



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS

BOARD PACKET

DECEMBER 11, 2024



**Tacoma
Housing
Authority**

REGULAR MEETING

BOARD OF COMMISSIONERS

DECEMBER 11, 2024

The Board of Commissioners of the Housing Authority of the City of Tacoma will hold a Regular Meeting on **Wednesday, December 11, 2024, at 4:45 pm via Zoom and at 902 S L Street, Tacoma, WA 98405.**

<https://us02web.zoom.us/j/85032763663> | **Meeting ID:** 850 3276 3663 | **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 BOARD OF COMMISSIONERS REGULAR MEETING DECEMBER 11, 2024, 4:45 PM

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

ZOOM: <https://us02web.zoom.us/j/85032763663> / MEETING ID: 850 3276 3663

DIAL: (253) 215-8782

1. CALL TO ORDER

2. ROLL CALL

3. EXECUTIVE SESSION: To review the performance of a public employee

4. APPROVAL OF MINUTES & MOTION

4.1. Minutes of October 23, 2024—Regular Session

4.2. Motion to Approve the 2025 BOC Meeting Schedule

5. GUEST COMMENTS

The Tacoma Housing Authority Board of Commissioners welcomes comments and feedback from members of the public. During the public comment period, comments are limited to three minutes per speaker, and there will not be a substantive response. Once each speaker is finished, their comment will be acknowledged and thanked, and then the Board will move onto the next speaker.

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 October 2024

8. AGENCY MONTHLY REPORT

8.1 Presentation: Approve 2025 Agency Budget

8.2 Monthly Report

9. NEW BUSINESS

9.1 2024-12-11 (1) Pierce County Rapid Rehousing Contract-Homeless Housing Program

9.2 2024-12-11 (2) Update to Utility Allowances

9.3 2024-12-11 (3) Update to the Payment Standards

9.4 2024-12-11 (4) Recommendation to Sell 5320 Tyler Street

9.5 2024-12-11 (5) Approval of Workplace Attire Policy

9.6 2024-12-11 (6) Approval of Assigned Uniforms Policy

9.7 2024-12-11 (7) Additional Wellness Day for Staff

9.8 2024-12-11 (8) Fiscal Year 2025 Annual Budget

9.9 2024-12-11 (9) Commitment to Agency and Moving to Work Reserves

9.10 2024-12-11 (10) Approval of Accounts Receivable Write-Offs-Tenants

9.11 2024-12-11 (11) Approval of Accounts Receivable Write-Offs-Landlord

10. COMMENTS FROM THE COMMISSIONERS

11. ADJOURNMENT



TACOMA HOUSING AUTHORITY

MINUTES



BOARD OF COMMISSIONERS MEETING MINUTES

REGULAR SESSION WEDNESDAY, OCTOBER 23, 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, October 23, 2024.

1. CALL TO ORDER

Chair Young called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:46 pm.

2. ROLL CALL

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

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

Chair Young declared there was a quorum present at 4:47 pm and proceeded.

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Chair Young asked for any corrections to or discussion of minutes for the Regular Session of the Board of Commissioners for Wednesday, September 25, 2024. Commissioner Smith moved to adopt the minutes. Commissioner Hodge seconded.

Upon roll call, the vote was as follows:

AYES:	4
NAYS:	0
Abstain:	0
Absent:	1

Motion approved.

4. GUEST COMMENTS

Jeff Childs, M Steet Resident (Unit 203)

Mr. Childs addressed the Board, stating that his companion Beverly was attacked a couple of weeks ago at M Street and that the perpetrator still resides in the apartment opposite Beverly's. He mentioned that Tacoma Housing Authority (THA) staff had informed him there are steps to be taken. Mr. Childs also noted that Beverly was denied assistance from Ludwig. Deputy Executive Director (DED) Thompson confirmed that THA took necessary actions, adhering to Housing and Urban Development (HUD) regulations. Commissioner Smith inquired if the authorities were notified, to which Beverly confirmed they were, and she is consulting an attorney. Property Management Director Jenkins reiterated her previous phone conversation with the couple. Commissioner Purter asked about policies regarding perpetrators in THA properties. Director Jenkins replied that staff are addressing the issue but cannot disclose certain information. While the Violence Against Women Act could be invoked, THA's funding is complex. Commissioner Hodge suggested appointing a liaison at THA for the couple. Rental Assistance Associate Director Ruiz will discuss voucher options with them. DED Thompson noted that the voucher program is the fastest way to help in this scenario. Executive Director Black acknowledged the staff's efforts to relocate the couple and outlined the processes being undertaken by THA. Commissioner Purter observed the frustration and seriousness of the situation. Client Support and Empowerment Director Hanauer responded that staff have exceeded typical requirements to assist the family. Policy, Innovation and Evaluation Director Ydstie added that the compliance team sought resources to aid them, but staff capabilities are limited.

5. COMMITTEE REPORTS

REAL ESTATE DEVELOPMENT COMMITTEE—VICE CHAIR RUMBAUGH, COMMISSIONER SMITH

The committee met. It was Commissioner Hodge's first meeting and was provided updates regarding Housing Hilltop, Aviva and Hillside Heights.

FINANCE AND AUDIT COMMITTEE—CHAIR YOUNG, COMMISSIONER HODGE

The committee did not meet.

COMMUNITY PARTNERSHIPS AND ADVOCACY COMMITTEE—COMMISSIONER PURTER, COMMISSIONER SMITH

The committee did not meet.

EDUCATION, HOUSING SERVICES AND PARTNERSHIPS COMMITTEE—CHAIR YOUNG, COMMISSIONER HODGE

The committee did not meet.

DIVERSITY, EQUITY, INCLUSION AND BELONGING COMMITTEE—COMMISSIONER HODGE, COMMISSIONER SMITH

The committee did not meet.

6. FINANCE REPORT

FINANCE

Finance Department (FD) Director Rich Deitz directed the board to the finance report. Rich provided the Financials usually provided in August.

6.1 RATIFYING CASH DISBURSEMENT FOR SEPTEMBER 2024

Commissioner Smith moved to ratify the payment of cash disbursements totaling \$7,543,552 for the month of September 2024. Commissioner Hodge seconded.

Upon roll call, the vote was as follows:

AYES: 4
NAYS: 0
Abstain: 0
Absent: 1

Motion approved.

7. AGENCY MONTHLY REPORT

- IT is keeping up with security upgrades. ED Black appreciates the team for protecting agency data.
- Staff added more visuals to Board reports, hoping maps are useful.
- THA received Housing Hilltop North. The South building lease progress is slow with 38 leases signed.
- Aviva Crossing faces easement issues affecting parking and height limits.

- Open Enrollment and the Benefit Fair start next week. The Employee Appreciation celebration is on December 6th.
- ED Black thanked Intergovernmental Affairs Manager Carr for his efforts in securing more funding.
- ED Black suggested canceling the November Board meeting, and the Board agreed unanimously.

8. NEW BUSINESS

8.1 EXIT OF RBC FROM SALISHAN IV LLC

HOUSING AUTHORITY OF THE CITY OF TACOMA

RESOLUTION 2024-10-23 (1)

A RESOLUTION OF BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF TACOMA PROVIDING FOR THE ACQUISITION OF MEMBERSHIP INTERESTS IN SALISHAN FOUR LLC AND/OR THE ACQUISITION OF THE SALISHAN FOUR AFFORDABLE RENTAL HOUSING PROJECT, AUTHORIZING THE ASSUMPTION, AMENDMENT AND/OR RESTRUCTURING OF OBLIGATIONS PERTAINING TO SALISHAN FOUR, AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN AGREEMENTS AND OTHER DOCUMENTS WITH RESPECT TO SUCH ACQUISITIONS AND/OR ASSUMPTIONS, AND PROVIDING FOR OTHER MATTERS RELATED THERETO.

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

Section 1. The Board of Commissioners (the “Board”) of the Housing Authority of the City of Tacoma (the “Authority”) hereby makes the following findings and determinations:

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

(b) The Authority is authorized by the Housing Authorities Law (chapter 35.82 RCW) to, among other things: (i) “prepare, carry out, acquire, lease and operate housing projects” (RCW 35.82.070(2)); (ii) “make and execute contracts and other instruments” (RCW 35.82.070(1)); and (iii) “delegate to one or more of its agents or employees such powers or duties as [the Authority] may deem proper” (RCW 35.82.040).

(c) The Authority formed Salishan Four LLC (the “Company”) on December 19, 2005, and has served as the Company’s managing member at all times. AHC SALISHAN, L.L.C., or its successor and/or assign is the investor member of the Company (the “Investor Member”) and RBC TAX CREDIT MANAGER II, INC. (the “Special Member”), or its successor and/or assign is the special member of the Company. Pursuant to a Lease Agreement dated as of June 28, 2007, by and between the Authority and the Company, as previously

amended and supplemented, the Company has a leasehold interest in the land and buildings comprising the Salishan Four affordable rental housing project located at 1727 East 44th Street, Tacoma, Washington (the "Project"). The Company has claimed federal low-income housing tax credits ("LIHTCs") with respect to the Project. The compliance period with respect to such LIHTCs has expired or will soon expire. The Investor Member and the Special Member have expressed their desire to transfer their membership interests to or at the direction of the Authority, or to allow the Authority to acquire the Company's interests in the Project.

(d) Based on the need to preserve affordable rental housing opportunities within its area of operation and other matters, the Board deems it necessary to proceed with the transactions described in this resolution.

Section 2. Acquisition of Membership Interests and Project. The Authority is authorized to acquire all or any portion of the membership interests of the Investor Member and/or the Special Member in the Company, whether by gift from such Investor Member or upon payment to such Investor Member. Alternatively, all or any portion of the membership interests of the Investor Member and/or the Special Member in the Company may be transferred to Tacoma Housing Development Group ("THDG"), or another assignee of the Authority. Further, the Authority may acquire the Company's leasehold interest in the Project in lieu of (or subsequent to) acquiring the member interests in the Company and cause the Company to terminate its leasehold interest in the Project (or otherwise transfer the project to the Authority). The Board hereby delegates to the Authority's Executive Director, the Chair of the Board, and their respective designees (each, an "Authorized Officer" and, collectively, the "Authorized Officers"), and each of them acting alone, the authority to determine, in their discretion, whether, when, and in what sequence, to proceed with the Authority's acquisition of the membership interests of the Investor Member and/or the Special Member, transfer to THDG or another assignee of the Authority of the membership interests of the Investor Member and/or Special Member, and/or acquisition by the Authority of the Company's leasehold interest in the Project.

Section 3. Assignment, Amendment and/or Transfer Documents. The Authorized Officers, and each of them acting alone, are authorized in their discretion to cause the Authority and the Company to enter into such transfer agreements, assignment and assumption agreements, amendments and restatements to the Second Amended and Restated Operating Agreement of the Company (as previously amended and/or supplemented to date) and other agreements, as are deemed necessary or desirable by any Authorized Officer to properly evidence the transfer of the membership interests to the Authority and/or THDG or other transferee, or their respective designees, or to evidence the transfer of the Project to the Authority. Without limiting the foregoing authority, the Authority is authorized (acting on its own behalf and/or as the Company's managing member) to enter into (i) assignment and assumption agreements with any lender that has made a loan with respect to the Project including, without limitation, the Washington State Department of Commerce, the Tacoma Community Redevelopment Authority, and Pierce County; (ii) one or more agreements with the Washington State Housing Finance Commission assuming responsibility for complying with the extended use agreement for the Project; and (iii) one or more agreements with the United States of America, Secretary of Housing and Urban Development assuming responsibility for complying with

a use agreement and other agreements for the Project. An Authorized Officer's execution of any instrument contemplated by this Section 3 will constitute conclusive evidence of their approval of the terms thereof and the approval by the Authority of such terms.

Section 4. Purchase Price and Other Expenditures. The Authority is authorized (acting on its own behalf and/or as the Company's managing member) to pay to the Investor Member, the Special Member, the Company, and/or their respective designees, the amount necessary to acquire the Investor Member's and/or the Special Member's interests in the Company, or to acquire the Company's interest in the Project. In addition to payments authorized pursuant to the preceding sentence, the Authority is authorized to expend such

additional funds as are necessary to pay for all governmental filing fees, application fees, registration fees, real estate excise taxes, Washington State Housing Finance Commission fees, and other costs relating to the actions authorized by this resolution.

Section 5. Amended and Restated Operating Agreement; Termination of Company. If the Authorized Officers, or any of them, determine that it is in the Authority's interests to cause the Authority and/or THDG or another designee to acquire membership interests in the Company, then the Authority is authorized to enter into, and to cause the Company to enter into, an amended and restated limited operating agreement (the "Operating Agreement") for the Company in a form approved by the Authorized Officer executing the Operating Agreement. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority to execute and deliver the Operating Agreement. An Authorized Officer's execution of the Operating Agreement will constitute conclusive evidence of such officer's approval of the terms thereof and the approval by the Authority of such terms. Once the Authority and/or THDG or another designee are the only member(s) of the Company, and such transfer has been approved by all relevant lenders and parties

with the right to enforce transfer restrictions, the Authorized Officers, and each of them acting alone, are hereby delegated the discretionary authority to cause the Company to transfer the Project to the Authority. Once the Company's interest in the Project is terminated, the Authority shall cause the Company to be unwound and shall cause liquidating distributions to be made by the Company. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority (acting on its own behalf, and as managing member of the Company, as applicable) to execute, deliver and, if applicable, file (or cause to be delivered and/or filed) any and all documents necessary to liquidate and terminate the Company.

Section 6. Supplemental Authorization. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority (acting on its own behalf, and as managing member of the Company, as applicable) to execute, deliver and, if applicable, file (or cause to be delivered and/or filed) any affidavits, certificates, letters, documents, agreements, instruments and government forms that such Authorized Officer determines to be necessary or advisable to give effect to this resolution and to consummate the transactions contemplated herein.

Section 7. Ratification and Confirmation. All actions of the Authority and its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.

Section 8. Acting Officers Authorized. Any action required by this resolution to be taken by the Executive Director of the Authority may, in such person's absence, be taken by the duly authorized acting Executive Director of the Authority.

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

ADOPTED by the Board of Commissioners of the Housing Authority of the City of Tacoma at an open public meeting held on October 23, 2024.

HOUSING AUTHORITY OF THE CITY OF TACOMA

Chair, Board of Commissioners

ATTEST:

Executive Director

CERTIFICATE

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

1. That the attached Resolution 2024-10-23(1) (the "Resolution") is a true and correct copy of the resolution of the Board of Commissioners of the Authority as adopted at a meeting of the Authority held on October 23, 2024 (the "Meeting"), and duly recorded in the minute books of the Authority;

2. That the public was notified of access options for remote participation in the Meeting [via the Authority's website]; and

3. That the Meeting was duly convened, held, and included an opportunity for public comment, in all respects in accordance with law, and to the extent required by law, due and proper notice of the Meeting was given; that a quorum was present throughout the Meeting, and a majority of the members of the Board of Commissioners of the Authority present at the Meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand on October 23, 2024.

HOUSING AUTHORITY OF THE CITY OF TACOMA

April Black, Executive Director

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

Upon roll call, the vote was as follows:

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

Motion approved: October 23, 2024

Derek Young, Chair

8.2 EXIT OF RBC FROM SALISHAN V LLC

**HOUSING AUTHORITY OF THE CITY OF TACOMA
RESOLUTION 2024-10-23 (2)**

A RESOLUTION OF BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF TACOMA PROVIDING FOR THE ACQUISITION OF MEMBERSHIP INTERESTS IN SALISHAN FIVE LLC AND/OR THE ACQUISITION OF THE SALISHAN FIVE AFFORDABLE RENTAL HOUSING PROJECT, AUTHORIZING THE ASSUMPTION, AMENDMENT AND/OR RESTRUCTURING OF OBLIGATIONS PERTAINING TO SALISHAN FIVE, AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN AGREEMENTS AND OTHER DOCUMENTS WITH RESPECT TO SUCH ACQUISITIONS AND/OR ASSUMPTIONS, AND PROVIDING FOR OTHER MATTERS RELATED THERETO.

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

Section 10. The Board of Commissioners (the “Board”) of the Housing Authority of the City of Tacoma (the “Authority”) hereby makes the following findings and determinations:

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

(b) The Authority is authorized by the Housing Authorities Law (chapter 35.82 RCW) to, among other things: (i) “prepare, carry out, acquire, lease and operate housing projects” (RCW 35.82.070(2));

(ii) “make and execute contracts and other instruments” (RCW 35.82.070(1)); and (iii) “delegate to one or more of its agents or employees such powers or duties as [the Authority] may deem proper” (RCW 35.82.040).

(c) The Authority formed Salishan Five LLC (the “Company”) on January 16, 2007, and has served as the Company’s managing member at all times. AHC SALISHAN II, L.L.C., or its successor and/or assign is the investor member of the Company (the “Investor Member”) and RBC TAX CREDIT MANAGER II, INC. (the “Special Member”), or its successor and/or assign is the special member of the Company. Pursuant to a Lease Agreement dated as of June 26, 2008, by and between the Authority and the Company, as previously amended and supplemented, the Company has a leasehold interest in the land and buildings comprising the Salishan Five affordable rental housing project located at 1728 East 44th Street, Tacoma, Washington (the “Project”). The Company has claimed federal low-income housing tax credits (“LIHTCs”) with respect to the Project. The compliance period with respect to such LIHTCs has expired or will soon expire. The Investor Member and the Special Member have expressed their desire to transfer their membership interests to or at the direction of the Authority, or to allow the Authority to acquire the Company’s interests in the Project.

(d) Based on the need to preserve affordable rental housing opportunities within its area of operation and other matters, the Board deems it necessary to proceed with the transactions described in this resolution.

Section 11. Acquisition of Membership Interests and Project. The Authority is authorized to acquire all or any portion of the membership interests of the Investor Member and/or the Special Member in the Company, whether by gift from such Investor Member or upon payment to such Investor Member.

Alternatively, all or any portion of the membership interests of the Investor Member and/or the Special Member in the Company may be transferred to Tacoma Housing Development Group (“THDG”), or another assignee of the Authority. Further, the Authority may acquire the Company’s leasehold interest in the Project in lieu of (or subsequent to) acquiring the member interests in the Company and cause the Company to terminate its leasehold interest in the Project (or otherwise transfer the project to the Authority). The Board hereby delegates to the Authority’s Executive Director, the Chair of the Board, and their respective designees (each, an “Authorized Officer” and, collectively, the “Authorized Officers”), and each of them acting alone, the authority to determine, in their discretion, whether, when, and in what sequence, to proceed with the Authority’s acquisition of the membership interests of the Investor Member and/or the Special Member, transfer to THDG or another assignee of the Authority of the membership interests of the Investor Member and/or Special Member, and/or acquisition by the Authority of the Company’s leasehold interest in the Project.

Section 12. Assignment, Amendment and/or Transfer Documents. The Authorized Officers, and each of them acting alone, are authorized in their discretion to cause the Authority and the Company to enter into such transfer agreements, assignment and assumption agreements, amendments and restatements to the Second Amended and Restated Operating Agreement of the Company (as previously amended and/or supplemented to date) and other agreements, as are deemed necessary or desirable by any

Authorized Officer to properly evidence the transfer of the membership interests to the Authority and/or THDG or other transferee, or their respective designees, or to evidence the transfer of the Project to the Authority. Without limiting the foregoing authority, the Authority is authorized (acting on its own behalf and/or as the Company's managing member) to enter into (i) assignment and assumption agreements with any lender that has made a loan with respect to the Project including, without limitation, Citicorp USA, Inc., Tacoma Community Redevelopment Authority, Pierce County, Washington, and the Washington State Department of Commerce; (ii) one or more agreements with the Washington State Housing Finance Commission assuming responsibility for complying with the extended use agreement for the Project; and (iii) one or more agreements with the United States of America, Secretary of Housing and Urban Development assuming responsibility for complying with a use agreement and other agreements for the Project. An Authorized Officer's execution of any instrument contemplated by this Section 3 will constitute conclusive evidence of their approval of the terms thereof and the approval by the Authority of such terms.

Section 13. Purchase Price and Other Expenditures. The Authority is authorized (acting on its own behalf and/or as the Company's managing member) to pay to the Investor Member, the Special Member, the Company, and/or their respective designees, the amount necessary to acquire the Investor Member's and/or the Special Member's interests in the Company, or to acquire the Company's interest in the Project. In addition to payments authorized pursuant to the preceding sentence, the Authority is authorized to expend such

additional funds as are necessary to pay for all governmental filing fees, application fees, registration fees, real estate excise taxes, Washington State Housing Finance Commission fees, and other costs relating to the actions authorized by this resolution.

Section 14. Amended and Restated Operating Agreement; Termination of Company. If the Authorized Officers, or any of them, determine that it is in the Authority's interests to cause the Authority and/or THDG or another designee to acquire membership interests in the Company, then the Authority is authorized to enter into, and to cause the Company to enter into, an amended and restated limited operating agreement (the "Operating Agreement") for the Company in a form approved by the Authorized Officer executing the Operating Agreement. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority to execute and deliver the Operating Agreement. An Authorized Officer's execution of the Operating Agreement will constitute conclusive evidence of such officer's approval of the terms thereof and the approval by the Authority of such terms. Once the Authority and/or THDG or another designee are the only member(s) of the Company, and such transfer has been approved by all relevant lenders and parties with the right to enforce transfer restrictions, the Authorized Officers, and each of them acting alone, are hereby delegated the discretionary authority to cause the Company to transfer the Project to the Authority. Once the Company's interest in the Project is terminated, the Authority shall cause the Company to be unwound and shall cause liquidating distributions to be made by the Company. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority (acting on its own behalf, and as managing member of the Company, as applicable) to execute, deliver and, if applicable, file (or cause to be delivered and/or filed) any and all documents necessary to liquidate and terminate the Company.

Section 15. Supplemental Authorization. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority (acting on its own behalf, and as managing member of the Company, as applicable) to execute, deliver and, if applicable, file (or cause to be delivered and/or filed) any affidavits, certificates, letters, documents, agreements, instruments and government forms that such Authorized Officer determines to be necessary or advisable to give effect to this resolution and to consummate the transactions contemplated herein.

Section 16. Ratification and Confirmation. All actions of the Authority and its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.

Section 17. Acting Officers Authorized. Any action required by this resolution to be taken by the Executive Director of the Authority may, in such person's absence, be taken by the duly authorized acting Executive Director of the Authority.

Section 18. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

ADOPTED by the Board of Commissioners of the Housing Authority of the City of Tacoma at an open public meeting held on October 23, 2024.

HOUSING AUTHORITY OF THE CITY OF TACOMA

Chair, Board of Commissioners

ATTEST:

Executive Director

CERTIFICATE

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

1. That the attached Resolution 2024-10-23(2) (the "Resolution") is a true and correct copy of the resolution of the Board of Commissioners of the Authority as adopted at a meeting of the Authority held on October 23, 2024 (the "Meeting"), and duly recorded in the minute books of the Authority;

2. That the public was notified of access options for remote participation in the Meeting [via the Authority's website]; and

3. That the Meeting was duly convened, held, and included an opportunity for public comment, in all respects in accordance with law, and to the extent required by law, due and proper notice of the Meeting was given; that a quorum was present throughout the Meeting, and a majority of the members of the Board of Commissioners of the Authority present at the Meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand on October 23, 2024.

HOUSING AUTHORITY OF THE CITY OF TACOMA

April Black, Executive Director

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

Upon roll call, the vote was as follows:

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

Motion approved: October 23, 2024

Derek Young, Chair

8.3 EXIT OF RBC FROM SALISHAN VI LLC

HOUSING AUTHORITY OF THE CITY OF TACOMA

RESOLUTION 2024-10-23 (3)

A RESOLUTION OF BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF TACOMA PROVIDING FOR THE ACQUISITION OF MEMBERSHIP INTERESTS IN SALISHAN SIX LLC AND/OR THE ACQUISITION OF THE SALISHAN SIX AFFORDABLE RENTAL HOUSING PROJECT, AUTHORIZING THE ASSUMPTION, AMENDMENT AND/OR RESTRUCTURING OF OBLIGATIONS PERTAINING TO SALISHAN SIX, AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN AGREEMENTS AND OTHER DOCUMENTS WITH RESPECT TO SUCH ACQUISITIONS AND/OR ASSUMPTIONS, AND PROVIDING FOR OTHER MATTERS RELATED THERETO.

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

Section 19. The Board of Commissioners (the “Board”) of the Housing Authority of the City of Tacoma (the “Authority”) hereby makes the following findings and determinations:

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

(b) The Authority is authorized by the Housing Authorities Law (chapter 35.82 RCW) to, among other things: (i) “prepare, carry out, acquire, lease and operate housing projects” (RCW 35.82.070(2)); (ii) “make and execute contracts and other instruments” (RCW 35.82.070(1)); and (iii) “delegate to one or more of its agents or employees such powers or duties as [the Authority] may deem proper” (RCW 35.82.040).

(c) The Authority formed Salishan Six LLC (the “Company”) on December 31, 2007, and has served as the Company’s managing member at all times. RBC SALISHAN VI LLC, or its successor and/or assign is the investor member of the Company (the “Investor Member”) and RBC TAX CREDIT MANAGER II, INC. (the “Special Member”), or its successor and/or assign is the special member of the Company. Pursuant to

a Lease Agreement dated as of October 15, 2008, by and between the Authority and the Company, as previously amended and supplemented, the Company has a leasehold interest in the land and buildings comprising the Salishan Six affordable rental housing project located at 1729 East 44th Street, Tacoma, Washington (the “Project”). The Company has claimed federal low-income housing tax credits (“LIHTCs”) with respect to the Project. The compliance period with respect to such LIHTCs has expired or will soon expire. The Investor Member and the Special Member have expressed their desire to transfer their membership interests to or at the direction of the Authority, or to allow the Authority to acquire the Company’s interests in the Project.

(d) Based on the need to preserve affordable rental housing opportunities within its area of operation and other matters, the Board deems it necessary to proceed with the transactions described in this resolution.

Section 20. Acquisition of Membership Interests and Project. The Authority is authorized to acquire all or any portion of the membership interests of the Investor Member and/or the Special Member in the Company, whether by gift from such Investor Member or upon payment to such Investor Member. Alternatively, all or any portion of the membership interests of the Investor Member and/or the Special Member in the Company may be transferred to Tacoma Housing Development Group (“THDG”), or another assignee of the Authority. Further, the Authority may acquire the Company’s leasehold interest in the Project in lieu of (or subsequent to) acquiring the member interests in the Company and cause the Company to terminate its leasehold interest in the Project (or otherwise transfer the project to the Authority). The Board hereby delegates to the Authority’s Executive Director, the Chair of the Board, and their respective designees (each, an “Authorized Officer” and, collectively, the “Authorized Officers”), and each of them acting alone, the authority to determine, in their discretion, whether, when, and in what sequence, to proceed with the

Authority's acquisition of the membership interests of the Investor Member and/or the Special Member, transfer to THDG or another assignee of the Authority of the membership interests of the Investor Member and/or Special Member, and/or acquisition by the Authority of the Company's leasehold interest in the Project.

Section 21. Assignment, Amendment and/or Transfer Documents. The Authorized Officers, and each of them acting alone, are authorized in their discretion to cause the Authority and the Company to enter into such transfer agreements, assignment and assumption agreements, amendments and restatements to the Second Amended and Restated Operating Agreement of the Company (as previously amended and/or supplemented to date) and other agreements, as are deemed necessary or desirable by any Authorized Officer to properly evidence the transfer of the membership interests to the Authority and/or THDG or other transferee, or their respective designees, or to evidence the transfer of the Project to the Authority. Without limiting the foregoing authority, the Authority is authorized (acting on its own behalf and/or as the Company's managing member) to enter into (i) assignment and assumption agreements with any lender that has made a loan with respect to the Project including, without limitation, the Tacoma Community Redevelopment Authority, Columbia State Bank, and the Washington State department of Commerce; (ii) one or more agreements with the Washington State Housing Finance Commission assuming responsibility for complying with the extended use agreement for the Project; and (iii) one or more

agreements with the United States of America, Secretary of Housing and Urban Development assuming responsibility for complying with a use agreement and other agreements for the Project. An Authorized Officer's execution of any instrument contemplated by this Section 3 will constitute conclusive evidence of their approval of the terms thereof and the approval by the Authority of such terms.

