PIERCE COUNTY HOUSING AUTHORITY

603 South Polk Street, Tacoma, WA 98444 | 253-620-5400

INFORMATION PACKET
FOR THE
PIERCE COUNTY HOUSING AUTHORITY
BOARD OF COMMISSIONERS
REGULAR MEETING

Wednesday, June 28, 2023

PIERCE COUNTY HOUSING AUTHORITY

603 South Polk Street, Tacoma, WA 98444 | 253-620-5400

REGULAR MEETING AGENDA

Wednesday, June 28, 2023

Location: PCHA Building B & Online Via Zoom

Time: 3:30 Pm

The Board may hold an executive session for purposes allowed under the Open Public Meetings Act.

Legal purposes include: to consider acquisition or sale of real estate; to review negotiations of publicly bid contracts; to receive and evaluate complaints or charges brought against a public officer or employee; to evaluate the qualifications of an applicant for public employment; to review the performance of a public employee; and to discuss with legal counsel matters relating to agency enforcement actions, litigation, or potential litigation. Before convening in executive session, the Board Chair will publicly announce the purpose for the executive session and the time when the executive session is expected to conclude.

Under RCW 42.30.110, an executive session may be held for the purpose of receiving and evaluating complaints against or reviewing the qualifications of an applicant for public employment or reviewing the performance of a public employee, consultation with legal counsel regarding agency enforcement actions, or actual or potential agency litigation; considering the sale or acquisition of real estate; and/or reviewing professional negotiations.

ADJOURNMENT

PIERCE COUNTY HOUSING AUTHORITY

603 South Polk Street, Tacoma, WA 98444 | 253-620-5400

OLD BUSINESS

PIERCE COUNTY HOUSING AUTHORITY
603 South Polk Street, Tacoma, WA 98444 | 253-620-5400

MINUTES FOR THE MAY 20TH, 2023 ANNUAL MEETING OF THE BOARD OF COMMISSIONERS

Date: Wednesday, May 20th, 2023

Location: SeaTac Airport Marriott & Hybrid Via Zoom

In Attendance:
Commissioner Blaksley
Commissioner Miller
Commissioner Stewart
Vice Chairperson Narva Walton
Chairperson Mark Martinez

Also in Attendance:
Jim Stretz, Executive Director
Tina McLeod, Director of Operations
Sean McKenna, Director of Project Management
Tamara Meade, Director of Supported Housing
Tammy Moter, Director of Finance
Victor Lovelace, Director of Maintenance
Riley Guerrero, Administrative Coordinator
Greg Byrne, Consultant

Chairperson Martinez called the meeting to order at 3:30 PM.

Chairperson Martinez asked the Secretary to call the role. All members were present.

Chairperson Martinez asked for a motion to approve the agenda. Commissioner Stewart so moved. Commissioner Miller seconded the motion. A vocal vote was taken with the following result:

	In Favor	Opposed	Abstain	Absent
Commissioner Blaksley	☒	☐	☐	☐
Commissioner Miller	☒	☐	☐	☐
Commissioner Stewart	☒	☐	☐	☐
Vice Chairperson Walton	☒	☐	☐	☐
Chairperson Martinez	☒	☐	☐	☐

The agenda for the May 20, 2023 meeting was thus approved.

PUBLIC COMMENT

Chairperson Martinez asked for public comment. None was given.

OLD BUSINESS

Chairperson Martinez asked for a motion to approve the minutes from the Regular Meeting held on March 29, 2023. Commissioner Miller so moved. Commissioner Stewart seconded the motion. Chairperson Martinez asked for any corrections or comments on the minutes. None were given. A vocal vote was taken with the following result:

	In Favor	Opposed	Abstain	Absent
Commissioner Blaksley	☒	☐	☐	☐
Commissioner Miller	☒	☐	☐	☐
Commissioner Stewart	☒	☐	☐	☐
Vice Chairperson Walton	☒	☐	☐	☐
Chairperson Martinez	☒	☐	☐	☐

The minutes of the March 29, 2023 Regular Meeting were thus approved.

The Finance Committee then delivered their report on the Cash Disbursements for February, totaling $3,437,693.69. Commissioner Miller recommended adoption on behalf of the Finance Committee and was seconded by Commissioner Stewart. A vocal vote was taken with the following result:

	In Favor	Opposed	Abstain	Absent
Commissioner Blaksley	☒	☐	☐	☐
Commissioner Miller	☒	☐	☐	☐
Commissioner Stewart	☒	☐	☐	☐
Vice Chairperson Walton	☒	☐	☐	☐
Chairperson Martinez	☒	☐	☐	☐

The Cash Disbursements for March, 2023 were thus approved.

EXECUTIVE & DIRECTOR REPORTS

Executive Director Jim Stretz presented the Affordable Housing Credit Improvement Act, which is currently gathering sponsors in the Senate. Commissioner Miller asked whether outreach should be done to advocate for this bill. It was clarified that staff are under certain lobbying restrictions that make such outreach difficult, but that members of the Board are not so bound. Executive Director Stretz confirmed that outreach would be done to the extent feasible under regulations. Commissioner Stewart noted the bipartisan support for the AHCIA. Chair Mark Martinez spoke to the continuing effort on behalf of the bill sponsors to get cosponsors to sign from across both sides of the aisle, and pledged to speak with the County Council about the bill’s strengths.

Director of Operations Christina McLeod presented her report. In response to security concerns at several Affordable Housing properties, the property management team has investigated the emergent procurement of portable solar-powered camera systems. Chair Martinez and Vice Chair Walton inquired as to the retention requirements for the video system. Director McLeod answered that a policy could be put in place for retention and deletion of video records, which would not have to be maintained for long-term access as subject to a blanket policy.

Maintenance Director Victor Lovelace presented his report. Director Lovelace reported that several basic turns were done for vacated LIPH properties. Commissioner Stewart asked if the unoccupied units showed no activity. Director Lovelace answered that no activity had been reported at the vacant properties, and that they had been secured with bars, chirp alarms, and plywood.

Finance Director Tammy Moter delivered her report. The Finance Department had been reduced to two staff, who were continuing to correct Yardi inputs. Director Moter reported that she was continuing work to establish the Section 18 Disposition bank account.

Director of Project Management Sean McKenna delivered an update on the repositioning process. The Board inquired as to the timeline with regard to Habitat for Humanity or other Negotiated Sale Partners to submit offers and close escrow for vacant homes. Director McKenna reiterated that the homes had to be sold at or above 80% of Fair Market Value, which for the sake of this process was equivalent to the appraised value, and that the open market would only be engaged after there was no interest or action from the Negotiated Sale Process. There was no currently established firm deadline for the time between first viewing and required offer. Vice Chair Walton inquired as to whether Habitat for Humanity could view the homes and make determinations prior to the home being vacated by the tenant. Director McKenna responded that that was not currently being offered due to the protracted timeline of disposition meaning that the home would not necessarily be in the same condition at the tame of vacate, meaning a bidder would be obligated to return for an inspection at the vacation of the home regardless of a pre-viewing. Discussion ensued. Commissioner Miller and Walton expressed concern at the timeline of sale for each property. Staff responded that this timeline accounted for the complex nature of the sales and the funding arrangements of the buyers, and that not every sale was expected to reach the 90-day escrow window that was offered as the ultimate deadline to close.

STRATEGIC FOCUS

The Board of Commissioners reviewed the Procurement Selection Recommendation for Solicitation #SEC18-23-02, as requested during the Board Retreat. Vice Chair Walton stated that she did not see enough material to feel confident in a recommendation and requested a committee be formed to review the procurement materials in more depth. Vice Chair Walton and Chair Martinez agreed to form the review committee and report at the next board meeting.

COMMISSIONERS' CORNER

Chair Martinez thanked the staff for their time during the Board Retreat.

EXECUTIVE SESSION

An executive session was called to discuss personnel matters at 4:17 PM.

Regular Meeting resumed at 5:07.

ADJOURNMENT

Chairperson Martinez asked the board to consider a motion to adjourn. Commissioner Stewart so moved. Vice Chairperson Narva seconded the motion. The meeting was adjourned at 5:09 PM.

Check Disbursements will be added to the Packet with the Tuesday morning update.

PIERCE COUNTY HOUSING AUTHORITY

603 South Polk Street, Tacoma, WA 98444 | 253-620-5400

NEW BUSINESS

PIERCE COUNTY HOUSING AUTHORITY
603 South Polk Street, Tacoma, WA 98444 | 253-620-5400

RESOLUTION 1927

A RESOLUTION OF THE PIERCE COUNTY HOUSING AUTHORITY (PCHA) BOARD OF COMMISSIONERS APPROVING THE EXECUTIVE DIRECTOR TO EXECUTE SALES OF SCATTERED SITE PROPERTIES TO LIPH RESIDENTS, HCV PARTICIPANTS, AND FSS PARTICIPANTS

WHEREAS, the PCHA owns 124 Low-Income Public Housing (LIPH) properties, either recently vacated by, or currently occupied by, households eligible to receive federal housing subsidy at original move in date.

WHEREAS, the PCHA was approved by HUD on January 27, 2023, to proceed with the Section 18 Disposition of the Scattered Site Low-Income Public Housing Properties; and,

WHEREAS, the approval to sell LIPH properties is restricted by HUD provisions stated in the January 27 approval letter, and by a recorded Declaration of Trust; and,

WHEREAS, the process, schedule, and priority of disposition has been discussed at length by the Pierce County Housing Authority Board of Commissioners; and,

WHEREAS, no individual sale amount is expected to exceed the Executive Director's signature authority, and therefore an approval process by individual sale could delay the escrow process, or create barriers to selling these homes to participants and residents;

NOW THEREFORE BE IT RESOLVED that the PCHA Board of Commissioners approves the Executive Director of the Pierce County Housing Authority to sell LIPH Scattered Site properties in accordance with the January 27, 2023 HUD Section 18 Disposition Approval letter.

Signature of Mark Martinez, Board Chair | Date

Signature of James Stretz, Executive Director | Date

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Special Applications Center
77 W. Jackson Blvd., Room 2401
Chicago, Illinois 60604-3507
Phone: (312) 353-6236 Fax: (312) 886-6413

OFFICE OF PUBLIC AND INDIAN HOUSING

January 27, 2023

Mr. James Stretz
Executive Director
Housing Authority of Pierce County
603 So. Polk Street
Tacoma, WA 98444

Dear Mr. Stretz:

The Special Applications Center (SAC) of the U.S. Department of Housing and Urban Development (HUD) has reviewed the Housing Authority of Pierce County's (HAPC) application for the disposition of 124 dwelling buildings containing 124 dwelling units and 27.95 acres of underlying land (the property). This property was developed, acquired, or assisted by HAPC with funds under the U.S. Housing Act of 1937 (the Act) and is under Pierce County Housing Authority, developments WA054000001 and WA054000002, in HUD's Inventory Management System/Public and Indian Housing Information Center (IMS/PIC) system. HUD received this application as DDA0012053 on August 26, 2022, via the IMS/PIC system. In accordance with 24 CFR 970.7(a)(17), supplemental information was received through January 17, 2023.

Environmental Review

The HUD Seattle Field Office of Public Housing (Field Office) performed the Environmental Review (ER) in accordance with 24 CFR part 50 on September 24, 2018, for the proposed disposition. HUD found the proposed action <u>compliant</u> with the requirements of 24 CFR part 50.

Civil Rights Compliance Review

HUD's Office of Fair Housing and Equal Opportunity (FHEO) monitors PHA compliance with civil rights requirements through or in connection with HUD programs, including Section 18 disposition. Civil rights requirements include, but are not limited to, those outlined at 24 CFR 5.105(a), Title VI of the Civil Rights Act of 1964 and its implementing regulations at 24 CFR part 1, Section 504 of the Rehabilitation Act of 1973 and its implementing regulations at 24 CFR part 8, as well as Titles II and III of the Americans with Disabilities Act, and Executive Order 11063 and its implementing regulations at 24 CFR part 107. On September 20, 2022, the Northwest/Alaska HUD Office of FHEO provided a memorandum to the SAC indicating it had reviewed this application and had no objection to SAC approving this application.

PHA Plan

Public Housing Authorities (PHAs) must include proposed dispositions in a PHA Annual Plan, Significant Amendment or MTW Annual Plan. HAPC submitted an Agency Annual Plan to the Seattle Field Office on March 17, 2022, which includes a description of the proposed disposition of the property. The Field Office approved the Agency Annual Plan on June 3, 2022.

Previous Removals at the Development

HAPC has received the previous HUD approvals for removing property from the development WA054000001:

PIC Application	Removal Type	Units Approved	Acres Approved	Date of Approval
DDA0001952	Section 5(h)	5	0	02/28/1992
DDA0001953	Section 5(h)	4	0	01/18/2006
DDA0004267	Disposition	0	0.07	05/05/2011

HAPC has received the previous HUD approvals for removing property from the development WA054000002:

PIC Application	Removal Type	Units Approved	Acres Approved	Date of Approval
DDA0001951	Section 5(h)	13	0	09/19/1995
DDA0001952	Section 5(h)	1	0	02/28/1992
DDA0001953	Section 5(h)	3	0	02/28/1992

Description of Proposed Disposition

HAPC proposes the disposition of 124 dwelling buildings containing 124 dwelling units and 27.95 acres of underlying land. Details of the proposed disposition are as follows:

Pierce County Housing Authority, WA054000001 DOFA:09/8/1993						
Bedroom Size	0-BR	1-BR	2-BR	3-BR	4+BR	Total
Existing Units	0	0	0	95	20	115
Proposed Units	0	0	0	95	20	115
Number of Dwelling Buildings Existing						115
Number of Dwelling Buildings Proposed						115
Number of (Dwelling and Non-Dwelling) ACC Units in PHA's Total Housing Inventory for All Developments						124
Existing Land				25.21 Acres		
Proposed Land				25.21 Acres		

Pierce County Housing Authority, WA054000002 DOFA:08/8/1993						
Bedroom Size	0-BR	1-BR	2-BR	3-BR	4+BR	Total
Existing Units	0	0	0	9	0	9
Proposed Units	0	0	0	9	0	9
Number of Dwelling Buildings Existing						9
Number of Dwelling Buildings Proposed						9
Number of (Dwelling and Non-Dwelling) ACC Units in PHA's Total Housing Inventory for All Developments						124
Existing Land				2.74 Acres		
Proposed Land				2.74 Acres		

Disposition Justification

HAPC has determined the disposition to be appropriate for reasons that are in the best interests of the residents and the PHA, consistent with the PHA goals and plans, and otherwise consistent with the 1937 Act. Specifically, PHA proposes the disposition of scattered site units in accordance with PIH Notice 2021-07 as follows:

According to HAPC, these units are spread out over large distances, covering seven cities and 11 zip codes. The northernmost and southernmost units are over 38 miles apart. The average drive time for maintenance and operations staff can exceed 20 minutes one-way during normal traffic. During peak traffic times staff have experienced at least 40-minute one-way commutes. The 124 scattered sites units were built at different times, ranging from 1965 to 2003. There is a lack of consistency among the major systems in the units like mechanical, plumbing, electrical, insulation, roofing, windows, and siding.

The subject property meets the definition of scattered site units as defined in HUD Notice 2021-07, which are 4 units or less in noncontiguous locations, and the management of the units is inefficient due to the distance between units and the non-standard nature of the internal systems within the units for the purpose of efficient management of repair inventories and maintenance.

Property Valuation

In accordance with 24 CFR 970.19(c), HAPC procured appraisals of the properties. ABS Valuation, an independent appraisal company, estimated the Fair Market Value (FMV) of the properties to be $48,080,000 as of March 11, 2022. Executive summaries of the appraisals were included in the application.

Method of Disposition

HAPC proposed the disposition via sale at FMV or higher via a three-pronged plan. HAPC will first offer the units at FMV to any interested resident that qualifies for a mortgage without any special terms (i.e. discount to FMV, forgivable second mortgages or other benefits that an unassociated purchaser would not receive). Second, HAPC plans to issue an RFP soliciting affordable housing nonprofits (such as Habitat for Humanity) that might wish to acquire some or all of the units as is for use in their programs. Finally, HAPC will list the remaining units for sale at public bid via broker on the MLS.

