



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS

BOARD PACKET

MARCH 27, 2024



**Tacoma
Housing
Authority**

REGULAR MEETING

BOARD OF COMMISSIONERS

MARCH 27, 2024

The Board of Commissioners of the Housing Authority of the City of Tacoma will hold a Regular Meeting on **Wednesday, March 27, 2024, at 4:45 pm via Zoom and at 902 S L Street, Tacoma, WA 98405.**

<https://us02web.zoom.us/j/83510311519> | **Meeting ID:** 835 1031 1519 | **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 5 days prior to meeting, 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. 38th Street, Suite A PMB3 Tacoma, WA 98409	newstips@thenewstribune.com

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

Sha Peterson
Executive Initiatives Officer

902 SOUTH L STREET, SUITE 2A | TACOMA, WASHINGTON 98405-4037

Phone 253-207-4400 | Fax 253-207-4440 | www.tacomahousing.org



AGENDA

TACOMA HOUSING AUTHORITY REGULAR BOARD OF COMMISSIONERS MEETING MARCH 27, 2024, 4:45 PM

902 South L Street, Tacoma, WA 98405, 2nd Floor Conference Room

ZOOM: <https://us02web.zoom.us/j/83510311519> / MEETING ID: 835 1031 1519

DIAL: (253) 215-8782

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **EXECUTIVE SESSION**
 - 3.1 To discuss with legal counsel potential litigation.
4. **APPROVAL OF MINUTES**
 - 4.1. Minutes of February 28, 2024—Regular Session
5. **GUEST COMMENTS**
6. **COMMITTEE REPORTS**
 - 6.1 Real Estate Development Committee
 - 6.2 Finance and Audit Committee
 - 6.3 Community Partnerships and Advocacy Committee
 - 6.4 Education, Housing, Services, and Partnerships Committee
 - 6.5 Diversity, Equity, Inclusion, and Belonging Committee
7. **FINANCE REPORT**
 - 7.1. Ratifying Cash Disbursement for February 2024
8. **AGENCY MONTHLY REPORT**
 - 8.1. Presentation: THA Partnerships and Services
 - 8.2. General Agency Updates
9. **NEW BUSINESS**
 - 9.1 2024-03-27 (1) Electronic Funds Transfer Policy
 - 9.2 2024-03-27 (2) Investment of Tacoma Housing Authority Monies in LGIP
 - 9.3 2024-03-27 (3) Property Based Subsidy on HHT
10. **COMMENTS FROM THE COMMISSIONERS**
11. **ADJOURNMENT**



TACOMA HOUSING AUTHORITY

MINUTES



BOARD OF COMMISSIONERS MEETING MINUTES

REGULAR SESSION
WEDNESDAY, FEBRUARY 28, 2024

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at 902 South L Street, Tacoma, WA 98405 at 4:45 pm on Wednesday, February 28, 2024.

1. CALL TO ORDER

Chair Hodge called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:49 pm.

2. ROLL CALL

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

PRESENT	ABSENT
COMMISSIONERS	
Chair Dr. Minh-Anh Hodge	
Vice Chair Derek Young	
Commissioner Stanley Rumbaugh (arrived late at 5 pm)	
	Commissioner Michael Purter
	Commissioner Shennetta Smith
STAFF	
April Black, Executive Director	
Aley Thompson, Deputy Executive Director	
Sha Peterson, Executive Initiatives Officer	
Adam Ydstie, Policy, Innovation, and Evaluation Director	
	Amber Prentice, Rental Assistance Director
Cacey Hanauer, Client Support and Empowerment Director	
Ken Short, Asset Management and Real Estate Development Director	
Marquis Jenkins, Property Management Director	
Richard Deitz, Finance Director	
	Sharrall Madden, Human Resources Director
William Morse, Director/CIO	

Chair Hodge declared there was a quorum present at 4:50 pm and proceeded.

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Chair Hodge asked for any corrections to or discussion of minutes for the Regular Session of the Board of Commissioners for Wednesday, January 24, 2024. Commissioner Rumbaugh moved to adopt the minutes. Vice Chair seconded.

Upon roll call, the vote was as follows:

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

Motion approved.

Chair Hodge asked for any corrections to or discussion of minutes for the Special Session of the Board of Commissioners for Monday, February 5, 2024. Vice Chair Young moved to adopt the minutes. Commissioner Rumbaugh seconded.

Upon roll call, the vote was as follows:

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

Motion approved.

4. GUEST COMMENTS

None.

5. COMMITTEE REPORTS

There were no committee reports for the month of February 2024.

6. FINANCE REPORT

FINANCE

Finance Department (FD) Director Rich Deitz directed the board to the finance report. Disbursement is over \$8M. Moving to Work (MTW) paid annual fees for Yardi \$400K+, Section 8 paid 3 months rapid rehousing so it is a bit high, and Support Services is exactly where they are suppose to be.

Cash Position is over \$37M from the months before. Cash Held by Housing and Urban Development (HUD) has a decrease. Non-MTW Restricted dropped by \$500k which is more than normal due to rental assistance reserves. Total THA Unencumbered is at \$12.8M.

Administrative Salaries is one that really impacted the budget. This is always lower. Commissioner Rumbaugh asked what portion is for vacancies. According to Deitz, they change allocations for some positions. Housing Assistance Program (HAP) is over budget for the year. Overall, THA ended the year in a pretty spot.

6.1 RATIFYING CASH DISBURSEMENT FOR JANUARY 2024

Vice Chair Young moved to ratify the payment of cash disbursements totaling \$8,026,886 for the month of January 2024. Commissioner Rumbaugh seconded.

Upon roll call, the vote was as follows:

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

Motion approved.

7. AGENCY MONTHLY REPORT

7.1 PRESENTATION: CONTRACTING AND RESIDENT HIRING

Director of Policy, Innovation and Evaluation Adam Ydstie presented to the Board. Ydstie thanked Finance Specialist Hannah Carlson for her work on the data for payment activities. Goals relevant to contracting and resident hiring are to increase percentage of Minority and Women-Owned Business Enterprises (MWBE) receiving contracts or direct purchase requisitions with Tacoma Housing Authority (THA) or projects paid by THA and increase the number of THA residents and low-income individuals hired into THA jobs.

Plans to increase MWBE include:

- Analyze new contract requests to see if it is feasible to divide the scope to include Minority/Women-owned Business Enterprises (MWBE) vendors.
- Created a new RFP template, in collaboration with Priya, the DEIB Strategic Advisor, that is more inclusive and removes previous requirements that may have been barriers.
- Begin posting RFPs on the OMWBE website to reach a larger audience.
- In the RFP evaluation criteria, THA will create a preference for MWBE business.
- Created a new Self-Attestation form for MWBE vendors that are not certified by the state and have included this in the new RFP template.
- Worked with PM (Facilities) to identify routine scopes of work.

THA will revise its procurement policy and practices to make them more equitable and accessible. THA will maintain a 90% on time payment rate to make it easier to do business with THA and reduce barriers to disadvantaged business enterprises. At least 25% of new hires on Housing Hilltop will be THA

residents and/or low-income individuals. Housing Hilltop hiring has fluctuated throughout the months, but Walsh will resolve the data issues and information will include in the next Board report.

7.1 GENERAL AGENCY UPDATES

THA hosted a HUD visit which was an opportunity to invite HUD staff to have lunch with THA staff. They also visited Arlington and toured vacant units and visited Cascade Park for assisted-style living. They ended with a tour of Hilltop. It was a lot of work for THA, but HUD staff were impressed.

Housing Hilltop is still on time and early on the south building. Staff developed a new logo which will be seen on signage and marketing material. The logo was created by Manager of Communications and Marketing Nick Tolley. THA will restart marketing on the south building and will be doing work on marketing material and working with the Black Collective.

Staff are working with Brawner's financial consultant to look at resyndication options for Hillside 300 and financing options for Hillside 1500 to redevelop in the coming years. THA is moving along with Hillside Heights and Yardi training. Go live date for Yardi is in April.

THA is in the last few steps of finalizing a project description for the 2024 Accessibility Audit. This project will be a collaborative partnership across all departments with Exec and AMRED leading the work.

We continue to urge our delegation to support a budget that funds our agency and the government, along with the tax extenders package that the House passed last week. THA has been invited to attend a congressional briefing in March to discuss the successes of THA's programs. Congratulations to THA's Intergovernmental Affairs Manager Nicholas Carr on his successful advocacy for changes in the applicant eligibility for the State Connecting Housing to Infrastructure Program (CHIP). This means that when we apply in the fall, we can apply directly instead of through the city.

8. NEW BUSINESS

8.1 AMENDMENT TO INCREASE FUNDS FOR GORDON, THOMAS, HONEYWELL LEGAL CONTRACT

RESOLUTION 2024-02-28 (1)

(Executive Director Approval to Execute a Contract Amendment to Increase Funds for Gordon, Thomas, Honeywell Legal Services Contract)

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

WHEREAS, in compliance with Tacoma Housing Authority's procurement policy, THA issued an RFP for Legal Services; and

WHEREAS, THA issued a Notice to Award to Gordon, Thomas, Honeywell; and

WHEREAS, THA entered into a contract with Gordon, Thomas, Honeywell for \$50,000.00; and

WHEREAS, THA recommends executing a contract Amendment for \$250,000.00 increasing the total value to \$300,000.00; now, therefore, be it

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

Approve THA’s Executive Director to execute a contract amendment with Gordon, Thomas, Honeywell for an additional \$250,000.00.

Vice Chair Young motioned to approve the resolution. Commissioner Rumbaugh seconded the motion.

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

Motion approved: February 28, 2024

Dr. Minh-Anh Hodge, Chair

8.2 NEW UNARMED SECURITY CONTRACT—SEATTLE’S FINEST

RESOLUTION 2024-02-28 (2)

(Approval to Execute a New Unarmed Security Contract – Seattle’s Finest)

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

WHEREAS, Tacoma Housing Authority issued a Request for Proposal (RFP) for unarmed security services on July 18, 2023; and

WHEREAS, THA received and scored seven (7) proposals; and

WHEREAS, The top 3 proposers were interviewed in person; and

WHEREAS, The top proposers were interviewed virtually; and

WHEREAS, After the final interview process, Pacific Security was the overall top scoring responsive proposer and THA contracted for their services; and

WHEREAS, After onboarding the vendor, Pacific Security is not meeting the unarmed security needs of the agency; and

WHEREAS, THA may terminate its contract and may reach out to the next proposer in turn as reflected in the RFP evaluation process; now, therefore, be it

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

Tacoma Housing Authority's (THA) Executive Director is authorized to negotiate and, if those negotiations are successful, to award a contract to Seattle's Finest for unarmed security services at THA's housing developments in an amount not to exceed \$200,000. If those negotiations are not successful, the Executive Director is authorized to negotiate and, if those negotiations are successful, to award a contract to the next proposer in turn as reflected in the RFP evaluation process.

Vice Chair Young motioned to approve the resolution. Commissioner Rumbaugh seconded the motion.

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

Motion approved: February 28, 2024

Dr. Minh-Anh Hodge, Chair

9. EXECUTIVE SESSION

The Board went into executive session at 5:35 pm for 28 minutes to discuss with legal counsel potential litigation and to review the performance of a public employee. They came back into regular session at 6:02 pm.

10. COMMENTS FROM COMMISSIONERS

None.

11. ADJOURNMENT

There being no further business to conduct, the meeting ended at 6:03 pm.

APPROVED AS CORRECT

Adopted: March 27, 2024

Dr. Minh-Anh Hodge, Chair



**Tacoma
Housing
Authority**

Real Estate Development Committee

Commissioner Stanley Rumbaugh
Commissioner Shennetta Smith

Finance Committee

Chair Minh-Anh Hodge
Vice Chair Derek Young

Community Partnerships and Advocacy Committee

Commissioner Pastor Michael Purter
Commissioner Shennetta Smith

Education, Housing, Services and Partnerships Committee

Chair Minh-Anh Hodge
Vice Chair Young

Diversity, Equity and Inclusion Committee

Chair Minh-Anh Hodge
Commissioner Shennetta Smith



TACOMA HOUSING AUTHORITY

FINANCE REPORT



MOTION

Date: March 27, 2024

To: THA Board of Commissioners

MOTION

Adopt a consent motion ratifying the payment of cash disbursements totaling \$7,385,503 for the month of February 2024.