Section 22. Purchase Price and Other Expenditures. The Authority is authorized (acting on its own behalf and/or as the Company's managing member) to pay to the Investor Member, the Special Member, the Company, and/or their respective designees, the amount necessary to acquire the Investor Member's and/or the Special Member's interests in the Company, or to acquire the Company's interest in the Project. In addition to payments authorized pursuant to the preceding sentence, the Authority is authorized to expend such

additional funds as are necessary to pay for all governmental filing fees, application fees, registration fees, real estate excise taxes, Washington State Housing Finance Commission fees, and other costs relating to the actions authorized by this resolution.

Section 23. Amended and Restated Operating Agreement; Termination of Company. If the Authorized Officers, or any of them, determine that it is in the Authority's interests to cause the Authority and/or THDG or another designee to acquire membership interests in the Company, then the Authority is authorized to enter into, and to cause the Company to enter into, an amended and restated limited operating agreement (the "Operating Agreement") for the Company in a form approved by the Authorized Officer executing the Operating Agreement. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority to execute and deliver the Operating Agreement. An Authorized Officer's execution

of the Operating Agreement will constitute conclusive evidence of such officer's approval of the terms thereof and the approval by the Authority of such terms. Once the Authority and/or THDG or another designee are the only member(s) of the Company, and such transfer has been approved by all relevant lenders and parties with the right to enforce transfer restrictions, the Authorized Officers, and each of them acting alone, are hereby delegated the discretionary authority to cause the Company to transfer the Project to the Authority. Once the Company's interest in the Project is terminated, the Authority shall cause the Company to be unwound and shall cause liquidating distributions to be made by the Company. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority (acting on its own behalf, and as managing member of the Company, as applicable) to execute, deliver and, if applicable, file (or cause to be delivered and/or filed) any and all documents necessary to liquidate and terminate the Company.

Section 24. Supplemental Authorization. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority (acting on its own behalf, and as managing member of the Company, as applicable) to execute, deliver and, if applicable, file (or cause to be delivered and/or filed) any affidavits, certificates, letters, documents, agreements, instruments and government forms that such Authorized Officer determines to be necessary or advisable to give effect to this resolution and to consummate the transactions contemplated herein.

Section 25. Ratification and Confirmation. All actions of the Authority and its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.

Section 26. Acting Officers Authorized. Any action required by this resolution to be taken by the Executive Director of the Authority may, in such person's absence, be taken by the duly authorized acting Executive Director of the Authority.

Section 27. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

ADOPTED by the Board of Commissioners of the Housing Authority of the City of Tacoma at an open public meeting held on October 23, 2024.

HOUSING AUTHORITY OF THE CITY OF TACOMA

Chair, Board of Commissioners

ATTEST:

Executive Director

CERTIFICATE

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

1. That the attached Resolution 2024-10-23(3) (the "Resolution") is a true and correct copy of the resolution of the Board of Commissioners of the Authority as adopted at a meeting of the Authority held on October 23, 2024 (the "Meeting"), and duly recorded in the minute books of the Authority;

2. That the public was notified of access options for remote participation in the Meeting [via the Authority's website]; and

3. That the Meeting was duly convened, held, and included an opportunity for public comment, in all respects in accordance with law, and to the extent required by law, due and proper notice of the Meeting was given; that a quorum was present throughout the Meeting, and a majority of the members of the Board of Commissioners of the Authority present at the Meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand on October 23, 2024.

HOUSING AUTHORITY OF THE CITY OF TACOMA

April Black, Executive Director

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

Upon roll call, the vote was as follows:

AYES:	4
NAYS:	0
Abstain:	0
Absent:	1

Motion approved: October 23, 2024

Derek Young, Chair

RESOLUTION 2024-2024-10-23 (4)
(Aviva Financing Actions)

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF TACOMA, authorizing the amendment of the existing lease of Authority property to Mercy Housing Northwest; authorizing a loan to be made to MHNW 25 Aviva 4 LLLP; approving the negotiation, execution and delivery of documents relating to the Aviva Crossing 4% affordable housing development; and determining related matters.

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

Section 28. Recitals and Findings. The Board of Commissioners (the “Board”) of the Housing Authority of the City of Tacoma (the “Authority”) finds and determines that:

(a) Statutory Authorization. The Authority is authorized by the Housing Authorities Law (chapter 35.82 RCW) to, among other things: (i) “prepare, carry out, acquire, lease and operate housing projects; to provide for the construction, reconstruction, improvement, alteration or repair of any housing project or any part thereof” (RCW 35.82.070(2)); (ii) “lease or rent any dwellings . . . buildings, structures or facilities embraced in any housing project and . . . to establish and revise the rents or charges therefor” (RCW 35.82.070(5)); (iii) “make and execute contracts and other instruments, including but not limited to partnership agreements” (RCW 35.82.070(1)); (iv) “delegate to one or more of its agents or employees such powers or duties as [the Authority] may deem proper” (RCW 35.82.040); and (v) “make . . . loans for the acquisition, construction, reconstruction, rehabilitation, improvement, leasing or refinancing of land, buildings, or developments for housing for persons of low income” (RCW 35.82.070(19)). The phrase “housing project” is defined by RCW 35.82.020 to include, among other things, “any work or undertaking . . . to provide decent, safe and sanitary urban or rural dwellings, apartments, mobile home parks or other living accommodations for persons of low income.”

(b) The Project. Mercy Housing Northwest, a Washington nonprofit corporation (the “Sponsor”) formed MHNW 25 Aviva 4 LLLP, a Washington limited liability limited partnership (the “Partnership”) to participate in the development, acquisition, construction, equipping, and financing of an affordable housing development consisting of approximately 79 units of affordable housing (the “Project”). The Authority owns the fee simple interest in the land on which the Project is to be located. To facilitate the Partnership’s development of the Project, the Authority and the Sponsor entered into a Ground Lease Agreement dated as of August 1, 2024 (the “Ground Lease Agreement”), and a memorandum thereof (the “Memorandum of Ground Lease”), which Ground Lease Agreement and Memorandum of Ground Lease may be amended in connection with the financial closing for the Project. The land lease and certain encumbrances on the Authority’s interest on the land on which the Project will be located, and other property in the vicinity thereof, are necessary to facilitate the development of the Project, are necessary to support the poor and infirm, are important for the feasibility of the Project, and are necessary to enable the Authority to carry out its powers and purposes under the Housing Authorities Law.

(c) The Loan. The Sponsor has requested that the Authority make a loan to the Partnership in the principal amount not to exceed \$1,000,000 (the “Loan”) to finance a portion of the cost of the Project and related infrastructure improvements. The Authority has determined that it is in the best interest of the Authority to provide the Loan to the Partnership. The financial assistance to be provided by the Authority pursuant to this resolution is necessary to support the poor and infirm. The Board further finds that the Loan to is important for the feasibility of the Project and is necessary to enable the Authority to carry out its powers and purposes under the Housing Authorities Law.

Section 29. Approval of Transaction Documents. The Authority’s Executive Director, the Chair of the Board, and their respective designees (each, an “Authorized Officer” and, collectively, the “Authorized Officers”), and each of them acting alone, are authorized and directed to negotiate, execute, deliver and, if applicable, file (or cause to be executed and delivered and, if applicable, filed) on behalf of the Authority (i) those documents listed in Exhibit A (collectively, the “Transaction Documents”) in such forms as any Authorized Officer may approve (with the understanding that an Authorized Officer’s signature on a Transaction Document shall be construed as the Authority’s approval of such Transaction Document); and (ii) any other documents reasonably required to be executed by the Authority to carry out the transactions contemplated by the Transaction Documents. The Authorized Officers (and each of them acting alone) are further authorized and directed to take any other action and to execute such other documents as may be required to be taken or executed by the Authority under the provisions of or as necessary to carry out the transactions contemplated by the Transaction Documents (including the amendment of any such documents if necessary to further the purposes thereof or resolve ambiguities therein).

Section 30. Authorization to Lend Money; Authorization for Housing Authority Loan Documents. The Authority is authorized to lend to the Partnership up to \$1,000,000 of available Authority funds to provide financing for the development and construction of the Project and related infrastructure improvements, all pursuant to the terms of the Transaction Documents listed in Exhibit A under the heading “Housing Authority Loan Documents” (collectively, the “Housing Authority Loan Documents”). The Authorized Officers, and each of them acting alone, are authorized to determine the principal amount of the Loan, the terms of the Loan, and the source(s) of the Loan (subject to the limitations set forth herein), which terms shall be set forth in the Housing Authority Loan Documents.

Section 31. Approval of Amendment of Ground Lease and Real Estate Encumbrances. In furtherance of its statutory authority to provide decent, safe and sanitary living accommodations for persons of low income, the Authority is authorized to (i) negotiate, execute, deliver and, if applicable, file an amendment to the Ground Lease and, if necessary or appropriate, an amendment to the Memorandum of Ground Lease; (ii) encumber the Authority’s interest in land on which the Project is to be located (including its fee interest therein) pursuant to certain covenant agreements, regulatory agreements, extended use agreements, and other similar encumbrances; and (iii) encumber the Authority’s interest in property in the vicinity of the land on which the Project is to be located with certain easements and other encumbrances necessary or desirable for the construction and operation of the Project (the documents referred to in subsections (i), (ii), and (iii) are collectively referred to as the “Real Estate Documents”); provided, however, the foregoing authorization does not include any encumbrance that provides the

grantee or beneficiary the right or potential right to foreclose on (whether by judicial foreclosure, non-judicial foreclosure, deed in lieu, or otherwise), terminate, or otherwise vacate by any means all or any portion of the Authority's interest in such land, improvements, or property.

Section 32. Supplemental Authorization. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority to: (i) determine that any document authorized by this resolution is, at the time such document otherwise would be executed, no longer necessary or desirable and, based on such determination, cause the Authority not to execute or deliver such document; (ii) execute and deliver and, if applicable, file (or cause to be delivered and/or filed) any government forms, applications, affidavits, certificates, letters, documents, agreements and instruments that such officer determines to be necessary or advisable to give effect to this resolution and to consummate the transactions contemplated herein; and (iii) notwithstanding any other Authority resolution, rule, policy, or procedure, to create, accept, execute, send, use, and rely upon such tangible medium, manual, facsimile, or electronic documents, records and signatures under any security procedure or platform, as in such Authorized Officer's judgment may be necessary or desirable to give effect to this resolution and to consummate the transactions contemplated herein.

Section 33. Execution of Duties and Obligations. The Board authorizes and directs the Authority's Executive Director to cause the Authority to fulfill the Authority's duties and obligations under the Transactions Documents and other instruments authorized by this resolution, and to perform or cause to be performed such other acts as they shall consider necessary or advisable in order to give effect to this resolution and the transactions contemplated herein.

Section 34. Acting Officers Authorized. Any action authorized or required by this resolution to be taken by the Authority's Executive Director may, in such person's absence, be taken by the acting Executive Director of the Authority.

Section 35. Changes to Titles or Parties. While the titles of and parties to the Transaction Documents may change, no change to such titles or parties shall affect the authority conferred by this resolution to execute, deliver, file (if required), enforce and perform the documents in their final form.

Section 36. Ratification and Confirmation. All actions of the Authority and its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.

Section 37. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

ADOPTED by the Board of Commissioners of the Housing Authority of the City of Tacoma at an open public meeting held on October 23, 2024.

Chair, Board of Commissioners

ATTEST:

Executive Director

Exhibit A
Transaction Documents

Development Documents

- Joint Development Agreement between the Sponsor and the Authority.

Housing Authority Loan Documents

- Loan Agreement between the Authority, as lender, and the Partnership, as borrower
- Promissory Note by the Partnership for the benefit of the Authority
- Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing by the Partnership in favor of the Authority
- Hazardous Substance Warranty/Indemnity Agreement by the Partnership for the benefit of the Authority
- Regulatory Agreement between the Partnership and the Authority

Real Estate Documents

- First Amendment to Ground Lease Agreement and, if applicable, memorandum thereof;
- Condominium Declaration for Mercy Aviva Crossing, a Condominium by the Sponsor, as declarant, and the Authority;
- Ground Lessor Estoppel Certificate by the Authority
- Priority and Subordination Agreement among the Washington State Housing Finance Commission, JPMorgan Chase Bank, N.A., the Washington State Department of Commerce, Pierce County, Tacoma Community Redevelopment Authority, the Partnership, the Sponsor and the Authority
- Regulatory Agreement (Extended Use Agreement) between the Washington State Housing Finance Commission, the Partnership, and the Authority
- Amendment No. 1 to Declaration of Reciprocal Easements for James Center North by the Authority
- Storm Drainage Maintenance Agreement
- Partial Termination of Easement Agreement and Declaration of Restrictive Covenants and/or Amended and Restated Easement Agreement and Declaration of Restrictive Covenants
- Partial Termination of Declaration of Sanitary Sewer Easement by the Authority.

Subsidy Documents

- Agreement to Enter into a Housing Assistance Payments Contract between the Partnership and the Authority
- Project-Based Voucher Housing Assistance Payment Contracts between the Partnership and the Authority
- Consents to Assignment of Section 8 Project-Based Voucher Program Agreement to Enter Into a Housing Assistance Payments (PBV AHAP) Contract and Project-Based Voucher Housing Assistance (PBV HAP) Contract as Security for Financing by the Authority and acknowledged by the Partnership.

CERTIFICATE

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

1. That the attached Resolution 2024-10-23 (4) – Aviva Financing Actions, (the “Resolution”) is a true and correct copy of the resolution of the Board of Commissioners of the Authority as adopted at a meeting of the Authority held on October 23, 2024 (the “Meeting”), and duly recorded in the minute books of the Authority;
2. That the public was notified of access options for remote participation in the Meeting <https://www.tacomahousing.org/about/board/meeting-schedule/>; and
3. That the Meeting was duly convened, held, and included an opportunity for public comment, in all respects in accordance with law, and to the extent required by law, due and proper notice of the Meeting was given; that a quorum was present throughout the Meeting, and a majority of the members of the Board of Commissioners of the Authority present at the Meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand on October 23, 2024.

HOUSING AUTHORITY OF THE CITY OF TACOMA

April Black, Executive Director

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

Upon roll call, the vote was as follows:

AYES: 4
NAYS: 0
Abstain: 0
Absent: 1

Motion approved: October 23, 2024

Derek Young, Chair

8.5 AUTHORITY TO CONTRACT WITH DUOTEC

RESOLUTION 2024-10-23 (5)

Authority to Contract with DuoTec

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

WHEREAS, THA secured quotes for the installation of HVAC at Housing Hilltops Commercial Space; and

WHEREAS, THA evaluated each quote for the most responsible and reasonable; and

WHEREAS, THA chose DuoTec as the contractor for this work; and

WHEREAS, THA's Procurement Policy requires Board Approval for contracts greater than \$150,000 when previously authorized by a Board approved budget; now, therefore, be it

Resolved by the Board of Commissioners of the Housing Authority of the City of Tacoma, Washington that: THA is approved to enter into a contract with DuoTec for \$211,928.00.

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

Upon roll call, the vote was as follows:

AYES: 4
NAYS: 0
Abstain: 0
Absent: 1

Motion approved: October 23, 2024

Derek Young, Chair

8.6 AUTHORITY TO AMEND SERVICE CONTRACT WITH HOLADAY PARKS

RESOLUTION 2024-10-23 (6)

Authority to Amend Service Contract with Holaday Parks

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

WHEREAS, THA entered into a contract with Holaday Parks in 2020 for HVAC maintenance and service at THA properties; and

WHEREAS, THA now seeks to add Arlington Youth Center and The Rise @ 19th properties to the existing Agreement; and

WHEREAS, THA seeks to add an additional \$255,320.00 to the contract value, bringing the total contract to \$505,320.00; and

WHEREAS, THA’s Procurement Policy requires Board Approval for contracts greater than \$150,000 when previously authorized by a Board approved budget; now, therefore, be it

Resolved by the Board of Commissioners of the Housing Authority of the City of Tacoma, Washington that: THA is approved to enter into a Service Contract Amendment with Holaday Parks for an additional \$266,320.00.

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

Upon roll call, the vote was as follows:

AYES:	4
NAYS:	0
Abstain:	0
Absent:	1

Motion approved: October 23, 2024

Derek Young, Chair

8.7 AUTHORITY TO AMEND SERVICE CONTRACT WITH GREAT FLOORS

RESOLUTION 2024-10-23 (7)

Authority to Amend Service Contract with Great Floors

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

WHEREAS, THA entered into a contract with Great Floors in 2021 for unit turn work at THA Taxable Properties; and

WHEREAS, THA seeks to add an additional \$750,000.00 to the contract value, bringing the total contract to \$850,000.00; and

WHEREAS, THA's Procurement Policy requires Board Approval for contracts greater than \$150,000 when previously authorized by a Board approved budget; now, therefore, be it

Resolved by the Board of Commissioners of the Housing Authority of the City of Tacoma, Washington that: THA is approved to enter into a Service Contract Amendment with Great Floors for an additional \$750,000.00.

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

Upon roll call, the vote was as follows:

AYES:	4
NAYS:	0
Abstain:	0
Absent:	1

Motion approved: October 23 2024

Derek Young, Chair

9. COMMENTS FROM COMMISSIONERS

Commissioner Purter expressed gratitude for the staff's efforts, emphasizing that he acknowledges their hard work and does not want to suggest otherwise. He appreciates the daily contributions of staff members. Commissioner Hodge agreed with his comments. Commissioner Smith also remarked that everyone is performing exceptionally well. ED Black conveyed appreciation for the Board, and Chair Young thanked everyone, stating, "Nice work."

10. ADJOURNMENT

There being no further business to conduct, the meeting ended at 5:57 pm.

APPROVED AS CORRECT

Adopted: December 11, 2024

Derek Young, Chair



MOTION

Date: December 11, 2024

To: THA Board of Commissioners

MOTION

Move to approve the 2025 Tacoma Housing Authority Board of Commissioners' meeting schedule.

INTENT

Approve the 2025 THA BOC meeting schedule to comply with THA Bylaws and RCW 42.30.070.

THA Bylaws Section 4.1.2

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

RCW 42.30.070

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

IMPLEMENTATION

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

Approved: December 11, 2024

Derek Young, Chair



TACOMA HOUSING AUTHORITY

2025 Board of Commissioners Meeting Schedule

Regular Meetings		Special Sessions	Location: 902 South L Street, Tacoma, WA
Monthly Meetings	Study Sessions		Teams Links
January 22			Join the meeting now
	February 7		Join the meeting now
February 26			Join the meeting now
March 26			Join the meeting now
April 23			Join the meeting now
	May 2		Join the meeting now
May 28			Join the meeting now
June 25			Join the meeting now
	July 11		Join the meeting now
July 23			Join the meeting now
August 27			Join the meeting now
	September 12		Join the meeting now
September 24			Join the meeting now
October 22			Join the meeting now
	November 7		Join the meeting now
November 12			Join the meeting now
December 10			Join the meeting now

Regular Meetings begin at 4:45 pm / **Study Sessions** begin at 12:00 p.m.
Meeting dates, locations, and times are subject to change.

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



**Tacoma
Housing
Authority**

Real Estate Development Committee

Vice Chair Stanley Rumbaugh
Commissioner Minh-Anh Hodge

Finance Committee

Chair Derek Young
Commissioner Michael Purter

Community Partnerships and Advocacy Committee

Commissioner Michael Purter
Commissioner Shennetta Smith

Education, Housing, Services and Partnerships Committee

Chair Derek Young
Commissioner Minh-Anh Hodge

Diversity, Equity and Inclusion Committee

Commissioner Minh-Anh Hodge
Commissioner Shennetta Smith



TACOMA HOUSING AUTHORITY

FINANCE REPORT



MOTION

Date: December 11, 2024

To: THA Board of Commissioners

MOTION

Adopt a consent motion ratifying the payment of cash disbursements totaling \$8,775,863 for the month of October 2024.

Approved: December 11, 2024

Derek Young, Chair

TACOMA HOUSING AUTHORITY
Cash Disbursements for the month of October 2024

	Check Numbers								
	From	To	From	To					
	Amount				Totals				
	A/P Checking		SAL 7 Checking		THDG Checking				
Checks	97,455	-	97,533	1,020	-	1,025	10,288	-	10,291
Wire/EFT	52	-	60	-	-	-	-	-	-
ACHs	3,433		3,524	141	-	150	-	-	-
Business Support Center						1,185,700			
Moving To Work Support Center						75,542			
Moving To Work Buildings (used by Support Center)						12,678			Program Support
Tax Credit Program Support Center						26,658			
Support Center Allocation						15,578			
Section 8 Programs						78,742			Section 8 Operations
Alberta J Canada Bldg						2,470			
James Center						5,323			Property Operations
Salishan 7						29,583			
Housing Hilltop LLLP						7,557			
Education Program - THDG						195			THDG
THDG - General						3,100			
James Center						3,447			
Hillsdale Heights						4,961			Development
HUD CPF Grant - Housing Hilltop						65,707			
Bus Development Activity						16,204			
CS General Business Activities						12,200			
SAFE/TRAC						32			
Department of Commerce Funding for Crisis Residential Center						31,532			
Community Services MTW Fund						13,295			Client Support
Education Private Grants (Gates, etc.) & 2 Gen						5,806			
COT-Community Wellness Program						1,050			
AMP 6 - Scattered Sites						963			
AMP 9 - HT 1500 - Subsidy						1,488			Public Housing
THA SUBTOTAL						1,599,810			
Hillside Terrace 2 & 1500						2,466			
Bay Terrace I & II & Community Facility						14,111			
Housing Hilltop LLLP						20,677			
Arlington Youth Campus						(3,896)			Tax Credit Projects - Reimbursable
Court F (The Rise)						5,870			
Renew Tacoma Housing						16,568			
Salishan 1 - Salishan 6						16,750			
Tax Credit Property Allocations						10,550			
TAX CREDIT SUBTOTAL (Operations & Development - billable)						83,097			1,682,907
Section 8 Checking Account (HAP Payments)									
SRO/HCV/VASH/FUP/NED/EHV/MSV	Check #'s		488,968	-	489,078	232,985			
	ACHs		47,743	-	48,677	5,013,405			\$ 5,246,390
Payroll & Payroll Fees - ADP	EFT		11	-	13				\$ 1,846,567
TOTAL DISBURSEMENTS									\$ 8,775,863

TACOMA HOUSING AUTHORITY
CASH POSITION - September 2024

Account Name	Current Balance	Interest
HERITAGE BANK		
Accounts Payable	13,698,148	3.00%
Section 8 Checking	1,764,217	3.00%
THA Scattered Sites Proceeds	5,885,002	3.00%
FSS Escrows	129,358	3.00%
FSS Forfeitures	61,094	3.00%
Note Fund Account	108	3.00%
THDG - Tacoma Housing Development Group	978,767	3.00%
Salishan 7 Operations	1,156,771	3.00%
Salishan 7 Security Deposit	32,644	3.00%
Salishan 7 Replacement Reserve	724,644	3.00%
Salishan 7 Operating Reserve	213,659	3.00%
North Highland Operations	296,476	3.00%
North Highland Security Deposit	30,299	3.00%
North Highland Capital Reserve	412,364	3.00%
Highland Crest Operations	1,207,583	3.00%
Highland Crest Replacement Reserve	439,996	3.00%
Highland Crest Security Deposit	41,009	3.00%
Outrigger Operations	721,272	3.00%
Outrigger Replacement Reserve	389,261	3.00%
Outrigger Security Deposit	28,628	3.00%
Prairie Oaks Operations	77,897	3.00%
Payroll Account	33,482	3.00%
HOME STREET BANK		
James Center North Operations	636,860	0.00%
James Center North Security Deposit	79,362	0.00%
WASHINGTON STATE		
Investment Pool	\$ 9,132,966	5.23%
1. TOTAL THA CASH BALANCE	\$ 38,171,867	
Less:		
2. Total MTW Cash Balance	\$ 2,760,236	
<i>Less Minimum Operating Reserves</i>		
2.01 Public Housing AMP Reserves (4 months Operating Exp.)		
2.02 S8 Admin Reserves (3 months Operating Exp.)	726,000	
2.09 Less Total Minimum Operating Reserves	\$ 726,000	
2.1. MTW Cash Available (Lines 2-2.09)	\$ 2,034,236	
3. MTW Cash Held By HUD	\$ 9,178,062	
4. Non MTW Cash Restrictions/Obligations		
<i>4.1 Non MTW Operational Restrictions</i>		
4.10 HUD Restricted - Lot and Property Sales	\$ 5,885,002	
4.101 Scattered Sites Proceeds (Afford Hsg)	5,885,002	
4.20 THA Property Accounts Reserved	\$ 13,194,194	
4.201 Security Deposit Accounts	211,943	
4.202 Highland Crest Operations Reserves	520,000	
4.203 Highland Crest Replacement Reserves	439,996	
4.204 James Center North Operations Reserves (Debt Svc)	1,000,000	
4.205 James Center North Capital	180,589	
4.206 Outrigger Operations Reserve	150,000	
4.207 Outrigger Replacement Reserves	389,261	

TACOMA HOUSING AUTHORITY

CASH POSITION - September 2024

4.208 Salishan 7 Operations Reserves	750,000		
4.209 Salishan 7 Replacement Reserves	724,644		
4.210 North Highland Court Operations Reserves	50,000		
4.211 North Highland Capital Reserve	412,364		
4.212 Housing Hilltop Loan Reserve	8,287,500		
4.213 Prairie Oaks Operations Reserve	77,897		
4.30 Rental Assistance Reserves		\$ 1,035,327	
4.301 Mod Rehab Operating Reserves	74,434		
4.302 VASH, FUP, FYI, NED, EHV & MAIN HAP & AF Reserves	770,442		
4.303 FSS Escrows	190,452		
4.40 Prepaid Grants		\$ 1,221,035	
4.401 TPS Interlocal (CS-2017-011)	120,013		
4.402 College Spark (PI-2018-005)	52,848		
4.403 GTCF Grant (PI-2019-005)	69,406		
4.404 THDG	978,767		
4.60 Total - Non MTW Cash Restrictions (4.10+4.20+4.30+4.40+4.50)		\$ 21,335,559	
4.70 Agency Contracted or Budgeted Commitments Remaining		\$ -	
		-	
		-	
4.99 Total Non MTW Cash Restrictions/Obligations (Lines 4.60+4.70)		\$ 21,335,559	
5. THA UNENCUMBERED (Non-MTW) CASH (Lines 1-2-4.99)		\$ 14,076,073	
6. Development Advances - Project Reimbursement upon draw		\$ 8,548	
6.01 Housing Hilltop LLLP	8,548		



TACOMA HOUSING AUTHORITY

PRESENTATION
Approve 2025 Agency Budget



TACOMA HOUSING AUTHORITY

AGENCY MONTHLY REPORT



TACOMA HOUSING AUTHORITY

To: THA Board of Commissioners
From: April Black, Executive Director
Date: December 11, 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 December. 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

- North - COO received 9/25/2024.
- Betterments to improve North and South building accessibility and security are being contemplated, including installation of ADA powered door openers on certain amenity spaces, 50 additional cameras throughout the two buildings, HVAC installation for the South Building commercial spaces and the North Building alleyway painting.

Commercial Space

- Jan Parker
 - Zeroing in on an architect for their space
 - Working through budget items based on initial architect feedback
- Lavonne’s Room
 - Working towards flooring and painting TI
- TUPAC
 - THA has asked for business expansion and fundraising plans to be submitted by the end of the year.

