burden of administrating port outs while preserving portability in enumerated cases where it would advance important program goals.

Status Update: THA continues to see significantly less port-outs compared to the number of port-outs prior to this activity's implementation (baseline of 325 households). In 2019, 200 clients moved out of THA's jurisdiction. This is slightly higher than the year before. Tracking the number of clients leaving our jurisdiction provides an indicator that could mean they are searching for an affordable unit elsewhere.

Planned Non-Significant Changes: THA does not anticipate any modifications to the baselines or benchmarks during the Plan year.

Planned Changes to Metrics/Data Collection: THA does not anticipate any changes to the baselines or benchmarks during the plan year.

Planned Significant Changes: THA does not anticipate additional authorizations for this activity during the Plan year.

15. Regional Approach for Special Purpose Housing

THA proposed this activity in 2012 and implemented it in 2013. THA uses this activity to collaborate with Pierce County Community Services and other agencies in addressing housing related needs in our area. THA seeks to make affordable housing available to households that would not likely be admitted or adequately served through traditional methods. These partnerships allow THA to administer funding to community partners who in turn administer the program. These providers must meet basic criteria, including all requirements of PIH Notice 2011-45.

In the last year, this activity has expanded and operates in three ways. The following are the ways THA has used this flexibility to serve homeless families in Tacoma:

1. Investment in Pierce County's Rapid Rehousing programs:

Under this activity THA has invested \$1.288 million dollars into Pierce County's homeless system for families and young adults. Through this investment THA has been able to serve homeless and at-risk of being homeless families, unaccompanied youth and young adults in the Tacoma/Pierce County area. Without the ability to operate these local, non-traditional programs, THA would not be able to serve these households when they need housing assistance the most. The families and youth served through these programs receive short-term rental assistance through the County's Rapid Rehousing programs and receive supportive services necessary to stabilize the participating households. Starting in late 2018, THA counts households served under this activity as "served" six months post participation. THA's partners report that THA funded service providers still provide assistance (particularly case management to ensure sustained stability in their housing), to households up to six months post program participation. Households are allotted a six-month period, similar to the "hold" voucher holders are permitted after being notified of a pending End of Participation (EOP). This provides a safety net for Rapid Rehousing households who often continue to need assistance after their housing assistance has ended. This allows families to receive the services they need without requiring them to re-enter the Coordinated Entry.

2. Tacoma Public Schools Housing Assistance Program (TSHAP):

In addition to THA's investment into Pierce County's Rapid Rehousing programs, THA also will merge its Tacoma Public Schools Housing Assistance Program (TSHAP), which was formerly known as Elementary School Housing Assistance Program (ESHAP) activity within this activity. Initially, ESHAP provided deep rental subsidies tied to supportive services to house and stabilize homeless families enrolled at McCarver Elementary. THA developed this program at one school

site with the intention to later expand this program to other schools within the Tacoma school district. In order to do so, THA understood that it must change its program model to be sustainable under the expressed need of the community to serve more families.

In pursuit of redesigning the program, THA consulted widely with its community and community partners to inform the future direction of ESHAP. The results of community consultation have led THA plan to expand this program across the entire school district, including all grade levels. It has also led THA to explore a partnership with Tacoma Public School District (TPS), Pierce County Human Services (PCHS) and its Coordinated Entry system. THA and its partners hope to establish an entry point for Tacoma Public School families who identify as McKinney-Vento (homeless) into a Coordinated-Entry-like system. THA will plan to fund the housing assistance dollars and TPS will contribute dollars for family services to allow PCHS to administer this program. TPS will develop procedures to identify and refer homeless families to the Coordinated Entry provider. PCHS will search and identify a service provider who will assess the families and enroll them into housing programs such as Rapid Rehousing. Through evaluation and community research, THA believes this model to support the desired needs of the community to assist families experiencing housing insecurity, be most cost-effective and systematically sustainable.

Status Update: THA’s investment into Pierce County’s Rapid Rehousing programs continues to be a valuable partnership. In 2019, this investment served 216 unique families, unaccompanied youth and young adults who were experiencing homelessness. In 2016, THA designated one of its Public Housing scattered site units to provide shelter to homeless and unaccompanied youth in Tacoma and Pierce County. While the site will no longer be used for this purpose in 2021, THA will keep it in its portfolio for the mid-term. This site falls within a current approved disposition plan which will now be extended to 2023.

Planned Non-Significant Changes: THA does not anticipate any non-significant changes to this activity for the Plan year.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the baselines or benchmarks during the plan year.

Planned Significant Changes: THA does not anticipate any significant changes to this activity for the Plan year.

16. Creation and Preservation of Affordable Housing

This activity was proposed in 2012 and implemented in 2012. This activity is to preserve and create affordable housing units under MTW. These units would be affordable housing units, not public housing and there will not require an operating subsidy. This activity was re-proposed in 2019 to include the use of MTW funds for Property-Based Rental Subsidies.

This initiative would allow THA to use its MTW funds to provide low-income families the opportunity to reside in safe, decent, and sanitary housing paying affordable rents. These affordable housing units can be any bedroom size and will be located WITHIN the City of Tacoma and may be acquired or created by THA to be rented to families at or below 80% AMI. THA intends to allow eligible low-income families to reside in these units. All households would require HQS inspections per PIH Notice 2011-45. THA also recognizes that this entire activity is under the parameters of PIH Notice 2011-45 under the category of Rental Subsidy Programs. THA will abide with PIH Notice 2011-45 when implementing this activity. THA seeks to increase housing choices for low-income families using as many avenues as possible. This MTW activity allowed THA to activate its broader uses of funds ability so the agency could spend MTW dollars on the construction and acquisition of affordable housing units. THA uses this flexibility in various ways. The following details how THA has used MTW flexibility on the construction and acquisition of affordable housing units:

1. Property-Based Rental Subsidies

This activity will include the use of MTW funds for Property-Based Rental Subsidies to make contributions to properties that agree to make units available at a rental price affordable to very low-income households. Under this activity, THA would contract with properties owned in whole or in part by THA or with other private owners. Under these contracts, owners would agree to set rents at prices affordable to households making up to 50% of area median income (AMI). Rents would not be based on tenant income but rather would be fixed rents with fixed subsidies based on the AMI restrictions set by unit or by property. Owners agreeing to make units affordable to households earning 30% of AMI may receive subsidies that are higher than properties set aside for households earning 50% of AMI. The rents and subsidies would be set based on a negotiated contract where the tenant contribution plus the subsidy would not exceed the market value of the unit based on a rent comparability study. HUD Fair Market Rents will not be used to set rents.

During the application and negotiation process the property owner commits to serve households below 30%, 40% and/or 50% of the area median income (AMI) (see table below for these income levels). Based on the income levels

chosen, the property owner advertises its vacancies at rents equal to the maximum rents for the low-income housing tax credit program for each income level. 2018 maximum rents are shown on the table below:

Set-aside Percentage	Studio	1-Bedroom	2-Bedroom	3-Bedroom	4-Bedroom	5-Bedroom
30%	392	420	504	582	649	716
35%	457	490	588	679	757	836
40%	523	560	672	776	866	955
45%	588	630	756	873	974	1074
50%	653	700	840	970	1082	1194
60%	784	840	1008	1164	1299	1433

Households living in these properties would not use other THA subsidies to assist with rent.

2. Acquisition

THA will acquire existing rental housing where THA doesn't have a strong presence is being pursued. Acquiring existing rental housing that is affordable to households earning 80% or less of the AMI is one of THA's rental housing preservation strategies. These properties are acquired with a combination of bond, HOME, CDBG local impact investors and THA resources. For future new, or re-developments THA intends to use GCCM or design build as a form of design and/or construction procurement for construction projects.

THA plans to use MTW dollars to pursue the following projects that are in THA's Real Estate Development pipeline:

- **Housing Hilltop**

Housing Hilltop will provide 4-8 story buildings with a mix of retail and/or commercial space on the ground floor and a mix of very low income and workforce housing units (up to 60% of AMI) in a mix of bedroom configurations. Most of the units will be 1 and 2-bedrooms although some larger sized units will also be included for large families. The four buildings will have some shared amenities and parking. The four parcels share an alley which THA plans to include as active space by doing creative alley activation projects to enhance the living experience for residents and to build community in the neighborhood. Financing would likely be a combination of THA unrestricted funds, private debt and tax credits program sources.

Phase I will be 57 studio units of permanent supportive housing for individuals exiting homelessness. This project will be done with a local non-profit partner. Phase II will be orientated toward low income individuals and families in a mix of studio, 1-, 2- and 3-bedroom units.

This neighborhood is rapidly changing and signs of gentrification and displacement are evident. The goal is to provide housing for those who are in danger of or who have been displaced. With its close proximity to downtown and the hospitals, its many current and future mass transit options, and the neighborhood’s colorful history as an artist community, THA’s new units will provide affordable housing to low wage earners close to transit and employment and serve as a catalyst for growth and development of Hilltop. It will also help this gentrifying area remain affordable to lower income households.

- **The 1800 Hillside Terrace**

This activity was used in 2012 to help with the development of Bay Terrace, formerly Hillside Terrace. Phase 1 (2014) and Phase II (2017) for Bay Terrace are completed and the units are being occupied. THA will complete the third phase of Hillside Terrace redevelopment plan. The Rise on 19th (Phase III) will continue the theme of a strategic investment in the Hilltop neighborhood through the production of high quality, well designed multifamily units that integrates into the neighborhood, takes advantage of public transit and ensures that affordable rental housing will be available in the neighborhood for years to come. The Rise on 19th will provide an additional 64 rental housing units in a mixed-income setting.

The Rise on 19th

	1-BR	2-BR	TOTAL
Low Income	24	12	36
Homeless	8	6	14
Disabled	8	6	14
TOTAL	40	24	64

A set-a-side of 20% of the units will serve individuals with disabilities, an additional 20% set-a-side will serve households experiencing homelessness and 28 units will be filled with families with children.

The unit mix will consist of 1- and 2-bedroom homes affordable to households earning between 30% and 60% AMI. A 20% special needs set-a-side is programmed for persons with disabilities and another 20% will be for individuals/small families experiencing homelessness. THA has committed to provide Project Based Section 8 vouchers for the entire project.

- **The Trees**

THA is in the process of exercising its Right of First Refusal to acquire 307 units in three different locations. These properties were financed using LIHTC and bonds and have Project Based Rental Assistance (PBRA) attached to them. Upon completing the transaction, THA will evaluate the properties for further capital needs and prepare a refinancing strategy to address deferred maintenance and end of useful life systems in the buildings. Within this project, THA proposes to use \$2 million of HUD restricted funds from the proceeds from THA's disposal of 33 public housing scattered sites to pay for the acquisition of Conifer South Apartments and some modest renovation. Conifer South Apartments will provide 32-units of affordable housing to elderly households initially earning up to 50%AMI with PBRA rental assistance. and will have LIHTC and PBRA rental assistance. HQS inspections will be required as part of the PBRA contract and subsequent extensions.

