



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS

BOARD PACKET

August 24, 2022



ANNUAL MEETING
Board of Commissioners

WEDNESDAY, AUGUST 24, 2022

The Board of Commissioners of the Housing Authority of the City of Tacoma will hold its Annual Meeting on **Wednesday, August 24, 2022, at 4:45 pm** via Zoom and at 902 South L Street, Tacoma, WA 98405.

<https://us02web.zoom.us/j/85746321000> / Meeting ID: 857 4632 1000 / Dial: (253) 215-8782

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

I, Sha Peterson, certify that on or before August 17, 2022, I FAXED/EMAILED, the preceding PUBLIC MEETING NOTICE before:

City of Tacoma	747 Market Street, Room 800 Tacoma, WA 98402	CityClerk@cityoftacoma.com
Northwest Justice Project	715 Tacoma Avenue South Tacoma, WA 98402	
KCPQ-TV/Channel 13	1813 Westlake Avenue North Seattle, WA 98109	tips@q13fox.com
KSTW-TV/CW 11	1715 East Madison Street Seattle, WA 98122	cw11@kstwtv.com
KNKX	930 Broadway Tacoma, WA 98402	info@knkx.org
Tacoma News Tribune	2602 S. 38 th Street, Ste. A PMB #3 Tacoma, WA 98409	newstips@thenewstribune.com
The Tacoma Weekly	6812 27 th Street West University Place, WA 98466	

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

Sha Peterson
Executive Initiatives Officer



TACOMA HOUSING AUTHORITY

AGENDA

ANNUAL BOARD OF COMMISSIONERS MEETING

August 24, 2022, 4:45 PM

<https://us02web.zoom.us/j/85746321000> / Meeting ID: 857 4632 1000 / Dial: (253) 215-8782

1. CALL TO ORDER

2. ROLL CALL

3. VISION 2050 Award Presentation from Puget Sound Regional Council

4. ANNUAL MEETING

4.1 ELECTION OF OFFICERS

4.1.1 Nomination and vote of Chair of the Board of Commissioners

4.1.2 Nomination and vote for Vice Chair

4.2 APPOINTMENT TO STANDING BOARD COMMITTEES

4.2.1 Real Estate Development Committee

4.2.2 Finance Committee

4.2.3 Community Partnerships and Advocacy Committee

4.2.4 Education, Housing, Services and Partnerships Committee

4.2.5 Diversity, Equity and Inclusion Committee

4.3 REVIEW OF BY-LAWS

4.4 REVIEW ROLES AND RESPONSIBILITIES OF COMMISSIONERS

4.5 ANNUAL BOARD CALENDAR OF TOPICS

4.6 COMMISSIONER ANNUAL CERTIFICATION

5. APPROVAL OF MINUTES

5.1 Minutes of June 10, 2022—Special Session

5.2 Minutes of June 30, 2022—Special Session

6. GUEST COMMENTS

7. COMMITTEE REPORTS

7.1 Real Estate Development Committee

7.2 Finance Committee

7.3 Community Partnerships and Advocacy Committee

7.4 Education, Housing, Services and Partnerships Committee

7.5 Diversity, Equity and Inclusion Committee

8. FINANCE REPORT

8.1 Motion Ratifying Cash Disbursement for May 2022

8.2 Motion Ratifying Cash Disbursement for June 2022

8.3 Motion Ratifying Cash Disbursement for July 2022

9. EXECUTIVE DIRECTOR REPORT

10. NEW BUSINESS

10.1 2022-08-24 (1) Amendment to Policies Governing Expenditures on
Employee Recognition and Appreciation

11. COMMENTS FROM THE COMMISSIONERS

12. ADJOURNMENT



TACOMA HOUSING AUTHORITY

To: THA Board of Commissioners
From: April Black, Executive Director
Date: August 24, 2022
Re: A note about the Board packet

You will note this Board packet is different than past packets. Notable changes include:

- All written documents have been updated to be more accessible and approachable. Most notably, you will see a new font, spacing, and shorter text.
- There is a special presentation. It is at the beginning of the meeting instead of during “Guest Comments.”
- Each month we will have a special focus. The proposed calendar is contained in this packet. For August, we’ll focus on the Roles and Responsibilities of the Commissioners since this is our annual meeting.
- There are no department reports. The Executive Director’s Monthly Report incorporates the highlights for the month, challenges to watch for, and the advocacy agenda.
- The format of the Executive Director’s Monthly report has changed in some notable ways:
 - It has a table of contents so you can easily jump to different sections;
 - It is in a different font and font size based on accessibility guidance;
 - It is broken out by agency goals and related operational updates;
 - It is presented in a format that will allow it to be used to share updates with a broader community.

I hope this packet is more digestible in its more compact format. I am open to your feedback about the changes.



TACOMA HOUSING AUTHORITY

ANNUAL MEETING



TACOMA HOUSING AUTHORITY

REVIEW OF BY-LAWS



BY-LAWS

of the

HOUSING AUTHORITY OF THE CITY OF TACOMA

902 South L Street
Tacoma, WA 98405
(253) 207-4400

Last revised
August 26, 2020

Adopted and amended by Resolution 2020-8-26(4) on September 8, 2020
Adopted and amended by Resolution 2013-8-28 (4) on August 28, 2013
Adopted and amended by Resolution 2013-1-23(2) on January 23, 2013
Adopted and amended by Resolution 2009-7-22 (1) on July 22, 2009
Adopted and amended by Resolution 2008-01-23 (3) on January 23, 2008
Adopted and amended by Resolution 1003-1 on October 22, 2003
Adopted and amended by Resolution 0201-2 on March 28, 2001

These by-laws supersede and replace all previously approved by-laws

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1. GENERAL PROVISIONS

1.1 Authority Name

The official name of the Authority is “Housing Authority of the City of Tacoma” (hereinafter the “Authority”). It may also use the name “Tacoma Housing Authority.”

1.2 Purpose

The Authority is a public body corporate and politic, exercising public and essential governmental functions, and having all the powers necessary or convenient to carry out and effectuate the purposes and provisions of Chapter 35.82 RCW, including if applicable the powers of a community renewal agency under Chapter 35.81 RCW or of a public corporation, commission or authority under Chapter 35.21 RCW, as those laws may be amended from time to time.

1.3 By-Laws

1.3.1 The Authority shall adopt by-laws to provide rules for governing the Authority and the Authority’s activities that are not inconsistent with Chapter 35.82 RCW.

1.3.2 The by-laws shall not restrict the powers of the Authority granted by the Legislature under Chapter 35.21 RCW and Chapter 35.81 RCW.

1.3.3 The Board may amend the by-laws only by resolution, adopted by the affirmative vote of at least three (3) Commissioners of the Board at a regular or special meeting. The approved by- laws will supersede all previous by -laws.

1.4 Seal

The seal of the Authority bears the name of the Authority and the year of its organization. A logo or other artwork which reflects the current values or vision of the Authority may be incorporated into this seal at any time by a resolution of the Board of Commissioners (the “Board”).

1.5 Books and Records

The Authority shall keep current and complete books and records of account and shall keep minutes of the proceedings of its Board and its committees having any of the authority of the Board.

1.6 Public Records

1.6.1 Public Records Act

The Authority shall comply with the requirements of the Public Records Act, Chapter 42.56 RCW.

1.6.2 Public Records Policy

The Authority may adopt a public records policy governing the inspection and copying of public records. Such policy shall not be inconsistent with the requirements of the Public Records Act, Chapter 42.56 RCW.

1.6.3 Records Retention Schedule

The Authority shall comply with the records retention schedules promulgated by the Secretary of State that apply to public housing authorities.

1.7 Fiscal Year

The Fiscal Year of the Authority shall be determined by resolution adopted by the Board. In the absence of such resolution, the fiscal year shall be the calendar year.

1.8 Copies of Resolutions

Any person dealing with the Authority may rely upon a copy of any of the records of the proceedings, resolutions or votes of the Board when such copies are certified by the Secretary.

1.9 Offices

The principal administrative office of the Authority is located within the City of Tacoma, Pierce County, and State of Washington at a location determined by resolution of the Board. The current address is 902 South L Street in the City of Tacoma, Washington.

2. BOARD OF COMMISSIONERS

2.1 General Powers

The powers of the Authority are vested in its Board of Commissioners. The Board shall exercise all policy, oversight, and governance powers of the Authority consistent with Chapter 35.82 RCW.

2.2 Composition

2.2.1 Number of Commissioners

The Board shall consist of five (5) Commissioners.

2.2.2 Directly Assisted Commissioner

- A. Federal law requires that the membership of the Board contain at least one (1) member who is directly assisted by the Authority's federal housing program, whose name appears on the lease and who is eighteen years of age or older. "Directly assisted" as currently defined in 24 C.F.R. § 964.410 means either (i) being a public housing resident; or (ii) being a recipient of housing assistance in the tenant-based Section 8 program (i.e., from the Authority's Housing Choice Voucher Program or other federally funded rental assistance programs).
- B. The Commissioner's seat that expires in the year 2003, 2008, 2013, and so forth, is reserved for a directly assisted Commissioner and shall not be filled by a person who is not directly assisted as defined in section 2.2.2(A) of these by-laws.
- C. If the person appointed as a directly assisted Commissioner no longer qualifies as a directly assisted person, as defined in section 2.2.2 (A) of these by-laws, he or she shall be removed from the Board, creating a vacancy to be filled by a directly assisted person. This removal shall occur only upon a vote of the Board.
- D. A directly assisted Commissioner shall be a full member of the Board with the same powers and responsibilities held by other Commissioners.

2.3 Mayoral Appointment

Commissioners are appointed by the Mayor of the City of Tacoma. Commissioners serve for a term of five (5) years. These terms are staggered with one term expiring on August 16th of each calendar year; PROVIDED, that a Commissioner's appointment extends into a following term until the Mayor appoints or reappoints a person to serve the balance of that following term. Vacancies are filled in the same manner as the original appointments were made, but for the unexpired term.

2.4 Limitation on Employment

No Commissioner of the Board of Commissioners may be an officer or employee of the City of Tacoma.

2.5 Attendance

It is expected that Commissioners will make every effort to attend scheduled meetings. If a Commissioner fails to attend two (2) consecutive meetings without the Board's excusal, the Board Chairperson may send a letter to the Mayor of the City of Tacoma alerting him or her of the circumstances.

2.6 No Compensation

No Commissioner may be compensated for serving in any capacity; except that he or she is entitled to reimbursement for necessary expenses, including traveling expenses, incurred in the discharge of his or her duties.

2.7 Resignation

Any Commissioner may resign at any time by giving written notice to the Chairperson of the Board. Such resignation takes effect at the time specified in the resignation, or if the time is not specified, upon receipt thereof. Unless otherwise specified in the resignation, the acceptance of a resignation is not necessary to make it effective.

2.8 Removal

A Commissioner may be removed by the Mayor of the City of Tacoma for inefficiency or neglect of duty or misconduct in office, but a Commissioner may be removed only after he or she is given a copy of the charges at least ten (10) days prior to the hearing thereon and has had an opportunity to be heard in person or by counsel. When a Commissioner is removed, a record of the proceedings and the charges and findings will be filed in the office of the clerk of the City of Tacoma.

3. OFFICERS

3.1 Number, Election and Vacancies

The Board shall select from among its Commissioners a Chairperson and a Vice Chairperson, and shall employ a Secretary, who is also the Executive Director. The Board shall elect the Chairperson and Vice Chairperson at the annual meeting in August of each year for one (1) year terms or until the Board elects and qualifies their respective successors. No Commissioner may serve in the capacity of Chairperson for more than three (3) consecutive one (1) year terms. After a period of one year following three such consecutive terms, Commissioners are again eligible to serve as Chairperson. If the office of the Chairperson or Vice Chairperson becomes vacant, the Board shall elect a successor to fill the office from the remaining Commissioners at the next meeting. The elected successor shall serve for the remainder of the unexpired term. If elected at the annual meeting, the newly elected Chairperson or Vice Chairperson shall serve a full one (1) year term.

3.2 Chairperson

The Chairperson presides at all meetings of the Authority. At each meeting the Chairperson submits such recommendations and information as he or she may

consider proper concerning the business affairs and the policies of the Authority. The Chairperson is also responsible for the preparation of all regular and special meeting agendas.

3.3 Vice Chairperson

The Vice Chairperson performs the duties of the Chairperson in the absence or incapacity of the Chairperson; and in case of a vacancy in the office of the Chairperson, the Vice Chairperson performs such duties as are imposed on the Chairperson until such time as the Board selects a new Chairperson in accordance with these by-laws.

3.4 Executive Director

3.4.1 Duties

The Executive Director, in the absence of a written contract for a definite time, serves at the pleasure of the Board and may be relieved of his or her duties no sooner than one hundred twenty (120) days after delivery of written notice. The Executive Director has care and custody of all funds of the Authority and deposits the same in the name of the Authority in such bank(s) as the Authority may select.

Signs all orders and checks for the payment of money and pays out and disburses these moneys under the direction of the Authority. Except as otherwise authorized by resolution of the Board, all such orders and checks are countersigned by the Chairperson.

Keeps or causes to be kept regular books of accounts showing receipts and expenditures and renders to the Board, at each regular meeting (or more often when requested), an account of his/her transactions and also of the financial condition of the Authority.

Signs all binding contracts, deeds and other instruments made by the Authority as authorized by advanced resolution of the Board.

Carries out all policies established by the Board and advises on formation of those policies.

Develops and submits to the Board for approval a plan of organization for the conduct of the activities of the Authority and recommends changes when necessary.

Has general supervision over the administration of the Authority's business and affairs subject to the direction of the Board.

Is charged with the management of the housing projects of the Authority.

Prepares an annual budget.

Supervises financial affairs.

Presents to the Board periodic reports reflecting the activities of the Authority and such other special reports as may be required by the Board.

Assigns and supervises employees in the performance of their duties.

Performs such other duties as may from time to time be assigned by the Board.

Gives such bond as the Authority may determine for the faithful performance of his duties.

3.4.2 Compensation

The compensation paid to the Executive Director is determined by the Board, but a Commissioner of the Board serving as Executive Director in a temporary capacity serves without compensation other than the payment of necessary expenses, including traveling expenses incurred in the performance of such duties.

3.4.3 Custody and Use of Seal

The Executive Director keeps in safe custody the seal of the Authority and has the power to affix the seal to all contracts and instruments authorized to be executed by the Authority.

3.5 Secretary

The Executive Director of the Authority serves as ex-officio Secretary of the Authority. In that capacity, he or she or his or her designee: (i) keeps or causes to be kept, correct and permanent records of the Authority; (ii) acts as Secretary of the meetings of the Authority and records all votes; (iii) keeps a record of the proceedings of the Authority in a minute book to be kept for such purposes; and, (iv) performs all other duties incident to his or her office.

3.6 Additional Duties

The officers of the Authority perform such other duties and functions as may from time to time be required by the Board, the by-laws, rules and regulations of the Authority, or applicable law.

3.7 Additional Personnel

The Authority may from time to time employ personnel it considers necessary to exercise its powers, duties, and functions in accordance with the purpose of the Authority. The selection and compensation of such personnel is determined by the

Executive Director, subject to all applicable Federal, State, and local laws and regulations, including, without limitation, HUD regulations.

3.8 Indemnification

The Authority shall adopt policies to set forth the terms and procedures for indemnifying and defending officers and Commissioners of the Board as authorized by RCW 4.96.041.

4. MEETINGS

4.1 Meeting

Unless the Board designates a different time or place for its meetings, the schedule and location for Board meetings shall be as follows:

4.1.1 Annual meetings

Annual meetings of the Authority are held at the office of the Authority or such other place as designated by the Board for the purpose of electing officers, receiving the annual report of the Executive Director, and conducting other business as may come before the meeting. The annual meeting of the Authority will be on the fourth Wednesday in August immediately preceding the regular meeting. If this date falls on a legal holiday, the annual meeting is held on the next succeeding business day unless otherwise posted in accordance with State requirements.

4.1.2 Regular meetings

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

4.1.3 Special meetings

The Chairperson of the Authority may, when he or she deems it expedient, and must, upon the written request of two (2) Commissioners of the Board, notice and call a special meeting of the Board for the purpose of transacting any business designated in the call. At such a special meeting, the Board shall not consider business other than as designated by the notice. The Board shall not take final disposition on any other matters at special meetings.

4.2 Notice of Meeting

Notice of Board meetings must conform to the requirements of the Open Public Meetings Act, Chapter 42.30 RCW.

4.3 Executive Session

Before convening in executive session, the presiding officer will publicly announce the purpose for excluding the public from the meeting place and the time when the executive session will be concluded. The executive session may be extended to a stated later time by announcement of the presiding officer.

4.4 Quorum

Three (3) Commissioners constitute a quorum for the purpose of conducting its business and exercising the Board's powers and for all other purposes.

4.5 Adjournment

The Board may adjourn any regular, adjourned regular, special, or adjourned special meeting to a time and place specified in the order of adjournment. Less than a quorum may so adjourn from time to time. If all Commissioners are absent from any regular or adjourned regular meeting, the Secretary may declare the meeting adjourned to a stated time and place. The Secretary will cause a written notice of the adjournment to be given in the same manner as provided by resolution of the Board for special meetings. Whenever any meeting is adjourned, a copy of the order or notice of adjournment will be conspicuously posted immediately after the time of the adjournment on or near the door of the place where the regular, adjourned regular, special, or adjourned special meeting was held. When a regular or adjourned regular meeting is adjourned as provided in this subsection, the resulting resumed adjourned regular meeting is a regular meeting for all purposes. When any order of adjournment of any meeting fails to state the hour at which the resumed adjourned meeting is to be held, it is held at the hour specified for regular meetings by resolution of the Board.

4.6 Order of Business

At the regular meetings of the Board, the following is the customary order of business. The Board may curtail, enlarge, or modify this order:

- Call to Order
- Roll Call
- Approval of Minutes of the previous meeting
- Guest Comments
- Board Committee Reports
- Comments from the Executive Director
- Staff Administration Reports
- New Business
- Comments from the Commissioners
- Executive Session
- Action Subsequent to Executive Session
- Adjournment

4.7 Resolutions

All resolutions are in writing and are maintained in a journal of proceedings of the Authority.

4.8 Rules of Order

- 4.8.1 The presiding officer shall conduct Board meetings generally to allow for a full, fair, and efficient conduct of Board business.
- 4.8.2 Any Commissioner may move a proposal. At least one other Commissioner must second the motion in order to have a discussion or vote on it. If no other Commissioner seconds the motion, there shall be no discussion or vote on the proposal.
- 4.8.3 If a Commissioner seconds a proposal, the discussion shall continue until the presiding Commissioner calls for a vote, subject to a vote of a majority of a quorum directing a continuation of discussion.
- 4.8.4 The Chairperson or a majority of a quorum may direct that Robert Rules of Order govern the proceedings during a Board meeting.

4.9 Manner of Voting

All questions coming before the Board, other than matters of procedure and the election or appointment of officers, are presented in the form of uniquely numbered resolutions. The vote on all resolutions is by roll call, and each resolution is entered in full upon the minutes of the meeting, together with the ayes, nays, absent, and abstentions. The election of officers, however, may be conducted by ballot.

4.10 Motions

Motions from the floor, when properly seconded, may be voted on by voice, a show of hands, or roll call at the direction of the Chairperson.

4.11 Attendance by Telephone or Remote Means

Any Commissioner may attend any meeting of the Board of Commissioners by telephone, other electronic, internet or other means of remote access, as long as it provides the ability for all persons attending the meeting to hear each other at the same time. Participation by such means shall constitute attendance at the meeting. The Board will conform to further public health authority directives or concerns and further state directives about the requirements of the Open Public Meetings Act that may determine the required or allowed manner of the Board's convening.

5. AMENDMENTS

The Board may amend these by-laws only by resolution adopted by the affirmative vote of at least three (3) Commissioners of the Board at a regular or special meeting. The approved by-laws will supersede all previous by-laws.



TACOMA HOUSING AUTHORITY

**REVIEW ROLES AND RESPONSIBILITIES
OF COMMISSIONERS**

July 11, 2022

Talking points on roles & responsibilities

To establish and maintain highly effective leadership of our agency, a best practice is to periodically affirm our mutual understanding of roles and responsibilities for Commissioners and the relationship with the Executive Director. To that end, the following is adapted from *The Handbook for Commissioners* (3rd ed., 2019, NAHRO).