Lease Up

- South Building
 - 70 or 94 units occupied as of 12/2/2024

Aviva Crossing



Site

- Utility work began in August
- THA is pursuing \$1.8 million in County funds to help support the predevelopment work
- THA submitted the CHIP 2024 application in connection to Related NW's development
- Easements held by neighbors restricting Aviva Crossing development due to height limits and parking claims has been resolved

Koz (Lot 1)

- Continuing to negotiate the terms of a purchase on this site.

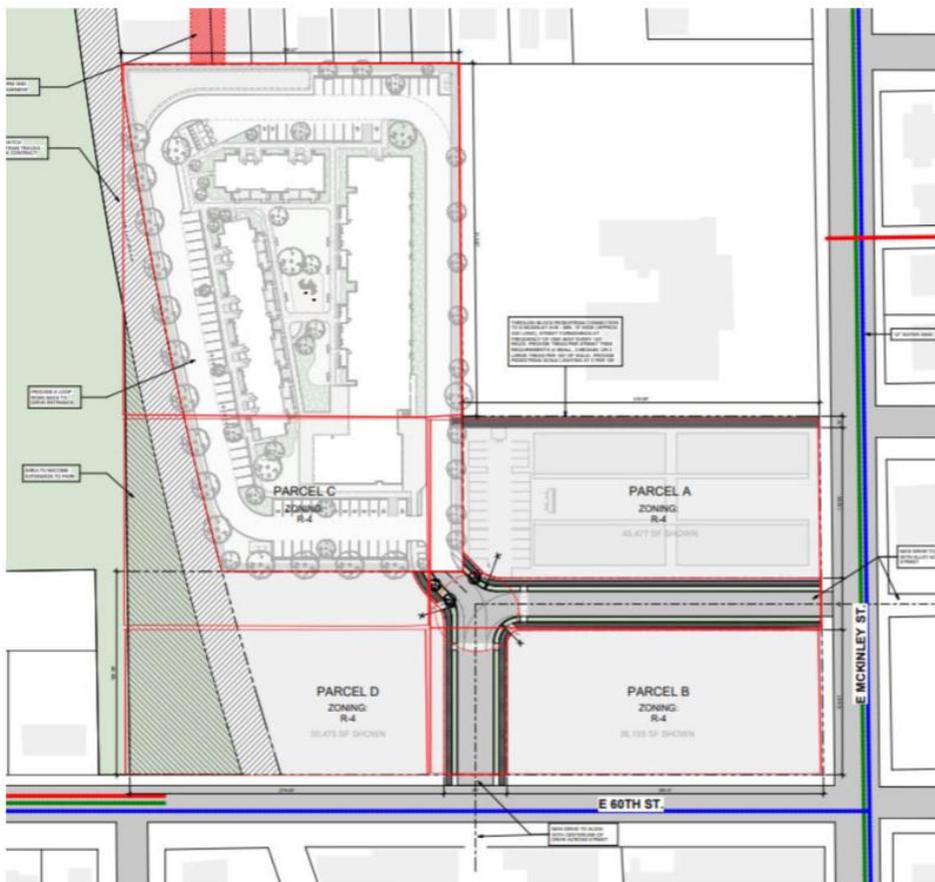
Mercy (Lot 4)

- AHAPs have been approved by HUD and executed
- Tax Credit closing scheduled by December 15th.
- Business terms have been settled, including a \$1,000,000 loan to the Mercy project with a 40-year term, earning 5.4% compounding annual interest. Other contributions to the infrastructure work are capped at \$1.8 million. THA is determining what portion of these funds can be paid with restricted sources.

Related Northwest (Lot 3)

- Targeting 150 units at 60% AMI
- Early terms negotiation underway

Hillsdale Heights



- Bridge Meadows has submitted their 9% LIHTC and CHIP applications
- Pre-application meeting with the city is complete. Developers following up based on feedback from meeting.
- THA continues detailed conversations with partners on land sale. Bridge Meadows, Louis Rudolph Homes and Eloise's Cooking Pot are fully engaged and working together.
- THA has procured a new appraisal for Parcels A, B & D and hopes to have this completed by the end of the year.
- THA is procuring a Critical Areas Report based on City's feedback on visual site inspection.

Salishan & Hillside 2300 Resyndication

- Environmental, seismic and survey scopes have been finalized. Proposals are still being collected for the appraisal, and zoning.
- THA continues to identify and pursue funding opportunities.
 - More detailed discussions progressing with TPU and MDC
- First draft of Owner's program/scope has been reviewed and THA is working with Brawner on implementing those comments into the program.
- The project is currently out to bid.
- We are working on creating a Construction Oversight Committee for this project.

INCREASE HOUSING ACCESS AND STABILITY

Waitlist Opening

THA's waitlist opened on November 14th. In the first 24 hours we had nearly 5,000 applications come in and about 8,300 to date. Jess Thompson, Project Manager in the Policy, Improvement & Evaluation Department, helped manage the opening with the support of IT, Rental Assistance, and the Communications and Marketing team along with many volunteers from across the agency. Tacoma Public Library was a pivotal partner in increasing accessibility to our waitlist opening by sending library staff to our training sessions and making their locations available for the community to come in and apply online.

Take some time to enjoy these great videos our Communications Team made to support the waitlist opening (fully translated versions will soon be available in Spanish, Russian, Vietnamese, Korean, Khmer, and Samoan!):

https://www.youtube.com/playlist?list=PLAv8mfFvp5IYDV_uivSjIJ-cP0AbGExvz



Update to Utility Allowance Schedule & Payment Standards

The Policy, Improvement, and Evaluation Department along with Rental Assistance and Finance have reviewed the analysis of THA's payment standards and utility allowance schedule.

Utility Allowances Analysis & Recommendation: The interdepartmental work group recommends adopting the proposed utility allowances outlined below to ensure they reflect the most current rates and usage.

- **Annual Review Requirement:** Utility allowances must be reviewed annually, and any changes exceeding ten percent must be revised and approved by the Board of Commissioners.
- **Analysis Methodology:** The analysis for the updated utility allowances was conducted using 2023 utility consumption data and published 2024 rates for energy, water, sewer, and garbage, following the approved methodology developed with Seasholtz Consulting Inc.
- **Partnership with Tacoma Public Utilities (TPU):** THA collaborates with TPU to collect regular updates on electrical consumption and rates, allowing for accurate and timely updates to the utility allowance schedule.
- **Proposed Changes:** The chart below shows the proposed utility allowances for different bedroom sizes, with specific amounts depending on who pays sewer and water.

Who Pays Sewer/Water	0-BD	1-BD	2-BD	3-BD	4-BD	5+BD
Landlord	\$64	\$66	\$81	\$105	\$127	\$140
Tenant	\$168	\$174	\$212	\$268	\$321	\$360

Payment Standards Analysis & Recommendation: The interdepartmental work group recommends increasing THA's current payment standards by the same amount of the utility allowance increase. This will ensure families do not see an increase in their portion. Below is a summary of the analysis. Please reference the attached presentation for additional information.

- **Key Questions:** The analysis addressed key questions about market conditions, rent burdens, and voucher success rates.
- **Indicators:** To help answer those questions three indicators were examined: rent burden, voucher success rate, and current payment standards compared to: current market rents and the contract rents for families on program.
 - **Rent Burden:** Rent burdens continue to sit below the 40% threshold. The percentage of families experiencing rent burdens is rising, which indicates the potential need for an increase in the near future.
 - **Voucher Success Rates:** Success rates are steady or improving, but median days to success are rising or leveling off for some bedroom sizes.
 - **Market & Contract Rents:** Payment standards are within the approved Fair Market Rent (FMR) range but near the bottom. Market rents are rising steadily. Yet, new contract rents are below the payment standards for the most part. Some bedroom sizes are starting to catch up to the payment standards.

- **Proposed Changes:**

Bedroom Size	Current Payment Standard (PS)	Proposed Payment Standard	Current Exception PS*	Proposed Exception PS
0-BD	\$1233	\$1252	\$1409	\$1428
1-BD	\$1373	\$1392	\$1570	\$1589

2-BD	\$1725	\$1743	\$1972	\$1990
3-BD	\$2452	\$2474	\$2802	\$2824
4-BD	\$2740	\$2761	\$3288	\$3309
5-BD	\$3151	\$3172	\$3781	\$3802

*Exception payment standards apply to some of THA’s special purpose vouchers like our vouchers for veterans.

- **Future Considerations:** THA plans to examine Tacoma and Pierce County submarkets and consider implementing Small Area Fair Market Rents by the end of 2025.

Support Services

The last two months have remained busy for the CSE team, who fielded 375 new referrals from both Property Management and Rental Assistance and made at least 436 contacts with those referred. Of the total *new* referrals, about 300 of them were for families living at THA owned/operated properties, and about 230 of them were for housing stability needs. Housing stability could be anything from helping families address late rent, to resource needs for the household.

CSE and Property Management continue to work closely together to help families get caught up on rental arrears. As mentioned in previous reports, we have begun a “warm outreach” program where, between the two departments, we focus on each household who is 60 days behind in rent. For those households, we personally reach out by way of phone call, personal email or door knock at least four times. Of the 109 families who hit that 60-day mark, all received the four warm outreach attempts, and at least 64% (approximately 70 households) did *not* appear again on the subsequent month’s 30-day list. This is a huge success, and both teams deserve a huge bit of kudos for their effort. This work is on top of their day-to-day requirements but each person on both teams has made a significant effort to help get folks current on their rent, leading to stable housing and mitigated stress on families.

In the last couple of months, our Community Builders also helped to bring a multitude of partners onsite addressing expressed needs from residents. These activities in October and November have included back to school events, food banks/food pantries, tutoring, financial

coaching activities and programs, homeownership classes and utility assistance support, not to mention several Halloween events.

MAKE THA A GREAT PLACE TO WORK

December 6th Employee Appreciation Celebration

The Employee Appreciation Celebration is on Friday, December 6th at the Star Center! This special event is dedicated to honoring the dedication and milestones of our staff. We want to extend a heartfelt thank you to each member of the Tacoma Housing Authority team for their unwavering commitment and hard work throughout the year.

Launch of the THA Apparel Store

We're excited to announce the launch of the THA apparel store, a project initiated in response to staff interest. The Executive Initiatives Officer has collaborated with a vendor to bring this store to life, reflecting our commitment to meeting staff preferences and enhancing their sense of belonging to the THA community. The store is open from October 28 to November 15 and offers a selection of items specifically requested by staff, including stylish vests, durable jackets, practical visors, and cozy plush velour hoodies and pants.

Popcorn Wednesday

Don't miss Popcorn Wednesday on December 4th at the Family Investment Center! This event continues to gain support and attendance from staff.

Benefits Fair & Vaccination Clinic

The HR department held its first annual Benefits Fair and Vaccination Clinic on October 30. Over 70 employees participated and received vaccinations. The employees were appreciative of the informative information and swag received from the benefit providers, fun raffle prizes, and the ease of receiving vaccines on site.

New Employee Benefit

HR enhanced THA's employee benefits package by offering pet insurance through Nationwide. This voluntary benefit is heavily discounted and available to all employees with the convenience of payroll deductions.

Open Enrollment

Open enrollment began October 28 and ended on November 25. The HR department communicated frequently with employees during this time and assisted them with the enrollment process. 154 open enrollments were processed during this time.

New Senior General Counsel

Lauren Kirigin will be joining THA as our new Senior General Counsel. Her first day is January 7th.

Lauren has been in the law field for over 14 years. Most recently, she has worked as an Assistant Attorney General with the WA State Office of the Attorney General. In that role, Lauren worked with the divisions of Children, Youth and Families; Social and Health Services-Tacoma; Public Lands and Conservation; and Social and Health Services- Olympia.

When Lauren starts with THA, she will initially focus on supporting HR and Property Management.

A LOOK AHEAD: JANUARY BOARD FOCUS

Our January Board meeting will be focused on staffing.

ADVOCACY ITEMS

Federal Updates

Commissioners Young, Smith, and Rumbaugh traveled to Washington DC with Aley Thompson, Marquis Jenkins, and I for the Council of Large Public Housing Authorities Conference. During our time, we met with our elected officials to advocate for funding and regulatory reform. (Our advocacy agenda is attached.)

During our legislative visits and at the conference we focused on preparation for the incoming administration. We will have a new HUD Secretary who may have different interests than the last. We are also awaiting budget decisions.

The federal government is currently operating under a continuing resolution (CR) that goes until December 20th. We are awaiting what will happen next. Some possibilities include:

- Congress passes a full FY25 budget (referred to as an “omnibus”). That could result in a change to THA’s current funding and would establish our 2025 federal funding through September.
- Congress could pass parts of the FY25 budget. This would provide certainty about certain parts of the budget and indicate the new administration is more focused on the areas of the federal government not included in partial budget approvals (referred to as “mini-busses”).
- Congress passes another CR that would extend through the end of the FY25 fiscal year. This would provide THA with the same level of funding through September.
- Congress passes another CR that extends until after the inauguration. This would allow the new Congress and President to make FY25 decisions about all parts of the federal budget. This option provides THA with the most uncertainty since it leaves us awaiting budget news until Spring 2025, giving us less time to adjust to any changes since we will already be months into our fiscal year.

We will continue to share updates as we know more.

State and Local Updates

- Finalized a proposal for a local sales tax exemption and state sales tax rebate for housing developers building qualified projects -will be prime sponsored by Rep. Leavitt and is being drafted into a bill this week.
- AWAHA unanimously approved the Housing Authority Acquisition and Stabilization Program proposal (HAASP) -finalizing the proposal format with Tim Walter at KCHA before sending to key legislators for sponsorship this week.
- Met with Rep. Mena and Sen. Trudeau to advocate for funding for a) 2300/Sal re-syndication and b) future housing development feasibility with partners. Meetings have been requested for Sen. Conway, Rep. Fey, and Speaker Jenkins to bolster sponsorship support.
 - Nick Tolley is helping with 1pagers of both requests.

- Had first meeting with local developers to discuss how to lower the cost to develop by partnering and sharing information. We will work to identify potential models to both use in partnership as well as a "white paper" to ensure legislators understand where savings and policy changes can be utilized to make developing housing more feasible and affordable.
- Nicholas Carr was invited to participate in the Governor-elect Ferguson's transition steering committee on housing policy. He'll be creating a multi-policy proposal to present to them for inclusion in the new Gov's budget (this will include the previous two policy proposals, and some others sourced with partners).
- THA is hosting a local Government Affairs Collaborative to discuss shared priorities and support for each other's legislative advocacy and funding requests.
- THA has been (or will be) represented in numerous community-hosted events, including a Cushman Substation Public Session, the first Annual Pierce Transit Business Summit, the Tacoma Anchor Network, Clover Park Eastside Workforce Program launch, the Tacoma Community Safety Collaborative, UW/PSRC State Housing Research Center Summit, and the 2nd Annual Thriving Communities Convening.



TACOMA HOUSING AUTHORITY

federal agenda

2025

THA PROVIDES HIGH QUALITY, STABLE, AND SUSTAINABLE HOUSING AND SUPPORTIVE SERVICES TO PEOPLE IN NEED. WE DO THIS IN WAYS THAT HELP THEM PROSPER AND HELP OUR COMMUNITIES BECOME SAFE, VIBRANT, PROSPEROUS, ATTRACTIVE, AND JUST.

THERE ARE 33 UNITS OF AFFORDABLE HOUSING FOR EVERY 100 AMERICAN HOUSEHOLDS WHO NEED IT

maintain or increase funding for subsidized housing programs

- **Tenant based voucher programs**

Subsidized housing programs allow families to pay no more than 30% of their income as rent, the same affordability standard that is used to qualify a higher income family for a mortgage.

The local rental market, and resulting need for subsidy, has outpaced increases in HUD funding. As cost to subsidize rents increases, the number of households that can be served with the same amount of funding decreases.

Low-income households with vouchers also have a hard time competing in tight rental markets. They often need support in finding safe and secure housing.

- **Increase funding to allow housing authorities to serve the same or more households with tenant-based vouchers.**
- **Increase administrative fee funding to allow housing authorities to pay for the housing navigation and supportive services program participants need.**

- **Rental Assistance Demonstration (RAD)**

The RAD program was designed to use private investments into public housing to help improve the nation's aging and deteriorating housing stock. The program did initially improve housing quality. The program's HUD-established rent structure, and limits on the ability to charge market rent have returned us to a public housing-like funding structure that forces housing providers to choose between ongoing operations and preventative maintenance.

- **Remove the restrictions that require HUD to operate the RAD program at a net neutral budget impact.**
- **Remove restrictions on RAD rent and allow rents to be charged in line with existing rent reasonableness requirements that are applied to units leased with tenant-based voucher programs.**

increase the supply of affordable housing

- **Project-based vouchers in new construction**

Project-based vouchers are one of the only ways to get deeply affordable housing in new construction. They are also one of the few sources of federal funds that can be leveraged to finance permanent supportive housing.

Project-based voucher regulations apply onerous restrictions beyond the requirements in the traditional housing choice voucher program. The PBV requirements applicable to new construction and rehabilitation **add at least 20% to the costs of housing development**. To more effectively use this program to assist with production and improvement of deeply affordable housing units, please:

- *Revise the environmental review requirements, removing compliance with 24 CFR [parts 50](#) and [58](#), and defer to local codes and reviews.*
- *Revise the labor standard requirements that include Davis-Bacon Act, Contract Work Hours and Safety Standards Act ([40 U.S.C. 3701-3708](#)), [29 CFR part 5](#), and other federal laws and regulations pertaining to labor standards. The administrative oversight required of contractors both adds significant costs to projects while also disincentivizing small businesses from applying to work on these projects.*

- **Expand and strengthen the Low-Income Housing Tax Credit (LIHTC) program**

Support the passage of the bipartisan Affordable Housing Credit Improvement Act in the FY25 budget. We specifically support the Act's efforts to:

- *Restore the 12.5 percent cap increase that expired in 2021.*
- *Implement a 50% basis boost for developments serving extremely low-income individuals.*
- *Lower the Private Activity Bond cap threshold test from 50% to 25%.*





TACOMA HOUSING AUTHORITY

NEW BUSINESS

Resolution 1



RESOLUTION 2024-12-11(1)

Date: December 11, 2024

To: THA Board of Commissioners

From: April Black
Executive Director

Re: 2025 Contract with Pierce County Rapid Re-Housing Contract Homeless Housing Program

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

BACKGROUND

In 2013, Tacoma Housing Authority (THA) began its investment into the Pierce County Rapid Rehousing system. This resolution will allow staff to negotiate a new agreement with Pierce County Human Services to continue the investment. The contract will continue to dedicate THA's investment to housing for families with children and unaccompanied young adults aged 18-24. Pierce County's use of funding includes rental assistance, minimal administration costs, and other types of flexible assistance including Rapid Rehousing, diversion, and prevention. THA will continue to report the outcomes of this investment in its annual Moving to Work (MTW) Report and to the Board upon consideration of the next contract renewal.

RECOMMENDATION

Authorize THA's Executive Director to negotiate and sign a contract for up to \$900,000 with Pierce County for housing for families and young adults experiencing homelessness.



RESOLUTION 2024-12-11 (1)

2025 CONTRACT WITH PIERCE COUNTY RAPID RE-HOUSING CONTRACT HOMELESS HOUSING PROGRAM

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

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

WHEREAS, A new contract must be executed to serve families and young adults in 2025; and

WHEREAS, The contract will be in effect through 2026; now, therefore, be it

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

The Board authorizes THA's Executive Director to negotiate and to sign a new Pierce County Human Services contract for up to \$900,000 for housing for families and young adults experiencing homelessness.

Approved: December 11, 2024

Derek Young, Chair

Resolution 2



RESOLUTION 2024-12-11 (2)

Date: December 11, 2024

To: THA Board of Commissioners

From: April Black
Executive Director

Re: Utility Allowance Schedule Update

This resolution will adopt updated utility allowance schedules that will be used for the income-based calculation of rent for the Tacoma Housing Authority rental assistance programs.

BACKGROUND

Every year, Tacoma Housing Authority (THA) reviews its utility allowances. During this review, THA must determine if new rates will change THA's utility allowances. THA must update any bedroom size utility allowance showing a change of 10% or more to reflect the new utility rates.

Through a partnership with Tacoma Public Utilities (TPU), THA has been able to collect regular updates to electrical consumption and rates. This allows THA to regularly update its own schedule using a rolling average of local data. For this analysis, the 2023 utility consumption and published 2024 rates for energy, water, sewer and garbage were analyzed using the approved methodology developed with Seasholtz Consulting Inc.

As is shown in the chart below there was a ten percent change in three areas as well as increases for a few other scenarios. There were decreases as well. However, we recommend maintaining the previous allowance.

PROPOSED UA TABLES (using 2023 TPU consumption data & 2024 rates)
 9/18/2024

Revised UAs from 9/18/2024						
Pays Sewer/Water	0-BD	1-BD	2-BD	3-BD	4-BD	5+BD
Landlord	\$64	\$66	\$81	\$105	\$126	\$133
Tenant	\$168	\$174	\$212	\$268	\$321	\$360

CURRENT UA SCHEDULE (Effective 11/1/2021)						
Pays Sewer/Water	0-BD	1-BD	2-BD	3-BD	4-BD	5+BD
Landlord	\$58	\$62	\$78	\$102	\$127	\$140
Tenant	\$149	\$155	\$194	\$246	\$300	\$339

Percent Change from Existing UA to Proposed New Numbers						
Landlord % Change	10.3%	6.5%	3.8%	2.9%	-0.8%	-5.0%
Tenant % Change	12.8%	12.3%	9.3%	8.9%	7.0%	6.2%

RECOMMENDATION

We are recommending that we adopt the proposed utility allowances outlined below, to be effective January 1, 2024. We recommend this change because there has not been a recent increase, and we want to ensure our Utility Allowances reflect the most current rates and usage.

Who Pays	0-BD	1-BD	2-BD	3-BD	4-BD	5+BD
Sewer/Water						
Landlord	\$64	\$66	\$81	\$105	\$127	\$140
Tenant	\$168	\$174	\$212	\$268	\$321	\$360

Approve Resolution 2024-12-11 (2) authorizing THA to adopt all proposed bedroom size utility allowances according to the chart above, effective March 1, 2024.



**RESOLUTION 2024-12-11 (2)
(UTILITY ALLOWANCE SCHEDULE UPDATE)**

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

WHEREAS,; Utility allowances must be reviewed annually; and

WHEREAS,; PHAs must revise utility allowances if they change more than ten percent; and

WHEREAS, Changes to the utility allowances must be approved by the Board of Commissioners; now, therefore, be it

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

Authorizes THA to adopt all bedroom size utility allowances, effective January 01, 2024, according to the chart below.

Who Pays	0-BD	1-BD	2-BD	3-BD	4-BD	5+BD
Sewer/Water						
Landlord	\$64	\$66	\$81	\$105	\$127	\$140
Tenant	\$168	\$174	\$212	\$268	\$321	\$360

Approved: December 11, 2024

Derek Young, Chair

Resolution 3



RESOLUTION 2024-12-11 (3)

Date: December 11, 2024

To: THA Board of Commissioners

From: April Black
Executive Director

Re: **Payment Standards Update**

This resolution would authorize Tacoma Housing Authority (THA) to adopt new payment standards for use in THA's rental assistance programs.

BACKGROUND

Each year the Department of Housing and Urban Development (HUD) releases rent data for the Tacoma-Pierce County metropolitan rental market. These data set HUD's "fair market rents" (FMR) for our area for the following year, in this case, 2025. THA must set our payment standards within 80-120% of the HUD FMR. The payment standards are then used in determining the maximum amount of subsidy THA will pay to landlords. They are also used in the calculation of THA tenant and participant rents.

THA is required to complete an annual assessment of its tenant data and potentially adjust its payment standards based on this data. For this year's assessment we asked some key questions paired with three indicators to help guide our decision-making process.

Rent Burden

Rent burden refers to how much of their income families spend on rent. For each family size, we calculate rent as a percent of their monthly income.

- If families pay over 30% of their income on rent, THA calls that "rent burdened."
- If 40% or more of families in a particular unit size are rent-burdened, THA may adjust the payment standards to reduce the burden.

We want families to afford their rent without it being a burden. But we also want to help as many families as possible.

- *Key Question:* Are families at risk of housing instability?
 - *Answer:* No, families across all bedroom sizes remain below the 40% threshold. However, the percentages are rising, which indicates the potential for an increase in the future.

Voucher Success Rate

Voucher Success is the percent of families that successfully rented an apartment with their voucher.

- *Key Question:* Are families struggling to find housing?
 - *Answer:* It depends. Success rates are steady and, in some cases, improving. Yet, median days to success are rising or leveling off in some bedroom sizes. This means it is taking a longer time for some families to find housing.

Payment Standards, Contract Rents, and Market Rents

We use a third-party source for market rent data. It helps us compare our payment standards to the market and families' current rents. We also use it to check the FMRs against the market.

- *Key Questions & Answers:*
 - Are our payment standards outside of our approved FMR range (80-120%)?
 - No. Our payment standards are within the approved range but near the bottom.
 - Are THA's vouchers below-market rents?
 - No. However, for 1-bedroom families, market rents are rising above the payment standards. Yet, new contract rents are well below the payment standards.
 - Are market conditions tightening?
 - Yes. Market rents are rising steadily. Average contract rents for some bedroom sizes are starting to catch up to the payment standards.

Staff recommend increasing our current payment standards slightly to account for an increased utility allowance for the following reasons:

- The percent of families experiencing rent burden fell with the 2022-2023 payment standards and remains below THA's threshold.
- Success rates are steady or improving. But, median days to success are rising for some bedroom sizes. Which means it is taking longer for some families to find housing.
- A voucher's value matches new contract rents. In some cases, it is slightly higher than the current market rents in Tacoma.
- Recent utility rate increases require us to increase our utility allowances (UA).

The facts above support no change to the Payment Standards. However, to account for the UA change, staff recommend increasing the payment standards by the same amount as the change in the UAs.

They recommend approving Resolution 2024-12-11 (3) authorizing THA to adopt all proposed payment standards according to the chart below, effective March 1, 2025.



**RESOLUTION 2024-12-11(3)
(PAYMENT STANDARDS UPDATE)**

A RESOLUTION of the Board of Commissioners of the Housing Authority of the City of Tacoma authorizing the THA Executive Director to increase THA’s payment standards.

WHEREAS,; HUD sets fair market rents annually; and

WHEREAS,; the housing authority sets payment standards based on market and participant data; and

WHEREAS, changes to the payment standards must be approved by the Board of Commissioners; now, therefore, be it

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

Authorizes THA to adopt payment standards, effective March 01, 2025, according to the chart below.

Bedroom Size	Payment Standard	Exception PS
0	\$1252	\$1428
1	\$1392	\$1589
2	\$1743	\$1990
3	\$2474	\$2824
4	\$2761	\$3309
5	\$3172	\$3802

Approved: December 11, 2024

Derek Young, Chair

December 3, 2024

2025 Payment Standards Analysis

December 2024



Contents

- Analysis & Terms
- Background Information
- Key Questions
- Key Indicators
 - Comparison to Market & Contract Rents
 - Rent Burden
 - Voucher Success Rate
- Utility Allowances
- Future Considerations
- Summary & Recommendation
- Appendices



Analysis & Terms

- **We looked at three indicators to help us form a recommendation:**

1. The percent of families experiencing rent burden compared with the 2022-2023 payment standards and THA's threshold.
2. Success rates and median days to success for families attempting to find housing.
3. Our current payment standards compared to local market rents, families' current rents, and HUD Fair Market Rents.

- We also considered the effect of utility rate changes on our utility allowances.

- **Rent Burden** refers to how much of their income families spend on rent ([Slide 7](#)).
- **Success rates** are the percent of families that successfully rented an apartment with their voucher. ([Slide 9](#))
- **Utility allowances** estimate the cost of utilities and help set rent for tenants in housing assistance programs. ([Slide 10](#))

Background

Payment Standards set the value of a voucher.