- **Intergenerational Housing**

THA continues to explore an intergenerational housing project and may consider developing this project at Hillside Heights. a development project that will serve a multigenerational community where traumatized children receive love and care from kinship and adoptive parents and live in a community with seniors who by living there agree to be respite care givers, honorary grandparents and tutors to the families. There are more 3,100 children in foster care who need a forever family, a record number of elders who want to stay connected, and parents and families who need support to raise these very special children. This development will be built on a foundation of community services in support of the community. THA will work in partnership to begin planning for this project.

- **James Center North**

THA acquired a 7-acre retail and commercial area that is a good transit-oriented development opportunity. It is also directly across the street from the Tacoma Community College. THA has completed a master planning process for this

property. Up to 600 units may be developed on this location. THA expects to develop 150 units of housing affordable to households earning 60% or less of the Area Median Income. The balance of the housing will be developed by private sector partners who purchase the land and develop in accordance with the Master Plan Design guidelines. These multifamily properties will offer a mix of commercial and retail space, along with market rate rental housing. It is anticipated that this development will add households sufficient to support the retail and commercial spaces, while offering a high quality, mixed income project that will add vitality to the neighborhood.

- **1500 Block**

THA proposes to redevelop a property referred to as the 1500 Block. This property will be redeveloped with one and two-bedrooms that are conducive to low income individuals and small households using LIHTC.

Status Update:

Property-Based Rental Subsidies: THA has placed property-based subsidies in seven (7) different properties – preserving 344 affordable housing units. Two of the properties provide housing and services to Medicaid eligible seniors in need of dementia care. The remaining five provide housing to local college students who are experiencing homelessness. The PBS programs helps strengthen THA’s Education Initiatives by providing a reliable source of housing for local college students experiencing homelessness.

Housing Hilltop: In 2021, THA will enter into a ground lease and partnership agreement with Horizon Housing Alliance. As part of this partnership, Horizon will develop, own and manage 57 studio and one-bedroom units for permanent supportive housing. Design will be consistent with the Design the Hill Master Plan that was the outcome of an extensive community process. In addition, THA will develop the remaining three properties it owns in the Hilltop with studio, one, two- and three-bedroom homes that are affordable to household earning up to 60% of the Area Median Income. Financing for the projected 200-239 units will be a combination of tax-exempt bonds, 4% LIHTC and THA managed funds. As proposed, this project will be developed with a private sector partner.

The 1800 Hillside Terrace: Phase III, which will be known as The Rise on 19th was completed in 2020. Although 2020 has been a year of interruptions and uncertainty, development of the Rise 19th remained on track and will begin leasing as scheduled in late 2020 and early 2021. THA also converted 11 PBV units to HUD-VASH PBV to address the HUD-VASH voucher challenges

and the growing homeless population in Tacoma. Certificate of Occupancy for the project is expected in September 2020 and lease up will commence immediately.

Acquisition: THA will strongly pursue new acquisition or development opportunities to find opportunities to create or preserve affordable housing; or can generate a profit.

Intergenerational Housing: Currently, the site planned for this use is being used as a temporary location for a tiny house village. THA is still exploring an intergeneration project at another site.

Planned Non-Significant Changes: THA does not anticipate any changes to this activity during the Plan year.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the metrics or data collection during the Plan year.

Planned Significant Changes: THA does not anticipate any significant changes to this activity for the Plan year.

17. Housing Opportunity Program (HOP)

THA proposed this activity in the 2013 MTW plan and implemented it in 2013. THA re-proposed HOP in the 2014 plan because of changes to the program that required additional authorizations. These changes included allowing for longer voucher times and flexibility in lease requirements, allowing participants to self-certify their income during the review process and allowing participants to lease up in shared housing units or to rent from relatives. Program requirements were also re-proposed in the 2014 plan. The changes included that applicants must be at or below 50% AMI to qualify, the age of elderly was defined as 57 for HOP only, and that participants will income out once they reach 80% AMI and will receive 90 days of continued assistance.

All new admissions to the tenant-based voucher program receive a HOP subsidy. A HOP subsidy is a fixed subsidy as opposed to a subsidy based on income. That includes senior/disabled households. Work-able households have a five-year time limit on their assistance. Households experiencing a hardship may apply for a three (3) month extension for an unforeseen loss of income or up to one (1) year to complete a qualifying self-sufficiency activity. Senior/disabled households do not have a time limit. HOP households have annual reexaminations so THA can monitor the earned income and compare it to its other programs. There are no interim exams in this program. THA does not permit port outs for this program except for domestic violence issues covered by VAWA, Reasonable Accommodations or if the receiving PHA will absorb the voucher. The goal of the program is to help our participants achieve true self sufficiency by assisting them with their housing needs for a specific term and to give other waiting households a turn to receive assistance. An example of the fixed subsidy is below:

HOP SUBSIDY AMOUNT FY 2021					
Voucher Size (Bedrooms)	1	2	3	4	5
MTW Subsidy Amount (50% of payment standards)	\$483	\$633	\$915	\$1,111	\$1,278

In 2017, THA implemented a new hardship policy for work-able HOP households. HOP's extension/hardship policy may grant up to one year of additional rental assistance to households actively enrolled in a self-sufficiency activity that will likely increase the household's earned income (activities may include a degree program, FSS, or vocational certificate). To be eligible, a household must also be extremely rent-burdened (>50%) without rental assistance (according to the payment standard). THA also provides a 90-day unexpected loss of income hardship extension for households who experience an unforeseen loss of income within 90 days prior to exit.

Through the use of targeted funding, THA also provides a limited number of HOP subsidies to two programs: the College Housing Assistance Program (CHAP) and the Children's Housing Opportunity Program (CHOP). Descriptions of these programs follow:

CHAP: THA partnered with the Tacoma Community College (TCC) where THA provides rental assistance to homeless and near homeless students at the community college. TCC provides services designed to help the families succeed so they are ready to be independent of housing subsidies after graduation. The program offers the same fixed subsidy as the HOP program and has a five (5) year limit on assistance. Graduates are considered a success and are given up to an additional 12 months of assistance (not to exceed the five-year limit). The community college handles eligibility and compliance. Participants must be an active student at the community college. Students must remain enrolled and making progress towards a degree or certificate. Since its launch, 143 households have been enrolled in this program. In 2020, THA's Board of Commissioners approved allowing CHAP voucher holders to transfer to UW Tacoma and maintain their rental assistance. CHAP also includes 25 set-asides of the 75 CHAP vouchers for students who are incarcerated and wish to continue their studies at TCC upon release. This is a partnership with TCC and the Department of Corrections for Washington State and is planned to launch early 2021.

CHOP: THA partnered with the Department of Social and Health Services (DSHS) to provide rental assistance to families who need housing to prevent or shorten their child's foster care placement or to house a teenager aging out of foster care who otherwise would begin his or her adulthood as a homeless person. Eligible families that are participating in Family Recovery Court will receive priority for CHOP vouchers.

Status Update:

HOP: To date, there are 484 active HOP participants (209 work-able and 275 elderly/disabled). Generally, the HOP has allowed THA to serve 20% more families than it would have with traditional Section 8 vouchers. At implementation, it was anticipated that shorter time-limits and lower subsidies would incentivize employment for work-able families. However, the average annual incomes of HOP households and HCV households both entering and leaving their associated programs do not show a statistically significant difference. They are nearly the same. And yet, while on program HOP households take longer (FY 2019: 46.2 days for HCV and 62 days for HOP) to secure housing which could indicate the subsidy is not keeping up with the rental market. Tacoma's rental market requires a full-time hourly wage of \$27.78 to afford a modest two-bedroom apartment just above the national wage of \$22.96. In contrast, for example, Tacoma's minimum hourly wage is \$13.50 (the state of Washington's 2018 minimum wage is \$11.50).

Data from 2020 indicates that income gains between HOP work-able households and traditional Section 8 work-able households are about the same and HOP households stay on program for significantly less time (the reason is unclear but other MTW agencies with time-limited programs have similar outcomes). More than 50% of HOP households exit the program with dangerously high market rent burdens; although for the first time, in 2019 43% of HOP exits had market rent burdens less than 50%.

HOP fifth-year co-hort: In 2020, 24 work-able households are on their fifth and final year on program. Their average wages are \$25,424 with all HOP work-able households at \$31,528 for full-time employment and \$11,937 for those working part-time. Of those who are work-able, 35 households started program with average wages at \$5,260 and increased to \$23,967 by the fifth year.

In 2020, 29 HOP households were on an active hardship extension due to COVID-19 and 8 due to active participation in a self-sufficiency program. There were no households on a hardship extension due to an unexpected loss of income in 2020.

There may be non-significant changes in 2021. An internal HOP evaluation is underway which may result in changes to the time limits, subsidy amounts or other considerations.

CHAP: To date, there are 68 active CHAP voucher holders. To date, the average earned wages for CHAP participants are less than general HOP participants but this is expected since being homeless is an eligibility requirement for CHAP.

In early 2020, THA expanded the property-based subsidy portion of CHAP to a fourth property. This added an additional 64 units to house homeless and near-homeless college students attending TCC or UW Tacoma. With this expansion, the CHAP partners agreed to revise the program requirements and condition property-based subsidies on enrollment and academic progress. The new and revised program requirements are expected to be approved and implemented in fall of 2020. However, some program requirements have been waived in response to COVID and may continue to be until instruction returns to normal. In early 2021, TCC and DOC will begin the launch of DOC-CHAP (to be re-named prior to launch). This program will help house students exiting prison who plan to continue their studies at TCC. The program intends to serve five students per quarter.

CHOP: To date, there are 16 active CHOP households with an overall average wage of \$13,403 but \$29,192 for those working full-time.

For CHOP-eligible families that are also participating in Family Recovery Court, they will receive priority for CHOP assistance. Within this program, a sitting Pierce County Superior Court Judge assigned to the Family Recovery Court will have the sole authority to grant households access to this program. The judge will also have sole authority in deciding when the assistance will end and whether the household achieved a successful exit. Households that reach a successful exit will be given a preference for a regular Housing Opportunity Program subsidy. CHOP will continue to serve other eligible families involved in the child welfare system.

THA may also provide support to Amara, a non-profit that serves children and families involved in the foster care system, as they seek a “Keeping Families Together” grant from the Corporation for Supportive Housing (CSH). THA may commit a few CHOP vouchers to support Amara in this work.

Planned Non-Significant Changes: THA is considering non-significant changes to the HOP but has not determined the specifics at this time.

Emergency Operations: As learned through the COVID-19 pandemic THA may need to implement temporary changes to its activities to ensure continuity of operations and respond to the needs of THA staff, participants and the general public. In

continued response to the current pandemic and planning for the need of emergency operations in the future, THA may implement temporary changes to its MTW activities.

During declared (national, state, local or by Executive declaration) disasters, emergency or other situations affecting the health and/or safety of staff, participants and the general public. THA may temporarily implement the following changes to this activity:

- **Defer end of participation dates:** THA will delay the end of participation for households when due to program time limits for a specified period of time as determined by the circumstances and need of the agency during a state of emergency.

Planned Changes to Metrics/Data: THA does not anticipate any significant changes to this activity in the Plan year.

Planned Significant Changes: THA does not anticipate any significant changes to this activity for the Plan year.