Key Responsibilities of Commissioners

Provide Leadership

- Set and champion the agency's mission
- Make strategic decisions
- Partner with the executive director
- Actively participate in board meetings
- Nurture positive community and media relations

Provide oversight

- Keep abreast of housing industry rules and regulations
- Ensure that authority is meeting statutory, regulatory, and contractual obligations
- Develop a five-year and an annual plan
- Adopt operating budgets
- Safeguard THA's assets

Essential skills, abilities, and basic knowledge for Commissioners

- Practice superior communication
- Understand THA's history, mission, programs, financials, and strategic plan
- Be familiar with THA's policies and procedures
- Understand agency-owned developments and properties
- Be comfortable with board and committee meeting processes

Relationship of Commissioners and Executive Director

- Commissioners act with mutual respect and sensitivity to one another
- Commissioners trust your Executive Director
- Commissions and Executive Director establish goals and evaluation procedures in partnership
- Respect the Executive Director's territory – learn to help without interfering
- Commissioners protect the Executive Director from outside pressures
- Teamwork between Commissioners and Executive Director is essential



TACOMA HOUSING AUTHORITY

ANNUAL BOARD CALENDAR OF TOPICS

DRAFT ANNUAL BOARD CALENDAR

STAFFING

January

Prior year staffing statistics, performance against metrics, strategies for the coming year, priorities for the coming year

CONTRACTING AND RESIDENT HIRING

February

Prior year contracting and resident hiring statistics, performance against metrics, strategies for coming year, priorities for the coming year

THA PARTNERSHIPS AND SERVICES

March

Highlight key THA partnerships, describe THA's services for customers, review data, review strategies and priorities for the coming year.

MOVING-TO-WORK (MTW) REPORT

April

Review the highlights from the MTW Report (this is a report on how we performed against our goals for THA's housing programs and MTW activities)

MID-YEAR RENTAL MARKET ANALYSIS AND PAYMENT STANDARD REVIEW

May

Review an analysis of the rental market, consider changes to the payment standard, review how changes impact THA's budget, review and revise voucher leasing goals

PHASE 1 ANNUAL PLANNING

June

- Board ideas regarding THA's one-year and five-year goals, should we be considering new goals and strategies?
- Set goals related to THA's housing programs, service delivery, employee retention and satisfaction, equitable contracting and hiring residents
- Ratify Collective Bargaining Agreements



DRAFT ANNUAL BOARD CALENDAR

July

MID-YEAR BUDGET REVIEW

Review expenditures against budget, look at property-level performance, review THA reserves and capital plan. Review and revise budget, as necessary.

August

ANNUAL MEETING: NEW OFFICERS, REVIEW ROLES AND RESPONSIBILITIES

- Elect new board officers.
- Review the Commissioner handbook.
- Refresh roles and responsibilities, review bylaws.
- Authorize investment institutions and authorized signers

September

PHASE 2 ANNUAL PLANNING

Review the annual goals in the MTW Plan, employee retention and satisfaction goals, equitable contracting, and hiring residents

October

RENTAL MARKET ANALYSIS AND PAYMENT STANDARD REVISIONS

Review an analysis of the rental market, consider changes to the payment standard, review how changes impact THA's budget, set voucher leasing goals to be incorporated into upcoming budget

November

REVIEW THA'S HOUSING PROGRAMS

Explanation of THA's different housing programs, who we serve, community need, and strategies for serving more households

December

APPROVE AGENCY BUDGET

- Review and approve agency budget.
- Approve Board Commitments.
- Approve the next year's board meeting schedule





TACOMA HOUSING AUTHORITY

ANNUAL CERTIFICATION



August 25, 2021

Commissioner Annual Certification

(August 25, 2021 – August 24, 2022)

Please check one; sign and date below selection:

- NO CONFLICT OF INTEREST:** In accordance with THA Policy G-10, Ethics and Conflicts of Interest, I hereby certify that I have reviewed THA Policy G-10 regarding conflict of interest and I believe to the best of my information and belief that I have fully complied with the Ethics and Conflicts of Interest Policy of the Housing Authority of the City of Tacoma and that no conflict of interest occurred during the period beginning on August 1, 2013 and ending on the date of my signature below.

Signature: _____

Date: _____

- CONFLICT OF INTEREST:** In accordance with THA Policy G-10, Ethics and Conflicts of Interest, I hereby certify that I have reviewed THA Policy G-10 regarding conflict of interest and I believe to the best of my information and belief that I have failed to comply with the Ethics and Conflicts of Interest Policy of the Housing Authority of the City of Tacoma and that a conflict of interest occurred between August 1, 2013 and the date of my signature below. I am providing the attached detailed explanation as part of this certification. I understand this certification, together with the explanation acknowledging the occurrence of a conflict of interest, shall be promptly delivered to all other commissioners and the mayor of the City of Tacoma.

Signature: _____

Date: _____



TACOMA HOUSING AUTHORITY

MINUTES



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES SPECIAL SESSION FRIDAY, JUNE 10, 2022

The Commissioners of the Housing Authority of the City of Tacoma met in Special Session via Zoom on Friday, June 10, 2022, at 12:30 pm.

1. INTERVIEW OF

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

2. ROLL CALL

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

PRESENT	ABSENT
Commissioners	
Chair Stanley Rumbaugh	
	Vice Chair Shennetta Smith
Commissioner Derek Young	
Commissioner Dr. Minh-Anh Hodge	
Commissioner Pastor Michael Purter	
Staff	
April Black, Executive Director	
Sha Peterson, Executive Administrator	
Julie LaRocque, Interim Deputy Executive Director	
Jorge Perez, Finance Director	
Jeanne Thurston, Human Resources Director	
Frankie Johnson, Property Management Director	
	Marquis Jenkins, Interim Property Management Director
Sandy Burgess, Administrative Services Director	
	Aley Thompson, Interim Rental Assistance Director
	Cacey Hanauer, Client Support and Empowerment Director
	Katie Escudero, Interim Policy, Innovation and Evaluation Director

Chair Rumbaugh declared there was a quorum present @ 12:36 pm and proceeded.

3. NEW BUSINESS

3.1 RESOLUTION 2022-06-10 (1) (Authorization for Acquisition of the North Highland Court Apartments by Negotiated Purchase in Lieu of Condemnation)

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

Whereas, RESOLUTION 2021-6-23 (1) and RESOLUTION 2022-01-26 (2) previously authorized THA to acquire the Property at a price of \$6,200,000.00 in lieu of condemnation, subject to final Board approval following inspection of the Property and other due diligence; and

Whereas, by Real Estate Purchase and Sale Agreement dated May 12, 2022 (“Purchase Agreement”), the Executive Director was successful in negotiating for the purchase of Property at a price of \$6,200,000.00 in lieu of condemnation; and

Whereas, following inspection of the Property and other due diligence, the Executive Director is recommending that the Housing Authority proceed with closing on the purchase of the Property pursuant to the Purchase Agreement;

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

Section 1: RESOLUTION 2021-6-23 (1) and RESOLUTION 2022-01-26 (2) are incorporated herein by reference.

Section 2: The Board of Commissioners hereby authorizes the Executive Director to proceed with the closing of the purchase of the Property pursuant to the Purchase Agreement and to take any and all actions necessary in connection therewith.

Comments: The feasibility review and inspection have been completed, and the appraisal will be scheduled in early July. There are 35 units. According to Commissioner Young, the Finance Committee had a chance to discuss this and have asked their questions. Chair Rumbaugh added that the owner has been forthcoming.

Upon roll call, the vote was as follows:

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

Motion Approved: June 10, 2022

Stanley Rumbaugh, Chair

4. COMMENTS FROM THE COMMISSIONERS

Commissioner Hodge thanked staff for their hard work. ED Black announced that Roberta Schur has given her notice to THA. She thanked Roberta for her time at THA, for her work with the Salishan development, and all her work getting THA to where it is now. On behalf of the agency, Chair Rumbaugh thanked her for her service and all her work. He wished her great success in her endeavor. Commissioner Hodge thanked Roberta and noted that she heard she would stay on to see the Hilltop development completed.

10. ADJOURNMENT

There being no further business to conduct, the meeting ended at 12:41 pm.

APPROVED AS CORRECT

Adopted: August 24, 2022

Shennetta Smith, Chair



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES SPECIAL SESSION THURSDAY, JUNE 30, 2022

The Commissioners of the Housing Authority of the City of Tacoma met in Special Session via Zoom on Thursday, June 30, 2022, at 12:00 pm to discuss OPEIU Collective Bargaining Agreement, North Highland Court Financing and Other Acquisition Approvals.

1. CALL TO ORDER

Chair Rumbaugh called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 12:05 pm.

2. ROLL CALL

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

PRESENT	ABSENT
Commissioners	
Chair Stanley Rumbaugh	
Vice Chair Shennetta Smith (12:04 pm)	
	Commissioner Derek Young
Commissioner Dr. Minh-Anh Hodge	
	Commissioner Pastor Michael Purter
Staff	
April Black, Executive Director	
Sha Peterson, Executive Initiatives Officer	
Julie LaRocque, Interim Deputy Executive Director	
Jorge Perez, Finance Director	
Jeanne Thurston, Human Resources Director	
Frankie Johnson, Property Management Director	
Marquis Jenkins, Interim Property Management Director	
Sandy Burgess, Administrative Services Director	
Aley Thompson, Interim Rental Assistance Director	
Cacey Hanauer, Client Support and Empowerment Director	
Katie Escudero, Interim Policy, Innovation and Evaluation Director	

Chair Rumbaugh declared there was a quorum present at 12:06 pm and proceeded.

3. NEW BUSINESS

8.1

RESOLUTION 2022-06-30 (1) **(Approval of Extending Collective Bargaining Agreement with OPEIU)**

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

WHEREAS, The collective bargaining agreement (CBA) between the Housing Authority of the City of Tacoma (THA) and the Office and Professional Employees International Union, Local 8 (OPEIU) will expire on June 30, 2022; and

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WHEREAS, OPEIU gave timely notice to THA to reopen negotiations for a new CBA; and

WHEREAS, THA and OPEIU have not have the opportunity to begin negotiations; and

WHEREAS, THA and OPEIU have reached an agreement to extend the existing CBA for one year; and

WHEREAS, OPEIU has signed the attached MOU; now, therefore, be it Resolved by the Board of Commissioners of the Housing Authority of the City of Tacoma, Washington as follows:

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

1. Extend the current Collective Bargaining Agreement with the Office and Professional Employees International Union, Local 8 through June 30, 2023.
2. Allow the continuance of salary increases for all-staff which has been allowed for the past four years.
3. In summary, allow:
 - a. A 5% across-the-board increase process in July 09, 2022.
 - b. A 2% budget for the Variable Pay budget for 2022/2023.
 - c. An employee who was hired or promoted between April 1, 2022 and May 31, 2022 will receive a general wage increase of 2.5%.
 - d. THA temporary employees are not eligible for this increase.
4. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

Approved: June 30, 2022

Stanley Rumbaugh, Chair

Vice Chair Smith motioned to approve the resolution. Commissioner Hodge seconded the motion. Having the objections, the resolution was unanimously approved.

Upon roll call, the vote was as follows:

AYES: 3
NAYS: None

Abstain: None
Absent: 2

Motion Approved: June 30, 2022

Stanley Rumbaugh, Chair

8.2 RESOLUTION 2022-06-30 (2)
(Authorization to Enter Into Property Management Services Agreement and to Finance a Portion of the Costs of Acquisition of the North Highland Court Apartments)

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

Whereas, RESOLUTION 2021-6-23 (1), RESOLUTION 2022-01-26 (2), and RESOLUTION 2022-6-10 (1) previously authorized THA to acquire the Property at a negotiated price of \$6,200,000.00 in lieu of condemnation; and

Whereas, RESOLUTION 2022-6-10 (1) in particular authorized THA to proceed with the closing of the purchase of the Property and to take any and all actions necessary in connection therewith; and

Whereas, the Executive Director recommends that the THA enter into an agreement with Spinnaker Property Management to provide property management services for the Property; and

Whereas, the Executive Director recommends that the THA borrow up to \$3,000,000 from Banner Bank, up to \$3,300,000 from the Washington State Department of Commerce, and such additional funds from other sources that the Executive Director deems appropriate, to finance the acquisition of the Property; and

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

Section 1: RESOLUTION 2021-6-23 (1), RESOLUTION 2022-01-26 (2), and RESOLUTION 2022-6-10 (1) are incorporated herein by reference.

Section 2: April Black, as Executive Director of THA, is authorized on behalf of THA to negotiate and enter into an agreement with Spinnaker Property Management to provide property management services for the Property (“Property Management Agreement”).

Section 3: The Executive Director is authorized on behalf THA to enter into one or more loans in connection with the acquisition of the Property, including (a) a first-position secured loan of up to \$3,000,000 from Banner Bank, (b) a second-position secured loan of up to \$3,300,000 from the Washington State

Department of Commerce, and (c) such additional loans from such additional lenders and on such additional terms as may be determined in the Executive Director's discretion (each a "Loan").

Section 4: In connection with the Loans, the Executive Director is authorized to execute on behalf of THA and in its name all documents and instruments related to each Loan, including but not limited to: loan agreements, promissory notes, deeds of trust, escrow instructions, settlement statements, and any additional documents and instruments as may be reasonably required to complete such purchase of the Property and enter into the Loans.

Section 5: The Executive Director is authorized to expend such funds as are necessary to pay for all application fees, financing fees, and other costs relating to the actions authorized by this Resolution.

Section 6: In connection with the Property Management Agreement and the Loan, the signature of April Black, as Executive Director, shall bind the THA to the same extent as if the Board of Commissioners had executed the document or instrument. These Resolutions may be relied upon by Spinnaker Property Management, Banner Bank, the Washington State Department of Commerce, any other lender, and any title insurance company insuring the title of the Property or any portion of it.

Commissioner Hodge motioned to approve the resolution. Vice Chair Smith seconded the motion.

Upon roll call, the vote was as follows:

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

Motion Approved: June 30, 2022

Stanley Rumbaugh, Chair

10. ADJOURNMENT

There being no further business to conduct, the meeting ended at 12:17 pm.

APPROVED AS CORRECT

Adopted: August 24, 2022

Shennetta Smith, Chair



Real Estate Development Committee

Commissioner Stanley Rumbaugh
Commissioner Derek Young
April Black
Sandy Burgess
Richard Deitz
Julie LaRocque

Finance Committee

Commissioner Derek Young
Vice Chair Minh-Anh Hodge
April Black
Richard Deitz
Duane Strom
Julie LaRocque

Community Partnerships and Advocacy Committee

Chair Shennetta Smith
Commissioner Pastor Michael Purter
April Black
Nick Tolley
Marquis Jenkins
Julie LaRocque

Education, Housing, Services and Partnerships Committee

Chair Shennetta Smith
Vice Chair Minh-Anh Hodge
April Black
Katie Escudero
Jess Thompson
Aley Thompson
Julie LaRocque

Diversity, Equity and Inclusion Committee

Chair Shennetta Smith
Vice Chair Minh-Anh Hodge
Cacey Hanauer
Sharrall Madden
Marquis Jenkins
Katie Escudero
Jess Thompson
Aley Thompson
Julie LaRocque



TACOMA HOUSING AUTHORITY

FINANCE



TACOMA HOUSING AUTHORITY

Motion

Adopt a consent motion ratifying the payment of cash disbursements totaling \$7,822,487 for the month of May 2022.

Approved: August 24, 2022

Shennetta Smith, Chair

TACOMA HOUSING AUTHORITY
Cash Disbursements for the month of May 2022

		Check Numbers		Amount	Totals
		From	To		
A/P Checking Accounts					
Accounts Payable Checks	Check #'s	95,672	-	95,739	
Accounts Payable ACHs	ACHs	1,165	-	1,203	
Business Support Center				449,764	
Moving To Work Support Center				328,478	Program Support
Moving To Work Buildings (used by Support Center)				89,272	
Tax Credit Program Support Center				58,505	
Section 8 Programs				239,724	Section 8 Operations
KeyBank Building				416	Properties
Salishan 7				21,138	
Saravida Building				248	Development
Housing Hilltop LLLP				882	
Hillsdale Heights				475	
Bus Development Activity				710	
Community Services MTW Fund				12,243	Client Support
Education Private Grants (Gates, etc.)				3,886	
AMP 6 - Scattered Sites				1,022	Public Housing
THA SUBTOTAL				1,206,763	
Hillside Terrace 2 & 1500				11,913	Tax Credit Projects - Reimbursable
Bay Terrace I & II & Community Facility				14,408	
Housing Hilltop LLLP				1,769,155	
Arlington Youth Campus				6,357	
Court F (The Rise)				4,951	
Renew Tacoma Housing				45,974	
Salishan 1 - Salishan 6				19,573	
TAX CREDIT SUBTOTAL (Operations & Development - billable)				1,872,330	
Section 8 Checking Account (HAP Payments)					
SRO/HCV/VASH/FUP/NED	Check #'s	485,653	-	485,753	176,725
	ACHs	18,855	-	20,056	3,644,131
					\$ 3,820,856
Payroll & Payroll Fees - ADP					\$ 922,538
TOTAL DISBURSEMENTS					\$ 7,822,487



TACOMA HOUSING AUTHORITY

Motion

Adopt a consent motion ratifying the payment of cash disbursements totaling \$6,747,391 for the month of June 2022.

Approved: August 24, 2022

Shennetta Smith, Chair

TACOMA HOUSING AUTHORITY
Cash Disbursements for the month of June 2022

	Check Numbers		Amount	Totals
	From	To		
A/P Checking Accounts				
Accounts Payable Checks	Check #'s	95,740 - 95,793		
Accounts Payable ACHs	ACHs	1,204 - 1,285		
Business Support Center			797,633	
Moving To Work Support Center			208,806	
Moving To Work Buildings (used by Support Center)			64,856	Program Support
Tax Credit Program Support Center			55,128	
Section 8 Programs			71,504	Section 8 Operations
Arlington Crisis Residential Center			552	
KeyBank Building			416	Properties
Salishan 7			69,652	
Alberta J Canada Bldg			531	
THDG - General			14,971	THDG
Saravida Building			43	
James Center			13,950	
Hilltop Redevelopment			518	Development
Hillsdale Heights			475	
Bus Development Activity			2,927	
CSA Program - Business Activities			555	
SAFE/TRAC			117	
Department of Commerce Funding for Crisis Residential Center			91,879	Client Support
Community Services MTW Fund			24,828	
Education Private Grants (Gates, etc.)			6,694	
Education-Local Gov't Grants (County, City)			4,399	
AMP 6 - Scattered Sites			2	Public Housing
AMP 9 - HT 1500 - Subsidy			717	
THA SUBTOTAL			1,431,153	
Hillside Terrace 2 & 1500			3,644	
Bay Terrace I & II & Community Facility			8,156	
Housing Hilltop LLLP			15,396	Tax Credit Projects - Reimbursable
Arlington Youth Campus			2,985	
Court F (The Rise)			3,399	
Renew Tacoma Housing			19,603	
Salishan 1 - Salishan 6			7,253	
TAX CREDIT SUBTOTAL (Operations & Development - billable)			60,437	1,491,590
Section 8 Checking Account (HAP Payments)				
SRO/HCV/VASH/FUP/NED	Check #'s	485,754 - 485,860	194,816	
	ACHs	20,057 - 20,986	3,621,527	\$ 3,816,343
Payroll & Payroll Fees - ADP				\$ 1,439,457
TOTAL DISBURSEMENTS				\$ 6,747,391



TACOMA HOUSING AUTHORITY

Motion

Adopt a consent motion ratifying the payment of cash disbursements totaling \$10,006,030 for the month of July 2022.

Approved: August 24, 2022

Shennetta Smith, Chair

TACOMA HOUSING AUTHORITY
Cash Disbursements for the month of July 2022

		Check Numbers		Amount	Totals
		From	To		
A/P Checking Accounts					
Accounts Payable Checks	Check #'s	95,794	-	95,876	
Accounts Payable ACHs	ACHs	1,286	-	1,348	
Business Support Center				577,210	Program Support
Moving To Work Support Center				59,104	
Moving To Work Buildings (used by Support Center)				51,959	
Tax Credit Program Support Center				29,442	
Section 8 Programs				184,175	Section 8 Operations
KeyBank Building				416	Properties
North Highland Court Apts				3,086,484	
Salishan 7				15,507	
Alberta J Canada Bldg				287	
Arlington Youth Campus				15,442	
CSA Program - THDG				405	THDG
THDG - General				70	
Saravida Building				5,376	Development
James Center				15,785	
Hilltop Redevelopment				1,125	
Hillsdale Heights				4,910	
Bus Development Activity				19,548	
CSA Program - Business Activities				800	Client Support
Department of Commerce Funding for Crisis Residential Center				15,489	
Community Services MTW Fund				30,695	
Education Private Grants (Gates, etc.)				15,620	
Education-Local Gov't Grants (County, City)				4,120	
AMP 6 - Scattered Sites				21	Public Housing
AMP 9 - HT 1500 - Subsidy				1,381	
THA SUBTOTAL				4,135,370	
Hillside Terrace 2 & 1500				5,325	Tax Credit Projects - Reimbursable
Bay Terrace I & II & Community Facility				10,353	
Housing Hilltop LLLP				305,655	
Arlington Youth Campus				735,245	
Court F (The Rise)				3,893	
Renew Tacoma Housing				30,066	
Salishan 1 - Salishan 6				26,156	
TAX CREDIT SUBTOTAL (Operations & Development - billable)				1,116,693	5,252,063
Section 8 Checking Account (HAP Payments)					
SRO/HCV/VASH/FUP/NED	Check #'s	485,861	-	485,956	157,234
	ACHs	20,987	-	21,900	3,629,421
Payroll & Payroll Fees - ADP					\$ 967,312
TOTAL DISBURSEMENTS					\$ 10,006,030



TACOMA HOUSING AUTHORITY



Date: August 24, 2022
To: THA Board of Commissioners
From: Jorge Perez
Director of Finance
Re: Finance Department Board Report

1. FINANCIAL STATEMENT

I present the July 2022 disbursement report for your approval.