- Once a year, HUD releases local rental data that set Fair Market Rents (FMR) for our service area.
- The 2025 FMRs increased by 2–4%.
- Last year, FMRs increased by 18–22%.
- We can set our payment standards at 80–120% of HUD FMRs.

Comparison of Fair Market Rents to Current and Exception Payment Standards

Unit Size	Fair Market Rents				Payment Standards (Standard)			Payment Standards (Exception: EHV & VASH)		
	FY2025	FY2024	\$ Change	% Change 2024 - 2025	Current Payment Standards	Current PS & 2025 FMR Difference	% of FMRs	Current Exception Payment Standards	Current Exception PS & 2025 FMR Difference	% of FMRs
Studio	\$1,479	\$1,430	\$49	3.4%	\$1,233	(\$246)	83.4%	\$1,409	(\$70)	95.3%
1 bedroom	\$1,673	\$1,603	\$70	4.4%	\$1,373	(\$300)	82.1%	\$1,570	(\$103)	93.8%
2 bedroom	\$2,057	\$1,987	\$70	3.5%	\$1,725	(\$332)	83.9%	\$1,972	(\$85)	95.9%
3 bedroom	\$2,882	\$2,800	\$82	2.9%	\$2,452	(\$430)	85.1%	\$2,802	(\$80)	97.2%
4 bedroom	\$3,292	\$3,236	\$56	1.7%	\$2,740	(\$552)	83.2%	\$3,288	(\$4)	99.9%
5 bedroom	\$3,786	\$3,721	\$65	1.7%	\$3,151	(\$635)	83.2%	\$3,781	(\$5)	99.9%
6 bedroom	\$4,280	\$4,207	\$73	1.7%	\$3,562	(\$718)	83.2%	\$4,274	(\$6)	99.9%
7 bedroom	\$4,773	\$4,692	\$81	1.7%	\$3,973	(\$800)	83.2%	\$4,768	(\$5)	99.9%
8 bedroom	\$5,267	\$5,178	\$89	1.7%	\$4,384	(\$883)	83.2%	\$5,261	(\$6)	99.9%

In January 2024, we maintained our payment standards at 2023 levels.

Key Questions

We asked these questions to guide our decision-making.
If most responses were “Yes,” we may need to raise the payment standards.

		Bedroom size 1	Bedroom size 2	Bedroom size 3
Are the payment standard below market rents?	Are THA's vouchers below market rents?	Yes	No (same)	No
Are new contract rents increasing?	Are the market conditions tightening?	No	Yes	Yes
Are 40% or more of households rent burdened?	Are families at risk of housing instability?	No	No	No
Are rent burdens trending up year over year?		Yes	Yes	Yes
Is overall voucher success decreasing year over year?	Are families struggling to find housing?	No*	No*	No*

* see Voucher Success Rates ([slide 9](#))

Payment Standards, Market & Contract Rents

We use a third-party source for market rent data. It helps us compare our payment standards to the market and families' current rents. We also use it to check the FMRs against the market.

Question: *Are our payment standards outside of our approved FMR range (80-120%)?*

- **No.** Our payment standards are within the approved range but near the bottom.

Question: *Are THA's vouchers below-market rents?*

- **No.** However, for 1-bedroom families, market rents are rising above the payment standards. Yet, new contract rents are well below the payment standards.

Question: *Are market conditions tightening?*

- **Yes.** Market rents are rising steadily. Average contract rents for some bedroom sizes are starting to catch up to the payment standards.

See data & visualizations in the Appendix ([slide 24](#))

Rent Burden

Rent burden refers to how much of their income families spend on rent.

- For each family size, we calculate rent as a percent of their monthly income.
 - If families pay over 30% of their income on rent, THA calls that "rent burdened."
 - If 40% or more of a unit's families are rent-burdened, THA may adjust the payment standards to reduce their burden.
- We want families to afford their rent without it being a burden. But we also want to help as many families as possible.

Rent Burden Findings

Question: Are families at risk of housing instability?

- **No.** Families across all bedroom sizes remain below the 40% threshold.
- However, the percentages are rising, which indicates the potential for an increase in the future.

Exception Payment Standards Group:

VASH voucher holders are generally not rent burdened; EHV voucher holders face higher rent burdens despite improved success rates ([see slide 14](#)).

See data & visualizations in the Appendix ([slide 18](#))

Voucher Success Rates

Voucher Success is the percent of families that successfully rented an apartment with their voucher.

Question: Are families struggling to find housing?

- **It depends.**
 - Success rates are steady and, in some cases, improving.
 - Yet, median days to success are rising or leveling off in some bedroom sizes.
 - This means it is taking a longer time for some families to find housing.

See data & visualizations in the Appendix ([slide 21](#))

Payment Standards & Utility Allowances

- **Utility allowances estimate the cost of utilities.**
We use payment standards and utility allowances in two key ways:
 1. To set the maximum rate of rental assistance we pay landlords.
 2. To calculate THA tenant and participant rent payments.
- **Recent utility rate increases require us to increase our utility allowances.**
This year, we propose to raise the Utility Allowances to these amounts:

Current Rate Schedule

Who Pays	0-BD	1-BD	2-BD	3-BD	4-BD	5+BD
Sewer/Water						
Landlord	\$58	\$62	\$78	\$102	\$127	\$140
Tenant	\$149	\$155	\$194	\$246	\$300	\$339

Proposed Rate Schedule

Who Pays	0-BD	1-BD	2-BD	3-BD	4-BD	5+BD
Sewer/Water						
Landlord	\$64	\$66	\$81	\$105	\$127	\$140
Tenant	\$168	\$174	\$212	\$268	\$321	\$360

Finance Department Comments

Small changes in the payment standard have a significant impact on the cost of THA's voucher programs.

- Increasing the payment standard to account for the change in the utility allowance is expected to cost:
 - \$400,000 in 2025
 - \$650,000 in 2026

The 2024 funding increase will allow THA to fund the change in the payment standard and increase utilization.

- While THA is not anticipating a funding increase for 2025, we anticipate having the financial flexibility necessary to make future changes to the voucher program.

Future Consideration for SAFMRs

THA plans to examine Tacoma, Pierce County submarkets and consider implementing Small Area FMRs (SAFMRs) or payment standard areas by the end of 2025.

- This may help us serve families better. Tacoma and Pierce County have diverse markets. It may also increase access to High Opportunity Areas.
- This work is in preliminary stages.

** See data & visualizations in the Appendix ([slide 32](#))*

Summary & Recommendation

Staff recommend increasing our current payment standards slightly to account for an increased utility allowance for the following reasons:

1. The percent of families experiencing rent burden fell with the 2022-2023 payment standards and remain below THA's threshold.
2. Success rates are steady or improving. But, median days to success are rising for some bedroom sizes, which means it is taking longer for some families to find housing.
3. A voucher's value matches new contract rents. In some cases, it is slightly higher than the current market rents in Tacoma.
4. Recent utility rate increases require us to increase our utility allowances (UA).

The facts above support no change to the Payment Standards. However, to account for the UA change, staff recommend increasing the payment standards by the UA.

Proposed Payment Standards

Payment Standards

Bedroom Size	Current	Proposed
0	\$1233	\$1252
1	\$1373	\$1392
2	\$1725	\$1743
3	\$2452	\$2474
4	\$2740	\$2761
5	\$3151	\$3172

Exception Payment Standards

Bedroom Size	Current	Proposed
0	\$1409	\$1428
1	\$1570	\$1589
2	\$1972	\$1990
3	\$2802	\$2824
4	\$3288	\$3309
5	\$3781	\$3802

Appendices

1. Rent Burden
2. Voucher Success
3. Comparison of Payment Standards to FMRs, and Market and Contract Rents
4. Future Considerations: Small Area FMRs





Appendix #1

Rent Burden

Rent Burdens

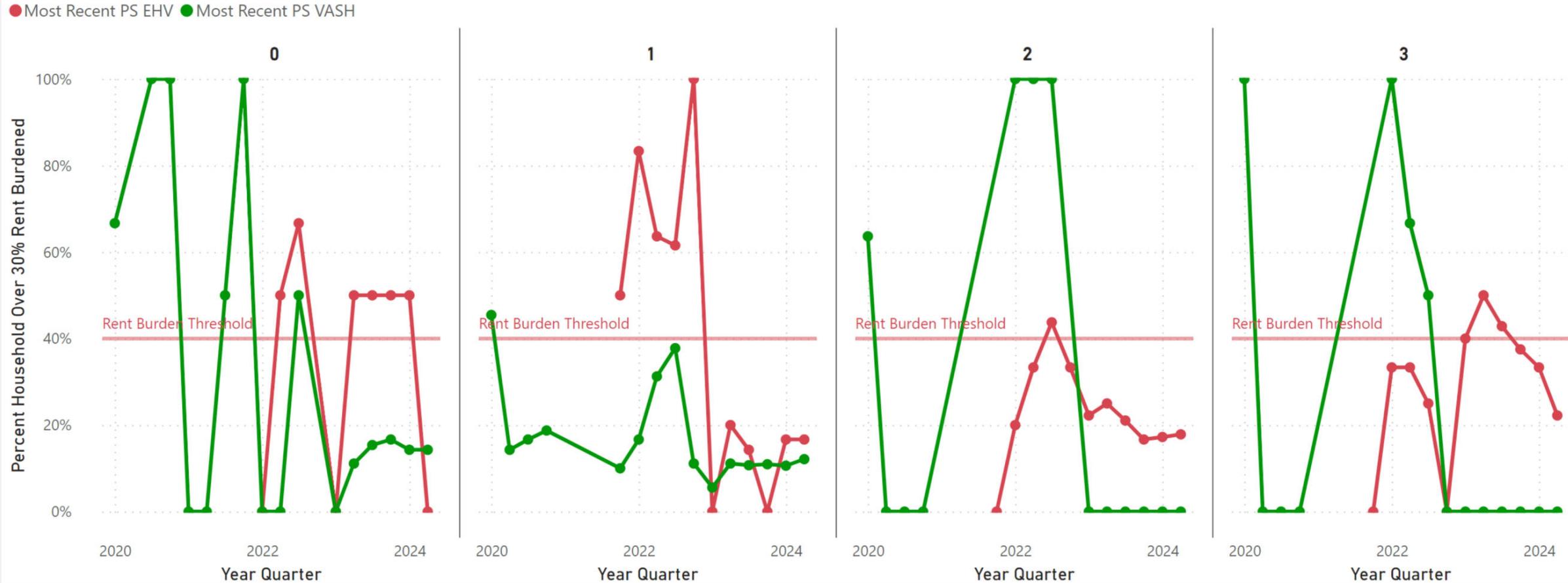
Percent Households Over 30% Rent Burden by Most Recent Payment Standard Type, Year and Quarter



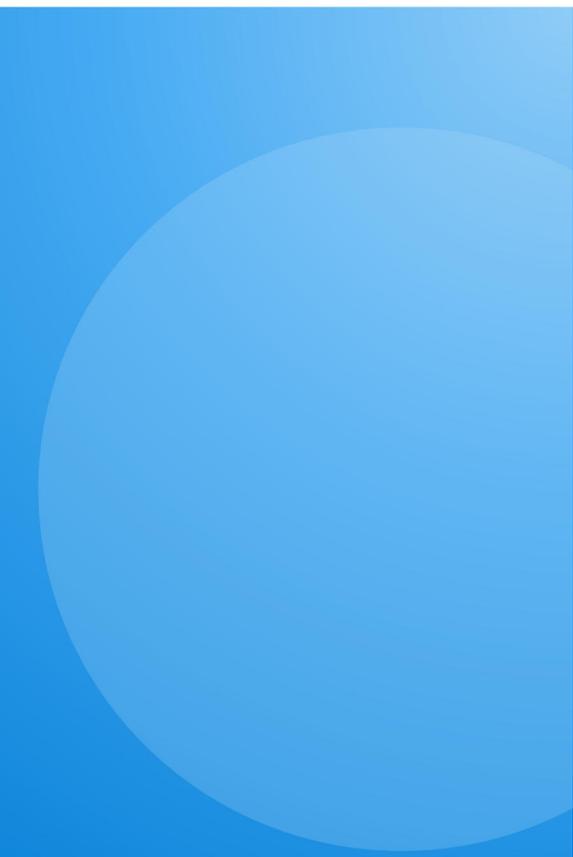
Rent Burden analytics exclude households on minimum rent as well as those renting units with more bedrooms than their assigned voucher size. The gap in 2021 for 2 and 3 bedrooms is due to a coding issue. It likely does not indicate zero rent burden.

Special Programs on Exception Payment Standards

Percent Households Over 30% Rent Burden by Most Recent Payment Standard Type, Year and Quarter



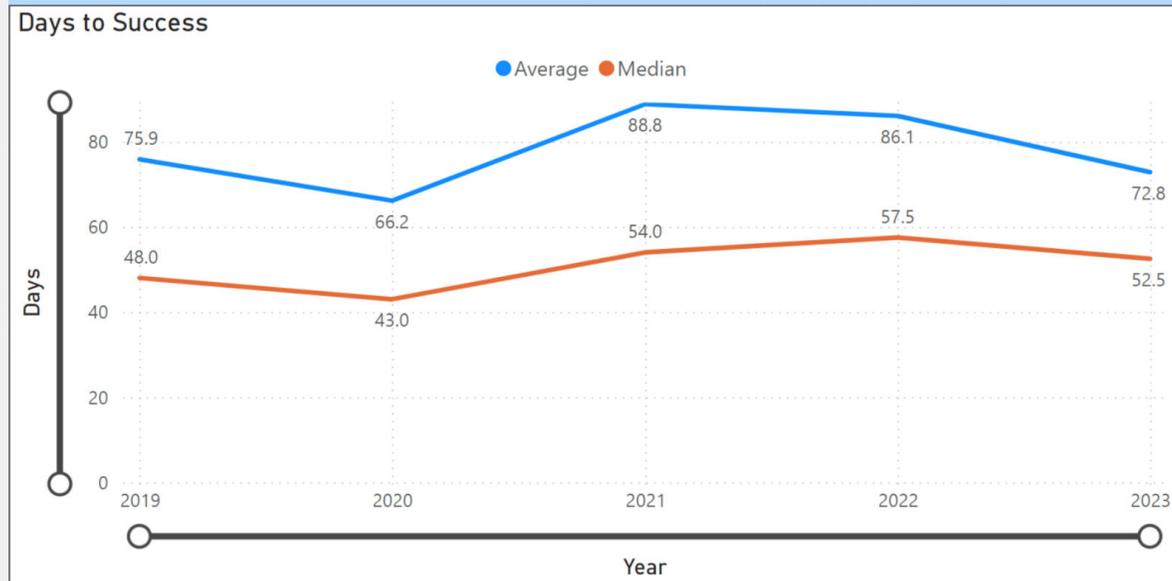
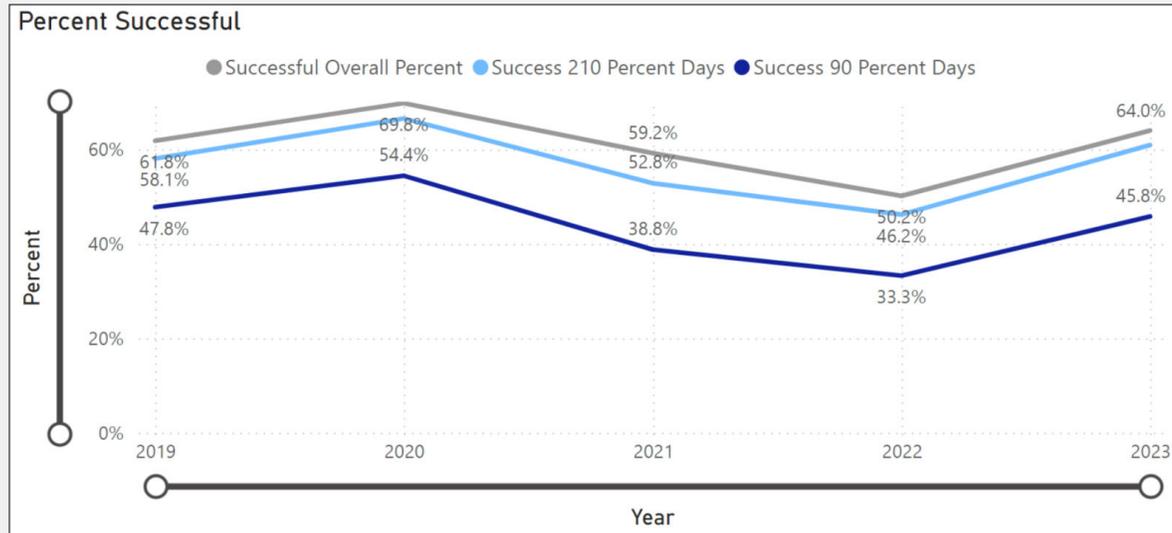
Rent Burden analytics exclude households on minimum rent as well as those renting units with more bedrooms than their assigned voucher size. The gap in 2021 for 2 and 3 bedrooms is due to a coding issue. It likely does not indicate zero rent burden.



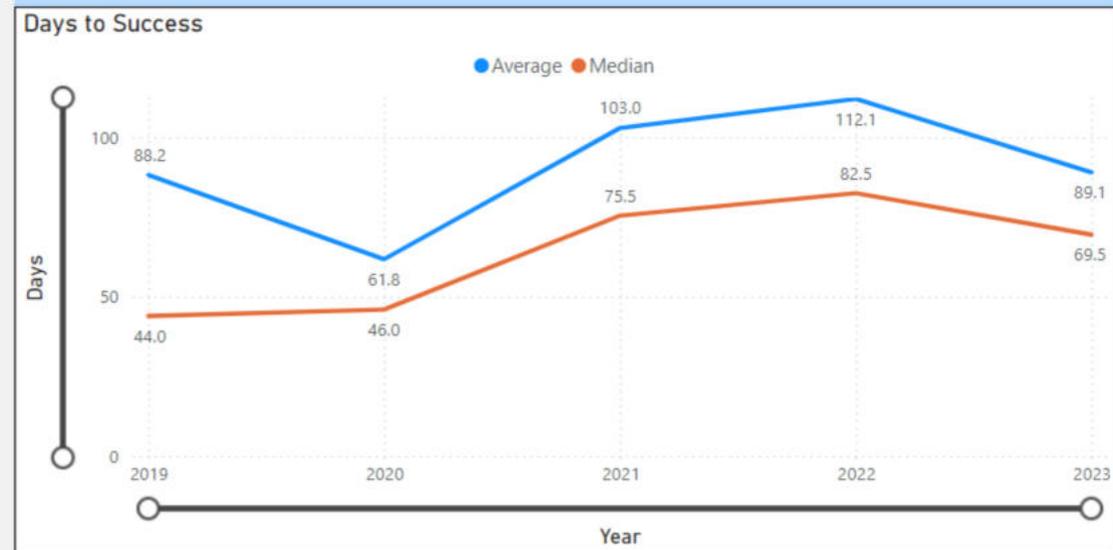
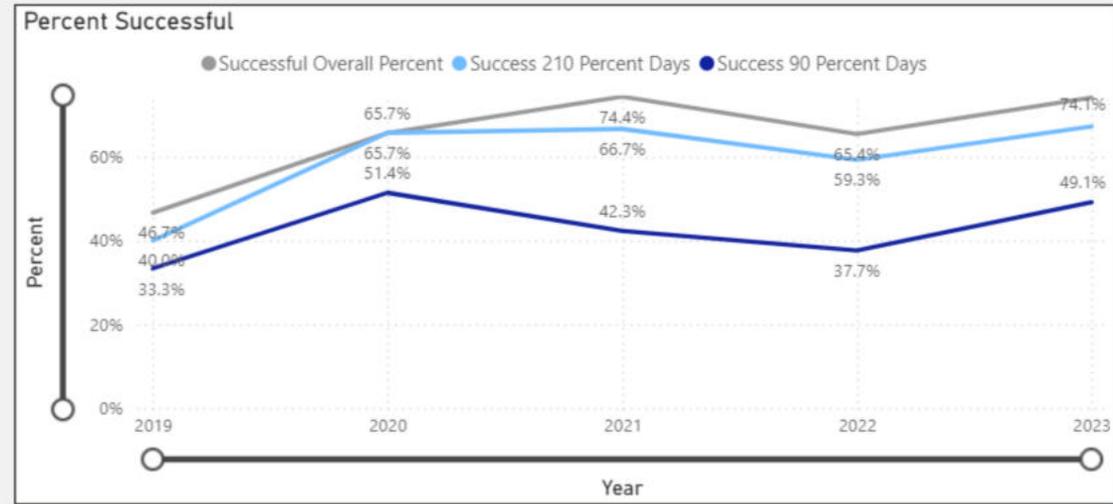
Appendix #2

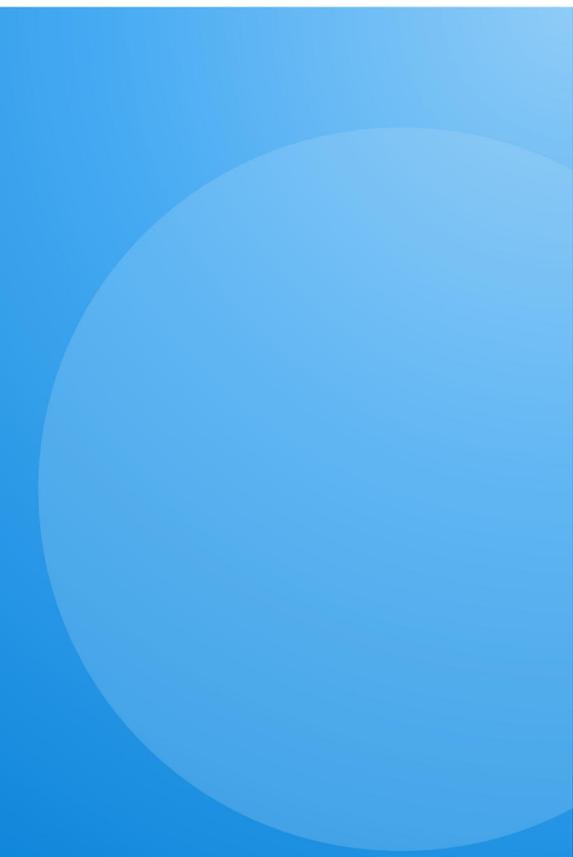
Voucher Success

Voucher Success Rates for Studio, 1, 2, 3-bedroom units



Voucher Success Rate for Special Programs (all bedroom sizes)





Appendix #3

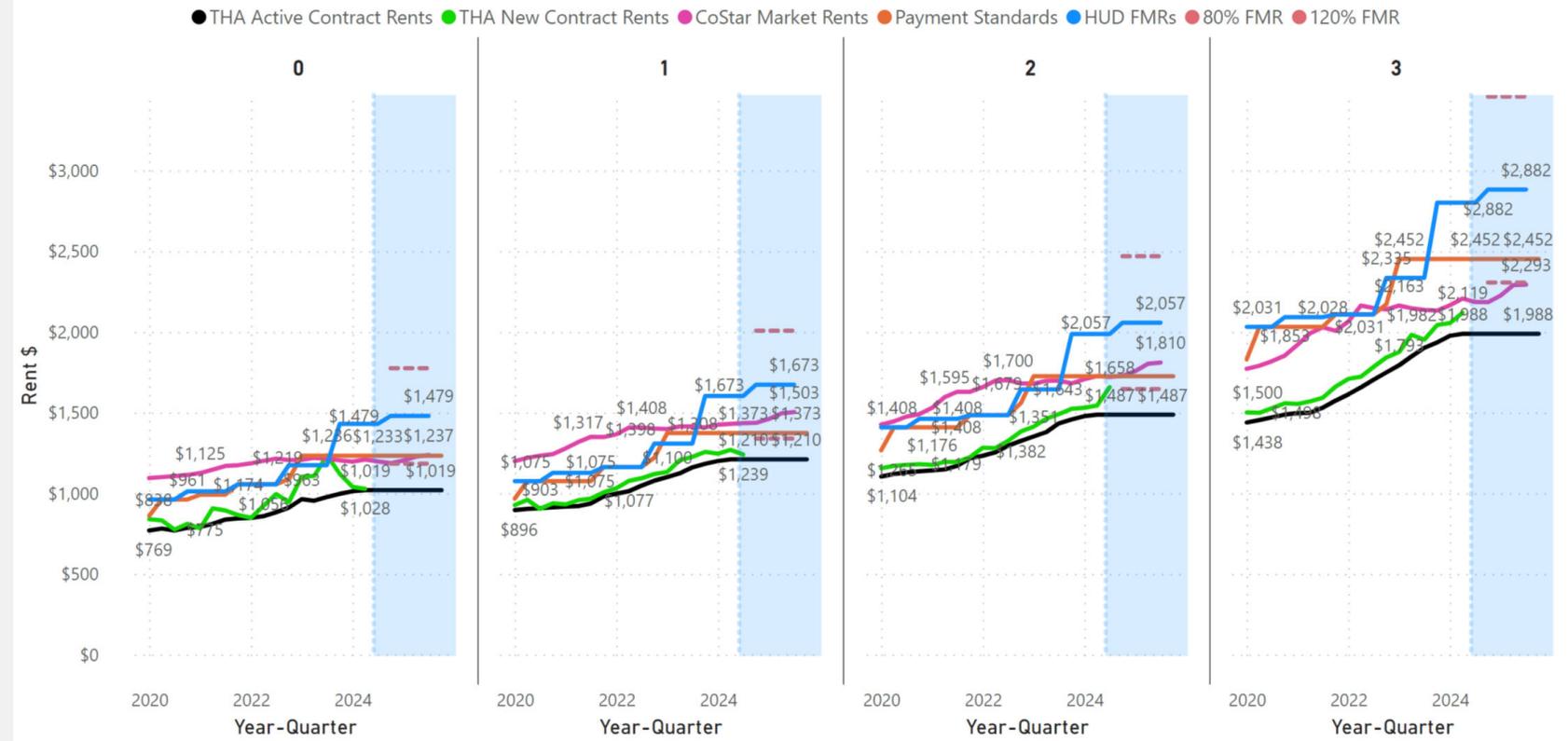
Comparison of Payment Standards to FMRs, and Market and Contract Rents

Market and Contract Rent Comparison Findings

Contract Rents

- HUD FMRs continue to sit higher than what market rents are showing
 - HUD FMRs = Pierce County
 - Market Rents = THA region
- Payment Standards overlap or exceed market rents around 2023+
- New Contract Rents are increasing more quickly than market rents
 - Possibly due to large increases in 2023+ FMRs (method changes)
 - Possibly also due to FMRs being higher than SAFMRs within key THA region zip codes
- Convergent Risks
 - Leading the Market
 - Less access and housing choice to High Opportunity Areas, housing equity

THA Contract Rents, CoStar Market, Payment Standards and HUD FMRs by Year, Quarter, and Number of Bedrooms