Use of Proceeds[1]

HAPC expects to realize approximately $48,080,000 of gross proceeds. 24 CFR 970.19(b) authorizes PHAs to deduct the costs of relocations and reasonable costs of disposition (transaction costs) from gross proceeds, if approved by HUD. HAPC proposed the following uses of gross proceeds in accordance with PIH Notice 2020-23: relocation expenses and transaction costs, including commissions, title insurance, escrow fees, recording fees and excise tax.

HAPC will realize net proceeds from this disposition. In the application, HAPC proposed to use net proceeds in accordance with HUD Notice 2020-23 for development of affordable housing, including utilization of existing Faircloth authority to develop new units as a Faircloth to RAD transaction, as well as other acquisition and development activities. HUD determined that HAPC's proposed use of proceeds meets the applicable requirements.

Relocation

At the time the application was submitted, 123 units were occupied. HAPC certified that it will comply with all applicable relocation requirements of 24 CFR 970.21 and all applicable civil rights requirements. HAPC indicated it planned to offer displaced residents the following forms of comparable housing: housing choice vouchers.

HAPC indicated it plans to request tenant protection vouchers (TPVs) from HUD based on this disposition approval to assist residents with Section 8 tenant-based assistance. HAPC has designated a relocation team that will remain available to residents during each stage of relocation planning and moving. Staff will conduct one-on-one meetings with each household to explain the housing choice voucher program, identify barriers, and assist in the housing search as well as provide resource referrals.

HAPC estimated the relocation cost to be $2,217,823, which includes moving expenses and counseling/advisory services. HAPC indicated that it planned to use fiscal year 2020-2022 Capital Funds and proceeds from the disposition sale to cover relocation costs.

Resident Consultation

1. Project Specific Resident Organizations: None

2. PHA-wide Resident Organization: None

---

[1] Unless waived by HUD, PHAs must use net proceeds to pay off outstanding obligations, if any, issued to finance original development or modernization of the project. According to HUD records, generally all bond obligations and debt issued to originally finance, develop, and modernize any public housing projects matured and were liquidated as of 2015; therefore, there is no need for HUD to waive the repayment of this bond debt. However, if HAPC is award of any such debt, it must first use net proceeds to repay such debt.

3. Resident Advisory Board (RAB) in accordance with 24 CFR 903.13: RAB

24 CFR 970.9(a) requires that an application for disposition be developed in consultation with residents who will be affected by the proposed action, any resident organizations for the development, PHA-wide resident organizations that will be affected by the disposition, and the Resident Advisory Board (RAB). The PHA must also submit copies of any written comments submitted to the PHA and any evaluation that the PHA has made of the comments. Resident community meetings were conducted remotely on October 21, 2020, and December 1, 2021, with affected residents and RAB. Tenants were contacted via mail to attend the informational meetings via Zoom. HAPC's project management director provided an overview of the disposition proposal, including the relocation process and possible timelines, and the supported housing Director gave an overview of the Housing Choice Voucher Program. Agendas, attendance lists, meeting minutes and presentation materials were included with the application. A list of questions from the meetings and HAPC's responses as also included.

Offer for Sale to the Resident Organization

24 CFR 970.9(b) (1) of the regulations requires that a public housing agency offer the opportunity to purchase the property proposed for disposition to any eligible resident organization, eligible resident management corporation as defined in 24 CFR part 964, or to a nonprofit organization acting on behalf of the residents, if the resident entity has expressed an interest in purchasing the property for continued use as low-income housing. Since HAPC is not aware of any resident entity that has expressed an interest in purchasing the property, HUD determined that HAPC has complied with the requirements of 24 CFR 970.9(b) (1).

Tenant Protection Vouchers (TPVs)

Applicable appropriations law and HUD guidance provide that PHAs may be eligible to receive TPVs for dispositions of public housing units that temporarily or permanently remove units from a PHA's public housing inventory and distinguishes TPVs into two classes:

- **Relocation TPVs:** HUD provides relocation TPVs in cases where the public housing units will be replaced in connection with the disposition. Relocation TPVs assist PHAs with relocating residents and must be offered to displaced residents. Relocation TPVs cannot be reissued by the PHA after the initial resident that received the TPV ends participation in the program. <u>Based on current appropriations law and HUD policy, the maximum number of relocation TPVs that a PHA is eligible to receive is based occupancy of units on the day of the disposition approval</u>. The PHA's maximum relocation TPV award identified below:

- **Replacement TPVs:** HUD provides replacement TPVs in cases where the public housing will not be replaced in connection with the disposition and become part of the PHA's permanent HCV program. Replacement TPVs must be used first to assist displaced residents. Any remaining replacement TPVs can then be issued to families on its waiting list and/or project-based in accordance with all applicable Section 8 rules. Based on current appropriations law and HUD policy, the maximum number of replacement TPVs that a PHA is eligible to receive is currently based on units that were occupied within 24 months of day the disposition application is approved by HUD. A PHA's replacement TPV award will not change from the maximum award identified below unless its redevelopment plans change, and it decides to develop replacement public housing units in connection with the disposition. HAPC must keep HUD updated on any changes and submit a request to amend this approval if it's redevelopment plan change.

On the date of this approval, 122 units are occupied, and 2 vacant units were occupied within the previous 24 months. HAPC does not intend to redevelop public housing units at the property. Based on this, HAPC is eligible for maximum TPVs as follows:

Type of TPVs	**Relocation TPVs**	**Replacement TPVs**
Maximum TPV Award	**0**	**124**

HUD will not automatically issue TPVs to HAPC as part of this approval. Instead, HAPC must apply to HUD separately for TPVs in accordance with PIH Notice 2022-14 (or any successor notice). HAP cannot submit the TPV request until it needs the TPVs for purposes of relocating the residents who will be displaced (generally no sooner than 30-60 days from the planned start of relocation). The timing of' HAPC's TPV application submission and the start of relocation noted in this approval should be consistent.

As part of its TPVs request, HAPC must submit the following to the HUD Seattle Field Office:

a) The name and IMS/PIC application number of the public housing project in this disposition approval.
b) The number of TPVs requested (subject to the limitations above);
c) Form HUD-52515 (Voucher Funding Application). If lease-up will cover more than one calendar year, HAPC must submit a separate Form HUD-52515 for each calendar year.
d) A leasing schedule that identifies the number of TPVs to be leased on a month-to-month basis. If lease-up will cover more than one calendar year, HAPC must submit separate leasing schedules for each calendar year. If HAPC is approved for both replacement and relocation TPVs as part of this approval, HAPC must submit separate leasing schedule(s) for each type of TPV; and
e) A copy of this approval (PDF version - signed and dated).

The HUD Seattle Field Office will conduct a threshold review of the TPV request prior to sending the request to HUD's Financial Management Center (FMC) for a final determination and processing. HUD's FMC will notify PHAs in writing of their final TPV award.

Mayor/Local Government Consultation and Board Resolution

HAPC held eight meetings with County officials as well as officials from the eight municipalities in which the units are located. The meetings were held between January 26, 2021 and February 21, 2022. As required by 24 CFR 970.7(a)(14), the application package includes a letter of support from Bruce Dammeier, Executive of Pierce County, dated March 11, 2022. The last resident consultation was on December 1, 2021. As required by 24 CFR 970.7(a)(13), HAPC's Board of Commissioners approved the submission of the disposition application for the proposed property on December 8, 2021, via Resolution Number 1908.

Approval

HUD's review of the application has determined that the proposed disposition is consistent with Section 18 of the 1937 Act the implementing regulations at 24 CFR part 970, and PIH Notice 2021-07. HUD hereby approves the application as summarized below:

Pierce County Housing Authority, WA054000001, WA054000002 Approved for Disposition: Buildings: 124; Units: 124; Acres: 27.95	
Method of Disposition	Sale at FMV to qualified purchasers
Terms	$44,555,000 or higher (in total)
Approved Use of Proceeds	Relocation costs, transaction fees, development/acquisition of low income housing

Conditions

- HACP will apply for TPVs upon commencement of the resident relocation process (generally no sooner than 30-60 days from the planned start of relocation) before the property is conveyed pursuant to the timetable as identified under "**PIC and Monitoring –HACP**" section.

HACP will realize proceeds and may only expend the funds on authorized uses under Section 18 of the U.S. Housing Act of 1937. HACP proposed to use proceeds for other public and affordable housing initiatives. Such use of proceeds meets the requirements of Section 18 of the 1937 Act and is acceptable subject to the conditions outlined below:

- Prior to obligation and/or use of disposition proceeds (gross or net), HACP must comply with applicable Departmental guidance (e.g. PIH Notices)
- The disposition proceeds, until expended for an approved use, must be deposited into an account subject to a HUD-51999 (General Depository Agreement).
- PHAs record the receipt of proceeds on their financial data schedules (FDS) submitted to HUD. PHAs record proceeds as a "restricted" asset on the associated project's FDS.[2] For projects terminated in IMS/PIC, the PHA records proceeds in the "Other Project Column" of the Low Rent Program.

[2] Proceeds are a "restricted asset" because they may only be used for the specific purposes approved by HUD in accordance with this notice.

- PHAs record the use of proceeds in accordance with 24 CFR 990.280 and 990.285. Such recordation may include transferring proceeds from the original project to another permitted project or program. Such recordation may include expensing proceeds in the original project and reporting the proceeds as revenue in another entity (blended component unit, discretely presented component unit or independent third party).
- PHAs retain records related to the receipt and use of proceeds for HUD review and monitoring to determine compliance with applicable laws and other guidance including this notice. PHA records are retained for not less than three years.
- PHAs are responsible for assuring their proceeds are used in accordance with all public housing requirements. HUD may monitor a PHA's use of proceeds. If HUD determines a PHA failed to use, treat, and report on proceeds as permitted by this notice and/or other applicable federal requirements regarding proceeds, HUD may require the repayment from non-public housing funds of any proceeds spent in violation of this notice, seek civil and administrative remedies, pursue debarment/suspensions of principals and PHAs, and take any enforcement actions available including, but not limited to, injunctive relief and other equitable remedies, and exercise account locking remedies under the GDA. HUD prosecutes false certifications, claims, and statements. Conviction may result in criminal and/or civil penalties.

Notwithstanding this approval, the PHA shall not convey the property or proceed to enter into any long-term ground lease or disposition agreement until all residents have been relocated.

Other Requirements

The Department reminds HACP that pursuant to 24 CFR 970.21(c)(2), if any of the following types of federal financial assistance is used in connection with the disposition of public housing, the project is subject to section 104(d) of the Housing and Community Development Act of 1974, 42 U.S.C. 5304(d) (as amended), including the relocation payment provisions and the anti-displacement provisions, which require that comparable replacement dwellings be provided within the community for the same number of occupants as could have been housed in the occupied and vacant, occupiable low- and moderate-income units converted to another use:

- Community Development Block Grant (CDBG) program, 42 U.S.C. 5301 et seq. (including loan guarantees under section 108 of the Housing and Community Development Act of 1974, 42 U.S.C. 5308 et seq.); or
- HOME program, 42 U.S.C. 12701 et seq.

Please contact the HUD Seattle Field Office for additional guidance, if applicable.

Operating Subsidy

Please be aware that in accordance with 24 CFR part 990 (or an MTW Agreement), the disposition of the property will affect HAPC's operating subsidy. Please contact the HUD Seattle Field Office for additional guidance.

Capital Fund Financing Program and Energy Performance Contracting

As of January 26, 2022, HAPC did not have HUD approval of a Capital Fund Financing Program (CFFP) proposal. HAPC does not have an approved Energy Performance Contract (EPC).

PIC and Monitoring – HAPC

In accordance with 24 CFR 970.7(a)(4), HAPC provided the following general timetable based on the number of days major actions will occur following approval of the application:

Pierce County Housing Authority **WA054000001 - WA054000002**		Number of Days after Approval
A	Begin relocation of residents	180
B	Complete relocation of residents	900
C	Execution of contract for removal (e.g. sales contract or disposition contract)	1080
D	Actual Removal Action (e.g. disposition or sale closing	1090

- HUD recognizes that a PHA's plans to start relocation sometimes change. However, because the Department relies on this information to determine Operating Funds subsidy, PHAs are responsible for ensuring the days to relocation information in a SAC application is reasonably accurate. If days to relocation in a SAC application is not reasonably accurate, asset repositioning fee (ARF) payments under 24 CFR 990.190 may begin prematurely and a PHA may receive less Operating Fund subsidy than it otherwise would be entitled to receive. A PHA may even find itself in a situation where it is operating public housing units without any Operating Fund subsidy. Therefore, it is essential that PHAs make timely requests to the Department for any necessary modifications to the days to relocation in a SAC application. Note that after the Operating Fund subsidy revisions deadline in the first year of ARF eligibility, no further changes to the days to relocation in an approved SAC application or HUD-52723 can be made.

- If HAPC becomes aware that the days to begin relocation information (noted in Field A above table - Begin relocation of residents) is not reasonably accurate, HAPC must send an email to the Director of HUD Seattle Field Office within five business days, with a copy to the HUD PIH staff member assigned to the PHA using the following Subject *"PHA Code, SAC application DDA Number, Modification to Days to Relocation"*. HAPC must include the new estimated number for the days to relocation, along with a brief explanation of the reason for the modification. HUD Seattle Field Office will review the request to ensure it is reasonable/it has no information that is inconsistent with the request (e.g. information from residents that relocation has started) and that the new estimated days to relocation is not past the Operating Fund subsidy revisions deadline in the first year of ARF eligibility. If HAPC's request is acceptable, SAC will modify the days to relocation in the SAC application in IMS/PIC and email the PHA notifying it that it has made the change. SAC processes these modifications as technical corrections and will not issue a formal written amendment to this approval. If HAPC's request is not acceptable (e.g. the requested new days to relocation is past the Operating Fund subsidy revisions deadline in the first year of ARF eligibility), Seattle Field Office will deny the request in writing. HAPC must keep adequate records of all relocations (including actual relocation start dates) for purposes of HUD monitoring.

- In accordance with 24 CFR 970.35 of the regulation, your agency is required to inform the HUD Seattle Field Office of the status of the project (i.e., delays, actual disposition, modification requests or other problems). Within seven days of disposition completion, HAPC must enter the "actual" dates of disposition, directly into the IMS/PIC data system, Inventory Removals sub-module under "Removed from Inventory" tab for the HUD Seattle Field Office approval, using the following procedure:
- On the screen, select the appropriate "Development Number", then select "Add Transaction". On the next screen, select the appropriate "Application Number" from the drop-down menu. In the "Action/Closing Date" box, enter the removal date. If the properties in an application were removed on multiple dates, a separate transaction is needed for each action date. The remaining steps are as applicable.
- Save the information using the "Save" button. The status of this information is then displayed as "Draft."
  - HAPC's supervisory staff submits the information to HAPC's Executive Director, or the designated final reviewer at HAPC, using the Submission sub tab. The status becomes "Submitted for Review".
  - HAPC's Executive Director or designee uses the Review sub tab to reject the transaction, which places it in a "Rejected" status, or approves, which places it in a "Submitted for Approval" status.
- If the submission is rejected by HUD, HAPC may modify the information by repeating the previous procedure. If the transaction is rejected, the status becomes "Rejected." If the HUD Seattle Field Office approves the transaction, the status in IMS/PIC permanently changes to "Removed from Inventory (RMI)".

- When the disposition is completed in its entirety, please submit a report to the HUD Seattle Field Office confirming the action and certifying compliance with all applicable requirements.

Auditable financial statements, expenditures and files for each transaction relative to the action must be maintained, available upon request and forwarded with the final report.

- HAPC must retain records of the SAC application and its implementing actions of HUD's approval of this SAC application for a period of not less than three years following the last required action of HUD's approval.

- HAPC is responsible for monitoring and enforcing use restrictions identified under "**Conditions**" section during the period they are in effect.