The Finance Department is submitting the financial statement for the period through June 30, 2022. This is the mid-year report, reflecting the agency's performance for the first half of the year.

The financial statement illustrates that the agency continues to do well and will end the year in a strong financial position. We are currently projecting a surplus at year-end of \$2,603,367, which can be seen on *Line 51 – Surplus/(Deficit) before Reserve Appropriations* of the financials. Once capital expenditures are taken into account, as displayed on *Line 56 – THA Surplus/(Deficit)*, the projected year-end surplus is reduced to \$522,231. I want to draw your attention to a few areas that I believe deserve additional discussion. These areas are addressed below.

For this report, general themes will be addressed.

- *Line 1, S8 HAP reimbursement* – We remain under budget Year to date, but the percentage variance has decreased significantly. Our *S8 HAP reimbursement* revenue is dictated by our MTW and HAP spending which are both currently below what was budgeted. Spending picked up in Q2, which allowed us to draw more funds, reducing the variance. The timing differences that increased the variance in Q1 were mostly resolved in Q2.
- *Line 5 – Capital Fund Operating Revenue* – This is primarily a carryover of funds from 2019, which we have until 2024 to expend. Our MTW program needs will dictate the timing of drawing these funds down from HUD. We currently plan to delay drawing these funds until 2023 to maximize the utilization of our MTW voucher funding.
- *Line 6, Other Government Grants* – The majority of the revenue in this category is tied to grants for the Arlington Campus to fund many of the services shown on *Line 29 – Tenant Services – Other*. The under expenditure in this area has led to lower than anticipated revenue.
- *Lines 11 & 12, Other Revenue – Developer Fee Income & T/C Waterfall Payments* - These payments are all anticipated to occur in the third quarter.
- *Lines 15 – 25 – Administrative Expense* – We continue to be under budget in each Administrative Expense line item. A portion of this is simply timing-related. We have a number of new and vacant positions that we are still in the process of hiring. As we bring

these new employees onboard, our salary and benefits costs should better align with the budget as we progress through the year. We have seen a significant increase in travel and training in the second quarter, and we anticipate this trend will continue through the end of the year. One of the larger variances is in Due Diligence where changes in priorities and approaches have reduced the need for spending in this area.

- *Lines 26 – 30 – Tenant Service* – The Tenant Service area is under budget in every category except Relocation Costs. In the Salaries and Benefits area, the underspending results from unfilled vacancies. As noted under Other Government Grants, the underspending in Tenant Service - Other is primarily related to grant-related spending at the Arlington Campus.
- *Line 31 – Utilities* – This is for utilities at 902, the FIC, and the other THA-owned properties. Adding the North Highland property will increase our utility expenses for the second half of the year.
- *Lines 32 – 36 – Ordinary Maintenance and Operations* – In total, this category is running slightly over budget, which is somewhat masking significant variances at the property level. Aviva Crossing (James Center North), Highland Crest, and Outrigger are all significantly over budget due to a few unexpected repairs. These overages are offset by lower than anticipated spending at 902 and the Family Investment Center. We anticipate that each of the properties will be more in line with the budget by the end of the year.
- *Line 37-41 – General Expense* – This area is relatively in line with the budget; however, significant timing-related issues create variances at the individual line-item level. The most significant variance is Line 39 – Other General Expense, which includes a once-a-year leasehold excise tax payment of \$65K that is included in the first quarter. We have also paid out \$41K in settlement expenses that were not budgeted.
- *Line 43 – Section 8 HAP Payments* – This line item is currently running under budget; as the year progresses, we anticipate that this variance will be reduced. A portion of the variance is due to delayed billing for rapid rehousing and slower than budgeted lease-ups for Mainstream, Foster Youth to Independence, and Emergency Housing Vouchers. We have also not seen the anticipated rise in average HAP for our project-based vouchers (PBV) units. THA is increasing the rents for the majority of our PBV portfolio effective September 1st, which will increase our PBV-related HAP costs.

2. INVESTMENTS

Surplus funds are invested in Heritage checking and the Washington State Investment Pool. Rates with Heritage Bank are at .30%. The Washington State Local Government Investment Pool currently provides a return rate of 2.21%.

3. AUDIT

The Washington State auditors have started the audit and are working on both the compliance and financial portions concurrently. Similar to the past few years, the Washington State

auditors plan on doing most of their work remotely. There will not be an accountability audit for 2021, as the Agency has been evaluated as low risk based on our internal controls and lack of prior findings. We anticipate that we will be required to have an accountability for the 2022 fiscal year. The entrance conference is scheduled for August 31st.

4. BUDGETS

In early August we held budget kickoff meetings with each of the departments. The initial department budget submissions are due back to Finance on September 16th. This will provide us with the framework for future discussions regarding priorities and resource allocation.

5. YEAR END UPDATE

There is no update at this time.

**TACOMA HOUSING AUTHORITY
AGENCY WIDE**

	June-22				Thru 12/31/2022			
	CURRENT QTR ACTUAL	YEAR TO DATE ACTUAL	BUDGETED YTD	VARIANCE	PROJECTED ACTUAL	BUDGETED	VARIANCE	
OPERATING RECEIPTS								
1	HUD grant - Section 8 HAP reimbursement	15,365,675	27,827,910	30,889,145	-9.9%	57,882,053	61,778,289	-6.3%
2	HUD grant - Section 8 Admin fee earned	1,309,719	2,573,239	2,509,729	2.5%	5,146,478	5,019,458	2.5%
3	HUD grant - Community Services	52,380	99,525	98,831	0.7%	199,049	197,662	0.7%
4	HUD grant - Public Housing subsidy	3,171	6,444	15,000	-57.0%	15,138	30,000	-49.5%
5	HUD grant - Capital Fund Operating Revenue	0	0	125,000	-100.0%	0	250,000	-100.0%
6	Other Government Grants	438,617	795,818	1,081,426	-26.4%	1,741,637	2,162,852	-19.5%
7	Tenant Revenue - Dwelling rent	679,337	1,358,560	1,369,782	-0.8%	2,957,549	2,739,564	8.0%
8	Tenant Revenue - Other	38,864	73,646	74,308	-0.9%	147,293	148,615	-0.9%
9	Management Fee Income	786,650	1,555,258	1,649,797	-5.7%	3,195,516	3,299,594	-3.2%
10	Other Revenue	943,538	1,733,962	1,730,407	0.2%	3,467,925	3,460,814	0.2%
11	Other Revenue - Developer Fee Income	0	0	616,700	-100.0%	1,233,400	1,233,400	0.0%
12	Other Revenue - T/C Waterfall Payments	0	0	1,121,000	-100.0%	2,012,308	2,242,000	-10.2%
13	Investment income	14,628	31,596	23,825	32.6%	72,671	47,650	52.5%
14	TOTAL OPERATING RECEIPTS	19,632,579	36,055,959	41,304,949	-12.7%	78,071,015	82,609,898	-5.5%
OPERATING EXPENDITURES								
Administrative Expenses								
15	Administrative Salaries	2,397,020	4,273,374	5,285,021	-19.1%	9,508,465	10,570,043	-10.0%
16	Administrative Personnel - Benefits	756,530	1,400,949	1,886,926	-25.8%	3,053,211	3,773,852	-19.1%
17	Audit Fees	3,483	3,483	37,997	-90.8%	75,994	75,994	0.0%
18	Management Fees	123,577	228,834	307,566	-25.6%	500,706	615,132	-18.6%
19	Office Expense	593,016	1,152,346	1,171,595	-1.6%	2,304,693	2,343,189	-1.6%
20	Legal	65,752	105,298	238,550	-55.9%	393,800	477,100	-17.5%
21	Travel/Training	51,450	61,088	227,727	-73.2%	223,987	455,454	-50.8%
22	Other administrative expenses	549,045	1,259,290	1,649,049	-23.6%	2,813,580	3,298,097	-14.7%
23	Due diligence - Perspective Development	12,475	22,335	625,000	-96.4%	450,000	1,250,000	-64.0%
24	Contingency	0	0	52,500	-100.0%	0	105,000	-100.0%
25	Total Administrative Expenses	4,552,348	8,506,997	11,481,930	-25.9%	19,324,435	22,963,860	-15.8%

**TACOMA HOUSING AUTHORITY
AGENCY WIDE**

	June-22				Thru 12/31/2022			
	CURRENT MTH ACTUAL	YEAR TO DATE ACTUAL	BUDGETED	VARIANCE	PROJECTED ACTUAL	BUDGETED	VARIANCE	
Tenant Service								
26	Tenant Service - Salaries	369,561	673,759	876,065	-23.1%	1,555,666	1,752,131	-11.2%
27	Tenant Service Personnel - Benefits	130,267	248,750	347,513	-28.4%	559,615	695,026	-19.5%
28	Relocation Costs	8,550	8,550	1,500	470.0%	10,050	3,000	235.0%
29	Tenant Service - Other	290,996	663,445	1,314,959	-49.5%	1,919,135	2,629,918	-27.0%
30	Total Tenant Services	799,375	1,594,504	2,540,037	-37.2%	4,044,466	5,080,074	-20.4%
Utilities								
31	Total Project Utilities	122,811	202,380	219,697	-7.9%	431,189	439,394	-1.9%
Ordinary Maintenance & Operations								
32	Maintenance Salaries	64,116	119,547	116,471	2.6%	243,078	232,941	4.4%
33	Maintenance Personnel - Benefits	16,812	36,293	32,639	11.2%	72,586	65,277	11.2%
34	Maintenance Materials	36,098	67,284	71,697	-6.2%	140,567	143,395	-2.0%
35	Contract Maintenance	201,403	323,318	296,608	9.0%	616,635	593,215	3.9%
36	Total Routine Maintenance	318,430	546,441	517,414	5.6%	1,072,867	1,034,829	3.7%
General Expenses								
37	Protective Services	35,454	51,028	44,200	15.4%	102,056	88,400	15.4%
38	Insurance	78,667	158,139	171,623	-7.9%	325,767	343,246	-5.1%
39	Other General Expense	106,452	275,808	233,875	17.9%	472,877	467,750	1.1%
40	Interest Expense	162,271	250,866	263,414	-4.8%	526,828	526,828	0.0%
41	Total General Expenses	382,844	735,841	713,112	3.2%	1,427,528	1,426,224	0.1%
42	TOTAL OPERATING EXPENSES	\$ 6,175,807	\$ 11,586,162	\$ 15,472,191		\$ 26,300,485	\$ 30,944,382	
Nonroutine Expenditures								
43	Ext. Maint/Fac Imp/Casualty Loss	27,227	27,227	8,800	209.4%	36,027	17,600	104.7%
44	Sec 8 HAP Payments	11,683,570	23,154,767	25,247,237	-8.3%	49,052,232	50,494,474	-2.9%
45	Total Nonroutine Expenditures	11,710,797	23,181,994	25,256,037	-8.2%	49,088,259	50,512,074	-2.8%
46	TOTAL EXPENDITURES	17,886,604	34,768,156	40,728,228	-14.6%	75,388,744	81,456,456	-7.4%
47	OPERATING SURPLUS/(DEFICIT)	1,745,975	1,287,803	576,721	123.3%	2,682,271	1,153,442	132.5%
48	Debt Service Principal Pymt/Loan Payoffs	(12,251)	(28,896)	(99,991)	-71.1%	(78,904)	(199,982)	-60.5%
49	Surplus/Deficit Before Reserve Appropriations	1,733,724	1,258,907	476,730	164.1%	2,603,367	953,460	173.0%
50	Reserve Appropriations - Operations	0	0	0		0	0	
51	Surplus/Deficit Before Captial Expenditures	1,733,724	1,258,907	476,730		2,603,367	953,460	
52	Capitalized Items/Development Projects	(150,007)	(271,432)	(5,498,500)	-95.1%	(7,483,483)	(10,997,000)	-31.9%
53	Reserve for Replacement	(43,163)	(86,327)	(86,327)	0.0%	(172,653)	(172,653)	0.0%
54	Revenue - Capital Grants/Sale of Property	0	0	625,000	-100.0%	575,000	1,250,000	-54.0%
55	Reserve Appropriations - Capital	0	0	4,500,000	-100.0%	5,000,000	9,000,000	-44.4%
56	THA SURPLUS/(DEFICIT)	1,540,554	901,148	16,904		522,231	33,807	

TACOMA HOUSING AUTHORITY

CASH POSITION - June 2022

Account Name	Current Balance	Interest
HERITAGE BANK		
Accounts Payable	11,540,480	0.27%
Section 8 Checking	5,563,716	0.27%
THA Affordable Housing Proceeds-Salishan	1,976,524	0.27%
THA Scattered Sites Proceeds	5,900,292	0.27%
FSS Escrows	255,745	0.27%
CSA Escrows	123,642	0.27%
Note Fund Account	103	0.27%
Key Bank Security Deposits	1,055	0.27%
THA Investment Pool	338	0.27%
THDG - Tacoma Housing Development Group	906,021	0.27%
Salishan 7 Operations	1,750,484	0.27%
Salishan 7 Security Deposit	30,823	0.27%
Salishan 7 Replacement Reserve	533,118	0.27%
Salishan 7 Operating Reserve	204,133	0.27%
Highland Crest Operations	1,719,598	0.27%
Highland Crest Replacement Reserve	334,931	0.27%
Highland Crest Security Deposit	41,301	0.27%
Outrigger Operations	663,142	0.27%
Outrigger Replacement Reserve	274,340	0.27%
Outrigger Security Deposit	21,833	0.27%
Prairie Oaks Operations	276,835	0.27%
Prairie Oaks Replacement Reserve	42,284	0.27%
Prairie Oaks Security Deposit	6,616	0.27%
Payroll Account	506,411	0.27%
HOME STREET BANK		
James Center North Operations	1,339,659	0.00%
James Center North Security Deposit	65,435	0.00%
WASHINGTON STATE		
Investment Pool	\$ 1,529,550	1.01%
1. TOTAL THA CASH BALANCE	\$ 35,608,409	
Less:		
2. Total MTW Cash Balance	\$ 2,199,796	
<i>Less Minimum Operating Reserves</i>		
2.01 Public Housing AMP Reserves (4 months Operating Exp.)		
2.02 S8 Admin Reserves (3 months Operating Exp.)	726,000	
2.09 Less Total Minimum Operating Reserves	\$ 726,000	
2.1. MTW Cash Available (Lines 2-2.09)	\$ 1,473,796	
3. MTW Cash Held By HUD	\$ 6,978,022	
4. Non MTW Cash Restrictions/Obligations		
<i>4.1 Non MTW Operational Restrictions</i>		
4.10 HUD Restricted - Lot and Property Sales	\$ 7,876,816	
4.101 Area 2B Sales Proceeds (Afford Hsg)	1,976,524	
4.102 Scattered Sites Proceeds (Afford Hsg)	5,900,292	
4.20 THA Property Accounts Reserved	\$ 2,806,422	
4.201 Security Deposit Accounts	167,063	
4.202 Highland Crest Operations Reserves	320,000	
4.203 Highland Crest Replacement Reserves	334,931	

TACOMA HOUSING AUTHORITY

CASH POSITION - June 2022

4.204 James Center North Operations Reserves	230,000		
4.205 James Center North Capital	262,686		
4.206 Outrigger Operations Reserve	150,000		
4.207 Outrigger Replacement Reserves	274,340		
4.208 Prairie Oaks Operations Reserves	77,000		
4.209 Prairie Oaks Replacement Reserves	82,284		
4.210 Salishan 7 Operations Reserves	375,000		
4.211 Salishan 7 Replacement Reserves	533,118		
4.30 Rental Assistance Reserves		\$ 1,430,139	
4.301 Mod Rehab Operating Reserves	109,861		
4.302 VASH, FUP, FYI, NED, EHV & MAIN HAP Reserves	940,892		
4.303 FSS & CSA Escrows	379,386		
4.40 Prepaid Grants		\$ 1,839,496	
4.401 TPS Interlocal (CS-2017-011)	231,492		
4.402 Balmer Foundation - Education Prog (CS-2020-005)	299,064		
4.403 College Spark (PI-2018-005)	60,678		
4.404 GTCF Grant (PI-2019-005)	202,020		
4.405 Kresge Foundation - CHAP Program (RA-2019-009)	90,220		
4.406 Ballmer Foundation - COVID Rent Assist (RA-2020-003)	50,000		
4.407 THDG	906,021		
4.60 Total - Non MTW Cash Restrictions (4.10+4.20+4.30+4.40+4.50)		\$ 13,952,874	
4.70 Agency Contracted or Budgeted Commitments Remaining		\$ -	
		-	
		-	
4.99 Total Non MTW Cash Restrictions/Obligations (Lines 4.60+4.70)		\$ 13,952,874	
5. THA UNENCUMBERED (Non-MTW) CASH (Lines 1-2-4.99)		\$ 19,455,740	
6. Development Advances - Project Reimbursement upon closing/draw		\$ 2,351,811	
6.01 Housing Hilltop LLLP	2,351,811		



TACOMA HOUSING AUTHORITY

**EXECUTIVE DIRECTOR
REPORT**



TACOMA HOUSING AUTHORITY

To: THA Board of Commissioners
From: April Black, Executive Director
Date: August 24, 2022
Re: Executive Director's Monthly Report

THA's Mission

We provide 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.

Except for a separate Finance report, this report replaces individual department reports. Department Directors will be at the Board meeting and available to answer any questions you might have about our work.

Below you will find our agency highlights for the month of August. The highlights are separated by agency long-term goals:

- Increase access to affordable housing
- Increase housing stability
- Embed anti-racist and anti-oppressive value within the organization
- Make THA a great place to work

In September we will focus our discussion on whether the Board endorses these as our long-term goals and we'll discuss goals and metrics for 2023.

Every person at THA contributes to our work and is integral to fulfilling our mission.

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INCREASE ACCESS TO AFFORDABLE HOUSING

HOUSING HILLTOP (231 UNITS)

Housing Hilltop is THA’s next development project. It will include 231 units of affordable housing and 13,000 square feet of commercial space prioritized for local BIPOC businesses. The property is along S L Street between S 10th and Earnest S Brazill St.

PROPERTY MANAGMENT

Based on our analysis, 3rd party property management would be about \$1000/unit/year less at Housing Hilltop than THA management. This decrease in cost would allow us to secure about \$3M more in debt for the property and decrease THA’s contribution by an equivalent amount. We will start with third-party management to secure the additional debt, continue addressing THA’s costs, and plan to reassess management by the end of the third year of operations.

UPDATE ON LENDER AND INVESTOR

We’ve selected Chase as the Lender and RBC as the investor for Housing Hilltop.

UPDATE ON CLOSING DATE

We are finding the best way to use the Congressionally directed funding that Representative Kilmer and Senator Cantwell helped secure for this project. This funding is triggering some federal requirements (like a NEPA) that could delay closing and construction start into 2023. We still hope to close and begin construction in 2022 and will keep you advised on this.

PURCHASE OF NORTH HIGHLAND COURT (35 UNITS)

In July THA purchased North Highland Court. This adds 35 units to THA's portfolio. The units are not subsidized. This means voucher holders will be prioritized for any future vacancies in the property.

SHILOH BAPTIST CHURCH'S NEW LIFE HOUSING PROJECT (60 UNITS)

Shiloh Baptist Church's New Life Housing Project is a future development of 60 units along S I St between S 12th and S 13th. There will be 60 units of affordable housing and 50% of them will be set aside as permanent supportive housing for people experiencing homelessness. Until recently, THA was serving as the Development Consultant for Shiloh Baptist Church and helped secure just over \$28M in funding for the project.

Commissioner Rumbaugh spoke at Shiloh's Ribbon Cutting event on July 17th.

Since the Ribbon Cutting, THA's lead on the project left THA to work for Beacon Development. After discussion with Shiloh and Beacon, Shiloh decided to have Beacon take on the development role. I have attached the letter Shiloh sent to funders last week.

THA remains committed to the project. It is important to the community. THA will place VASH vouchers in the completed project and will help with any additional fundraising that might be necessary for the project.

DEVELOPMENT RECOMMENDATIONS FROM THE BRAWNER GROUP

The Brawner group is a highly experienced development consultant. They are THA's development consultant on Housing Hilltop—THA's largest development project since Salishan. The Brawner group has completed a high-level analysis of THA's capital plan. The full report is attached to this report. Some takeaways include:

THA DEVELOPMENT OF HOUSING

Based on the changing market conditions and development challenges with Housing Hilltop, THA does not have the financial capacity to take on another development project before 2025-26. This is because:

- Housing Hilltop will be the most costly project in THA's history. Not only are the total development costs higher than any other past project, THA will also need to use reserves to get it done. THA's past development projects have brought developer fees

into the agency to help pay for future projects. Housing Hilltop will require approximately \$10M in reserves plus guarantees.

- Any new construction financial structure that THA would use to self-develop would require a THA cash contribution.
- While THA's reserves look strong, they will be fully leveraged through the duration of the Housing Hilltop construction.

