

RESOLUTION 2025-03-26(8)

Date: March 26, 2025

To: THA Board of Commissioners

From: April Black

Executive Director

Re: Authority to Amend THA's Professional Service Contract with Eisenhower

Carlson

This resolution would allow Tacoma Housing Authority (THA) to execute a contract Amendment with Eisenhower Carlson for Taxable and Non-Taxable properties.

BACKGROUND

THA entered into a contract with Eisenhower Carlson PLLC for unlawful detainer matters for THA's Taxable and Non-Taxable properties. The current contract value is \$275,000 for Taxable properties and \$100,000 for Non-Taxable properties. This Amendment is to seek Board Approval to extend the contract through 2025 and to cover additional projected costs through December 31, 2025.

THA is experiencing unprecedented increases in legal costs related to unlawful detainers. This is due to Property Management's enforcement of ongoing non-payment of rent issues that escalated during the Covid-19 pandemic, coupled with the City of Tacoma's restrictions on THA's ability to evict tenants for non-payment. The City's winter and school-year eviction limitations have caused household debts to compound.

Over the past 10 months, our legal costs have increased by 340% compared to the 2017-2019 period. THA is currently spending around \$30,000 a month, necessitating amendments to contracts to account for this rapid increase in spending to address non-payment of rent.

The original contracts were procured in 2020 and have since been amended. THA's procurement team plans to issue a new legal RFP in the fall of 2025 for January 2026 legal contracts.

While THA cannot control environmental factors such as the eviction ban, our concerted effort to enforce leases and address non-payment of rent issues is resulting in increased rent collection, which we expect will eventually reduce our legal expenses.

RECOMMENDATION

Approve THA to amend the current contracts with Eisenhower Carlson PLLC by adding an additional \$41,000 to the Taxable Contract (CO-2022-005136) and \$625,000 to the Non-Taxable contract (CO-2022-005135).

Executive Director April Black

RESOLUTION 2024-03-26 (8)

(Authority to Amend THA's Professional Service Contract with Eisenhower Carlson PLLC)

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

WHEREAS, THA entered into contracts with Eisenhower Carlson PLLC for unlawful detainer matters for Taxable and Non-Taxable properties; and

WHEREAS, THA seeks to add an additional \$41,000 to the Taxable properties contract and an additional \$625,000 to the Non-Taxable properties; 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 Amendments with Eisenhower Carlson PLLC for unlawful detainer matters for THA's Taxable and Non-Taxable properties.

Approved: March 26, 2025

Derek Young, Chair