Unit Size	1						
Year	THA Active Contract Rents	THA New Contract Rents	CoStar Market Rents	Payment Standards	HUD FMRs	80% FMR	120% FMR
2025							
Qtr 4	\$1,210			\$1,373			
Qtr 3	\$1,210		\$1,503	\$1,373	\$1,673	\$1,338	\$2,008
Qtr 2	\$1,210		\$1,495	\$1,373	\$1,673	\$1,338	\$2,008
Qtr 1	\$1,210		\$1,460	\$1,373	\$1,673	\$1,338	\$2,008
2024							
Qtr 4	\$1,210		\$1,436	\$1,373	\$1,673	\$1,338	\$2,008
Qtr 3	\$1,210	\$1,239	\$1,434	\$1,373	\$1,603		
Qtr 2	\$1,210	\$1,269	\$1,430	\$1,373	\$1,603		
Qtr 1	\$1,200	\$1,245	\$1,425	\$1,373	\$1,603		
2023							
Qtr 4	\$1,183	\$1,256	\$1,408	\$1,373	\$1,603		
Qtr 3	\$1,160	\$1,226	\$1,414	\$1,373	\$1,308		
Qtr 2	\$1,123	\$1,205	\$1,414	\$1,373	\$1,308		
Qtr 1	\$1,100	\$1,132	\$1,398	\$1,373	\$1,308		
2022							
Qtr 4	\$1,078	\$1,119	\$1,401	\$1,220	\$1,308		
Qtr 3	\$1,048	\$1,093	\$1,408	\$1,162	\$1,162		
Qtr 2	\$1,013	\$1,077	\$1,407	\$1,162	\$1,162		
Qtr 1	\$997	\$1,032	\$1,365	\$1,162	\$1,162		
2021							
Qtr 4	\$980	\$1,006	\$1,348	\$1,162	\$1,162		
Qtr 3	\$937	\$966	\$1,349	\$1,075	\$1,126		
Qtr 2	\$920	\$957	\$1,317	\$1,075	\$1,126		
Qtr 1	\$917	\$931	\$1,278	\$1,075	\$1,126		
2020							
Qtr 4	\$913	\$938	\$1,242	\$1,075	\$1,126		
Qtr 3	\$907	\$903	\$1,233	\$1,075	\$1,075		
Qtr 2	\$904	\$959	\$1,219	\$1,075	\$1,075		
Qtr 1	\$896	\$927	\$1,199	\$966	\$1,075		

BEDROOMS

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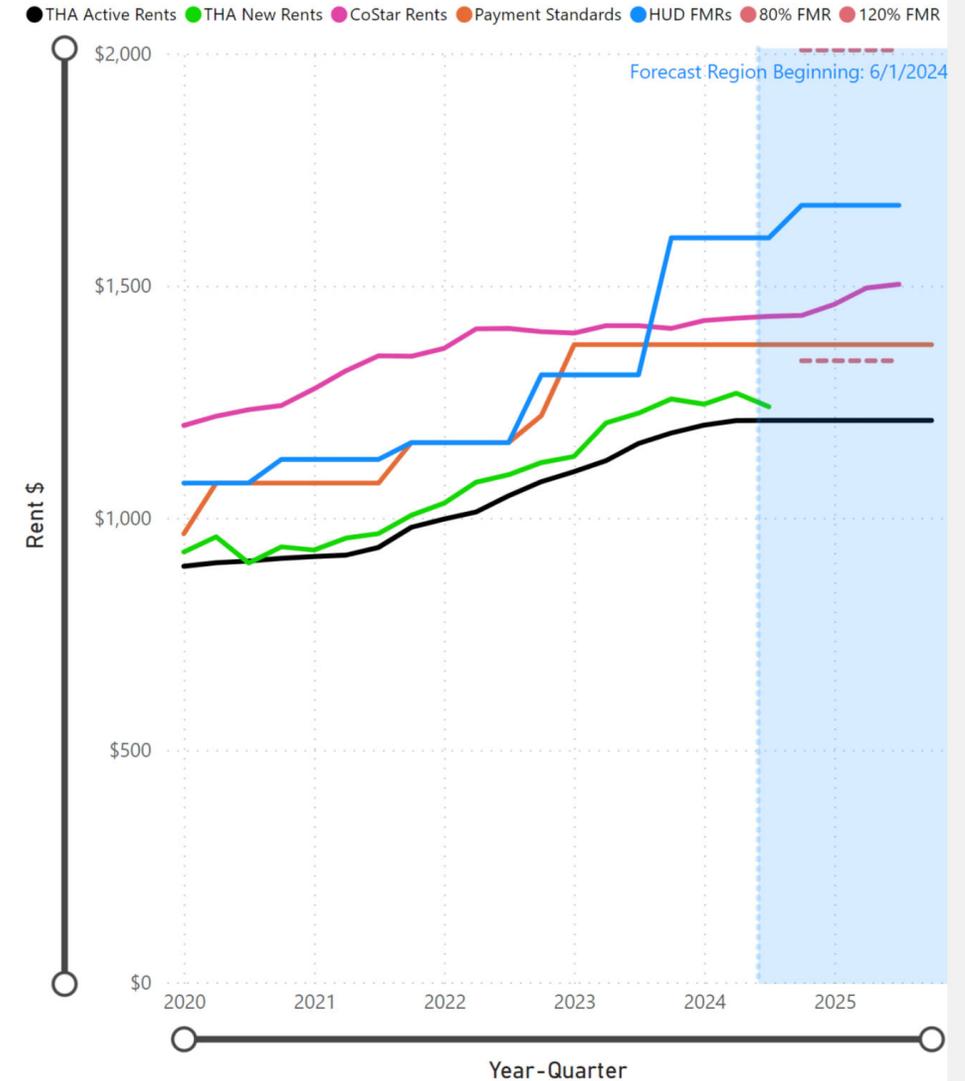
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THA Contract Rents, CoStar Market, Payment Standards and HUD FMRs by Year, Quarter, and Number of Bedrooms



Payment Standards (Standard), Fair Market Rents, THA Contract Rents, compared with Average Market Rents, 2020-2025. 1-Bedroom Units.

CoStar current limitation is Multi-Family properties, so data does not capture the current market reality for larger numbers of bedrooms four and above mainly residing in single-family dwellings.

Unit Size	2						
Year	THA Active Contract Rents	THA New Contract Rents	CoStar Market Rents	Payment Standards	HUD FMRs	80% FMR	120% FMR
2025							
Qtr 4	\$1,487			\$1,725			
Qtr 3	\$1,487		\$1,810	\$1,725	\$2,057	\$1,646	\$2,468
Qtr 2	\$1,487		\$1,802	\$1,725	\$2,057	\$1,646	\$2,468
Qtr 1	\$1,487		\$1,757	\$1,725	\$2,057	\$1,646	\$2,468
2024							
Qtr 4	\$1,487		\$1,727	\$1,725	\$2,057	\$1,646	\$2,468
Qtr 3	\$1,487	\$1,658	\$1,721	\$1,725	\$1,987		
Qtr 2	\$1,487	\$1,544	\$1,726	\$1,725	\$1,987		
Qtr 1	\$1,478	\$1,530	\$1,706	\$1,725	\$1,987		
2023							
Qtr 4	\$1,457	\$1,524	\$1,681	\$1,725	\$1,987		
Qtr 3	\$1,433	\$1,490	\$1,698	\$1,725	\$1,643		
Qtr 2	\$1,378	\$1,462	\$1,696	\$1,725	\$1,643		
Qtr 1	\$1,351	\$1,413	\$1,679	\$1,725	\$1,643		
2022							
Qtr 4	\$1,324	\$1,382	\$1,681	\$1,558	\$1,643		
Qtr 3	\$1,294	\$1,325	\$1,700	\$1,484	\$1,484		
Qtr 2	\$1,253	\$1,280	\$1,698	\$1,484	\$1,484		
Qtr 1	\$1,233	\$1,282	\$1,658	\$1,484	\$1,484		
2021							
Qtr 4	\$1,216	\$1,224	\$1,629	\$1,484	\$1,484		
Qtr 3	\$1,170	\$1,194	\$1,629	\$1,408	\$1,461		
Qtr 2	\$1,147	\$1,193	\$1,595	\$1,408	\$1,461		
Qtr 1	\$1,142	\$1,176	\$1,529	\$1,408	\$1,461		
2020							
Qtr 4	\$1,136	\$1,179	\$1,490	\$1,408	\$1,461		
Qtr 3	\$1,129	\$1,176	\$1,475	\$1,408	\$1,408		
Qtr 2	\$1,119	\$1,169	\$1,445	\$1,408	\$1,408		
Qtr 1	\$1,104	\$1,155	\$1,425	\$1,265	\$1,408		

BEDROOMS

Select all

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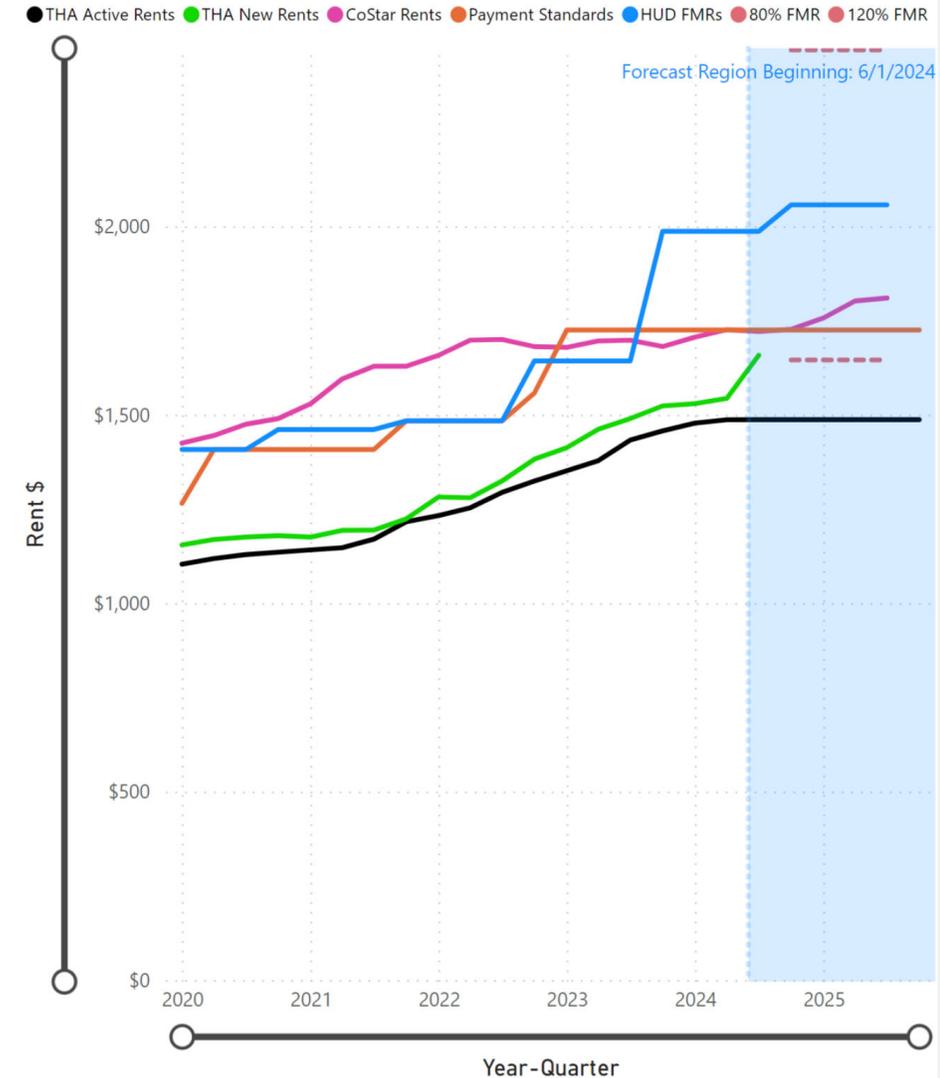
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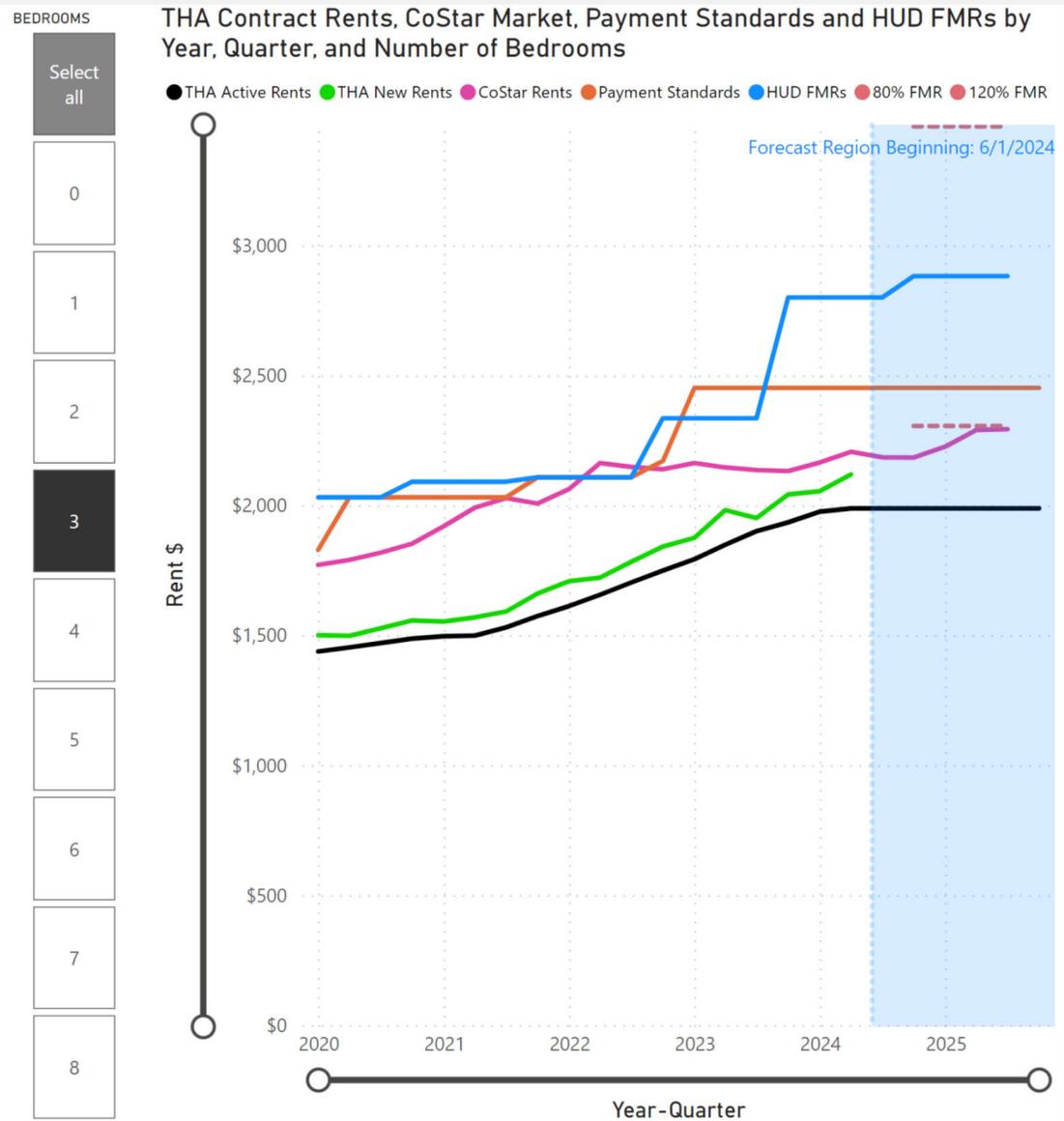
THA Contract Rents, CoStar Market, Payment Standards and HUD FMRs by Year, Quarter, and Number of Bedrooms



Payment Standards (Standard), Fair Market Rents, THA Contract Rents, compared with Average Market Rents, 2020-2025. 2-Bedroom Units.

CoStar current limitation is Multi-Family properties, so data does not capture the current market reality for larger numbers of bedrooms four and above mainly residing in single-family dwellings.

Unit Size	3						
Year	THA Active Contract Rents	THA New Contract Rents	CoStar Market Rents	Payment Standards	HUD FMRs	80% FMR	120% FMR
2025							
Qtr 4	\$1,988			\$2,452			
Qtr 3	\$1,988		\$2,293	\$2,452	\$2,882	\$2,306	\$3,458
Qtr 2	\$1,988		\$2,290	\$2,452	\$2,882	\$2,306	\$3,458
Qtr 1	\$1,988		\$2,226	\$2,452	\$2,882	\$2,306	\$3,458
2024							
Qtr 4	\$1,988		\$2,184	\$2,452	\$2,882	\$2,306	\$3,458
Qtr 3	\$1,988		\$2,185	\$2,452	\$2,800		
Qtr 2	\$1,988	\$2,119	\$2,206	\$2,452	\$2,800		
Qtr 1	\$1,976	\$2,055	\$2,165	\$2,452	\$2,800		
2023							
Qtr 4	\$1,935	\$2,042	\$2,132	\$2,452	\$2,800		
Qtr 3	\$1,901	\$1,951	\$2,136	\$2,452	\$2,335		
Qtr 2	\$1,849	\$1,982	\$2,146	\$2,452	\$2,335		
Qtr 1	\$1,793	\$1,875	\$2,163	\$2,452	\$2,335		
2022							
Qtr 4	\$1,749	\$1,841	\$2,139	\$2,171	\$2,335		
Qtr 3	\$1,703	\$1,783	\$2,148	\$2,108	\$2,108		
Qtr 2	\$1,656	\$1,722	\$2,163	\$2,108	\$2,108		
Qtr 1	\$1,613	\$1,709	\$2,063	\$2,108	\$2,108		
2021							
Qtr 4	\$1,574	\$1,661	\$2,007	\$2,108	\$2,108		
Qtr 3	\$1,530	\$1,591	\$2,028	\$2,031	\$2,091		
Qtr 2	\$1,499	\$1,569	\$1,991	\$2,031	\$2,091		
Qtr 1	\$1,497	\$1,553	\$1,920	\$2,031	\$2,091		
2020							
Qtr 4	\$1,487	\$1,557	\$1,853	\$2,031	\$2,091		
Qtr 3	\$1,470	\$1,527	\$1,818	\$2,031	\$2,031		
Qtr 2	\$1,453	\$1,498	\$1,790	\$2,031	\$2,031		
Qtr 1	\$1,438	\$1,500	\$1,771	\$1,829	\$2,031		



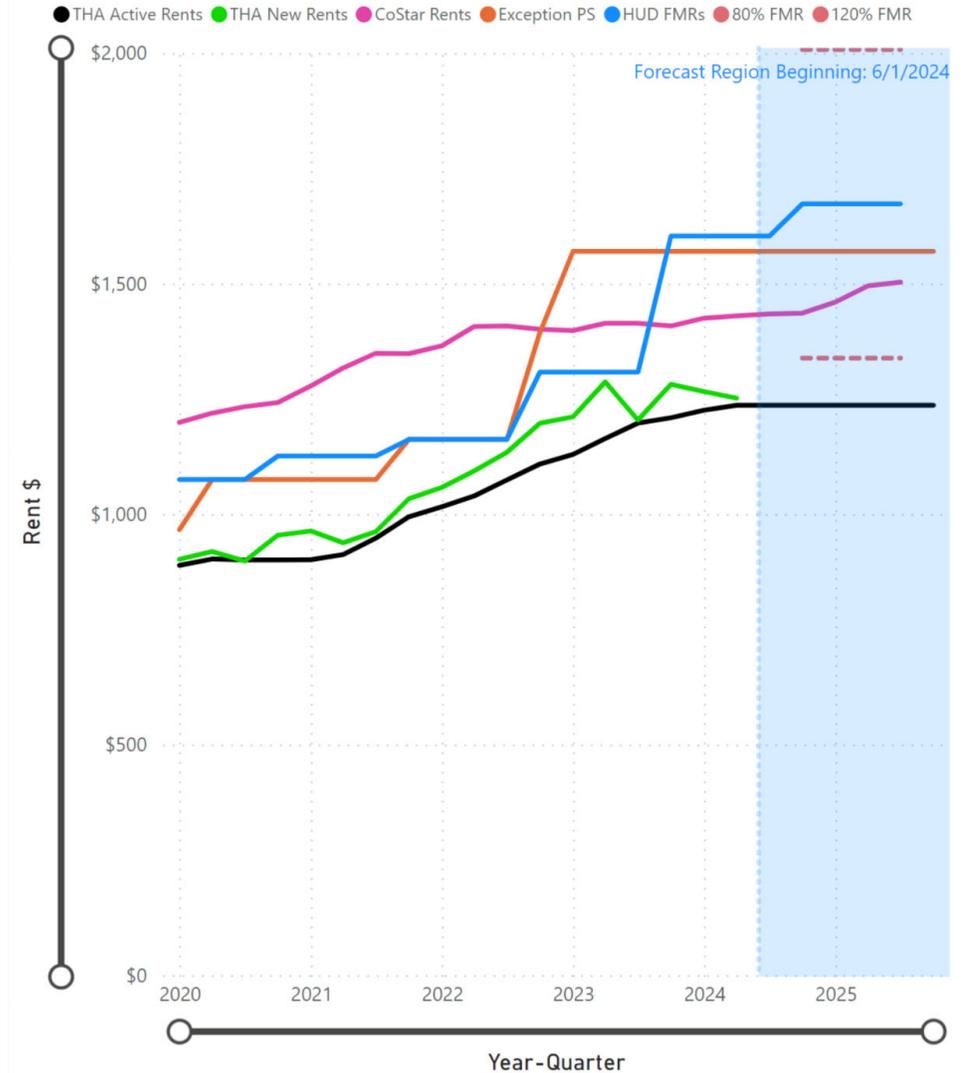
Payment Standards (Standard), Fair Market Rents, THA Contract Rents, compared with Average Market Rents, 2020-2025. 3-Bedroom Units.
CoStar current limitation is Multi-Family properties, so data does not capture the current market reality for larger numbers of bedrooms four and above mainly residing in single-family dwellings.

Unit Size	1						
Year	THA Active Contract Rents	THA New Contract Rents	CoStar Market Rents	Exception Payment Standards	HUD FMRs	80% FMR	120% FMR
2025							
Qtr 4	\$1,236			\$1,570			
Qtr 3	\$1,236		\$1,503	\$1,570	\$1,673	\$1,338	\$2,008
Qtr 2	\$1,236		\$1,495	\$1,570	\$1,673	\$1,338	\$2,008
Qtr 1	\$1,236		\$1,460	\$1,570	\$1,673	\$1,338	\$2,008
2024							
Qtr 4	\$1,236		\$1,436	\$1,570	\$1,673	\$1,338	\$2,008
Qtr 3	\$1,236		\$1,434	\$1,570	\$1,603		
Qtr 2	\$1,236	\$1,252	\$1,430	\$1,570	\$1,603		
Qtr 1	\$1,225	\$1,266	\$1,425	\$1,570	\$1,603		
2023							
Qtr 4	\$1,209	\$1,281	\$1,408	\$1,570	\$1,603		
Qtr 3	\$1,197	\$1,204	\$1,414	\$1,570	\$1,308		
Qtr 2	\$1,164	\$1,287	\$1,414	\$1,570	\$1,308		
Qtr 1	\$1,129	\$1,211	\$1,398	\$1,570	\$1,308		
2022							
Qtr 4	\$1,109	\$1,197	\$1,401	\$1,394	\$1,308		
Qtr 3	\$1,074	\$1,134	\$1,408	\$1,162	\$1,162		
Qtr 2	\$1,039	\$1,094	\$1,407	\$1,162	\$1,162		
Qtr 1	\$1,016	\$1,058	\$1,365	\$1,162	\$1,162		
2021							
Qtr 4	\$994	\$1,033	\$1,348	\$1,162	\$1,162		
Qtr 3	\$948	\$962	\$1,349	\$1,075	\$1,126		
Qtr 2	\$912	\$938	\$1,317	\$1,075	\$1,126		
Qtr 1	\$901	\$963	\$1,278	\$1,075	\$1,126		
2020							
Qtr 4	\$900	\$954	\$1,242	\$1,075	\$1,126		
Qtr 3	\$901	\$898	\$1,233	\$1,075	\$1,075		
Qtr 2	\$903	\$919	\$1,219	\$1,075	\$1,075		
Qtr 1	\$889	\$902	\$1,199	\$966	\$1,075		

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THA Contract Rents, CoStar Market, Exception Payment Standards and HUD FMRs by Year, Quarter, and Number of Bedrooms



Exception Payment Standards, Fair Market Rents, THA Contract Rents, compared with Average Market Rents, 2020-2025. 1-Bedroom Units. *CoStar current limitation is Multi-Family properties, so data does not capture the current market reality for larger numbers of bedrooms four and above mainly residing in single-family dwellings.*

Unit Size	2						
Year	THA Active Contract Rents	THA New Contract Rents	CoStar Market Rents	Exception Payment Standards	HUD FMRs	80% FMR	120% FMR
2025							
Qtr 4	\$1,556			\$1,972			
Qtr 3	\$1,556		\$1,810	\$1,972	\$2,057	\$1,646	\$2,468
Qtr 2	\$1,556		\$1,802	\$1,972	\$2,057	\$1,646	\$2,468
Qtr 1	\$1,556		\$1,757	\$1,972	\$2,057	\$1,646	\$2,468
2024							
Qtr 4	\$1,556		\$1,727	\$1,972	\$2,057	\$1,646	\$2,468
Qtr 3	\$1,556		\$1,721	\$1,972	\$1,987		
Qtr 2	\$1,556	\$1,626	\$1,726	\$1,972	\$1,987		
Qtr 1	\$1,551	\$1,583	\$1,706	\$1,972	\$1,987		
2023							
Qtr 4	\$1,539	\$1,550	\$1,681	\$1,972	\$1,987		
Qtr 3	\$1,527	\$1,542	\$1,698	\$1,972	\$1,643		
Qtr 2	\$1,483	\$1,535	\$1,696	\$1,972	\$1,643		
Qtr 1	\$1,437	\$1,480	\$1,679	\$1,972	\$1,643		
2022							
Qtr 4	\$1,386	\$1,450	\$1,681	\$1,781	\$1,643		
Qtr 3	\$1,360	\$1,394	\$1,700	\$1,484	\$1,484		
Qtr 2	\$1,317	\$1,397	\$1,698	\$1,484	\$1,484		
Qtr 1	\$1,280	\$1,357	\$1,658	\$1,484	\$1,484		
2021							
Qtr 4	\$1,190	\$1,245	\$1,629	\$1,484	\$1,484		
Qtr 3	\$1,143	\$1,250	\$1,629	\$1,408	\$1,461		
Qtr 2	\$1,109	\$1,128	\$1,595	\$1,408	\$1,461		
Qtr 1	\$1,125	\$1,093	\$1,529	\$1,408	\$1,461		
2020							
Qtr 4	\$1,113	\$1,120	\$1,490	\$1,408	\$1,461		
Qtr 3	\$1,114	\$1,186	\$1,475	\$1,408	\$1,408		
Qtr 2	\$1,112	\$1,044	\$1,445	\$1,408	\$1,408		
Qtr 1	\$1,118	\$1,095	\$1,425	\$1,265	\$1,408		