THA should explore alternative ways to complete the projects in our development pipeline.

- We have begun talking with development partners and funders and feel hopeful that we'll see the delivery of the same number of affordable housing units without THA taking the lead role. We will report back.

SHIFT THE FOCUS TO ACQUISITIONS

THA should:

- Pursue acquisitions that can be 100% financed to add affordable housing stock without leveraging THA cash reserves.
- Review physical needs assessments on THA's current portfolio and make improvements to improve livability and long-term sustainability.
- Look at properties that are reaching the end of an affordability compliance period and determine if THA has a role in extending the affordability.

INCREASE HOUSING STABILITY

UNDERSTANDING WHO WE SERVE

THA works to meet its customers where they are and to help them thrive. Part of meeting the needs of our customers is understanding who they are and what challenges they might face. This requires both conversations with our customers and data. Attached you will find a recent report summarizing some key data about our customers.

RESOLVE TENANT DEBTS IN THA'S PORTFOLIO

We are still working to resolve tenant debts in THA's portfolio. We are working with a local funder to see if there are options to help with this. If not, you will see a resolution to use THA funds in September.

DISTRIBUTING BOX FANS TO COOL UNITS AND IMPROVE AIR QUALITY

Through a partnership with the Tacoma-Pierce County Health Department, THA received nearly 500 filtered box fans to distribute across specific properties in the portfolio, based on zip code. Staff hosted events at several sites, EB Wilson, Ludwig, Bay Terrace, Salishan, and Dixon.

SEATTLE CREDIT UNION OPENED IN SALISHAN

On August 2nd, Seattle Credit Union celebrated the grand opening of their new branch at Salishan. We are excited for this banking relationship because of the SCU's commitment to becoming part of the community and their accessible banking products. Access to banks and credit are important to all families.

NATIONAL NIGHT OUT (NNO)

National Night Out events were held across the City on August 2nd.

Salishan had more than 1,100 participants and Commissioner Smith led the kids in a Michael Jackson dance-off at the end of the night. Pictures can be found here:

<https://www.facebook.com/media/set/?set=a.5655749051135480&type=3>

200-300 people attended The Rise NNO.

Events like National Night Out support housing stability by helping residents feel connected to their neighbors and by showing investment into the community.

SUMMER PROGRAMMING AT THA'S PROPERTIES

THA staff ran a summer camp at Salishan for a week. About 30 kids participated each day.

More camps and summer lunch programs are happening across the portfolio. In July, THA facilitated lunch distribution for 1,635 kids

SHARED SERVICES CHILDCARE EFFORTS

THA is partnering with Foundation for Tacoma Students (FFTS), Child Care Resources, and Workforce Central to increase access to childcare. The first phase of the project will fund THA's 2Gen case workers. We will use these resources to support a community engagement process to hear the needs of families in our communities.

UPGRADING COMPUTER EQUIPMENT AT ALL THA PROPERTIES

We will be upgrading the computer equipment at all THA properties so tenants have access to internet, word processing, and printers to meet their needs in this new virtual world.

EMBED ANTI-RACIST AND ANTI-OPPRESSIVE VALUES WITHIN THE ORGANIZATION

ORGANIZATIONAL ASSESSMENT FOLLOW UP

Over the past several months each department met to discuss the content of The Lindsay Group’s Organizational Assessment and make recommendations about next steps. Below you will see the common themes and some action steps we’ve taken on each:

Theme	THA Action
Lack of trust in Leadership and the Board	The focus of the 8/23 Board retreat will be on establishing working agreements between the Board members, Board/Leadership Team, and Board/staff.
Need for more communication across the agency	Creating a monthly newsletter Continue emailing all staff with agency-wide information. Have emails authored by more than just the ED. Simplifying the Board materials so they are easier to read and understand. The new format of this report is an attempt to share information in a more accessible format. Please see this site for resources about more accessible documents: https://sbctc.instructure.com/courses/1578604
Need for more interdepartmental communication	All-staff in-person events More interdepartmental staff meetings
Need to develop relationships and trust across the agency	We build trust by doing what we say we’re going to do.
Address favoritism in the agency	Continue to revise our policies so hiring, promotion, evaluation, wage, and disciplinary practices are clear and predictable.
Need for training about DEIB, who we are as an agency, and how to do our jobs (onboarding)	Currently working on bringing in a vendor for DEIB training.

Theme	THA Action
	Effective August 1, ED and Deputy are completing 1-hour onboarding about THA with every new employee on their first day.
The report itself was hard to read and understand	We have acknowledged this and that is why we’re talking about the findings and strategies in department meetings.

POLICY ANALYSIS

THA received The Lindsay Group’s Policy Analysis report in July. We shared that report with staff and Commissioners and it is attached to this report. We have not yet met internally to discuss next steps.

During the annual meeting there is a review of the bylaws. We should review the recommendations from The Lindsay Group and discuss next steps.

HIRING EVENTS FOR HOUSING HILLTOP

In partnership with Walsh Construction, THA hosted two events in August. These were outreach meetings for minority and women-owned businesses and subcontractors. Bid documents for Housing Hilltop were made available on August 18th. We hope the outreach efforts will result in more diverse contracting once bids are awarded.

COMMUNITY OUTREACH

THA received a \$500,000 grant from JPMorgan Chase Foundation. We will subgrant over \$300,000 of those funds to local community organizations. The goals of the grant include developing Hilltop Action Coalition into a stand-alone community development corporation for Tacoma’s Hilltop neighborhood. The focus is supporting equitable community and business development and combatting displacement.

THA staff will be at the August 27th Hilltop Street Fair. We will be talking with neighbors and sharing information about THA programs.

MAKE THA A GREAT PLACE TO WORK

CELEBRATE

On August 13th we celebrated together at our Agencywide picnic. The event was hosted by Asian Pacific Cultural Center.

COMMUNICATE

In July we launched a monthly newsletter that summarizes the agency news for the month. We regularly communicate by email but sometimes it is too much. This 2-page newsletter is intended to give the quick highlights.

PROVIDE STAFF WITH THE TOOLS THEY NEED TO DO THEIR JOBS

THA has a long way to go to improve its onboarding and documentation of how to do our work. Converting our software system to Yardi is a step in this process and that project is moving along well.

The first data load with Yardi is now complete and was a success! This was our first large-scale Yardi data conversion. This first conversion was primarily intended to check data quality and was supposed to be just sample data. However, THA went above and beyond and loaded most of our data into Yardi to analyze.

The first results are now in. While we do have data cleanup to do and there is even some data missing that we need to gather, it looks like our data is in pretty good shape for the conversion. This is a major achievement and, because of this success, the risks for the project overall have been significantly reduced.

As for next steps, we have one more trial conversion to go in January 2023 before the final conversion happens at go-live in September or October of 2023.

POTENTIALLY PRESSING ITEMS

This is a newer topic on our radar but we want to keep you abreast of what we are seeing:

- Since the moratorium on rent increases lifted effective July 1, 2021, THA staff processed 963 interim certification rent increase requests, with an overall average percentage increase of 16.3% (\$174) of previous contract rents.
- By comparison, in 2020, staff processed 278 rent increase requests with an average 9.7% (\$99) of previous contract rents.

- Prior to the pandemic, in 2019, the averages were still considerably lower than they are post moratorium, at a 10.2% (\$99) increase of previous contract rents.
- In recent weeks, we've seen increases of \$500 and \$1,000/month.
- We will likely need to increase our payment standards to 110% of fair market rent.
- Staff that are renting are facing similar rent increase and risks of being displaced.
- Staff are currently evaluating how this situation could impact our 2023 budget.

THA will be facing choices about how to absorb these rent increases so households are not displaced. We will also need to increase payment standards so households looking for housing in this market are able to find stable housing.

Depending on the per household increases, we will be spending more of our funds on vouchers and less on other areas of THA voucher operations. We are watching all of this very closely and you will hear more as we work through the budget process in the coming months.

A LOOK AHEAD: SEPTEMBER BOARD FOCUS

September's Board Focus will be on annual planning and goal setting. We will review the staff proposals for:

- The 2023 Annual Plan and the goals and metrics included within it
- Employee retention and satisfaction goals
- Goals related to contracting with minority and women-owned businesses and hiring THA customers

Does the Board have any specific metrics or goals you'd like us to consider?

ADVOCACY ITEMS

We currently have four advocacy priorities.

1: ARLINGTON SERVICES FUNDING

Arlington Drive is an ambitious housing program supporting young people with high needs. To ensure they get the support they need to thrive, intensive round-the-clock services are an integral part of program operations. In the previous biennium, Arlington Drive received \$4.25M from the state via a proviso to fund the services. Staff are working closely with The Department of Commerce, our partners, and local funders to secure ongoing service funding and will be hard at work throughout the legislative session advocating for continued funding.

2: FEDERAL BUDGET

Congress is in the process of creating and passing the FY 23 Federal Budget. This is our primary source of income. While the current versions of the budget show an increase to our programs, the income increases are outpaced by market rent increases and inflation. We need to advocate for more funding for existing programs and customers. There is also a growing number of people in need of housing. Housing should be a human right.

3: SHARED SERVICES CHILD CARE FUNDING

Foundation for Tacoma Students (FFTS) submitted a request for Congressionally-directed spending for our partnered project to increase childcare access ([Shared Services Childcare Efforts](#), page 5). Patty Murray has gotten the request into the Senate budget. We need to advocate to keep it in the final budget request.

4: ACQUISITION FUNDS

THA's voucher holders continue to be challenged with finding available housing. Only about 50% of the households with subsidies that are looking for housing successfully find housing. This means people could afford to pay their rent if only there was housing for them to rent. THA is attempting to impact this challenge by purchasing housing that could immediately be rented to voucher holders. We bought North Highland Court in 2022. More acquisition funding from local, state or federal sources could help us buy more housing to rent to extremely low-income renters.



Shiloh Baptist

C H U R C H

Where Everybody Is Somebody And Christ is ALL

**Gregory
Christopher
D. Min., Senior
Pastor**

August 9, 2022

Chavis Young
Youth Pastor

To: Susan Bostain, WA State Dept. of Commerce
Lauren Fulton, One Pierce
Felicia Medlen, City of Tacoma
Marcel Neff, Impact Capital
Jacob Richardson, WA State Housing Finance Commission
Bryan Schmid, Pierce County

Jimmy O. Vann
Trustee Chairman

Marsha Hopkins
Finance Chair.

Fay Alexander
Treasurer

From: Pastor Gregory Christopher, Shiloh Baptist Church

Daniel Blue
Deacon Chairman

Re: Change in Development Consultant for Shiloh Baptist Church project

Della Holmes
Deaconess Ministry

On behalf of Shiloh Baptist Church and New Life Housing, I want to thank all of you for supporting our redevelopment project and inform you of a change in the development team. We are changing our development consultant from Tacoma Housing Authority to Beacon Development Group. We are thankful to THA for getting us to this point. Still, due to a change in capacity at THA, we have decided that partnering with Beacon Development Group as development consultant is best for the Church and, most importantly, for the project.

Martha Davis
BOCE, Director

Darlene Seigle
Church Clerk

We do not anticipate that this change will have any negative impacts on the project or its timing. This switch will also allow Roberta Schur, the project manager, to continue working on the project as she has moved to Beacon Development. There has been good coordination between Shiloh, THA, and Beacon, and we believe there will be a seamless transition from THA to Beacon Development Group.

We are keenly aware of the critical timeline issues related to the financing and are working toward a May 2023 closing to meet our placed-in-service deadline.

If you have any questions, please contact me, Pastor Gregory Christopher, at 253-606-5193; Marsha Batie-Hopkins, *Executive Program Manager* at 253-691-4759 or Russell Jackson, *Program Director*, at 253-241-7560.

We look forward to working with you to get this project to closing to meet everyone's mission of providing affordable housing to the neediest in our community.

1211 South I Street Tacoma, WA 98405
Church 253-272-4949
Fax 253-272-0750
Website: www.shilohoftacoma.org
Email: info@shilohoftacoma.org

IDENTIFY

COLLABORATE

EXECUTE



A STRATEGIC REVIEW OF REAL
ESTATE DEVELOPMENT PRACTICES
8/17/22



**Tacoma
Housing
Authority**



TACOMA HOUSING AUTHORITY



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A STRATEGIC REVIEW OF REAL ESTATE DEVELOPMENT PRACTICES OF THE TACOMA HOUSING AUTHORITY

AN OUTLINE AND REVIEW OF REAL ESTATE DEVELOPMENT
DEPARTMENT PRACTICES, AND OPPORTUNITIES



Tacoma Housing Authority

I. Introduction

Public Housing Authorities were born out of the 1937 Housing Act with the intention of administering federal funds to local public housing organizations for the construction of new housing. Over time, Public Housing Authorities have evolved into multifaceted organizations managing subsidy, providing community services, and developing housing from deeply subsidized programs to homeownership. The basis of these agencies, however, is still rooted in real estate development at its core.

Development has shifted substantially for Public Housing Agencies from their initial public housing foundation. As the public housing program has ebbed and flowed over the past 85 years, the world of affordable housing development has become increasingly complex with far greater needs. The Housing Choice Voucher Program, Low-Income Housing Tax Credit (LIHTC) program, Hope VI, Choice Neighborhood Initiative, public bond financing, and most recently corporate commitments to affordable housing have changed the landscape and identity of PHAs.

Public Housing Authorities are intended to serve regional housing needs, and as a result, no two agencies are alike. The tools available for the development of new affordable housing are ubiquitous; however, they are also market driven. A small rural PHA will have development challenges and opportunities vastly different than large metropolitan agencies. Market rents, cost of construction, density, local politics, CRA credit needs, and countless other factors play a role in how agencies build new housing.

While PHA development has evolved uniquely within each community, one thing remains universally unanimous; there is a public mandate for more affordable housing across the country. In the past decade, affordable housing has become one of the most debated political topics. This emphasis has put enormous pressure on Public Housing Authorities to answer the call and address the need for more affordable housing. A sustainable path to add affordable housing to a community is not so simple, and this report examines the challenges and opportunities unique to the Tacoma Housing Authority to sustainably increase the affordable housing stock in the City of Tacoma.

II. Development Challenges

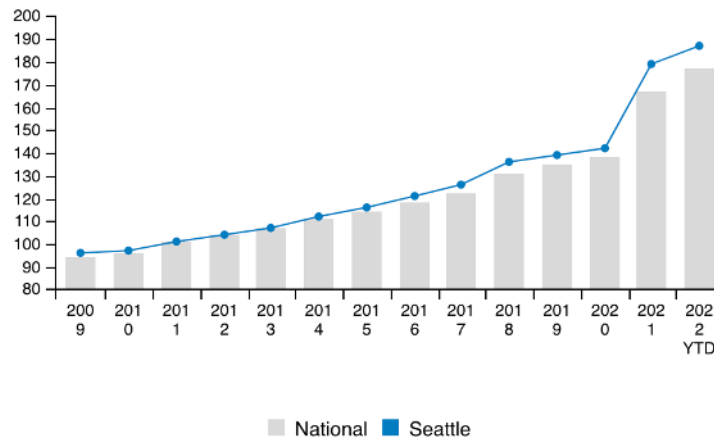
1. Market Drivers

It should be no surprise that the increase in interest rates since the beginning of 2022 have a profound impact on the ability to develop affordable housing. Just as the average homebuyer now has less buying power, the same is true for permanent mortgages in affordable housing. Both permanent loans and construction loans, tax exempt and taxable bonds, have increased. The 10-year treasury constant maturity has increased 124 basis points since the new year. In large-scale affordable housing development, those 124 basis points can translate to a gap of millions of dollars for projects that 6 months ago would have been able to borrow at the same debt-coverage ratio. While there is no question the rise in interest rates has a negative impact on the feasibility of development, all is not lost. PHAs have seen interest rates rise and fall over the decades and will require creativity, perhaps shorter-term financing, and looking towards new partnerships with corporations for lower interest rate subordinate financing.

The rising interest rates are also closely tied to the Fed's intentional maneuvering to fight inflation. For material costs, the United States has been fortunate that the annual inflation rate has been low and even slowly declining since the early 1980's. However, most economists agree that a low inflation rate signals demand for goods and services is lower than it should be and tends to slow economic growth and depress wages. Of course, now that inflation has rebounded there is a direct impact on the cost of goods and services. With respect to affordable housing development, this is front and center when examining the increased cost of construction. Materials and labor in most metropolitan markets have increased dramatically over the past 2 years, and is now exacerbated by inflation. The result is a direct increase in the cost of construction. The Pacific Northwest has been especially hit hard by the increased material and labor costs as can be seen in the below graph in comparison to the national average.

Seattle Construction Cost Index

(JANUARY 2009 = 100)



Another critical market driver in affordable housing development is the oversubscription and insufficient funding for affordable housing programs. The best example of this is the LIHTC program and newly competitive nature of the 4% LIHTC program. As affordable housing demand has increased over the past several years, Federal, State, and Local governments have responded to the call with an increase in funding and policies to meet the need. West coast states have implemented bond measures to raise funds for development, federally, the IRS implemented a 4% floor, effectively “fixing” the 4% credit at a higher rate than the historic floating rate. The increase in funding and policies have had a positive impact on an increase in development, but have opened the flood gates to developers, both for-profit and non-profit. As a result, the programs are significantly oversubscribed creating an extremely competitive allocation process.

For decades, PHAs were the primary institution for developing affordable housing. In the wake of the Low-Income Housing Tax Credit program and recent influx of incentives, PHAs are the minority in the development world, with non-profit and for-profit developers bringing the vast majority of new affordable housing to market. PHAs must now contend for allocations, many times with competing interests, in a tight market. To date, Washington State has set aside 4% credit for PHAs, however, that does not translate to guaranteed allocations of State and Local resources.

2. Public Agency Challenges

Public Housing Authorities have several tools that other non-governmental developers do not have access to. However, as quasi-governmental agencies and recipients of Federal funding, there are certainly restrictions that hamper a PHA’s ability to efficiently develop affordable housing in scale.

The Davis-Bacon and Related Acts is a good example of an important law in place to ensure federally funded projects pay living wages to contractors, however, in the current construction labor market earlier discussed, these laws tend to escalate costs without a significant impact on individual labor wages for large metropolitan markets. While non-profit and for-profit developers also have to contend with the Davis Bacon Act, PHAs are faced with the implications more often based on the agency’s ability to project base Housing Choice Vouchers and the many federally funded programs such as Public Housing, HOME, and other subsidy programs. In Washington State specifically, it is not atypical for the majority of construction trades to pay wages that are already above and beyond Davis Bacon wages, however, the reporting and oversight component of the law is an excuse to charge additional costs to the agency. The financial impact of Davis Bacon can range from 10% - 20% in added construction costs irrespective of actual increases in wages.

Public Works laws federally and by state also significantly impact the cost of development. The intent of Public Works law is typically to ensure laborers are paid state “prevailing wages” as well as to protect the work product and means of procurement. Ultimately, this should protect the taxpayer, requiring agencies to select the lowest qualified bidders to prevent bribes, kickbacks and other fraud related activities when awarding large federal contracts. Most Public Housing Agency development is subject to Washington State Public Works law. In short, anything that the Authority develops requires proper procurement, an explicit construction delivery method (Design-Bid-Build), and prescribed wage rates. The culmination of these requirements results in an extended development period, a higher cost per unit, and overall decrease in flexibility found in the private sector. PHAs have creatively circumvented this process through LIHTC partnership entities conducting the work, however, each of these partnerships are created uniquely for each transaction, and there is an overall lack of efficiency as a result of “recreating the wheel” for each development.

Surprisingly, these very same laws the State and Federal Government have implemented to protect government projects, have in recent years raised concerns at the State level regarding the efficiency of

PHA and non-profit development. The Washington Joint Legislative Audit and Review Committee (JLARC) recently audited the State’s LIHTC program. Their findings concluded that PHA and non-profit development cost per unit was substantially higher than their for-profit counterparts, and went so far as to recommend that the Housing Finance Commission should “identify and evaluate options for increasing the participation of for-profit developers in the tax credit program.” Their recommendation was based on for-profit’s ability to be vertically integrated, saving costs. In short, a for-profit developer is not subject to procurement laws, in many cases wage rate laws, can serve as the developer, contractor, architect, and any other “in-house” roles, has less restriction on how the business utilizes its cash, and can build far faster and efficiently than its non-profit and PHA counter parts. As one can imagine, this report had a substantial impact on the State of Washington’s award process, favoring for-profit developers. Further, the State now requires annual reporting on the cost per unit from Commerce and WSHFC awards, which helps reinforce the JLARC’s conclusions.

3. THA Challenges

Every agency has their own unique challenges in development and THA is no different. Likely the greatest impediment to THA’s ability to develop new units in a similar fashion to the past 5 years, is the agency’s unrestricted cash position and existing development pipeline. THA’s 2021 unaudited financials report roughly \$22M in unrestricted cash from “business activities.” This is the primary cash available for new development activities. In general, this is a healthy cash position, however, existing development underway will require a substantial portion of this cash. The below chart highlights the Housing Hilltop cash requirements currently anticipated.