18. Elimination of the 40% Rule

THA proposed this activity in the 2013 MTW Plan and implemented in 2013. THA used this activity to waive the 40% cap on the percentage of income spent on rent. Our goal is to allow for maximum resident choice in the voucher program and to increase the participant's ability to understand the program and lease up more quickly. THA has observed that the voucher program has been extremely confusing for participants. Despite using multiple tools to simplify the process, many participants leave the voucher briefing unsure about how to apply the information as they begin their search. As a result, the number of calls THA fields during the lease up process is high. THA wants participants to be confident about their choices in the housing market.

Status Update: Initially, this activity intended to make securing housing easier and allow for more housing options. However, households spending more than 40% of their income on rent is now more likely to be a result of increasing rents rather than increased housing choices. Although, THA cannot determine the cause the activity still helps streamline the leasing process and increase housing choice. In 2020, 367 (18%) traditional Section 8 voucher holders are spending more than 40% of their income on rent and 191 (34%) of HOP participants. These may be households who would not have been able to secure housing without this flexibility in place.

Planned Non-Significant Changes: THA does not anticipate any changes to this activity during the Plan year.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the baselines or benchmarks during the Plan year.

Planned Significant Changes: THA does not anticipate any significant changes to this activity for the Plan year.

19. Modification of the Family Self Sufficiency Program

This activity was proposed in the 2013 Plan and implemented in 2013. THA modified the way the FSS program handles the escrow payments. THA changed the escrow calculations to simplify the process and to provide clearer motivation and guidelines for participating families.

THA has designed a savings calculation method under which families may qualify for one or more pay points. Pay points will be calculated and credited at the end of the FSS contract term and only if the family provides credible and verifiable documentation that show they qualify for each of the pay point credit types. Clients have reported the escrow is motivating and easier to understand. THA has also seen staff time saved, and the time is now being spent on direct service. Below are examples of pay points:

- \$2,000 Maintain 32 hours/week employment for a minimum of 6 consecutive months
- \$1,000 Complete ESL classes; Levels 1-5, \$200 per level
- \$100 Receive certificate of successful completion of financial literacy
- \$3,000 Complete educational goal such as a GED, degree from an accredited school/college, vocational certificate, etc. Maximum escrow credit for achieving educational goals is \$3000 per family.
- \$500: 0-6 months vocational training certificate
- \$750: 7-12 months vocational training certificate
- \$1,000: 13-24 months vocational training certificate
- \$1,500-Associate degree
- \$2,000-Bachelor's degree

Status Update: THA is considering non-significant changes to the FSS program which are to be determined at this time. To date, there are 72 active FSS cases across all THA programs (voucher and THA properties) with an average escrow balance of \$1,003.

Planned Non-Significant Changes:

Emergency Operations: As learned through the COVID-19 pandemic THA may need to implement temporary changes to its activities to ensure continuity of operations and respond to the needs of THA staff, participants and the general public. In continued response to the current pandemic and planning for the need of emergency operations in the future, THA may implement temporary changes to its MTW activities.

During declared (national, state, local or by Executive declaration) disasters, emergency or other situations affecting the health and/or safety of staff, participants and the general public. Based on the circumstances of the emergency, THA may temporarily implement the any of following changes to this activity:

- **Extend FSS contract limits:** As needed, THA may extend a family’s FSS contract of participation during a time of emergency.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the metrics or data collection during the Plan year.

Planned Significant Changes: THA does not anticipate any significant changes during the Plan year.

20. MTW Seed Grants

This activity was proposed in 2013 and implemented in 2013. THA proposed this activity so, if needed, the agency could provide seed grants to partner service agencies to increase capacity to serve THA households. The grants would be specific to helping work-able households increase earned income and become self-sufficient. THA used this activity to provide three (3) job skills and soft skills trainings for work-able households in 2013. THA does not have specific goals for this activity in 2020 but would like to keep it in the implemented section of the plan in case an opportunity to leverage a partnership through the use of a seed grant arises.

Status Update: THA has not used this activity since 2013 but would like to keep it in the implemented section of the Plan in case an opportunity to leverage a partnership when a seed grant arises.

Planned Non-Significant Changes: THA does not anticipate any changes to this activity during the Plan year.

Planned Changes to Metrics/Data Collection: THA has worked with HUD to implement new standard metrics for this activity and does not anticipate any changes to the baselines or benchmarks during the plan year.

Planned Significant Changes: THA does not anticipate additional authorizations for this activity during the Plan year.

21. Children’s Savings Account (formerly Local Asset Building Activity)

This activity was proposed in the 2014 MTW plan and implemented in the fall of 2015. THA offers children’s savings accounts (CSAs) to the children of New Salishan from kindergarten through high school. The program is aimed at developing a savings habit among students and their families and improving academic achievement, graduation rates, college preparation and enrollment. New Salishan is THA’s largest community. It is a HOPE VI redevelopment that created a mixed-income community of 1,350 renter and homeowner households on an award-winning design.

THA’s CSA Program contains following elements:

Elementary School Stage: When a Salishan student enrolls in elementary school, THA will open a savings account in his or her name. THA will remain the account custodian. THA will make an initial \$50 deposit into the account. THA will match the family’s deposit into the account up to \$400 per year. This match will continue through 5th grade.

Middle School through High School Stage: When students reach 6th grade the match stops. Instead the student and a counselor will devise a plan with milestones from then until high school graduation and enrollment in college. *E.g.:* improved attendance; improved Grade Point Average; enrolling in the College Bound Scholarship Program; taking the PSAT, SAT and ACT; taking college preparatory courses; applying to college; filling out the FAFSA; getting into college; graduating from high school and starting college. Upon the student reaching each milestone, THA will deposit more money into the account up to \$700 per year.

An example of pay points is on the following page.

GRADE 6			
1ST SEMESTER	VALUE	2ND SEMESTER	VALUE
ATTENDANCE			
Maintain perfect attendance	\$ 75.00	Maintain perfect attendance	\$ 75.00
1 - 3 full day absences with zero unexcused	\$ 50.00	1 - 3 full day absences with zero unexcused	\$ 50.00
ACADEMIC PREPARATION			
Turn in a minimum of 90% of your assignments.	\$ 30.00	Turn in a minimum of 90% of your assignments.	\$ 30.00
GPA			
Maintain a cumulative G.P.A of 3.7 or better	\$ 100.00	Maintain a cumulative G.P.A of 3.7 or better	\$ 100.00
Maintain a cumulative G.P.A of 2.7-3.6	\$ 75.00	Maintain a cumulative G.P.A of 2.7-3.6	\$ 75.00
Maintain a cumulative G.P.A of 2.0-2.6	\$ 50.00	Maintain a cumulative G.P.A of 2.0-2.6	\$ 50.00
EXTRACURRICULAR ACTIVITY			
Participate in a college prep program, sport or club at your school with 90% or better attendance OR Volunteer for school related activity	\$ 30.00	Participate in a college prep program, sport or club at your school with 90% or better attendance OR Volunteer for school related activity	\$ 30.00
FINANCIAL LITERACY			
Complete Junior Achievement Curriculum (In school activity)			\$ 60.00
EXPLORING CAREERS			
Research a description of and the education/training requirements required for three careers that interest you (email written descriptions to csa@tacomahousing.org)			\$ 30.00
CITIZENSHIP			
Zero days suspended or expelled	\$ 30.00	Zero days suspended or expelled	\$ 30.00
BACK TO SCHOOL BONUS			
Back to school bonus opportunities are designed to keep you engaged with your success plan over the summer. Details about the opportunity will be sent to students in the spring!			\$ 80.00
Maximum Annual Payment Total			\$ 700.00

When fully in place, these two programs will serve up to 760 children in cohorts covering 13 grades.

Experience and research strongly suggest that even modest balances in such accounts greatly increase the prospects that a student will attend college. For this reason, THA undertakes these efforts as part of its Education Project.

THA plans this effort in collaboration with Tacoma Public Schools (TPS), Prosperity Now, Heritage Bank, initial funding from the Bill & Melinda Gates Foundation, Medina Foundation, College Spark, the Bamford Foundation, other funders, and the collaboration of banking and social service partners in Tacoma. Further funding will determine the scope and schedule for this initiative.

Status Update: THA launched the program in the fall of 2015. 187 students are currently enrolled in the program (135 families). The total elementary seed and match as of April 12, 2019 is \$15,939 and the middle school incentives earned is \$41,130. The average CSA account balance across accounts is \$171. Reconsideration of the structure of the incentives and those eligible are underway through community consultation.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the baselines or benchmarks during the plan year.

Planned Significant Changes: THA is currently undergoing a third-party evaluation of this program. The State of Washington has also made recent commitments to assist students with college tuition. As we know more about this legislation and have results of the evaluation, we may significantly modify this program. THA does not anticipate needing additional authorizations to allow for these changes, but will seek additional approval if necessary.

22. Exclude Excess Income from Financial Aid for Students

This activity was proposed in the 2014 MTW plan. The purpose of the activity is to further encourage self-sufficiency among participants and streamline administrative processes; THA will modify the administration of the full-time student deduction by excluding 100 percent of a student's financial aid. THA will do this for its tenant-based voucher programs and for THA residents living within THA's portfolio. THA will exclude excess income from student financial aid from a household's calculated income for determining initial eligibility into THA programs; and for a households calculated income for re-certifications and interims. THA anticipates that this activity will help increase household's disposable income and encourage the head of household to finish their degrees. THA has chosen the following metrics out of the HUD standards metrics menu:

Status Update: In past plans, THA noted that implementation of this activity was on hold due to system constraints. THA's customized in-house software has been fully-implemented and THA now has the ability to implement this activity. However, THA will require a few years before student status is fully captured due to its biennial and triannual review cycles.

In 2020, 43 head of households reported to be enrolled full-time in an educational or job training program within a total of 117 adult participants enrolled in a college or job training program.

Planned Non-Significant Changes: THA does not anticipate any modifications to the baselines or benchmarks during the Plan year.

Planned Changes to Metrics/Data Collection: THA has introduced the metrics it will use to report on this activity. See above.

Planned Significant Changes: THA does not anticipate any significant changes in the Plan year.

24. Rental Assistance Success Initiative (formerly) Local Security and Utility Deposit Program

This activity was proposed in the 2014 MTW plan and was implemented January 2016. The activity started as a security deposit assistance program that would be open to THA applicants in its Tacoma Public Schools Special Housing Project, its College Housing Assistance Program, and any of THA's affordable housing applicants/residents who need assistance in order to move into a unit.

The Tacoma market has been shifting for the past couple of years as Seattle's economy booms and renters are searching for more affordable housing outside of the city of Seattle. Over the past 12 months, this rental shift has led to shrinking vacancy rates and growing rents in Tacoma. With the shrinking stock, subsidized households are being screened out of the market in favor of higher income renters with large sums of cash on hand to pay escalating security and move in costs. Property owners are also screening out more households with blemishes on their rental and credit histories. These factors have been and will continue to impact our utilization rate across all THA tenant-based subsidy programs—Housing Choice Voucher, HOP, Elementary School Housing Program, College Housing Assistance Program, etc. It is taking longer for households to find housing and larger numbers of new program participants are not able to use their subsidies at all. In order to address these housing challenges THA employed the following strategies:

Security Deposit Assistance Program:

The security deposit assistance program has now become part of a larger strategy to help THA clients achieve success in the rental market. THA realizes it is very difficult when a household comes to the top of a waitlist and it does not have the resources to pay the security deposit. This program ensures that families in need can afford to move into the unit when their name is called and will reduce the number of unit turndowns THA receives.