Approved: March 27, 2024

Dr. Minh-Anh Hodge, Chair

TACOMA HOUSING AUTHORITY
Cash Disbursements for the month of February 2024

		Check Numbers		Amount	Totals
		From	To		
A/P Checking Accounts					
Accounts Payable Checks	Check #'s	97,057	-	97,116	
Accounts Payable ACHs	ACHs	2,767	-	2,851	
Business Support Center				692,304	Program Support
Moving To Work Support Center				116,304	
Moving To Work Buildings (used by Support Center)				14,593	
Tax Credit Program Support Center				94,197	
Section 8 Programs				104,399	Section 8 Operations
Alberta J Canada Bldg				2,549	Properties
Salishan 7				23,081	
James Center				11,782	Development
Hillsdale Heights				475	
Bus Development Activity				36	
CS General Business Activities				6,885	Client Support
SAFE/TRAC				600	
Department of Commerce Funding for Crisis Residential Center				160,688	
Community Services MTW Fund				9,169	
Education Private Grants (Gates, etc.)				750	
COT-Community Wellness Program				250	
AMP 6 - Scattered Sites				991	Public Housing
THA SUBTOTAL				1,239,054	
Hillside Terrace 2 & 1500				2,389	Tax Credit Projects - Reimbursable
Bay Terrace I & II & Community Facility				9,606	
Housing Hilltop LLLP				21,933	
Arlington Youth Campus				1,602	
Court F (The Rise)				135,617	
Renew Tacoma Housing				15,761	
Salishan 1 - Salishan 6				9,486	
TAX CREDIT SUBTOTAL (Operations & Development - billable)				196,394	
Section 8 Checking Account (HAP Payments)					
SRO/HCV/VASH/FUP/NED	Check #'s	488,050	-	488,172	213,357
	ACHs	39,334	-	40,285	4,555,217
Payroll & Payroll Fees - ADP					\$ 1,181,481
TOTAL DISBURSEMENTS					\$ 7,385,503

TACOMA HOUSING AUTHORITY

CASH POSITION - January 2024

Account Name	Current Balance	Interest
HERITAGE BANK		
Accounts Payable	8,970,482	3.00%
Section 8 Checking	1,263,092	3.00%
THA Affordable Housing Proceeds-Salishan	2,028,041	3.00%
THA Scattered Sites Proceeds	6,054,080	3.00%
FSS Escrows	137,375	3.00%
FSS Forfeitures	49,321	3.00%
Note Fund Account	106	3.00%
THA Investment Pool	347	3.00%
THDG - Tacoma Housing Development Group	734,854	3.00%
Salishan 7 Operations	1,510,486	3.00%
Salishan 7 Security Deposit	32,000	3.00%
Salishan 7 Replacement Reserve	662,803	3.00%
Salishan 7 Operating Reserve	209,453	3.00%
North Highland Operations	173,322	3.00%
North Highland Security Deposit	30,155	3.00%
North Highland Capital Reserve	404,233	3.00%
Highland Crest Operations	1,068,943	3.00%
Highland Crest Replacement Reserve	405,005	3.00%
Highland Crest Security Deposit	42,312	3.00%
Outrigger Operations	641,306	3.00%
Outrigger Replacement Reserve	352,438	3.00%
Outrigger Security Deposit	26,193	3.00%
Prairie Oaks Operations	270,407	3.00%
Prairie Oaks Replacement Reserve	54,143	3.00%
Prairie Oaks Security Deposit	6,918	3.00%
Payroll Account	20,446	3.00%
HOME STREET BANK		
James Center North Operations	1,516,768	0.00%
James Center North Security Deposit	77,937	0.00%
WASHINGTON STATE		
Investment Pool	\$ 8,812,223	5.42%
1. TOTAL THA CASH BALANCE	\$ 35,555,188	
Less:		
2. Total MTW Cash Balance	\$ -	
<i>Less Minimum Operating Reserves</i>		
2.01 Public Housing AMP Reserves (4 months Operating Exp.)		
2.02 S8 Admin Reserves (3 months Operating Exp.)	726,000	
2.09 <i>Less Total Minimum Operating Reserves</i>	\$ 726,000	
2.1. MTW Cash Available (Lines 2-2.09)	\$ -	
3. MTW Cash Held By HUD	\$ 8,450,026	
4. Non MTW Cash Restrictions/Obligations		
<i>4.1 Non MTW Operational Restrictions</i>		
4.10 HUD Restricted - Lot and Property Sales	\$ 8,082,120	
4.101 Area 2B Sales Proceeds (Afford Hsg)	2,028,041	
4.102 Scattered Sites Proceeds (Afford Hsg)	6,054,080	
4.20 THA Property Accounts Reserved	\$ 13,269,790	
4.201 Security Deposit Accounts	215,515	

TACOMA HOUSING AUTHORITY

CASH POSITION - January 2024

4.202 Highland Crest Operations Reserves	520,000		
4.203 Highland Crest Replacement Reserves	405,005		
4.204 James Center North Operations Reserves (Debt Svc)	1,000,000		
4.205 James Center North Capital	241,154		
4.206 Outrigger Operations Reserve	150,000		
4.207 Outrigger Replacement Reserves	352,438		
4.208 Prairie Oaks Operations Reserves	177,000		
4.209 Prairie Oaks Replacement Reserves	54,143		
4.210 Salishan 7 Operations Reserves	750,000		
4.211 Salishan 7 Replacement Reserves	662,803		
4.212 North Highland Court Operations Reserves	50,000		
4.213 North Highland Capital Reserve	404,233		
4.214 Housing Hilltop Loan Reserve	8,287,500		
4.30 Rental Assistance Reserves		\$ 608,069	
4.301 Mod Rehab Operating Reserves	58,951		
4.302 VASH, FUP, FYI, NED, EHV & MAIN HAP Reserves	362,422		
4.303 FSS Escrows	186,696		
4.40 Prepaid Grants		\$ 1,086,255	
4.401 TPS Interlocal (CS-2017-011)	146,217		
4.402 Balmer Foundation - Education Prog (CS-2020-005)	23,863		
4.403 College Spark (PI-2018-005)	52,848		
4.404 GTCF Grant (PI-2019-005)	80,036		
4.405 Ballmer Foundation - COVID Rent Assist (RA-2020-003)	48,437		
4.406 THDG	734,854		
4.60 Total - Non MTW Cash Restrictions (4.10+4.20+4.30+4.40+4.50)		\$ 23,046,234	
4.70 Agency Contracted or Budgeted Commitments Remaining		\$ -	
	-		
	-		
4.99 Total Non MTW Cash Restrictions/Obligations (Lines 4.60+4.70)		\$ 23,046,234	
5. THA UNENCUMBERED (Non-MTW) CASH (Lines 1-2-4.99)		\$ 12,508,954	
6. Development Advances - Project Reimbursement upon draw		\$ 29,374	
6.01 Housing Hilltop LLLP	29,374		



TACOMA HOUSING AUTHORITY

AGENCY MONTHLY REPORT



Arlington Drive Youth Campus

Housing Homeless Young Adults
Through Collaborative
Partnerships

The Need

- 1,000+ houseless young people in Pierce County
- At high risk of drug abuse, sex trafficking, violence
- Face diminished prospects for education, occupation, and successful adulthood
- Must leave Pierce County to find what they need
- Why THA?



The Project: THA owns 3.5 acres called Arlington Drive near its community of New Salishan, in a forested area just above Downtown Tacoma. With partners, THA set out to develop a Youth Campus on that property with the following features:

- **12-bed Crisis Residential/HOPE Center** for homeless youth without families, age 12 to 17 years.
- **58 rental apartments** for homeless young adults, ages 18 to 24.
- Designated space for **supportive services**.
- Potential development for a third building focused on **Social enterprises** for job training.

Walking distance of the following complimentary facilities:

- Tanbara Regional Primary Health Care Clinic
- Lister Elementary School
- Blix Elementary
- First Creek Middle School
- East Side Community Center
- On a bus line



YOUTH & COMMUNITY ENGAGEMENT THROUGHOUT DESIGN

- Mockingbird Society/Youth Advisory Board
- Youth Leadership Development and Engagement
- Young People on the Services Selection Committee for Arlington Apartments
- Monthly Community Meetings in Salishan
- Participation in/outreach to monthly Eastside Neighborhood Advisory Council Meetings
- City and County Council Engagement
- State Legislative Engagement



Community Engagement Video



CAPITAL COSTS AND FINANCING

- **Project Cost: \$25 million**
- Financing Sources:
 - State of Washington - \$5 million
 - City of Tacoma - \$2.8 million
 - Pierce County - \$670,000
- The remaining \$16.53 million came from:
 - Tax Credit Investor Equity
 - Tacoma Housing Authority
 - Commercial Debt
 - Federal Home Loan Bank of Des Moines



Funding for Services



Legislative mandate

- State of Washington Legislature –
 - \$4.25 million for two years of combined services
 - \$255k Department of Commerce admin fee;
 - \$3,106,000 YMCA;
 - \$894,000 CYS/CRC
- State of Washington – Department of Commerce - \$450,000/year for CRC services
- Currently in Department of Commerce base operational budget

This report is submitted to satisfy the reporting requirements in section 129 (26) of Chapter 334, Laws of 2021

(the [2021-23 biennial operating budget](#)):

(26) \$2,125,000 of the general fund—state appropriation for fiscal year 2022 and \$2,125,000 of the general fund—state—appropriation for fiscal year 2023 are provided solely for the office of homeless youth to contract with one or more nonprofit organizations to provide youth services and young adult housing on a multi-acre youth campus located in the city of Tacoma. Youth services include, but are not limited to, HOPE beds and crisis residential centers to provide temporary shelter and permanency planning for youth under the age of 18. Young adult housing includes, but is not limited to, rental assistance and case management for young adults ages 18 to 24.

The department shall submit an annual report to the legislature on the use of the funds. The first report is due June 30, 2022, and each June 30th thereafter. The report shall include but is not limited to:

- (a) A breakdown of expenditures by program and expense type, including the cost per bed;
- (b) The number of youth and young adults helped by each program;
- (c) The number of youth and young adults on the waiting list for programs, if any; and
- (d) Any other metric or measure the department deems appropriate to evaluate the effectiveness of the use of the funds



CRISIS RESIDENTIAL/HOPE CENTER AND SERVICES

Serving youth, ages 12-17, who are experiencing

- Crisis in the home
- Displacement
- Homelessness
- Family conflict
- Domestic/Intimate Partner violence
- Stress or turmoil in a foster home and need a break
- Abandonment

Youth may self-refer or may be referred by a Social Worker, social service provider, Juvenile Rehabilitation, law enforcement, Youth Advocate, teacher, hospital, or other caring community member.



Services at Arlington Apartments



• 24/7 on-site wraparound services

- Case Management,
- High intensity clinical case management,
- Behavioral/mental health therapist,
- Substance Use Disorder clinicians,
- domestic violence/intimate partner violence advocate,
- Life skills coordinator, and
- soon to be peer support behavioral health specialist

• Organized events/activities:

- relationship building,
- cultural celebrations,
- knowledge building,
- employment focused,
- wellness,
- life skills, and
- self sufficiency workshops,



Property Management at Arlington Apartments



- Difference in Population – Impacts on Property Management
 - Staffing levels (maintenance and admin staff)
 - Staffing changes required
 - lessons learned
 - Lease enforcement
 - Partnership with onsite service provider
 - Filling vacant units via referrals from the Y
 - HCV vouchers available to YA after successful stay
 - Property Management staff paid for via cashflow and THA funds
- Subsidy
 - As of December 31, 2023, THA subsidized rent for residents to a total cost of **\$1,847,997**
- [Virtual Tour](#)



Impact

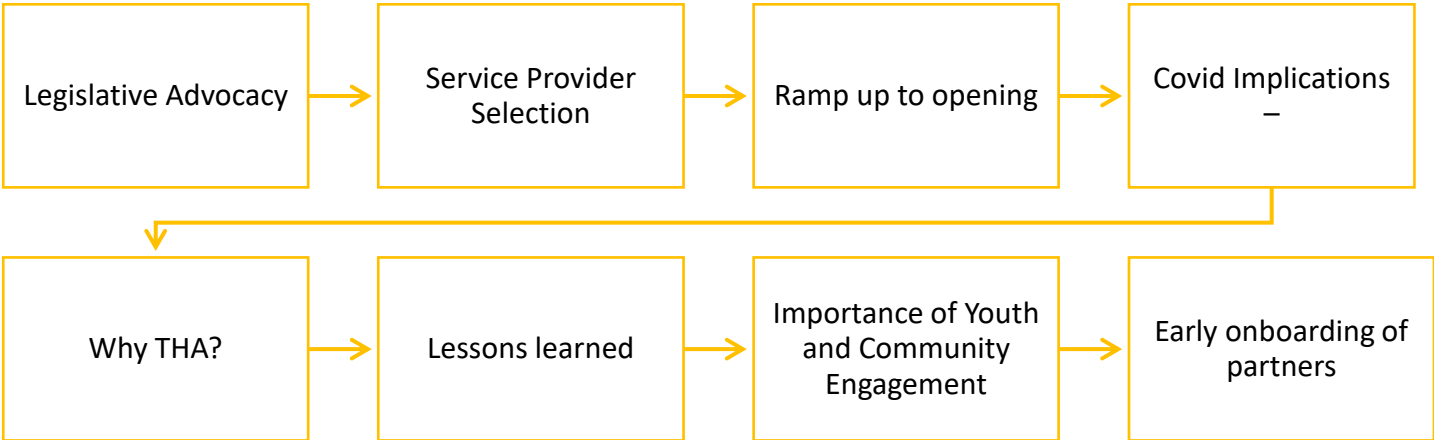
2023 Statistics

- 66 young adults housed at Arlington Apartments
- 32 children under age 8
- 61% identified as BIPOC
- 20 young adults moved out- 17 moved out with HCV voucher or reunified with family
- 59% employed
 - $\frac{3}{4}$ of Arlington work-able residents are working
- 78% of the building is either employed or has a consistent monthly income via SSI/ADB/TANF
- 90+% of residents engage regularly with case management

- Diverted 44 youth from homelessness via the CRC/HOPE Center in FY 2022/2023

- 92% success rate moving youth out of the CRC into safe and stable housing





The “Why”





TACOMA HOUSING AUTHORITY

To: THA Board of Commissioners
From: April Black, Executive Director
Date: March 27, 2024
Re: Agency 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.