Housing Hilltop Cash Requirements

<i>Period</i>	Closing - 2022 – Q4	Conversion - 2026 – Q1
<i>Cash Requirements (Loans)</i>	(\$11,000,000)	(11,000,000)
<i>Cash Developer Fees</i>		\$10,000,000
<i>Acquisition Proceeds</i>	\$1,500,000	
<i>Cumulative Cash Requirements</i>	(\$9,500,000)	(\$10,500,000)

As noted, the transaction will require roughly \$9.5M in cash at closing, and an additional \$1M at conversion for a total net cash investment of roughly \$10.5M. While the above chart shows the cash requirements for the transaction, the full story is not realized until one accounts for the contingent liabilities the transaction also requires. The Authority is making loans of roughly \$22M. This is offset by developer fees and land acquisition, but the lender and investor will still require THA to maintain \$11M in unrestricted cash during the entirety of the development period (throughout Q1 2026), significantly hampering THA’s ability to leverage cash on hand for future development.

Housing Hilltop Impact on Net Available Unrestricted Cash

<i>Year</i>	2022	2023	2024	2025	2026
<i>Unrestricted Cash on Hand*</i>	\$22,000,000 (r)	\$12,500,000(r)	\$12,500,000 (r)	\$12,500,000 (r)	\$12,500,000 (r)
<i>Housing Hilltop Cash Requirements</i>	(\$9,500,000)				(\$1,000,000)
<i>Housing Hilltop Contingent Cash Liability</i>	(\$11,000,000)	(\$11,000,000)	(\$11,000,000)	(\$11,000,000)	
<i>Net Available Unrestricted Cash*</i>	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$11,500,000

*Estimated

As a result of the cash position, it is critical that THA develop alternative means of adding affordable housing stock over the next five years, including building cash reserves through repositioning and other means. Further, an emphasis will be placed on acquisitions and opportunities to partner that require little or no cash requirements.

Finally, it is important to note the impact of THA’s property management function on development. All Public Housing Agencies face a similar dilemma with respect to in housing management vs. third party management. THA is no different than other PHAs in that the cost of PHA management is far greater on a per unit basis than third party management. However, the answer is not always so simple. The agency must weigh the impact of living wage jobs, quality of service, and overall control. The cost of managing in-house does have a direct monetary impact on the feasibility of a new construction project and the resulting cash requirements.

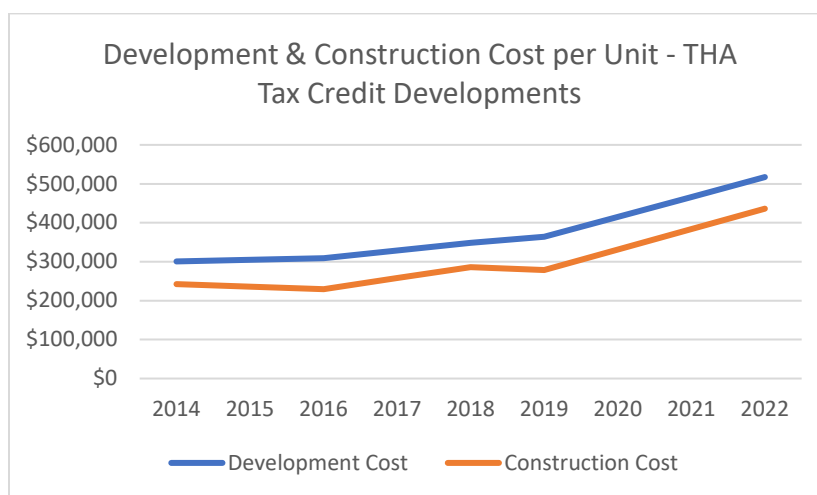
Housing Hilltop is a perfect example of the impact of lower operating costs. If THA were to manage the project, it would cost roughly \$1,500 per-unit per-year in additional operating expenses. This translates to roughly \$5M less in permanent borrowing capacity maintaining the same debt-coverage ratio. Another way to look at this is that THA would need to lend an additional \$5M to the project should the agency decide to manage the project. Each agency struggles with this decision, but in current market conditions with increasing interest rates, the impact is widening, and directly impact the feasibility of new development.

III. Development Options

1. Tax Credit Development (New Construction)

No stranger to tax credit new development, THA has built 4 projects consisting of 266 units over the last ten years, which utilized the 9% tax credit program and is now almost doubling that number, with the proposed 231-unit Housing Hilltop project slated to begin in late 2022 but this time utilizing 4% tax credit financing.

The tax credit program remains the predominant delivery method for creating affordable housing. However, skyrocketing construction cost over the last 3 years and the recent increase in interest rates has created significant financing gaps, and thus corresponding pressure on sponsor financing, increased debt leveraging, philanthropic and public funders to fill the void.



	2014	2016	2019	2019	2022
	Bay Terrace I	Bay Terrace II	Rise	Arlington Youth	Hilltop
THA Net Proceeds or (Funding)	\$325,000	\$275,000	-\$1,705,000	\$1,700,000	-\$9,925,000
THA Net per Unit	\$4,643	\$3,716	-\$26,641	\$29,310	-\$42,965

The Authority utilizing the tax credit route over the next several years to develop affordable housing without some construction and financing cost relief, will likely have to overcome net financing gaps (after using cash developer fees to offset gaps) of between \$50,000 and \$125,000 per unit. This range is dependent upon the use of section 8 subsidy, favorable subordinate debt financing (Amazon), unit mix, etc. Interestingly enough, because current development costs are high, and as long as the WSHFC continues to allocate credits for 4% deals that are significantly over TDC, there is no real difference between the equity generated on a per unit basis between a 4% and a 9% tax credit transaction.

To give another perspective, if the Authority were to develop Arlington Youth Center today, it's likely that this 9% project would have a \$5million gap, instead of the \$1.7million surplus it created in 2019/2020.

2. *Workforce Housing Development*

Workforce housing is defined by the Urban Land Institute is defined as housing affordable to households earning between 60% and 120% of median income. For the Authority, developing workforce housing would necessitate that at a minimum, 50% of the units were leased to households at 80% of median income or below.

Although there is a significant unmet need for this type of housing, the Authority self-developing without the cover of a partnership, would only exacerbate the already high construction and development cost, such that it would be financially infeasible. Public Works administrative and state prevailing wages are likely to increase cost by up to 20%. The leveraging of additional debt because of the higher rent structure would not offset this increase to the development cost.

A summary case study will be presented later in the report.

3. *Market Rate Acquisitions*

There have been several housing authorities in Washington State that have been active acquiring "market rate" projects, some longer than others. King County and the Vancouver Housing Authority started market rate acquisitions in the early 1990's. Although Vancouver has not been active on market acquisitions since 2007, King County has continued to acquire projects in all geographic areas of King County and has amassed a portfolio of over 5,000 units. Snohomish County has acquired over 1,000 units over the last 20 years. The Everett Housing Authority recently jumped into market acquisitions with the purchase of the 381-unit Huntington Park Apartments, a project built in 1991, for \$118million.

Most all of the acquisitions by the housing authorities indicated above were acquired utilizing 100% financing. Most of the acquisitions, at least over the last 5 to 10 years, have been financed by Key Banc Capital Markets in which Key offers interim 100% short-term financing in as little as 90-days, such that the housing authority is able to be competitive in meeting short P&S Agreement timelines. During the initial short-term financing period, the Authority works to secure more permanent financing with Key's public finance team, which usually means an S&P Rating for the Authority, such that they are able to sell rated bonds to the municipal market at rates lower than conventional financing.

Any other financing mechanisms for market rate acquisitions are likely to require larger Authority capital infusions, which are currently not a viable option due to the Authority's contingent liabilities.

4. *Turnkey Housing Development*

For the purpose of this development option, turnkey development refers to either a new tax credit development in which the Authority would “step into the shoes” of a for-profit developer who is the general partner of the tax credit partnership, after completion of construction or after the property is leased-up. The other option under this scenario, is that the Authority enters into a right of first refusal or other option type agreement with a developer at some point after the start of construction, to acquire a market rate/workforce housing project.

The tax credit turnkey option is a well vetted option, in which the Authority would typically own the site on which a property would be developed under the 4% tax credit program, by a 3rd party developer. The Authority would transfer ownership of the property to the formed tax credit partnership for an agreed to price, which is typically financed by the Authority until the permanent loan conversion. The developer would typically act as general partner of the partnership, as well as developer. At some predetermined point after construction completion, the Authority would acquire the Developer/GP's interest in the project for a previously agreed to price.

For profit-developers, have for over the last several years, been flocking to the doorstep at just about every housing authority in the state. The turnkey relationship, at least on the surface, checks off a lot of key issues for both the developer and the Authority. First for the developer, the relationship with the Authority creates a work-around from applying and competing for limited private-activity bonds, as the Authority would make that application on behalf of the partnership. Additionally, the developer/partnership does not have to pay for the land until much later in the transaction.

For the Authority, the developer offers expertise and adequate staffing to be able to develop the property, something the Authority may not have access to. Additionally, seasoned developers who are vertically integrated can typically offer a cost basis much less than if the Authority is the developer.

5. *Refinancing/repositioning of existing portfolio*

Although it's not an option that directly creates new affordable housing units, this particular option can both provide a mechanism to recapitalize and provide needed capital repairs and upgrades to existing real estate assets, together with opportunities to increase distributable cash flow and provide developer fee opportunities by re-syndicating existing tax credit projects.

For non-tax credit projects, potential opportunities may exist to increase revenues, decrease operating expenses and/or restructure the existing debt such that there is increased distributable cash flow, or leveraging that cash flow to create borrowing opportunities.

The repositioning of existing tax credit projects follows the same principal, except that new low-income housing tax credits are re-introduced into the transaction, creating another source of development funds, from tax credit equity, to supplement new debt financing in order to recapitalize the project and if possible, produce cash developer fees to the Authority.

THA PROBABLE CASH REQUIREMENTS FOR DEVELOPMENT OPTIONS

Development Option	Probable Minimum per Unit THA Cash Requirement	Probable Maximum per Unit THA Cash Requirement
Tax Credit Development	\$50,000	\$125,000
Work Force Housing Development	\$75,000	\$100,000
Market Rate Acquisitions	\$0	\$30,000
Turnkey Housing Development	\$25,000	\$75,000
Refinancing/Repositioning	\$0	\$0

IV. Case Studies

1. 95 Burnett – Market Rate Acquisition (Microsoft)

The financing structure of this transaction included 100% financing of the purchase price and all related acquisition cost with no Authority funds required. This development option is geared more towards long-term asset appreciation and rent affordability.

The Renton Housing Authority acquired the 95 Burnett Apartments located in downtown Renton, a 106-unit market rate project in June of 2021 for \$40 million, or \$375,000 per unit. The 5-story building with 2-levels of structured parking was constructed in 2007 and consist of 1, 2 and 3-bedroom units.

The purchase price and related acquisition cost were funded in conjunction with Microsoft’s Affordable Housing Fund. Berkadia provided the senior debt financing structured as a Fannie Mae Mortgage-Backed Security ("MBS") with the tax-exempt bonds issued by The Renton Housing Authority ("Issuer"). The MBS was provided by Fannie Mae under the Fannie Mae MBS/DUS Multifamily Affordable Housing Program for MBS/DUS Tax-Exempt Mortgage-Backed Securities Executions. The senior bonds in the amount of \$26,700,000, which were marketed and sold by Stifel, Nicolaus & Company, included terms of 35-years, a 15-year term and all-in average interest rate of 3.06%. The bond amount represented a loan to value of approximately 65% with a corresponding debt coverage ratio of 1.24.

The subordinate debt, in the amount of \$17,150,000, was funded as mezzanine debt by the Microsoft Corporation. The Microsoft debt in the amount of \$17,150,000 was structured as interest-only payments with graduated interest escalations, with an average coupon rate of 2.02%. To obtain Microsoft’s targeted yield of 4.35%, an Original Issue Discount, or Deferred Coupon Bond in the amount of \$8,850,000 will be due to Microsoft at the end of the 15-year term.

Although there is not a significant amount of anticipated distributable cash flow over the 15-year term (\$1.5million), through this available financing mechanism, the Authority was able to increase their asset base by 106 units with no cash infusion. Other benefits to the Authority include 1) this structure basically allows the Authority to refinance and “acquire” the project in 2036 at essentially the same price it purchased it for in 2021 for; 2) the Authority is anticipating keeping rent increases relatively stable for 50% of the project, which includes annual rent increases of approximately 2.50%, while the remaining units will increase annually at market levels. This will create a long-term preservation program for 50% of the units, which should have rents that are 20 to 25% below market levels in 2036; 3) Because of asset appreciation, the Authority, should

they choose to, could always sell the building at the end of the 15-year debt term for net proceeds likely to be between \$6million and \$10million, again without ever having to make an equity infusion.

2. *Whispering Pines – Turnkey Development*

The development structure of this transaction created an opportunity for the Authority to ultimately own 244 units of affordable housing with a relatively minimal cash infusion and minimum staff time during the predevelopment phase.

In 1996, the Housing Authority of Snohomish County acquired the 244-unit Whispering Pines project in Lynwood, WA, utilizing low-income housing tax credits. Fast forward to 2020, the project which was originally built in 1968 was at the end of its useful life and renovating the development was not an option.

Not having the staff resources necessary for a large redevelopment, the Authority solicited request for qualifications from qualified developers to redevelop the site. Inland Construction provided the proposal which the Authority believed was the most advantageous. General terms of the turnkey structure included the Authority leasing the property to a new tax credit partnership entity for a capitalized lease payment of approximately \$5million dollars, all of which was deferred to the permanent loan conversion date. The Authority obtained the required Private Activity Bond Cap and issued the bonds on behalf of the partnership. Additionally, the Authority committed to 100 S-8 Project Based subsidies. Prior to closing, Inland and the Authority negotiated a not to exceed development cost, the lender and investors, revenues and operating cost, maximum permanent debt amount and general design criteria.

At the conclusion of Inland leasing up the project and prior to permanent loan conversion, the Authority will acquire Inland's GP Interest in the tax credit partnership for \$6.5million and concurrently, the partnership will make the capitalized land lease payment to the Authority for \$5million. The Authority then takes control of the partnership and now has 244 units of affordable tax credit units in their asset portfolio, for a net cost to the Authority of \$1.5million.

3. *Carvel at Harbor Point – Market Rate Acquisition (Key Banc Capital Markets)*

Similar to the 95 Burnett acquisition, this financing option is geared towards immediately increasing the Authority's housing stock and providing for long-term asset appreciation and affordability.

The Snohomish County Housing Authority acquired the 230-unit property for \$69.25million, or \$300,000 per unit in September of 2018. The property was built in 1998 and includes 1, 2 and 3-bedroom units.

The Authority acquired the project utilizing an interim line of credit provided by Key Bank, which allowed the Authority to acquire the property within the 90-day timeframe required in the sale agreement. After the acquisition, the Authority who had previously received an agency rating from S&P, began to put together the long-term financing plan, which included the sale of municipal bonds, backed by an S&P rating. The terms of the bond sale included an interest-only component for 5-years, allowing for accumulation of cash flow, followed by an amortizing period of 7 additional years.

V. Development and Repositioning Opportunities (Year 1 -5)

For the last 15 years, with the exception of a few isolated deals and the RAD conversion of their existing public housing stock, THA has predominantly prioritized the new construction of affordable units in the Hilltop area of Tacoma. This has been a successful endeavor for THA, but the next 5 years will see new challenges that will make it more difficult for ongoing, large scale, new construction projects.

Taking into consideration the current state of the economy, the financial markets, construction cost, and THA's likely cash position over the next 3 to 5 years, the following have been identified as opportunities for THA to strengthen its existing asset base and grow its real estate portfolio through acquisitions.

1. *Tax Credit re-syndication Pipeline of the Salishan properties*

Through a HUD RAD conversion in 2019, THA converted all of their public housing units within their Salishan tax credit projects. In addition, THA acquired the tax credit limited partner's interest in Salishan 1, 2 and 3.

There are six projects containing 540 units within the Salishan tax credit portfolio (excluding the Hillside projects), half of which have recently reached the end of their initial 15-year compliance period, another project will reach year 15 by the end of 2023, with the final 180 units by December of 2024. Re-syndicating these projects with 4% tax credits would not only stabilize the current physical condition but also provide a mechanism for the Authority to generate cash developer fees.

Depending upon the amount of renovation required at each of these projects, which can have a significant impact on project feasibility, one way or the other, there could likely be a surplus of net proceeds, or cash developer fees to the Authority of between \$2.5 million and \$6 million for Salishan 1, 2 and 3 combined. While Salishan 4, 5 and 6 combined would likely generate from between roughly a breakeven proposition and \$3 million.

A re-syndication would likely be accomplished by having two phases of 270 units each, or three phases of 180 units each, with timing something along the lines of March 2024 for closing of the 1st phase, September 2025 of the 2nd phase and March of 2026 for 3rd phase. In addition to addressing capital needs, this would allow THA to generate cash proceeds that could be used as gap financing to serve the agency's mission to bring new affordable housing units to the community.

2. *Market Rate Acquisitions*

Utilizing the Keybank Capital Markets financing strategy, the Authority should work towards obtaining an S&P agency rating, concurrently with going out to bid for real estate brokerage services. The real estate brokerage services are meant to procure an experienced and knowledgeable firm, who has their pulse on the northwest market and has significant contacts with national developers and owners, thus allowing for potential acquisition of off-market transactions. The Authority should concentrate on properties that are newer to 15-years old and contain a minimum of 100 units. Given the unique nature of this financing, THA is capable of adding substantial affordable housing units to the market with little cash requirements.

THA could pursue this path with little investment or risk. Initiating this process would involve selecting a broker who would act on THA's behalf to find "off-market" opportunities. The Agency could initiate the process of an S&P rating with minimal cost such that when a broker presents an acquisition opportunity, the Agency is in a position to act.

4. *Partnering with other Housing Authorities and Non-Profits*

The Authority should discuss acquisition opportunities with local and neighboring non-profit and housing authority developers, to joint venture and/or acquire existing real estate assets. These partnering opportunities can take many forms. While THA may not have cash on hand to invest in its own new construction opportunities over the next several years, there are many tools the Authority has to increase housing stock in partnership. Examples include bond issuances, tax exemption, project basing housing choice vouchers and creativity with neighboring PHAs.

As THA has already identified, partnering with other for-profit developers to develop land owned by THA could be an efficient way to add housing stock. If THA is able to negotiate options to maintain a "Right of First Refusal" for housing developed on THA land, the agency is able to expand housing that will ultimately remain on THA land and potentially THA ownership in the future. Providing leased land, tax abatement, and unique financing may incentivize developers to partner with THA and provide a long-term benefit to THA with little to no cash or liability. The James Center North development is a good example of such an opportunity.

Finally, while THA may not have significant cash available for new development, the agency still maintains a strong balance sheet, has significant flexibility provided by Moving to Work status, and is an experienced agency that may lend itself to creative opportunities to add housing with adjacent PHAs. Partnering with PHAs such as Pierce County may open opportunities to add housing stock whereby both agencies may benefit.

VI. Future Development and Repositioning Opportunities (Year 5+)

As previously described, the next 5 years of development will be heavily impacted by THA's cash position and current market forces. This is clearly evidenced by the Housing Hilltop project. The cash requirements of that project have been heavily influenced in the past 6 months by rising interest rates, substantial increases in the cost of construction, and lack of public resources. It is important to remember, however, that these market forces are in constant flux. As a result, it is critical to reevaluate development practices after the next 5 years.

Interest rates may go down, new programs may arise, new HUD programming may enter the market as has been seen in the past such as ARRA, Congressionally Directed Spending, RAD, expansion of Choice Neighborhoods Initiative, and other spending bills that could change the development landscape for PHAs. If the PHA focuses on building cash reserves through repositioning and adding housing stock through acquisitions, the opportunities will be far greater as market changes occur in the future.

PREVIEW - 2021 RESIDENT CHARACTERISTICS ANALYSIS

Prepared by Daniel Stutman, Data Analyst

August 2022

This year's Resident Characteristics Analysis is a new endeavor, with the goal of attempting to describe some of the key characteristics of the people Tacoma Housing Authority serves to a wide variety of audiences. As such, it was developed with THA strategy, stakeholder interests, and the broader community in mind. It will cover a variety of topics to describe the populations that we serve, primarily at the household level and the timeline of an entire calendar year. In other words, the major population of interest will be households served in one of three main THA programs at any time during the 2021 calendar year. Some components of the forthcoming full analysis will also provide comparisons to 2020 and 2019 for additional context.

This current snapshot of the work includes:

- A comparison table of household demographics between the three main federal subsidy program areas: Tenant-based Vouchers, THA's Portfolio, and 3rd Party Property-based (PBV) Vouchers.
- Simple charts describing total households served in a year
- Proportion of households served by
 - Program
 - Program with 2019-2021 trend
 - Head of household Race/Ethnicity
 - Head of household Gender
- Distributions of households served by
 - Head of household Age
 - Household Size (number of household members)
 - Zip Code
 - Density Map of Tenant-based Voucher households with Race/Ethnicity comparison
 - Income by Program
 - Income by Race/Ethnicity

It should be noted that program participants in THA's local, non-traditional programs (i.e. Property-based Subsidy program, Rapid Rehousing, etc.) are tracked by partners and outside of THA's administrative data system, therefore they are not represented in this analysis. Similarly, households who ported to another jurisdiction are also excluded.