Landlord Engagement Specialist:

Another strategy to help THA clients achieve success in the rental market is to develop strategic relationships with THA landlords. THA's Landlord Engagement Specialist will focus on being the primary point of contact for all THA landlords and will strengthen relationships between THA and landlords. THA's primary focus for landlord incentives, will be to help tenants become more attractive applicants by providing renter ready classes and THA may consider waiving debts owed to PHAS for admission into THA housing programs.

Status Update: Currently, THA has paused its deposit assistance program. The program has historically helped numerous households lease in the market and we want to continue to do so in the future. We are evaluating the best next steps in order to offer meaningful and effective deposit assistance. THA’s landlord engagement specialist was able to successfully partner with participating landlords to develop a “Renter Readiness” course and certification. Landlords will reduce screening criteria for THA households that have successfully completed the course. Due to COVID-19, this course has been moved entirely online and has been met with great reviews.

Renters Readiness Certification is going strong, more households are attending the class now that it is held online. Tacoma Public Utilities (TPU) is finalizing an agreement with Sound Outreach, to offer low income attendees that qualify a credit on their TPU bill upon completion of all 3 classes.

Planned Non-Significant Changes: THA does not anticipate any modifications to the baselines or benchmarks during the Plan year.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the baselines or benchmarks during the plan year.

Planned Significant Changes: THA does not anticipate any significant changes in the Plan year.

25. Modify HQS

This activity was proposed in early 2019 as an amendment to the 2019 MTW Plan and in mid 2019 THA received HUD approval to further amend the Modify HQS activity. The activity began as a strategy to address challenges voucher holders faced in Tacoma's hot rental market. THA introduced this activity to implement the following:

Allow landlords to self-certify in cases where fail items are non-life threatening as determined by a prescribed list developed and maintained by THA. Previously, THA permitted landlords to self-certify in cases where there are "fail minors" and may have permitted alternate inspection methods including self-certification with additional evidence and follow-up (such as receipts, invoices for work completed, etc.) when there is a "major fail."

Yet, to further reduce staff time required for re-inspections; (a) reduce the time a client must wait until they are permitted to move-in; and (b) to streamline the experience for private landlords and property managers renting to voucher holders – THA allows landlords to self-certify in cases where fail items are non-life threatening as determined by a prescribed list developed and maintained by THA. Landlords are required to resolve fail items within a 30-day time frame. THA will also continue to conduct audits for quality control and the unit will be subject to its annual inspection.

This activity also provides flexibility for THA to accept a "Certificate of Occupancy" issued by the City of Tacoma for newly developed and/or rehabilitated units in lieu of an initial inspection being completed by THA. This will save THA staff time from duplicating work already completed by the City. These units are still subject to quality control audit inspections and annual HQS inspections.

In mid-2019, THA received HUD approval to amend this activity. The amendment permits THA to do the following:

- Conducts its own HQS inspections for all units that are owned, managed or subsidized by THA—not just those that are project-based.
- Determine rent reasonableness and negotiate contract rent for units that are owned, managed or subsidized by THA.

Status Update: THA will fully implement this activity upon developing a list of life-threatening fail items. THA's IT department is working with our Rental Assistance department on a much larger IT project to update the software and tools to make

THA's inspections systems to perform in ways that make inspectors work easier. THA anticipates fully implementing this activity by sometime in 2021 after this project has been successfully completed.

The flexibility to accept a Certificate of Occupancy for newly developed units will allow THA to begin leasing for The Rise at 19th upon competition rather than requiring initial inspections by THA inspectors for all 64-units. This frees time and capacity for THA inspectors as COVID-19 has disrupted normal operations.

THA seeks to implement a triennial inspection schedule for its housing portfolio (units owned and managed by THA) to streamline the inspection process and reduce disruption to residents' lives. THA's Portfolio includes units layered with PBV assistance and LIHTC which both require regular inspections. THA has a strong history of compliance with the LIHTC program requirements and THA maintains internal processes that ensure compliance with its strategic objective to "... manage its properties so they are safe, efficient to operate, good neighbors, attractive assets to their neighborhoods and places where people want to live."

Planned Non-Significant Changes: THA does not anticipate any modifications to the baselines or benchmarks during the Plan year.

Planned Changes to Metrics/Data Collection: THA does not anticipate any changes to metrics and data collection.

Planned Significant Changes:

Emergency Operations: As learned through the COVID-19 pandemic THA may need to implement temporary changes to its activities to ensure continuity of operations and respond to the needs of THA staff, participants and the general public. In continued response to the current pandemic and planning for the need of emergency operations in the future, THA may implement temporary changes to its MTW activities.

- **Defer HQS inspections:** In the event of an emergency, THA proposes to defer HQS inspections to the household's next scheduled inspection. During this time, THA may accept a landlord's self-certification that the unit meets HQS or defer inspections until the next scheduled quality assurance inspection or regular inspection, whichever comes sooner. For quality assurance (QA) purposes and to retain program integrity, THA will increase its QA inspections and run targeted inspections on units with past or frequent HQS deficiencies.

These activity modifications do not require any new authorizations nor additional waivers.

NOT YET IMPLEMENTED

Special Program Vouchers:

Implementation Description: This activity was proposed in 2011 but not yet implemented. The initial idea was to establish a Special Program Voucher program similar to the project-based voucher program. Vouchers were to be awarded to service partners for a special purpose or a special program. The service partners would be responsible for designing the program. This includes selecting households for the program, establishing program guidelines and eligibility criteria, length of time a household would be eligible for a voucher, level of assistance provided to each household, etc. THA would then oversee the administration of these vouchers through an annual reporting and/or audit process.

Status Update: This activity was proposed before HUD issued guidance on local non-traditional programs. THA now proposes any new activity that is not directly operated by our agency as a separate local non-traditional program activity. No activities are being operated under this activity as of now. There is not a timeline in place to use this activity.

Modifications to the activity since approval: THA does not anticipate any changes to this activity during the Plan year.

ON HOLD ACTIVITIES

N/A

CLOSED OUT ACTIVITIES

2. ESHAP: THA proposed and implemented this activity in 2011 and closed this activity in 2019. The activity began as a pilot program to assist homeless families enrolled at McCarver Elementary School. McCarver was known for its high transient rates. The initial design was intended to stabilize families enrolled at McCarver Elementary and as a result as positively impact the high rates of transiency at McCarver. Since its implementation ESHAP has seen changes to its program structure – which included lifting program participation requirements, expanding eligibility for enrolled families to other elementary schools and providing a subsidy similar to THA’s traditional HCV model. After evaluation and community consultation, ESHAP will be expanded but also redesigned to function more similarly to the Coordinated Entry model. This will be done in partnership with Pierce County and the Tacoma Public School District. This activity has been closed out and metrics and data regarding future TSHAP families will be reported under Activity 15.

9. Modified Housing Choice Voucher Activity: THA proposed this activity in 2011 and has yet to implement it. The activity proposed to modify the annual inspection process to allow for biennial inspections of qualifying HCV units (instead of yearly). Since HUD guidance was released on biennial inspections allowing any PHA to perform them, this activity was closed out in 2015.

13. Local Blended Subsidy: THA proposed this activity in 2012 but has not implemented it. The activity was created so that THA could create a local blended subsidy (LBS) at existing and, if available, at new or rehabilitated units. The LBS program would use a blend of MTW Section 8 and public housing funds to subsidize units reserved for families earning 80 percent or below of area median income. Because of the complicated nature of this activity, THA has not implemented it. THA has been approved for a RAD conversion in 2014/2015 which caused this activity to be closed out in 2015. The units may be new, rehabilitated, or existing housing. The activity is meant to increase the number of households served and to bring public housing units off of the shelf.

14. Special Purpose Housing: THA proposed this activity in 2012 and has not implemented it. The activity was meant to utilize public housing units to provide special purpose housing and improve quality of services or features for targeted populations. In partnership with agencies that provide social services, THA would make affordable housing available to households that would not be admitted to traditional public housing units. With this program, THA would sign a lease with partner agencies to use public housing units both for service-enriched transitional/short-term housing and for office space for community activities and service delivery. The ability to designate public housing units for specific purposes and populations allows units

to target populations with specific service and housing needs and specific purposes, such as homeless teens and young adults. Because of the RAD conversion, THA closed this activity in 2015.

Section V: Sources and Uses of MTW Funds

Estimated Sources of MTW Funding for the Fiscal Year		
PHAs shall provide the estimated sources and amount of MTW funding for the Fiscal Year		
SOURCES		
FDS Line Item	FDS Line Item Name	Dollar Amount
70500 (70300+70400)	Total Tenant Revenue	-
70600	HUD PHA Operating Grants	\$ 50,885,000
70610	Capital Grants	\$500,000
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	\$ 2,750,000
71100+72000	Interest Income	\$ 22,000
71600	Gain or Loss on Sale of Capital Assets	\$ -
71200+71300+71310+71400+71500	Other Income	\$ 667,000
70000	Total Revenue	\$ 54,824,000

Estimated Uses of MTW Funding for the Fiscal Year

PHAs shall provide the estimated uses and amount of MTW funding for the Fiscal Year

USES

FDS Line Item	FDS Line Item Name	Dollar Amount
91000 (91100+91200+91400+91500+91600+91700+91800+91900)	Total Operating - Administrative	\$12,350,000
91300+91310+92000	Management Fee Expense	\$ 150,000
91810	Allocated Overhead	\$ -
92500 (92100+92200+92300+92400)	Total Tenant Services	\$ 1,568,000
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	\$ 68,000
93500+93700	Labor	\$ -
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	\$ 359,000
95000 (95100+95200+95300+95500)	Total Protective Services	\$ 75,000
96100 (96110+96120+96130+96140)	Total Insurance Premiums	\$ 131,000
96000 (96200+96210+96300+96400+96500+96600+96800)	Total Other General Expenses	\$ 112,000
96700 (96710+96720+96730)	Total Interest Expense and Amortization Cost	\$ -
97100+97200	Total Extraordinary Maintenance	\$ 35,000
97300+97350	Housing Assistance Payments + HAP Portability-In	\$ 44,080,000
97400	Depreciation Expense	\$ 900,000
97500+97600+97700+97800	All Other Expenses	\$ -
90000	Total Expenses	\$ 59,828,000

Please describe any variance between Estimated Total Revenue and Estimated Total Expenses:

THA has significant funds in the HUD held HAP reserves that will assist in covering deficit in the 2021 MTW budget. Even though HUD held HAP funds will be reflected in the THA's budget for 2021, only 2021 HAP funding, which we are projecting at 2020 funding levels are reflected in this budget. The remainder of the budget includes both Recurring and Non-Recurring costs for THA's MTW program. It is anticipated there will be enough HAP funds held at HUD for 2021 budgeted expenses. Any additional deficits will be covered by Non-Federal funds if at any time that may be needed.