PIC and Monitoring – Field Office

In accordance with 24 CFR 970.35 of the regulation, HACP is required to inform the HUD Oklahoma City Field Office of the status of the project (i.e., delays, actual disposition, modification requests or other problems). It is the HUD Oklahoma City Field Office's responsibility to monitor this activity based on its latest risk assessment.

- The HUD Seattle Field Office must review the relocation change request submitted by HAPC, within 10 business days, to ensure it is reasonable/it has no information that is inconsistent with the request (e.g. information from residents that relocation has started) and that the new estimated days to relocation is not past the Operating Fund subsidy revisions deadline in the first year of ARF eligibility.
    - If HAPC's request is not acceptable (e.g. the requested new days to relocation is past the Operating Fund subsidy revisions deadline in the first year of ARF eligibility), the HUD Seattle Field Office will deny the request in writing.
    - If HAPC's request is acceptable, notify SACTA@hud.gov via an email. The SAC will modify the days to relocation in the SAC application in IMS/PIC and email HACP notifying that change has been made.

- The HUD Seattle Field Office must verify that the actual removal data is entered in IMS/PIC by HAPC within seven days of disposition to ensure the Department is not overpaying operating subsidy and the Capital Fund formula data is correct.
    - When HAPC submits an Inventory Removal action in IMS/PIC, the HUD Seattle Field Office will be notified seeking inventory removal approval via a PIC system generated email to the HUD Seattle Field Office designated PIC coach or another person. Below is a sample notification email: *"Subject: Inventory Removal Submittal Notification (HA code) Inventory removals have been submitted for approval by your office on [submission date] by [HA Code]."*
    - When the above email is received, the HUD Seattle Field Office is responsible for the review and approval or rejection of HAPC's Inventory Removal submission within seven days.

- The HUD Seattle Field Office will conduct a threshold review of the TPV request prior to sending the request to HUD's Financial Management Center (FMC) for a final determination and processing.

- The HUD Seattle Field Office, with concurrence from the HUD Office of the General Counsel (OGC) must approve the evidentiary documents, terms and conditions in the conveyance of real property, whether in whole or in part, described in this approval. If there are previous land and/or use agreements or encumbrances, other than the Declaration of Trust (DOT), disposition approval and release of the DOT does not circumvent or supersede those obligations.

- The HUD Seattle Field Office is responsible to verify the funds were used as approved, and HAPC's records are adequately documented to support this assertion. Refer to use of proceeds condition in Approval section.

When an amendment to this approval needed, PHAs must comply with all material terms of the SAC application. If after receiving HUD approval, a PHA's plan changes on material terms, SAC approval of the change is required. Material terms include (i) method of disposition; (ii) public bid sale where offer is less than 80 percent of FMV appraisal submitted in the SAC application. PHA's request for change in FMV, must include narratives on its due diligence in offering the public housing property for sale on the open and competitive market and its rationale for accepting an offer that is less than 80 percent of appraised FMV. Alternatively, the PHA may submit an updated appraisal); and (iii) terms of commensurate public benefit disposition (the PHA must describe the revised future use of the property so HUD can confirm the commensurate public benefit). PHAs request amendments by sending an email to SACTA@hud.gov with the information noted above and a board resolution approving the change. On a case-by-case basis, SAC may require additional supporting documentation to support an amendment (e.g., evidence of local government and/or resident consultation; confirmation of environmental clearance etc.).

The HUD Seattle Field Office has been informed of this approval. Its staff is available to provide any technical assistance necessary for your agency to proceed with the disposition. As HAPC starts the process of implementation, I urge you to continue to maintain an open dialogue with your residents and local officials.

If you modify your plans, please contact the SAC at SACTA@hud.gov. As always, my staff and I are available to assist you in any way possible.

Sincerely,

Jane B. Hornstein
Director
Special Applications Center

CC: Seattle Field Office

PIERCE COUNTY HOUSING AUTHORITY

603 South Polk Street, Tacoma, WA 98444 | 253-620-5400

STRATEGIC FOCUS

PIERCE COUNTY HOUSING AUTHORITY

603 South Polk Street, Tacoma, WA 98444 | 253-620-5400 | www.pchawa.org

MAY 2023 BOARD RETREAT SUMMARY AND ACTION PLAN

Tuesday, May 30, 2023

PIERCE COUNTY HOUSING AUTHORITY
603 South Polk Street, Tacoma, WA 98444 | 253-620-5400

2023 BOARD RETREAT ACTION PLAN

KEY STAFF TAKEAWAYS:

- Explore existing properties in Scattered Site portfolio for feasibility to develop multi-plexes
    - How many are on sewer?
    - How many have the land/access capacity to develop units?
- Warehouse Site is a priority for exploration of development options
    - How many units are allowable (58) versus how many units are feasible?
    - How does this number change with different demographic ranges (1 bedroom, 3 bedroom, etc.)
- The board is interested in exploring creative options, including adaptive-reuse and municipal land surpluses
- Board wants to ensure that all plans account for the full 150 units, as no site can accommodate all 150 in and of itself
- An architect will be needed on hand to begin studying the feasibility of these projects
- A developer will be needed to begin developing any of these projects

ACTION PLAN TIMELINE

JUNE 2023

- PCHA Staff will explore currently available vacant land and prepare a report for the June Board Meeting
- PCHA Staff will explore the barriers and possibilities of various scattered site parcels hosting four- and six-plexes and prepare a report for the June Board Meeting
- PCHA Staff will prepare a Draft of an RFQ for Architectural Services to present at the June Board Meeting
- PCHA Staff will continue developing relationships with developers, but will not actively pursue services until feasibility studies have been conducted as per consultant reccomendation to retain control of the development goals and process.

JUNE '23 BOARD MEETING

- The Board of Commissioners will review the vacant land report and determine if any options are viable for further study or action, and set parameters for what sort of land options would be considered viable
- The Board of Commissioners will review the Scattered Site report and determine if any identified sites are viable for further action
- The Board of Commissioners will review the Draft RFQ to ensure responsiveness to Board requests and approve its release

JULY 2023

- PCHA Staff will compile a monthly assessment of vacant land options that fit within the viable parameters set in the June Board Meeting to be presented at the July Board Meeting
- If the Board chooses to move forward with any identified parcels for multiplex reservation, those parcels will be listed for our records as non-sale and PCHA staff will investigate the process to remove the HUD Declaration of Trust without selling to an outside entity, and prepare a report for the July Board Meeting.

JULY '23 BOARD MEETING

- The Board of Commissioners will review the Vacant Land Report and determine if any options are viable for further study or action
- Staff will present an update, if any, on theforecast process to develop Scattered Site parcels into multiplexes. All information will be preliminary until an Architect is retained.
- The Architectural Services RFQ will still be open at the time of the July Board Meeting. No Updates will be available due to the ongoing nature of this RFP.

AUGUST 2023

- PCHA Staff will compile a monthly assessment of vacant land options that fit within the viable parameters set in the June Board Meeting to be presented at the August Board Meeting
- The Architectural Services RFQ will close and a presumptive winner will be determined by Staff. Staff will prepare a reccomendation for the August 2023 Board Meeting.

AUGUST '23 BOARD MEETING

- The Board of Commissioners will review the Vacant Land Report and determine if any options are viable for further study or action
- The Board of Commissioners will review the reccomendation for Architectural Services and approve or deny forward momentum
- The Board will be asked to rank priorities on which feasibility studies the architect should prioritize first

SEPTEMBER 2023

- Assuming a winner for the Architectural Services RFQ was determined in August, PCHA Staff will work with the architect to complete the first priority feasibility study before the September Board Meeting if possible
- PCHA Staff will compile a monthly assessment of vacant land options that fit within the viable parameters set in the June Board Meeting to be presented at the September Board Meeting

SEPTEMBER '23 BOARD MEETING

- Assuming a winner for the Architectural Services RFQ was determined, the Board will review the first priority feasibility study. No action will be required. The lower priority feasibility studies will be presented at subsequent meetings in order of importance.
- Because of the protracted timeline of this project, Staff advises the Board wait until all options have been presented before moving forward with any development-oriented activity unless absolutely certain of its intention to develop at the possible delay or exclusion of later options
- The Board of Commissioners will review the Vacant Land Report and determine if any options are viable for further study or action

OCTOBER 2023

- Staff will work with the architect to complete the second and, if possible, third priority feasibility study before the October Board Meeting PCHA Staff will compile a monthly assessment of vacant land options that fit within the viable parameters set in the June Board Meeting to be presented at the October Board Meeting

OCTOBER '23 BOARD MEETING

- The Board will review the second, and if possible, third priority feasibility study. No action will be required. Any lower priority feasibility studies will be presented at subsequent meetings in order of importance.
- Because of the protracted timeline of this project, Staff advises the Board wait until all options have been presented before moving forward with any development-oriented activity unless absolutely certain of its intention to develop at the possible delay or exclusion of later options
- The Board of Commissioners will review the Vacant Land Report and determine if any options are viable for further study or action

NOVEMBER 2023

- Staff will work with the architect to complete the third and, if possible, fourth or fifth priority feasibility study before the November Board Meeting
- PCHA Staff will compile a monthly assessment of vacant land options that fit within the viable parameters set in the June Board Meeting to be presented at the November Board Meeting

NOVEMBER '23 BOARD MEETING

- The Board will review the third, and if possible, fourth or fifth priority feasibility study. No action will be required. Any lower priority feasibility studies will be presented at subsequent meetings in order of importance.
- Because of the protracted timeline of this project, Staff advises the Board wait until all options have been presented before moving forward with any development-oriented activity unless absolutely certain of its intention to develop at the possible delay or exclusion of later options
- The Board of Commissioners will review the Vacant Land Report and determine if any options are viable for further study or action

DECEMBER 2023

- PCHA Staff will review the feasibility studies performed by the architect and the Board's commentary and work to refine a summary of all projected options and a staff reccomendation on further steps
- Staff will compile a monthly assessment of vacant land options that fit within the viable parameters to be presented at the December Board meeting
- Staff will compile a Year One Repositioning Progress Report on the progress of repositioning.

DECEMBER '23 BOARD MEETING

- The Board of Commissioners will review the feasibility studies presented over the prior three months and the staff reccomendation to begin work on next pre-development steps for any of the presented options
- The Board of Commissioners will review the progress from Year One Repositioning Report and establish goal areas for Year 2
- The Board of Commissioners will review the Vacant Land Report and determine if any options are viable for further study or action

PIERCE COUNTY HOUSING AUTHORITY

603 South Polk Street, Tacoma, WA 98444 | 253-620-5400

2023 BOARD RETREAT SUMMARY

THE SIX STRATEGIES

As discussed at the Board Meeting, there are six processes currently identified to develop units with the funds from Disposition; four presented by Staff, and two brought by Board Members. They are as follows:

1. **Re-"Acquisition" and Rehabilitation of a Multifamily Housing Property Already Owned by PCHA**
    a. This strategy involves "buying" a property from ourselves in order to remove the restrictions on the HUD funding, and then rehabilitating the units therein.
    b. **PROS**: This option is considered relatively cheap, relatively quick, and relatively low-risk, as it involves properties with known challenges and maintenance concerns, and does not incur the same level of risk as new development.
    c. **CONS**: This strategy also does not add to the number of units under PCHA management, does not add to the number of affordable units in Pierce County, and does not add to the geographic diversity of low-income housing. This option does not demonstrate leadership.
2. **Acquisition and Rehabilitation of an Existing Multifamily Housing Property Not Currently Owned by PCHA**
    a. This strategy is to buy an existing apartment complex in the County and add it to the PCHA portfolio, and rehabilitate the units.
    b. **PROS**: This option is not so cheap as rehabilitating our own properties, but less expensive than new construction. It is also not as risky as new construction, but more risky than rehabilitating our own properties. This strategy is relatively quick and adds to the number of units managed by PCHA. This strategy can demonstrate leadership. This process has the potential to generate notable revenue over PCHA's current operations.
    c. **CONS**: Depending on the multifamily housing complex acquired, this strategy does not increase the number of affordable units in Pierce County, and definitely will not increase the number of units in pierce county. This strategy also is not likely to diversify the geographic spread of low-income housing, as by nature of requiring the acquisition of an *existing* housing complex, it is likely to have been built in an area that is typical for housing complexes to be found.
3. **Creative Acquisition and Rehabilitation of a Property that is Not Multifamily Housing, and Not Currently Owned by PCHA**
    a. This strategy is to buy a building that is not currently a "housing' building (School, Hospital, Department Store, etc.) and convert it into housing.
    b. **PROS**: This strategy adds to the number of units managed by PCHA, and the number of units in Pierce County. This strategy can diversify the geographic distribution of low-income housing. This strategy can generate leadership. This strategy has the potential to

generate notable revenue over PCHA's current operations.

   c. **CONS**: Adaptive Reuse is considered a high-risk development process. Costs and development timelines are impossible to generalize as every project is completely unique, but are imagined to be on par with new development levels, with the added complication of working with an existing shell that has, in many cases, been declared functionally obsolete and spent several years unoccupied.

4. **Redevelopment of PCHA-Owned Multifamily Property**
   a. This strategy involves tearing down and redeveloping a Multifamily Housing property owned by PCHA.
   b. **PROS**: This strategy increases the number of units owned by PCHA and the units in the County. This strategy has the potential to generate notable revenue over PCHA's current operations. If a particular property is selected, this process may diversify the concentration of poverty, but in the sense that it will add units within a reasonable distance of the Lakewood Transit station, and not add units to previously uninvested areas of the County.
   c. **CONS**: This strategy involves higher risk and higher investment than most rehabilitation options, but less than some other development options. This strategy holds the highest risk of not generating leadership as it may result in the displacement of current tenants during the demolition process. This strategy is not quick.
5. **Redevelopment of Selected PCHA Scattered Sites (Into Multiplexes)**
   a. This strategy involves the creation of four- or six-plexes on PCHA's scattered site properties.
   b. **PROS**: This increases the number of units owned by PCHA and the number of units in the County. This strategy can generate leadership. This strategy can generate notable revenue over PCHA's current operations.
   c. **CONS**: Development is higher-risk than most rehabilitation. This strategy does not deconcentrate poverty as PCHA's scattered site units tend to be in high-poverty areas. Depending on the total number of units created under this strategy, it may or may not financially scale with the cost of developing a larger apartment complex. Development is higher-cost than most rehabilitation. This option also reduces disposition proceeds.
6. **New Development on Undeveloped Property**
   a. This strategy involves taking undeveloped land, or land with no housing (warehouse sites, etc), tearing down any existing structures, and developing it into a housing complex. The land may be already owned by PCHA, or acquired for this purpose.
   b. **PROS**: This increases the number of units owned by PCHA and the number of the units in the County. This strategy can generate leadership. This strategy can deconcentrate poverty in our communities. This strategy can generate notable revenue over PCHA's current operations.
   c. **CONS**: Development is higher-risk than most rehabilitation. Development is higher-cost than most rehabilitation.

BOARD RETREAT FAQ

- **How difficult will it be for voucher-holders transitioning out of LIPH to find housing?**
    - PCHA is confident that it will not be difficult to find housing for the LIPH voucher-holders. PCHA has invested in two project specialist roles who will be working one-on-one with participants to fill out applications, find and tour units, and work with landlords to increase the likelihood of success. PCHA has also raised payment standards to increase the unit pool. Using similar tactics, PCHA's Emergency Housing Voucher program housed 62 families in one year who were transitioning out of homelessness with significant barriers to success, and this program had only one project specialist. Our LIPH families generally have significantly fewer barriers, and have two specialists. Additionally, our leasing schedule has only 36 families scheduled to move during year one, and 44 families per year for years two and three. This, alongside the flexibility we see returning to the market, points towards a successful rehousing effort.
- **What efforts are being taken to increase knowledge about homeownership opportunities for LIPH residents?**
    - PCHA has been providing LIPH participants with opportunities to join Family Self-Sufficiency – our homeownership program - since its inception, and our staff are reaching out for one-on-one discussions with every family about their potential to purchase their home. Mailers about homeownership processes and opportunities are currently being drafted and will be sent out shortly. Currently, PCHA has received several offers from residents about purchasing their home, and is under contract with at least one household to purchase their home.
- **Are the homes being sold as HUD Homes, with title restrictions?**
    - No, these homes are not "HUD Homes" and are being sold without title restrictions. We are asking any nonprofit partners to explain their process for restricting units to serve low-to-moderate income families as a condition of their addition to our Bidder List. LIPH residents buying their home will not be restricted, as they are buying at or near fair market value. To restrict them from selling their home as the market allows after buying at or near fair market value would be to decimate their capacity to build wealth with their home purchase, and would encourage them only to buy another home instead.
- **What do we mean by "as-is" sales?**
    - PCHA intends to convey that we will not be undertaking a pre-market remodel of the units to maximize sale value. Individual items in the homes may be repaired as necessary to help homes qualify for FHA/VHA loans, or general cleaning.
    - PCHA will encourage all buyers to undertake inspections of the homes prior to sale, particularly our Low-Income buyers.
- **Regarding the development of new units, can we work on multiple projects at a time?**
    - Yes, with staff flexibility, multiple feasibilities can be pursued at once.
- **Do we need to develop all 150 replacement units in one site or in one go?**
    - No, we do not need to generate all 150 units at one site, or at one time. Our Faircloth Authority is unlimited by time constraints. However, not developing these

units leaves a federal subsidy unutilized.

