

Tacoma Housing Authority **MOVING TO WORK PLAN** 2020

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Section I: Introduction and Overview

The City of Tacoma faces opportunities and challenges that directly impact THA's work and the households THA serves. The City of Seattle is seeing tremendous economic and population growth. This growth is migrating south to Tacoma. With that migration comes higher wage earners and opportunities for economic growth in Tacoma. But this growth also puts a strain on existing housing affordability (the delta between what people earn and the cost of housing). Data shows that Tacoma needs an additional 29,830 units of affordable housing to serve the current Tacoma households earning 30% or less of the area median income.

Tacoma is experiencing a growing homeless population among single adults, families, and unaccompanied children and young adults. Many of these children and adults attend Tacoma's public schools and colleges.

In 2020, THA will continue to take an active role in its long-term vision for its city. THA's Board of Commissioners states this vision clearly:

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

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

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

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

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

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

THA looks forward to determining effective uses of MTW authority for these purposes.

LONG and SHORT-TERM GOALS

THA spent 2018 and 2019 implementing strategies to maintain and increase the number of households served with THA funds. The two most effective strategies were landlord engagement and the development and implementation of a new Property-Based Subsidy program. THA will now enter 2020 with over 100% of its Moving to Work baseline of households even while Tacoma has what some media sources are calling "the hottest housing market in the nation."¹

2020 will see THA focus on maintaining positive property owner/landlord relationships, advocating on a local and state level for increased tenant protections, and bringing new Property Based Subsidy and Project-Based vouchers online. THA will see new investments in assisted living for Medicaid-eligible households, dementia-care housing for Medicaid-eligible households, permanent supportive housing for survivors of domestic violence and people exiting homelessness, homeless high school seniors and college students, and a new THA owned apartment complex for young adults exiting homelessness.

THA's Board has chosen the agency's seven strategic objectives, each with performance measures that guide the agency through the coming years. These strategic objectives show on the following pages. Listed below each strategic objective are the strategies THA has chosen to fulfill the objective.

¹ Crowe, Michael. "Tacoma becomes hottest housing market in U.S. as 'fed up' Seattle buyers move south." *King 5 News: Real-Estate*. 25 May 2019. [Linked here](#).

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

1. Housing and Supportive Services

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

To meet this objective THA will:

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

2. Housing and Real Estate Development

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

To meet this objective, THA will:

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

3. Property Management

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

To meet this objective, THA will:

- Lower its per unit per year operating costs.
- Increase its rent collection.
- Improve each property's cash flow.
- Maintain high quality properties.
- Schedule and complete capital repairs on a regular schedule.
- Maintain a high level of customer satisfaction as judged by customer surveys.
- Consult with customers in advance of any policy changes 100% of the time.

4. Financially Sustainable Operations

THA seeks to be more financially sustaining.

To meet this objective, THA will:

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

5. Environmental Responsibility

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

To meet this objective, THA will:

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

6. Advocacy and Public Education

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

To meet this objective, THA will:

- Strive to maintain a positive public regard for THA.
- Lend staff to serve as effective members of community advisory panels.
- Be an effective advocate for the value of its work and the people it serves.

7. Administration

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

To meet this objective, THA will:

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

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

Here are some examples of how THA has used and plans to use its MTW flexibility in order to meet these objectives:

Housing and Supportive Services: THA modified its rent structure for its Housing Opportunity Program (HOP). Its flat subsidy removes the disincentive to increase earned income. It makes it easier to administer and explain. It also lowers program costs. The savings allow THA to serve more families and to invest in supportive services that households need to succeed as “tenants, parents, students, wage earners and builders of assets.”

THA has used MTW dollars and flexibility to fund its innovative Education Project. Among its initiatives is a program that has stabilized an elementary school that had ruinous transient rates among its students because of family homelessness. THA has extended this program model to house homeless community college students and their families during their enrollment as long as they make adequate academic progress toward a degree.

THA has modified its Family Self-Sufficiency program to build escrow accounts for customers as they achieve tangible, individual goals rather than through extremely complicated calculation worksheets that few people could understand and that took a lot of staff to explain and administer.

THA has also been able to invest federal dollars in non-traditional rental assistance programs that serve homeless households with children, homeless youth without families, and families who need housing to prevent or shorten their children's foster care placements. In 2020, THA will also begin serving families participating in Family Drug Court.

Plans for 2020

Leveraging Housing Dollars for Education

THA will expand its innovative Elementary School Housing Assistance Program to other elementary schools in Tacoma to help families in crisis stabilize so their children can succeed in school. It will continue its expansion of its College Housing Assistance Program (CHAP). CHAP began as a pilot program at Tacoma Community College (TCC) which provided tenant-based rental assistance to homeless and near homeless students enrolled at the college. CHAP has grown to include homeless and near homeless students enrolled at the University of Washington – Tacoma (UWT). THA has implemented its new Property-Based Subsidy program to sign long term contracts with private developments near the campuses to reserve apartments for CHAP eligible students. THA hopes to partner with other education partners to support students by leveraging housing dollars to provide housing and other student supports.

THA and its education partners will expand CHAP to serve homeless high school students and students who begin their TCC coursework while they are incarcerated.

Use Property-Based Strategies to serve more households

As mentioned above, THA deployed a Property-Based Subsidy (PBS) program in 2018 using the MTW local, non-traditional use of funds. We began the program to increase the number of households THA could serve in an inhospitable rental market, while focusing on homeless college students. In 2019, THA expanded the focus of the PBS program to add units where providers focused on living and dementia care. PBS units will also be available for homeless high school seniors and through permanent supportive housing for chronically homeless Tacomans.

Partner with community leaders to provide supportive services that stabilize and empower families

In January 2019, the Salishan Family Investment Center became a United Way of Pierce County- sponsored Center for Strong Families (CSF) in East Tacoma. In partnership with local non-profit Sound Outreach, the CSF will provide employment coaching, income supports and financial coaching. This three-pronged integrated services approach to family stability is currently offered to all Family Self-Sufficiency participants living in or near the Eastside of Tacoma. The Children's Savings Account program and THA's banking relationship with Heritage Bank at the new Salishan satellite help to create a multi-generational approach to asset building and income progression.

Additionally, in early 2019, THA and Sound Outreach staff began embedding at the Hilltop CSF, which is also known as the Neighborhood Financial Opportunity Center. Family Self-Sufficiency participants living or working at or near the Hilltop neighborhood can gain access to integrated employment, income supports and financial coaching. A satellite Harborstone Credit Union branch is also a part of the Hilltop CSF branch; with this on-site relationship, participants gain access to credit building loans, lower-interest auto refinancing loans and lower-interest emergency loans.

In 2020, THA will continue to integrate these two centers into the work of the statewide Workforce Investment and Opportunity Act (WIOA). This will allow THA to link its customers to jobs available in the local community and expand opportunities for training and internships.

Invest in partners that expand THA's reach to serve the neediest

THA will continue to invest in the Pierce County homeless system for families and young adults. THA will continue its \$1.288 million investment and will expand the use of funds to include all types of housing, not just rapid rehousing. Alongside this investment, THA will expand this partnership with Pierce County and will partner with the Tacoma Public School district to provide rapid rehousing assistance to homeless families enrolled with Tacoma Public Schools.

THA will expand how it offers rental assistance to include property-based subsidies to improve affordable housing options available to low-income renters. THA is designing a new rental assistance model to make it appealing to private owners to make long-term commitments to set aside units at rents affordable to households from 30-50% of area median incomes. The property-based subsidy program has enabled THA to strengthen its college housing programs and expand to serve more college students.

Real Estate Development: THA is able to invest MTW dollars to build or buy new housing. Over the next five years, THA plans to add an average of 70 new housing units per year. This investment is important especially as Tacoma's rental market becomes less and less affordable making vouchers less and less effective. This investment also allows THA to (i) bring affordable housing to higher opportunity parts of the market that would be or are becoming unaffordable or inaccessible even with a voucher; (ii) invest in depressed parts of the market that need the investment and embolden others to invest.