Planned Use of MTW Single Fund Flexibility

THA uses this single funding source to fund the Housing Choice Voucher programs in order 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. Below are listed some of the specific ways in which THA plans to exercise the Single-Fund Flexibility:

- THA is making changes to relieve the administrative burden on both the agency and the tenants by creating a more streamlined approach to both the certification process and inspections. THA intends its processes to be less intrusive on people with fixed incomes such as the elderly and disabled, and to relieve families from some of the more burdensome requirements of annual certification. The new certification cycle started in 2013.
- THA is focusing on housing, employment-related services, and other case management activities that will move families towards self-sufficiency. Its Client Support and Empowerment area also assists tenants that are facing challenges in successful tenancy.
- THA is adjusting administrative staff as necessary to ensure that activities are in line with the agreement. THA is in the midst of making necessary technological enhancements that will benefit the organization and the residents.
- THA is analyzing its administrative overhead and charge expenses directly to the programs whenever possible. The agency is charging administrative or previously allocated costs to a Program Support Center for each of its three activity areas as identified in the Local Asset Management Plan, along with a Community Services Central fund to track expenses associated with those functions.
- THA wrote an activity in its 2012 amended plan that allows the agency to activate the single fund flexibility and to spend MTW money on the development, and preservation of affordable housing.
- THA is partnering with local agencies in the community to create local non-traditional housing programs. The programs are funded by THA but run by partnering agencies in the community.
- THA has developed a property-based subsidy program. Under this model, THA makes an annual contribution of MTW funds. The owner then rents these units to low income households at a rent affordable to these households. THA inspects the units annually and reviews a percent of tenant files annually to ensure the owner is renting to low-income households.

- In response to the catastrophic impacts associated with the COVID-19 pandemic, THA is implementing an eviction prevention fund. This fund provides emergency, one-time rental assistance to qualified residents to ensure they can maintain stable housing.

Local Asset Management Plan

Is the PHA allocating costs within statute?

or

No

Is the PHA implementing a local asset management plan (LAMP)?

Yes

or

If the PHA is implementing a LAMP, it shall be described in an appendix every year beginning with the year it is proposed and approved. The narrative shall explain the deviations from existing HUD requirements and should be updated if any changes are made to the LAMP.

Has the PHA provided a LAMP in the appendix?

Yes

or

There are minimal changes in the 2020 LAMP from the 201. It reflects the fact all but 4 of our remaining public housing units within our Tax Credit portfolio will be transitioned to RAD in 2019; and updates our Management Fee Schedules.

Rental Assistance Demonstration (RAD) Participation

Description of RAD Participation

The MTW PHA shall provide a brief description of its participation in RAD. This description must include the proposed and/or planned number of units to be converted under RAD, under which component the conversion(s) will occur, and approximate timing of major milestones. The MTW PHA should also give the planned/actual submission dates of all RAD Significant Amendments. Dates of any approved RAD Significant Amendments should also be provided.

RENTAL ASSISTANCE DEMONSTRATION (RAD) PARTICIPATION

- In April 2016, THA closed on the conversion of 456 units. Rehab on those units was completed on 12/31/2017.
- Between October 2019 and December 2019, THA closed on the conversion of 323 additional units. This was a transition in which no new Capital Financing was involved.
- THA's original significant RAD amendment was submitted to HUD 7/27/2015 and was

approved on 9/14/2015.

Has the MTW PHA submitted a RAD Significant Amendment in the appendix? A RAD Significant Amendment should only be included if it is a new or amended version that requires HUD approval.

No

If the MTW PHA has provided a RAD Significant Amendment in the appendix, please state whether it is the first RAD Significant Amendment submitted or describe any proposed changes from the prior RAD Significant Amendment?

N/A

Section VI: Administrative

Board Resolution and Certification of Compliance



TACOMA HOUSING AUTHORITY

RESOLUTION 2020-11-18 (1)

Date: November 18, 2020
To: THA Board of Commissioners
From: Michael Mirra
Executive Director
Re: Approval of THA's 2021 Moving to Work Plan

This resolution would authorize revisions to Tacoma Housing Authority's (THA) Executive Director to submit THA's 2021 Moving to Work (MTW) Plan.

Background

THA must submit an annual MTW Report and Plan to Housing and Urban Development (HUD). The Report describes how THA is performing as an MTW agency and the Plan describes existing activities and any new activities that the agency wishes to propose to HUD.

Each year, THA may propose new MTW activities intended to meet the statutory goals of the MTW program:

- Reduce costs and achieve greater cost effectiveness in federal expenditures;
- Give incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and
- Increase housing choices for low-income families.

MTW "activities" are best described as new things THA wishes to do that require waiving HUD regulations.

2021 MTW Plan

For 2021, THA is proposing one new activity and proposing several changes to existing activities that will allow for more flexibility in the administration of the Housing Choice Voucher (HCV) program during times of emergency or crisis.

New Activity: Modernizing HCV/Project Based Vouchers (PBV) Briefings

This new activity seeks to change the way THA conducts briefings. Currently, HUD requires all public housing authorities to conduct in-person briefings to share important information about the HCV program to all newly admitted households. Households must complete the briefing before they can be issued a voucher.

THA proposes to conduct briefings using any of the following methods: e-learning software, virtual oral briefings or webcasts. THA will ensure that oral briefings remain equally accessible to persons with limited English proficiency and disabilities that hinder their ability to access or participating in the required briefings.

This activity will allow THA to adopt briefing methods that respond to the needs of newly admitted families and the agency as needed to provide timely briefings that allow for timely voucher issuance without delays due to scheduling, mobility or other impacting circumstances that would hinder the families ability to attend a briefing or THA's ability to provide a briefing. This activity will also further streamline THA processes as it moves towards digital operations which intend to improve the overall efficiency of program administration.

Changes to Existing Activities: Emergency Operations

In this plan, THA proposes some amendments to existing activities that will allow THA to be more flexible in times of crisis. We propose changes to the way we accept income verifications, our recertification schedules, program time limits and Housing Quality Standards (HQS) procedures during a state of emergency. An emergency may be a national or local disaster, emergency or other situation that affects the health and/or safety of our clients, staff and the public.

Beyond changes that will allow for more flexibility in the administration of our rental assistance and changing the way we conduct briefings, there are no significant changes in the 2021 MTW Plan.

Any changes to the MTW Plan that are approved by the board and HUD will be updated in THA's Administrative Plan.

The draft plan can be viewed by following this link:

http://www.tacomahousing.net/sites/default/files/moving_to_work_-_2021_mtw_plan_-_2020-10-14.pdf

Recommendation

Approve Resolution 2020-11-18 (1) authorizing THA's Executive Director to submit the Housing Authority of the City of Tacoma's Fiscal Year 2021 Moving to Work (MTW) Plan.



TACOMA HOUSING AUTHORITY

RESOLUTION 2020-11-18 (1)

Certifications of Compliance

Annual Moving to Work Plan Certifications of Compliance U.S Department of Housing and Urban Development, Office of Public and Indian Housing

Certifications of Compliance with Regulations: Board Resolution to Accompany the Annual Moving to Work Plan*

Acting on behalf of the Board of Commissioners of the Moving to Work Public Housing Agency (TACOMA HOUSING AUTHORITY) listed below, as its Chairman or other authorized TACOMA HOUSING AUTHORITY official if there is no Board of Commissioners, I approve the submission of the Annual Moving to Work Plan for the TACOMA HOUSING AUTHORITY Plan Year beginning (01/01/2021), hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

- (1)The TACOMA HOUSING AUTHORITY published a notice that a hearing would be held, that the Plan and all information relevant to the public hearing was available for public inspection for at least 30 days, that there were no less than 15 days between the public hearing and the approval of the Plan by the Board of Commissioners, and that the TACOMA HOUSING AUTHORITY conducted a public hearing to discuss the Plan and invited public comment.
- (2)The TACOMA HOUSING AUTHORITY took into consideration public and resident comments (including those of its Resident Advisory Board or Boards) before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan.
- (3)The TACOMA HOUSING AUTHORITY certifies that the Board of Directors has reviewed and approved the budget for the Capital Fund Program grants contained in the Capital Fund Program Annual Statement/Performance and Evaluation Report, form HUD-50075.1 (or successor form as required by HUD).
- (4)The TACOMA HOUSING AUTHORITY will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
- (5)The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.

(6)The Plan contains a certification by the appropriate state or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the TACOMA HOUSING AUTHORITY's jurisdiction and a description of the manner in which the Plan is consistent with the applicable Consolidated Plan.

(7)The TACOMA HOUSING AUTHORITY will affirmatively further fair housing by fulfilling the requirements at 24 CFR 903.7(o) and 24 CFR 903.15(d), which means that it will take meaningful actions to further the goals identified in the Assessment of Fair Housing (AFH) conducted in accordance with the requirements of 24 CFR 5.150 through 5.180, that it will take no action that is materially inconsistent with its obligation to affirmatively further fair housing, and that it will address fair housing issues and contributing factors in its programs, in accordance with 24 CFR 903.7(o)(3). Until such time as the TACOMA HOUSING AUTHORITY is required to submit an AFH, and that AFH has been accepted by HUD, the TACOMA HOUSING AUTHORITY will address impediments to fair housing choice identified in the Analysis of Impediments to fair housing choice associated with any applicable Consolidated or Annual Action Plan under 24 CFR Part 91.

(8)The TACOMA HOUSING AUTHORITY will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.

(9)In accordance with 24 CFR 5.105(a)(2), HUD's Equal Access Rule, the TACOMA HOUSING AUTHORITY will not make a determination of eligibility for housing based on sexual orientation, gender identify, or marital status and will make no inquiries concerning the gender identification or sexual orientation of an applicant for or occupant of HUD-assisted housing.

(10)The TACOMA HOUSING AUTHORITY will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.

(11) The TACOMA HOUSING AUTHORITY will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.

(12)The TACOMA HOUSING AUTHORITY will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F.

(13)The TACOMA HOUSING AUTHORITY will comply with requirements with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment and implementing regulations at 49 CFR Part 24.

(14)The TACOMA HOUSING AUTHORITY will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.

(15)The TACOMA HOUSING AUTHORITY will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).

(16)The TACOMA HOUSING AUTHORITY will provide HUD or the responsible entity any documentation needed to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58. Regardless of who acts as the responsible entity, the TACOMA HOUSING AUTHORITY will maintain documentation that verifies compliance with environmental requirements pursuant to 24 Part 58 and 24 CFR Part 50 and will make this documentation available to HUD upon its request.

(17)With respect to public housing and applicable local, non-traditional development the TACOMA HOUSING AUTHORITY will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.

(18)The TACOMA HOUSING AUTHORITY will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.

(19)The TACOMA HOUSING AUTHORITY will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.

(20)The TACOMA HOUSING AUTHORITY will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 200.

(21)The TACOMA HOUSING AUTHORITY will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the Moving to Work Agreement and Statement of Authorizations and included in its Plan.

(22)All attachments to the Plan have been and will continue to be available at all times and all locations that the Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the TACOMA HOUSING AUTHORITY in its Plan and will continue to be made available at least at the primary business office of the TACOMA HOUSING AUTHORITY.