- **Can we develop with the proceeds of the Disposition without using Faircloth Authority?**
    - Yes, but then we need to use other Section 8 Vouchers (such as Project Based Vouchers) in the building, which reduces our ability to use those vouchers to spur other development opportunities independent of the Disposition.

BOARD RETREAT SUMMARY

PCHA Staff feel that they have the requisite information to move forward with the HUD Five-Year Plan and the next steps of the planning process for development opportunities. PCHA has heard and will answer the Board's call to make firm and ambitious commitments to timeline, units, and location. Deliverables listed in the Action Plan will be provided at the Board Meeting for June, and PCHA hopes to maintain an active pace for investigating and pursuing future options, while keeping in mind that the funding necessary to fully commit to many options will not be fully realized until 2025. PCHA thanks the Board for its time and effort in taking these strides, and will continue this momentum into the next phase of our Repositioning.

Please see the following pages for Board Retreat Materials and consultant notes.

Demographic

Population

937K

People

1/1/22 - 12/31/22

Measuring

Population

Rate of Natural Increase

3.97

per 1,000 People

1/1/20 - 12/31/20

Measuring

Natural Increase

Net Migration

6,563

People

1/1/22 - 12/31/22

Measuring

Net Migration

Median Age

36.9

Years

1/1/21 - 12/31/21

Measuring

Median Age

Race/Ethnicity Diversity

37.7%

Minority

1/1/21 - 12/31/21

Measuring

Race/Ethnicity

Gender Diversity

49.8%

Female

1/1/21 - 12/31/21

Measuring

Gender

Economic

Total Covered Employment

302K

Jobs

1/1/20 - 12/31/20

Measuring

Covered Employment

Unemployment Rate

4.9%

Unemployment

8/1/22 - 8/31/22

Measuring

Unemployment

Number of Employers in Pierce County

20.7K

Firms

7/1/22 - 9/30/22

Measuring

Employers

Workers Commuting Outside Pierce County

49.2%

Workers

1/1/20 - 12/31/20

Measuring

Commuting Flows

Median Household Income

$85.9K

Per Household

1/1/21 - 12/31/21

Measuring

Household Income

Median Earnings

$51K

per Individual

1/1/21 - 12/31/21

Measuring

Median Earnings

High School Graduation Rate

83.0%

Graduated

1/1/20 - 12/31/20

Measuring
Graduation Rate

Residents with a High School Degree

92.8%

of Residents

1/1/21 - 12/31/21

Measuring
High School

Residents With a Two-Year Degree or Higher

42.5%

of Residents

1/1/21 - 12/31/21

Measuring
Two-Year Degree

Residents With a Four-Year Degree or Higher

30.8%

of Residents

1/1/21 - 12/31/21

Measuring
Four-Year Degree

Graduate/Professional Degree

10.5%

Percent

1/1/21 - 12/31/21

Measuring
Advanced Degree

Workforce Training

4,371

Students

9/1/15 - 8/31/16

Measuring
Workforce Training

Poverty Rate

8.0%

Below Poverty Level

1/1/21 - 12/31/21

Measuring
Poverty Rate

Population in Poverty

72.2K

Below Poverty Level

1/1/21 - 12/31/21

Measuring
Poverty Rate

Cost-Burdened Households

33.9%

of Households

1/1/21 - 12/31/21

Measuring
Cost Burden

Free or Reduced-Price Lunch

46.8%

of Students

1/1/20 - 12/31/20

Measuring
School Lunches

Medicaid-Covered Births

44.3%

of Women who Gave Birth

1/1/19 - 12/31/19

Measuring
Medicaid Births

Pierce County Housing Action Strategy

September 2022

Executive Summary

Housing affordability is an urgent and growing challenge in Pierce County.

- **About one-third of all households in Pierce County are housing cost-burdened.** This is over 100,000 households in total. Of these, more than 43,000 households spend over half of their income on housing.
- **Housing costs are rising fast because supply is not keeping pace with demand.** During the past decade, the county added between 13,000 and 20,000 fewer housing units than it needed to meet all housing needs. This increases competition for homes and drives up housing costs.
- **The annual rate of housing production countywide needs to increase by 46%** compared to recent trends to address current needs and keep pace with expected demand through the year 2044.
- **The greatest need for housing is among the lowest income residents.** To meet these needs, the county needs to produce, on average, over 2,300 units per year of housing affordable at or below 50% of area median income (AMI) through the year 2044. Over half of these units are needed for households at 30% of AMI or below.
- **Addressing this challenge will require significant resources.** While there are many actions Pierce County can and should take to address this crisis, increasing the funding available to support affordable housing development is the most essential step. In recent years, there was about $74 million in total annual public funding and subsidies available to support new affordable housing production.[1] Pierce County has access to funding tools for raising another $44 million in annual revenue for affordable housing production. This additional investment would make an important and meaningful impact. However much more funding will be needed. BERK estimates a **remaining funding gap of $624 million** to fully address the needs of households at or below 50% AMI.

This Housing Action Strategy identifies several policy recommendations for increasing the availability of housing affordable to residents across the income spectrum. These recommendations are informed by an analysis of local housing market conditions and needs, interviews with Puget Sound area affordable and market-rate housing developers, review of several previous studies, including the Pierce County

[1] This includes funding from the county, cities, state and federal agencies, and low-income housing tax credits.

Exhibit 2. Summary of Current and Projected Housing Needs by Income Level, Countywide

Income Level (% of AMI)	Additional Units Needed, 2020-2044	Current Conditions	Consideration for Addressing Projected Needs
0-30% PSH	8,069	Significant current shortages of units affordable compared to needs. While the market provides some older units in the 30-50% AMI range, many of these units are unavailable due to down-renting by higher income households.	Highest priority. These households are most likely to be cost-burdened and housing insecure. Building new units affordable at these levels will require public subsidy to produce.
0-30% Other	24,976		
>30-50%	23,029		
>50-80%	21,290	On average, market rents are affordable at the higher end of this income level. However, there is a shortage of affordable and available units due to down renting by higher-income households and lack of supply at lower income levels.	Jurisdictions in Pierce County need to increase the production of new apartments and other multiunit housing to meet these needs. Incentives will also be needed to provide new housing at the lower end of this income range.
>80-100%	10,308	No path to homeownership for most households that don't already own. Therefore, many are down-renting in units that would otherwise be affordable at lower income levels.	The county needs to build more lower-cost ownership housing options such as condominiums and townhomes.
>100-120%	9,411		
>120%	40,709	New single-family homes are typically only affordable above 150% of AMI	Much of the need in this category also will be for lower-cost ownership housing types such as townhomes.
Total	137,791		

O-30% PSH = Permanent Supportive Housing; 0-30% Other are units for 0-30% AMI households that do not need supportive services.

Barriers to Housing Production

There are several issues that present difficulties for both market rate and affordable housing production in Pierce County. These problems, individually or together, can slow down production, complicate efforts to preserve existing affordable housing, and make it harder overall to reach housing goals. To identify barriers, BERK examined issues that can present in different stages of the development process, including:

- Market assessment and project concept development
- Project site selection
- Securing financing and other incentives and support
- Project design and construction
- Long-term property management

This section summarizes some of the major housing market constraints in Pierce County that are of interest for policy development. For this assessment we highlight **four key barriers of concern**:

1. The availability of financial support for income-restricted housing.
2. The local commitment to affordable and market-rate housing in the community.
3. The availability of suitable sites for development.
4. Allowed flexibility with development requirements for affordable projects.

Additionally, at the end of this section, we discuss other barriers which are also considered as part of policy development for Pierce County.

Note that the descriptions of these barriers address the following:

- **Overall housing production versus income-restricted housing development.** Even though some barriers have to do with market housing production (both type and volume), affordable housing development can also face other problems during the process, such as the availability of funding to support the project.
- **Local/regional obstacles to housing development versus broader-scale issues.** This report focuses on those problems that can be handled by the County and other local governments. However, where relevant, it is also important to highlight problems that are harder for Pierce County and its cities to deal with directly and need intervention at the regional, state, or even federal level. For example, Pierce County might not be able to increase the availability of Low-Income Housing Tax Credits (LIHTCs), but it might be important to note unmet needs for these credits and indicate that these are important areas for future state and federal lobbying.

Key Barriers

Availability of Financial Support for Income-Restricted Housing

Income-restricted housing development is usually most constrained with respect to access to financial support and how this relates to the financial feasibility of a project. Developers of affordable housing usually rely on different sources of funding than for-profit projects, including direct and indirect federal funding and grants and loans from state and local governments. Other resources are also available, such as land donations or investments from nonprofits and community groups. However, the financial resources for affordable housing are usually limited, and in many cases, they can depend on a competitive process that is not guaranteed.

Local funding from the County and its cities can be important here. While state and federal funding can be considerable, local funding demonstrates local support. Local approaches can also address gaps that would be more difficult for other funding programs to resolve, and as resources from higher levels of government become more scarce, local programs are becoming more important.

Low Income Housing Tax Credits (LIHTCs) are the biggest source of financial assistance for affordable housing in the US. These non-refundable, transferable tax credits support rental housing for low- and middle-income households and can be used for both new construction and rehabilitation. The credits are allocated to the state by the Internal Revenue Service (IRS) and administered by the Washington State Housing Finance Commission (WSHFC). Two types of tax credits are granted through this program:

- A 9% credit that helps pay for roughly 70% of the costs of affordable units. The 9% LIHTC program creates the deepest affordability for extremely low-income (30% of AMI) and very low (50% of AMI) households.
- A 4% credit financed with bonds that cover roughly 30% of the costs. The 4% LIHTC creates affordability at the 50% to 60% of AMI income band.

These tax credits are available to both non-profit and for-profit developers of affordable housing. However, the number of projects that need LIHTCs and other funding support is growing, while the availability of funding is not increasing at the same rate. This impacts County housing policy in a few ways:

- **More competitive application processes.** Previously, the 4% LIHTCs backed by bonds were not competitive and were often a favorite way for developers (including for-profit affordable housing providers) to get reliable support. However, as funding has become more limited, this process has become more competitive. This can increase administrative costs and risks for developers and means that it is possible that projects may not be funded.
- **Limited awards to Pierce County.** The number and total amount of awards to projects in Pierce County depend on how many applications come in from other areas of the state, and from different groups in Pierce County. As some state-managed support considers geographic distribution and intensity of housing needs, awards given in the county per year may be more limited than other places. In practice, Pierce County can only get about one 9% LIHTC project per year, and 4% projects also have some limits as well. Projects build with 9% LIHTC typically offer units at deeper levels of affordability.
- **Dependence on multiple sources of funding for projects.** Affordable housing projects need significant financial support, often across different agencies. However, all of these funding sources must be secured for a project to move forward. If some competitive sources of funding do not work out, this could put other sources of funding at risk with the delay.

Overall, the decreased flexibility and reliability of the process, especially with the 4% LIHTC program, has been challenging. Many developers report this as increasing the difficulty of developing affordable housing both across the state and within Pierce County. This is especially true for for-profit companies building affordable housing that are strongly dependent on 4% credits.

The state has been working to open more avenues of local support for affordable housing development. Recent efforts by the state have included the following:

- **Affordable housing levies** (SB 6212), which allow for a voter-approved property tax levy of up to $0.50 per $1,000 of assessed value, which can be used for affordable homeownership, owner-occupied home repair, and foreclosure prevention programs for low-income households at 80% AMI or lower.
- **Affordable housing and related services sales taxes** (HB 1590), which allow for a council-passed 0.1% increase in local sales and use taxes to support affordable housing, mental and behavioral health facilities, and supporting programs and services targeted to specific users with incomes below 60% of AMI.
- **Affordable housing tax credits** (SHB 1406), where cities and counties can receive a portion of the 6.5% state sales tax to acquire, build, and operate affordable housing, and provide rental assistance to tenants.

Memorandum

To: Jim Stretz, Executive Director, Pierce County Housing Authority
From: Greg Byrne, Principal
Date: June 10, 2022
Re: Repositioning Options and Recommendations

Purpose

In recent years, due to a combination of public housing's unstable funding environment, along with its restrictions in raising debt or equity, both the Congress and HUD have provided public housing agencies (PHAs) with an expanded number of options to convert from the public housing program to the Section 8 program, including (1) the Rental Assistance Demonstration (RAD) Program, (2) Streamlined Voluntary Conversion (SVC), and (3) Section 18 Demolition/Disposition.[1]

The Pierce County Housing Authority (PCHA) has, after years of planning, recently begun the steps to remove the remainder of its 124 public housing units[2] under the Section 18 Scattered Site Disposition Program, wherein it will receive Section 8 Tenant Protection Vouchers (TPVs) for each unit occupied within the past 24 months. PCHA has determined that these scattered site units are infeasible to operate and inefficient in serving the low-income housing needs in Pierce County. PCHA plans to issue these TPVs to all affected residents (and to assist them in finding housing on the private market), after which it will

---

[1] See "A Guide to Public Housing Repositioning, Small PHAs", March 2021, Guide_Repositioning_Small_PHAs.pdf (hud.gov) .

[2] PHCA has disposed of 26 other scattered site units over about the past ten years under a public housing homeownership program for low-income households.

dispose of the units for Fair Market Value, expected to generate approximately $40 million in net sales proceeds, which can be used to expand the supply of affordable housing in the County

PCHA requested technical assistance in reviewing current general conversion plans and, with that, any opportunities to take advantage of the "Faircloth Authority" that will be available to it as a result of this conversion action (see below)

As will be explained in this memo, PCHA, because of the expected extraordinary net sale proceeds, has a rare opportunity among PHAs to dispose of its scattered site units; accommodate the relocation needs of the current residents with Section 8 TPVs; and then largely rebuild or acquire replacement public housing units with its anticipated sale proceeds, which the agency can, at its discretion, then convert to Section 8 via RAD, bringing additional affordable housing subsidy to the County .

General Section 18 Program Requirements

Section 18 of the Housing Act of 1937 allows PHAs to remove public housing units, without any hard unit replacement requirement, under certain criteria as prescribed by HUD.[3] Once approved, HUD will issue Section 8 TPVs for every unit occupied by public housing residents within the past 24 months. HUD has two classifications of TPVs:

- Where the PHA does not plan to replace the units back on-site with other public housing, HUD provides "**Replacement TPVs**", with the idea that these TPVs are then replacing the lost public housing units ("hard units") with vouchers ("soft units"); or
- Where the PHA plans to replace on-site the public housing units removed through Section 18, HUD provides "**Relocation TPVs**", with the idea that these TPVs are used to assist with the relocation of the existing residents. However, once those existing residents leave the Section 8 voucher program, the vouchers are returned to HUD (i.e., they do not become permanent additions to the agency's voucher program).

[3] PIH Notice 2021-07, Demolition and/or disposition of public housing property, eligibility for tenant-protection vouchers, and associated requirements, January 19, 2021. PIH2021-07 (hud.gov)

As a result of PCHA's plans to sell the units and develop Faircloth units off-site (below), PCHA can expect to receive an allocation of 124 "Replacement TPVs."