Plans for 2020

Arlington Drive Youth Campus – housing and supportive services for homeless youth & young adults

THA will partner with Community Youth Services (CYS) and the YMCA of Greater Seattle to develop a service-enriched campus providing homeless youth without families and young adults with short and long-term housing and high quality, engaging, empowering and supportive services. These services will include professional trauma-informed case management services, independent living skills training, family reconciliation, therapy and substance use counseling, and job training. The campus will include the following elements:

- A Crisis Residential Center (CRC)/HOPE facility for homeless youth aged 12 to 17 years, with 12 beds allowing young people to stay an average of 15-30 days, depending on need. The CRC/HOPE facility offers youth a safe, supervised, and nurturing place to stay while skilled case managers work to arrange a safe place to live. This may be back with family, to relatives, to a new family, or to foster care. CYS's current six-bed CRC in Tacoma, WA has a 91% rate of successful discharge to a safe new residence. We anticipate that the CRC at Arlington Drive will serve 300-400 Pierce County youth and young adults every year.
- 58 units of rental housing for young adults ages 18 to 25 years, with focused support services provided by the YMCA of Greater Seattle to address their behavioral, mental and physical health needs and to help them complete their education, learn necessary life-skills, establish careers so that they enter into adulthood with the support and resources necessary to live a safe, healthy and thriving life.. The YMCA of Greater Seattle is the largest housing provider for homeless young adults in the Pacific Northwest, and one of the nation's premier social service agencies focusing on young adults.
- High quality supportive services that emphasize social community activities, diversity, equity, and social enterprise.
- A design that will be a thoughtful, lovely addition to the neighborhood, with a tree canopy.

Housing Hilltop – a neighborhood plan for affordable housing, retail and community public space

THA has worked closely with local partners and will complete Hilltop Master Planning to inform THA's investments in a neighborhood that is becoming increasingly unaffordable. Housing Hilltop's vision is to create a mixed-use collaborative development with multiple housing options.

James Center North- redeveloping to create a vibrant, mixed-use neighborhood

THA intends to develop an attractive, mixed-use, development that will include apartments for people with a variety of incomes in amenity rich West Tacoma. The property is close to transit, shopping, entertainment and Tacoma Community College. The Master Planning process for site design is expected to be completed in late 2019. THA will begin to seek development partners in 2020.

Bay Terrace: Phase III

Redevelop THA's 1800 Block of the property formerly known as Hillside Terrace. This is the third phase of the Bay Terrace development and will include 64 units developed with low income housing tax credits and other financing sources. The third phase will also include set-aside units for households experiencing homelessness and set-asides for people with disabilities. Currently, construction is scheduled to be completed by December 31, 2020.

THA provides housing and rental assistance, but will continue to seek opportunities for neighborhood investment

Acquire existing housing in the market to preserve affordable housing to households earning up to 80% of the area median income (AMI).

Property Management: THA has used MTW dollars to maintain its housing portfolio. This investment is also critical. That portfolio is valuable. It serves THA's neediest households, including those who would not do well in the private rental market even with a voucher, such as disabled persons, seniors, households coming from trauma and those who do not speak English. THA and its talented and multi-lingual staff are very good landlords to such tenants. This use of MTW dollars is also how THA can bring investments to neighborhoods that need it and to spur their development in ways that benefit all their residents.

Plans for 2020

Conversion of THA's Salishan and Hillside Portfolios to Rental Assistance Demonstration (RAD) conversion will be complete

THA will complete its Salishan and Hillside Terrace portfolios to RAD. This will be a non-financing transaction and will not involve any rehabilitation of these properties at this time. Rehabilitation needs identified in the RAD Physical Condition Assessment (PCA) will be completed when these properties are re-syndicated between 2021 and 2030.

THA will continue to invest in supportive services for the tenants living in its portfolio

The focus of these services includes community building, bringing tenant resources on-site, and case staffing to help maintain tenancies. Arlington Drive will be a notable addition to the Eastside, particularly for homeless youth and young adults and their families. In both the Crisis Residential Center/HOPE facility and the apartment building, intensive services will be imbedded in-house allowing all young people and their associated support systems seamless access to the resources they need.

Financially Sustainable Operations: The addition of affordable housing units to the portfolio will increase the agency assets. It will also add new income streams to the agency.

Plans for 2020

THA will convert the Salishan and Hillside Terrace portfolios from public housing to RAD PBV vouchers, improving the financial operations of these properties. Conversion of the Renew Tacoma portfolio in 2016 has improved the operational sustainability of that portfolio by improving the subsidy, as well as reducing operational costs in these properties.

With the acquisition of additional units and property in Tacoma's West End neighborhood, THA will have additional unsubsidized rental income to help offset the cost of operations.

Environmental Responsibility: THA achieved Certified LEED Gold in the Bay Terrace Phase I development that we developed using MTW dollars.

Plans for 2020

We're going paperless!

THA will deploy a document imaging/management program to allow THA to begin moving to paperless operations. We anticipate this taking at least two years, with a goal of being paperless by the end of 2021.

Advocacy: MTW has allowed THA to develop and test new ideas using its federal flexibility. These programs have added value to the Tacoma community and benefitted the customers we serve. We have been able to share these experiences with a wide national audience.

Plans for 2020

THA will partner with Forterra and University of Washington-Tacoma to renew the advocacy effort with the City Council for effective affordable housing policies. These policies include: (i) a local housing trust fund, (ii) inclusionary and incentive zoning to require in some

cases and entice in others the inclusion of affordable housing in a market rate development. (iii) a contingent loan program to lower borrowing costs for affordable housing development.

THA continues to be available as a source of data and advice to city, county, state and national policy makers on housing, community development and related topics.

Staff will continue to present at local and national conferences about its work and the benefits of MTW.

Administration: THA has greatly simplified how it verifies household income and assets for the purpose of calculating rent.

Plans for 2020

THA will continue to deploy a new, self-developed software system on the Salesforce platform to manage the bulk of THA operations. This system, combined with a robust Document Management System, should make program administration, data monitoring and reporting, staff onboarding, and tenant/public communication easier and more streamlined. Getting this done will continue to be an operational preoccupation at THA.

THA will continue to look for innovative ways to best leverage its MTW designation in order to meet these objectives. THA's efforts could inform policy choices of other Public Housing Authorities unable to participate in the MTW demonstration.

Section II: General THA Operating Information

A. HOUSING STOCK INFORMATION

i. Planned New Public Housing Units

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

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

Total Public Housing Units to be Added in the Plan Year

0

*Select "Population Type" from: General, Elderly, Disabled, Elderly/Disabled, Other

If "Population Type" is "Other" please describe:

Description

ii. Planned Public Housing Units to be Removed

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

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

0

iii. Planned New Project Based Vouchers

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

PROPERTY NAME	NUMBER OF VOUCHERS TO BE PROJECT-BASED	RAD?	DESCRIPTION OF PROJECT
Hillside 1800	64	No	THA owned and managed family properties. This project will also include set-asides for households experiencing homelessness and set asides for people with disabilities.
Home at Last	30	No	A partnership with the YWCA to provide housing assistance for extremely, low-income, homeless households fleeing domestic violence.
Arlington Drive Apartments	58	No	1 & 2 bedroom units for low-income young adults with 75% set-aside for homeless young adults.
	152		Planned Total Vouchers to be Newly Project-Based

iv. Planned Existing Project Based Vouchers

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

PROPERTY NAME	NUMBER OF PROJECT-BASED VOUCHERS	PLANNED STATUS AT END OF PLAN YEAR*	RAD?	DESCRIPTION OF PROJECT
Bay Terrace 1	20	Leased/Issued	No	Family Housing
Bay Terrace 2	52	Leased/Issued	No	Family Housing
Eliza McCabe Townhomes	10	Leased/Issued	No	Family Housing
Flett Meadows	13	Leased/Issued	No	Family Housing
Guadalupe Vista	38	Leased/Issued	No	Family Housing
Harborview Manor	147	Leased/Issued	No	Senior Housing
Hillside Gardens	8	Leased/Issued	No	Family Housing
Hillside Terrace 1500	12	Leased/Issued	No	Family Housing
Hillside 1800	33	Leased/Issues	Yes	Family housing
Hillside 2	13	Leased/Issued	No	Family Housing
Nativity House	50	Leased/Issued	No	Housing for chronically homeless individuals