Housing Authority of the City of Tacoma
PHA Name

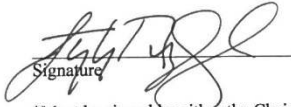
WA005
PHA Number/HA Code

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Stanley Rumbaugh
Name of Authorized Official

Chair
Title

November 18, 2020
Date


Signature

Date

*Must be signed by either the Chairman or Secretary of the Board of the PHA's legislative body. This certification cannot be signed by an employee unless authorized by the PHA Board to do so. If this document is not signed by the Chairman or Secretary, documentation such as the by-laws or authorizing board resolution must accompany this certification.

Documentation of Public Process

Notice of Public Comment Period and Public Hearing

The Tacoma Housing Authority (THA) invites residents, voucher holders, partners and community members to comment on THA's proposed **2021 MTW Plan**. The proposed 2021 MTW Plan outlines the agency's priorities and how we will use our MTW flexibility to serve our participants, community and our partners in 2021. THA will receive comments regarding the proposed 2021 MTW Plan during a 30-day public comment period beginning September 24, 2020 through October 24, 2020. All comments must be received by 5:00 p.m. on October 24, 2020.

Mail, Email or Phone Comments To:

Ava Pittman, Planning and Policy Analyst

Mail 902 S. L Street, Tacoma, WA 98405

E-mail apittman@tacomahousing.org

Phone 253-274-5581

Or, share your comments using an online form:
<https://forms.gle/8uwjKWRVXaZKJTLc9>

You can also attend a virtual public hearing to share your questions and comments:

Topic: Virtual Public Hearing for THA's 2021 MTW Plan
Time: Oct 14, 2020 04:00 PM Pacific Time (US and Canada)

Join Zoom Meeting

<https://us02web.zoom.us/j/82658524003?pwd=MDV0UjNyMmxhcFZNUjUrZFR5Z3EvZz09>

Meeting ID: 826 5852 4003

Passcode: 1234

The Tacoma Housing Authority Board of Commissioners will vote on the adoption of this policy on Wednesday, November 18, 2020.

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 regular meeting.

Planned and Ongoing Evaluations

- Elementary School Housing Assistance Program (ESHAP): Throughout 2018, THA has been evaluating program outcomes and collecting feedback from program families, schools, service partners, as well as public stakeholders. The information gathered is used to inform the decisions needed to be made in order to improve and expand the program. Key areas of the redesign explored strategies to maximize THA's investments of the housing dollar to serve more TPS families in 2019, who the program should target, how to structure the casework service model and strategies to leverage existing community resources.
- Children's Savings Account Evaluation: THA has selected the Urban Institute as a third-party evaluator for the Children's Savings Account program. The evaluation will monitor THA's progress toward implementing the program. It will also strive to measure THA's performance against the desired program outcomes for students and families in short, intermediate and long-term intervals. The evaluation will be completed in 2020.
- College Housing Assistance Program Evaluation: THA and Tacoma Community College will partner with Temple University on a third-party evaluation regarding housing and good insecurity. The evaluation will occur through 2019.
- Family Self-Sufficiency: THA plans to evaluate its FSS program to measure its current structure and effectiveness.

Lobbying Disclosures

Approved by OMB
0348-0046

Disclosure of Lobbying Activities

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure)

1. Type of Federal Action: a. contract <input type="checkbox"/> b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance		2. Status of Federal Action: a. bid/offer/application <input type="checkbox"/> N/A b. initial award c. post-award		3. Report Type: a. initial filing <input type="checkbox"/> a b. material change For material change only: Year _____ quarter _____ Date of last report _____	
4. Name and Address of Reporting Entity: <input checked="" type="checkbox"/> Prime _____ Subawardee Tier _____, if Known: Congressional District, if known:			5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime: Congressional District, if known:		
6. Federal Department/Agency: Department of Housing and Urban Development			7. Federal Program Name/Description: MTW Annual Plan CFDA Number, if applicable: _____		
8. Federal Action Number, if known:			9. Award Amount, if known: \$		
10. a. Name and Address of Lobbying Registrant (if individual, last name, first name, MI):			b. Individuals Performing Services (including address if different from No. 10a) (last name, first name, MI):		
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.			Signature: <u>Michael Mirra</u> Print Name: Michael Mirra Title: Executive Director Telephone No.: (253) 207-4429 Date: <u>10/4/2019</u>		
Federal Use Only			Authorized for Local Reproduction Standard Form - LLL (Rev. 7-97)		

Appendix A: Letter of Consistency

Certification by State or Local Official of PHA Plans Consistency with the Consolidated Plan or State Consolidated Plan (All PHAs)	U. S Department of Housing and Urban Development Office of Public and Indian Housing OMB No. 2577-0226 Expires 2/29/2016
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Certification by State or Local Official of PHA Plans Consistency with the Consolidated Plan or State Consolidated Plan


I, Diane Klontz, the Assistant Director, CSHD
Official's Name Official's Title

certify that the 5-Year PHA Plan and/or Annual PHA Plan of the
Tacoma Housing Authority
PHA Name

is consistent with the Consolidated Plan or State Consolidated Plan and the Analysis of Impediments (AI) to Fair Housing Choice of the
Washington State Department of Commerce
Local Jurisdiction Name
 pursuant to 24 CFR Part 91.

Provide a description of how the PHA Plan is consistent with the Consolidated Plan or State Consolidated Plan and the AI.
THA's 2021 MTW Plan aligns with 2 of the 4 summarized goals of WA's Consolidated Plan which aims to reduce homelessness and provide decent housing. FY 2021, THA's projects will provide housing for homeless youth, families and veterans through two new developments, Arlington Drive Youth Campus and The Rise on 19th. THA seeks to acquire at least one property in 2021 and continue its development work which aims to maintain or increase the availability of affordable housing units in Tacoma.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official Diane Klontz	Title Assistant Director, CSHD
Signature 	Date 9/29/2020

Appendix B: LAMP

A. Background and Introduction

The First Amendment to the Amended and Restated Moving to Work Agreement authorize Tacoma Housing Authority (THA) to design and implement a Local Asset Management Program (LAMP) for its Public Housing Program and describe this program in its Annual MTW Implementation Plan. The term “Public Housing Program” means the operation of properties owned or units in mixed-income communities subsidized under Section 9 of the U.S. Housing Act of 1937, as amended (“1937 Act”) by the Agency that are required by the 1937 Act to be subject to a public housing declaration of trust in favor of HUD. The Agency’s LAMP shall include a description of how it is implementing project-based property management, budgeting, accounting, and financial management and any deviations from HUD’s asset management requirements. Further, the plan describes its cost accounting plan as part of its LAMP, and in doing so it covers the method for accounting for direct and indirect costs for the Section 8 Program as well.

The existing Property Management structure has been in place for several years now. THA has operated using project-based budgeting with on-site administrative and maintenance personnel responsible for the majority of the tasks associated with managing the properties. Our cost approach allocates all indirect revenues and expenses to a Program Support Center (based on unit count) and then charges fees to the programs and properties as appropriate.

B. Guiding Principles

The City of Tacoma established the Tacoma Housing Authority under State of Washington legislation in 1940 through resolution. The resolution states that the City formed the Housing Authority to address a “shortage of safe and sanitary dwelling accommodations in the City of Tacoma, Washington available to persons of low-income at rentals they can afford.” Since then, THA has strived to meet the ever-increasing demands for low-income housing in the Tacoma area. With acceptance into the Moving to Work (MTW) program in 2010, THA took on three additional statutory objectives that further define the Agency’s role on both a local and a national scale. THA is required to keep these objectives in mind through the development of each activity related to MTW, including the development of the LAMP. The three statutory objectives are: 1) reduce cost and achieve greater cost effectiveness in Federal expenditures; 2) give incentives to families with children whose heads of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming

economically self-sufficient; and 3) increase housing choices for low-income families [Section 204(a) of the 1996 Appropriations Act].

C. Description of Asset-Based Operations

Overview of Organizational Structure

THA's Property Management Department is responsible for the day-to-day operations of THA's portfolio and the Administration Department is responsible for Asset Management and compliance. The chart below shows this relationship and the positions responsible for these management functions.



Figure 1: Organizational Structure

Description of 2021 Plan

THA manages its properties as 2 portfolios. We have Portfolio West, which consists of our 456 Renew Tacoma Housing (RTH) RAD units comprised of 9 properties of Elderly/Disabled and Family Housing. Our Hillside/Bay Terrace properties which comprises 5 properties and 270 units is also considered under our Portfolio West umbrella, as is our Arlington Youth Housing property (58 units). As these properties are spread out, we have management teams overseeing property groupings as best determined by the Director.

The other management group is called Portfolio East and is responsible for management of our Salishan properties (seven), consisting of 631 units. As Salishan is in one geographical area, there is a centralized management team to manage those properties. We transitioned to a Portfolio Manager that that oversees both of our portfolios in 2020.

Asset and Compliance Management

While the Property Management Department oversees the day-to-day operations of the properties, THA's Asset Management and Compliance Division oversees the long-term strategic objectives of the properties. Having an Asset Management and Compliance Division enables THA to effectively plan for the future, ensure compliance with Local and HUD regulations, and keep the agency's strategic objectives at the forefront when making both operational and strategic decisions. Included within the scope of this division are the following responsibilities:

- Risk Management
- Compliance (file audits, PIC, finding resolution)
- Budget Oversight
- Financial Reporting and Modeling
- Capital Needs Assessment
- Property Performance Review
- Strategic Planning
- Policy Development and Implementation
- Procurement Regulation

Project-Level Reporting

THA instituted project-based budgeting and accounting practices before becoming an MTW agency. Systems and reporting are in place to develop and review onsite management of budgets, expenses, rent collection and receivables, and purchasing. With our current IT system, we are developing more robust reporting to review, analyze and compare property information.

Maintenance Operations

In accordance with HUD Asset Management guidance, THA instituted a decentralized maintenance program in 2008. During 2011, THA realized efficiencies in the maintenance of its Salishan properties by assigning maintenance personnel to the entire Salishan portfolio, rather than each of the individual projects. We continually review our practices and how they are working and update our approach when needed. We have a Facilities Manager position whose responsibility it is to oversee overall maintenance in our properties. We currently have a Maintenance supervisor and four maintenance leads with more technical abilities who assist other maintenance specialists and oversees repairs and work orders in the two portfolios. Each portfolio has a team of maintenance specialists that perform work orders and repairs for the different properties in their portfolio. In 2018, we also instituted a unit turn team concept, which consists of 5 staff, including a lead, whose specific responsibility is to turn vacant units within all of our

properties. The goal is to bring down costs, by having a dedicated team, and using less contract maintenance. It is important to note that when working in a unit, the maintenance personnel are charged directly to the property they are working in.

Acquisition of Goods

THA has been operating under a decentralized purchasing model for the acquisition of goods. Site staff is primarily responsible for purchasing supplies for the properties they oversee. Purchases are primarily completed through a P-Card system, while in certain circumstances Purchase Orders continue to be used.

Acquisition of Services

While the acquisition of goods is decentralized, the agency has adopted a hybrid approach to the acquisition of its services. Centralized duties include the oversight of the contract needs of the sites, management of the bid process, vendor communication, and contract compliance. The sites are responsible for scheduling work, approving invoices, working with the centralized staff to define scopes of work, and ensuring the work is done properly.