In this report you will find our agency highlights for the month of March. The agency updates are categorized as they relate to our long-term goals:

- Increase the amount of available housing for low-income families
- Increase housing access and stability
- Embed principles of diversity, equity, inclusion and belonging (DEIB) in THA's program, culture, and priorities
- Make THA a great place to work

Every person at THA contributes to our work and is integral to fulfilling our mission. This report represents just a small percentage of the work our team does in service to our community.

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INCREASE THE AMOUNT OF AFFORDABLE HOUSING FOR LOW INCOME FAMILIES

Housing Hilltop

- Construction
 - South - 90% complete.
 - North - 64% complete.
- Budget
 - Currently tracking to finish the project approximately 250k under budget.
 - \$1,827,345 contingency remaining (57% used, 78% complete).
- South Building
 - COO may be as early as 5/31/24.
 - Move-ins targeted to begin 6/10/24.
- North Building
 - COO expected 12/20/24.
 - Move-ins targeted to begin 12/23/24.
- Property Management
 - FPI is fully engaged.
 - Initial marketing email to community partners to be sent week of 3/18.
 - Website expected to be live by 3/22.
- Community Priority Plan
 - Housing Hilltop is intended to provide critical housing resources to the rapidly changing Hilltop neighborhood. With increasing development pressures and rising rents, many Hilltop residents have been displaced or are at-risk of displacement. The community

priority plan aims to combat this trend by providing Hilltop households priority access to these new affordable units. It's important to highlight that the concept of this community priority was born from Hilltop neighborhood residents through the #designthehill planning process. THA seeks to honor the policy's original intent, while also understanding the legal and management implications of instituting this type of plan.

- Implementation of this plan will result in two separate interest lists being maintained. One for households that have been displaced or are at risk of being displaced, and another for all other prospective clients.
- Households will have the ability to self-certify that they have been displaced or are at risk of being displaced as they sign up for the interest list.
- The management company will contact households from each list at a specific ratio (i.e. 2 to 1) but will actively track the number of qualified priority households and adjust as needed.

Aviva

- Site
 - The boundary line adjustment (BLA) was approved by the city 3/14 pending minor updates returned the same week. The city is expected to formally record the BLA the week of 3/17. The final plat will be shared with Stewart title to enable the collateral release and the flow of restricted funds to the site.
 - The city continues to prioritize the project and Mercy Housing has been a great coordinator of the design process, so permitting remains on track despite a very tight schedule.
 - HUD clarified that approval is not required for use of Section 18 funds but mentioned that there are restrictions with the use of funds for repaying debt. We are clarifying those restrictions.
 - Enterprise and WSHFC has agreed to release collateral once the BLA is complete allowing the HUD funds to flow to lot 2 and 4.
 - Over 12 easements will be required to complete permitting due to the number of utilities and private ownership on the site. THA has begun reengaging neighbors around the site to coordinate the review and execution of these easements.
 - The RPF process for the lower parcel is still underway and responses are being evaluated.
- Koz
 - The purchase and sale agreement (PSA) has been fully executed.
 - Expected to break ground 11/24.
- Mercy
 - LIHTC application submitted.
 - Expected to break ground 10/24.

Hillside 2300

- Resyndication analysis is still underway.
- Project plan to be completed by 12/24.
- Anticipated project start date 6/25.

Hillside 1500

- Redevelopment analysis underway.
- Plan expected to be completed by 12/24.
- Anticipated project start date will be in 2026 or 2027.

Hillsdale Heights

- A meeting was held 3/5/2024 with over 20 attendees with representatives from the city, THA, and the entities below to discuss strategy and next steps for the Hillsdale Heights project. Beginning in late March or early April, the partners will begin meeting monthly.
- Partners include the following.
 - Bridge Meadows – intergenerational living – 3-story multi-family housing, 2-story town/rowhomes, 1-story community building. 40 to 70 units depending on funding
 - Louis Rudolph Homes – locally developed affordable rental housing – 4, 12-unit clusters, parking off alley and western portion of the LRH parcel, totaling 40-48 units depending on the Bridge Meadows design and remaining room. The proposed parcel currently accommodates 30 units.
 - Habitat for Humanity – affordable home ownership – Townhomes facing 60th. Either 8-10 duplex-style homes or 10-14 row houses. These will be platted and individually owned.
 - Eloise Pot Kitchen – food security and urban farming opportunity - market-style food bank and urban gardening for Black farmers.
 - Metro Parks – adjacent Stewart Heights Park and possible new entrance.
 - Health Department – support of food and park programming.

INCREASE HOUSING ACCESS AND STABILITY

Yardi Implementation

THA continued to make great progress towards its April go-live for the Yardi housing management system.

Operational departments just completed their comprehensive training. This included over six weeks of live training for anyone who will use the system on a day-to-day basis. Overall, this

training was very well received. In addition, the on-line Aspire training system is ready for staff who need refresher courses or new staff as they onboard to THA.

The agency successfully completed its last trial data conversion and continues to make efforts to clean up any data issues found so the conversion to Yardi can be as clean as possible.

In addition, THA continues to work through items found through User Acceptance Testing (UAT). Over 250 items were identified in all, though none of those were found to be critical. This effort is to find issues in advance so we can configure Yardi in the best way possible to fit the agency's needs.

The go-live schedule and communication plan is largely complete with final conversion starting the week of March 18. The housing data will be live in early April with Finance to follow at the end of April.

In addition, Phase II planning is underway. Phase II items will ensure the agency is getting the most out of its significant investments in Yardi. Items include:

- Moving file storage to SharePoint so the agency can have a one-stop shop for all its data and tenant information.
- Launching marketplace and POs for THA. This system will make it easy for the agency to make purchases and track them both physically and budgetarily. Agency members will be able to easily procure the item they need with Yardi tracking the entire transaction, start to finish.
- Billpay with enhanced capabilities to rapidly pay THA landlords and vendors through the online VendorCafe portal.
- Online RFTA which allows the agency to track this process electronically instead of via paper.
- Case manager incident tracking with insurance management.
- Budget planning and forecasting.
- Setup of the online RFP system.

In addition, THA is already planning its new Data Warehouse which will be a repository for all THA data, Yardi and beyond. It will also house THA's legacy data enabling the full retirement of previous administrative systems which will save the agency substantially with license fees.

Much work has been accomplished. The extra six months on the project has enabled THA to deliver a far more robust system than would have been possible with our original go-live date. So far, no critical issues have been identified that could jeopardize our schedule. While such an eventuality is always possible, THA does not foresee any significant issues at this time.

Tacoma Public Schools MOU

THA signed an MOU with Tacoma Public Schools pair low-income McKinney Vento families receiving supportive services with a THA housing subsidy to find affordable and stable housing.

THA also signed a similar and updated MOU between Washington State Department of Children, Youth and Families, Pierce County Alliance and Tacoma/Lakewood/Pierce County Continuum of Care that will pair DCYF involved families and young adults aged 18-24 who receive supportive services with a THA rental assistance voucher to find affordable and stable housing.

Nonpayment of rent

Measure 1 has created barriers to address nonpayment of rent concerns in the portfolio. We cannot issue notices for the winter months (November 1 – April 1) and the school years months for households with school aged children (September 7-June 26). THA is issuing “violation letters” to all households behind on rent and we have just begun issuing 30-day nonpayment of rent notices in small batches for households without school aged children. We are continuing to monitor Measure 1 and its impact on the properties and courts. This month an internal group will start meeting to discuss housing stability and on time payments in this new environment.

Unit Turns

The turn team has made incredible progress addressing units that need to be repaired. Since the beginning of the year the maintenance team has kept the units repaired under 20 units and continues to drive this number down. In the month of February, the team turned 15 units.

New Playground

Thanks to a generous grant from the Silver Foundation, the Rise is now with a new playground. When the Rise was first built the property had a “Northwest” style playground with log steps and a log beam, this was not well utilized, and we heard loud from the community that they wanted something different. Last year a few designs were presented to the residents of the property and through a vote one was selected. The Property now has a fresh new playground geared towards 2–5-year-olds. In addition to the playground, we added two picnic style benches to be placed in the courtyard under the pergola. One is standard and one accessible. Thank you to the Rise Management team, maintenance, AMRED and most importantly the Rise residents for your support and patience in getting this completed. PM looks forward to collaborating with CSE and the residents for a celebration at the property in the future.



Cupid Shuffle Valentine's Day Party

The Client Support & Empowerment team, along with the Salishan Association, put on the Cupid Shuffle Valentine's Day Dance at the Salishan, bringing families together to celebrate, dance and enjoy some food.



Pet Valentines photoshoot at the Midrise properties

The PM team in collaboration with CSE hosted fun events at the midrise properties this Valentine's Day. Pet photo shoots at several properties for the residents to include a personal photo of their pet's photoshoot with frame.

FSS/2Gen Graduation

The CSE and PM team came together to put on a wonderful graduation event for recent FSS and 2Gen graduates. The goal was to celebrate the massive accomplishments of families who were engaged in both programs, taking time to eat a great catered meal, take celebratory photos at the "photo booth", hear from one another about their accomplishments, and to relish in their progress with THA staff who have supported them.



EMBED PRINCIPLES OF DIVERSITY, EQUITY, INCLUSION, AND BELONGING (DEIB) IN THA'S PROGRAMS, CULTURE, AND PRIORITIES

Physical Accessibility Audit

Priya is building a team of THA staff to serve as members of the physical accessibility audit proposal review team. We are seeking employees who work across the three sites to be included in the assessment (902, FIC, and Bay Terrace Community and Education Center), work directly with our residents, and who can help embed DEIB principles in our decision-making.

Strategic Advisor Collaboration with Human Resources

Priya and the HR Department are working together closely on projects related to organizational policies and performance reviews. We are looking forward to sharing updates with and including THA staff in our upcoming work. For example, we intend to host focus groups with staff to share proposed updated performance review processes and gather their feedback. By engaging staff, gathering their feedback, and implementing recommendations we are conducting our work in a more equitable manner.

DEIB Committee

The DEIB Committee postponed their 2024 Retreat.

MAKE THA A GREAT PLACE TO WORK

A LOOK AHEAD: APRIL BOARD FOCUS

Our April Board meeting will be focused on THA's Moving-to-Work (MTW) Report.

ADVOCACY ITEMS

Federal updates

Federal Budget has Passed

On Friday, Congress passed the FY24 Transportation, Housing, and Urban Development funding bill. This is the primary source of THA's funding. We don't know precisely what the bill will mean for THA's budget, but this brings us closer to that answer. HUD will work with this new budget over the next several weeks/months and allocate funds to each housing authority. I will send another update as we know more.

Moving to Work Contract Extension

Washington's Senator Patty Murray successfully added language to the THUD funding bill extending our Moving to Work (MTW) contract from 2028 to 2038. This is very significant. HUD had intended to make

major changes to our MTW contract when it was time to negotiate an extension. This congressional language extends our contract as-is and provides some protections for our reserves.

James Center North/Aviva Crossing Infrastructure Funding

Tacoma's Congressman Derek Kilmer successfully added language to the funding bill, allocating \$959,757 for infrastructure improvements at THA's James Center North property. These improvements are necessary to allow housing to be built on the site.

2024 Legislative Session recap

Streamlining state law to allow for easier PHA mergers

HB 1890 was AWA's priority legislation this session and it was passed and signed by the Governor. The change in the RCW streamlines merger laws for PHAs wishing to become regional housing authorities by removing the County's authority to approve a merger between two city authorities.

Workforce Housing Accelerator Program

THA and AWA supported HB 1892 (Rep. Leavitt 28th LD) created the Workforce Housing Accelerator Revolving Loan Fund Program within the Department of Commerce and directs Commerce to contract with the Washington State Housing Finance Commission (WSHFC) to administer the program. This new program would provide eligible entities with low interest loans for construction of workforce housing targeting income ranges of 50-80% AMI. The loans would range between 1-2.5% interest with a maximum of 20% of the project development costs or \$20 million, whichever is less.

Expand funding opportunities to support homeownership development for low-income households.

To fulfill this priority and create more flexibility for affordable housing funding efforts, THA supported SSHA3P-led legislation sponsored by Senator T'wina Nobles (28-Fircrest) and Representative Amy Walen (47-Kirkland) to craft legislation (SB 6173 / HB 2413) to amend RCW 82.14.540 (e.g., 1406 funds) to allow the funds to be used to support affordable homeownership development for households earning up to 80% of the area median income SSHA3P engaged and developed a statewide coalition of cities, non-profit organizations, and member associations to support and advance this legislation, which passed both chambers nearly unanimously.