New Tacoma Phase 2	8	Leased/Issued	No	Senior housing
Olympus Apts.	18	Leased/Issued	No	Housing for homeless individuals
Pacific Courtyards	23	Leased/Issued	No	Permanent Supportive Housing for families
Rialto Apts.	52	Leased/Issued	No	Low-income housing that accepts households with criminal history
Salishan 1-7	631	Leased/Issued	Yes/No	Family Housing which has both PBV and RAD-PBV units
Tyler Square	15	Leased/Issued	No	Family Housing
Renew Tacoma Housing	456	Leased/Issued	Yes	Senior/Disabled Housing
Bay Terrace	26	Leased/Issues	Yes	Family Housing

1625

Planned Total Existing Project-Based Vouchers

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

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

PLANNED OTHER CHANGES TO MTW HOUSING STOCK ANTICIPATED IN THE PLAN YEAR
THA will complete its redevelopment of its 1800 block of the property formerly known as Hillside Terrace. This is the third phase of the new Bay Terrace development and will hold up to 64 units developed with low income housing tax credits and other financing sources. It will also include set-asides to serve individuals with disabilities and small families experiencing homelessness.
THA will develop Hilltop Lofts as part of the Housing Hilltop plan. This property will have up to 60 units of workforce housing developed with low income housing tax credits.
THA will acquire existing housing in the market to preserve affordable housing to households earning up to 80% of the area median income (AMI).
THA will be selling the last seven lots of in Area 2B of Salishan. These lots were planned to be developed into market rate rentals. THA received an offer to purchase the lots by a small, minority owned Tacoma based firm. They will be developing 18 market-rate rental units.
In 2019, THA will add over 200 Property-Based Subsidy units in 2020 to allow for: 75 units of assisted living for Medicaid eligible households; 70 units for dementia care for Medicaid eligible households; 70 units for homeless high school and college students; and 10 affordable housing with non-profit partners.
THA's RAD conversion and disposition of its scattered site public housing through Section 32 will be completed in 2019. This will leave THA with 719 public housing units available for use under faircloth. THA is considering placing Public Housing faircloth units in new acquisitions and new developments, and potentially other projects owned by others in the community.

vi. General Description of All Planned Capital Expenditures During the Plan Year

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

GENERAL DESCRIPTION OF ALL PLANNED CAPITAL EXPENDITURES DURING THE PLAN YEAR

In 2020, THA will have converted all but 4 units under the RAD. Once THA has converted/removed all of its public housing units from inventory, THA does not intend to close its PH ACC and will keep it open for the purpose of developing new PH units. THA does not anticipate significant funds from CFP and any funds coming from CFP will be transferred to MTW operations.

B. LEASING INFORMATION

i. Planned Number of Households Served

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

PLANNED NUMBER OF HOUSEHOLDS SERVED THROUGH:	PLANNED NUMBER OF UNIT MONTHS OCCUPIED/LEASED*	PLANNED NUMBER OF HOUSEHOLDS TO BE SERVED**
MTW Public Housing Units Leased	48	4
MTW Housing Choice Vouchers (HCV) Utilized	50,726	4,227
Local, Non-Traditional: Tenant-Based^	2,824 ²	235
Local, Non-Traditional: Property-Based^	4,260	355
Local, Non-Traditional: Homeownership^	0	0

Planned Total Households Served

57,858

4,822

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

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

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

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

LOCAL, NON-TRADITIONAL CATEGORY	MTW ACTIVITY NAME/NUMBER	PLANNED NUMBER OF UNIT MONTHS OCCUPIED/LEASED*	PLANNED NUMBER OF HOUSEHOLDS TO BE SERVED*
Tenant-Based	Regional Approach for Special Purpose Housing/15	2,824	235
Property-Based	Creation & Preservation of Affordable Housing/16	4,260	355
Homeownership	N/A	0	0

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

ii. **Discussion of Any Anticipated Issues/Possible Solutions Related to Leasing**

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

HOUSING PROGRAM	DESCRIPTION OF ANTICIPATED LEASING ISSUES AND POSSIBLE SOLUTIONS
MTW Public Housing	Leasing issues for THA owned properties continues to be finding suitable clients who are qualified for the available units. This includes being income qualified. Leasing staff are trying to contact applicants off the wait list as soon as possible so that if they are in a lease, have poor credit or criminal history, they can start planning strategies to address these issues during screening. The other issue THA has faced is a poor response rate to our offer mailings. We are currently looking at other methods of contact and evaluating their feasibility. As THA develops an online client portal, THA intends to develop a process for regular check-ins with applicants. This also involves checking in with applicants well before an offer of housing and offering resources and guidance to resolve any barriers that would cause them to be ineligible or unprepared for housing.
MTW Housing Choice Voucher	For our other tenant-based programs, availability and affordability of suitable units continues to be a struggle. Tacoma's rental market continues to be tight and the high cost continues to be a barrier for voucher holders. We will continue to study the problem to identify other possible solutions.
Local, Non-Traditional	THA currently invests in two local non-traditional housing programs that are administered through Pierce County. The county is responsible for allocating THA's investment to local rapid rehousing providers. Depending on the capacity of county and local providers to utilize and allocate these funds, there may be issues related to fully utilizing the allocated amount. THA will work closely with Pierce County to monitor the contract amount and the number of households served and will plan accordingly for unused funds.

C. WAITING LIST INFORMATION

i. **Waiting List Information Anticipated**

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

WAITING LIST NAME	DESCRIPTION	NUMBER OF HOUSEHOLDS ON WAITING LIST	WAITING LIST OPEN, PARTIALLY OPEN OR CLOSED	PLANS TO OPEN THE WAITING LIST DURING THE PLAN YEAR
Children's Housing Opportunity Program	Other / Families re-uniting	59	Open	Yes
Bay Terrace (non-PH, non-PBV units, non-traditional MTW housing units)	Other/ Non-PH, non-PBV, non-traditional, MTW funded tax credit units for families. Applications are accepted on a rolling basis and are served on a first-come, first-serve basis as units become available.	62	Open	Rolling basis
Low Income Housing (Housing Choice Voucher Program and THA RAD Units)	Other/ Consolidated waitlist for THA voucher programs and THA site-based waiting list	1243	Yes	No
Rapid Rehousing - Families	Community-Wide/ A tenant-based Local, Non-Traditional Housing Assistance Program operated in conjunction with Pierce County. It serves homeless or near homeless households with children in Tacoma and Pierce County.	102	Open	Yes

Rapid Rehousing - Youth and Young Adults	Community-Wide/ A Tenant-Based Local, Non-Traditional Housing Assistance Program operated in conjunction with Pierce County. It serves homeless or near homeless youth and young adults in Tacoma and Pierce County.	40	Open	Yes
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Please describe any duplication of applicants across waiting lists:

N/A

ii. **Planned Changes to Waiting List in the Plan Year**

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

WAITING LIST NAME	DESCRIPTION OF PLANNED CHANGES TO WAITING LIST
THA Consolidated Waitlist	For 2020, THA anticipates launching an online client portal. Through this portal applicants can check their status, update their information and check-in. Upon a successful launch of this online portal, THA will require applicants to check-in quarterly. Applicants who do not check-in will be removed from the waiting list. The check-in policy will be a change to THA's current waiting list policies. The online portal will also enable THA to help applicants become renter ready prior to an offer of housing to ensure applicants are qualified and eligible.