HUD has seven different criteria to be eligible for Section 18, i.e., to remove units from public housing without any commensurate hard unit replacement requirement. These include:

1. **Scattered Sites** (defined as any non-contiguous site of 4 or fewer units),
2. **PHAs with 50 or Fewer Units** (including agencies that have more than 50 units but reduce their inventory through RAD or Section 18 to get down to their last 50 units),
3. **RAD/Section 18 Small PHA Blend** (where 80% of the units can be removed via Section 18 and 20% via RAD),
4. **RAD/Section 18 Construction Blend** (where up to 80% of the units in a RAD transaction can be removed via Section 18, depending on the location and level of construction),
5. **Physical Obsolescence** (defined as capital needs that exceed 62.5% of TDC for elevator buildings and 57.14% of TDC for non-elevator buildings),
6. **Health and Safety**, and
7. **More Efficient/Effective Housing** (where the PHA can demonstrate that the housing to be replaced will be "more efficient/effective than the units replaced but where HUD will provide TPVs for only 25% of the units occupied within the past 24 months).

All 124 units within PCHA's public housing portfolio qualify as 'scattered sites' and, as such, are eligible for the first Section 18 category, above. This particular criterion is advantageous in that it requires no test of physical obsolescence and, because the submission requirements for this category are generally streamlined, approval is usually obtained within 60 days of submission.[4]

[4] Section 18 is administered by the Special Application Center, or SAC, within the Office of Public and Indian Housing (PIH). The SAC is located in Chicago.

Under Section 18, a PHA must formally dispose of the units. There are two methods of disposition:

- The first is for fair market value, or FMV. Under a FMV sale, HUD is largely indifferent as to whom the property is disposed provided the amount of the sale is supported by an appraisal. There is no on-going Federal use restriction for FMV sales; however, all FMV disposition proceeds must be used for the provision of "low-income housing" as defined under the Housing Act of 1937, which means either public housing or Section 8 housing.
- The second method of disposition is for less than FMV, but only for "commensurate public benefit", which, under the '37 Housing Act, means to support the provision of public or Section 8 housing. Very often, apartment dispositions for commensurate public benefit are made to a related non-profit of the PHA for $1, with the stated purpose to create a community with project-based vouchers (PBVs).

It appears that PCHA will dispose of its units for FMV, as is its option, and will not try to re-purpose the existing scattered site units as Public or Section 8 housing. However, non-profits adept at raising home ownership capital for low - income buyers would have the opportunity to purchase the units at market prices.

Under Section 18, residents must be eligible for the Section 8 program to receive a TPV. For any household that is not eligible – say, the household's income now exceeds Section 8 program requirements – PCHA will still be required to provide the family with 'comparable assisted housing', generally for a period of three years. (If any such ineligible households exist, PCHA might consider relocating these households to its non-public housing communities at not more than what the residents are currently paying in rent – see below).

Also under Section 18, while a PHA could use any unspent public housing Operating Reserves or Capital Funds for the development of replacement public housing, these funds could not be used for the development of Section 8 housing.

Most importantly, unlike some of the other Section 18 options, there is no requirement under Section 18 Scattered Sites for the PHA to close-out its public housing program. As will be discussed below, a PHA can "keep open" its public housing program if it is attempting to bring units back under Faircloth.

As a final summary note about the Section 18 program, were PCHA to remove the 124 units through Section 18 Scattered Sites, PCHA would also earn or generate both Asset Repositioning Fees (ARF) and Demolition and Disposition Transition Funding (DDTF). Under ARF, a PHA has its public housing operating subsidies phased-out over two years for any disposition action (three years for demolition). Under DDTF, a PHA retains its Capital Fund allocation/formula for five years, which it can use to help build replacement units (but could not be used to build Section 8 units).

The Faircloth Program

In 1999, Congress enacted legislation to prohibit the development of any new (i.e., incremental) public housing, named after the legislation's sponsor, Senator Lauch Faircloth of North Carolina. As implemented, PHAs retain their "Faircloth Authority" for any public housing units that existed as of October 1, 1999. If a PHA removes a unit via Section 18, the PHA can bring that unit back into public housing. HUD does not pay for the new units; however, once replaced, the units automatically become eligible for public housing Operating Fund and Capital Fund subsidies. Therefore, a PHA must find a way to build/acquire the replacement units (HUD has no specific development program).

PCHA has Faircloth Authority of 150 units, which includes the 124 existing scattered site units as well as the 26 units that it previously disposed (and did not replace). As a result, if PCHA were to remove the 124 units via Section 18, it would be entitled to public housing subsidies for 150 units ***if it can find a way to build/acquire 150 units.***

Recently, because of the desire of many PHAs to move all their public housing to Section 8 (and HUD's support of that effort), HUD created the Faircloth-to-RAD (FTR) program.[5] Under FTR, a PHA that is developing public housing using its Faircloth Authority can then convert the property to a long-term Section 8 contract following acquisition or rehabilitation/construction. The PHA must develop the Faircloth units under HUD's mixed-finance procedures, which

[5] See Faircloth_Resource_Package.pdf (hud.gov)

means that the units must be owned in whole or in part by an entity other than the PHA (which can include a related non-profit).[6] This FTR program better enables a PHA to leverage private debt and equity in getting the public housing built but then also allows the new (or newly acquired) units to get onto the more stable and reliable Section 8 funding platform.

If PCHA were to take advantage of either the traditional Faircloth Program (not convert to Section 8) or the FTR program (simultaneously convert to Section 8), the rents (or public housing funding) will be around 10-15% less than the funding that PCHA currently receives under the public housing program. The reason that the funding will be lower than current funding is because the public housing Operating Fund and Capital Fund formulas consider the "age" of the project in determining a project's subsidy eligibility, which is based on the project's entry into the program (accounting for about 10-15% of the combined formula calculations). For illustrative purposes, shown below are the 2020 RAD rents alongside an estimate of what those rents would be under Faircloth (i.e., for newly constructed or acquired units).[7]

Component	2020 RAD Rents	Estimate of 2020 Faircloth Rents
Tenant Rents	$324	$324
Plus: Operating Funds	$248	$191
Plus: Capital Funds	$201	$135
Equals: Contract Rents	$773	$650
Plus: Utility Allowance	$260	$260
Equals: Gross Rents	$1,033	$910
% of FMR	48%	42%

Thus, while the 2020 RAD Gross Rents for PCHA's public housing are $1,033 (representing, essentially, the agency's public housing funding in 2020), the gross rents under Faircloth are estimated to be about $910. As a result, the Faircloth rents have less room to support debt service payments. In other words, the Faircloth rents should be enough to cover basic maintenance and operation of any units, along with a reasonable deposit for a replacement reserve account, but not for any significant debt service payment. Consequently,

[6] See 24 CFR 905.604.

[7] Under FTR, a PHA can actually request from HUD a "Notice of Anticipated RAD Rents", or NARR.

any units developed through Faircloth, whether at PCHA or around the country, typically need significant other sources of development funding (other than mortgage proceeds).

Faircloth Strategy

At the point in which PCHA disposes of its scattered site units, it will have realized quite substantial sales proceeds. As noted, these funds must be used for the provision of "low-income housing" as defined under the Housing Act of 1937, essentially limited, in the case of PCHA, to either the development of local Section 8 project-based vouchers (PBVs) or the development of public housing units under Faircloth. If PCHA uses the funds to develop PBV units, it will need to cannibalize its existing voucher inventory (meaning that these PBV units will come out of its approximately 3,000 local vouchers). But if it uses these sales proceeds to build/acquire Faircloth units, it can essentially expand its affordable housing inventory. Consequently, it seems that the best route for PCHA would be for it to use its sales proceeds to develop (up to 150) Faircloth units.

In fact, because of the high expected net disposition proceeds ($43 million), PCHA might even be able to build/acquire these replacement Faircloth units without the need for any debt or equity (tax credits). For example, HUD's 2021 Total Development Cost (TDC) table for the Seattle market area (see attached) indicates that the TDC for, say, a 2-bedroom walk-up unit is $253,320. With some $43 million in net proceeds, PCHA could theoretically build approximately 170 2-bedroom units (but of course would be capped at 150 units). In other words, it's very possible that PCHA could build back all 150 Faircloth units with the net sales proceeds. And, while the low RAD FTR rents (relative to FMR) would normally be a problem, it appears that such low rents will not be an issue here because, with the large sale proceeds, PCHA may be able to build/acquire the Faircloth units without any (or any significant) first mortgage debt.

Further, PCHA also owns eight apartment projects, representing 664 units, that we will refer to as its "Affordable Housing Inventory." This affordable housing inventory has no federal subsidy attached to the projects (with the exception of 87 PBV units at four properties). PCHA could also consider using its sale proceeds to "purchase" Faircloth units in this affordable inventory at FMV. There are two main advantages of using its Faircloth authority at this affordable inventory. First, because PCHA already owns/controls these properties, PCHA could undertake this Faircloth program fairly quickly (avoiding the need to acquire/build units elsewhere). Second, the proceeds generated from the sale of these affordable units as they convert to RAD would have no federal restrictions. PCHA could use these subsequent sale proceeds for any purpose consistent with its mission.

As a reminder, to be eligible for the FTR program, PCHA would need to develop/own these units through a related non-profit (or some other non-related entity), i.e., the mixed-finance program does not allow the PHA to own the units out-right.

Recommendations

Given the goal of PCHA, because of the noted operational challenges, is to sell its scattered sites at FMV, the most advantageous and appropriate repositioning vehicle is, indeed, Section 18 Scattered Sites. This option, among other factors, will allow PCHA to generate some $43 million in net sales proceeds (which can be used for the provision of public or Section 8 housing). At the same time, FCHA will earn/generate DDTF and ARF funds, combined, of about another $2.6 million.

With the extraordinary proceeds expected from the sale of its scattered site units, PCHA is uniquely positioned to take advantage of the Faircloth program. Most PHAs find it extremely challenging to pull together the capital subsidy to acquire or build Faircloth units. Further, with the new FTR program, PCHA could immediately convert the new units to Section 8 via RAD, which would allow the agency to move to the more stable Section 8 funding platform. Building or acquiring these Faircloth units would also allow the agency a vehicle to utilize any unspent Operating or Capital Funds. PCHA would also earn new ARF or DDTF funds, which it could use to build/acquire Faircloth units. Moreover, HUD will issue TPVs to help with the relocation of all affected households, which will become permanent additions to the agency's voucher program.

Table of Associated Federal Funding Considerations

Category	Amount	Notes
Sale Proceeds from disposition of Scattered Site Units	$43,080,000	Based on agency estimate of $48.08 million in gross sale proceeds (approximately $388,000/unit), less $2.8 million in transaction costs and $2.2 million in relocation costs.
20-Year Tenant Protection Vouchers (TPV) Funding	$29,760,000	Assumes average monthly voucher subsidy of $1,000/unit for 124 households for 20 years
20-Year Faircloth Funding (Rents)	$32,760,000	Assumes estimated monthly 2020 FTR rents of $910 for 150 units for 20 years.
Repurposing of Unspent Operating Reserves	$600,000	Based on agency's estimate.
Asset Repositioning Fees (ARF)	$1,071,660	Assumes 2020 combined monthly amounts for Operating Subsidy and Tenant Rents of $572 for 124 units, funded at 75% for the first year and 50% for the second year (see 24 CFR 990.190). Amount is a proxy for Project Expense Level (PEL).
Demolition and Disposition Transition Funding (DDTF) Funds	$1,495,440	Assumes average monthly Capital Fund award in 2020 of $201 per unit for 124 units over five years.

ADDITIONAL NOTES AND CONSIDERATIONS

1. **Real Estate Taxes.** When any Faircloth units are built, those units will be subject to a Payment in Lieu of Taxes (PILOT). If PCHA then converts those Faircloth units to RAD, the PILOT agreement essentially goes away (it is tied to the public housing program). PCHA should definitely seek local counsel as to the tax status of any converted property. Generally, PHAs, as quasi-public bodies, are exempt from real property taxes under applicable state/local laws.

2. **Surplus Vouchers.** At such point that PCHA gets approved for Section 18, and then issued 124 TPVs (assuming all units were occupied at least once in the past 24 months), PCHA might find that some households voluntarily move out prior to being issued a voucher. Or, some households may ask to be transferred to other PCHA inventory. In those cases, PCHA will still receive these allotted TPVs, creating "surplus vouchers." PCHA can either convert those TPVs to PBVs (to create more PBVs) or it can simply add these TPVs to its regular voucher program.

3. **Funding for TPVs.** When a PHA receives TPVs as a result of a Section 18 approval action, HUD typically makes an allocation of Section 8 voucher authority based on the voucher agency's average per unit cost (or 'PUC'). However, a PHA may request, with documentation, a different amount if the profile of the intended users will require higher PUC payments – say, the families to receive the TPVs occupy larger bedroom units than the standard voucher user. PCHA should coordinate with its local field office to ensure that the PUC assigned with the allocation of TPVs matches the expected outlays.

4. **Request a Panel Call.** Finally, once PCHA decides the basic path it wants to pursue, it should request a Repositioning Panel Call with HUD's Office of Public and Indian Housing as well as the Office of Recap to get further feedback on its plans. To request a call, simply send an email to repositioning@hud.gov .

2021 UNIT TOTAL DEVELOPMENT COST (TDC) LIMITS

	Number of Bedrooms													
	0		1		2		3		4		5		6	
	HCC	TDC	HCC	TDC	HCC	TDC	HCC	TDC	HCC	TDC	HCC	TDC	HCC	TDC
	500 sqft		700 sqft		900 sqft		1200 sqft		1500 sqft		1700 sqft		1900 sqft	
Region X - Northwest														
OREGON														
PORTLAND														
Detached/Semi-Detached	104,943	183,649	135,902	237,828	162,643	284,625	194,038	339,566	228,174	399,304	250,007	437,512	270,672	473,676
Row House	91,860	160,755	120,295	210,517	146,063	255,610	178,903	313,080	212,095	371,166	233,622	408,839	253,546	443,705
Walkup	79,909	139,840	108,833	190,459	137,576	240,758	181,111	316,944	224,325	392,568	252,675	442,181	280,659	491,153
Elevator	88,961	142,337	124,545	199,272	160,129	256,206	213,505	341,608	266,882	427,010	302,466	483,945	338,050	540,880
SALEM														
Detached/Semi-Detached	102,068	178,620	132,155	231,272	158,141	276,747	188,640	330,121	221,807	388,163	243,021	425,286	263,087	460,402
Row House	89,453	156,542	117,106	204,936	142,154	248,769	174,046	304,580	206,302	361,029	227,221	397,637	246,572	431,502
Walkup	77,898	136,321	106,127	185,722	134,180	234,815	176,666	309,166	218,843	382,975	246,518	431,406	273,839	479,219
Elevator	86,509	138,414	121,112	193,779	155,715	249,145	207,621	332,193	259,526	415,241	294,129	470,607	328,733	525,972
WASHINGTON														
EVERETT														
Detached/Semi-Detached	111,676	195,432	144,669	253,171	173,169	303,046	206,648	361,634	243,041	425,322	266,318	466,057	288,372	504,652
Row House	97,541	170,698	127,808	223,665	155,257	271,700	190,297	333,019	225,670	394,922	248,617	435,079	269,870	472,272
Walkup	84,689	148,206	115,282	201,744	145,678	254,937	191,727	335,522	237,429	415,501	267,401	467,952	296,977	519,711
Elevator	94,698	151,517	132,577	212,124	170,457	272,731	227,276	363,641	284,094	454,551	321,974	515,158	359,853	575,765
OLYMPIA														
Detached/Semi-Detached	109,469	191,571	141,900	248,325	169,919	297,358	202,867	355,017	238,665	417,663	261,562	457,734	283,299	495,774
Row House	95,218	166,632	124,900	218,575	151,858	265,752	186,380	326,165	221,150	387,012	243,715	426,501	264,644	463,127
Walkup	82,369	144,146	112,007	196,012	141,446	247,530	186,063	325,610	230,331	403,078	259,343	453,850	287,955	503,922
Elevator	92,883	148,613	130,037	208,059	167,190	267,504	222,920	356,672	278,650	445,840	315,803	505,285	352,956	564,730
SEATTLE														
Detached/Semi-Detached	111,144	194,502	143,995	251,992	172,374	301,654	205,715	360,002	241,956	423,423	265,136	463,988	287,105	502,434
Row House	97,010	169,767	127,135	222,486	154,461	270,307	189,364	331,387	224,585	393,023	247,434	433,010	268,603	470,055
Walkup	84,176	147,308	114,564	200,486	144,754	253,320	190,495	333,366	235,889	412,806	265,656	464,898	295,027	516,297
Elevator	94,257	150,811	131,959	211,135	169,662	271,459	226,216	361,946	282,770	452,432	320,473	512,756	358,175	573,081