Expand investment and eligibility for the Connecting Housing to Infrastructure Program (CHIP)

THA worked with stakeholders and capital budget writers to amend the CHIP program proviso in the capital budget to allow for expanded applicant eligibility (meaning THA could apply directly to the program, rather than going through the city or county). The first proposed substitute senate supplemental capital budget (SB 5949) included the requested changes, **but those changes were not included in the final capital budget due to Commerce coming out against the change.**

Support funding for the acquisition of real property for affordable housing

Tacoma Housing Authority worked with partners at SSHA3P, King County Housing Authority, and Washington State Housing Finance Commission and members of the Legislature to determine an appropriate path forward regarding support and expansion of the Land Acquisition Program for the purpose of expanded housing acquisition funding. It was determined that this was an issue that needed interim work. We will continue to meet with partners and legislators in the interim to seek an agreed path forward.

Statewide Rent Stabilization

HB 2114/Rent Stabilization did not move forward this session. The Senate Ways & Means committee did not have the votes to move the legislation forward. The bill was amended to clarify an exemption from rent caps for housing authorities and other provisions but continued to have concerning language applying the state's Consumer Protection Act to the state's RLTA. The bill's sponsors have pledged to bring the bill back again next session. AWAH is planning a round of legislator education meetings to ensure that the Legislature knows the difficulties this bill will present to housers with and without the CPA provisions. If I had to make a bet, I'd say that if we are able to remove the CPA provisions and pick up wins on acquisition and construction financing programs, we'd consider supporting a rent stabilization effort with adequate stakeholder-ing.

Permanent Fund Source for HTF

The Affordable Homes Act, HB 2276, did not pass this legislative session. The proposal would have added a tier of real estate excise tax (REET) on property sales above \$3 million (1% of sale price assessment). All sales under \$3 million would have had a decrease in tax liability. The added revenue from the additional tier would have supported providing specific funding to the Washington Housing Trust Fund, Apple Health and Homes Account, the Affordable Housing for All Account, the new Developmental Disabilities Housing and Services Account, and the new Housing Stability Account.



Community Priority Plan at Housing Hilltop

This plan addresses how FPI, the property management company that THA hired to lease up Housing Hilltop, intends to manage the Community Priority of Housing Hilltop (HHT) during the lease-up and monitoring periods. The parties, FPI and THA, agreed that this general implementation process is the target and may need adjustments as leasing unfolds.

The Aspirational Goal for Community Priority Placement: The community priority plan is an aspirational goal to offer priority access to housing hilltop units to households who have been displaced or at-risk of displacement from the Hilltop neighborhood. Up to 40% of the housing hilltop units will be available for community priority qualified households with the balance of units being filled with other eligible tenants. The fill rate is measured to ensure a balanced mix of community and follows guidance from our legal counsel. The fill rate is described below.

Marketing:

- Leasing staff will occupy offices at Sound Outreach in April 2024.
- The target date for the HHT website to go live is April 1.
 - The website will advertise the HHT apartments AND the Community Priority talking points. There will be two interest lists for prospective tenants: one for households who meet the Community Priority and a separate list for the general public. Eligibility criteria for tenancy will be posted as well.
- The interest lists will collect names and contact information.
- The Community Priority list will offer a self-certification that the household qualifies for the Community Priority.
- Rental applications are not part of the interest list (see below: “Self-Certification for Community Priority”).
- FPI staff will pull the self-declared Community Priority households no earlier than 120 days before occupancy and invite them to fill out an application.
- FPI staff will advertise the apartment rentals AND Community Priority as follows: 1) publish an interest list on the website; 2) Have signage on the streets/office windows; 3) mail out postcards; 4) distribute flyers to surrounding businesses; 5) host open houses.
- FPI will develop all publicity materials. THA will link to the FPI website. THA will develop the Community Priority talking points which both parties will use to ensure alignment in communication.
- FPI will follow their normal LIHTC leasing and marketing procedures to ensure all households, regardless of neighborhood affiliation, are made aware and have access to apply to the general public waitlist.
- THA will provide FPI with a list of groups for which outreach should be directed.

- The FPI leasing manager will be primary contact person to answer preliminary questions.
- FPI will rely on THA to market to their HCV households and stakeholders.

Self-Certification for Community Priority:

- On the website, interested individuals will check a self-cert box that states that they, or a current member of their household lived, or currently live, in the Hilltop neighborhood.
- FPI's tenant selection process will screen for Community Priority applicants and tenant eligibility as any other household would be screened, regardless of neighborhood affiliation.
- Eligible parties will be invited to lease. Non-eligible parties will be provided a reason that they aren't selected.
- A simple, self-certification statement/declaration of community priority eligibility will be part of the lease packet.

Monitoring and Oversight of the Community Priority:

- Leasing staff will utilize their Yardi lease-up module to fill and monitor the Community Priority lease-up goal.
- FPI will keep two separate interest lists. One list is for Community Priority households. Another interest list for the general public. For each respective list, applications will be ordered by date of application.
- The ideal cadence to fill units is 2:1 (for every two households pulled from the Community Priority interest list, one household will be pulled from the general interest list) until 40% of units are filled.
- THA does not want to prevent leasing of one list if the list doesn't have enough eligible applications from the other list to populate units.
- Once FPI reaches the CPP goal of 40% it will stop using the Community Priority list and remaining Community Priority waitlist applicants will be merged with the general waitlist in order of their application date.
- Ongoing monitoring will begin 120 days before leasing for the purpose of allowing FPI and THA to adjust marketing and outreach plans accordingly.
- During the lease-up year, FPI staff will send monthly lease-up reports, including household demographics, to the Asset Manager who will then distribute to THA stakeholders.
- The Community Priority stops at the end of the first leasing year, or when 40% of the units are filled from the Community Priority interest list, whichever comes first.
- FPI will issue a final full report to Asset Manager when leasing is completed.



TACOMA HOUSING AUTHORITY

NEW BUSINESS

Resolution 1



RESOLUTION 2024-03-27 (1)

Date: March 27, 2024

To: THA Board of Commissioners

From: April Black
Executive Director

Re: Adoption of THA Policy F-25 Electronic Fund Transfers

This resolution would authorize the adoption of the Electronic Fund Transfer Policy to establish procedures, which improve efficiency in the vendor payment process and provide appropriate controls over the expenditure of public funds.

BACKGROUND

The Washington State Auditor's Office recommends agencies establish policies to safeguard Electronic Fund Transfer transactions from internal and external threats.

RECOMMENDATION

Approve Resolution No. 2024-03-27 (1) adopting THA Policy F-25 Electronic Fund Transfers in substantially the form set out in the attached draft. Staff may further amend the policy without Board review for purposes of minor clarification, formatting changes and the addition or modification of flow charts and other visualization, and forms.



RESOLUTION 2024-03-27 (1)

(Adoption of THA Policy F-25 Electronic Fund Transfers)

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

WHEREAS, the Housing Authority of the City of Tacoma (the "Authority") receives and disburses funds by means of wire and other electronic communication; and

WHEREAS, state law (RCW 39.58.750) requires that the transfer of funds by wire or other electronic communication shall follow the standards set forth by the State Auditor; and

WHEREAS, the State Auditor's Budgeting, Accounting and Reporting System (BARS) Manual 3.8.11.10 recommends adopting policies for electronic funds transfer transactions; now, therefore, be it

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

Authorizes THA's Executive Director to adopt and implement THA's Policy F-25 Electronic Fund Transfers.

Approved: March 27, 2024

Dr. Minh-Anh Hodge, Chair



TACOMA HOUSING AUTHORITY

Policy No.	F-25
Policy	Electronic Fund Transfers
Date	December 1, 2023

1. Purpose

The purpose of this policy is to establish responsibilities for implementing Electronic Fund Transfer (EFT) procedures, which improve efficiency in the vendor payment process and provide appropriate controls over the expenditure of public funds.

2. Sources for Policy

- ▶ RCW 39.58.750 Receipt, disbursement, or transfer of public funds by wire or other electronic communication means authorized
- ▶ THA Policy PCI-01 Procurement

3. Scope of Policy

This policy applies to all THA directors, managers, and employees initiating, processing, approving, or overseeing EFT transactions.

4. Who is Responsible for Implementing Policy

Who	Responsibilities
<i>Finance Director</i>	Implement and maintain a system of effective internal controls to ensure EFT payments are properly authorized and executed and are protected from internal and external threats.
<i>Comptroller/Assistant Comptroller</i>	Monitor and approve new setups and modifications of vendor EFT payments. Establish, implement, and oversee procedures for the timely and secure EFT payment of vendor bills. Approve new wire templates. Approve EFT payments.
<i>Department Directors/Managers/ Employees</i>	Ensure new and modifications of vendor/employee EFT payment setup are documented by vendors/employees using approved THA Forms or electronic forms (e.g., Airtable, Yardi Vendor Portal).
<i>Senior/Payroll Accountants and Accounting Specialists</i>	Authenticate new and modifications of vendor/employee EFT payment setup. Update vendor/employee records with authenticated EFT banking information. Initiate EFT payments. Create and upload EFT payment files to the bank.

5. Definitions

<i>Electronic Funds Transfer (EFT)</i>	EFTs are transactions that move money electronically between accounts, individuals, or financial institutions.
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	They are also known as electronic bank transfers, e-checks, or electronic payments. Wire transfers and ACH payments are examples of EFTs.
<i>Automated Clearing House (ACH)</i>	A nationwide payment and collection system that provides for the electronic distribution and settlement of funds, including direct deposits, within the United States.
<i>Wire Transfer</i>	An electronic transfer of funds from one bank account to another is initiated directly with the payer's bank. This type of transfer utilizes a system operated by the Federal Reserve Banks (FedWire).

6. Forms Associated with this Policy

7. Policy

7.1 General

THA uses EFTs to receive intergovernmental payments, grant payments, and other revenues where practical. THA also uses EFTs to transmit payments for payroll, withholdings, taxes, debt service, credit cards, banking fees, real estate transactions, housing assistance payments, and other disbursements where practical or required.

All EFT payments will be coordinated and submitted through the Finance Department. The Finance Director, Comptroller, or their designee will approve all new requests and any changes to EFT requests, ensuring that the payment is necessary, all required documentation is provided and appropriately approved, and that the request and bank account information is accurate and valid, and that the transaction is accurately recorded in the general ledger system.

All EFT payments are subject to the applicable purchasing policy - THA Policy PCI-01 Procurement – and all other THA policies and procedures governing the purchase of goods or services.

7.2 Initiating EFT Transactions

Authentication of requests for new and changes to existing EFT setups is required before the new EFT information is entered into vendor/employee or banking records. Authentication of these requests includes the following steps:

- (a) Validating all new electronic payment instruction requests, even those received internally.
- (b) Contacting the vendor/employee directly by phone to confirm any request for electronic payment or payment instruction changes. Such contacting should not be done using the contact information provided in the request but using existing contact information

known to be genuine, such as that in the vendor/employee master file or the original contract.

- (c) Confirming the bank name, account number, and routing information with the contact person.
- (d) Documenting the verification of the EFT information.
- (e) Verifying the accuracy of ACH banking information by creating an ACH Prenote (zero-dollar test transaction).
- (f) Approving the ACH Prenote by the Finance Director, the Comptroller, or their designee after a review of the EFT request and the documented verification of the EFT information.

Once EFT information is authenticated, ACH banking information may be entered and enabled in the vendor/employee record by employees authorized to perform vendor/employee maintenance, and wire banking information may be entered into bank wire templates used to generate wire transactions by employees permitted to create wire templates.

Except for recurring debit ACH transactions approved by the Finance Director or the Comptroller, no debit ACH transactions will be permitted. Heritage Bank has set up ACH Positive Pay on all operating accounts and ACH blocks on all other accounts to reduce the risk of fraud.

7.3 Processing and Approving EFT Transactions

All invoices to be paid with EFT transactions will be approved as required by THA's procurement policy and processed by the authorized Finance Department staff. Generation of ACH files and transmission of the ACH file to the bank will occur through token-secure single-user account login by designated Finance Department staff.

The Comptroller or their designee will approve ACH files after comparison to the matching records in the financial accounting system. Bank balances and transactions will be monitored daily by designated Finance Department staff for unusual or unexpected transactions, and any unexpected transactions will be reported to Heritage Bank immediately.

Heritage Bank user profile permissions will be set up to disallow a person generating an ACH transaction to approve that transaction to ensure adequate separation of duties exists. Heritage Banks' existing controls prevent the same online user from generating and approving a wire transfer.

7.4 Training, Security, and Fraud Prevention

All THA employees must complete cybersecurity training annually, including social engineering training. Finance Department staff will also be trained on ACH fraud schemes upon hiring and at least annually after that.