Section III. Proposed MTW Activities

N/A

Section IV: Approved MTW Activities

Implemented Activities

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

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

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

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

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

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

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

- Traditionally, HUD mandates that PHAs not spend more than twenty (20) percent of their Annual Budget Authority (ABA) toward Project Based Vouchers. THA received permission through MTW to go above this threshold toward PBVs in projects owned and operated by the agency.
- THA removed the cap on project-based vouchers for its own developments. That will allow THA to finance more developments in the future.
- THA established a reasonable competitive process and contract terms, including the length of the contract, for project-basing HCV assistance at units owned by for-profit or non-profit entities. Units must meet existing HQS or any standard developed by THA and approved by HUD pursuant to the requirements of this Restated Agreement.
- THA began conducting Housing Quality Standards (HQS) inspections on units it owns or has interest in.
- THA used this flexibility to waive the Choice Mobility option for PBV households in previous years. THA's board approved policy changes that would allow all PBV holders to exercise CM given that households meet the following conditions: 1) in good status/no debts owed; 2) one-time use policy 3) required pre-issuance counseling; 3) unpaid tenant charges could result in termination of voucher assistance.
- In 2018, THA modified the activity by waiving the per project cap on a case-by-case basis for projects, including those not owned by THA; and allowing individual project owners to manage their own waiting lists.

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

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

PBVs in THA Properties(927 units): 18.37%*

PBVs in THA Partner Properties (374 units): 7.48%

Together, THA spends roughly twenty-six (26) percent of its ABA towards PBVs.

*Includes RAD PBV

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

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

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

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

Status Update: Although THA will maintain the same policies and procedures for the over/underhoused and RA transfer list, this activity will no longer be necessary as THA will no longer have residents that live in public housing. THA anticipates officially closing this activity once RAD is completed for the final remaining public housing units at Salishan.

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

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

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

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

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

The rent policy allows THA to streamline the process of rent calculations and annual reviews. THA is not running off year reviews. THA has made changes to forms and documents in order to administer the rent reform program successfully. The activity has allowed THA to save staff time because the reviews per year have been cut by over 50% for the activity population. THA is doing triennial reviews for this population.

Status Update: As a result of this activity, THA has seen dramatic reductions in staff time spent on processing annual recertifications.

Planned Non-Significant Changes: THA's hardship policy for MTW-HCV households states that households may request in writing a hardship exemption if they are paying the minimum rent but are no longer able to do so due to financial hardship. For MTW elderly/disabled households they must meet one of the following requirements: (1) income changes will require household to pay more than 40% of their income as rent; or (2) household has zero income

Prior to the 2020 update, THA's hardship policy also required households to obtain third-party documentation to show that they had applied for other hardship programs. THA recognized that this was an unnecessary burden for households and made it extremely difficult for households who income-qualified for a hardship to receive one. THA has revised its hardship policy to remove the third-party documentation requirements.

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

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

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

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

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

Status Update: As a result of this activity, THA saw roughly 1,242 hours in staff time savings in 2018. Also, in 2018, 374 households had at least one member employed full time and 251 households had at least one member employed part time.

Planned Non-Significant Changes: As noted above, biennial and triennial reviews no longer require MTW flexibility. THA is considering making minor changes to the hardship policy which impacts this population. The current requirements to qualify for a hardship pose significant barriers to THA households and THA will may revise the policy to make it more accessible to those in need.

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

Prior to the 2020 update, THA's hardship policy also required households to obtain third-party documentation to show that they had applied for other hardship programs. THA recognized that this was an unnecessary burden for households and made it extremely difficult for households who income-qualified for a hardship to receive one. THA has revised its hardship policy to remove the third-party documentation requirements with the exception of applying for unemployment for work-able households.

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

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

7. Local Income and Asset Verification Policy: THA proposed and implemented this activity in 2011. THA implemented the following policies:

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

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

Status Update: The activity has been successful and THA has seen 100% time and cost savings most years by no longer having to verify income in the stated cases.

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

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

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

8. Local Interim Processing and Verification Policies (HCV/PH) : THA proposed and implemented this activity in 2011 to streamline the interim review process. THA found that parts of its interim policy were causing more work than necessary. With MTW flexibility THA revised its interim processing and verification policies in the following ways:

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

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

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

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

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

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

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

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

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

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

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

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

Status Update: THA has not made any changes to the activity. THA is considering changes to the Housing Choice Voucher program portability policies. Current MTW flexibility allows THA to limit the reasons a household may port out of THA's jurisdiction. For example, households are eligible to port out of THA's jurisdiction if the head of household or spouse has secured part time employment or part time enrollment in a college/university/trade school that is more than 35 miles away. The region THA serves is growing rapidly meaning that commuting times are worsening and people have to travel longer to get to work and/or school. THA may consider lessening or eliminating the mileage restriction from this policy. The activity has been successful in reducing the total number of port-outs each year. In 2018, 131 clients have ported out of THA's jurisdiction. This is a decrease of 194 households from the baseline of 325 households prior to implementation of this activity in 2011.

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

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

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

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

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

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

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

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

In addition to THA's investment into Pierce County's Rapid Rehousing programs, THA also will merge its Tacoma Public Schools Housing Assistance Program (TSHAP), which was formerly known as Elementary School Housing Assistance Program (ESHAP) activity within this activity. Initially, ESHAP provided deep rental subsidies tied to supportive services to house and stabilize homeless families enrolled at McCarver Elementary. THA developed this program at one school site with the intention to later expand this program to other schools within the Tacoma school district. In order to do so, THA understood that it must change its program model to be sustainable under the expressed need of the community to serve more families.

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

3. Providing a Crisis Residential Center for homeless, unaccompanied youth:

In 2016, THA designated one (1) of its Public Housing scattered units to provide shelter to homeless and unaccompanied youth in Tacoma and Pierce County. THA does this through a partnership with Community Youth Services (CYS) through a state licensed Crisis Residential Center for youth aged 12-17 years. The Crisis Residential Center falls within a current approved disposition plan and will be reoccupied. The unit will remain in its current disposition approved status in PIC. THA will continue to adhere to the disposition timeframe for which the unit was approved.

The use of this unit as shelter for the aforementioned purpose addresses a growing population in Pierce County of homeless, unaccompanied youth. This unit offers a temporary solution. THA is also seeking a long term, permanent solution through its collaborative partnership with CYS, Amara, the City of Tacoma and Pierce County to dispose of and retain land to build, maintain and operate a Crisis Residential Center and housing on THA's Arlington Drive, a remaining unused parcel in THA's Salishan community, and on THA's Hillsdale Heights property foster homes and an Emergency Sanctuary.

Status Update: THA's investment into Pierce County's Rapid Rehousing programs continues to be a valuable partnership. In 2018, this investment served 114 unique families, unaccompanied youth and young adults who were experiencing homelessness. THA has not yet launched the new ESHAP program which will be called Tacoma School Housing Assistance Program (TSHAP). It is expected to be completely rolled out by 2020.

Planned Non-Significant Changes: As noted above, THA has developed another avenue for homeless families to receive housing assistance by partnering with Tacoma Public Schools and Pierce County to serve homeless families enrolled in the Tacoma School district. This expands the

program to serve all families in need within the Tacoma School District and no longer limits eligibility to McCarver or families with children enrolled in Tacoma elementary schools.

Planned Changes to Metrics/Data Collection: THA does not anticipate any modifications to the baselines or benchmarks during the plan year. With the addition of TSHAP, THA will report on the same metrics, but will begin reporting on TSHAP outcomes as well.

HC #1: Additional units of Housing Made Available (for TSHAP)				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	0	125	TBD	-

HC #5: Increase in Resident Mobility (for TSHAP)				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of household able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	0	125	TBD	-

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

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

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

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

During the application and negotiation process the property owner commits to serve households below 30%, 40% and/or 50% of the area median income (AMI) (see table below for these income levels). Based on the income levels chosen, the property owner advertises its vacancies at rents equal to the maximum rents for the low-income housing tax credit program for each income level. 2018 maximum rents are shown on the table below:

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

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

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

Housing Hilltop: This new development is located in the Hilltop neighborhood of Downtown Tacoma and is planned to result in up to 250 new units of affordable housing spread across four parcels (1120-24 Martin Luther King, 1120 S 11th, parking lots at S L & S 10th and S L & S 11th). Design work and community engagement is starting in 2019. The first phase of construction is expected to commence in late 2020 with a December 2021 completion date. Phase II is scheduled to begin construction in early 2022, with completion in late 2023. This neighborhood is rapidly changing and signs of gentrification and displacement are evident. The goal is to provide housing for those who are in danger of or who have been displaced. With its close proximity to downtown and the hospitals, its many current and future mass transit options, and the neighborhood's colorful history as an artist community, THA's new units will provide affordable housing to low wage earners close to transit and employment and serve as a catalyst for growth and development of Hilltop. It will also help this gentrifying area remain affordable to lower income households. Housing Hilltop is a part of THA's development pipeline and the unit mix has not yet been established.