BEDROOMS

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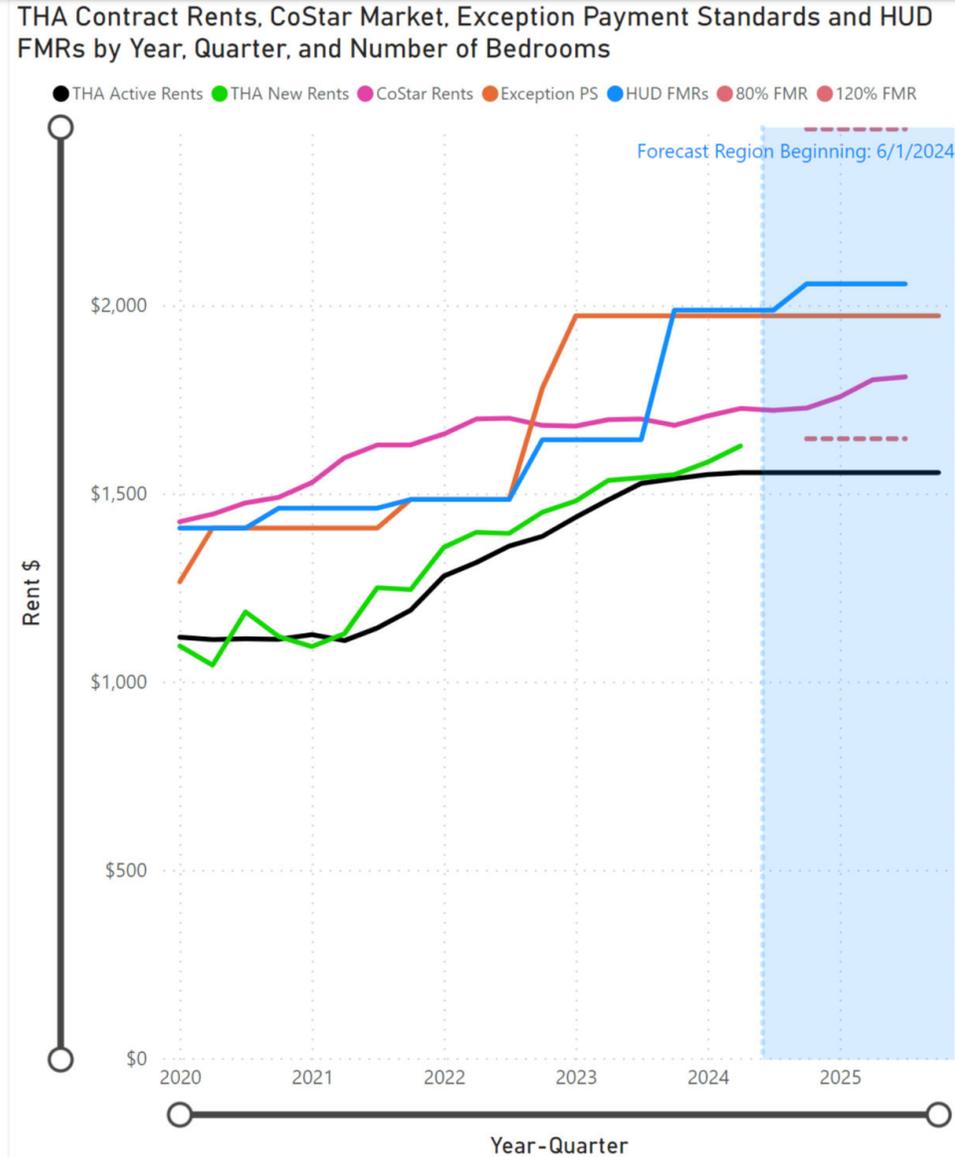
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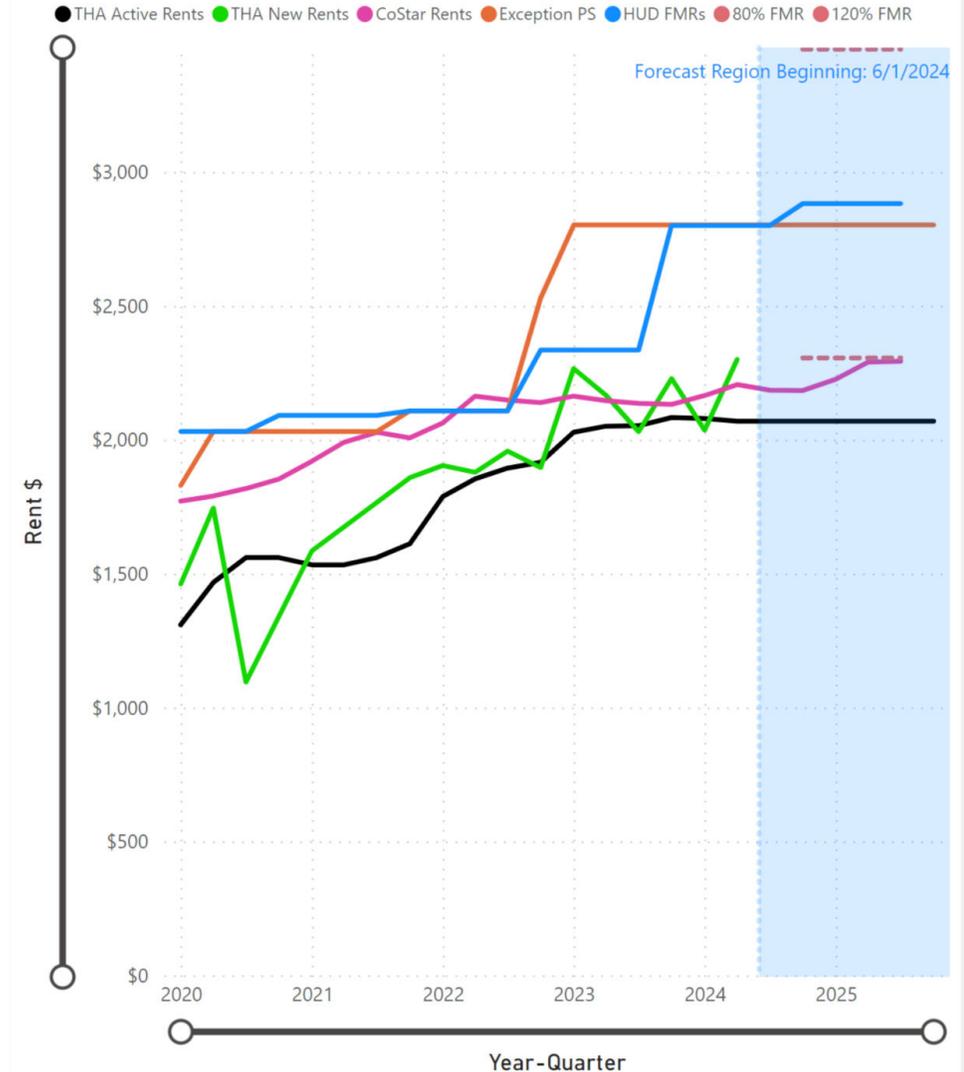
Exception Payment Standards, Fair Market Rents, THA Contract Rents, compared with Average Market Rents, 2020-2025. 2-Bedroom Units. *CoStar current limitation is Multi-Family properties, so data does not capture the current market reality for larger numbers of bedrooms four and above mainly residing in single-family dwellings.*

Unit Size	3						
Year	THA Active Contract Rents	THA New Contract Rents	CoStar Market Rents	Exception Payment Standards	HUD FMRs	80% FMR	120% FMR
2025							
Qtr 4	\$2,070			\$2,802			
Qtr 3	\$2,070		\$2,293	\$2,802	\$2,882	\$2,306	\$3,458
Qtr 2	\$2,070		\$2,290	\$2,802	\$2,882	\$2,306	\$3,458
Qtr 1	\$2,070		\$2,226	\$2,802	\$2,882	\$2,306	\$3,458
2024							
Qtr 4	\$2,070		\$2,184	\$2,802	\$2,882	\$2,306	\$3,458
Qtr 3	\$2,070		\$2,185	\$2,802	\$2,800		
Qtr 2	\$2,070	\$2,300	\$2,206	\$2,802	\$2,800		
Qtr 1	\$2,079	\$2,036	\$2,165	\$2,802	\$2,800		
2023							
Qtr 4	\$2,083	\$2,229	\$2,132	\$2,802	\$2,800		
Qtr 3	\$2,053	\$2,030	\$2,136	\$2,802	\$2,335		
Qtr 2	\$2,051	\$2,167	\$2,146	\$2,802	\$2,335		
Qtr 1	\$2,028	\$2,266	\$2,163	\$2,802	\$2,335		
2022							
Qtr 4	\$1,916	\$1,896	\$2,139	\$2,530	\$2,335		
Qtr 3	\$1,894	\$1,958	\$2,148	\$2,108	\$2,108		
Qtr 2	\$1,854	\$1,878	\$2,163	\$2,108	\$2,108		
Qtr 1	\$1,788	\$1,904	\$2,063	\$2,108	\$2,108		
2021							
Qtr 4	\$1,611	\$1,859	\$2,007	\$2,108	\$2,108		
Qtr 3	\$1,560		\$2,028	\$2,031	\$2,091		
Qtr 2	\$1,533		\$1,991	\$2,031	\$2,091		
Qtr 1	\$1,533	\$1,585	\$1,920	\$2,031	\$2,091		
2020							
Qtr 4	\$1,560		\$1,853	\$2,031	\$2,091		
Qtr 3	\$1,560	\$1,095	\$1,818	\$2,031	\$2,031		
Qtr 2	\$1,467	\$1,745	\$1,790	\$2,031	\$2,031		
Qtr 1	\$1,309	\$1,461	\$1,771	\$1,829	\$2,031		

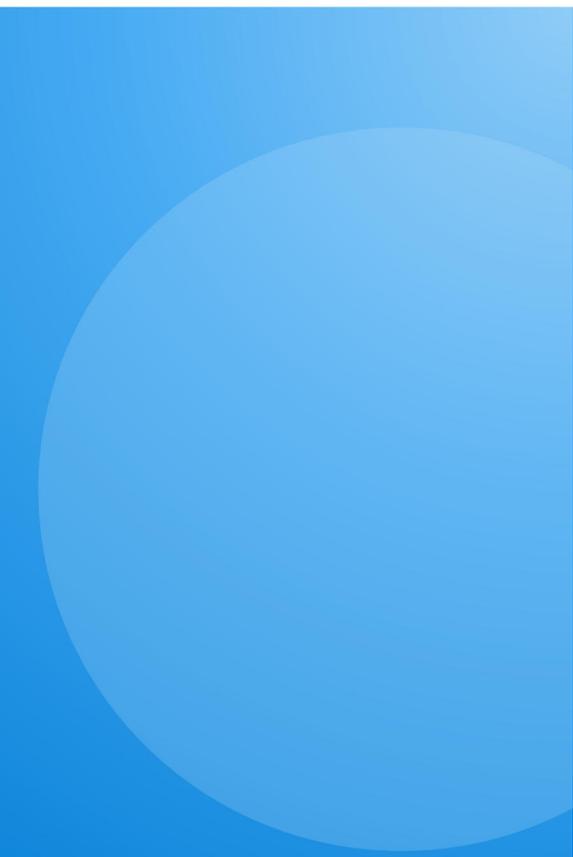
BEDROOMS

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THA Contract Rents, CoStar Market, Exception Payment Standards and HUD FMRs by Year, Quarter, and Number of Bedrooms



Exception Payment Standards, Fair Market Rents, THA Contract Rents, compared with Average Market Rents, 2020-2025. 3-Bedroom Units. CoStar current limitation is Multi-Family properties, so data does not capture the current market reality for larger numbers of bedrooms four and above mainly residing in single-family dwellings.



Appendix #4

Future Considerations: Small Area FMRs

Map View

*Note: Clicking a bookmark after applying filters resets all filters.

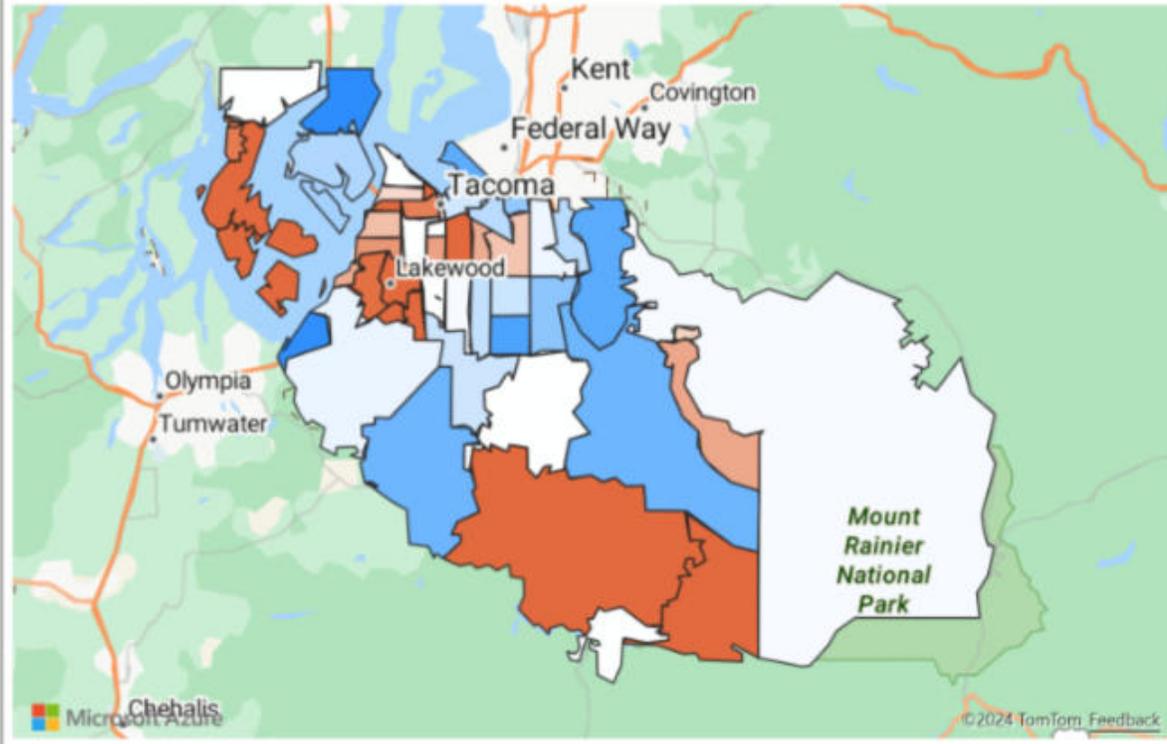
SAFMR

Difference

THA HHs

(SAFMR - FMR) Difference by Zip Code, 2025

Darker Orange = SAFMR << FMR, Darker Blue = SAFMR >> FMR



County	City	Zip Code	SAFMR Unit Size	THA Unit Size	SAFMR	Diff (SAFMR - FMR)	THA HH N Count	THA HH %
Pierce County	Tacoma	98409	2	2	\$1,930	(\$127)	196	19.1%
Pierce County	Tacoma	98444	2	2	\$1,790	(\$267)	133	13.0%
Pierce County	Lakewood	98499	2	2	\$1,790	(\$267)	90	8.8%
Pierce County	Tacoma	98466	2	2	\$1,940	(\$117)	81	7.9%
Pierce County	Tacoma	98405	2	2	\$1,830	(\$227)	71	6.9%
Pierce County	Tacoma	98404	2	2	\$1,790	(\$267)	70	6.8%
Pierce County	Tacoma	98408	2	2	\$1,890	(\$167)	58	5.6%
Pierce County	University Place	98467	2	2	\$1,870	(\$187)	46	4.5%
Pierce County	Tacoma	98406	2	2	\$1,990	(\$67)	45	4.4%
Pierce County	Tacoma	98465	2	2	\$1,790	(\$267)	39	3.8%
Pierce County	Tacoma	98445	2	2	\$2,080	\$23	33	3.2%
Pierce County	Tacoma	98407	2	2	\$2,270	\$213	30	2.9%
Pierce County	Tacoma	98418	2	2	\$1,960	(\$97)	30	2.9%
Pierce County	Lakewood	98498	2	2	\$1,800	(\$257)	27	2.6%
Pierce County	Tacoma	98446	2	2	\$2,240	\$183	12	1.2%
Pierce County	Tacoma	98402	2	2	\$2,010	(\$47)	10	1.0%
Pierce County	Tacoma	98403	2	2	\$1,790	(\$267)	8	0.8%
Pierce County	Fife	98424	2	2	\$2,270	\$213	8	0.8%
Pierce County	Puyallup	98374	2	2	\$2,410	\$353	6	0.6%
Pierce County	Puyallup	98373	2	2	\$2,220	\$163	5	0.5%
Total							1027	100.0%

Comparison of 2-bedroom FMRs to HUD's Small Area FMRs w/ Percentage of THA families in that area.

We see a wide difference in many zip code areas in Tacoma/Pierce County indicating the potential need to explore using SAFMRs to better serve the diverse markets in our area.

Resolution 4



RESOLUTION 2024-12-11 (4)

Date: December 11, 2024

To: THA Board of Commissioners

From: April Black
Executive Director

Re: Recommendation to Sell 5320 S. Tyler St.

This resolution would authorize Tacoma Housing Authority's (THA) Executive Director to sell parcel 3740000066, whose address is 5320 S. Tyler St., to Green Property Holdings for \$24,000.

BACKGROUND

The Property is a 111,076 square foot, wedged-shaped parcel, that slopes steeply up from S. Tyler St. Most of the Property is designated by the City as "over 40% High Potential Slope Geohazard." See Exhibit A. Much of the property features reinforced steep slopes and rock retaining walls which can be seen in the google map link in Exhibit A.

THA acquired the Property in 1998, as part of the larger Dixon Village development. The Property was not part of that development and has remained without material use for over 25 years.

THA continues to commit resources to the Property because of ongoing homeless encampments, fire hazards, and vegetation management. The costs of holding the property exceed the returns from a sale. The appraised value of the property is \$95,000. THA has spent more than \$20,000 every year to maintain it. In 2025, \$25,000 is budgeted for maintenance and security. This cost does not include soft staff costs or liability.

Since 2022, THA tried in different ways to sell or transfer the Property. Vaughn Bay Developers, the developers of an affordable housing community adjacent to the Property, declined an

exchange or purchase at any price due to the Property's challenging topography. Another private property owner declined THA's sales efforts due to costs associated with correcting geological hazards necessary to build a single-family home on the Property. Metro Parks Tacoma rejected an intergovernmental transfer because of the challenging topography, even for a park or open space.

Recently, Green Property Holdings ("GPH") offered THA \$24,000 for the Property. GPH will pay all closing costs. GPH is a Northwest company specializing in cash purchases of vacant land with development challenges. Their stated intent is to address the conditions and find a private residential developer who could construct within the site conditions.

The City of Tacoma code will require extensive erosion controls such as retaining walls. The city code will require a builder to install street trees. The city sponsors street tree grants and other free tree programs.

The Property has an assessed value \$99,600 (2023 valuation for 2024 taxation - Pierce County Tax Parcel Number 3740000066). A THA-commissioned appraisal by SH&H concluded market value of the Property (as of September 17, 2024) was \$95,000. The appraisal acknowledged certain of the Property's constraints, but did not evaluate the costs necessary to improve the Property for development.

The range of comparable vacant land sales applied by SH&H ranged from \$0.23 to \$1.93 per Sq. Ft. The appraisal's conclusion applied \$0.85 to the Property's 111,076 Sq. Ft., for the \$95,000 value opinion (111,076 X \$0.85, rounded up). Here, we do not question the appraisal's analysis, as even challenged property can be engineered for development with sufficient resources. But of note, applying the lower comparable figure of \$0.23 to the Property would suggest a value of approximately \$25,500 – an amount not materially different from the GPH offer.

The appraiser noted, '.....sales of sites with development challenges and no feasibility studies, have a higher risk profile than more conventional properties or even properties with development challenges but that have feasibility studies completed. This appears to result in buyers of these properties exhibiting a wider than typical range of risk tolerance, with some buyers exhibiting more caution while others display a much higher level of confidence in the ability to develop a site with challenges. The level of risk is difficult to quantify.'

Foster Garvey, THA's attorney, analyzed this potential sale and the appraisal against the statutory laws governing the disposition of local government property.

They concluded:

“While a housing authority is generally limited by statute from selling property below fair market value in most circumstances, it may be reasonable to conclude that the opinion of appraised value in the appraisal is not a precise reflection of the market, particularly if no one is willing to buy at or above an appraised value. THA has the discretionary authority to conclude that the best price achievable through an arm’s length negotiation after reasonable marketing efforts reflects the fair market value for a specific property, even if that price is lower than what was presented in an appraisal.”

RECOMMENDATION

THA’s Asset Management Committee, Finance Department, Property Management Department, Asset Management and Real Estate Department (AMRED), recommend selling this property to GPH for \$24,000 without restrictions for the following reasons:

- The property’s shape and topography;
- development issues;
- lack of purchaser interest;
- the costs of continued ownership exceeds the value;
- low value for affordable housing development;
- Danger to staff and the liability posed by homeless encampments that routinely crop up.
- It’s not clear that a broker could find a significantly better offer.
- THA’s net profit from brokered sale is unclear: 1) THA will need to conduct an RFP to get a broker which would take at least 3 months; 2) the property costs THA about \$6,250 for each quarter it holds the property; 3) the typical 6-7% sales commission and closing costs will need to be deducted from sales price; and 4) THA finds that pulling staff away from other critical work to sell, maintain, and manage this property comes at a high cost to already strained resources.



RESOLUTION 2024-12-11 (4)

(Sell 5320 S. Tyler St. Tacoma WA 98409)

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

WHEREAS, THA finds the parcel unsuitable for affordable housing development; and

WHEREAS, THA concluded due diligence for the property's disposals that includes an appraisal, legal review, cost assessments, marketing efforts; and

WHEREAS, THA wishes to sell 5320 S. Tyler; and

WHEREAS THA has a suitable offer from GBH to buy the land for \$24,000; and

WHEREAS, THA has the discretionary authority to sell the property at the best price achievable through an arm's length negotiation after reasonable marketing efforts even if that price is lower than what was presented in an appraisal; now,

THEREFORE, be it resolved by the Board of Commissioners of the Housing Authority of the City of Tacoma, Washington that:

THA's Executive Director sell parcel 3740000066, whose address is 5320 S. Tyler St., to Green Property Holdings for \$24,000.

Approved: December 11, 2024

Derek Young, Chair

EXHIBIT A

Link to [Google Map](#)

Tyler St. in Proximity to Dixon Village



Resolution 5



RESOLUTION 2024-12-11 (5)

Date: December 11, 2024

To: THA Board of Commissioners

From: April Black
Executive Director

Re: Revision to THA Policy HR-10.30 Workplace Attire and Assigned Uniforms

This resolution would revise THA’s Workplace Attire and Assigned Uniforms policy. It now serves as a policy for workplace attire and includes detailed values, expectations, and prohibitions. (A new policy for Assigned Uniforms has also been created and will be presented as Resolution 2023-12-11 (6)).

BACKGROUND

THA employees and supervisors shared feedback with the Leadership Team about HR-10.30, “Workplace Attire and Assigned Uniforms”. We heard that the policy was subjective, restrictive, and lacked clarity. The consequences were different enforcement standards along with worry or confusion among staff about what they were permitted to wear to work. And after an in-depth review of the policy, the Strategic Advisor found gendered language (i.e., only using “his” and “her”) as well as the use of phrases with origins in historical discrimination (i.e., “rule of thumb”). For these reasons, the Strategic Advisor worked with Human Resources to lead an inclusive effort to update the policy. This work also supports the creation of a THA Employee Handbook.

The Strategic Advisor facilitated a comprehensive staff engagement process. It included conversations with the DEIB Steering Committee, presentations and discussions at regular



Department meetings, an online survey, one-on-one and small group conversations, as well as conversations with OPEIU and Trades Union representatives.

The feedback employees shared through the staff engagement process was incorporated into the respective policies. Because this also increased the length of the policy, we decided to divide the policies into one for workplace attire and another for assigned uniforms. The two new policies detail values, standards, expectations, prohibitions, and expressly acknowledge and support expression that aligns with someone's gender identity and/or cultural background.

This change in policy has no impact on THA's finances.

RECOMMENDATION

We recommend the Tacoma Housing Authority Board of Commissioners approve the proposed amendments to HR-10.30, "Workplace Attire".



RESOLUTION 2024-12-11 (5)

Update to THA Policy HR-10.30, "Workplace Attire"

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

WHEREAS, the Tacoma Housing Authority endeavors to be a great employer; and

WHEREAS, THA is committed to embedding a DEIB lens in all its practices and programs; and

WHEREAS, THA staff have shared feedback about the original version of THA policy HR-10.30; and

WHEREAS, THA staff and Union representatives participated in a comprehensive engagement process to review draft policy updates and share feedback; now, therefore, be it

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

1. Employees who are not required to wear uniforms to perform their job functions follow updated values, standards, and prohibitions regarding workplace attire.
2. This resolution supersedes any conflicting policies or resolutions previously adopted by the Board of Commissioners.
3. This resolution shall take effect immediately upon its adoption.

Approved: December 11, 2024

Derek Young, Chair

Workplace Attire Policy

Policy No. HR-10.30

Overview

This policy applies to all employees except Maintenance Technicians. Uniform standards for Maintenance Technicians and Leads can be found in policy HR-10.30.01.

THA's workplace attire prioritizes **safety, authenticity, approachability, and agency representation**. We encourage employees to “dress for the day they will have”, dress for their audience, and be prepared for changes in their days. **Even more, we welcome and appreciate when employees present themselves in ways that balance the four values, is relevant to their culture or background, and is in line with their gender identity or expression.**

This policy is intended to create clear standards of THA's Workplace Attire Policy, while also encouraging employees to present themselves in ways that are authentic, comfortable, and culturally relevant within these standards. By following this policy, residents, visitors, and other partners will find us approachable and trustworthy. We trust our employees to use good judgement when determining how to present themselves at work within the standards set out in this Workplace Attire Policy.

Values for Workplace Attire

Safety means that the clothes we wear prevent and/or mitigate the extend of any harm that may be encountered at work, including workplace accidents.

Authenticity means we encourage employees to bring the version of themselves they're willing to share at work. This may look different for each and every one of us. And we think that's what makes us special.

Approachability means THA residents feel like they can relate to us and come to us for support. Approachability can be conveyed through how we dress and our general demeanor.

Agency representation means that we're asking employees to balance approachability with their roles as ambassadors of the agency and our work. Our work is sensitive and high impact. And we want residents and external partners to know that we at THA can meet the mark every day we show up for work. Like approachability, this can be conveyed through dress and general demeanor.

Typical Roles and Attire Standards

The table below represents the typical roles employees play on a day-to-day basis. This table applies to all employees except Maintenance Technicians. Attire standards are color coded. Definitions for the standards are on the next page. **This table is only a summary.**

Accepted (A)	Recommended (R)	Required (REQ)	Not Applicable
--------------	-----------------	----------------	----------------

Role	Casual	Business Casual	Safety Gear
(1) At a THA property (not in housing unit) and not engaging with residents or visitors.	A	A	
(2) At a THA property (not in housing unit) and regularly engaging with residents or visitors.	A	R	
(3) In a THA housing unit for visit, inspection, tour, meeting, emergency, etc. (not maintenance).	A	A	
(4) Construction site visit.	A	A	REQ
(5) Community event (hosted by THA or another partner) ¹ .	A	A	
(6) Conference or similar professional gathering.	A	R	
(7) In person or virtual meetings with elected or administrative officials and external partners.	A	R	

Attire Standards Defined

THA Casual

- **Clothing that is moderately informal, comfortable, safe, and clean.**
- **Examples of acceptable items:** jeans², chinos or khakis, track suits, sweatpants, sweatshirts or hoodies, casual tops, moderately casual cultural clothes, shorts, skirts, dresses, yoga (“stretch”) pants, sneakers, boots, and stable sandals.
- **Examples of unacceptable items:** pajamas, lounging clothes, party clothes.

Business Casual

- **Clothing that blends traditional business wear with a more relaxed style.**

¹ There’s a wide variety of community events; if you are unsure what to wear to a work event, ask someone.

² Jeans with holes are acceptable for “casual” wear. However, holes must be sized and placed so they do not reveal undergarments or body parts that traditionally are covered by undergarments.

- **Examples of acceptable items:** slacks, dark jeans, trousers, button-up shirts, polo shirts, sweaters, cardigans, tunics, blazers, somewhat formal cultural clothes, blouses, skirts, dresses, loafers, dress shoes, flats, stable heeled shoes.

Semi-formal and formal business clothing is also acceptable.

Safety Gear: OSHA requirements state any employee visiting an active construction site must wear long sleeves, long pants with no holes, closed toed shoes, and gear such as goggles, hard hat, and high-visibility vest. These items are required for these visits.

Standards, Definitions, and Color Key

Standard	Explanation / Definition	Color
Accepted	This style of clothing is acceptable and allowed.	A
Recommended	A suggested style of dress and presentation. This style of dress can be encouraged or requested.	R
Required	This style of clothing, uniform, or gear is mandatory. Employees not wearing required attire can be asked to change or may be subject to disciplinary action.	(REQ)
Not Relevant	This standard is not relevant to a specific task / role.	

Respecting THA Residents in their Homes

THA residents represent a wide range of cultural backgrounds. And about half of our residents live alone. It's important that we do our best to respect residents who come from different backgrounds and have different needs for safety and comfort.