THA computers will be protected from malware with anti-malware applications and secured appropriately to lower the risk of fraudulent modifications or access to confidential banking information. Multi-factor authentication will be used in THA's systems and is also required for single-user account login for online banking.

Resolution 2



RESOLUTION 2024-03-27 (2)

Date: March 27, 2024

To: THA Board of Commissioners

From: April Black
Executive Director

Re: Investment of monies in the Local Government Investment Pool

This resolution would update Resolution 2014-6-25 (3) Investment of Tacoma Housing Authority Monies in Local Government Investment Pool and change the “authorized individual” from Michael Mirra, Executive Director to the unnamed Executive Director position.

BACKGROUND

The Office of the State Treasurer that manages the Local Government Investment Pool (LGIP) lists Michael Mirra, Executive Director as the only “Authorized Individual” allowed to make changes to THA’s LGIP account. By naming a position rather than a specific person, the current Executive Director, April Black, will become Tacoma Housing Authority’s “Authorized Individual”. Any future changes will be covered by regular board action and will not require an LGIP specific resolution.

RECOMMENDATION

Approve Resolution No. 2024-03-27 (2) adopting Investment of monies in the Local Government Investment Pool to allow THA to effectively manage the LGIP account.



RESOLUTION 2024-03-27 (2)

(Investment of monies in the Local Government Investment Pool)

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

WHEREAS, pursuant to Chapter 294, Laws of 1986, the Legislature created a trust fund to be known as the public funds investment account (commonly referred to as the Local Government Investment Pool (LGIP)) for the contribution and withdrawal of money by an authorized governmental entity for purposes of investment by the Office of the State Treasurer; and

WHEREAS, from time to time it may be advantageous to the authorized governmental entity, the Housing Authority of the City of Tacoma (THA), to contribute funds available for investment in the LGIP; and

WHEREAS, the investment strategy for the LGIP is set forth in its policies and procedures; and

WHEREAS, any contributions or withdrawals to or from the LGIP made on behalf of the THA shall be first duly authorized by the THA Board, the “governing body” or any designee of the governing body pursuant to this resolution, or a subsequent resolution; and

WHEREAS, THA will cause to be filed a certified copy of said resolution with the Office of the State Treasurer; and

WHEREAS, the governing body and any designee appointed by the governing body with authority to contribute or withdraw funds of THA has received and read a copy of the prospectus and understands the risks and limitations of investing in the LGIP; and

WHEREAS, the governing body attests by the signature of its members that it is duly authorized and empowered to enter into this agreement, to direct the contribution or withdrawal of governmental entity monies, and to delegate certain authority to make adjustments to the incorporated transactional forms, to the individuals designated herein;

NOW THEREFORE, BE IT RESOLVED that the governing body does hereby authorize the contribution and withdrawal of THA monies in the LGIP in the manner prescribed by law, rule, and prospectus.

BE IT FURTHER RESOLVED that the governing body approved the Local Government Investment Pool Transaction Authorization Form (Form) as completed by the Finance Director and incorporates said form into this resolution by reference and does hereby attest to its accuracy.

BE IT FURTHER RESOLVED that THA designates the Executive Director, the “authorized individual” to authorize all amendments, changes, or alterations to the Form or any other

documentation including the designation of other individuals to make contributions and withdrawals on behalf of the governmental entity.

BE IT FURTHER RESOLVED that this delegation ends upon the written notice, by any method set forth in the prospectus, of the governing body that the authorized individual has been terminated or that his or her delegation has been revoked. The Office of the State Treasurer will rely solely on the governing body to provide notice of such revocation and is entitled to rely on the authorized individual's instructions until such time as said notice has been provided.

BE IT FURTHER RESOLVED that the Form as incorporated into this resolution or hereafter amended by delegated authority, or any other documentation signed or otherwise approved by the authorized individual shall remain in effect after revocation of the authorized individual's delegated authority, except to the extent that the authorized individual whose delegation has been terminated shall not be permitted to make further withdrawals or contributions to the LGIP on behalf of the governmental entity. No amendments, changes, or alterations shall be made to the Form or any other documentation until the entity passes a new resolution naming a new authorized individual; and

BE IT FURTHER RESOLVED that the governing body acknowledges that it has received, read, and understood the prospectus as provided by the Office of the State Treasurer. In addition, the governing body agrees that a copy of the prospectus will be provided to any person delegated or otherwise authorized to make contributions or withdrawals into or out of the LGIP and that said individuals will be required to read the prospectus prior to making any withdrawals or contributions or any further withdrawals or contributions if authorizations are already in place.

Approved: March 27, 2024

Dr. Minh-Anh Hodge, Chair

PROSPECTUS

LOCAL GOVERNMENT INVESTMENT POOL

OFFICE OF THE WASHINGTON STATE TREASURER

JANUARY 2019



MIKE PELLICCIOTTI
WASHINGTON STATE TREASURER

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I. The LGIP

The Local Government Investment Pool (the “LGIP”) is an investment pool of public funds placed in the custody of the Office of the Washington State Treasurer (the “State Treasurer”) for investment and reinvestment as defined by RCW 43.250.020. The purpose of the LGIP is to allow eligible governmental entities to participate with the state in the investment of surplus public funds, in a manner that optimizes liquidity and return on such funds. In establishing the LGIP, the legislature recognized that not all eligible governmental entities are able to maximize the return on their temporary surplus funds, and therefore it provided a mechanism whereby they may, at their option, utilize the resources of the State Treasurer to maximize the potential of their surplus funds while ensuring the liquidity of those funds.

The State Treasurer has established a sub-pool within the LGIP whose shares are offered by means of this Prospectus: The LGIP-Money Market Fund (the “LGIP-MMF” or the “Fund”). The State Treasurer has the authority to establish additional sub-pools in the future.

The Fund offered in this Prospectus seeks to provide current income by investing in high-quality, short term money market instruments. These standards are specific to the Fund, as illustrated in the following table. The LGIP-MMF offers daily contributions and withdrawals.

FUND SNAPSHOT

The table below provides a summary comparison of the Fund’s investment types and sensitivity to interest rate risk. This current snapshot can be expected to vary over time.

Fund	Investment Types	Maximum Dollar-Weighted Average Maturity for LGIP-MMF
LGIP-Money Market Fund	Cash	60 days
Current Investments (as of January 1, 2019)	Bank Deposits US Treasury bills US Government Agency Supranational Securities Floating / Variable Rate Notes Repurchase agreements	

Fees and Expenses

Administrative Fee. The State Treasurer charges pool participants a fee representing administration and recovery costs associated with the operation of the Fund. The administrative fee accrues daily from pool participants’ earnings prior to the earnings being posted to their account. The administrative fee will be paid monthly. In the event that there are no earnings, the administrative fee will be deducted from principal.

The chart below illustrates the operating expenses of the LGIP-MMF for past years, expressed in basis points as a percentage of fund assets.

**Local Government Investment Pool-MMF
Operating Expenses by Fiscal Year (in Basis Points)**

	2011	2012	2013	2014	2015	2016	2017	2018
<i>Total Operating Expenses</i>	<i>0.81</i>	<i>0.68</i>	<i>0.87</i>	<i>0.88</i>	<i>0.95</i>	<i>0.89</i>	<i>0.71</i>	<i>0.76</i>

(1 basis point = 0.01%)

Because most of the expenses of the LGIP-MMF are fixed costs, the fee (expressed as a percentage of fund assets) will be affected by: (i) the amount of operating expenses; and (ii) the assets of the LGIP-MMF. The table below shows how the fee (expressed as a percentage of fund assets) would change as the fund assets change, assuming an annual fund operating expenses amount of \$1,100,000.

Fund Assets	\$12.0 bn	\$14.0 bn	\$16.0 bn
Total Operating Expenses (in Basis Points)	0.92	0.79	0.69

Portfolio Turnover: The Fund does not pay a commission or fee when it buys or sells securities (or “turns over” its portfolio). However, debt securities often trade with a bid/ask spread. Consequently, a higher portfolio turnover rate may generate higher transaction costs that could affect the Fund’s performance.

II. Local Government Investment Pool – Money Market Fund

Investment Objective

The LGIP-MMF will seek to effectively maximize yield while maintaining liquidity and a stable net asset value per share, e.g., all contributions will be transacted at \$1.00 net asset value per share.

Principal Investment Strategies

The LGIP-MMF will seek to invest primarily in high-quality, short term money market instruments. Typically, at least 55% of the Fund’s assets will be invested in US government securities and repurchase agreements collateralized by those securities. The LGIP-MMF means a sub-pool of the LGIP whose investments will primarily be money market instruments. The LGIP-MMF will only invest in eligible investments permitted by state law. The LGIP portfolio will be managed to meet the portfolio maturity, quality, diversification and liquidity requirements set forth in GASB 79 for external investment pools who wish to measure, for financial reporting purposes, all of their investments at amortized cost. Investments of the LGIP-MMF will conform to the LGIP Investment Policy, the most recent version of which will be posted on the LGIP website and will be available upon request.

Principal Risks of Investing in the LGIP-Money Market Fund

Counterparty Credit Risk. A party to a transaction involving the Fund may fail to meet its obligations. This could cause the Fund to lose the benefit of the transaction or prevent the Fund from selling or buying other securities to implement its investment strategies.

Interest Rate Risk. The LGIP-MMF’s income may decline when interest rates fall. Because the Fund’s income is based on short-term interest rates, which can fluctuate significantly over short periods, income risk is expected to be high. In addition, interest rate increases can cause the price of a debt security to decrease and even lead to a loss of principal.

Liquidity Risk. Liquidity risk is the risk that the Fund will experience significant net withdrawals of Fund shares at a time when it cannot find willing buyers for its portfolio securities or can only sell its portfolio securities at a material loss.

Management Risk. Poor security selection or an ineffective investment strategy could cause the LGIP-MMF to underperform relevant benchmarks or other funds with a similar investment objective.

Issuer Risk. The LGIP-MMF is subject to the risk that debt issuers and other counterparties may not honor their obligations. Changes in an issuer's credit rating (e.g., a rating downgrade) or the market's perception of an issuer's creditworthiness could also affect the value of the Fund's investment in that issuer. The degree of credit risk depends on both the financial condition of the issuer and the terms of the obligation. Also, a decline in the credit quality of an issuer can cause the price of a money market security to decrease.

Securities Lending Risk and Reverse Repurchase Agreement Risk. The LGIP-MMF may engage in securities lending or in reverse repurchase agreements. Securities lending and reverse repurchase agreements involve the risk that the Fund may lose money because the borrower of the Fund's securities fails to return the securities in a timely manner or at all or the Fund's lending agent defaults on its obligations to indemnify the Fund, or such obligations prove unenforceable. The Fund could also lose money in the event of a decline in the value of the collateral provided for loaned securities or a decline in the value of any investments made with cash collateral.

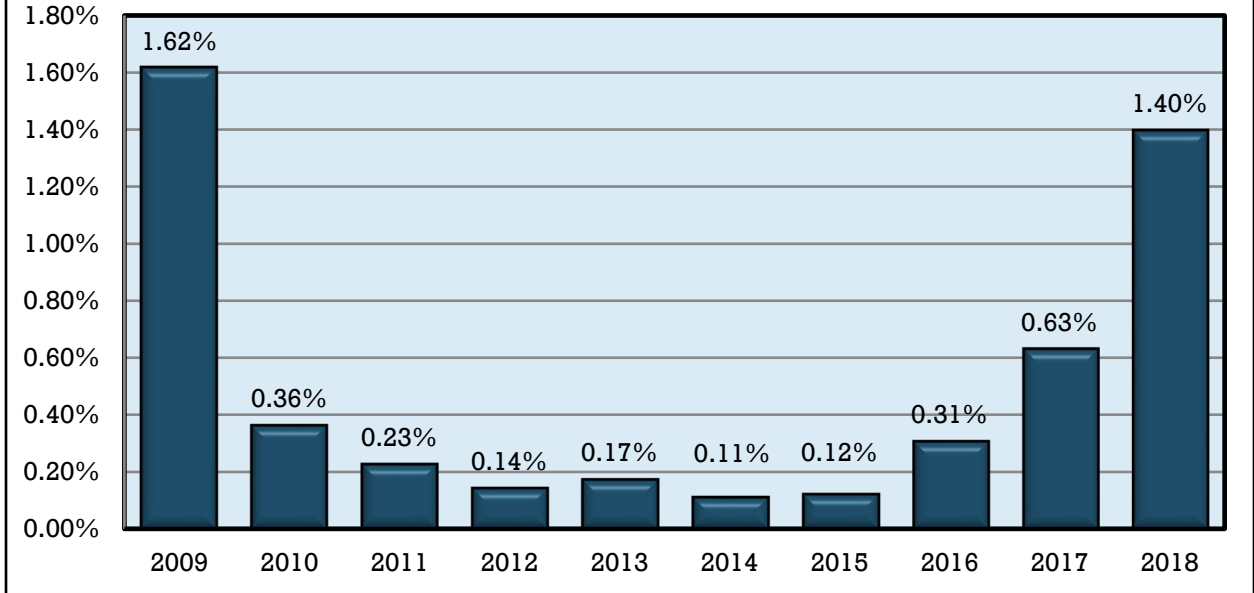
Risks Associated with use of Amortized Cost. The use of amortized cost valuation means that the LGIP-MMF's share price may vary from its market value NAV per share. In the unlikely event that the State Treasurer were to determine that the extent of the deviation between the Fund's amortized cost per share and its market-based NAV per share may result in material dilution or other unfair results to shareholders, the State Treasurer may cause the Fund to take such action as it deems appropriate to eliminate or reduce to the extent practicable such dilution or unfair results.