D. Strategic Asset Planning

THA's Asset Management Committee

THA has an Asset Management Committee consisting of key members from the following functional areas in the agency: Finance, Asset Management and Compliance, Property Management, Client Support, and Real Estate Development. The committee meets on a routine basis and is facilitated by the Agency's Asset Manager. The standing agenda includes reviewing operational costs at each site, investigating large cost variances between the properties, analyzing property performance metrics, and comparing cost data and operational data to industry standards. THA also uses financial models to compare our metrics to properties managed by private firms. The committee also considers any policy changes having a potential impact on the operation of its properties and decisions regarding property acquisition and disposition. Some examples of policy changes discussed here include changes to THA's current rent policy and occupancy standards, whether properties should be managed by agency staff or third-party management.

The overall purpose of the committee is to ensure that THA makes decisions in a way that fosters appropriate communication between the major functional areas concerned with Asset Management and address related issues and concerns from a holistic perspective.

The cost approach developed by THA as described in the next section of this LAMP allows this committee and others in the agency to make informed decisions concerning the agency's portfolio. The cost approach will clearly show which areas of the agency cost the most to run and which provide the most value to the mission of the agency.

E. Cost Approach

THA's current cost approach is to charge all direct costs related to day-to-day operations to the specific property or program fund and to charge all indirect costs to a central fund (see "Program Support Center" below). The PSC would then earn fees that they charge to the programs they support. Client Support and Empowerment expenses that benefit THA's Affordable Housing properties will be charged out to a direct grant or the Moving to Work program. For purposes of this Cost Approach, properties refer to ones that THA owns or manages and the term program refers to the Rental Assistance and Moving to Work programs administered by THA. By the end of 2019, THA will own only five Public Housing units outright. We converted our existing ACC Public Housing portfolio to RAD, setting up a new Tax Credit entity in 2016. The remaining Public Housing units are owned by our existing Tax Credit entities, and all except Hillside 1500, with 4 PH units were converted by the end of 2019. We currently manage our properties in our Tax Credit entities.

THA developed this approach for the following reasons:

1. It allows the agency to easily see the costs directly related to the day-to-day operations of a property or program and determine whether the management of that cost center can support itself. Staff managing the programs and properties will be able to easily discern all related administrative and shared costs. Managers will negotiate if costs are determined unreasonable or if the AMP or program cannot support the proposed fees.
2. One of the goals of the MTW program is to increase administrative efficiency. By charging these costs out as a fee, it will be easier in the future to identify the administrative efficiencies at the program/project level and the indirect costs that support them. The tax credit entity fees paid to THA is based on a % of their Operating Income and is distributed to the various support areas within THA.

Activity Areas

THA created three separate activity areas in order to track what it costs the agency to support different types of activities in which the agency engages. The three activity areas are:

- Conventional Affordable Housing (MTW)

- Tax Credit Management (MTW)
- Business Activities (Non-MTW)

THA decided to separate MTW activities into Conventional Affordable Housing and Tax Credit Management in order to tell how much it costs to manage its Tax Credit Portfolio versus its other affordable housing programs, including any remaining Housing properties we may manage, and Section 8. THA considers any other activities as Non-MTW activities and the revenues and expenses fall under the Business Activity area.

Program Support Center

Each of the three activity areas (Business Activities, CAH Activities and Tax Credit Activities) will have a Program Support Center (PSC). This is the equivalent of the Central Office Cost Center (COCC) under the HUD Asset Management model and it contains all of the programmatic support costs related to each of the three activity areas. The expenses will be split out to one of the three support centers based on unit equivalency and where the project or program resides to more clearly identify where administrative expenses fall and measure either the profitability or cost to each of the identified areas.

The end of this plan indicates the breakdown of how the administrative cost portion of the PSC will be charged out.

Direct Costs

Any costs that directly and wholly support a particular project or program will be charged as Direct Costs to the respective project or program. The following chart outlines which costs are considered Direct Costs.

Program Area	Cost Type	Comments
Property Management	Personnel Costs	
	Office Rent	
	Insurance	Includes property and liability insurance directly related to the AMP
	Program Support Fees	Fees charged to the properties for administrative overhead and costs allocated out that are not under the direct purview of the managers
	Administrative Costs	Includes postage, legal, office supplies, training and travel, mileage, professional services, and eviction costs
	Maintenance Costs	Includes materials, maintenance personnel costs, and contracts
	Utilities	
	Security	
	Relocation due to Reasonable Accommodation	
	Collection Loss	
	PILOT	
	Debt Service Payments	
	Audit Costs	
	Rental Assistance	Personnel Costs
Office Rent		
Insurance		
Program Support Fees		HUD fees and leasing
HAP Expenses		
Audit Costs		
Administrative Costs		Includes postage, legal, office supplies, training and travel, mileage, professional services, and eviction costs

Table 1: Direct Costs

Indirect Costs (Program Support Fees)

Any indirect costs incurred by THA in support of its projects and programs will be incurred by the Program Support Center. The fees are:

- Administrative Support Fee based on HUD model. This also includes IT, Elderly Service coordinator and leasing cost. We choose not to allocate any costs out to a program or project that is not under their direct control.

Project Support Fee

The Administrative Support Fee will cover the costs of the services provided by the following:

- Executive Department
- Purchasing
- Asset Management, including compliance
- Human Resources Department
- Client Support and Empowerment
- Accounting and Financial Services
- Real Estate Management and Improvement and Capital Fund Monitoring
- Information Technology
- Reasonable Accommodations
- Leasing and Elderly Services Coordinator
- Policy, Innovation and Evaluation

There will be two separate rates, one for Rental Assistance programs and one for managed housing units. The fee charged to Rental Assistance will be charged to all Rental Assistance Baseline units (MTW Vouchers, FUP, NHT, VASH, etc.) Our MTW vouchers (other than RAD) and Mod Rehab properties will be charged based on our MTW baseline regardless of occupancy. RAD our special program (FHP, NHT, VASH) will all be charged based on occupancy. The following chart shows how these fees are derived. For Rental Assistance, THA is using the HUD prescribed Management Fee. The Bookkeeping fee is reduced to correspond to a more accurate cost of defined support to the program. The IT fee is also reflective of direct support to the program. The Property Management units we manage are almost exclusively Tax Credit properties and their fees are based upon an agreed upon % with our Tax Credit partners and investors in their respective Operating Agreements. We do make decisions as to how we will break those fees down once they are received at THA. Fees that would be allocated out (leasing, Elderly Services coordinator, IT) are charged as part of the fee in order not to have any expenses allocated out that Property managers do not have any control over.

Administrative Support Fee Components		
Fee	Rental Assistance	Tax Credit
Management Fee		
Executive	\$2.00	\$2.00
Human Resources	\$1.50	\$2.00
PM O'hd (including rent)	\$2.50	Remaining
Bookkeeping Fee	\$6.00	\$20.00
Asset Management Fee	\$0.00	\$10.00
IT Fee	\$6.50	\$9.00
Community Services	\$3.00	\$2.50
Leasing Support		\$1.50
Total Fee:	\$21.50	\$47.00

Table 2: Administrative Support Fee Components

Cost Centers

Property Management

Property Management uses of funds includes the Direct Costs and Project Support Fees for all of the properties managed by THA. The Property Management source of funds includes Capital Fund, Tenant Revenue, Operating Subsidy, and Other Revenue. By the time this is submitted, THA should be finalizing the conversion of all but five of our remaining Public Housing units in existing Tax Credit entities to RAD.

Rental Assistance

Rental Assistance uses of funds include the Direct Costs and Program Support Fees for all of the voucher programs managed by THA's Rental Assistance Division. These programs include Housing Choice Voucher (HCV), SRO, Project-Based Vouchers, FUP, VASH, NHT, and HUD FSS. The sources for Rental Assistance primarily include HAP Revenue and the Administrative Fees paid to the agency by HUD.

In addition to the fees Rental Assistance pays to the Program Support Center, there are other fees paid and earned in this area. All direct costs for all of the Rental Assistance programs will be recorded in our main Section 8 HCV fund in the MTW program. A fee will then be charged to our SRO and non MTW Section 8 programs based on unit equivalencies. This fee will be income earned by the MTW Section 8 HCV program for reimbursement of the expenses incurred by them. The chart below shows the equivalencies used.

Client Support and Empowerment (CSE)

The Client Support and Empowerment department supports all THA's Affordable Housing clientele and assists families to move to Self Sufficiency. As we continue to transition our new Voucher holders over to the Housing Opportunities (HOP) program that is both time limited, and a fixed subsidy program, these services have become more important. Additionally, THA has received several grants that provide funding for a variety of services to its clients. Most of these grants do not come with coverage of administrative overhead. None of the income or expenses for direct grants will be part of the MTW program, but overhead costs not reimbursed by the grants will.

THA's CSE area has traditionally assisted clients when Property Management staff has requested their assistance to help families remain viable tenants when in crisis. Moving to Work status has allowed the agency to continue that role, along with assisting families in a more pro-active way to move towards self-sufficiency.

THA's CSE department will either hire caseworkers or collaborate with other agencies to assist families at different levels. CSE works with families who face hardship and cannot meet minimum rent or lease requirements, prepares them to succeed as tenants, and assists tenants in obtaining skills that allow them to become self-sufficient. THA is proud of this focus. It is what makes us more than a real estate developer, more than a landlord, and more than a manager of rental assistance. This is the work that makes us a social justice agency. This is the work that makes us an MTW housing authority.

In the agency's approach to CSE for the LAMP, the following applies:

- Income and Expenses directly related to a grant is not included in the MTW area.
- All administrative overhead not covered by these grants are charged to a CSE fund that tracks all MTW costs.
- The Elderly/Disabled Coordinator is charged out as a portion of the management fee to the elderly/disabled projects.
- The costs for the CSE staff assisting the agency's Property Management portfolio and MTW Voucher holders, along with the administrative costs associated with it, are charged to a CSE fund supported by the agency's MTW flexibility.
- Costs for both our Education Initiative and Asset Building Programs that are not covered by grant funds would be paid out of MTW funds.

In taking this approach, it allows the Client Support and Empowerment department to operate as a business activity. It is set up in such a manner that THA's Property Management area must negotiate for the level of service it desires and pays to receive, and the cost is known up front.

Real Estate Development

THA defines Real Estate development activities to include modernization of the current portfolio, investigation and design of new affordable and market-rate development opportunities, along with redevelopment of properties that have outlived their useful life. THA also acts as its own developer in building of affordable housing and is in the process of expanding its role in the Tacoma community. THA's approach to these activities is to charge any activities related to the current stock of affordable housing or activities funded to one of the two MTW activity areas, as applicable. Any time that THA earns a developer fee as a developer or performs tasks as either a Public Development Entity (PDE) or a Public Development Authority (PDA), all revenues and expenses will be considered Business Activities (Non-MTW).

Based on historic and projected activities, the agency estimates that Development activities make up approximately 15 % of the agency support. This figure will be reevaluated annually based on the projects in the pipeline, the funding available to support the activities, and current staffing levels. THA is continually on the lookout for

how to increase the affordable housing portfolio, and if opportunities arise, THA intends to use its MTW flexibility for development and rehab of affordable housing units.

Other Considerations

Personnel

Personnel costs are broken out a number of different ways, depending on which program(s) the staff support, where the funding for the positions comes from, and what the function of each position is.