Housing Hilltop will provide 4-6 story buildings with a mix of retail on the ground floor and a mix of very low income and workforce housing units (up to 60% of AMI) in a mix of unit sizes above. Most of the units will be 1 and 2-bedrooms although some larger sized units will also be included for large families. The four buildings will have some shared amenities and parking. The four parcels share an alley which THA plans to include as active space by doing creative alley activation projects to enhance the living experience for residents and to build community in the neighborhood. Financing would be a combination of THA, local, state and tax credits program sources.

The 1800 Hillside Terrace: This activity was used in 2012 to help with the development of Bay Terrace, formerly Hillside Terrace. Phase I came online in 2014. Phase II for Bay Terrace was completed in 2017 and is currently leasing. THA will complete the third phase of Hillside Terrace redevelopment plan. Phase III will continue the theme of a strategic investment in the Hilltop neighborhood through the production of high

quality, well designed multifamily units that integrates into the neighborhood, takes advantage of public transit and ensures that affordable rental housing will be available in the neighborhood for years to come. Phase III will provide an additional 64 rental housing units in a mixed-income setting. The unit mix will consist of 1 and 2 bedroom homes affordable to households earning between 30% and 60% AMI. A 20% special needs set-a-side is programmed for persons with disabilities and another 20% will be for individuals/small families experiencing homelessness. THA has committed to provide Project Based Section 8 vouchers for the entire project.

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

Intergenerational Housing: This development will be developed in partnership with the Korean Women's Association. THA will sell 3 of the approximately 7 acres of vacant land to KWA and act as their development consultant. In consultation with the Many Lights Foundation, KWA has agreed to plan and execute a development project that will serve a multigenerational community where traumatized children receive love and care from kinship and adoptive parents and live in a community with seniors who by living there agree to be respite care givers, honorary grandparents and tutors to the families. There are more 3,100 children in foster care who need a forever family, a record number of elders who want to stay connected, and parents and families who need support to raise these very special children. This development will be built on a foundation of community services in support of the community.

The \$30 million project will provide approximately 90 units of affordable housing of which, an anticipated 60 units of 1 to 4 bedroom units will be dedicated to the multigenerational community. The intergeneration project is part of THA's development pipeline and the unit mix has not yet been established.

Status Update:

Property-Based Rental Subsidies: THA's Property-Based Subsidy program has been well-received in the community. THA has partnered with three separate properties to provide affordable housing to homeless or near homeless students enrolled at Tacoma Community College or the University of Washington-Tacoma. THA's first contract was executed in late 2018 and THA was able to serve 62 households. The number of affordable units available has grown and to date, THA has been able to serve 303 households through this program.

Housing Hilltop: THA convened meetings and planning sessions to involve the local community in the master planning process to inform Hill Master Planning. This planning is still in process. The community has expressed the need for strategies to combat displacement in the Hilltop neighborhood. THA will investigate a local, preference policy for Hilltop residents.

The 1800 Hillside Terrace: A NEPA environmental review is underway in preparation of finalizing a HUD disposition application requirement. The disposition application is anticipated to be completed by mid-May 2019. The project is currently in the pre-development design phase with financial closing scheduled for June 2019. The 16 months construction period will begin shortly after closing. Construction is scheduled to be complete before December 31, 2020.

Acquisition: THA continues to consider acquisition opportunities.

Intergenerational Housing: This project is currently on-hold.

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

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

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

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

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

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

THA implemented this activity in 2013 and the results of the program have been mixed. THA completed an in-depth analysis of the HOP program in early 2018. THA analysis found that work-able households in the final year of the program increased their earned income by 45%, dramatically reducing their reliance on public assistance and over 80% are working (compared to 60% at admission). Because of the fixed subsidy, THA has been able to serve 20% more households than it could serve if the agency maintained an income-based subsidy. However, these households will experience extreme shelter burden at exit. The average shelter burden at exit will be greater than 50%.

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

CHAP: THA partnered with the Tacoma Community College (TCC) where THA provides rental assistance to homeless and near homeless students at the community college. TCC provides services designed to help the families succeed so they are ready to be independent of housing subsidies after graduation. The program offers the same fixed subsidy as the HOP program and has a three (3) year limit on assistance. Graduates are considered a success and are transitioned off the program with a 30-day notice. The community college handles eligibility and compliance. Participants must be an active student at the community college. Students must stay in college and maintain a 2.0 grade level. During 2018, 67 households were enrolled in this program. The graduation rate of CHAP participants is twice that of the general Tacoma Community College population. CHAP also includes 25 set-asides of the 150 CHAP vouchers for students who are incarcerated and wish to continue their studies at TCC upon release. This is a partnership with TCC and the Department of Corrections for Washington State.

CHOP: THA partnered with the Department of Social and Health Services (DSHS) to provide rental assistance to families who need housing to prevent or shorten their child's foster care placement or to house a teenager aging out of foster care who otherwise would begin his or her adulthood as a homeless person. Information on this program has been included in the HOP activity. During 2018, 16 households were enrolled in this program.

Status Update:

HOP: Tacoma has a very different rental market now compared to 2013 when HOP was implemented. Rents are rising quickly; vacancy rates are falling and wages are not keeping up. More and more people need help paying the rent. Tacoma's rental market requires a full-time hourly wage of \$27.78 to afford a modest two-bedroom apartment. In contrast, for example, Tacoma's minimum hourly wage is \$12 (the state of Washington's 2018 minimum wage is \$11.50). Increases in earned income and the number of households working are not enough to keep up with Tacoma's rising rental market. 2018 marked the first year that work-able households reached the 5-year time limit and exited the program. In 2018, 23 work-able households have exited HOP with a market rent burden less than 22%. In 2018, the average market rent burden for all HOP households was 82%. By the end of 2019, THA expects approximately 22 work-able households to exit the program. So far, 156 households have exited with a 28% market rent burden and 138 were employed.

CHAP: In early 2019, TCC provided THA with data that shows CHAP participants graduate at a rate twice that of the general TCC population and with the same GPA. However, the challenges noted above have made it hard for CHAP participants to utilize their voucher in Tacoma's housing market. For those who have been able to take advantage of the CHAP subsidy, we see promising results. Yet, most CHAP participants are unable to find housing. Although THA has been able to use its Property-Based Rental Subsidies program to address these housing challenges. CHAP voucher holders still face barriers that hinder their success in the private market. THA is currently evaluating the program and will propose a re-design that seeks to achieve four goals: (1) support the program's future expansion to other post-secondary institutions; (2) to promote continuing education, more specifically the completion of a Bachelor's degree; (3) to expand a warm welcome to citizens returning home from corrections who are or will engage with post-secondary education; and (4) to increase the successful lease up rates of students who receive a voucher.

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

Planned Non-Significant Changes: THA is expanding and is considering adding several new components to its College Housing Assistance Program (CHAP). (1) THA has already extended the eligibility period from three years (or graduation from TCC, whichever comes first) to five years of rental assistance. AS mentioned above, this is support students as they pursue a Bachelor's degree. (2) Expansion of THA's Property-Based Subsidies to another property which adds 75 more PBS units. (3) Potential addition of enrollment/academic requirements to be extended to students using Property-Based Subsidies; and extending these requirements to CHAP students using the tenant-based subsidy. At this time, CHAP student with tenant-based subsidies already have requirements conditional to enrollment and academic progress but will be updated to better align with that's decided with PBS requirements. (4) Launching DOC-CHAP which will support citizens returning home from corrections who are or will engaged with post-secondary education. (5) Extending assistance to unaccompanied TPS high school seniors who intend to enroll in post-secondary education. (6) Getting data sharing agreements in place to ensure students can transfer between participating institutions.