An investment in the LGIP-MMF is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of investments at \$1 per share, pool participants could lose money by investing in the LGIP-MMF. There is no assurance that the LGIP-MMF will achieve its investment objective.

Performance

The following information is intended to address the risks of investing in the LGIP-MMF. The information illustrates changes in the performance of the LGIP-MMF's shares from year to year. Returns are based on past results and are not an indication of future performance. Updated performance information may be obtained on our website at www.tre.wa.gov or by calling the LGIP toll-free at 800-331-3284.

**Fiscal Year-by-Year Returns: Net Yield
Local Government Investment Pool**



<u>Local Government Investment Pool-Money Market Fund</u>			
<u>Average Accrued Net Yield</u>			
<u>1 Year</u>	<u>3 years</u>	<u>5 years</u>	<u>10 years</u>
1.40%	0.78%	0.51%	.51%

Transactions: LGIP-MMF

General Information

The minimum transaction size (contributions or withdrawals) for the LGIP-MMF will be five thousand dollars. The State Treasurer may, in its sole discretion, allow for transactions of less than five thousand dollars.

Valuing Shares

The LGIP-MMF will be operated using a net asset value (NAV) calculation based on the amortized cost of all securities held such that the securities will be valued at their acquisition cost, plus accrued income, amortized daily.

The Fund’s NAV will be the value of a single share. NAV will normally be calculated as of the close of business of the NYSE, usually 4:00 p.m. Eastern time. If the NYSE is closed on a particular day, the Fund will be priced on the next day the NYSE is open.

NAV will not be calculated and the Fund will not process contributions and withdrawals submitted on days when the Fund is not open for business. The time at which shares are priced and until which contributions and withdrawals are accepted is specified below and may be changed as permitted by the State Treasurer.

To the extent that the LGIP-MMF's assets are traded in other markets on days when the Fund is not open for business, the value of the Fund's assets may be affected on those days. In addition, trading in some of the Fund's assets may not occur on days when the Fund is open for business.

Transaction Limitations

The State Treasurer reserves the right at its sole discretion to set a minimum and/or maximum transaction amount from the LGIP-MMF and to limit the number of transactions, whether contribution, withdrawal, or transfer permitted in a day or any other given period of time.

The State Treasurer also reserves the right at its sole discretion to reject any proposed contribution, and in particular to reject any proposed contribution made by a pool participant engaged in behavior deemed by the State Treasurer to be abusive of the LGIP-MMF.

A pool participant may transfer funds from one LGIP-MMF account to another subject to the same time and contribution limits as set forth in WAC 210.10.060.

Contributions deposited by ACH will be unavailable for withdrawal for a period of five business days following receipt of funds

Contributions

Pool participants may make contributions to the LGIP-MMF on any business day. All contributions will be effected by electronic funds to the account of the LGIP-MMF designated by the State Treasurer. It is the responsibility of each pool participant to pay any bank charges associated with such electronic transfers. Failure to submit funds by a pool participant after notification to the State Treasurer of an intended transfer will result in penalties. Penalties for failure to timely submit will be assessed to the account of the pool participant responsible.

Notice of Wire contribution. To ensure same day credit, a pool participant must inform the State Treasurer of any contribution over one million dollars no later than 9 a.m. on the same day the contribution is made. Contributions for one million dollars or less can be requested at any time prior to 10 a.m. on the day of contribution. For all other contributions over one million dollars that are requested prior to 10 a.m., a pool participant may receive same day credit at the sole discretion of the State Treasurer. Contributions that receive same day credit will count, for earnings rate purposes, as of the day in which the contribution was made. Contributions for which no notice is received prior to 10:00 a.m. will be credited as of the following business day.

Notice of ACH contribution. A pool participant must inform the State Treasurer of any contribution submitted through ACH no later than 2:00 p.m. on the business day before the contribution is made. Contributions that receive same day credit will count, for earnings rate purposes, as of the day in which the contribution was made. Contributions for which proper notice is not received as described above will not receive same day credit, but will be credited as of the next business day from when the contribution is made. Contributions deposited by ACH will be unavailable for withdrawal for a period of five business days following receipt of funds.

Notice of contributions may be given by calling the Local Government Investment Pool (800-331-3284) OR by logging on to State Treasurer's Treasury Management System ("TMS"). Please refer to the [LGIP-MMF Operations Manual](#) for specific instructions regarding contributions to the LGIP-MMF.

Direct deposits from the State of Washington will be credited on the same business day.

Pricing. Contribution requests received in good order will receive the NAV per unit of the LGIP-MMF next determined after the order is accepted by the State Treasurer on that contribution date.

Withdrawals

Pool participants may withdraw funds from the LGIP-MMF on any business day. Each pool participant shall file with the State Treasurer a letter designating the financial institution at which funds withdrawn from the LGIP-MMF shall be deposited (the "Letter"). This Letter shall contain the name of the financial institution, the location of the financial institution, the account name, and the account number to which funds will be deposited. This Letter shall be signed by local officials authorized to receive and disburse funds, as described in WAC 210-10-020.

Disbursements from the LGIP-MMF will be effected by electronic funds transfer. Failure by the State Treasurer to transmit funds to a pool participant after proper notification to the State Treasurer to disburse funds to a pool participant may result in a bank overdraft in the pool participant's bank account. The State Treasurer will reimburse a pool participant for such bank overdraft penalties charged to the pool participant's bank account.

Notice of Wire withdrawal. In order to withdraw funds from the LGIP-MMF, a pool participant must notify the State Treasurer of any withdrawal over one million dollars no later than 9 a.m. on the same day the withdrawal is made. Withdrawals for one million dollars or less can be requested at any time prior to 10 a.m. on the day of withdrawal. For all other withdrawals from the LGIP-MMF over one million dollars that are requested prior to 10 a.m., a pool participant may receive such withdrawal on the same day it is requested at the sole discretion of the State Treasurer. No earnings will be credited on the date of withdrawal for the amounts withdrawn. Notice of withdrawals may be given by calling the Local Government Investment Pool (800-331-3284) OR by logging on to TMS. Please refer to the LGIP-MMF Operations Manual for specific instructions regarding withdrawals from the Fund.

Notice of ACH withdrawal. In order to withdraw funds from the LGIP-MMF, a pool participant must notify the State Treasurer of any withdrawal by ACH no later than 2 p.m. on the prior business day the withdrawal is requested. No earnings will be credited on the date of withdrawal for the amounts withdrawn.

Notice of withdrawals may be given by calling the Local Government Investment Pool (800-331-3284) OR by logging on to TMS. Please refer to the LGIP-MMF Operations Manual for specific instructions regarding withdrawals from the Fund.

Pricing. Withdrawal requests with respect to the LGIP-MMF received in good order will receive the NAV per unit of the LGIP-MMF next determined after the order is accepted by the State Treasurer on that withdrawal date.

Suspension of Withdrawals. If the State Treasurer has determined that the deviation between the Fund's amortized cost price per share and the current net asset value per share calculated using available market quotations (or an appropriate substitute that reflects current market conditions) may result in material dilution or other unfair results, the State Treasurer may, if it has determined irrevocably to liquidate the Fund, suspend withdrawals and payments of withdrawal proceeds in order to facilitate the permanent termination of the Fund in an orderly manner. The State Treasurer will distribute proceeds in liquidation as soon as practicable, subject to the possibility that certain assets may be illiquid, and subject to subsequent distribution, and the possibility that the State Treasurer may need to hold back a reserve to pay expenses.

The State Treasurer also may suspend redemptions if the New York Stock Exchange suspends trading or closes, if US bond markets are closed, or if the Securities and Exchange Commission declares an emergency. If any of these events were to occur, it would likely result in a delay in the pool participants' redemption proceeds.

The State Treasurer will notify pool participants within five business days of making a determination to suspend withdrawals and/or irrevocably liquidate the fund and the reason for such action.

Earnings and Distribution

LGIP-MMF Daily Factor

The LGIP-MMF daily factor is a net earnings figure that is calculated daily using the investment income earned (excluding realized gains or losses) each day, assuming daily amortization and/or accretion of income of all fixed income securities held by the Fund, less the administrative fee. The daily factor is reported on an annualized 7-day basis, using the daily factors from the previous 7 calendar days. The reporting of a 7-day annualized yield based solely on investment income which excludes realized gains or losses is an industry standard practice that allows for the fair comparison of funds that seek to maintain a constant NAV of \$1.00.

LGIP-MMF Actual Yield Factor

The LGIP-MMF actual yield factor is a net daily earnings figure that is calculated using the total net earnings including realized gains and losses occurring each day, less the administrative fee.

Dividends

The LGIP-MMF's dividends include any net realized capital gains or losses, as well as any other capital changes other than investment income, and are declared daily and distributed monthly.

Distribution

The total net earnings of the LGIP-MMF will be declared daily and paid monthly to each pool participant's account in which the income was earned on a per-share basis. These funds will remain in the pool and earn additional interest unless withdrawn and sent to the pool participant's designated bank account as specified on the Authorization Form. Interest earned will be distributed monthly on the first business day of the following month.

Monthly Statements and Reporting

On the first business day of every calendar month, each pool participant will be sent a monthly statement which includes the pool participant's beginning balance, contributions, withdrawals, transfers, administrative charges, earnings rate, earnings, and ending balance for the preceding calendar month. Also included with the statement will be the monthly enclosure. This report will contain information regarding the maturity structure of the portfolio and balances broken down by security type.

III. Management

The State Treasurer is the manager of the LGIP-MMF and has overall responsibility for the general management and administration of the Fund. The State Treasurer has the authority to offer additional sub-pools within the LGIP at such times as the State Treasurer deems appropriate in its sole discretion.

Administrator and Transfer Agent. The State Treasurer will serve as the administrator and transfer agent for the Fund.

Custodian. A custodian for the Fund will be appointed in accordance with the terms of the LGIP Investment Policy.

IV. Miscellaneous

Limitation of Liability

All persons extending credit to, contracting with or having any claim against the Fund offered in this Prospectus shall look only to the assets of the Fund that such person extended credit to, contracted with or has a claim against, and none of (i) the State Treasurer, (ii) any subsequent sub-pool, (iii) any pool participant, (iv) the LGIP, or (v) the State Treasurer's officers, employees or agents (whether past, present or future), shall be liable therefor. The determination of the State Treasurer that assets, debts, liabilities, obligations, or expenses are allocable to the Fund shall be binding on all pool participants and on any person extending credit to or contracting with or having any claim against the LGIP or the Fund offered in this Prospectus. There is a remote risk that a court may not enforce these limitation of liability provisions.

Amendments

This Prospectus and the attached Investment Policy may be amended from time to time. Pool participants shall receive notice of changes to the Prospectus and the Investment Policy. The amended and restated documents will be posted on the State Treasurer website: www.tre.wa.gov.

Should the State Treasurer deem appropriate to offer additional sub-pools within the LGIP, said sub-pools will be offered by means of an amendment to this prospectus.

LGIP-MMF Contact Information

Internet: www.tre.wa.gov Treasury Management System/TMS

Phone: 1-800-331-3284 (within Washington State)

Mail: Office of the State Treasurer
Local Government Investment Pool
PO Box 40200
Olympia, Washington 98504
FAX: 360-902-9044

LOCAL GOVERNMENT INVESTMENT POOL AUTHORIZATION FORM

Please fill out this form completely, including any existing information, as this form will **replace** the previous form.

Entity Name: Housing Authority of the City of Tacoma
Mailing Address: 902 South L Street, Tacoma WA 98405

Email for Statement Delivery: dstrom@tacomahousing.org

Note: Statements can only be emailed to **ONE** address due to system restrictions

Bank account where funds will be wired when a withdrawal is requested.
 (Note: Funds **will not** be transferred to any account other than the one listed below)

Bank Name: Heritage Bank
Branch Location:
Bank Routing Number:
Accounting Number:
Account Name:

ACH Authorization: Yes No
Account Type: Checking Savings General Ledger

By selecting "Yes" and by signing this form, I hereby authorize the WA Local Government Investment Pool to initiate credit entries to the account listed above. I acknowledge that the origination of ACH transactions to our account must comply with the provisions of U.S. law.

Persons authorized to make deposits and withdrawals for entity listed above.

Name:	Title:	Phone Number:	Signature:
Richard Deitz	Director of Finance	253-207-4413	
Duane Strom	Comptroller	253-207-4457	
April Black	Executive Director	253-207-4474	

Online TM\$ Access: Yes No

If you selected yes, please complete the online section on page 2
 If you selected no, skip the online access section

TM\$ Online Web Access

Note: Online access is optional. Each person wanting Full online access must be listed as authorized to initiate transactions on page 1.