Some of the approaches here include shifting the usual focus from average household income alone to household income as a percentage of Tacoma's Area Median Income (AMI), and year-specific. This enables more direct comparisons in the income charts (and others) to control for factors like year (knowing that the region is experiencing rapid inflation) and household size. For instance, the meaning of a particular gross household income will have different % AMIs if the household has 1 member, 5 members, and/or has the same income in 2010 and 2020.

SELECTED CHARACTERISTICS OF HOUSEHOLDS SERVED IN 2021, BY PROGRAM

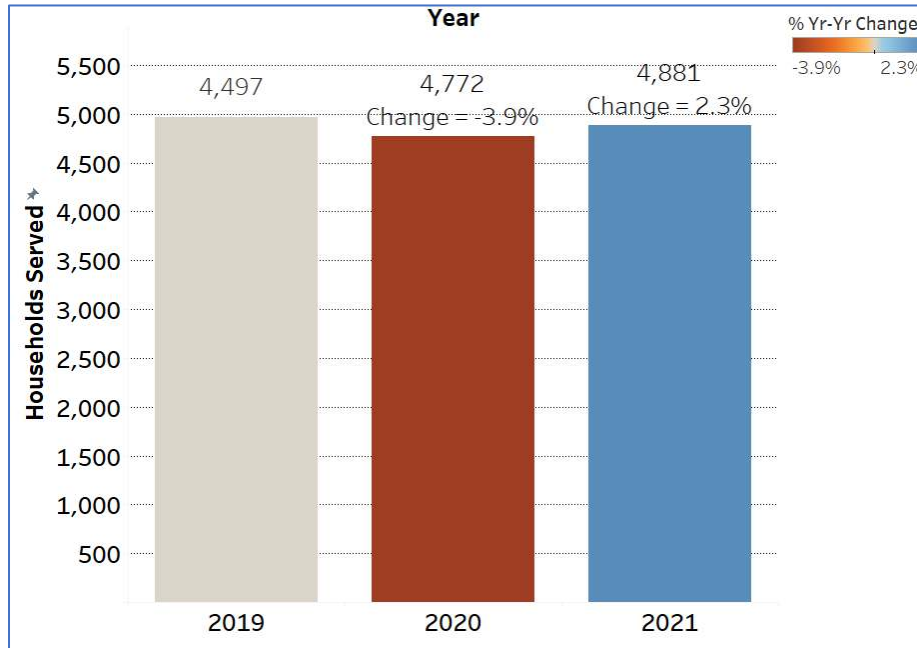
Measure	Tenant-Based Vouchers	THA Portfolio	3rd Party PBV	Combined
Household Counts				
No. (% of Combined Total) of Households Served	2,849 (58.7%)	1,432 (29.5%)	573 (11.8%)	4,854 (100%)
No. (% of Combined Total) of Individuals Served	6,117 (58.3%)	3,451 (32.9%)	916 (8.7%)	10,484 (100%)
No. (% of Combined Total) Children Served	2,161 (56.2%)	1,418 (36.9%)	265 (6.9%)	3,844 (100%)
No. (%) Households with Children	987 (34.6%)	606 (42.3%)	125 (21.8%)	1,718 (35.4%)
Household Income				
Median Gross Household Income	\$12,976	\$12,318	\$9,876	\$12,192
Median Gross Household % AMI	18.3%	17.3%	15.3%	17.5%
Household Size				
Median Household Size	1	2	1	1
Average Household Size	2.1	2.4	1.6	2.2
Selected Household Demographics				
Median Age of Head of Household	53	48	58	53
No. (%) Elderly Households	860 (30.2%)	384 (26.8%)	223 (38.9%)	1,467 (30.2%)
No. (%) Disabled Households	1,402 (49.2%)	480 (33.5%)	282 (49.2%)	2,164 (44.6%)
No. (%) Work-able Households	1,144 (40.2%)	763 (53.3%)	182 (31.8%)	2,089 (43.0%)
No. (%) BIPOC Households	1,341 (47.1%)	842 (58.8%)	160 (27.9%)	2,343 (48.3%)
No. (%) White (not Hispanic or Latino) Households	1,016 (35.7%)	402 (28.1%)	184 (32.1%)	1,602 (33.0%)

HOUSEHOLDS SERVED

Total Households Served, 2019-2021

Figure 1

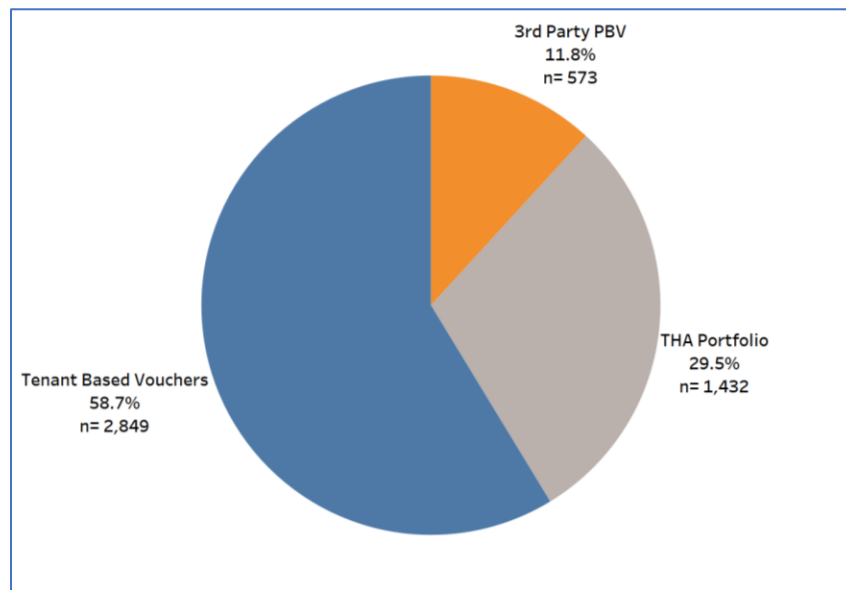
A total of 4,881 households were served in 2021 irrespective of duration on program, which was a 2.3% increase from 2020.¹ In 2020, the number of households served decreased 3.9% from the previous year possibly influenced by Washington State's Eviction Moratorium which ended June 30, 2021.



2021 Households Served by Program

Figure 2

The majority of households were served in the Tenant-based Voucher Program, representing 58.7% of all households served in 2021.²



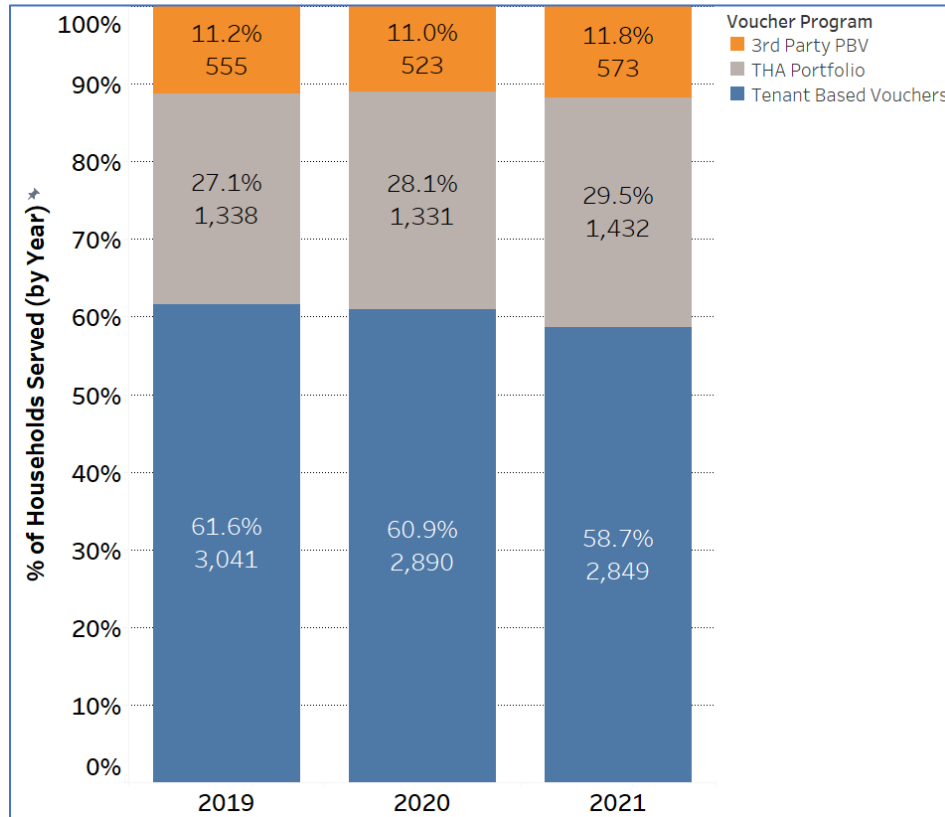
¹ Totals exclude Property-Based Subsidy households, Local Non-Traditional households, and households that ported out of THA's jurisdiction.

² Excluding Property-Based Subsidy, Local Non-Traditional Households, Port Outs, and Homeownership Program Vouchers.

Proportion of Total Households Served by Program, 2019-2021

Figure 3

While the majority (~60%) of households were served in Tenant Based Voucher programs, the proportion (and total number) of TBV households is trending downwards while those served in Property-Based Voucher Programs (THA Portfolio and 3rd Party PBV) are increasing from 2019-2021.

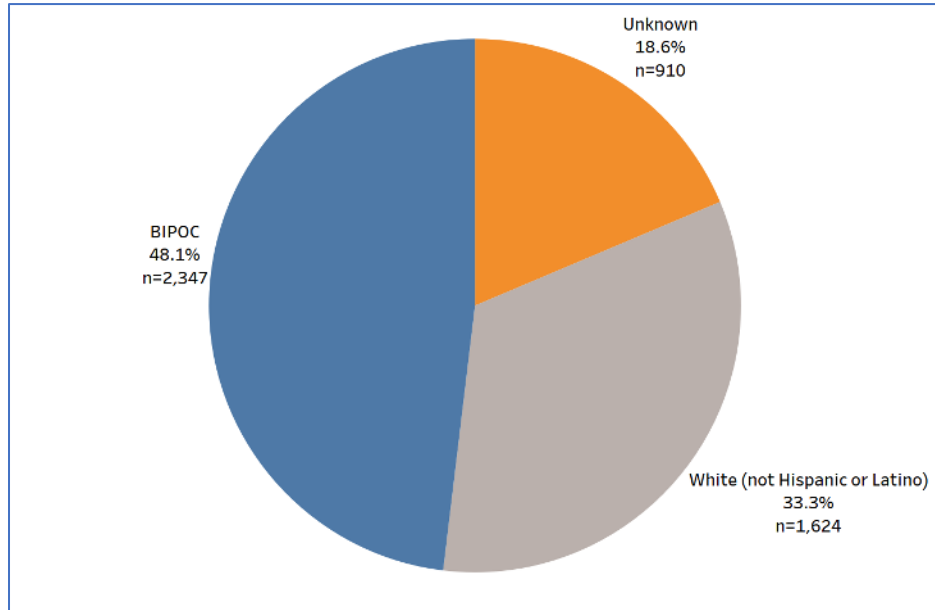


HOUSEHOLD DEMOGRAPHICS

2021 Overall Households Served by BIPOC, White, Unknown

Figure 4

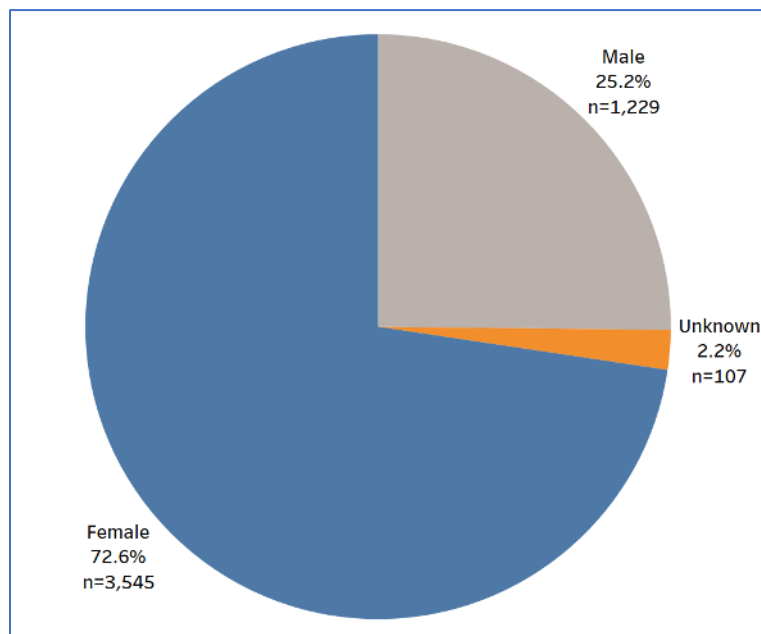
Black, Indigenous, and People of Color (BIPOC)-headed households represent the majority of households served by THA, after accounting for unknown race and ethnicity. 18.6% of households served had a head of household who had not self-identified a race and/or ethnicity category. This reduces the power of some comparisons by race/ethnicity demographics. 86 (1.8%) households did not indicate race however had self-reported Hispanic or Latino origin; these households have been categorized in the BIPOC population for this comparison.



2021 Households Served by Head of Household Gender

Figure 5

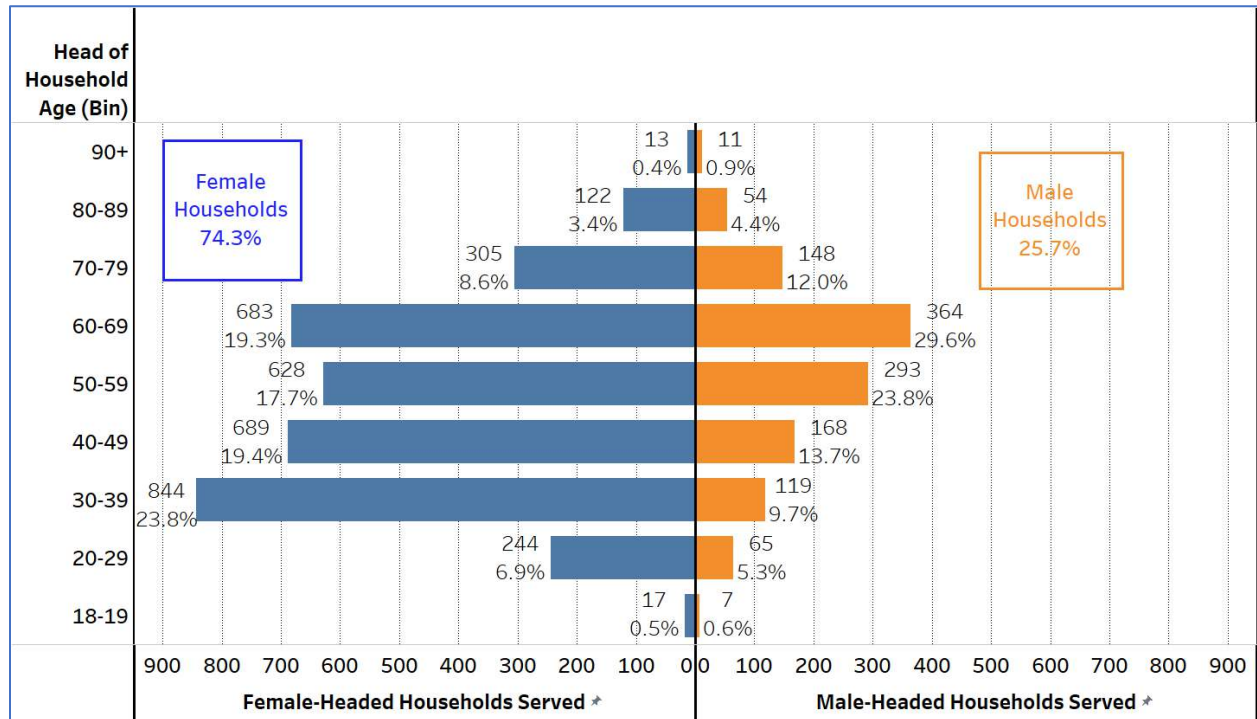
In 2021, Female-headed households significantly outnumbered Male-headed households almost 3 to 1, at 72.6% and 25.2%, respectively. Presence of co-head of households may change the ratio as well (not shown).



2021 Households Served by Age and Gender of Head of Household

Figure 6

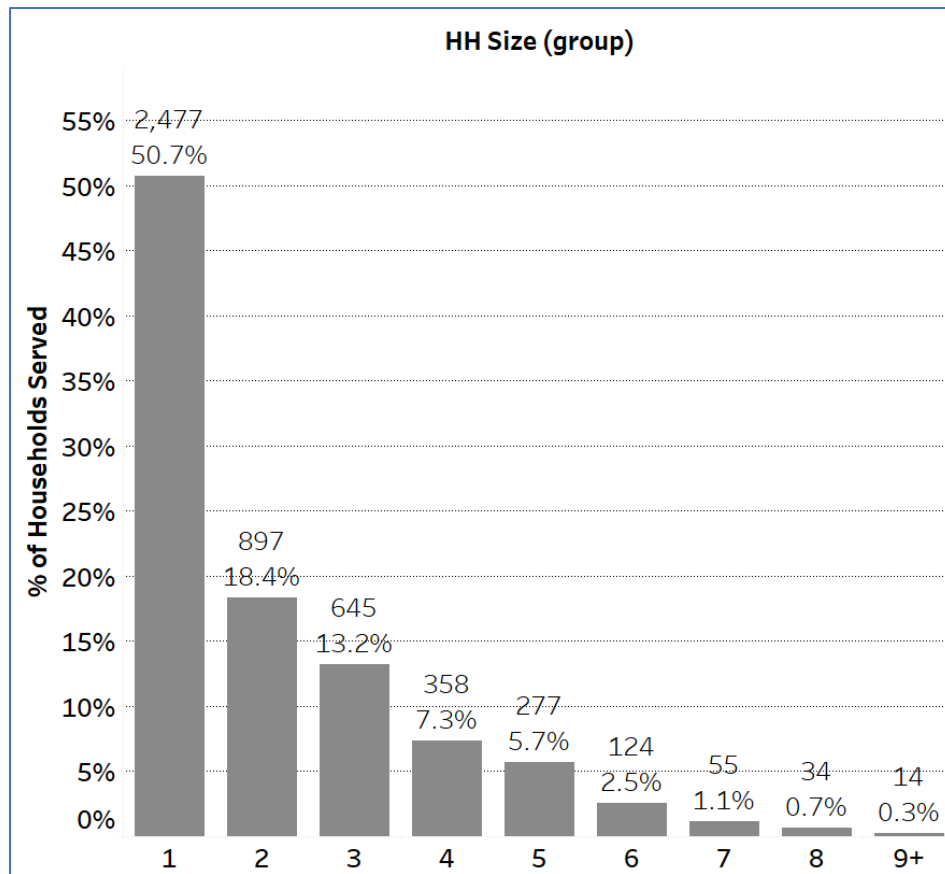
Age distribution of households served differed by the gender of the head of household, with females aged 30-39 being the most predominant category of all households served, at 23.8% of the 3,545 female-headed households served in 2021. Male head of households aged 60-69 were the most predominant category among males, representing 29.6% of the 1,229 male-headed households served in 2021. Female-headed households represent 74.3% and male-headed households represent 25.7% of the total 4,774 Households served in 2021 (excluding households where the gender is unknown).



2021 Households Served by Household Size

Figure 7

Of all households served in 2021, 51% were single-person households, and nearly 70% were single or 2-person households. Household Size = number of persons in the household.