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

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

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

Status Update: THA implemented this activity in 2013. The change has made it easier for clients to understand the leasing program. THA has seen an increase in the number of households that use this flexibility. In 2019 over 600 households spent more than 40% of their income on rent. A report from June 2018 prepared for Tacoma City Council cited that more than 40% of households in Tacoma pay more than 30% of their income towards rent. The high number of families leasing in units that exceed the 40% of their income is notable and THA will begin to look at the causes and review the current payment standard.

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

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

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

19. Modification of the Family Self Sufficiency Program: This activity was proposed in the 2013 Plan and implemented in 2013. THA modified the way the FSS program handles the escrow payments. THA changed the escrow calculations to simplify the process and to provide clearer motivation and guidelines for participating families.

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

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

Status Update: In 2018, FSS served 145 households; 22 households graduated from the program with an average income of \$44, 270. 13 participants worked with credit counselors at the CSF and reduced their debt by an average of \$3,392. Four of the graduates attained living wages and no longer require a housing subsidy.

Planned Non-Significant Changes: THA does not anticipate any modifications to the metrics or data collection during the Plan year.

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

Planned Significant Changes: THA is currently analyzing the outcomes of the FSS program and may significantly modify the ways in which families earn escrow. If THA needs to seek additional authorizations it will do so through a Plan amendment. Otherwise, we will report changes during the regular Plan and Report cycles.

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

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

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

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

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

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

THA's CSA Program contains following elements:

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

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

An example of pay points is on the following page.

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

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

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

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

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

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

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

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

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmarks Achieved?
SS#3 Number of households enrolled in an educational program (receiving financial aid)	192 (2014)	202	TBD	TBD
SS#3 Number of households enrolled in an educational program (receiving financial aid) as a %	0	5% (increase from baseline)	TBD	TBD

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

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

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

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

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

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

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

Landlord Engagement Specialist: Another strategy to help THA clients achieve success in the rental market is to develop strategic relationships with THA landlords. In 2018, THA hired a Landlord Engagement Specialist. This position will focus on being the primary point of contact for all THA landlords and will strengthen relationships between THA and landlords. THA's primary focus for landlord incentives, will be to help tenants become more attractive applicants by providing renter ready classes and THA may consider waiving debts owed to PHAS for admission into THA housing programs. THA consulted with its property owners through the 2017 MTW Plan public comment period regarding this modification.

Status Update: As of May of 2019, THA has served 77 qualified households with approximately \$52,000 of deposit assistance. The program has helped households lease in the market and will need to be scaled up to meet the needs of the households attempting to lease with THA rental assistance. THA's landlord engagement specialist was able to successfully partner with participating landlords to develop a "Renter Readiness" course and certification. Landlords will reduce screening criteria for THA households that have successfully completed the course.

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

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

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

25. Modify HQS: This activity was proposed in early 2019 in an amended 2019 MTW Plan. The purpose of this activity is to modify THA's current Housing Quality Standards (HQS) procedures to allow landlords to self-certify in cases where fail items are non-life threatening as determined by a prescribed list developed and maintained by THA. Previously, THA permitted landlords to self-certify in cases where there are "fail minors" and may have permitted alternate inspection methods including self-certification with additional evidence and follow-up (such as receipts, invoices for work completed, etc.) when there is a "major fail."

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

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

Status Update: THA will implement this activity upon developing a list of life-threatening fail items. THA's IT department is working with our Rental Assistance department on a much larger IT project to update the software and tools to make THA's inspections systems to perform in ways that make inspectors work easier. THA anticipates fully implementing this activity by sometime in 2020 after this project has been successfully completed.

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

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

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

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

Planned Significant Changes: THA does not anticipate any significant changes in the Plan year but has proposed an amendment to this activity that is pending HUD approval.

B. Not Yet Implemented:

10. Special Program Vouchers:

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

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

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

C. On Hold Activities: N/A

D. Closed Out Activities:

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

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

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

14. Special Purpose Housing: THA proposed this activity in 2012 and has not implemented it. The activity was meant to utilize public housing units to provide special purpose housing and improve quality of services or features for targeted populations. In partnership with agencies that provide social services, THA would make affordable housing available to households that would not be admitted to traditional public housing units. With this program, THA would sign a lease with partner agencies to use public housing units both for service-enriched transitional/short-term housing and for office space for community activities and service delivery. The ability to designate public housing units for specific purposes and populations allows units to target populations with specific service and housing needs and specific purposes, such as homeless teens and young adults. Because of the RAD conversion, THA closed this activity in 2015.

Section V: Sources and Uses of MTW Funds

Estimated Sources of MTW Funding for the Fiscal Year		
PHAs shall provide the estimated sources and amount of MTW funding for the Fiscal Year		
SOURCES		
FDS Line Item	FDS Line Item Name	Dollar Amount
70500 (70300+70400)	Total Tenant Revenue	-
70600	HUD PHA Operating Grants	\$ 47,845,000
70610	Capital Grants	\$ -
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	\$ 2,940,000.00
71100+72000	Interest Income	\$ 32,000.00
71600	Gain or Loss on Sale of Capital Assets	\$ -
71200+71300+71310+71400+71500	Other Income	\$ 28,000.00
70000	Total Revenue	\$ 50,845,000

Estimated Uses of MTW Funding for the Fiscal Year		
PHAs shall provide the estimated uses and amount of MTW funding for the Fiscal Year		
USES		
FDS Line Item	FDS Line Item Name	Dollar Amount
91000 (91100+91200+91400+91500+91600+91700+91800+91900)	Total Operating - Administrative	\$ 9,750,000.00
91300+91310+92000	Management Fee Expense	\$ -
91810	Allocated Overhead	\$ -
92500 (92100+92200+92300+92400)	Total Tenant Services	\$ 1,000,000
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	\$ 60,000.00
93500+93700	Labor	\$ -
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	\$ 275,000.00
95000 (95100+95200+95300+95500)	Total Protective Services	\$ 150,000.00
96100 (96110+96120+96130+96140)	Total Insurance Premiums	\$ 110,000.00
96000 (96200+96210+96300+96400+96500+96600+96800)	Total Other General Expenses	\$ 200,000
96700 (96710+96720+96730)	Total Interest Expense and Amortization Cost	\$ -
97100+97200	Total Extraordinary Maintenance	\$ -
97300+97350	Housing Assistance Payments + HAP Portability-In	\$ 39,900,000.00
97400	Depreciation Expense	\$ 800,000.00
97500+97600+97700+97800	All Other Expenses	\$ -
90000	Total Expenses	\$ 52,245,000.00

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

Any shortfall in revenue vs. expenses will be covered by Business Activity funds.

Planned Use of MTW Single Fund Flexibility

THA uses this single funding source to fund the Housing Choice Voucher programs in order to carry out the mission of the MTW Demonstration Program through activities that would otherwise be eligible under sections 8 and 9 of the 1937 Act. Below are listed some of the specific ways in which THA plans to exercise the Single-Fund Flexibility:

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

A. Local Asset Management Plan

Is the PHA allocating costs within statute? or

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

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

Has the PHA provided a LAMP in the appendix? or

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

B. Rental Assistance Demonstration (RAD) Participation

i. Description of RAD Participation

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

RENTAL ASSISTANCE DEMONSTRATION (RAD) PARTICIPATION

- In April 2016, THA closed on the conversion of 456 units. Rehab on those units was completed on 12/31/2017.
- THA is in the process of converting another 323 units. This is a transaction in which no new Capital Financing will be involved.
- The anticipated close date is 8/30/2019. THA's original significant RAD amendment was submitted to HUD 7/27/2015 and was approved on 9/14/2015.

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

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

N/A

Section VI: Administrative

A. Board Resolution and Certification of Compliance

On the Following Page(s)



TACOMA HOUSING AUTHORITY

RESOLUTION 2019-09-25 (1)

Date: September 25, 2019
To: THA Board of Commissioners
From: Michael Mirra
Executive Director
Re: Approval of THA's 2020 Moving to Work Plan

This resolution would authorize Tacoma Housing Authority's (THA) Executive Director to submit the Housing Authority of the City of Tacoma's Fiscal Year 2020 Moving to Work (MTW) Plan.