A Brief History of Federal Housing Legislation (and a bit of State and Local…)

Presented By:

Rodger Hara, Principal
Community Builders Realty Services

PIERCE COUNTY HOUSING AUTHORITY
RETREAT – MAY 20, 2023

Confidential & Proprietary

1

The Beginning

National Housing Act of 1934

- Federal Housing Administration created
- Mortgage Insurance for homes and apartment loans

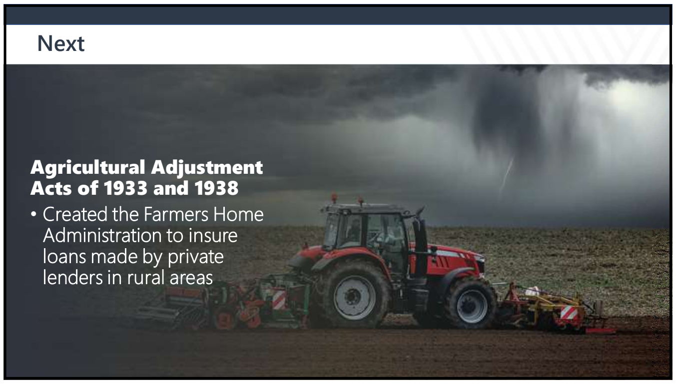
2

Next

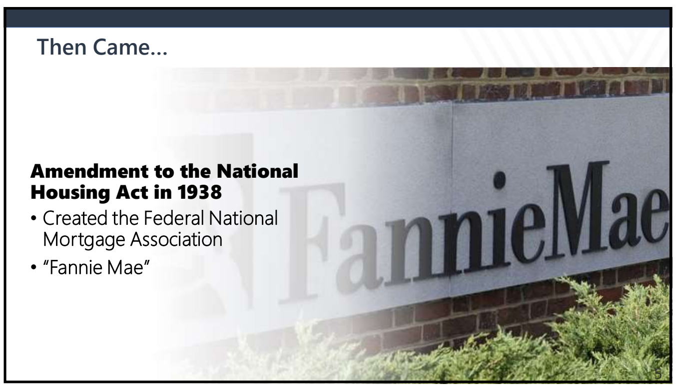
U.S. Housing Act of 1937

- Created the US Housing Authority for building low-rent public housing by local housing authorities

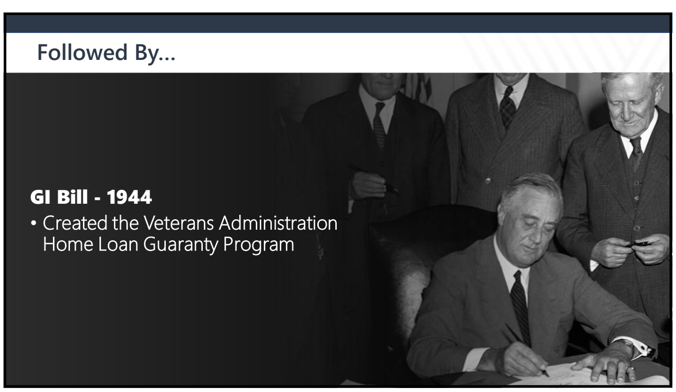
3


Next
Agricultural Adjustment Acts of 1933 and 1938
• Created the Farmers Home Administration to insure loans made by private lenders in rural areas

4


Then Came…
Amendment to the National Housing Act in 1938
• Created the Federal National Mortgage Association
• "Fannie Mae"
FannieMae

5


Followed By…
GI Bill - 1944
• Created the Veterans Administration Home Loan Guaranty Program

6

Followed By…

Housing Act of 1949
- Created the Urban Redevelopment Administration and first introduced the term "urban renewal".

7

And also,

Housing Act of 1949
- Created the Rural Development Multifamily Loan Programs

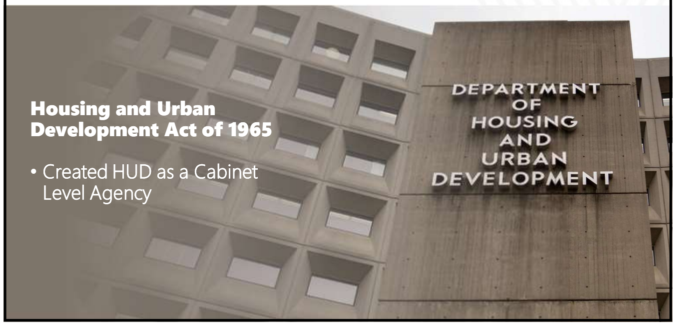
8

And Then

Housing Act of 1954
- Modified urban renewal by requiring communities to adopt code enforcement, relocation, and other measures.

9

And Then Came…



Housing and Urban Development Act of 1965

- Created HUD as a Cabinet Level Agency

10

And Then…

Housing and Urban Development Act of 1968

- Divided FNMA into a private corporation and the Government National Mortgage Association,
- a publicly supported entity

11

Moving Right Along…

Housing and Community Development Act of 1974

- Amended the U.S. Housing Act of 1937 to create the Section 8 rental assistance program

12

Next came..

Community Reinvestment Act of 1977

- Created law requiring banks to take steps to make more loans in low- and moderate-income neighborhoods

13

With...

Economic Recovery Tax Act of 1981

- Created the Accelerated Cost Recovery System
- 200% Declining Balance for low-income housing

14

Followed by...

Economic Recovery Tax Act of 1981

- 18 year assumed life for residential real estate

New York Times

NEW YORK, FRIDAY, AUGUST 14, 1981

LATE CITY EDITION

Weather: Sunny today; partly cloudy tonight. Chance of showers tomorrow. Temperature range: today 68-83; yesterday 71-85. Details, page B5.

25 CENTS

PRESIDENT SIGNS ECONOMIC PROGRAM WITH A WARNING

SEES INCREASED DEFICITS

Vows to Work Harder to Solve Anticipated Problems in Budgets of the Future

By STEVEN R. WEISMAN

GOLETA, Calif., Aug. 13 — President Reagan signed his historic package of tax and budget reductions into law today, and for the first time he acknowledged that changes Congress made in his program raised the possibility of future Federal budget deficits even wider than those he originally projected.

Mr. Reagan said that the possibility of increased deficits in the coming years meant that his Administration would

The tax and budget bill signed, President Reagan relaxed on the porch of his California home. He pointed out that his press office had erred in stating he tucked his trousers into his boots to avoid being bitten by plague-carrying fleas.

Weinberger Said to Offer Reagan Plan to Regain Atomic Superiority

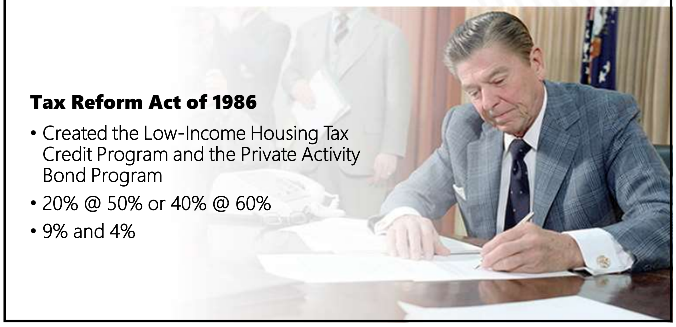
U.S. STARTS SEEKING MIDEAST ATOM BAN

Preliminary Talks Under Way, Arms Control Chief Says

By BERNARD GWERTZMAN

15

And...



Tax Reform Act of 1986

- Created the Low-Income Housing Tax Credit Program and the Private Activity Bond Program
- 20% @ 50% or 40% @ 60%
- 9% and 4%

16

Followed by...

Tax Reform Act of 1986

- 9% - $1.25/capita
- PAB - $75/capita authority
- Extended the depreciation period to 27.5 years with a straight-line system

17

And ...

Community Renewal Tax Relief Act of 2000

- Created New Market Tax Credit Program for economic development

18

And after that,

Community Renewal Tax Relief Act of 2000

- Increased Per Capita Allocations for LIHTC and PAB
- 9% - $2.8125
- PAB - $110

19

Then...

Housing and Economic Recovery Act of 2008

- Created temporary fixed rate for 9% LIHTC, supplemental LIHTC funding and National Housing Trust Fund

20

And to really help...

American Recovery and Reinvestment Act of 2009

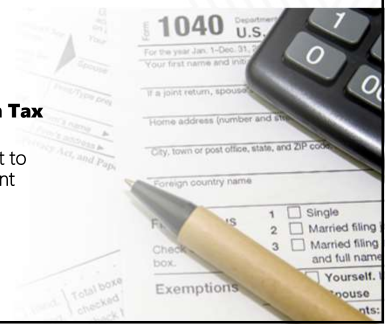
- More stimulus funds for LIHTC programs and other economic development

21

Moving along…

Protecting Americans from Tax Hikes Act of 2015

- Amended 1986 Tax Reform Act to make 9% LIHTC rate permanent



22

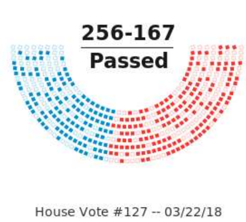
Housing and Economic Recovery Act of 2008 (continued…)

- Housing Trust Fund

23

Consolidated Appropriations Act of 2018

- Created Income Averaging
- 20%-80% of AMI w/avg. at 60%



24

Covid Relief Act of 2020

- Fixed Tax Credit % Floor at 4% for PAB
- *(Was at a historic low of 3.07%)*

American Rescue Plan Act of 2021

- $400 million for Colorado affordable housing
- *(Governor Polis - Affordable Housing Transformational Task Force Report)*

25

2022 Legislation

Inflation Reduction Act

- Energy Efficiency
  - $18 billion for grants
  - $36.5 billion in tax credits

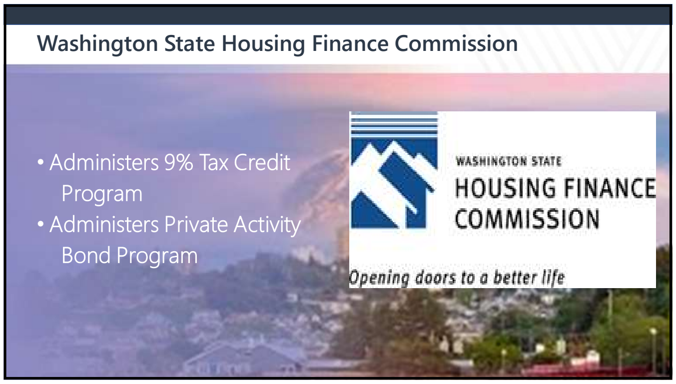
26

Proposed 2023 Legislation

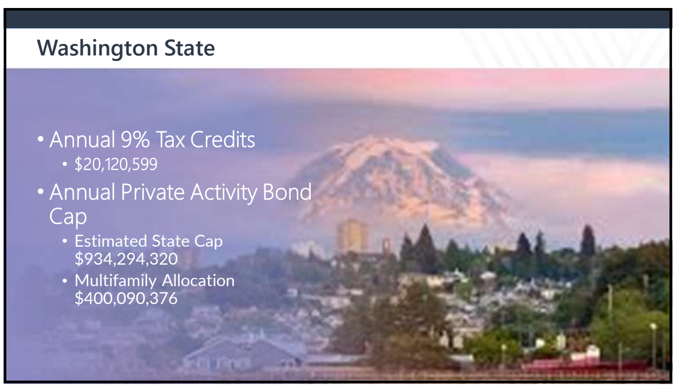
Affordable Housing Credit Act of 2023

- Reduce 50% test to 25%
- Restore 12.5% cap increase
- Increase annual allocations by 50% for 2 years
- Allow discretionary basis boosts for rural and tribal projects

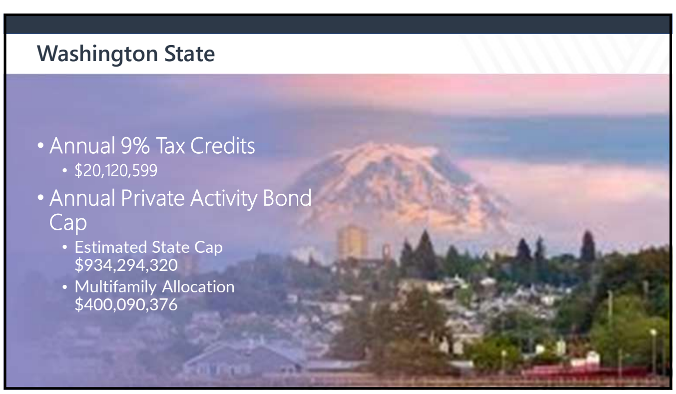
27


Washington State Housing Finance Commission
• Administers 9% Tax Credit Program
• Administers Private Activity Bond Program
WASHINGTON STATE
HOUSING FINANCE COMMISSION
Opening doors to a better life

28


Washington State
• Annual 9% Tax Credits
• $20,120,599
• Annual Private Activity Bond Cap
• Estimated State Cap $934,294,320
• Multifamily Allocation $400,090,376

29


Washington State
• Annual 9% Tax Credits
• $20,120,599
• Annual Private Activity Bond Cap
• Estimated State Cap $934,294,320
• Multifamily Allocation $400,090,376

30

2023 State of Washington Bond Cap Demand

Policy	Policy Target	Intents to Apply - Est. Requests %	Intents to Apply - Est. Requests $	Policy Target $ (based on est. 240m available bond cap)
King/Snohomish	We may limit projects located in King and Snohomish to 60% of the resources to allocate up to 40% of the resources to projects located in the Balance of the State	68%	$ 804,838,883	$ 144,000,000
Balance of State (Outside of King/Snohomish)	We will target up to 40% of the resources to projects located outside of King and Snohomish Counties	32%	$ 375,880,604	$ 96,000,000
Preservation (Acq/Rehab)	We will target 15%-25% of the resources to projets defined as "Preservation" per the policy definition	11%	$ 131,205,569	$ 36,000,000-$60,000,000
Public Leverage	We will targer 50%-60% of the resources to projects with public funding commitments	26%	$ 310,867,488	$ 120,000,000-$144,000,000

31

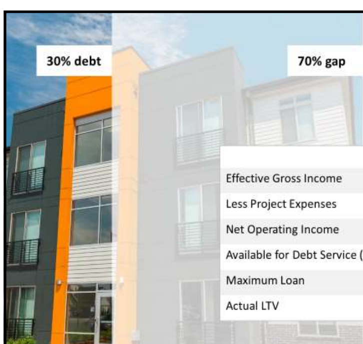
31

50% Test

- Under current law, if at least 50 percent of a rental housing property's aggregate basis (land and building) is financed by PABs, the property is eligible to receive the full amount of 4 percent LIHTCs.

Advice-driven financial service.