Rent

THA's main office houses the agency's administrative support staff, the Rental Assistance Division and the Real Estate Development Department. We used to break out rent separately as a line item in the budget and charge the different areas. This is now included in our Management Fee calculations.

Differences – HUD Asset Management vs. THA Local Asset Management

THA is required to describe any differences between the Local Asset Management Program and HUD's asset management requirements in its Annual MTW Plan in order to facilitate the recording of actual property costs and submission of such cost information to HUD:

1. THA is using a modified fee for service as outlined above. In addition to the fee, there are certain expenses (IT, Leasing, and Elderly service coordinator) that could have been allocated out, but as these expenses are not under the control of the Property Manager, we included in the fee structure charged out to the properties.
2. Under this plan, THA renamed its Central Office Cost Center (COCC) to the Program Support Center (PSC) and split it into the three different activity areas. In addition, the PSC will track the program management salaries that cannot be directly attributed to a specific project or program, and therefore would be allocated. The fees will be received in the PSC where the costs that would have been allocated out reside.
3. HUD's rules limit the transfer of cash flow between projects, programs, and business activities. THA intends to use its MTW resources and regulatory flexibility to move its funds and project cash flow among projects that support affordable housing without limitation and to ensure that agency operations best meet THA's mission and serve the agency's low-income clientele.
4. In determining the units to use for the basis of the fee, THA chose to use total units, regardless of occupancy status. This differs from the HUD Asset Management model where Housing Authorities are only allowed to charge management and bookkeeping fees for occupied units in each property. THA chose to deviate from the rule for two reasons: 1) THA believes that charging a fee for an unoccupied unit will serve as an incentive to the staff to get the unit leased because the program/property is paying a fee on a unit that is not occupied ; and 2) doing so will allow the administrative staff to budget on a known fee amount, along with covering overhead incurred by the agency whether a unit is leased or not.
5. Under the HUD Asset Management Model, the COCC financial information is reported as Business Activities. In THA's LAMP, each activity area has its own Program Support Center (PSC), which is the equivalent of the COCC, and the PSC's that support MTW will be included in the MTW Demonstration Program and the Business Activities PSC will be included in Business Activities column on the FDS.

Program Support Allocation Detail - The following chart is based on the information in place at the time of the plan. There may be some changes in property that will impact the actual information in 2021

Program Support Center Allocation Detail

Table 3: Total units & Program Support unit equivalencies

Program Support Center Unit Equivalencies - 2021 Projected					
Cost Center	Funding Source	CAH (MTW) Unit Equivalent	Tax Credit (MTW) Unit Equivalent	Business Activities (Non-MTW) Unit Equivalent	Total Units
Rental Assistance	Mod Rehab SR0003			30	30
	Mod Rehab SR0002			41	41
	Section 8 Vouchers	3,543			3,543
	Life Manor TPV	150			150
	Hillside Terrace TPV	103			103
	Wedgewood TPV	48			48
	Tahoma House TPV	5			5
	FUP Vouchers			125	125
	Mainstream Vouchers			78	78
	NHT Vouchers			100	100
	VASH Vouchers			217	217
Rental Assistance: RAD Vouchers	RTH RAD Vouchers	456			Prop Mgt
	Bay Terrace 1 RAD Vouchers	26			Prop Mgt
	Hillside Terrace RAD Vouchers	33			Prop Mgt
	Salishan RAD units	290			Prop Mgt
Property Management: Tax Credit Partnerships	Hillside Terrace 1-2		46		46
	Hillside Terrace 1500 Blk		16		16
	Bay Terrace		70		70
	Bay Terrace 2		74		74
	Renew Tacoma Housing		456		456
	Arlington Youth Housing		58		58
	Court F (Rise at 19th)		64		64
	Salishan 1		90		90
	Salishan 2		90		90
	Salishan 3		90		90
	Salishan 4		90		90
	Salishan 5		90		90
	Salishan 6		90		90
Property Management: Local Fund Units	Salishan 7			91	91
3rd Party Managed - 50 % equivalency	Highland Crest -			36.5	73
	James Center North			15	30
	New Look		24		48
	Outrigger Apts.			24.5	49
	Prairie Oaks			7.5	15

Potential Purchase	Redwood Apts - 215 Units Pine Tree Apts - 60 Units Conifer Apts - 32 Units				
Total Units/Unit Equivalents		4,654	1,348	766	6,070
Real Estate Development	THA MTW Support including CFP	227.75			228
	THA as Developer			683.25	683
	<i>RED unit equivalents (15% of total units)</i>	<i>227.75</i>	<i>0</i>	<i>683.25</i>	
Total Unit Equivalents		4,882	1,348	1,449	7,679
Program Support Center Equivalencies (% of All Units)		63.57%	17.56%	18.87%	100%

Appendix C: THA's Strategic Objectives with Performance Measures

1. Housing and Supportive Services

THA will provide high quality housing, rental assistance and supportive services. Its supportive services will help people as tenants, parents, students, wage earners, and builders of assets who can live without assistance. It will focus this assistance to meet the greatest need.

To meet this objective THA will:

- Strive to increase the number of households and persons receiving THA housing or rental assistance.
- Maintain an economic, racial, ethnic, language, age and differed abilities diversity that is reflective of our community.
- Provide the support and incentives necessary to help households to increase their household incomes.
- Help households get banked and build assets.
- Monitor the educational outcomes of students in our programs and provide interventions where necessary to help students succeed.
- Connect adult customers with education and employment services.
- Help households successfully exit THA's housing programs.
- Assess households on a scale of "in-crisis" to "thriving" and provide the services and referrals necessary to help households move to self-sufficiency.
- Regularly assess our service investments to ensure customers are satisfied and that the investments are offering the outcomes we hope for our customers.

2. Housing and Real Estate Development

THA will efficiently develop housing and properties that serve primarily families and individuals unable to find affordable and supporting housing they need. Its work will serve to promote the community's development. Its properties will be financially sustainable, environmentally innovative, and attractive.

To meet this objective, THA will:

- Increase the number and type of THA units.
- Improve the quality of housing that THA owns and manages.
- Increase the life-span of the units within THA's portfolio.
- Continue to develop and rehabilitate housing that is of award-winning quality.
- Improve the cost effectiveness of THA's development function.
- Assist in the development of affordable housing by other organizations.
- Reduce the amount of THA dollars in each development and increase the amount of private and public investments.
- Develop healthy and vibrant communities as measured by their incorporation of art and the walkability to community assets such as parks, schools, grocery stores, public transit and other community amenities promoting health.

3. Property Management

THA will manage its properties so they are safe, efficient to operate, good neighbors, attractive assets to their neighborhoods and places where people want to live.

To meet this objective, THA will:

- Lower its per unit per year operating costs.
- Increase its rent collection.
- Improve each property's cash flow.
- Maintain high quality properties.
- Schedule and complete capital repairs on a regular schedule.

- Maintain a high level of customer satisfaction as judged by customer surveys.
- Consult with customers in advance of any policy changes 100% of the time.

4. Financially Sustainable Operations

THA seeks to be more financially sustaining.

To meet this objective, THA will:

- Achieve an agency-wide operating surplus.
- Maintain minimum and maximum restricted and unrestricted reserves.
- Achieve a 1.15 debt-service ratio.
- Increase the value of THA's land and properties.
- Increase and diversify its income.

5. Environmental Responsibility

THA will develop and operate its properties in a way that preserves and protects natural resources.

To meet this objective, THA will:

- Develop environmentally responsible properties.
- Develop communities that incorporate creativity and healthy place making.
- Reduce energy and resource consumption.
- Reduce the use of greenhouse emitting products.

6. Advocacy and Public Education

THA will advocate for the value of THA's work and for the interests of the people it serves. It will be a resource for high quality advice, data, and information on housing, community development, and related topics. THA will do this work at the local, state and national level.

To meet this objective, THA will:

- Strive to maintain a positive public regard for THA.

- Lend staff to serve as effective members of community advisory panels.
- Be an effective advocate for the value of its work and the people it serves.

7. Administration

THA will have excellent administrative systems. Its staff will have skills that make THA highly efficient and effective in the customer service it provides to the public and among its departments. It will provide a workplace that attracts, develops and retains motivated and talented employees.

To meet this objective, THA will:

- Improve its operating efficiency.
- Lower its administrative costs per household served.
- Increase the number of households served per full time employee (FTE).
- Decrease the average amount spent on community service per client outcome.
- Increase its employee engagement scores.
- Decrease its staff turnover.
- Maintain positive audit results.

Embedded within each objective and strategy are unavoidable tradeoffs in the face of flat funding, increasing need and tightening rental markets. For example, a dollar spent on increased rental assistance or supportive services means serving fewer households, less support for leased housing and its tenants or weaker administration and customer service. THA can feel very confident about its judgment and the tradeoffs they denote. Yet some of them, like limits on rental assistance or increases, may not be occasions to celebrate. We may not have made some of those choices if Tacoma did not face an affordable housing crisis or if THA was flush with resources to meet it. Yet THA, in consultation with our community, will make these choices with the market we face and the resources we have. Within those constraints, THA feels proud and excited about these objectives and the path they set for its work and its city. MTW flexibility makes this work adaptable and innovative and helps give meaning to each of THA's seven strategic objectives.

Appendix D: THA's Emergency Operations

As learned through the COVID-19 pandemic THA may need to implement temporary changes to its activities to ensure continuity of operations and respond to the needs of THA staff, participants and the general public. Emergency Operations may be implemented as needed when an emergency has been declared under national, state, local or Executive order. During that time, THA may use any of the following strategies to respond to the needs of the agency and our clients. They will be implemented as needed and as temporary activities under times of duress.

- **Defer end of participation dates:** Under normal circumstances, when a family reaches the end of their program term they are no longer eligible for assistance. This will allow us to continue to provide assistance to families who would have their assistance terminated for non-violation related reasons during a time of crisis.
- **Extend Regular Recertification Due Dates:** A recertification is due on a regular schedule. During a recertification, we need to collect and verify household and income information to make sure households are still eligible for housing. We propose to push back recertifications by one year that are due during a time of crisis so that households and our staff can focus on immediate needs and health and safety.
- **Emergency Verification Policies:** At the time of a recertification, we have to verify income information. This means that people have to give us hard copies of their paychecks, benefit letters, etc. As we see with COVID, it can be difficult to get this information as well as submit this information. During times of crisis, we propose to make income verification easier for everyone by accepting self-certifications over the phone, by e-mail or other means.
- **Remove 90-day and 20% rule for Interims:** For households with a Section 8 voucher, their rent is based on their income. During normal operations, we only process an interim (change in their rent) if they have lost at least 20%

of their household income and that decrease is expected to last more than 90-days. We propose to remove those requirements so that families can find relief during a crisis.

- **Defer HQS Inspections:** Inspections require in-home visits and can require more than one trip to a single residence. During a time of crisis, we propose to defer regular and quality control HQS inspections to the household's next scheduled inspection date. This means that THA may accept a landlord's self-certification that the unit meets HQS or putting off these inspections until we have recovered from the crisis or until the next regular inspection is due, whichever is sooner. For quality assurance (QA) purposes and to retain program integrity, THA will increase its QA inspections and run targeted inspections on units with past of frequent HQS deficiencies.