Background

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

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

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

MTW "activities" are best described as new things THA wishes to do that require waiving Housing and Urban Development (HUD) regulations.

The Policy, Innovation & Evaluation (PIE) team met with each department director and staff to understand the agency's MTW needs and priorities. Results of the consultation process informed which new activity ideas and/or revisions to existing activities would be included in the 2020 planning process.

Many staff suggestions align with current or forthcoming projects and many do not require MTW flexibility or new activities. These suggestions include:

- The evaluation of THA programs including the College Housing Assistance Program (CHAP) and the Family Self-Sufficiency Program (FSS). Jessica Thompson, PIE's new Project Manager 1 – Post Secondary Education will lead THA in its evaluation partnership with the HOPE Center, will explore expanding CHAP to Tacoma Public School Students and will strengthen our data sharing partnerships with property-based subsidy partners. PIE's Data Analyst, Anastasia Cale has started to work with the Community Support and Empowerment department to evaluate and potentially redesign the FSS program.
- Removing burdensome steps from THA's Housing Choice Voucher (HCV) hardship policies. PIE and Rental Assistance will partner to revise this process. Implementation requires changes to the Administrative Plan and January 2020 will be the implementation date.
- Exploring avenues to serve homeless populations. THA is pursuing this work through its upcoming commitments to project-based and property-based subsidy units.

2020 MTW Plan

For 2020, THA is not proposing any new activities for HUD approval. The 2020 Plan will activate two previously approved activities that have been on-hold:

1. **Exclude Excess Student Financial Aid for Students** – this activity was introduced and approved in the 2012 MTW Plan. It has been placed on-hold due to software constraints. Now that Open Door is fully operational, THA can get this done. Prior to this activity, under specific criteria, any income remaining after tuition and fees from the head of household or co-head's financial aid would be calculated into their total income. For "other adults" this excess income is calculated up to \$430. Under this approved activity, THA will no longer include this excess financial aid as part of the rent calculation. This is for both tenant-based and project-based housing programs. PIE will take the lead on implementation of this activity while working with Rental Assistance. Implementation will go live as of January of next year.
2. **Modify HQS** – This activity was recently approved by the way of two 2019 MTW Plan amendments. Last year, THA's Cabinet was briefed on the activity which allows THA to permit tenants to move into an inspected unit even if some items fail inspection as long as the items are not life-threatening. The second amendment to this activity permits THA to conduct its own HQS inspections on all THA owned/managed units; conduct its own rent reasonableness, and negotiate contract rents. This is particularly important for THA's upcoming RAD conversion of the remaining 323 public housing units at Salishan and Hillside.

In the 2020 MTW Plan, the activity that permitted THA to implement the Elementary School Housing Assistance Program (ESHAP) has been closed and merged with the activity that permits THA to invest in Pierce County's Rapid Rehousing programs. The MTW authorizations needed for the re-designed of ESHAP program are no longer necessary. Given its similar

framework to THA's Rapid Rehousing investment, these two programs will be reported separately, but within the same activity.

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

The draft plan can be viewed by following this link:

http://www.tacomahousing.net/sites/default/files/moving_to_work_-_2020_mtw_plan_-_2019-07-12_-_draft.pdf

Community and Staff Consultation

Throughout the month of June, staff was consulted regarding the 2020 MTW Plan. Through email and meeting solicitation, Policy, Innovation & Evaluation (PIE) received 21 ideas from staff. Most suggestions are operational or are previously approved activities that do not require MTW approval.

After receiving approval from the Cabinet to proceed with the public hearing process, THA has taken the following actions to receive feedback:

- Staff planning sessions.
- Public comment notice and draft MTW Plan made available on THA's website.
- A Public Hearing meeting was held on Friday, July 19th at Bay Terrace from 4pm to 5pm.

No public comments were received during the public comment period.

Recommendation

Approve Resolution 2019-09-25 (1) authorizing THA's Executive Director to submit the Housing Authority of the City of Tacoma's Fiscal Year 2020 Moving to Work (MTW) Plan.



TACOMA HOUSING AUTHORITY

RESOLUTION 2019-09-25 (1)

(Approval of THA's 2020 Moving to Work Plan)

**U.S. Department of Housing and Urban Development Office of Public and Indian Housing
Certifications of Compliance with Regulations:
Board Resolution to Accompany the Annual Moving to Work Plan***

Acting on behalf of the Board of Commissioners of the Moving to Work Public Housing Agency (MTW PHA) listed below, as its Chairman or other authorized MTW PHA official if there is no Board of Commissioners, I approve the submission of the Annual Moving to Work Plan for the MTW PHA Plan Year beginning (01/01/2020), hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

(1)The MTW PHA published a notice that a hearing would be held, that the Plan and all information relevant to the public hearing was available for public inspection for at least 30 days, that there were no less than 15 days between the public hearing and the approval of the Plan by the Board of Commissioners, and that the MTW PHA conducted a public hearing to discuss the Plan and invited public comment.

(2)The MTW PHA took into consideration public and resident comments (including those of its Resident Advisory Board or Boards) before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan.

(3)The MTW PHA certifies that the Board of Directors has reviewed and approved the budget for the Capital Fund Program grants contained in the Capital Fund Program Annual Statement/Performance and Evaluation Report, form HUD-50075.1 (or successor form as required by HUD).

(4)The MTW PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.

(5)The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.

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

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

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

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

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

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

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

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

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

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

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

pursuant to 24 Part 58 and 24 CFR Part 50 and will make this documentation available to HUD upon its request.

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

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

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

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

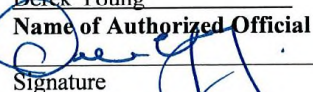
(21)The MTW PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the Moving to Work Agreement and Statement of Authorizations and included in its Plan.

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

Housing Authority of the City of Tacoma
PHA Name

WA005
PHA Number/HA Code

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

Derek Young
Name of Authorized Official

Signature

Chairperson
Title
9-25-19
Date

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

B. Documentation of Public Process

Notice of Public Comment Period and Public Hearing

The Tacoma Housing Authority (THA) will open the public comment period for the 2020 Moving to Work (MTW) Plan.

Residents, program participants, landlords, those on the waitlist and members of the public may submit comments on the proposed changes. The 30-day comment period begins on July 12, 2019 (8:00 a.m.) and ends August 12, 2019 (5:00 p.m.); all comments must be received by 5:00 p.m. on August 12, 2019.

The draft plan can be viewed at: <http://www.tacomahousing.net/content/moving-work-0>

It is titled “2020 DRAFT Moving to Work Plan”

Mail, Email or Call-in Comments To:

Tacoma Housing Authority
Ava Pittman
902 S. L Street
Tacoma, WA 98405
apittman@tacomahousing.org
(253) 274-5581

THA will hold a public comment hearing to receive both oral and written comments on the plan. This hearing is not an appointment. It is not mandatory that you attend. The date, time, and location of the hearings are provided below:

<p>Date: July 19, 2019 Time: 4 p.m. Location: Bay Terrace Community Room 2550 South G St. Tacoma, WA 98404</p>

Please attend to offer your views on the following item:

2020 MTW Plan: THA customers that are accessing THA rental assistance are having a harder time finding rental units in Tacoma. This is because of low vacancy rates and high rents. THA is planning to use its funding to help its customers be more competitive in the private market. This might include offering incentives to landlords, assisting with fees or helping people look for housing. THA wants to hear your ideas for how it can help people find affordable housing.

Please call Ava Pittman at (253) 274-5581 if you need any reasonable accommodations or interpreters.