32



market rental compared to affordable rental

	Market	Affordable
Effective Gross Income	$1,490,746	$677,612
Less Project Expenses	($355,042)	($355,042)
Net Operating Income	$1,135,704	$248,692
Available for Debt Service (1.2x)	$946,420	$207,243
Maximum Loan	$13,890,435	$3,041,671
Actual LTV	77%	17%

As of May 2022

33

the financing dilemma

- Lower rent results in lower revenue
- Lower revenue results in lower borrowing capacity

Therefore, to build affordable housing you need to:

- Subsidize the revenue (vouchers), or
- Subsidize the asset (housing tax credits)

Brubaker Place Apartments, CHFA rental housing customer, Cortez, Colorado

chfa

34

supporting affordable rental housing: state and federal tax credit programs

chfa

chfa

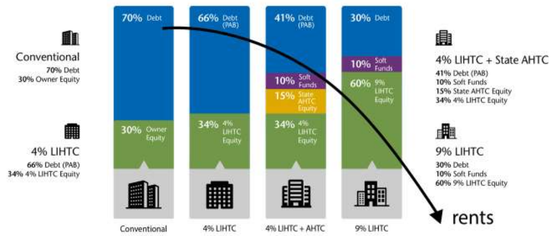
35

two types of federal housing tax credits

9% Housing Tax Credit	4% Housing Tax Credit
70% present value credit	30% present value credit
• Competitive award process • Population-based allocation • Deep subsidy	• Must be paired with Private Activity Bonds (PAB) • Shallower subsidy • Can be paired with State competitive credits for additional subsidy

36

comparing housing tax credits



As of September 2021

37

case study: sources and uses

Sources of Funds	Amount	Percent
FirstBank	$8,200,000	22%
CDOH loan	$500,000	1%
City D3 Bond Funds	$6,627,500	17%
State Historic Tax Credit Funds	$900,000	2%
Owner Equity	$2,371,688	6%
Deferred Developer Fee	$1,133,980	3%
State Tax Credit Equity	$2,934,001	8%
Federal Tax Credit Equity	$15,239,890	40%
Total	**$37,907,059**	100%

Uses of Funds	Amount	Per Unit	Percent
Land and Building	$4,102,057	$37,291	11%
Rehab and New Construction	$24,282,443	$220,749	64%
Professional Fee	$1,569,692	$14,270	4%
Construction Interim Costs	$2,211,319	$20,103	6%
Permanent Financing	$627,271	$5,702	2%
Soft Costs	$500,287	$4,548	1%
Syndication Fees	$50,000	$455	.01%
Developer Fees	$4,124,413	$37,495	11%
Project Reserves	$439,577	$3,996	1%
Total	**$37,907,059**	**$344,610**	100%

As of August 2022

chfa.

38

- Rodger Hara
- Community Builders Realty Services
- 720.323.0253
- rodger.hara@comcast.net

- *(The Poulnabrone dolmen – The Burren, County Clare, Ireland)*

39

2023 BOARD RETREAT:

Current Stages of Progress on Repositioning

Pierce County
Housing Authority
Board Retreat 2023

Presented by Riley Guerrero
rguerrero@pchawa.org
Office: 253-620-5478
Cell: 253-993-6493

DISPOSITION OVERVIEW

- On January 27, PCHA received approval to pursue a Section 18 Disposition of its 124 Low-Income Public Housing Units, including two duplexes.
- PCHA has also received the initial batch of Tenant Protection Vouchers, which will allow LIPH participants to seek new housing while preserving their subsidy.
- Several units have been vacated, and according to PCHA survey responses, 36 residents have expressed interest in moving during 2023 thus far, aligning with our general lease-up schedule.
- Per HUD requirements, all homes must be sold for at least 80% of their Appraised Market Value as of 2021, regardless of buyer. PCHA also must have the Declaration of Trust removed from every property, meaning that we cannot have continued interest or liability in the properties after the sale.

SALE PRIORITIES

1. **Current Occupants**
   - Some occupants of the LIPH units have the capacity to purchase their homes. We are currently reaching out to participants to gauge their interest and capacity, and ensure that they have the opportunity to purchase their home if willing and able.
2. **Family Self Sufficiency/Voucher Program Participants**
   - PCHA’s Family Self Sufficiency Program (FSS) provides Voucher and LIPH participants with financial management, career training, and opportunities to build an escrow account that can be used to purchase a home.
3. **Non-Profit or Community Partner**
   - Non-Profit or community partners who have a measurable plan to keep the units affordable will be the next priority, to keep these units in the county’s affordable housing stock.
4. **Open Market**
   - Our final stage of this process will be sale to the open market, if all above groups are unwilling and/or unable to purchase the homes. PCHA selected its real estate broker for these sales in part based on their demonstrated capacity to find and complete sales with low income, VHA, and FHA homebuyers.

SERVICES PROCURED

The following services are either in place or will soon be in place to complete the sale process:

- Negotiated Sale Bidders List: Open Until Closed
  - Habitat for Humanity has submitted a proposal and been accepted to the Bidders List.
- Real Estate Services: Closed March 31, 2023
  - Selected Contractor: Mary Heberlein and Team of RE/MAX NW
- Moving Services: Closes May 22, 2023
- Junk Removal Services: Closes May 28, 2023

SERVICES REQUIRED

The following services will need to be in place to complete or streamline the sales of the homes:

- Title and Escrow Services
- General Contractor Services
- Septic Services
- Landscaping Services (potential)

TIMELINE

The homes and voucher process are intended to proceed according to the following schedule:

- 2023: 36 properties
- 2024: 44 properties
- 2025: 44 properties

This includes the resident going through the voucher intake, leasing a unit, moving, the home being cleaned, the appropriate parties being contacted and given sequential windows to make offers, and then, assuming they reach the open market, the listing, escrow, and sale of the home.

PROCEED OPTIONS

When the proceeds have been collected by PCHA, we expect approximately $40 million. However, these proceeds have specific ways in which they can be utilized, in four broad strokes:

- "Acquisition" and Rehabilitation of a property already owned by PCHA
- Acquisition and Rehabilitation of a property not yet owned by PCHA
- New Development on a property already owned by PCHA
- New Development on a property not yet owned by PCHA

We've established some general "pros" and "cons" for each option to keep in mind as we delve into the potential ways to accomplish PCHA's development goals.

ACQ/REHAB EXISTING

Pros:

- Already have profound understanding of the sites, residents, and maintenance load of owned properties
- Cheapest process
- Streamlined process
- Likely fastest return to housing
- Creates fungibility with acquisition fund

Cons:

- Does not add to the total number of units in the County, or the total number of units managed by PCHA
- Will temporarily remove units from the county's Affordable Housing Pool
- May displace PCHA's unsubsidized tenants
- Older buildings can have greater operating/maintenance costs even after rehab compared to new buildings
- Does not meaningfully counteract inequitable trends of housing with regards to where apartments have previously been built, the lack of active investment in low-income communities and families, or the quality of housing for recipients of housing subsidies
- May diminish public trust in PCHA's values, mission, or ethics

ACQ/REHAB NEW

Pros:

- Adds to total number of units owned by PCHA
- Often cheaper than a New Build
- Less challenging development process
- Quicker process to get people (re)housed
- May strengthen public trust in PCHA’s values, mission, and ethics

Cons:

- Does not add to the total number of units in the County
- Older buildings can have greater operating/maintenance costs even after rehab compared to new buildings
- Does not meaningfully counteract inequitable trends of housing with regard to where apartments have previously been built, the lack of active investment in low-income communities and families, or the quality of housing for recipients of housing subsidies.

DEVELOP EXISTING

Pros:

- Several of PCHA's units are aging buildings on highly underutilized lots that could hold significantly more affordable housing if redeveloped
- Adds to total number of affordable units in the County and total units owned by PCHA
- Streamlined acquisition process, making for cheapest new development option
- Meaningfully counteracts (or can counteract) inequitable trends of non-investment in low-income communities and families, and the quality of housing for recipients of housing subsidies
- PCHA already has profound understanding of the sites and their potential, as well as challenges faced in the area

Cons:

- Will displace PCHA's current unsubsidized tenants
- Does not meaningfully counteract inequitable trends of housing wrt where apartments have previously been built
- Will temporarily remove units from the county's Affordable Housing Pool
- More expensive than Acquisition options
- May diminish public trust in PCHA's values, mission, or ethics

DEVELOP NEW

Pros:

- Adds to the total number of affordable units in the county and total units owned by PCHA
- No displacement
- Meaningfully counteracts (or can counteract) inequitable trends of housing with regards to where apartments have previously been built, the lack of active investment in low-income communities and families, or the quality of housing for recipients of housing subsidies
- May strengthen public trust in PCHA's values, mission, and ethics

Cons:

- Usually the most expensive and high-risk option
- Longest timeline from planning-to-fully-housed
- Most complicated development process (with which PCHA has limited or no experience)

PIERCE COUNTY HOUSING AUTHORITY

603 South Polk Street, Tacoma, WA 98444 | 253-620-5400

MODERATOR'S NOTES

Provided by Amanda DeShazo, Executive Director of the Affordable Housing Consortium

MAY 19, 2023

Questions:

- How difficult will it be to use new vouchers to get into housing?
  Households have to be given assistance to find a house while the units are being replaced.

Things to think about:

- How will we make up the units?
- Who will create the units (if that's the option)
- What type of housing will we provide
- Who will we serve?
- Where will we build it?

Disposition:

- Required to sell the homes at Fair Market Value, can go as low as 80% of the appraised value without having to go back to HUD to ask for lower rates.
- Overall goal is to keep values in line with providing affordable housing.
- Folks might not understand what homeownership means and if it is in their reach, do they understand if they're getting an opportunity to purchase these homes at a value?
    - Can we send tenants a letter to understand that homeownership is open to them? Not explaining about the disposition, but helping them understand that ownership is within their reach.
- In order to purchase the home, they have to go through Homeownership Counseling.
    - Participants have to be in a scenario where they have to be able to purchase the homes
- For the homes that are being sold at below market value, are these considered a HUD home? Because it was sold as a HUD home, you cannot sell it for fair market value? For these units that PCHA is dispositioning, is there a restriction on the units?
    - There is no restriction on these units.
    - Concern that homes might be resold after 2 years for a higher value.

- This is a Section 18 disposition at a FMV, it is fee simple that requires qualifications to purchase the home.
    - An affordable housing nonprofit (Habitat for Humanity) can do this deed restricted homes.
- Can attach requirement to the deed without requiring a third-party.
- Staff can't administratively handle the scattered-site model, going into another model would be burdensome and should let someone else who is skilled in those models should be overseeing that.

NOTE: There is no closing date for the RFP to sell the homes.

- The nonprofits can pre-empt the open market, potential that not all of them will keep the deed restricted to affordability. Units have to be sold as affordable units.
    - PCHA is asking nonprofits to explain their process and how they keep the units affordable.
- Potential for $16M in real estate transactions, 5% of income to the broker most likely. The commission is 4.5% to the listing office, and 2% to the broker.
- We have selected the broker, but are not signed. In between the Notice of Intent to Award, then PCHA enters into negotiations, which is a master listing agreement? The listing agreement would be signed by the Executive Director. However, we don't know how many of the units are going to go through this process.
    - Where does the Board fit in? The Board can provide feedback on the sale of the homes.
- The following services need to be completed prior to the sales of the homes:
    - Title and Escrow Services
    - General Contractor Services
    - Septic Services
    - Landscaping Services

NOTE: Board members would like to see the costs for these things

- Staff has done their best to review potential costs and assume those costs and budget for them.
- HUD gave environmental approval to sell the properties. If there are post-approval requirements, staff are prepared to handle that and cover costs.
- Thought that the homes were being sold "as-is" - why will there be costs?
    - There will need to be some clean-up to prepare the homes for sale (maintenance, not capital)
    - There will still be operating funds that HUD will provide to cover costs of the homes
- Board member would like each of the homes to be inspected for home buyers before they are being sold. Clarity that the nonprofits will be rehabbing the units they purchase. There is wiggle room to allow for decreasing the cost of units if there are issues with the units.

    - Can we make sure that these units are in decent condition before they are being sold? Yes - they will be safe and sanitary. All transactions will be in the public eye, need to be mindful of the sale
- Do we have a small works roster? Yes, outdated.
- Are we only working with our own FSS tenants? Yes, but there might be possibility to take on others.
- Schedule of events:
    - 2023: 36 units
    - 2024: 44 units
    - 2025: 44 units

<u>Options to Discuss:</u>
1. Acquire/Rehabilitate a property already owned by PCHA
2. Acquire/Rehab a property we do not own
3. Develop new on a property we own
4. Develop new on a property we don’t yet own, or a property that does not have any units on it

Acquisition-Rehabilitation of Property Already Owned by PCHA:

PROS:
1. Have profound understanding of the site, know what it needs (maintenance)
2. Cheapest option, most streamlined, creates more fungibility - allows us more flexibility with how we spend. We purchase the units from ourselves so we keep the funding within our agency. Just reusing the funding.

CONS:
1. Does not add to the total number of units in the County
2. Will temporarily remove units from the pool of housing
3. Could potentially result in displacement
4. Older buildings have greater operating and maintenance needs
5. We don’t own units in places that truly need affordable housing (places of high opportunity)
6. If we rehab units that we already own, we aren’t building anything new and it’s not news worthy, or add to building PCHA’s public trust.

Acquire/Rehab a property we do not own

PROS:
1. Adds to the total number of units owned by PCHA
2. Often cheaper than a new build
3. Less challenging development process

4. Quicker process to get people re-housed
5. May strengthen public trust in PCHA's mission

CONS:

1. Does not add to the total number of units in the County
2. Older buildings can have greater operating/maintenance costs, even after rehab compared to new buildings
3. Does not meaningfully counteract inequitable trends of housing with regards to where apartments have previously been build, the lack of active investment in low-income communities and families, or the quality of housing for recipients of housing subsidies

Develop existing properties that have units on them already:

PROS:

1. Several aging units on highly underutilized lots, could provide more units. Specifically apartment communities that are garden-style (no density).
2. Would add to the total number of affordable housing in the County
3. Streamlined process
4. May meaningfully counteract inequitable investments
5. Have understanding of the sites, understand the challenges and community

CONS

1. Would have to demolish and add density, cannot build up.
2. Will displace PCHA's current unsubsidized tenants
3. Not a new location of units
4. Temporarily removes units from the affordable housing pool
5. More expensive than acquisition options
6. May diminish public trust because of demolishing affordable housing and displacement of tenants

- There are opportunities to make this a better scenario, would take strategy.
- Would we be able to serve the residents who are unsubsidized if we have to displace them?

Develop New in a place where we don't have units (or acquiring land to develop new)

PROS:

1. Adds to the total number of affordable units
2. No displacement
3. Can meaningfully counteract inequitable trends of housing (put units where folks need them)
4. Would strengthen PCHA's public trust

CONS:

1. Usually the most expensive and high-risk option
2. Longest timeline from planning to fully housed
3. Most complicated development process, which PCHA has limited/no experience with

Other Considerations:

- Adaptive reuse for housing (example: a church that was converted into PSH, Denver Housing Authority bought old hospital and converting it into PSH)
- Can we get land donated by the County for development?

MAY 20, 2023

Greg provided an overview of the steps necessary to go through a development scenario (review provided materials)

Question: What is included in the pre-development piece, and how much would it cost?
Answer: Depending on the unit mix and architectural fees, might need a preliminary site study. Have the engineering company do a test on the dirt to determine what the structural variables would be. Conduct an appraisal of the project so you understand the value of the land. Investors will want to know what the value of the land is in order to provide security against the site. As the land provider, you want to come to the developer with what the specifics are and what you are offering for the deal. Estimate could be $50,000+ for pre-development depending on what you want to include in analysis.

Greg provided a sample Request for Proposal (RFP).

Development terms: The development team will come back with an estimate of what they need - it could be 50% of the developer fee, leaving some of the cash flow on the table.
Thoughts: Meet the replacement of units first, then go out and raise money for the other project next. It will be more feasible to show that you're providing the lowest incomes to raise money.
The developer fee is a source but also a use, if it is deferred, then treat it as a loan to the project.

267 units - is this using all proceeds?

Low-Income Housing Tax Credit

- The compliance period for LIHTC is 25 years - WSHFC allows for up to 37 years of affordability.