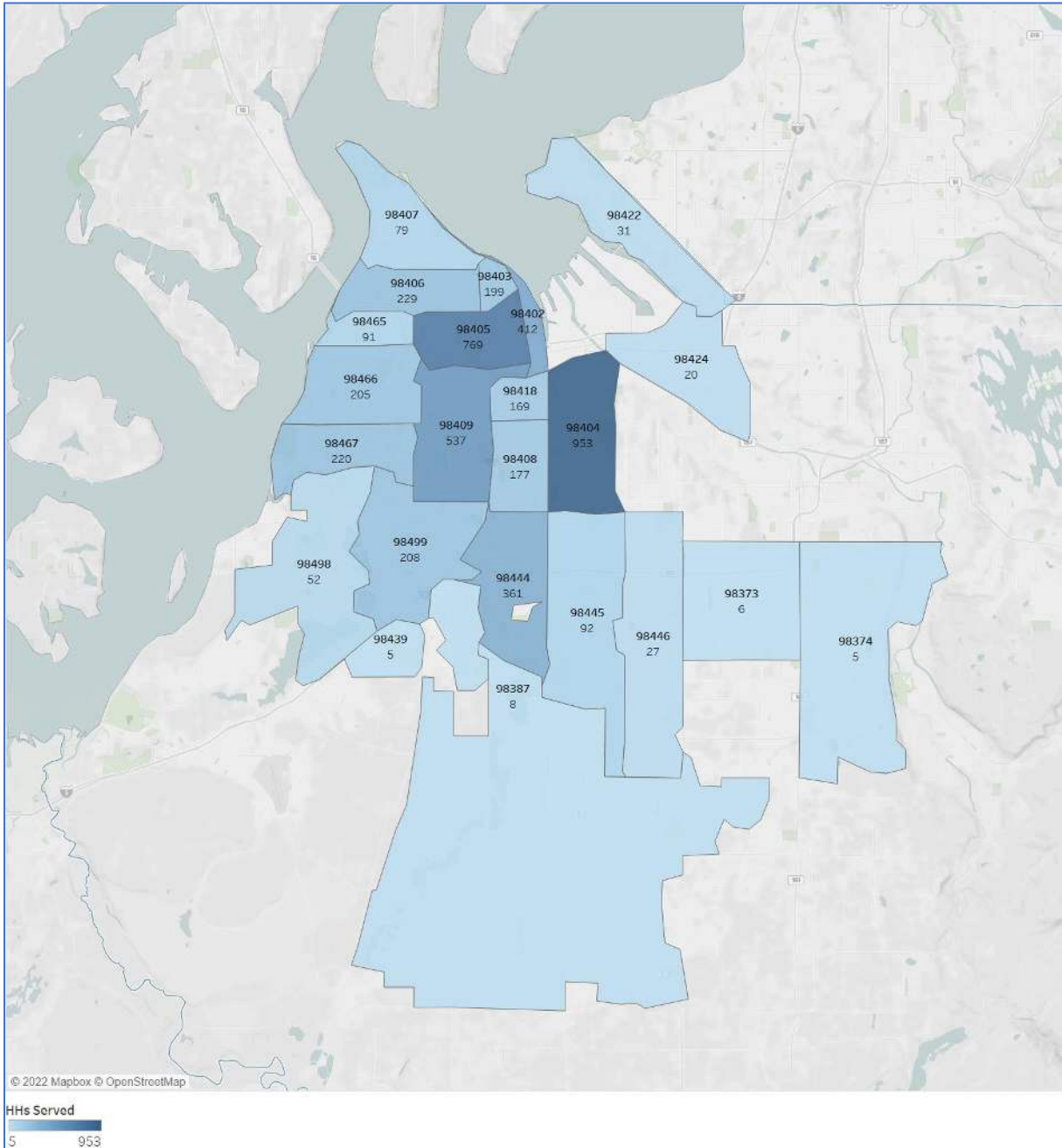


HOUSEHOLD GEOGRAPHY

2021 Households Served by ZIP Code

Figure 8

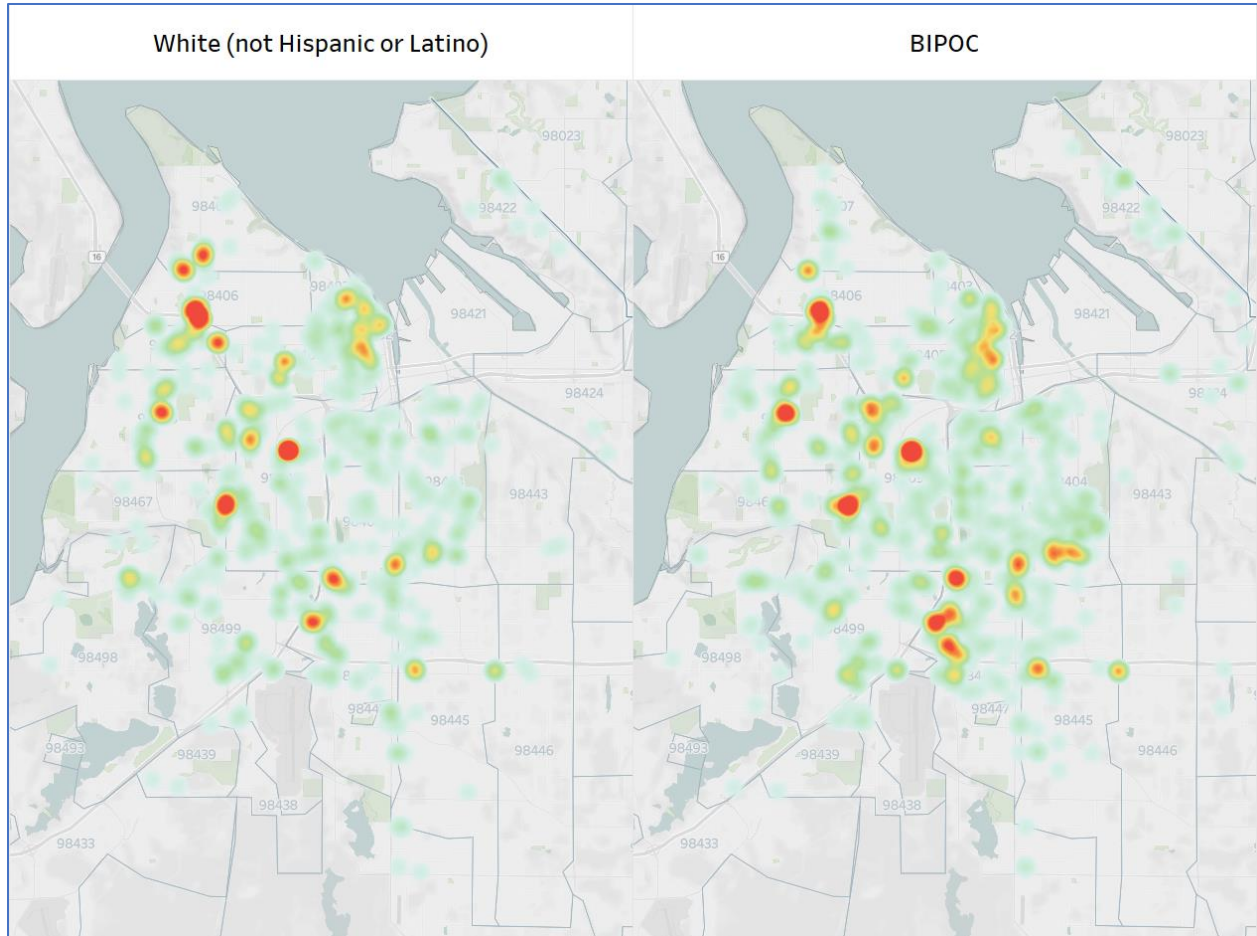
Variation in the number of households served by ZIP code in 2021 can be seen by the color gradient. Darker ZIP codes indicate more households served while lighter colors indicate ZIP codes with fewer households served. Showing ZIP codes with at least 5 households served.



2021 Tenant Based Voucher Geographic Distribution, BIPOC and White (not Hispanic or Latino)

Figure 9

Some variation in geographic distribution between White- (non-Hispanic or Latino) and BIPOC-headed households in the Tenant Based Voucher Program is observed, most notably with greater concentration of BIPOC-headed households in southeast regions of Tacoma.

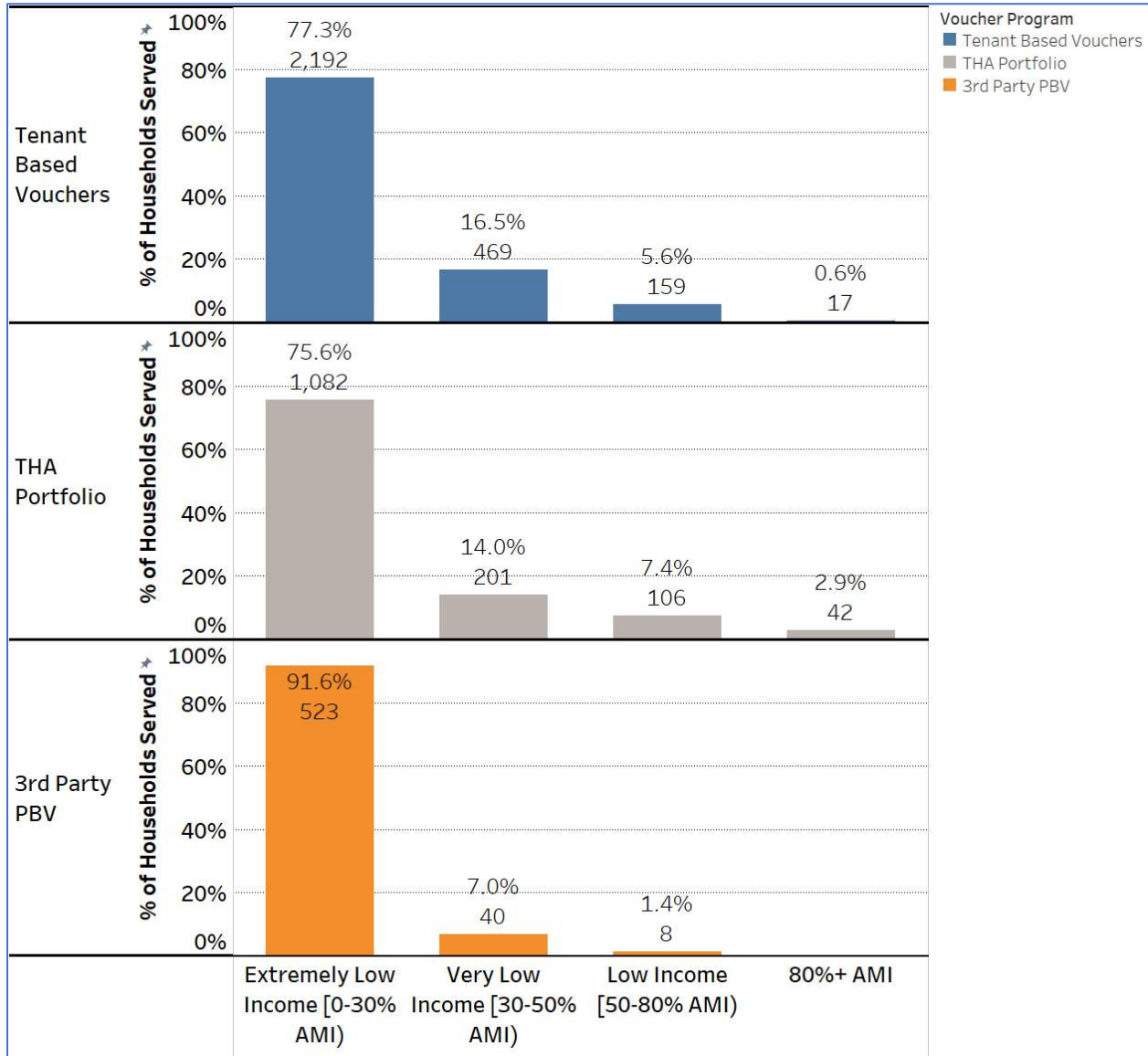


HOUSEHOLD INCOME

2021 Low-Income Distribution by Program

Figure 10

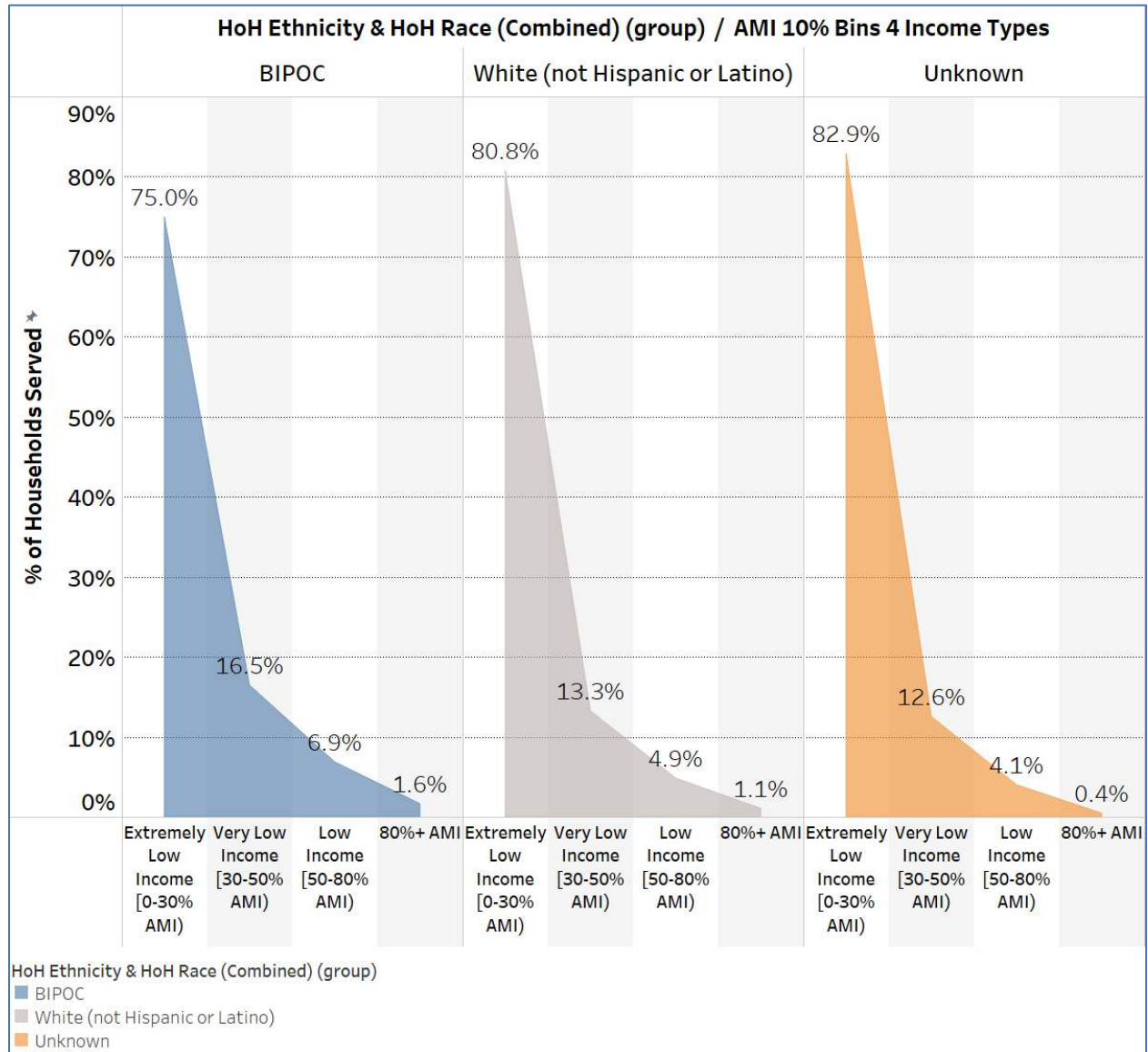
Household distribution of income levels varies by program. 3rd Party PBV Voucher Program Households had the highest proportion of extremely low-income households, 91.6%, of all 3rd Party PBV Households served in 2021. This likely reflects that many of THA's partners are using these subsidies to specifically serve households exiting homelessness and other highly marginalized populations.



2021 Low-Income Distribution by Race/Ethnicity of Head of Household

Figure 11

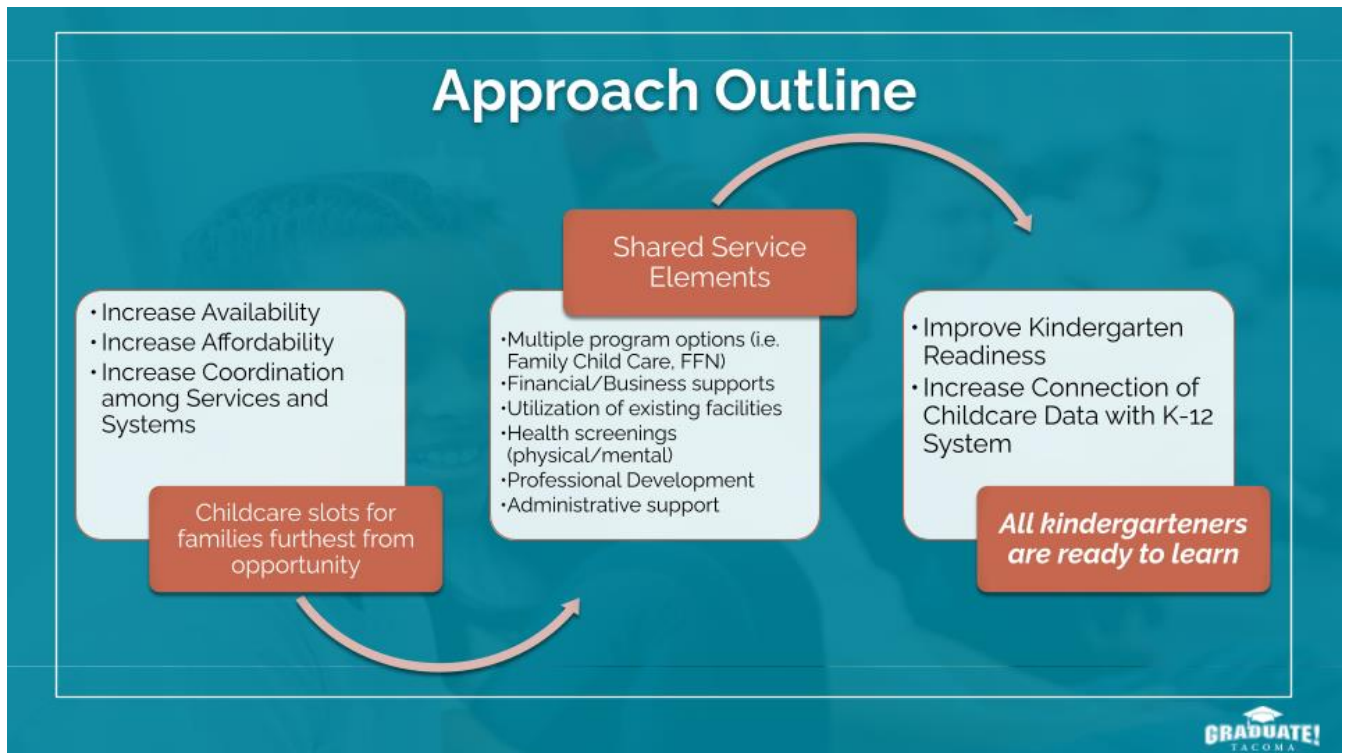
The income distribution varied slightly by the head of households self-reported race/ethnicity among households served in 2021. Households with unknown head of household race/ethnicity had the highest proportion, 82.9%, in the extremely low-income group [0-30% AMI], followed by white (not Hispanic or Latino) at 80.8%, and then BIPOC households at 75.0%. *Data has not been suppressed here due to larger categories (race/ethnicity and income groupings).*



CHILD CARE SHARED SERVICES MODEL OUTLINE

Mission/Vision

- Empowering the **community** to provide equitable child care programming for those who need it most.
- Empowering **place-based providers** with wages and professionalization in order to provide equitable programming to folks who share their backgrounds.



Goal/Result(s)

- Increased access to culturally appropriate child care programs
- Increased kindergarten readiness
- Economic mobility for Tacoma residents
- Increased apprenticeship pathways in Early Childhood Education
- Better equip providers to offer affordable, high-quality services for children and families
- Expand access to comprehensive supports, such as a substitute pool
- Provide business training and professional development that aligns with licensing standards

Core Team Partners

- Foundation for Tacoma Students
- Tacoma Housing Authority
- Child Care Resources
- WorkForce Central
- First 5 FUNdamentals

Additional Community Partners to Engage

- Tacoma Public Schools
- Metro Parks Tacoma
- Greentrike
- Multicultural Youth and Family Hope Center
- Dept. of Children, Youth & Families
- Higher Education Partners - Bates, TCC, Pierce, Clover Park, etc.
- Parent/Family Group(s)

FFTS Staff - Roles & Responsibilities

- Connect and convene
- Align funding
- Data tracking/reporting
- Project management
- Accountability



ANTI-OPPRESSIVE POLICY REVIEW RECOMMENDATIONS REPORT FOR TACOMA HOUSING AUTHORITY

July 2022

THE LINDSAY GROUP CO.
AN ORGANIZATIONAL DEVELOPMENT CONSULTING FIRM

Prepared by:

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Washington, D.C. 20003
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02	Foundational Definitions
03	Abbreviations
04	Project Summary
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08	Recommendation
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FOUNDATIONAL DEFINITIONS

1. Institutional Racism

- a. Policies, practices, and procedures that work better for white people than for people of color.

2. Racial Equity

- a. A reality in which a person is no more or less likely to experience society's benefits or burdens just because of the color of their skin. This includes the elimination of policies, practices, attitudes, and cultural messages that reinforce or fail to eliminate differential outcomes by race.

3. Structural Racism

- a. Racism and cultural prejudice and discrimination, supported intentionally or unintentionally by institutional power and authority, used to the advantage of other races.

4. White Privilege

- a. inherent advantages possessed by a white person on the basis of their race in a society characterized by racial inequality and injustice.

5. White Supremacy

- a. The belief that white people constitute a superior race and should therefore dominate society, typically to the exclusion or detriment of other racial and ethnic groups

6. Systemic Oppression

- a. The intentional disadvantaging of groups of people based on their identity while advantaging members of the dominant group (gender, race, class, sexual orientation, language, etc.); has historical antecedents.