[illegible]

C. Planned and Ongoing Evaluations

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

D. Lobbying Disclosures

Approved by OMB
0348-0046

Disclosure of Lobbying Activities

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

1. Type of Federal Action: <input type="checkbox"/> a. contract <input checked="" type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance	2. Status of Federal Action: <input checked="" type="checkbox"/> N/A <input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	3. Report Type: <input type="checkbox"/> a. initial filing <input checked="" type="checkbox"/> b. material change For material change only: Year _____ quarter _____ Date of last report _____
4. Name and Address of Reporting Entity: <input checked="" type="checkbox"/> Prime _____ Subawardee Tier _____, if Known: Congressional District, if known:	5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime: Congressional District, if known:	
6. Federal Department/Agency: Department of Housing and Urban Development	7. Federal Program Name/Description: MTW Annual Plan CFDA Number, if applicable: _____	
8. Federal Action Number, if known:	9. Award Amount, if known: \$	
10. a. Name and Address of Lobbying Registrant <i>(if individual, last name, first name, MI):</i>	b. Individuals Performing Services <i>(including address if different from No. 10a)</i> <i>(last name, first name, MI):</i>	
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.		
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> Federal Use Only </div> <div style="width: 50%;"> Signature: <u>Michael Mirra</u> Print Name: Michael Mirra Title: Executive Director Telephone No.: (253) 207-4429 Date: <u>10/4/2019</u> </div> </div>		
Authorized for Local Reproduction Standard Form - LLL (Rev. 7-97)		

Appendix A: Letter of Consistency

**Certification by State or Local
Official of PHA Plans Consistency
with the Consolidated Plan or
State Consolidated Plan
(All PHAs)**

U. S Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 2/29/2016

Certification by State or Local Official of PHA Plans Consistency with the Consolidated Plan or State Consolidated Plan

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

certify that the 5-Year PHA Plan and/or Annual PHA Plan of the

Tacoma Housing Authority

PHA Name

is consistent with the Consolidated Plan or State Consolidated Plan and the Analysis of

Impediments (AI) to Fair Housing Choice of the

Washington State Department of Commerce

Local Jurisdiction Name

pursuant to 24 CFR Part 91.

Provide a description of how the PHA Plan is consistent with the Consolidated Plan or State Consolidated Plan and the AI.

FY 2020 THA has many housing projects and programs that will serve homeless individuals and families. This comes in the way of subsidizing units in the private market reserved for very-low income, homeless students and their families, and the homeless unit set-asides in THA's redeveloped Hillside Terrace property. THA's plans for 2020 aligns with the Consolidated Plan by focusing on increasing the affordable housing stock in Tacoma and using it's MTW flexibility to serve the neediest in Tacoma.

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

Name of Authorized Official <u>Diane Klontz</u>	Title <u>Assistant Director</u>
Signature <u>[Signature]</u>	Date <u>8/26/19</u>

Appendix B: LAMP

A. Background and Introduction

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

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

B. Guiding Principles

The City of Tacoma established the Tacoma Housing Authority under State of Washington legislation in 1940 through resolution. The resolution states that the City formed the Housing Authority to address a “shortage of safe and sanitary dwelling accommodations in the City of Tacoma, Washington available to persons of low-income at rentals they can afford.” Since then, THA has strived to meet the ever-increasing demands for low-income housing in the Tacoma area. With acceptance into the Moving to Work (MTW) program in 2010, THA took on three additional statutory objectives that further define the Agency’s role on both a local and a national scale. THA is required to keep these objectives in mind through the development of each activity related to MTW, including the development of the LAMP. The three statutory objectives are: 1) reduce cost and achieve greater cost effectiveness in Federal expenditures; 2) give incentives to families with children whose heads of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient; and 3) increase housing choices for low-income families [Section 204(a) of the 1996 Appropriations Act].

C. Description of Asset-Based Operations

Overview of Organizational Structure

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



Figure 1: Organizational Structure

Description of 2020 Plan

THA manages its properties as 2 portfolios. We have Portfolio West, which consists of our 456 Renew Tacoma Housing (RTH) RAD units comprised of 9 properties of Elderly/Disabled and Family Housing. Our Hillside properties which comprises 5 properties and 206 units is also under the Portfolio West umbrella. As these properties are more spread out, we have management teams overseeing property groupings as best determined by the Director.

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

Asset and Compliance Management

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

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

Project-Level Reporting

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

Maintenance Operations

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

Acquisition of Goods

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

Acquisition of Services

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

D. Strategic Asset Planning

THA's Asset Management Committee

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

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

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

E. Cost Approach

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

THA developed this approach for the following reasons:

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

Activity Areas

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

- Conventional Affordable Housing (MTW)
- Tax Credit Management (MTW)
- Business Activities (Non-MTW)

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

Program Support Center

Each of the three activity areas (Business Activities, CAH Activities and Tax Credit Activities) will have a Program Support Center (PSC). This is the equivalent of the Central Office Cost Center

(COCC) under the HUD Asset Management model and it contains all of the programmatic support costs related to each of the three activity areas. The expenses will be split out to one of the three support centers based on unit equivalency and where the project or program resides to more clearly identify where administrative expenses fall and measure either the profitability or cost to each of the identified areas.

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

Direct Costs

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

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

Table 1: Direct Costs

Indirect Costs (Program Support Fees)

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

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

Project Support Fee

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

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

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

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

Table 2: Administrative Support Fee Components

Cost Centers

Property Management

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

Rental Assistance

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

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

Client Support and Empowerment (CSE)

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

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

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

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

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

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

Real Estate Development

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

Based on historic and projected activities, the agency estimates that Development activities make up approximately 15 % of the agency support. This figure will be reevaluated annually based on the projects in the pipeline, the funding available to support the activities, and current staffing levels. THA is continually on the lookout for how to increase the affordable housing portfolio, and if opportunities arise, THA intends to use its MTW flexibility for development and rehab of affordable housing units.

Other Considerations

Personnel

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

Rent

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

Differences – HUD Asset Management vs. THA Local Asset Management

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

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

Program Support Allocation Detail - The following chart is based on the information in place at the time of the plan. There may be some changes in property that will impact the actual information in 2020.

Program Support Center Allocation Detail

Table 3: Total units & Program Support unit equivalencies

Program Support Center Unit Equivalencies - 2020 Projected					
Cost Center	Funding Source	CAH (MTW) Unit Equiv.	Tax Credit (MTW) Unit Equiv.	Business Activities (Non-MTW) Unit Equiv.	Total Units
Rental Assistance	Mod Rehab SR0003			30	30
	Mod Rehab SR0002			41	41
	Section 8 Vouchers	3,543			3,543
	Life Manor TPV Vouchers-	150			150
	Hillside Terrace Relocation Vouchers	103			103
	Wedgewood TPV	48			48
	Tahoma House TPV	6			6
	FUP Vouchers			50	50
	NHT Vouchers			100	100
	VASH Vouchers			182	182
	RTH RAD Vouchers	456			456
	Bay Terrace 1 RAD Vouchers	26			26
	Salishan 1 - 6 & Hillside 1 & 2 converting in 2019	343			343
Property Management: Local Fund Units	Salishan 7			91	91
Property Management Renew Tacoma Housing	RTH1		150		150
	RTH2		162		162
	RTH3		144		144
Property Management: Tax Credit Partnerships	Hillside Terrace		21		21
	Hillside Terrace 2		25		25
	Hillside Terrace 1500 Blk		16		16
	Bay Terrace 1		70		70
	Bay Terrace 2		74		74
	Salishan 1		90		90
	Salishan 2		90		90
	Salishan 3		90		90
	Salishan 4		90		90
	Salishan 5		90		90
Salishan 6		90		90	
3rd Party Managed - 50 % equivalency	Highland Crest			36.5	73
	James Center North - Unit equivalents estimate-			10	20
	New Look		24		48
	Outrigger Apts.			24.5	49
	Prairie Oaks			7.5	15
	Total Units				6,576
	Total Units for Allocation purposes	4,675	1,226	573	6,474
Development	THA MTW Support -15%	148			148
	THA as Developer - 85%			838	838
	Unit Equivalents - 15% of Total Units available for allocation	148		838	986
	Total Units/Unit Equivalents - 15% of Units	4,823	1,226	1,411	7,460
Proaram Support Center Equivalencies (% of All Units)		64.65%	16.43%	18.92%	100%