When visiting a resident in their home please wear at least one article of clothing that identifies you as a THA employee (i.e., ID work badge, THA issued / gifted clothing, etc.), clothes that offer more coverage, and stable shoes with more coverage. If a resident asks you to show your THA ID badge, do so.

Some residents may ask guests to remove their shoes upon entering their home. In these cases, you are required to wear “booties” or “covers” over your shoes. These will be provided by THA. We also encourage you to bring health related PPE (i.e., face mask) to wear if a resident requests you to.

We recommend that employees who may have planned or unplanned visits to a resident's home keep a few items like the ones listed above at their workstation. This will help you be prepared for visits to a resident's home. Maintaining this style of dress, while balancing authenticity and approachability, is one way we can show respect to THA residents and their cultural backgrounds.

Additional Guidance

Casual Wednesdays and Fridays

While casual attire is acceptable on any day, THA still practices “Casual Wednesday” and “Casual Friday”, except for THA employees who wear uniforms. This tradition is for any employee to enjoy. Employees who work in THA offices and engage regularly with residents can also enjoy “Casual Wednesday” and “Casual Friday” because on other days of the week they may choose to dress in a business casual style. This also applies to any other day the lobby is closed.

Prohibited Clothing Items

The following clothing items are prohibited at THA:

- Clothing that reveals undergarments or body parts typically covered by undergarments when sitting, standing, walking, or bending.
- Clothing that doesn’t cover your torso.
- Clothing with holes or short length that reveal body parts typically covered by undergarments.
- Unstable footwear (i.e., low tread, low coverage, very high heel or platform, insecure or no straps).
- “Grab hazard” clothing or jewelry (i.e., anything so loose that may get stuck on furniture, doors, or machinery).
- Clothing items with prohibited statements, graphics, or imagery (see below)

Prohibited Statements, Graphics, or Imagery

Employees may not wear clothing articles or jewelry or display tattoos that contain any of the following references:

- Profanity (all languages)
- Drugs or alcohol
- Sexual or lewd
- Violence
- Weaponry
- Hate speech
- References to political parties, campaigns, candidates, elected officials, or ballot initiatives.

Employees are also required to cover any tattoos that violate this policy.

Other types of statements: Clothing that display references to cultural or social matters is allowable. However, we ask employees to be mindful of the statements they display. When wearing something with a cultural statement consider whether it would make a resident, visitor, or partner feel excluded, unwelcome, or if it might distract from conducting your core duties.

Hate speech is explicitly prohibited. “Hate speech” is defined as abusive, threatening, or derogatory language that expresses a prejudice against someone or a group of people based on an identifying feature. Washington state (WAC 162-04-010 and WLAD) identifies the following protected classes:

race / color, presence of any sensory, mental, or physical disability; use of a trained dog guide or service animal; HIV/AIDS and Hep-C status; creed; national origin; sex (including pregnancy); marital status; age (40+); sexual orientation and gender identity; honorably discharged veteran or military status.

Clothing that displays hate speech is prohibited.

Any employee is free to discuss statements or images with the wearer, their supervisor, or the Human Resources Department

Makeup, Jewelry, Hair, and Piercings

Employees may choose how to present themselves regarding makeup, jewelry, hair style, hair color, hair covers (i.e., hats, accessories, cloth covers, etc.), facial hair, or body piercings within the parameters of this Policy. **We welcome and appreciate it when employees express themselves in ways that are authentic, culturally relevant, and in line with their gender identity or expression.**

Tattoos

Employees can display tattoos. Tattoos that display prohibited statements or graphics must be covered.

Perfumes and Scents

THA is not explicitly a fragrance-free workplace. However, we employ individuals with sensitivities to strong scents. **We encourage employees to use their discretion when applying perfumes or other scented products.** If you work near someone with a sensitivity to strong scents, you may be asked to make an adjustment. We encourage open and caring conversations when navigating these dynamics. Those requests and accommodations can be made between employees with support from supervisors or Human Resources.

Cleanliness

We expect employees to use healthy hygiene habits and identify what is healthy for themselves. Employees with distracting odor or dirty clothing will be asked to address the matter. Employees who are distracted by another employee's hygiene or cleanliness are asked to discuss those concerns directly or to contact a supervisor or the Human Resources Department for support.

Accommodations

Any employee who believes they may need a reasonable accommodation concerning THA's Workplace Attire and Assigned Uniform policy for a religious or medical reason should contact the Human Resources Department.

Enforcement

We ask that employees hold open and honest conversations with each other regarding perfumes, scents, cleanliness, and allowable statements on clothing. Supervisors and the Human Resources Department are available for support.

When an employee violates the dress code policy, management may send the employee home without pay to change into acceptable attire and / or may take appropriate disciplinary action.

Resolution 6



RESOLUTION 2024-12-11 (6)

Date: December 11, 2024

To: THA Board of Commissioners

From: April Black
Executive Director

Re: Creation and Addition of THA Policy HR.10.30.01 Assigned Uniforms

This resolution would create a new employee policy titled “HR-10.30.01 Assigned Uniforms”. This separates policies for uniformed and non-uniformed employees. It also provides further detail on the values, standards, expectations, and prohibitions for employees required to wear uniforms to perform their job functions.

BACKGROUND

The Strategic Advisor worked with Human Resources, Property Management Maintenance Managers, and Maintenance Technicians to create a new policy that ensures Maintenance employees have detailed and clear uniform standards.

This work was done alongside updates the standards for workplace attire. The Strategic Advisor engaged Maintenance employees at a Monthly Maintenance Safety meeting. They presented a draft updated policy, answered questions, and gathered comments to incorporate into an updated version of the policy. Representatives from the Trades Union also met with the Strategic Advisor to review the policy and share feedback.

Adding this policy and the detailed uniform standards will have minimal impact on THA’s finances.



RECOMMENDATION

We recommend the Tacoma Housing Authority Board of Commissions approve the proposed policy HR-10.30.01, "Assigned Uniforms".



RESOLUTION 2024-12-11 (6)

(THA HR 10.30.01 – Assigned Uniforms Policy)

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

WHEREAS, the Tacoma Housing Authority endeavors to be a great employer; and

WHEREAS, THA is committed to embedding a DEIB lens in all its practices and programs; and

WHEREAS, THA staff have shared feedback about the original version of THA policy HR-10.30; and

WHEREAS THA Maintenance staff and Union representatives participated in engagement efforts to review draft policy updates and share feedback; now, therefore, be it

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

1. Employees who are required to wear uniforms to perform their job functions follow updated values, standards, and prohibitions regarding uniforms.
2. This resolution supersedes any conflicting policies or resolutions previously adopted by the Board of Commissioners.
3. This resolution shall take effect immediately upon its adoption.

Approved: December 11, 2024

Derek Young, Chair

Assigned Uniforms Policy

Policy No. HR-10.30.01

Overview

This policy applies to Maintenance Technicians. Workplace attire standards for other employees can be found in policy HR – 10.30

THA's workplace attire and assigned uniform policy prioritizes **safety, authenticity, approachability, and agency representation. Even more, we welcome and appreciate when employees present themselves in ways that balance the four values as they relate to their role, is relevant to their culture or background, and is in line with their gender identity or expression.**

This policy is intended to create clear standards of THA's Assigned Uniform Policy, while also encouraging employees to present themselves in ways that are authentic, comfortable, and culturally relevant within these standards. By following this policy, residents, visitors, and other partners will find us approachable and trustworthy.

Of additional importance for Maintenance Technicians is recognizability. It is vital that employees are easily recognized as Maintenance Technicians. Adhering to uniform standards enhances recognizability which in turn increases safety for employees and residents.

Values for Workplace Attire

Safety means that the clothes we wear prevent and/or mitigate the extent of any harm that may be encountered at work, including workplace accidents.

Authenticity means we encourage employees to bring the version of themselves they're willing to share at work. This may look different for each and every one of us. And we think that's what makes us special.

Approachability means THA residents feel like they can relate to us and come to us for support. Approachability can be conveyed through how we dress and our general demeanor.

Agency representation means that we're asking employees to balance approachability with their roles as ambassadors of the agency and our work. Our work is sensitive and high impact. And we want residents and external partners to know that we at THA can meet the mark every day we show up for work. Like approachability, this can be conveyed through dress and general demeanor.

Maintenance Technician Assigned Uniform Standards

“Blues”: THA issued pants, shirts, and jackets are required while on the job. These items cannot have holes or other damage and must fit properly so that the Technician can move freely and complete their jobs safely. There are some situations where a Maintenance Technician may wear a different shirt or jacket outside of the “Blues” uniform.

Turn Team: When a Maintenance Technician is on the Turn Team, they may wear their THA-issued Turn Team cotton t-shirt. When the Technician’s rotation on Turn Team is over, they must return to wearing their “blues”. Turn Team members do not need to change into their blue uniform shirt when moving around the property to pick up tools, drive a van, etc. if they are still in the middle of a turn.

Jackets: The THA-issued blue jacket and the THA-gifted fleece (which employees received in Winter 2023) are preferred jackets for Maintenance Techs. The THA sweatshirt (“hoodie”) that was gifted in Winter 2022 is not permissible to wear while performing work duties because it does not provide adequate coverage and both the hood and draw strings pose a grab hazard. If a Maintenance Technician wishes to wear a different coat due to weather, they may do so as long as they are wearing the rest of their THA issued uniform. Techs should be mindful of hoods and strings on jackets.

Shirts: Shirts must be tucked in while working to prevent a grab hazard and to adhere to electrical safety standards.

Hats: Acceptable hats include THA-issued baseball hats, THA-issued winter beanies, and personal baseball hats or beanies. Personal baseball hats and beanies may be any color, display logos, and must adhere to the standards on prohibited statements, graphics, or imagery (see page 4). Other head coverings for religious, cultural, or medical reasons are also permissible.

Sweat Rags: Maintenance Technicians may carry THA-issued cooling cloths or another form of rag (cotton, preferred) to wipe sweat or keep cool while working. Personal sweat rags can be any color or pattern. These items cannot be worn on the head or forehead unless covered by a baseball cap or beanie (this does not apply to religious, cultural, or medical head coverings). They can also be placed around the neck or stored in a pocket.

Shoes: It is required that Maintenance Technicians wear work boots or similar footwear. These shoes must be closed toe and offer stable ankle support.

Prohibited Clothing Items: Any form of sneaker (i.e., walking, running, tennis, basketball, climbing, or canvas shoes, etc.), sweatpants, sweatshirts, shorts, bandanas, and hats that are not baseball caps or beanies (with the exception of head coverings that are for religious, cultural, or medical reasons).

Requesting New, Additional, or Replacement THA-Issued Uniform Pieces: Tacoma Housing Authority provides Maintenance Employees with 11 uniforms, a jacket, and a pair of overalls. Employees who may need new, additional, or replacement uniform pieces due to damage, medical

condition (including pregnancy), or religious reason should contact their manager. Those requests may or may not be fulfilled depending on availability.

Additional Guidance

Makeup, Jewelry, Hair, and Piercings

Employees may choose how to present themselves regarding makeup, jewelry, hair style, hair color, hair covers (i.e., hats, accessories, cloth covers, etc.), or body piercings within the parameters of this Policy. **We welcome and appreciate it when employees express themselves in ways that are authentic, culturally relevant, and in line with their gender identity or expression.**

Tattoos

Employees can display tattoos. Tattoos that display prohibited statements or graphics must be covered.

Perfumes and Scents

THA is not explicitly a fragrance-free workplace. However, we employ individuals with sensitivities to strong scents. **We encourage employees to use their discretion when applying perfumes or other scented products.** If you work near someone with a sensitivity to strong scents, you may be asked to make an adjustment. We encourage open and caring conversations when navigating these dynamics. Those requests and accommodations can be made between employees with support from supervisors or Human Resources.

Cleanliness

We expect employees to use healthy hygiene habits and identify what is healthy for themselves. Employees with distracting odor or dirty clothing will be asked to address the matter. Employees who are distracted by another employee's hygiene or cleanliness are asked to discuss those concerns directly or to contact a supervisor or the Human Resources Department for support.

Prohibited Statements, Graphics, or Imagery

Employees may not wear clothing articles or jewelry or display tattoos that contain any of the following references:

- Profanity (all languages)
- Drugs or alcohol
- Sexual or lewd
- Violence
- Weaponry
- Hate speech
- References to political parties, campaigns, candidates, elected officials, or ballot initiatives.

Employees are also required to cover any tattoos that violate this policy.

Other types of statements: Clothing that display references to cultural or social matters is allowable. However, we ask employees to be mindful of the statements they display. When wearing something with a cultural statement consider whether it would make a resident, visitor, or partner feel excluded, unwelcome, or if it might distract from conducting your core duties.

Hate speech is explicitly prohibited. “Hate speech” is defined as abusive, threatening, or derogatory language that expresses a prejudice against someone or a group of people based on an identifying feature. Washington state (WAC 162-04-010 and WLAD) identifies the following protected classes: race / color, presence of any sensory, mental, or physical disability; use of a trained dog guide or service animal; HIV/AIDS and Hep-C status; creed; national origin; sex (including pregnancy); marital status; age (40+); sexual orientation and gender identity; honorably discharged veteran or military status.

Employees are also required to cover any tattoos that violate this policy.

Accommodations

Any employee who believes they may need a reasonable accommodation concerning THA’s Workplace Attire and Assigned Uniform policy for a religious or medical reason should contact the Human Resources Department.

Enforcement

We ask that employees hold open and honest conversations with each other regarding perfumes, scents, cleanliness, and allowable statements on clothing. Supervisors and the Human Resources Department are available for support. When an employee violates the dress code policy, management may send the employee home without pay to change into acceptable attire and / or may take appropriate disciplinary action.

Resolution 7



RESOLUTION 2024-12-11(7)

Date: December 11, 2024

To: THA Board of Commissioners

From: April Black
Executive Director

Re: Additional Rest and Wellness Day for THA Staff

This resolution would add establish December 23, 2024, as a Rest and Wellness Day for Tacoma Housing Authority (THA) Staff.

BACKGROUND

The THA team works hard every day to meet the unique needs of the families we serve and comply with the complex regulations under which we do our work.

In addition to the important daily work, THA staff have accomplished a number of milestones in 2024. A few include:

- Opening THA's waiting list in November.
- Bringing our occupancy rate up to 95%.
- Receiving a "clean" financial audit.
- Completing construction of Housing Hilltop.
- Receiving a Shining Star Award from Tacoma Public Schools.

Finally, the focus on the mental health and wellbeing of staff is a best practice within the public service field, and this in one way we are promoting this wellbeing.

RECOMMENDATION

Authorize THA's Executive Director to provide December 23, 2024, as an additional Rest and Wellness Day.



RESOLUTION 2024-12-11 (7)
(Additional Rest and Wellness Day for THA Staff)

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

WHEREAS, THA may provide additional paid time off; and

WHEREAS, THA will provide an additional Rest and Wellness day in 2024; and

WHEREAS, there is no financial impact to THA; now, therefore, be it

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

Authorize THA's Executive Director to provide December 23, 2024, as an additional Rest and Wellness Day.

Approved: December 11, 2024

Derek Young, Chair

Resolution 8



RESOLUTION 2024-12-11 (8)

Date: December 11, 2024

To: THA Board of Commissioners

From: April Black
Executive Director

Re: Fiscal Year 2025 Agency Budget

This resolution would adopt Tacoma Housing Authority's (THA) budget for 2025. The details are set forth in the attachments.

BACKGROUND

By this resolution, the Board will adopt the Tacoma Housing Authority (THA) budget for FY 2025. Each year, THA budgets for the upcoming fiscal year. The annual budget reflects an estimate of the expected revenues and expenditures for each of its departments and major programs. The budget denotes strategic choices. It shows individual department expenses. For management purposes, each department director will manage and control their department budget in accordance with Federal, State, and Local regulations.

The Board and Executive Director provided direction for writing this budget. This guidance has been shared with the Authority's Leadership Team and is incorporated into the 2025 Budget. The Finance Director facilitated multiple meetings with the other Directors to develop a budget to present to me and the Board. The resulting budget also reflects the significant uncertainty that lies ahead. These changes may result in lower funding, increased operational costs, and programmatic changes. The budget provides the Agency with the flexibility to best position itself to accommodate these changes.

NOTABLE INFORMATION

- The 2025 budget is based on 2024 federal funding levels.
- The budget for Housing Assistance Payments (HAP) was adjusted to reflect current utilization and costs, projecting out to 2025. This includes a proposed increase in the utility allowance and a small increase in THA's payment standards.
- The 2025 budget fits recurring expenses within recurring income.
- The salary budget continues to reflect THA's commitment to pay staff salaries commensurate with the level needed to rent a 2-bedroom unit in Tacoma.
- THA has reviewed and updated all property budgets, both Tax Credit and THA owned for the 2025 budget. Changes were made in the property budgets to reflect the changing needs of individual properties. There were no significant changes in overall staffing levels or major initiatives.
- Like past budgets, this one is based on conservative estimates. THA's past prudence has allowed us to weather continuing budget challenges. As we remain in an unsettled environment, this approach should continue to serve the agency well.
- As grant funding fluctuates annually, we have collaborated with various departments to update the grant funding and expenditures to reflect the projections for 2025. Consistent with our past practices, we balance expenses with grant income to ensure a net zero impact on the agency each year.
- There will be significant activity in the development area in 2025. While Housing Hilltop construction will be complete, the development-related financial impacts will continue through 2026. Work will continue on Aviva Crossing (James Center North) and the Salishan resyndication project. THA will continue looking for other development and acquisition opportunities to expand the Agency's ability to serve lower-income Tacoma residents.
- The 2025 Budget proposal ensures that THA maintains adequate MTW and non-MTW reserves. Additionally, there are reserves from the sale of THA's public housing Scattered Site portfolio, which HUD has designated under the demo/dispo application terms for the rehabilitation or development of new affordable housing in the community. THA remains focused on maximizing the use of both MTW reserves and the reserves from the sale of public housing properties while limiting the use of Business Activity reserves. By continuing this approach in the 2025 budget, we project ending the year with healthy unrestricted reserves and a limited amount of MTW reserves. HUD's cash management regulations do not allow agencies to hold excess MTW reserves.

I am pleased to present this budget proposal to the Board. It reflects the discussions held throughout the year by the Board and staff. The proposed budget positions THA to continue increasing the number of households served and adapt to any changes that may arise. For 2025, it will enable THA to increase

its MTW utilization to over 99%. Additionally, it allows THA to remain financially stable while increasing the amount of available housing and continuing our work toward being a great employer and partner.

ADDITIONAL INFORMATION

Budget Principles

- As Congress had not passed a budget for HUD when we began building our budget, we presumed the worst of the plausible budget versions working their way through Congress. With the recent election results, future funding is even less clear. As a result, we have based our budget on flat funding.
- The budget will account for THA's strategic objectives.
 - Financial Sustainability
 - Increase the amount of available housing for low-income families
 - Increase housing access and stability
 - THA will be a great employer, contractor, and partner
- The budget will fit recurring and non-project-oriented expenses within recurring income.
- We will reserve levels within Board directed limits; not too much and not too little.
- We will spend reserves on non-recurring expenses that:
 - Save us money;
 - Make us money;
 - Make us more effective.

Rental Assistance

- HAP, Housing Assistance Payments, is the largest driver of expenses for our agency budget, accounting for approximately 64% of the agency's operating expenses. After years of rapid increases, the per unit cost of THA's traditional tenant-based vouchers has temporarily slowed. It is anticipated that future market and programmatic changes may result in increased growth rates that impact our longer-term projections. While the cost of tenant-based vouchers did not increase as rapidly, the cost of THA's project-based units has. The cost of the project-based vouchers in THA's portfolio increased significantly in September of 2024 when the rents were increased to the payment standard. This increase will provide additional unrestricted cash to THA and increase the amount of MTW funding necessary for the HAP payments. With the exception of a slight increase in the payment standard, no significant programmatic changes are currently planned for the voucher program that would drive dramatic changes in per-voucher HAP costs for 2025. The modest increase in per voucher cost combined with increased MTW utilization (99.2% of MTW baseline) will result in an MTW HAP budget that is 11.8% higher than it was in 2024.
- The Special Purpose Voucher programs (EHV, FUP, FYI, Mainstream, NED, VASH) projected utilization and average HAP have been updated for the 2025 budget. In 2024, we budgeted for aggressive growth in utilization that proved challenging to achieve for some of the harder-to-

serve voucher programs. We are also no longer able to issue new EHV vouchers, so our EHV utilization will continue to fall as participants leave the program. As a result, the budgeted 2025 Special Purpose Voucher HAP expense is below the 2024 budgeted amount but above the 2024 actual expense.

- The budget includes the addition of two Housing Navigators to assist our tenants in successfully finding housing. This additional resource is anticipated to help reduce leasing times and improve the overall leasing success rate.
- Section 8 Admin Fees are budgeted based on the 2024 administrative fee rates and proration. The per unit administrative fee rate is anticipated to increase; however, a decrease in the proration will likely offset any increase.

Salaries and Benefits

- THA continues to prioritize paying a housing wage and providing competitive salaries for its employees. To this end, a mid-year increase has been included in the budget. As in prior years, the budget funds Special Recognition Awards and Merit awards under our current pay-for-performance model. Both of these increases can occur later in the year, which will allow THA to better understand the Agency's funding outlook before utilizing the funds. It will also provide the Agency time to evaluate its employee compensation program and ensure that the available funds are put to their highest and best use for both the Agency and its employees.
- The cost of medical and dental benefits will increase significantly in 2025. The majority of THA plans had increases larger than 10% for 2025. The increase varied significantly according to the type of plan and the family members being covered. We utilized a blended rate to account for the variance between the available plans.

Employee Recognition

- The 2025 budget includes funding for the annual employee appreciation event held in December and the mid-year employee appreciation event held in the summer.
- Funding is included to allow department managers and directors to recognize employees and for department level team building events. Departments were allocated \$50 per budgeted employee for this purpose.

IT Expenditures

- The 2024 budget included significant funding for the Yardi conversion. These costs have been removed from the budget. Work continues on building out Yardi, implementing the Data Warehouse, and working on the electronic document project. Funding for these projects is included in the 2025 budget.

Reserves and Capital spending

Reserves play a crucial role in our operations. We aim to maintain sufficient reserves to ensure safe operations, uphold our creditworthiness with investors and partners, and have funds available for real estate development opportunities as they arise. We continuously assess the minimum and maximum levels of reserves overall and for each type of reserve. The Board then determines the optimal reserve levels.

For our MTW funds, we project reserve levels to be around \$1.3 million at THA and \$3.6 million at HUD by the end of 2025. For our Business Activity funds (Non-MTW without restrictions), we anticipate reserves of approximately \$13.8 million.

- In the budget, we specify areas where we will transfer from certain areas or pull from reserves rather than operations for expenditures. In addition to funding non-recurring expenses, reserves are used for a variety of capital items. There are multiple large capital transactions planned for 2025.
- Housing Hilltop Loans:
 - When the Housing Hilltop LLLP project closed, THA set aside \$8,287,500 to fund a loan to the partnership to help pay down the construction loan. This portion of the loan is scheduled to be funded in 2025.
 - Included in the Housing Hilltop construction budget is a loan from TCRA for \$900,000 that will flow through THA.
- Aviva Crossing (James Center North) will have significant and varied capital transactions in 2025. For items funded through reserves, the anticipated reserve source will be listed. For activity listed as being funded through Business Activity reserves, THA will work to utilize restricted reserves if allowable.
 - \$2.96 Million – Grant funded infrastructure work.
 - \$1.25 Million – Proceeds from lot sales and leases.
 - \$1.0 Million – Loan to Mercy Housing to support infrastructure work. This is anticipated to be funded through Scattered Site Sales proceeds.
 - \$1.11 Million – Infrastructure work funded through Business Activity reserves.
- We are budgeting \$650,000 in MTW reserves to improve THA offices and community spaces and update the THA fleet.
- THA continues to look for opportunities to acquire new affordable units to better serve our clients. We are budgeting \$2 million from Reserves with Restrictions funds (ACC sales proceeds) for rental property purchases.

Property Reserves

We are budgeting a \$1.75 million transfer of funds from THA-owned rental properties to Business activities at end of 2025 in order to maintain optimal Operating and Replacement reserves at the properties. We will maintain a six-month operating reserve based on expenses, as well as a replacement reserve for all properties that we own. This accounts for the \$3.9 million reserve level for this category.

Use of MTW flexibility

Due to our MTW flexibilities, we have had the ability to combine our Public Housing Operating subsidies, Public Housing Capital Funds, and Section 8 Housing Choice Voucher Program assistance into a single authority-wide funding source. With our Public Housing primarily converted to Section 8 RAD units, our

flexibility lies in combining our Section 8 Housing Choice Voucher HAP funds and Section 8 admin fees for those units into a single funding source to carry out the mission of the MTW Demonstration program through activities that would otherwise be eligible under sections 8 and 9 of the 1937 act.

Reserves

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

○	MTW Reserves	\$ 1,332,267
○	Business Activities (Non-MTW) reserves	\$ 13,811,094
○	THA Owned Property reserves	\$ 3,908,623
○	Reserves with Restrictions	\$ 2,920,000
○	Housing Hilltop Construction Reserve	\$ -
○	Section 8 Reserves held at HUD	\$ 3,600,000
		\$ 25,571,984

RECOMMENDATION

I recommend that the Board adopt Resolution 2024-12-11(8) to formally approve THA’s Fiscal Year 2025 Annual Budget.



RESOLUTION 2024-12-11 (8)

(FISCAL YEAR 2025 ANNUAL BUDGET)

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 (“Authority”) intends to incur expenses and other cash outflows for Fiscal Year 2025; and

WHEREAS, Authority staff has prepared and the Board of Commissioners of the Housing Authority of the City of Tacoma has reviewed and provided input to the proposed Fiscal Year 2025 annual budget; now, therefore, be it

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

1. The Board of Commissioners of the Housing Authority of the City of Tacoma adopts the attached FY 2025 Agency wide budget. Expenses and other cash outflows are projected as follows:

<u>Expenses - Operations</u>	
Asset Management & Real Estate Development	\$ 2,843,804
Client Support & Empowerment	5,180,766
Executive	2,423,948
Finance	2,579,636
Human Resources	1,201,165
Information Technology	4,173,216
Policy, Innovation and Evaluation	2,403,453
Rental Assistance	72,163,475
Property Management Overhead	3,966,174
Property Budgets	<u>3,190,707</u>
Subtotal	\$100,126,344
 <u>Additional Cash Outflows</u>	
Debt Service	230,491
Loan Payoffs	1,284,900
Loans	10,187,500
Capital Expenditures	6,720,500
Replacement Reserves	<u>170,723</u>
Subtotal	\$18,594,114
 TOTAL APPROVED BUDGET	 <u>\$118,720,458</u>

Approved: December 11,2024

Derek Young, Chair



Attachment A

BOARD OF COMMISSIONER DECISION POINTS: 2025 Budget
December, 2024

The green boxes below denote the main decisions for the THA Board. The contents of the green boxes are staff proposals.
 The yellow boxes below and other text contain information and staff proposals that will help the Board decide.