ABBREVIATIONS

1. **TLG** - The Lindsay Group Co., An Organization Development Firm.
2. **THA** - Tacoma Housing Authority
3. **MCOD** - Multicultural Organization Development
4. **JEDI** - Justice, Equity, Diversity, and Inclusion
5. **DEIB** - Diversity, Equity, Inclusion, and Belonging



PROJECT SUMMARY

The Lindsay Group (TLG) The aim of the policy review was to help THA understand and consider changes to organizational policies to ensure its existing policies are equitable for all employees and members of the THA community. The Lindsay Group community wishes to thank THA community at-large for the opportunity to support the advancement of its agenda for diversity, inclusion, justice, and belonging. We would like to extend special thanks to Sha Peterson for her masterful coordination abilities, continuous feedback on the overall project process and deliverables, and unwavering advocacy of the THA Community.

This report, which is an accompaniment to the Organizational Assessment Report published March 2022, was prepared by The Lindsay Group Co., An Organization Development Firm (TLG). The firm worked under the direction of the DEIB Steering Committee and April Black, Executive Director of Tacoma Housing Authority (THA). General guidance and logistical support was facilitated by Sha Peterson, THA Administrator.

The views expressed in this report are those of the author and may not necessarily reflect the view of the organization. We again, offer our sincere gratitude for all those THA folx who courageously and vulnerably participated in this work of our broader scope. It has been an honor to serve all of you.

The intention of this policy recommendation review is to support THA with improving policies to make sure that they are equitable for all members of the THA community.



POLICY REVIEW APPROACH

TLG evaluated organizational policies materials provided by THA leadership. Using the principles of integrated anti-oppression we analyzed the relevant policies to offer policy solutions and recommendations to improve governance outcomes for THA and the Tacoma community at large.

Our method for policy review observed the principles of multicultural organization development (MCO) and integrated anti-oppression review. The following questions prescribed by our integrated anti-oppression model informed our analysis:

1. *Who benefits from this policy?*
2. *Who does not benefit from this policy?*

The method was implemented along four stages:

- **Stage 1 | Policy Evaluation: Comprehensive Review**
 - Through an evidence-based, anti-oppressive policy evaluation process, TLG Consultants identified and describe the recognized policy issues misaligned with current THA organizational values.
- **Stage 2 | Understanding the Need for Change**
 - TLG consultants reviewed applicable anti-oppressive best practices and EEOC guidelines to inform recommendations.
- **Stage 3 | Recommendation Report**
 - Compile findings and recommendations for reporting.
- **Stage 4 | Implementing Change**
 - THA leadership to implement recommendations.

Our review culminates in this recommendation report providing detailed recommendations informed by our integrated anti-oppressive model and EEOC-specific guidelines

SUMMARY OF FINDINGS

The goal of this review is to support THA with considering changes to policies and policy related material such as those listed below to make sure that they are equitable for all employees and members, and for their community. Outlined below is a summary of our findings for policies reviewed.

1. Human Resources + Personnel

a. *General*

i. Upon request of current and historical human resource policies, no human resource specific policy documents were provided. With support from THA leadership, we received and reviewed human resources materials-related identified below:

1. Job Descriptions;
2. COVID Policy

2. Organizational Governance and Bylaws

a. *Conflict of Interest*

i. Lacks a detailed conflicts of interest policy outlined under either General provisions or Commissioners.

b. *Equity-Minded Decision Making*

i. Bylaws does not prescribe a provision for equity-minded decision making supporting by an anti-oppressive framework of any kind.

c. *Amendment*

i. While in two sentences, the Bylaws, explains the procedure for amending the bylaws, the current policy position fails to communicate how the Board would relay notice of an amended policies to stakeholders across the organization;

ii. Bylaws do not prescribe an equity-minded framework for high impact-decision making.

3. COVID Policy

a. *Reasonable Accommodation*

i. The published COVID policy defines reasonable accommodation as any change to workplace or the way work is usually done. In alignment with EEOC and ADA guidelines. THA's COVID policy also adhere's to EEOC guidelines that organizational COVID policies and practices do not treat employees differently because of their race, national origin, disability, gender, religion/creed, age. However, THA does not include in its policy reasonable accommodation for individuals identifying as a victim of domestic violence, stalking, or sex offenses.

b. *Retaliation*

i. The available COVID policy does not provide a provision on employer retaliation.

4. Procurement Policy

a. Upon request of current and historical procurement policies, no procurement/vendor policy documents were provided. Although procurement policies were not provided, TLG has outlined equity-minded recommendations for procurement policies for THA's consideration.



RECOMMENDATION OVERVIEW

The objective of the recommendation report is to support the strategic advancement of structural change for a more equitable THA. To this end, we are pleased to present our recommendations. As mentioned in the OAR, continuous and frequent evaluation of the organization is necessary to understand the dynamic complexities of THA and the forces, both internally and externally, that influence the ways in which the organization behaves.

The recommendations presented here are informed by an anti-oppressive review of current and available THA policies. The recommendations provided in the pages to follow are also informed by the voices of THA community members who engaged in our multimodal organizational assessment process and dialogic programs.



RECOMMENDATION | HUMAN RESOURCES + PERSONNEL

1. Human Resource Policies

a. *General*

- i. Evaluating pay equity policies. Conduct statistical analysis of workforce pay to uncover pay discrepancies (significant difference) in pay.
 1. Conduct an audit aimed at gathering data to understand what's driving that discrepancy.
- ii. Adopt an equity-minded (based) framework for recruitment and selection.
- iii. Setting equity-based SMART (Specific, Measurable, Achievable, Relevant and Time-bound) goals to ensure THA is making measurable progress and that institutional rhetoric specific to advancing DEIB is being propelled by action.
- iv. Reduce reliance on standardized measures of success that have been shown to be both discriminatory and of limited value in identifying ability and predicting success.
- v. Continuous evaluation of organizational policy and corresponding materials. Policy and document evaluation should apply a critical antiracist/anti-oppressive evaluation method to examine the content, implementation and impact of potential harm of a policy. This evaluation should be implemented as a structured activity through which THA reflects its antiracist/anti-oppressive commitment.
- vi. Collect and analyze applicant flow data to track and monitor employment trends and inform organizational outreach and recruitment strategies. Use data sources to inform outreach and recruitment strategies.
- vii. Create programs, measures, and systems of accountability to make sure that workers from diverse backgrounds feel they belong and have the opportunity to succeed as employees at THA.
- viii. Use quantitative and qualitative data to evaluate programs and processes and identify barriers that may deter inclusivity and opportunity for all.
- ix. Ensure equitable benefits.

b. *Job Descriptions*

- i. Define job descriptions using an evidence-based approach like job analysis.
- ii. Make all job descriptions accessible which means transparency around the wage range for different positions, as well as providing a variety of avenues through which talent may access application materials.
 1. Salary structure, pay grades and bonus plans – ensure all objective criteria are used and aligned with specified job categories.
- iii. Design and implement a simplified pay equity framework to help management stay on an equitable track when making pay raise decisions.
 1. Can help to prevent disparities in pay between different groups due to implicit bias and siloed decision-making.
- iv. Use quantitative and qualitative data to evaluate programs and processes and identify barriers that may deter inclusivity and opportunity for all. Continue to develop and implement initiatives designed to prevent discrimination, harassment, and other actions that undermine THA's commitment to diversity, inclusion, and equal opportunity. Process, resolve, and adjudicate claims of discrimination, including retaliation.



RECOMMENDATION | PROCUREMENT

1. Procurement Policy

- a. Procurement strategies that provide at least some up-front payment to small businesses, along with organizational programs to help contractors meet bonding and insurance requirements, can help increase access to contracting opportunities for under-capitalized businesses;
- b. Find and foster an inclusive coalition of committed cross sector allies who aim to promote equity. This challenge is best tackled together with partners from across the ecosystem, some of whom may not have been engaged in procurement reform efforts before, including community groups, nonprofits, businesses, THA agencies and funders. This effort will take proactive outreach and engagement, and members should be committed to addressing biases throughout the procurement system;
- c. Design and iterate user-friendly systems grounded in user research and a deep understanding of barriers for SMEs/ MWBEs. Designing more navigable systems requires understanding users' current barriers and needs. A thorough understanding of the barriers that SMEs/MWBEs face is critical to creating useful solutions. This is true both in terms of improving discrete systems, such as a website, and the procurement process as a whole. For example, if research exposes that a major barrier for SMEs/MWBEs is lack of awareness of relevant opportunities, then this is something that the THA should address as it considers reforms. Understanding user needs and barriers should be an ongoing effort and requires engagement by businesses;
- d. SMEs/MWBEs have limited time and resources to find opportunities. If THA is committed to working with these businesses, they must make a strong effort to proactively share relevant opportunities, and not create technological or financial barriers to accessing public information. For example, THA should consider reaching out through social media or community platforms that are used by these businesses, and making their language approachable. Moreover, THA should do so early enough to give these businesses enough time to submit bids. As part of these efforts, THA can release forecasts of upcoming opportunities;
- e. Use active collaboration and contract management to set up new vendors for success and deliver better results. Active engagement during delivery can help vendors deliver strong results, shift course when things are not working well, and adjust based on emerging community needs;
- f. Support outcomes and best value-based procurement approaches. Both of these strategies are a departure from the requirements-based and lowest-bid approaches that many cities take to procurement. Outcomes-based procurement can help THA get better results and open the way for innovation by smaller vendors. Best value-based procurement can allow THA to take organizational values, such as investing in local businesses, into consideration when selecting a vendor;
- g. Communicate results and performance on contract delivery among THA and the community. Sharing information on performance could build confidence in unfamiliar vendors.
- h. Improving information and data sharing on outcomes of a bidding and procurement process can also help build trust and credibility among small businesses and the community as a whole, as well as improve future potential for small businesses to succeed in the bidding process.



1. COVID Policy

a. *Reasonable Accommodations*

- i. When applying vaccine requirements, THA should consider requests for reasonable accommodations from employees who need them because of disability, pregnancy, childbirth, lactation, religious beliefs or observances, and/or status as a victim of domestic violence, stalking, or sex offenses. If an employee requests an exception to a vaccine requirement or additional time to provide their proof of vaccination for one of these reasons, THA should engage with them in a cooperative dialogue, or a good faith discussion, to see if a reasonable accommodation is possible.
- ii. Employees who are seeking reasonable accommodations because of their religious beliefs should not be required to submit supporting documentation unless their employer has an objective basis to question the sincerity of the religious basis for the employee's inability to show proof of vaccination. However, employees may be asked to explain the religious nature of their belief.

b. **Employer Retaliation**

- i. THA should consider amending the COVID policy to include a retaliation provision. Wherein Retaliation might be defined as any action that is likely to discourage employees from exercising their rights. It should cover not only firing or demoting an employee, but also, for example, assigning them to less favorable shifts or subjecting them to harassment.

1. Organizational Governance and Bylaws

a. *Adopting an Equity-Based Decision Making Framework*

- i. Placing racial social equity at the core of high-impact decision making at the governance level;
- ii. Building an ecosystem that would foster equally high outcomes for all stakeholders at THA;
- iii. Intentionally removing the predictability of employee success or failures that currently correlates with any social or cultural factors;
- iv. Disrupting inequitable decision making by examining biases, supporting equity-minded governance outcomes.

b. *DEIB and Accountability Provisions*

- i. Bylaws should require that an annual DEI audit and organizational assessment report be provided to the Board to hold itself accountable to its values;
- ii. Bylaws should prescribe provisions regarding employee and vendor compensation, such as a statement that THA must/will compensate all employees and vendors a fair and reasonable wages.



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Last Month at THA

2022 Point-in-Time Count from Pierce County

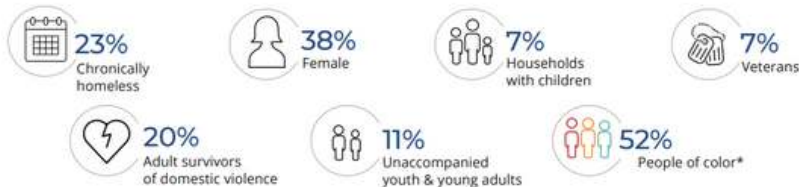


2022 Point-in-Time Count

2022 Homeless Point-in-Time Count Results

Each January, Pierce County surveys people experiencing homelessness. This homeless "point-in-time count" is a one-day snapshot that captures the characteristics and situations of people living here without a home. We counted 1,851 people, but the official estimate for homelessness in Pierce County is much larger - 4,300 individuals. The lower Point-in-Time count number reflects the challenge of counting a large, geographically distributed unsheltered population over a 24-hour period.

1,851 People counted during the homeless Point-in-Time count **4,300** Official estimate of people experiencing homelessness in Pierce County



*People of color make up only 34% of the Pierce County population. (ACS estimate 2019)

Not all people experiencing homelessness sleep outside



Now Hiring!

We're seeking to fill a variety of positions throughout the organization.

- Community Advocate
- Grants & Resource Development Manager
- Maintenance Specialist
- Program Specialist - Community Builder
- Risk Manager
- Senior Office Assistant

July 2022

New Staff

This July, we welcomed new Facilities Manager, Jaime Gomez-Beltran, new CSE Community Advocate, Sage Barber, new Office Assistant, Elenea Moya-Flores, and new Office Assistant, Shelbi Virgilito THA!

Promotions

Also in July, we celebrated the following staff promotions:

- Dana Duncan was promoted to Housing Specialist Lead
- Sheldon Scarff was promoted to Housing Specialist
- Chantel Dozier was promoted to Housing Specialist
- Alexandria Alcantar was promoted to Office Assistant Lead

988: New Suicide and Crisis Lifeline Launched July 16th

DEIB Update

April provided an important update on THA's DEIB work. Here's what's coming up...

By July 31st

Develop a scope of work for what we are looking for in our Learning and Development Modules. Begin seeking proposals from local vendors.

By August 31st

Select the training vendor.

By September 15th

Schedule training for all staff.

By August 31st

The DEIB Steering Committee and Leadership Team will agree on the roles and responsibilities of the committee. More communication on this will come directly from that committee.



THA Partners with Shiloh Baptist Church on New Affordable Housing Project



The Shiloh Baptist Church broke ground on a new 60-unit housing project in the Hilltop called New Life Housing. THA is the Development Consultant on the project and THA's Board Chair, Stan Rumbaugh, spoke at the groundbreaking ceremony. April was interviewed on King 5 News.

Register by August 5th for the Summer Employee Appreciation Celebration!

When: Friday, August 12th from 11-3 PM

Where: Asia Pacific Cultural Center

Who: THA Staff Only

What: Food, games, and fun!



Visit from The Ballmer Group

THA funders, The Ballmer Group, paid us a visit this month. Beginning with a walking tour of the Hilltop with Alyssa Torrez and community partners, and ending at Bay Terrace with Cacey Hanauer, Byron Williams, and April, our staff did a great job showing an important funder just how their contributions impact our community,

THA Acquires North Highland Court Apartments

THA has finalized its purchase of the 35-unit North Highland Court apartments, located in the north end. The property was purchased with THA reserves and a loan through Banner Bank. Through this purchase, THA will be able to prioritize voucher shoppers when it is renting vacant units at North Highland Court. The property will be managed by Spinnaker Property Management.

Comparative Funding Chart for FY23

July 28, 2022

	FY2021 Final (12-22-20)	FY2022 Final (3-10-21)	FY 2022 CLPHA Request *Joint Industry Request	FY 2023 HUD Request (3-28-22)	FY 2023 HR 8294–House Passed (7-20-22)	FY 2023 S.XXXX–Senate Draft (7-28-22)
Public Housing Fund²:	\$7.806 billion ²	\$8.451 billion	Fully Fund*	\$8.78 billion	\$8.734 billion	\$8.469 billion
[Operating Fund]	[\$4.839 billion]	[\$5.039 billion]	[\$5.039 billion] *	[\$5.035 billion]	[\$5.039 billion]	[\$5.039 billion]
[Capital Fund]	[\$2.765 billion]	[\$3.2 billion]	[\$5.0 billion] *	[\$3.2 billion]	[\$3.4 billion]	[\$3.225 billion]
[Emergency Capital Needs]	[\$75 million]	[\$75 million]	[\$75 million] *	[\$40 million]	[\$65 million]	[\$50 million]
Tenant Based Rental Assistance	\$25.78 billion	\$27.370 billion	\$32.130 billion	\$32.130 billion	\$31.043 billion	\$30.182 billion
Housing Choice Voucher (HCV) Renewals	\$23.08 billion	\$24.095 billion	\$26.234 billion*	\$26.234 billion	\$26.184 billion	\$26.184 billion
HCV Administrative Fees	\$2.159 billion	\$2.411 billion	\$3.046 billion*	\$3.014 billion	\$2.757 billion	\$2.802 million
HUD-VASH Vouchers	\$40 million	\$50 million	\$50 million	\$0	\$50 million	\$85 million
Tenant Protection Vouchers (TPV)	\$116 million	\$100 million	\$220 million*	\$220 million	\$230 million	\$364 million
Section 811 Mainstream Vouchers	\$314 million	\$459 million	n/a	\$667 million	\$667 million	\$667 million
Incremental Homeless Vouchers	\$43.439 million	\$0	n/a	\$0	\$0	\$0
Incremental Vouchers	n/a	\$200 million	\$1.550 billion*	\$1.550 billion	\$1.100 billion	\$50 million
Incremental Voucher Services Fees	n/a	n/a	\$473 million	\$0	\$0	\$0
HCV Mobility Vouchers/Services	\$0	\$25 million	\$445 million*	\$445 million	\$25 million	\$0
Family Unification Program (FUP)	\$25 million	\$30 million	\$30 million	\$0⁴	\$30 million	\$30 million
Self Sufficiency Account³:	\$155 million	\$159 million	\$270 million	\$175 million	\$175 million	\$200 million
[Family Self Sufficiency Program (FSS)]	[\$105 million]	[\$109 million]	[\$200 million] *	[\$120 million]	[\$125 million]	[\$150 million]
[ROSS Grants]	[\$35 million]	[\$35 million]	[\$35 million] *	[\$35 million]	[\$35 million]	[\$35 million]
[Jobs Plus]	[\$15 million]	[\$15 million]	[\$20 million] *	[\$20 million]	[\$15 million]	[\$15 million]
Choice Neighborhoods Initiative (CNI)	\$200 million [\$100 million] ¹	\$350 million [\$175 million] ¹	\$500 million* [\$333 million] ¹	\$250 million [\$100 million] ¹	\$450 million [\$225 million] ¹	\$250 million [\$125 million] ¹
Project-Based Rental Assistance [Contract Administration]	\$13.465 billion [\$350 million]	\$13.940 billion [\$355 million]	\$15.0 billion [\$375 million]	\$15.0 billion [\$375 million]	\$14.540 billion [\$375 million]	\$14.687 billion [\$375 million]
Homeless Assistance Grants	\$3.0 billion	\$3.213 billion	\$3.576 billion	\$3.576 billion	\$3.604 billion	\$3.545 billion
CDBG	\$3.475 billion	\$3.3 billion	\$4.20 billion	\$3.55 billion	\$3.3 billion	\$3.525 billion
HOME	\$1.35 billion	\$1.5 billion	\$2.50 billion	\$1.950 billion	\$1.765 billion	\$1.725 billion

¹ Not less than this amount shall be awarded to public housing authorities.

² Consolidates Operating and Capital Fund into a Public Housing Fund

³ New Self Sufficiency Program account

⁴ FUP funding under TPV account



TACOMA HOUSING AUTHORITY

NEW BUSINESS



TACOMA HOUSING AUTHORITY

RESOLUTION 2022-08-24 (1)

Date: August 24, 2022

To: THA Board of Commissioners

From: April Black
Executive Director

Re: Amendment to Policies Governing Expenditures on Employee Recognition and Appreciation

This resolution would amend HR 10.15 Governing Expenditures on Employee Recognition and Appreciation.

Background

On March 27, 2013, the Board of Commissioners approved Resolution 2013-3-27 (1) adopting HR 10.15 Expenditures on Employee Recognition and Appreciation.

The cost of Length of Service awards listed on the policy was based on pricing from 2013. The resolution would request the Board to adopt an amendment to Resolution 2013-3-27 (1), increasing the cost of the awards to better reflect current award costs.

Recommendation

Approve Resolution 2022-08-24 (1), amending HR 10.15 Policy Governing Expenditures on Employee Recognition and Appreciation.



TACOMA HOUSING AUTHORITY

RESOLUTION 2022-08-24 (1)

(Amendment to HR 10.15 Policy Governing Expenditures on Employee Recognition and Appreciation)

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

WHEREAS, on March 27, 2013, The Board of Commissioners approved Resolution 2013-3-27 (10 adopting HR 10.15 Expenditure on Employee Recognition and Appreciation; and

WHEREAS, The awards costs listed under Length of Service reflected prices for that year; and

WHEREAS, The cost for awards have since increased; now, therefore, be it

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

Approve Resolution 2022-08-24 (1), amending HR 30.15 Policy Governing Expenditures on Employee Recognition and Appreciation, increasing the award costs listed under Length of Service to better reflect current award prices.

Approved: August 24, 2022

Shennetta Smith, Chair