	Select one of the following:				Account Type:	
	Add	Delete	Modify	No Change	Full	View Only
Name: Duane Strom				<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Email: 253-207-4457	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Name: Richard Deitz						
Email: 253-207-4413	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Name: Susanne Boddie						
Email: 253-328-6276	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Name: Bul Nyuop						
Email: 253-448-2702	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Name:						
Email:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Name:						
Email:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Name:						
Email:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

By signing below, I certify I am authorized to represent the institution/agency for the purpose of this transaction.

	Executive Director	3/27/2024
(Authorized Signature)	(Title)	(Date)
April Black	ablack@tacomahousing.org	253-207-4474
(Print Authorized Name)	(E-mail address)	(Phone no.)

Any changes to these instructions must be submitted in writing to the Office of the State Treasurer.

OFFICE OF THE STATE TREASURER
STACI.ASHE@TRE.WA.GOV
 PHONE: (360) 333-1238

Date Updated: _____

Account Number: _____

Updated by: _____

(For OST use only) 11/9/22

State of Washington)
 County of _____) ss.
 Signed or attested before me by _____.
 Dated this ___ day of _____, 20__.

Signature of Notary

SEAL OR STAMP _____
Typed or printed name of Notary
 Notary Public in and for the State of Wash.



My appointment expires: _____

Resolution 3



RESOLUTION 2024-03-27 (3)

Date: March 27, 2024

To: THA Board of Commissioners

From: April Black
Executive Director

Re: Approval for up to 116 Property Based Subsidies on Housing Hilltop North & South

This resolution would authorize Tacoma Housing Authority's (THA) Executive Director to execute a contract with Housing Hilltop LLLP for up to 116 property-based subsidies.

BACKGROUND

Housing Hilltop North and South is set to provide 231 affordable housing units, ranging from 1-3 bedrooms. HHT South, comprising 94 units, is scheduled to begin leasing in June of 2024, while HHT North, comprising of 137 units, will commence leasing in December of 2024. Housing Hilltop (HHT) is financed with 4% tax credits, private debt and THA reserves.

In THA's FY 2018 Moving to Work (MTW) Plan (Amendment II), Activity 16 titled "Creation and Preservation of Affordable Housing," was re-proposed to include Property Based Subsidies. Under the Property Based Subsidy Program, THA uses MTW funds to make subsidy contributions to properties to make units affordable to very-low-income households. **THA contracts with properties owned in whole or in part by THA or with other private owners.** Under these contracts, owners agree to set rents at prices affordable to households making up to 50% of area median income (AMI). Rents are not based on tenant income but rather are fixed rents with fixed subsidies based on the AMI restrictions set by unit or by property. The rents and subsidies are set based on a negotiated contract where the tenant contribution plus the subsidy would not exceed the market value of the unit based on a rent comparability study (as budget allows – some THA contracts cap the rents at THA's Payment Standards). The property owner commits to serve households below 30%, 40% and/or 50% of the area median

income (AMI) Based on the income levels chosen, the property owner advertises its vacancies at rents equal to the maximum rents for the low-income housing tax credit program for each income level.

THA currently serves 430 households with PBS subsidies. Some of these partnerships include Koz on Market, Koz at the Dome and three assisted living facilities operated by Cascade Senior Living. THA's 2024 MTW Plan authorizes THA to subsidize up to 750 PBS units.

Notably, the average subsidy cost for a PBS unit currently is approximately 30% less than THA's average Housing Assistance Payment (HAP) for the Housing Choice Voucher (HCV) Program.

Asset Management and Real Estate Development (AMRED) and Rental Assistance recommend subsidizing up to half (116) of the units at Housing Hilltop North and South with Property Based Subsidies. Placing a PBS on the units would make them accessible to households with incomes at 50% of AMI and potentially at 30% of AMI.

The two-stage lease-up provides some flexibility in how THA approaches subsidizing the units with PBS. Staff have modeled a variety of scenarios, the least expensive of which is to subsidize 60 units across both buildings at 50% of AMI at an estimated annual HAP cost of \$172,116. The most expensive option is to subsidize 116 units across both buildings at 30% of AMI at an annual HAP cost of \$998,116. These estimates are based on 2023 Tax Credit Rents and will be adjusted to reflect 2024 Tax Credit Rents in April.¹

To address budget uncertainty and concerns raised about concentrating households who may have high service needs, THA may initially subsidize a conservative number of units in the South building. A detailed memo is attached to this resolution which includes several potential subsidy scenarios. THA must seek investor and lender approval.

RECOMMENDATION

Approve Resolution 2024-03-27 (3) authorizing THA's Executive Director to execute a Property Based Subsidy Contract with Housing Hilltop LLLP for up to 116 units.

¹ 50% AMI Max Tax Credit rents increase 5.8-6% for 1-3 bedroom units in 2023 when compared to 2022.



RESOLUTION 2024-03-27 (3)

(APPROVAL FOR UP TO 116 PROPERTY BASED SUBSIDIES ON HOUSING HILLTOP NORTH & SOUTH)

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

WHEREAS, Tacoma Housing Authority obtained MTW Approval in 2018 to implement its Property Based Subsidy program; and

WHEREAS, THA's approval permits the agency to provide subsidies on properties owned in whole or in part by THA or with other private owners; and

WHEREAS, Adding Property Based Subsidies to Housing Hilltop North and South will make the units accessible to households with incomes below 60% AMI; and

WHEREAS, The contract term will be determined through discussions with the investors; now, therefore, be it

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

Tacoma Housing Authority's (THA) Executive Director is authorized to execute a Property Based Subsidy Contract with Housing Hilltop LLLP for up to 116 units.

Approved: March 27, 2024

Dr. Minh-Anh Hodge, Chair



To: Asset Management Committee & THA's Leadership Team
From: Aley Thompson, Deputy Executive Director
Date: March 6, 2024
Subject: Consideration of Property Based Subsidies for Housing Hilltop Final Memo

The purpose of this memo is to pose the question of whether THA should consider adding Property Based Subsidies on Housing Hilltop (HHT).

1. Background

Housing Hilltop (HHT) is financed with 4% tax credits, private debt and THA reserves. The project is also supported by \$1.9 million from the City of Tacoma and \$3 million in federal funds. The federal funds will support soft costs for the residential and commercial spaces on the property.

HHT is set to provide 231 affordable housing units, ranging from 1-3 bedrooms. HHT South, comprising 94 units, is scheduled to begin leasing in June of 2024, while HHT North, comprising of 137 units, will commence leasing in December of 2024.

2. Final Recommendation

Asset Management and Real Estate Development (AMRED) and Rental Assistance recommend subsidizing up to half (116) of the units at Housing Hilltop North and South with Property Based Subsidies. Placing a PBS on the units would make them accessible to households with incomes between 30% and 50% of Area Median Income.

The two-stage lease-up provides some flexibility in how we approach subsidizing the units with PBS. We've modeled a variety of scenarios, the least expensive of which is to subsidize 60 units across both buildings at 50% of AMI at an annual HAP cost of \$172,116. The most expensive option is to subsidize 116 units across both buildings at 30% of AMI at an annual HAP cost of \$998,116.

To address budget uncertainty and concerns raised about concentrating households who may have high service needs, THA may initially subsidize a conservative number of units in the South building. See **Section 11** for additional information and subsidy models.

3. Affordability at Housing Hilltop

Currently, all 231 units will be affordable to households making 60% of Area Median Income (AMI). The units will be marketed and accessible to THA's voucher holders.

Table 1.

**Pierce County
MTSP-Income and Rent Limits
Effective 5/15/23
Median Income: \$ 112,600**

Set-aside Percentage	1-person	2-person	3-person	4-person	5-person	6-person	7-person	8-person
20%	15060	17200	19360	21500	23220	24940	26660	28380
30%	22590	25800	29040	32250	34830	37410	39990	42570
35%	26355	30100	33880	37625	40635	43645	46655	49665
40%	30120	34400	38720	43000	46440	49880	53320	56760
45%	33885	38700	43560	48375	52245	56115	59985	63855
50%	37650	43000	48400	53750	58050	62350	66650	70950
60%	45180	51600	58080	64500	69660	74820	79980	85140

4. Voucher Holders at Housing Hilltop

As of mid-February 2024, THA has 282 voucher shoppers. Most households are at or below 30% of AMI.

- 49% have a zero or 1-bedroom voucher (n=138)
- 30% have a 2-bedroom voucher (n=85)
- 15% have a 3-bedroom voucher (n=43)

THA’s Landlord Engagement team report significant barriers facing voucher holders searching for 3+ bedroom units. They also cite the need for units accessible to voucher holders generally. Many of the clients they assist experience barriers such as negative credit, not making the 2.5x rent to income ratio or units with asking rents above the payment standard. The team recommends ensuring that units remain available for voucher holders to rent.

5. THA’s Local Non-Traditional Property Based Subsidy (PBS) Program

In THA’s FY 2018 Moving to Work (MTW) Plan (Amendment II), Activity 16 titled “Creation and, Preservation of Affordable Housing,” was re-proposed to include Property Based Subsidies. Under the Property Based Subsidy Program, THA uses MTW funds to make subsidy contributions to properties to make units affordable to very-low-income households. THA contracts with properties owned in whole or in part by THA or with other private owners. Under these contracts, owners agree to set rents at prices affordable to households making up to 50% of area median income (AMI). Rents are not based on tenant income but rather are fixed rents with fixed subsidies based on the AMI restrictions set by unit or by property. The rents and subsidies are set based on a negotiated contract where the tenant contribution plus the subsidy would not exceed the market value of the unit based on a rent comparability study (as budget allows – some THA contracts cap the rents at THA’s Payment Standards). The property owner commits to serve households below 30%, 40% and/or 50% of the area median income (AMI) (see **Table 1.** above for these income levels). Based on the income levels chosen, the property owner advertises its vacancies at rents equal to the maximum rents for the low-income housing tax credit program for each income level.

2023 maximum rents are shown on the table below:

Table 2.

Set-aside Percentage	Studio	1-Bedroom	2-Bedroom	3-Bedroom	4-Bedroom	5-Bedroom
20%	376	403	484	559	623	688
30%	564	604	726	838	935	1032
35%	658	705	847	978	1091	1204
40%	753	806	968	1118	1247	1376
45%	847	907	1089	1257	1402	1548
50%	941	1008	1210	1397	1558	1720
60%	1129	1209	1452	1677	1870	2064
70%	1317	1411	1694	1956	2182	2408
80%	1506	1613	1936	2236	2494	2752

THA currently serves 430 households with PBS subsidies. Some of these partnerships include Koz on Market, Koz at the Dome and three assisted living facilities operated by Cascade Senior Living. THA’s 2024 MTW Plan authorizes THA to subsidize up to 750 PBS units.

Notably, the average subsidy cost for a PBS unit currently is approximately 30% less than THA’s average Housing Assistance Payment (HAP) for the Housing Choice Voucher (HCV) Program.

6. Potential Positive Impacts of PBS on Housing Hilltop

- **Expand Affordability:** Adding a layer of MTW subsidy through the PBS program enhances the affordability of units, making them accessible to a broader population.
- **Enhanced Leasing Timeline:** Increasing the number of families eligible for these units may facilitate a faster leasing process. Timely leasing ensures compliance with regulations and avoids financial penalties.
- **Utilization Impact:** Households served with a PBS subsidy count toward THA’s HUD utilization metrics. This is significant, as households renting unsubsidized units do not factor into our utilization.
- **Substantially the Same HUD Requirement:** Households served with a PBS subsidy also count toward THA’s compliance with HUD’s Substantially the Same requirement.
- **Efficient Program Operations:** Quarterly reporting and annual audits require less work when compared to the eligibility, recertification and relocation processes required of an HCV participant.

7. Potential Adverse Impacts of PBS on Housing Hilltop

- **Units subsidized with PBS are not available to voucher holders.**
- **Confusion for Tenants:** PBS households, while benefiting from affordable rents, may experience complexity and confusion as they are not enrolled in THA's program. This potential lack of clarity regarding roles and responsibilities between THA and FPI could lead to challenges in communication and understanding for renters.
- **Increased Need for Supportive Services:** Extremely-low (>30% AMI) and Very-low income (30-50% AMI) households may require additional supports to maintain housing stability. CSE services are not applicable to PBS subsidized households.

- If voucher holders lease at HHT (most at or below 30% AMI), adding more 30% AMI household via PBS could increase the need for housing stability services. Voucher holders do have access to Client Support and Empowerment General Services Community Advocates.