1. AVAILABLE RESERVES

Minimum necessary and Optimal Reserves

Type/Purpose of Reserves	Projected Reserves 01/01/25	-	Minimum	Maximum	Amount to Reserve - 2025	=	Amount of reserves available to use in FY-2025
a. MTW Reserves	\$1,500,000		\$900,000	\$7,500,000	\$1,300,000		\$200,000
b. Business Activities (Non-MTW) reserves	\$13,230,000		\$7,000,000	\$13,000,000	\$11,000,000		\$2,230,000
c. THA Owned Property	\$4,900,000		\$3,000,000	\$4,000,000	\$3,900,000		\$1,000,000
d. Reserves with Restrictions (ACC sale proceeds)	\$5,920,000		\$0	\$0	\$0		\$5,920,000
e. Housing Hilltop Construction Reserve	\$8,287,500		\$8,287,500	\$8,287,500	\$0		\$8,287,500
f. Section 8 Reserves held at HUD.	\$9,600,000		\$0	\$0	\$0		\$9,600,000
	\$43,437,500		\$19,187,500	\$32,787,500	\$16,200,000		\$27,237,500

MTW Reserves

MTW Expenses Non-HAP

Annual Amount	Minimum		Maximum	
	Period	Amount	Period	Amount
\$22,600,000	1/2 month	\$900,000	4 months	\$7,500,000
	Total	\$900,000	Total	\$7,500,000

2. RECURRING OPERATIONAL INCOME AND EXPENSES FY-2025

	Recurring Income	-	Cost of Recurring operations	=	Surplus or (Shortfall) in recurring operations ¹
MTW	\$72,242,512		\$74,740,556		(\$2,498,044)
Non-MTW	\$16,082,890		\$15,749,594		\$333,296
Rental Properties	\$5,629,787		\$3,435,764		\$2,194,023
Total	\$93,955,189		\$93,925,914		\$29,275

3. BUDGET IMPACT - RESERVES - FY-2025

	Non - MTW						Total
	MTW	Business Activities	THA Owned Property	Reserves with Restrictions (ACC sale proceeds)	Housing Hilltop Construction Reserve	Section 8 Reserves held at HUD.	
Estimated Reserves - 01/01/25	\$1,500,000	\$13,230,000	\$4,900,000	\$5,920,000	\$8,287,500	\$9,600,000	\$43,437,500
a. Recurring Surplus/(Shortfall) ¹	(\$2,498,044)	\$333,296	\$2,194,023				\$29,275
Non-Recurring Income/(Expense)							Amount
b. Non Recurring Income - Operational	\$0	\$1,789,753					\$1,789,753
c. Non Recurring Income - Capital	\$0	\$5,110,000					\$5,110,000
d. Non Recurring Expenses - Operational	(\$3,019,689)	(\$3,431,455)	(\$150,500)				(\$6,601,644)
e. Non Recurring Expenses - Capital	(\$650,000)			(\$2,000,000)			(\$2,650,000)
f. Operating Transfers		\$1,750,000	(\$1,750,000)				\$0
g. HUD HAP Drawdown/Transfer to MTW	\$6,000,000					(\$6,000,000)	\$0
h. Aviva Crossing (James Center North) - Infrastructure		(\$4,070,500)		(\$1,000,000)			(\$5,070,500)
i. Aviva Crossing (James Center North) - Loan Payoff			(\$1,284,900)				(\$1,284,900)
j. Housing Hilltop Loans		(\$900,000)			(\$8,287,500)		(\$9,187,500)
k. Projected Reserves - 12/31/25	\$1,332,267	\$13,811,094	\$3,908,623	\$2,920,000	\$0	\$3,600,000	\$25,571,984

4. **FY-2025 PROJECTED END OF YEAR RESERVE LEVELS**

Type/Purpose of Reserves	Projected Reserves 12/31/25	Minimum	Maximum
a. MTW Reserves	\$1,332,267	\$900,000	\$7,500,000
b. Business Activities (Non-MTW) reserves	\$13,811,094	\$7,000,000	\$13,000,000
c. THA Owned Property	\$3,908,623	\$3,000,000	\$4,000,000
d. Reserves with Restrictions (ACC sale proceeds)	\$2,920,000	\$0	\$0
e. Housing Hilltop Construction Reserve	\$0	\$8,287,500	\$8,287,500
f. Section 8 Reserves held at HUD.	\$3,600,000	\$0	\$0
Totals	\$25,571,984	\$19,187,500	\$32,787,500

Amount to Reserve - 2025	Excess/(Deficit) Reserves Over Amount to Reserve
\$1,300,000	\$32,267
\$11,000,000	\$2,811,094
\$3,900,000	\$8,623
\$0	\$2,920,000
\$0	\$0
\$0	\$3,600,000
\$16,200,000	\$9,371,984

5. **NOTABLE CHANGES FROM THE PRIOR YEAR BUDGET**

NOTABLE RECURRING CHANGES FROM 2024 BUDGET				
5.1	Notable Increases in 2025 Recurring Revenue	Amount	Notable Increases in 2025 Recurring Expense	Amount
a.	Section 8 HAP - HUD increase	\$7,546,000	Section 8 HAP	
b.	Section 8 Admin Fees	\$376,000	- HAP increases due to increased utilization & per unit HAP expense	\$5,489,000
c.	Tenant Revenue	\$962,000	Staffing (Salary & Benefits)	
d.	Property Waterfall Payments	\$1,211,000	- New Positions (Salaries & Benefits)	\$707,000
e.	Section 8 Admin Fees	\$376,000	- Salary Adjustment & Staff Reclassification	\$1,683,000
f.	Tax Credit Property Management Fees	\$203,000	- Recurring Classification Change	\$1,880,000
g.			IT Licenses (Compared to 2023 & 2024 Budget)	\$196,000
h.	Subtotal	\$10,674,000		\$9,955,000
5.2	Notable Decreases in 2025 Recurring Revenue		Notable Decreases in 2025 Recurring Expense	
a.	Commercial Rent revenue	\$267,000	Tenant Services Contracts	\$157,000
b.	Interest Income	\$407,000		
c.	Subtotal	\$674,000		\$157,000

NOTABLE NON-RECURRING CHANGES				
5.3	Notable Increases in 2025 Non-Recurring Revenue	Amount	Notable Increases in 2025 Non-Recurring Expense	Amount
a.	Developer Fee	\$700,000	Due diligence (Hillside Redevelopment & Future Development Sites)	\$600,000
b.			Legal (Development)	\$90,000
c.			Due diligence (Hillside Redevelopment & Future Development Sites)	\$600,000
d.	Subtotal	\$700,000		\$1,290,000
5.4	Notable Decreases in 2025 Non-Recurring Revenue		Notable Decreases in 2025 Non-Recurring Expense	
a.	2024 HAP income carryover and included in 2025 budget	\$2,375,000	Staffing (Salary & Benefits)	
b.			- Recurring Classification Change	\$1,880,000
c.			IT Contracts (Primarily Yardi Conversion)	\$822,000
d.			IT Licenses	\$111,000
e.			Contract Services (HR & Inclusiveness)	\$271,000
f.	Subtotal	\$2,375,000		\$3,084,000

A LOOK AHEAD				
5.5	Recurring FY-26 Income		Recurring FY-26 Expense	Amount
a.	Section 8 HAP - HUD increase	TBD	Section 8 HAP	TBD
b.	Housing Hilltop waterfall payments	TBD		
c.	Housing Hilltop Commercial Rents	TBD		
d.	Reduced Jame Center Commercial Rents	TBD		
5.6	Non-Recurring FY-26 Income		Non-Recurring FY-26 Expense	Amount
a.	Developer Fees		Housing Hilltop Development Loan	\$7,187,500
	1. Housing Hilltop	\$6,525,000	Property Purchases	TBD
	2. Salishan Developer Fee	TBD	Salishan Resyndication Loans	TBD
b.	Aviva Crossing (James Center) Lot Sales	TBD		

Back-up Detail - Notable Items

6. NON-RECURRING INCOME: FY-2025

Sources of Non-Recurring Income	Amount	MTW/Non-MTW/Properties	Department
Operational			
a. 2024 HAP income carryover and included in 2025 budget	\$6,000,000	MTW	RA
b. <i>Developer Fee Income</i>		\$700,000	
1. Shiloh Developer Fee	\$200,000	Non-MTW	AMRED
1. Salishan Resyndication Developer Fee	\$500,000	Non-MTW	AMRED
c. Grant Income (All grants with end dates)	\$1,089,753	Non-MTW	CS / RA

Capital	Amount	MTW/Non-MTW/Properties	Department
a. Housing Hilltop - TCRA Loan	\$900,000	Non -MTW	AMRED
b. Aviva Crossing - James Center North		\$4,210,000	AMRED
1. Infrastructure - CHIP Grant	\$2,000,000	Non -MTW	AMRED
2. Infrastructure - EPA Loan	\$960,000	Non -MTW	AMRED
3. Land Sales	\$1,250,000	Non -MTW	AMRED

7. NOTABLE NON-RECURRING EXPENSES (Non Grant Funded) - FY 2025

7.1 Operational Expenses

	Amount	MTW/Non-MTW/Properties	Department
a. Salaries & Benefits		\$1,535,696	
1. Development/Grant Funded/Time limited positions (Sal & Ben)	\$1,234,910	MTW/Non-MTW	Multiple
2. Overtime	\$100,786	MTW/Non-MTW	Multiple
3. Executive Special Recognition Funds- Salary only	\$200,000	MTW/Non-MTW	EX
b. Advertising & Marketing		\$15,000	
1. Property Videos	\$15,000	MTW/Non-MTW	EX
c. Information Technology Expenses		\$690,000	
1. Data Warehouse/Fabric Support	\$300,000	MTW/Non-MTW	IT
2. Eagle Eye Camera System	\$50,000	MTW/Non-MTW	IT
3. EightCloud Managed Services	\$25,000	MTW/Non-MTW	IT
4. IT Innovative Technology Infrastructure Wiring	\$25,000	MTW/Non-MTW	IT
5. Electronic Documents Project Support	\$50,000	MTW/Non-MTW	IT
6. Cyber Security Consulting	\$40,000	MTW/Non-MTW	IT
7. Yardi Support	\$200,000	MTW/Non-MTW	IT
d. Office Equipment		\$75,500	
1. Common space and office furniture	\$58,500	MTW/Non-MTW	Multiple
1. IT Equipment	\$17,000	MTW/Non-MTW	Multiple
e. Legal		\$240,000	
1. HR Miscellaneous, Claims & Union Negotiations	\$35,000	MTW/Non-MTW	HR
2. Policy Handbook review	\$20,000	MTW/Non-MTW	HR
3. Miscellaneous	\$50,000	MTW/Non-MTW	AMRED
4. New or upcoming Development Projects/Acquisitions	\$70,000	Non-MTW	AMRED
5. Aviva Crossing (James Center North)	\$50,000	Non-MTW	AMRED
6. Landlord tenant law analysis	\$15,000	Non-MTW	PM
f. Administrative Contracts		\$251,000	
1. Capital Improvement Plan	\$10,000	MTW	AMRED
2. Inclusive operations	\$40,000	MTW/Non-MTW	EX
3. Misc. Contracts	\$50,000	MTW/Non-MTW	EX
4. Budget Support & Finance Consulting	\$25,000	MTW/Non-MTW	FD
5. Finger Printing, Recruitment & Misc.	\$29,000	MTW/Non-MTW	HR
6. Salary Compensation & Compensation Study	\$27,000	MTW/Non-MTW	HR
7. Administrative Plan & Program Evaluation	\$25,000	MTW	PI
8. Data & Reporting - FFTS	\$30,000	MTW/Non-MTW	PI
9. Section 8 Market Study	\$15,000	MTW	RA
g. Staff Training and Travel		\$575,000	
1. Registrations, and Travel for all Departments	\$575,000	MTW/Non-MTW	All
h. Due Diligence - Development Opportunities		\$1,150,000	

1. Hillside 1500 Redevelopment	\$150,000	Non-MTW	AMRED
2. New Opportunities & Acquisitions	\$1,000,000	Non-MTW	AMRED
i. <i>Tenant Services</i>			
1. Security Deposit Assistance		\$175,000	
1.1 Section 8 Voucher Program	\$150,000	MTW	RA
1.2 THA Managed Rental Units	\$25,000	MTW	PM
j. <i>Housing Assistance Payments</i>		\$900,000	
1. Rapid Rehousing	\$900,000	MTW	RA
l. <i>Maintenance</i>		\$163,000	
1. Outrigger Painting	\$90,000	Non-MTW	PM
2. Salishan 7 - Painting & HVAC Replacement	\$55,000	Non-MTW	PM
3. FIC Duct Cleaning	\$18,000	Non-MTW	PM
m. <i>Contingency</i>	\$100,000	Non-MTW	EX

7.2 CAPITAL EXPENSES

	Amount	MTW/Non-MTW/Properties	Department
a. Accessibility and sound deadening for THA facilities	\$500,000	MTW	AMRED
b. Maintenance Vehicles	\$150,000	MTW	PM
c. Inspector Vehicles	\$0	MTW	RA
d. Aviva Crossing (James Center North)		\$6,355,400	
1. Infrastructure - Grant Funded	\$2,960,000	Non MTW	AMRED
2. Infrastructure - Cost Share	\$1,110,500	Non MTW	AMRED
3. Infrastructure - Mercy Loan (Sales Proceeds)	\$1,000,000	Non MTW	AMRED
4. WSHFC loan retirement	\$1,284,900	Properties	AMRED
e. Housing Hilltop Redevelopment - 2025		\$9,187,500	
1. THA Loan A - Sponsor Loan	\$8,287,500	Non MTW	AMRED
1. THA Loan D - TCRA	\$900,000	Non MTW	AMRED
f. New Acquisitions		\$2,000,000	RD
1. THA Funds - HUD Restricted Sales Proceeds	\$2,000,000	Non-MTW	RD

8. NOTABLE RECLASSIFICATIONS AND NEW POSITIONS - FY 2025

Position	Department
9.1 <i>Position Reclassifications</i>	
a. Upgrade Asset Management Analyst to Asset Manager	AMRED
b. Upgrade Accounting Specialist to Senior Accountant	FD
c. Upgrade HR Coordinator to HR Analyst	HR
d. Upgrade Data Analyst to Senior Data Analyst	PIE/IT
9.2 <i>New Positions in 2025 Budget from 2024 Budget</i>	
a. Senior Legal Counsel	EX
b. Accounting Specialist (Sunset / Non-Recurring)	FD
c. Housing Navigator (2)	RA
d. Senior Property Manager	PM
e. Key Holders (3) - Part-time - Charged to LIHTC Properties	Properties

**Tacoma Housing Authority - Agency Wide Budget
FY2025**

	<u>AMRED</u>	<u>Client Support and Empowerment</u>	<u>Executive</u>	<u>Finance</u>	<u>Human Resources</u>	<u>Information Technology</u>	<u>Policy Innovation & Evaluation</u>	<u>Property Management</u>	<u>Rental Assistance</u>	<u>Agency Total</u>
Revenue - Operations										
Operating Grants	-	2,340,915	-	-	-	-	-	143,300	84,291,614	86,775,829
Tenant Revenue	-	-	-	-	-	-	-	4,611,214	-	4,611,214
Management Fee Revenues	326,832	661,526	168,569	771,075	157,899	536,570	140,357	739,640	577,203	4,079,669
Other Revenues	734,505	921,526	-	305,000	-	-	-	4,214,472	102,727	6,278,230
Total Revenue	1,061,337	3,923,967	168,569	1,076,075	157,899	536,570	140,357	9,708,626	84,971,544	101,744,942
Expenses - Operations										
Operating Expense										
Administrative Expenses	2,726,711	110,229	2,413,251	2,543,141	1,136,573	4,168,250	2,394,399	2,878,110	7,520,412	25,891,076
Tenant Services	-	5,035,556	-	-	-	-	-	55,450	176,386	5,267,392
Utilities	13,000	-	-	-	-	-	-	458,912	-	471,912
Maintenance	12,500	3,000	-	-	-	-	-	2,418,598	6,000	2,440,098
Protective Services (THA)	-	-	-	-	-	-	-	18,677	-	18,677
Insurance Premiums	89,592	31,982	10,697	13,995	4,592	4,966	9,054	465,776	55,203	685,857
Total Other General Expenses	2,000	-	-	22,500	60,000	-	-	224,016	103,700	412,216
Interest Expense and Amortization Cost	-	-	-	-	-	-	-	512,830	-	512,830
Total Operating Expense	2,843,804	5,180,766	2,423,948	2,579,636	1,201,165	4,173,216	2,403,453	7,032,369	7,861,701	35,700,058
Non-Operating Expenses										
Extraordinary Maintenance Expense	-	-	-	-	-	-	-	124,512	-	124,512
Housing Assistance Payments	-	-	-	-	-	-	-	-	64,301,774	64,301,774
Total Non-Operating Expenses	-	-	-	-	-	-	-	124,512	64,301,774	64,426,286
Total Expenses - Operations	2,843,804	5,180,766	2,423,948	2,579,636	1,201,165	4,173,216	2,403,453	7,156,881	72,163,475	100,126,344
Surplus/(Loss) - Operations	(1,782,467)	(1,256,800)	(2,255,380)	(1,503,561)	(1,043,266)	(3,636,646)	(2,263,097)	2,551,745	12,808,069	1,618,598
Capital Revenue (Expense)	(11,648,000)	-	-	-	-	-	-	(320,723)	-	(11,968,723)
Liability and Equity	(1,284,900)	-	-	-	-	-	-	(230,491)	-	(1,515,391)
Reserve Appropriation	13,682,900	-	-	-	-	-	-	-	-	13,682,900
Net Surplus/(Loss)	(1,032,467)	(1,256,800)	(2,255,380)	(1,503,561)	(1,043,266)	(3,636,646)	(2,263,097)	2,000,531	12,808,069	1,817,384

Resolution 2024-12-11 (8)

Attachment C

**Tacoma Housing Authority - Property Budget
FY- 2025**

	<u>Aviva Crossing</u>	<u>Highland Crest Apartments</u>	<u>North Highland Court</u>	<u>Outrigger Apartments</u>	<u>Salishan 7</u>	<u>Subtotal</u>
Revenue - Operations						
Tenant Revenue	0	1,264,380	574,900	671,124	2,081,810	4,592,214
Other Revenues	905,183	34,800	21,000	36,590	40,000	1,037,573
Total Revenue	905,183	1,299,180	595,900	707,714	2,121,810	5,629,787
Expenses - Operations						
Operating Expense	496,498	771,476	372,395	440,556	999,125	3,080,050
Non-Operating Expenses						
Extraordinary Maintenance Expense	-	-	-	90,000	15,000	105,000
Total Non-Operating Expenses	-	-	-	90,000	15,000	105,000
Total Expenses - Operations	496,498	771,476	372,395	530,556	1,014,125	3,185,050
Surplus/(Loss) - Operations	408,685	527,704	223,505	177,158	1,107,685	2,444,737
Capital Expenses (Revenue)	0	41,222	13,401	44,100	72,000	170,723
Liability and Equity	1,284,900	109,445	48,326	60,220	12,500	1,515,391
Net Surplus/(Loss)	(876,215)	377,038	161,777	72,838	1,023,185	758,623

Resolution 9



RESOLUTION 2024-12-11 (9)

Date: December 11, 2024

To: THA Board of Commissioners

From: April Black
Executive Director

Re: 2025 Board Commitments

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

BACKGROUND

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

Furthermore, HUD is now requiring MTW agencies to include it in HUD's annual MTW plan and report it in HUD's Voucher Management System (VMS).

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

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

This Resolution updates the list of commitments.



RECOMMENDATION

Approve Resolution 2024-12-11 (9) committing THA reserves as identified in the attached Schedule of Board Reserve Commitments.



RESOLUTION 2024-12-11 (9)

(COMMITMENT OF AGENCY & MOVING TO WORK RESERVES)

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

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

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

WHEREAS, The attached Schedule of MTW Reserve Commitments updates Resolution 2023-11-08 (6) and reflects the Authority's current plans for such capital and operational expenditures of THA' reserve's, both MTW and Non-MTW; and

WHEREAS, The Authority has submitted an initial MTW commitment of Reserves in the 2025 MTW plan, and intends to include an updated Schedule of Board Commitments in the MTW annual report, including language that allows for shifting monies between the identified commitments; now, therefore, be it

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

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

Approved: December 11,2024

Derek Young, Chair

2025 Schedule of Board Reserve Commitments

Board Future Commitments		2024 Commitments	2025 Budget	Future Commitments 2026 and Beyond	MTW or Non-MTW	Period
a.	Business Process Improvement Project	\$500,000	\$475,000	\$500,000	MTW	2022 - 2026
b.	Faircloth & Property Repositioning		\$200,000	\$3,500,000	MTW / Non MTW	2025 - 2027
c.	Aviva Crossing (James Center North) Loan Payment (ECLF)	\$1,500,000			Non MTW	2023 - 2024
d.	Aviva Crossing (James Center North) Loan Payment (WSHFC)	\$2,170,000	\$1,284,900		Non MTW	2024 - 2025
e.	Aviva Crossing (James Center North) Infrastructure & Loan		\$2,110,500		Non MTW	2025
e.	Housing Hilltop		\$8,287,500	\$7,187,500	Non MTW	2025-2026
f.	Software Platform Conversion / IT Upgrades	\$1,275,000	\$500,000		MTW	2022 - 2025
g.	Property Acquisitions & Future Development Opportunity Evaluation	\$4,000,000	\$3,000,000	\$6,000,000	MTW / Non MTW	2024 -
i.	THA administrative and community space upgrades	\$250,000	\$500,000		MTW	2024 - 2025
Commitments by Year		\$9,695,000	\$16,357,900	\$17,187,500		

Minimum Reserve Balances						
1.	Business Activity Reserves	\$6,500,000	\$7,000,000	\$7,000,000	Non MTW	In perpetuity
2.	MTW Reserves	\$900,000	\$900,000	\$900,000	MTW	In perpetuity
3.	THA Property Reserves	\$3,500,000	\$3,000,000	\$3,000,000	Non MTW	In perpetuity
4.	Housing Hilltop (Half of total THA cash contribution)	\$8,287,500			Non MTW	2025
Minimum End of Year Reserves by Year						
Totals		\$19,187,500	\$10,900,000	\$10,900,000		

Resolution 10



RESOLUTION 2024-12-11 (10)

Date: DECEMBER 11, 2024

To: THA Board of Commissioners

From: April Black
Executive Director

Re: Approval of Accounts Receivable Write-Offs - Tenant

This resolution would authorize Tacoma Housing Authority (THA) staff to “write off” bad debts associated with tenant accounts in the amount of \$20,558.52.

BACKGROUND

THA has established a process of writing off tenant accounts receivable bad debt. THA incurs this bad debt when a program participant leaves the public housing or Housing Choice Voucher program owing a balance. The debt may arise from excessive damage to a unit, unpaid rent, or tenant fraud/unreported income. There are also instances where a property owner was overpaid rental assistance payments and has not repaid THA for this amount.

Until we write off tenant accounts receivable balances as bad debt, these balances stay on the active tenant ledger in our accounting system and General Ledger (GL). The receivable balance also remains as part of our tenant receivables that we report to HUD in our year-end financials. Once we write off the debt, we can remove it from THA’s receivable balance and assign it to the collection agency for collection purposes. THA receives 50% of any proceeds that the collection agency recovers.

THA has notified each individual of his or her debt included in this write-off. THA mailed two notices to the last known address of the individual. These notices provide the opportunity for the individual to pay the debt or enter into a repayment agreement with THA. Sending a tenant to collections is the last resort for THA to collect the tenant debt.

RECOMMENDATION

Approve Resolution 2024-12-10 authorizing THA to write off tenant accounts totaling **\$20,558.52.**



RESOLUTION 2024-12-11 (10)

(Approval of Accounts Receivable Write-Offs)

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

WHEREAS, Tacoma Housing Authority (THA) provided housing services to Public Housing and Housing Choice Voucher participants who discontinued housing assistance with debt owing to THA; and

WHEREAS, Tacoma Housing Authority (THA) provided housing assistance payments to property owners in excess of the amount the owner is entitled to receive, and the owner has not repaid this amount to THA; and

WHEREAS, each individual included in this tenant account write-off has been notified of their debt and given the opportunity to pay prior to this resolution; now, therefore, be it

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

Authorizes THA staff to “write off” the following accounts and send these debts to an external collection agency to pursue collection action:

	Account #	Balance
Salishan Seven	t0026805	\$1,782.00
	t0026796	\$361.00
	t0026696	\$191.00
	t0026700	\$7,236.00
	t0026703	\$906.52
	t0026719	\$5,742.00
	t0026714	\$4,340.00
	Total Write-off	\$20,558.52
Write-off only*	\$0.00	
Total to Collections	\$20,558.52	

Approved: December 11, 2024

Derek Young, Chair

Resolution 11



RESOLUTION 2024-12-11 (11)

Date: December 11, 2024

To: THA Board of Commissioners

From: April Black
Executive Director

Re: Approval of Accounts Receivable Write-Offs - Landlords

This resolution would authorize Tacoma Housing Authority (THA) staff to “write off” bad debts associated with landlord accounts in the amount of \$76,843.34.

BACKGROUND

THA has established a process of writing off owner-receivable bad debt. THA incurs this bad debt when a program participant leaves the Housing Choice Voucher program without timely notifying THA, creating overpayments owed to THA.

Until we write off owner accounts receivable balances as bad debt, these balances stay on the Housing Assistance Payment (HAP) ledger in our accounting system. The receivable balance also remains as part of our owner receivables that we report to HUD in our year-end financials. Once we write off the debt, we can remove it from THA’s receivable balance and assign it to the collection agency for collection purposes. THA receives 50% of any proceeds that the collection agency recovers.

THA has notified each owner of his or her debt included in this write-off. THA mailed two notices to the last known address of the owner. These notices provide the opportunity for the owner to pay the debt or enter into a repayment agreement with THA. Sending these debts to collections is the last resort.

Any of these accounts not sent to collections because the balances are past the statute of limitations or the balances are immaterial (under \$50) are shown below with an asterisk (*).

RECOMMENDATION

Approve Resolution 2024-12-11 authorizing THA to write off tenant accounts totaling **\$76,843.34**.



RESOLUTION 2024-12-11 (11)

(Approval of Accounts Receivable Write-Offs)

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

WHEREAS, Tacoma Housing Authority (THA) provided housing assistance payments to property owners in excess of the amount the owner is entitled to receive, and the owner has not repaid this amount to THA; and

WHEREAS, each individual included in this property owner's write-off has been notified of their debt and given the opportunity to pay prior to this resolution; now, therefore, be it

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

Authorizes THA staff to “write off” the following accounts and send these debts to an external collection agency to pursue collection action:

Ledger #	Balance
v0000377	\$ 410.00
v0000688	\$ 687.00
v0000690	\$ 1,712.00
v0001368	\$ 1,027.00
v0001798	\$ 1,614.00
v0002669	\$ 2,556.00
v0002764	\$ 671.00
v0002889	\$ 185.34
v0002987	\$ 827.00
v0004124	\$ 4,852.00
v0004180	\$ 1,099.00
v0004201	\$ 1,185.00
v0005126	\$ 1,924.00
v0006501	\$ 861.00
v0007141	\$ 82.00
v0007408	\$ 7,260.00
v0008163	\$ 992.00
v0009119	\$ 842.00
v0009244	\$ 538.00
v0000647	\$ 918.00
v0002735	\$ 870.00

v0006028	\$	2,360.00
v0007213	\$	766.00
v0008177	\$	966.00
v0000521	\$	695.00*
v0001223	\$	1,038.00*
v0000419	\$	2,668.00*
v0001794	\$	2,841.00*
v0003537	\$	3,660.00*
v0001885	\$	772.00*
v0003688	\$	4,004.00*
v0004376	\$	2,052.00*
v0004766	\$	9,372.00*
v0004891	\$	1,142.00*
v0005210	\$	1,076.00*
v0005285	\$	278.00*
v0005586	\$	662.00*
v0002724	\$	443.00*
v0006148	\$	757.00*
v0003551	\$	2,400.00*
v0007222	\$	676.00*
v0007575	\$	20.00*
v0005468	\$	529.00*
v0007818	\$	753.00*
v0007982	\$	699.00*
v0007984	\$	1,234.00*
v0007884	\$	1,329.00*
v0008322	\$	443.00*
v0008652	\$	429.00*
v0009130	\$	429.00*
v0009143	\$	543.00*
v0009406	\$	695.08*
Total Write-off		\$76,843.34
Write-off only*		\$41,639.00
Total to Collections		\$35,204.34

Approved: December 11, 2024

Derek Young, Chair