8. Other Impacts of PBS on Housing Hilltop

- **Reporting and Auditing Burden for THA Staff:** PBS reporting and auditing pose an added burden for the Rental Assistance and PIE teams. Managing the complexities of PBS requirements will necessitate increased efforts from these teams, impacting their workload.
- **Reporting Burden for Property Management:** The implementation of Property Based Subsidy (PBS) introduces an additional reporting burden for the property management team. This may require additional time and resources to ensure accurate and timely reporting. It is important to note that the requirements below should be substantially covered by what is already required by the Tax Credit program. Reporting requirements include:
 - Income qualifying tenants and maintaining auditable records.
 - Reporting on moves into and out of covered units.
 - Documenting approximately 15 lines of data for each PBS eligible household (data includes names, SSN, DOB and income etc.).
 - Submitting an excel report to THA Rental Assistance staff quarterly.
 - Participating in an annual file audit.
- **Inspection Requirements:** Units under PBS must undergo inspections at turnover before they can be re-leased. This inspection requirement adds a procedural step that may impact the turnover time for units, potentially affecting the leasing process. This would not apply to the initial lease-up as a Certificate of Occupancy can stand in for an initial inspection (MTW Activity). At unit turn, THA's inspections team should be able to inspect a unit within 48 hours. Note: This requirement would be the same for voucher holders.
- **Waitlist:** PBS units provide additional affordable housing units in the community accessed outside of THA's waitlist.

9. Fiscal Impact

The funding source for the PBS program is THA's MTW HAP and THA's HAP costs are scaling. As of February 2024, our average HAP at \$1,050 is close to what we forecasted for June 2024. Due to scaling HAP costs THA budgeted to serve 95% of our Substantially the Same requirement in 2024. Without a 2024 federal budget, Rental Assistance must be conservative in its management of the voucher program and issue vouchers only to make up for attrition.

See **Table 3 & 4.** for four hypothetical subsidy scenarios.

- **Option 1: 116 units at 30% AMI:** If THA seeks to subsidize half the units across both buildings at 30% AMI, the estimated \$998,616 in HAP would need to come from underutilization elsewhere. This could be achieved by voucher attrition or terminating and reallocating funds from THA's Rapid Rehousing contract (1.1 million).

- **Option 2: 116 units total with 58 at 50% and 58 at 30% AMI:** If THA seeks to subsidize half the units across both buildings at 30% and 50% AMI (58 units at each AMI level), the estimated \$665,652 in HAP would need to come from underutilization elsewhere. This could be achieved by voucher attrition or terminating and reallocating funds from THA’s Rapid Rehousing contract (1.1 million).
- **Option 3: 116 units at 50% AMI:** A more conservative approach of subsidizing 116 units at 50% AMI could be absorbed more easily within the budget and through voucher attrition at \$332,688 annually.
- **Option 4: 60 units at 50% AMI:** Subsidizing about one quarter of the units at 50% AMI would cost an estimated \$172,116 annually.

Table 3. HHT Units, Rents & HAPs Under Various PBS Subsidy Levels

HHT Units	1-bedroom	2-bedroom	3-bedroom	Total Units
HHT North	50	29	58	137
HHT South	30	54	10	94
	80	83	68	231
HHT Rents				
	1-bedroom	2-bedroom	3-bedroom	
2023 60% Max Tax Credit Rent	\$ 1,209	\$ 1,452	\$ 1,677	
PBS Tenant Rent				
	1-bedroom	2-bedroom	3-bedroom	
PBS 30% Tenant Rent	\$ 604	\$ 726	\$ 838	
PBS 40% Tenant Rent	\$ 806	\$ 968	\$ 1,118	
PBS 50% Tenant Rent	\$ 1,008	\$ 1,210	\$ 1,397	
PBS HAP Subsidies (Max Tax Credit Rent minus Tenant Rent)				
	1-bedroom	2-bedroom	3-bedroom	
PBS 30% HAP	\$ 605	\$ 726	\$ 839	
PBS 40% HAP	\$ 403	\$ 484	\$ 559	
PBS 50% HAP	\$ 201	\$ 242	\$ 280	

Table 4. Potential Housing Hilltop PBS Scenarios

THA HAP Costs Scenario 1: Subsidize half the units at 30%	1-bedroom	2-bedroom	3-bedroom	All Units
Monthly HAP	\$ 24,200	\$ 30,492	\$ 28,526	\$ 83,218
Annual HAP for 116 PBS units at 30%	\$ 290,400	\$ 365,904	\$ 342,312	\$ 998,616
Annual HAP for 116 HCV units				\$ 1,461,600
THA HAP Costs Scenario 2: Subsidize one quarter of the units at 30% Subsidize one quarter of the units at 50%	1-bedroom	2-bedroom	3-bedroom	All Units
Monthly HAP for 58 PBS units at 30%	\$ 12,100	\$ 15,246	\$ 14,263	\$ 41,609
Annual HAP for 58 PBS units at 30%	\$ 145,200	\$ 182,952	\$ 171,156	\$ 499,308
Monthly HAP for 58 PBS units at 50%	\$ 4,020	\$ 5,082	\$ 4,760	\$ 13,862
Annual HAP for 58 PBS units at 50%	\$ 48,240	\$ 60,984	\$ 57,120	\$ 166,344
Annual HAP for 116 30% & 50% AMI units				\$ 665,652
Annual HAP for 116 HCV units				\$ 1,461,600
THA HAP Costs Scenario 3: Subsidize half the units at 50%	1-bedroom	2-bedroom	3-bedroom	All Units
Monthly HAP	\$ 8,040	\$ 10,164	\$ 9,520	\$ 27,724
Annual HAP for 116 PBS units at 50%	\$ 96,480	\$ 121,968	\$ 114,240	\$ 332,688
Annual HAP for 116 HCV units				\$ 1,461,600
THA HAP Costs Scenario 4: Subsidize one quarter of the units at 50%	1-bedroom	2-bedroom	3-bedroom	All Units
Monthly HAP	\$ 4,221	\$ 5,082	\$ 5,040	\$ 14,343
Annual HAP for 60 PBS units 50%	\$ 50,652	\$ 60,984	\$ 60,480	\$ 172,116
Annual HAP for 60 HCV units				\$ 756,000

10. Asset Management Feedback

The following feedback obtained from the Asset Management Committee (AMC) on February 27, 2024, fell into three categories and has been incorporated throughout this memo.

Concerns about Services

- Property Management highlighted concerns about the lack of services regardless of whether THA deepens the subsidy or not, recognizing the need for services at all AMI levels 0-60%.
- Property Management asked what the staffing ratio of voucher holders to CSE Community Advocates is. Will voucher holders at HHT receive robust services? Do we have capacity concerns?
- Concerns were raised about concentrating poverty from the perspective of the community.

Clarification on THA's LNT PBS Authority

- Staff sought clarification about whether the PBS program was subject to the same regulations as a "Housing Development Program" under the Local Non-Traditional Activities Notice PIH 2011-45.
- THA's PBS program was approved by HUD and THA has additional documentation from the MTW office confirming that the PBS program is a Local Non-Traditional "Rental Subsidy Program" and that it is not subject to the same regulations as a Local Non-Traditional "Housing Development Program."

Support For a Deeper Subsidy

- The AMC generally supports providing a deeper subsidy at HHT, but some committee members cautioned against deeply subsidizing a majority of units to try to ensure a mix of incomes at the property.
- The AMC supports subsidizing units to boost THA's utilization.
- There was disagreement about a suggestion to subsidize units at one building vs. both.

Priority Policy & PBS

- Policy, Improvement and Evaluation department staff offered support to determine how and if the priority policy should interact with PBS units.
- After the AMC meeting, PIE provided further feedback on operational questions that will need to be addressed to determine how the PBS units and Priority Policy will interact. See **Exhibit A**.

11. Final Recommendation

Asset Management and Real Estate Development (AMRED) and Rental Assistance recommend subsidizing up to half (116) of the units at Housing Hilltop North and South with Property Based Subsidies. Placing a PBS on the units would make them accessible to households with incomes between 30% and 50% of Area Median Income.

The two-stage lease-up provides some flexibility in how we approach subsidizing the units with PBS. We've modeled a variety of scenarios, the least expensive of which is to subsidize 60 units across both buildings at 50% of AMI at an annual HAP cost of \$172,116. The most expensive option is to subsidize 116 units across both buildings at 30% of AMI at an annual HAP cost of \$998,116.

To address budget uncertainty and concerns raised about concentrating households who may have high services needs, THA may initially subsidize a conservative number of units in the South building. One option is to subsidize about a quarter of the units (25) at 50% AMI. This has an annual HAP cost of \$70,032.

Throughout the lease up of HHT South, THA will monitor the income levels and income mix of households that are successful and unsuccessful leasing units. Part way through the leasing of HHT South, THA will determine if additional units will be subsidized at HHT North. Some factors that will play into that decision making process include the federal budget, the number of

extremely low-income households who successfully leased and the number of households who had incomes too low to qualify.

- *Subsidizing units would be a cost-effective subsidy for THA resulting in the ability to count additional households toward our StS requirement.*
- *Subsidizing at 50% and only subsidizing a quarter of the units may mitigate concerns raised about concentrating the building with extremely low-income households without on-site services.*
- *Subsidizing fewer units leaves open the possibility of adding subsidy to additional units in the future as budget allows.*

Table 5. Potential Subsidy Scenarios

The scenarios modeled below differ from Table 4, but the most expensive and least expensive scenarios remain the same.

Subsidize Half of Each Building at 30% AMI	1-bedroom	2-bedroom	3-bedroom	All Units
Monthly HAP	\$ 24,200	\$ 30,492	\$ 28,526	\$ 83,218
Annual HAP for 116 PBS units at 30%	\$ 290,400	\$ 365,904	\$ 342,312	\$ 998,616

Subsidize One Quarter of Each Building at 30% AMI	1-bedroom	2-bedroom	3-bedroom	All Units
Monthly HAP	\$ 12,705	\$ 15,246	\$ 15,102	\$ 83,218
Annual HAP for 116 PBS units at 30%	\$ 152,460	\$ 182,952	\$ 181,224	\$ 516,636

Subsidize Half of Each Building at 50% AMI	1-bedroom	2-bedroom	3-bedroom	All Units
Monthly HAP	\$ 8,040	\$ 10,164	\$ 9,520	\$ 27,724
Annual HAP for 116 PBS units at 50%	\$ 96,480	\$ 121,968	\$ 114,240	\$ 332,688

Subsidize One Quarter of Each Building at 50% AMI	1-bedroom	2-bedroom	3-bedroom	All Units
Monthly HAP	\$ 4,221	\$ 5,082	\$ 5,040	\$ 14,343
Annual HAP for 116 PBS units at 50%	\$ 50,652	\$ 60,984	\$ 60,480	\$ 172,116

Table 6. Rents, Subsidized Rents & Estimated Housing Assistance Payments (HAP)

HHT Rents	1-bedroom	2-bedroom	3-bedroom
2023 60% Max Tax Credit Rent	\$ 1,209	\$ 1,452	\$ 1,677

PBS Tenant Rent	1-bedroom	2-bedroom	3-bedroom
PBS 30% Tenant Rent	\$ 604	\$ 726	\$ 838
PBS 50% Tenant Rent	\$ 1,008	\$ 1,210	\$ 1,397

PBS HAP Subsidies (Max Tax Credit Rent minus Tenant Rent)	1-bedroom	2-bedroom	3-bedroom
PBS 30% HAP	\$ 605	\$ 726	\$ 839
PBS 50% HAP	\$ 201	\$ 242	\$ 280

Unit Count & Subsidized Unit Count Scenarios

HHT Units	1-bedroom	2-bedroom	3-bedroom	Total Units
HHT North	50	29	58	137
HHT South	30	54	10	94
Total Units	80	83	68	231

HHT Units: PBS ~50% of Units Across Both Buildings	1-bedroom	2-bedroom	3-bedroom	Total PBS Units	Total Units
HHT North	25	15	29	69	113
HHT South	15	27	5	47	79
Total Units	40	42	34	116	192

HHT Units: PBS ~25% of Units Across Both Buildings	1-bedroom	2-bedroom	3-bedroom	Total PBS Units	Total Units
HHT North	13	7	15	35	57
HHT South	8	14	3	25	42
Total Units	21	21	18	60	99

Attachment A.

HOUSING HILLTOP PBS CONSIDERATIONS/QUESTIONS

CONTRACTING/PRE-LEASING

- Which units get subsidized with PBS?
 - How does location/views/etc. impact this decision?
 - What's the spread between the two buildings?
- Who decides which units get subsidized? THA or FPI?
- Is FPI prepared to respond to this and implement by pre-leasing time in April? Could a contract be executed before then? If not, would this be implemented only at the second building or at a different cadence?

LEASE-UP

- How do we effectively market the different income requirements for the 50% and 60% of AMI units? List incomes as a range?
- Who is making the lease-up decisions and what are the decision criteria?
 - Would units be assigned based on income?
 - Or bedroom size? Both?
- Would there be a separate list for PBS units? Or first come, first served based on qualifications?
- Would these units be filled first or depending on households, based on time of application, qualifying?
- Is the PBS subsidy deep enough to substantially increase the number of eligible households?

REPORTING

- Is the PBS allocation large enough to impact the StS numerator and justify operationalizing this?
- PBS properties must report the following information on a quarterly basis. Is FPI positioned to do so?