Discussion:

- Board members want to discuss these options, perhaps bring on consulting partners to discuss the options.
- Would like a sense of when we are going to do something - even if the Board isn't clear on the what.
- Jim says he feels PCHA has the bandwidth to build on the warehouse site
- Board members want to let the community know what's being done.
- Is it feasible to do two projects? While we are undergoing the warehouse deal, can we do something else?
    - Can we scan the scattered sites to review the options?
    - Can we have a backup, a complementary project to provide the full 150 units that need to be produced?
- What information do we need to help us make a decision?
    - Can we review the Needs Assessment that Pierce County conducted?
    - Physical needs assessment reviews the systems, HVAC, landscape, paving, all items that are at the end of their useful life, etc. of the units to evaluate the relative condition and the estimate it costs to replace it, and when it needs to be replaced.
        - The table is spread out over 15 years.
        - Have data for single-family homes and for multifamily complexes.
        - The gap of over 15 years for the cost to repair didn't keep up with the amount of income

1. "Acquisition"/Rehabilitation of PCHA-Owned Property
    - Review what we can do with our assets/what's feasible. (Review all of the properties)
2. a) Acquisition/Rehabilitation of Existing Multifamily Property
   b) Acquisition/Rehabilitation of Re-Adaptive Reuse Property
    - Someone can scout out properties - Kidder Matthews might be able to do this
3. a) Redevelopment of PCHA Owned Multifamily Property
   b) Redevelopment of Scattered Site PCHA
    - Review Scattered Sites for the feasibility of placing multiplexes
4. New Development on Undeveloped Land, PCHA-Owned or New

- Once you have made the decision about which projects are most feasible then we go through the pre-development process.
- Can there be a consultant that can work us through what options the local government can do to give us a "gift" (land, money, permitting, etc.) for affordable housing?
    - Can we buy one of the properties - do a Faircloth to RAD conversion to meet the 150 units? It doesn't meet the addition of affordable housing units

  - The concentration of poverty - let's focus on a new development somewhere else. Sounds like there's a preference for doing mixed income in existing properties.

Staff takeaways:

- Look at duplexes for feasibility for multi-plexes
- Review warehouse site, potentially find a developer or consultant to give scenarios, what can we put there density-wise? Max is 58, with 25 units per acre.
  - Is homeownership a possibility? Ownership financing is harder. What about 8Y?
  - Subsidy with RAD is easier to use
- Hire an architect, perhaps an RFP
- Use 500k for any kind of pre-development
- Jim will work on finding raw land that someone wants to give away for affordable housing
- Continue talking to developers, BIPOC developers, to help with potentially doing a tax-credit deal
- Report back in 30 days with updates to the Board
- Buildings for potential adaptive reuse

June 2023 Meeting

- Preliminary work on available land
- Evaluation of single-family home sites
- Draft RFP architect for a warehouse
- Strategies for moving forward on options

July 2023 Meeting

- Discussion of RFP and where we are at in the process
- Draft RFP of what we're looking for a developer for the warehouse

Confirming mix of housing make up? Not tied to providing same number of bedrooms per unit. Required to provide 5% of ADA units.

Feedback from Board:
Ken would like a stake in the ground where everyone is committed to creating affordable housing by X units by year X and here's our plan to do it. Wants to work towards an ambitious goal. The next stage for Ken is to put a stake in the ground.

Mark would like some more information eventually, but supports setting a direction in line with Ken's ideas. Set aside time at next Board meeting to discuss the requested deliverables of the June meeting.

Board members need notes from meeting.

Page 8 of 58

PIERCE COUNTY HOUSING AUTHORITY

603 South Polk Street, Tacoma, WA 98444 | 253-620-5400

Project #DEV-23-01

Qualification-Based Selection | Federal and Nonfederal Funding | Architecture & Engineering

ARCHITECTURAL SERVICES

Request for Qualifications

Pre-Proposal Site Conference: None for this solicitation

Proposals Due: DATE, no later than TIME.

ISSUE DATE: XXXXXX

Project Information

PROJECT: Architectural Services
Project #DEV-23-01

OWNER: Pierce County Housing Authority
603 Polk St S,
Tacoma, WA, 98444

CONTACT: (Contract Administration)
Riley Guerrero
Office: 253-620-5478
Cell: 253-993-9364
Email: rguerrero@pchawa.org

(Project Management)
Sean McKenna
Office: 253-620-5451
Cell: 206-530-4790
Email: smckenna@pchawa.org

Table of Contents

This page was intentionally left blank.

REQUEST FOR QUALIFICATIONS SUBMISSION INFORMATION

ISSUE DATE: IssDate
PROJECT TITLE: DEV-23-01, Architectural Services
DELIVERY DUE DATE/TIME: DelDate.

Proposals will be accepted until DelDate. Proposals received after DelDate, even if sent for submission earlier, may not be accepted. This is a Request for Qualifications solicitation. Proposals may be submitted in hard copy form either by hand or ground mail, at the following address:

Ground Mail or Hand-Delivery:
Pierce County Housing Authority
ATTN: Contract Administrator, Project #DEV-23-01
603 Polk St S,
Tacoma, WA, 98444

Proposals may be submitted electronically at the following email address:

rguerrero@pchawa.org

Attention is directed to the enclosed instructions and specifications that are made a part of this document. A copy of the entire RFQ is also available at the Pierce County Housing Authority Web Page www.pchawa.org under the "Business" tab.

All requests for additional information should be put into writing and directed to Riley Guerrero, Policy, Planning, and Community Engagement Manager, Pierce County Housing Authority by email at: rguerrero@pchawa.org and copied to Sean McKenna, Director of Project Management at smckenna@pchawa.org. By submitting a bid, each offeror is affirming their commitment to comply with the Laws of the State of Washington, governing Fair Employment Practices and with all rules and regulations of the U.S. Department of Housing and Urban Development (HUD), governing Equal Employment Opportunities and Non-discriminatory Practices. PCHA reserves the right to reject any and all proposals or to waive any informality in the selection process.

PCHA RESERVATION OF RIGHTS

In responding to this solicitation, the respondent acknowledges that PCHA reserves the following rights:

- The purpose of this solicitation is to select companies that, in PCHA's sole judgment, appears to be the best qualified for this project. PCHA does not guarantee that any work to any company will result from this solicitation.
- PCHA expressly reserves the right, during the original term and all renewal terms of the contract(s) resulting from this RFQ, to solicit similar or related services from other providers. PCHA may award contracts to other vendors or use other contractors or consultants to perform similar or related work in this time period.
- PCHA reserves the right to reject any or all proposals;
- PCHA reserves the right to waive any informality in the RFQ process;
- PCHA reserves the right to terminate the RFQ process at any time, if deemed by the HA to be in its best interests;

- PCHA reserves the right not to award a contract pursuant to this RFQ.
- PCHA reserves the right to award more than one contract for services.
- PCHA reserves the right to terminate a contract awarded pursuant to this RFQ, at any time for its convenience upon 30 days written notice to the successful proposer(s);
- PCHA shall have no obligation to compensate any proposer for any costs incurred in responding to this RFQ.
- PCHA will reject the proposal of any Offeror who is debarred by the U.S. Department of Housing and Urban Development (HUD), or Washington State Department of Labor and Industries from providing services to public housing agencies and reserves the right to reject the proposal of any Offeror who has previously failed to perform any contract properly for the HA.

RISK TO CHILDREN AND VULNERBALE ADULTS

If the work pursuant to this contact requires or may result in contact with children or vulnerable adults, the Vendor shall not use any employee, volunteer, intern or agent for this contract who (i) it has reason to believe may impose a risk to such children or vulnerable adults, or (ii) who have been convicted of a crime against children or vulnerable adults. Before using any employee, volunteer, intern or agent for this contract, Vendor will procure and examine criminal conviction records and exclude any person not meeting this contract requirement.

EQUAL EMPLOYMENT OPPORTUNITY

Contractor will not discriminate against any employee or applicant because of race, color, religion, sex or national origin, or any other protected classes under local, state, or federal employment laws. Contractor agrees to post notices setting forth the provisions of this Equal Opportunity Clause. Contractor shall make the Equal Opportunity Statement in all advertisements for employees. Contractor to send notice to each labor union he has an agreement with, a notice of his commitment to the Equal Opportunity Statement. During the course of the performance of this contract, the contractor and its subcontractors will be required to solicit qualified job applicants from the residents of the housing authority, whenever a job opening occurs.

Reference:

- Equal Employment Opportunity-Executive Order 11246, As Amended by Executive Order 11375. Copy available upon request to rguerrero@pchawa.org

The Pierce County Housing Authority (PCHA) is a public body corporate and politic, created by Pierce County's Board of Supervisors (now County Council) in 1978 pursuant to State statute (RCW35.82). The mission of the Pierce County Housing Authority (the Authority) is to provide safe, decent, affordable housing and economic opportunity, free from discrimination.

The governing body of the Housing Authority is the Board of Commissioners. The Commissioners elect from among themselves a chair and a vice chair. The Authority Board regular meetings occur the last Wednesday of each month, currently at 3:30 PM PST. The Board is responsible for hiring an Executive Director, who also serves as Secretary to the Board. The Executive Director administers the operations of the Authority and implements the policies established by the Board.

PCHA currently operates 124 Low-Income Public Housing (LIPH) units; 20 Units of USDA/RD Housing, administers approximately 2,946 Section 8/HCV program vouchers, and operates an Enterprise Portfolio consisting of approximately 670 units. Additional grants are received periodically for the Renovation and Modernization of existing facilities and in support of our Family Self Sufficiency Programs. Currently, the Pierce County Housing Authority employs 39 individuals.

PCHA’s Enterprise Portfolio contains a variety of units located thought Pierce County in multifamily housing complexes. Though individual units may carry a federal subsidy with a partner organization, these complexes themselves are not federally subsidized, and provide “naturally occurring” affordable housing options to the broad public without having to qualify through government aid programs. These units include one, two, and three bedrooms in a variety of localities in Pierce County, including Lakewood, Fife, and unincorporated areas.

Pierce County Housing Authority recently received approval from HUD to restructure its LIPH portfolio and subsidy, using a Section 18 Disposition process. This process involves the relocation of current tenants using Tenant Protection Vouchers and set-aside funds for moving expenses and other considerations, and the eventual sale of the LIPH properties (see solicitations SEC18-23-01 and SEC18-23-02 for more information on the process for the sales of the homes). The funding generated by these sales will be used to develop more affordable housing for the residents of Pierce County by new development(s), acquisition/rehabilitations, adaptive reuse, and potentially other strategies as opportunity presents.

This solicitation seeks to solicit an architectural firm to provide feasibility studies and potential development work as opportunities necessitate, including feasibility studies for several parcels already identified by PCHA as high-opportunity sites. The scope of work may also include condition assessments and architectural design and related engineering services for building renovations (interior and/or exterior), new building construction, and demolition work as necessary. Please see the Scope of Services for more information.

This page was intentionally left blank.

The Consultant understands that this is an as-needed Contract with no specific scope of work or payment authorized and that there is no guarantee for any specific amount of work to be assigned under this as-needed Contract. Work shall be assigned by separately executed Work Orders (see Exhibit-B for a sample Work Order document). The Consultant shall provide timely response to completing the work assigned in Work Orders. Consultant shall perform its duties under this Contract with the care, skill, prudence, and diligence that a responsible, careful, skillful, prudent and diligent person would exercise in similar circumstances.

The potential scope of services for Work Orders may include, but is not limited to or guaranteed to include the following:

1. Full services for multiple feasibility studies, potentially leading to full design, permitting, and construction of buildings to include associated site amenities, utilities, and right-of-way improvements.
    a) It is anticipated that such services will be compensated on a fixed-fee basis to be separately negotiated for each building project and each stage of the project.
2. Condition Assessments (estimate of remaining service life and code compliance reviews), investigation, analysis and recommendation(s) for repair and/or replacement of existing building envelope components including, but not limited to roofs, windows, doors, gutters and siding.
3. Architectural design and related engineering services for building renovations (interior and/or exterior), new building construction, and demolition work.
4. Preparation of estimates, schedules, plans and specifications for public works projects, tenant improvement projects and as otherwise requested.
5. Provide support services in other disciplines as required to accomplish assigned Work Orders, including but not limited to:
    a) Electrical
    b) Mechanical
    c) Structural
    d) Cost Estimating
    e) Permitting
    f) Civil / Landscaping
    g) Environmental
    h) Other support services tasks as needed for the work
    i) Bidding Support Services
    j) Construction Management Services
    k) Record drawing production from contractor-provided redlines
    l) Cost estimates and schedules during various stages of project development
    m) Cost control and scheduling
    n) Utility coordination
    o) Peer and constructability review of design and bid document review and analysis
    p) Field investigations and surveying
    q) Additional miscellaneous services and tasks generally associated with Architectural

Services and Building Engineering Services and Systems and as otherwise may require architectural services.

6. The Consultant may be asked to provide design work related to building exteriors related to replacement of siding/cladding, window, and doors on single and multi-story buildings. This design work will be carried to a 100% design development level of completion and detail including floor plans, reflected ceiling plans, mechanical, electrical, and structural plans, interior elevations and details, as well as specifications. The documentation of this work will become the property of PCHA, will be used for all purposes under this contract, and may be used by PCHA for other projects outside the scope of this contract, subject to documentation releasing the architect from liability for use on projects for which the architect is not the architect of record.

THRESHOLD REQUIREMENTS

- ❑ W-9 Form
- ❑ Verification of Insurance
  - $1,000,000 General Liability per occurrence, $2,000,000 aggregate
- ❑ Architect Licenses
  - Washington State Architecture Company License for the firm
  - Individual Washington State licenses for all key personnel
- ❑ Required Submission Documents:
  - Organization Profile
  - Non-Collusion Affidavit (must be notarized)
  - Anti-Kickback Affidavit
  - Disclosure of Conflict of Interest
  - HUD 5369-C
  - Declaration of Accuracy

Failure to include the above documents will disqualify the proposal and it will not be scored.

FIRM QUALIFICATIONS

- ❑ **Firm Composition and History:** Briefly describe the history, size, and qualifications of your firm. Please include if your firm has previous experience with public entities, state and federally-funded projects (e.g. utilizing HUD proceeds, vouchers, HOME funds, HTF, Commerce, etc.), organizations operated under government-appointed boards, multifamily housing, and/or permanently-supportive housing, and specify the extent of that experience as it relates to the services described in the Scope above. Include any certifications held by your firm or awarded to projects undertaken by your firm for clean or energy-efficient design (LEED, BREEAM, WELL, Living Building Challenge, etc.)
  - This description should be no more than two pages, single-spaced 12pt font.

- ❑ **Firm Ethos:** Please describe the mission, values, and approach of your firm when undertaking multifamily housing design, particularly in a low-income or permanently-supportive setting. Please make reference to at least three specific practices in low-income housing design or development you consider to be a best-practice or have included in previous projects, and the real or anticipated impact those features would have on residents and/or staff. Include if these practices are targeted towards any specific population, such as residents of a particular cultural, racial, or social background, ability, age, etc.
  - This description should be no more than two pages, single-spaced 12pt font.

- ❑ **W/MBE Participation and Inclusion Plan:** Please specify if your firm is a certified W/MBE (Woman and/or Minority-Owned Business Enterprise). Regardless of your firm's W/MBE status, please also specify if your firm has existing strategies to include and empower W/MBE subcontractors or associate firms, and the level of engagement with W/MBE or uncertified minority- and/or woman-owned subcontractors or associate firms in previous work.
  - This description should be no more than two pages, single-spaced 12pt font.

- ❑ **Multifamily History List:** Please provide a list of at least ten multifamily housing projects (of any size) that your firm has worked on in the last ten years for a public entity or nonprofit, specifying the following information:
  - Project Name

- Project Type (Acq/Rehab; Adaptive Reuse; New Construction; Feasibility Study; etc)
- Client
- Number of Units and Bedroom Distribution
- Target Population Served, if any (families, elderly, disabled, chronically homeless, etc.)
- Total Square Footage
- Contract Start/End Dates
- Clean or Energy-Efficient Design certifications for the project

STAFF QUALIFICATIONS

- ❑ **Description of Project Team:** Provide a brief overview of the management structure of the Project Team that would be assigned to this project, if selected. List the general responsibilities of all applicable staff, including the names and titles of the key personnel who would be assigned to provide these services. Describe the tenure, experience, and additional certifications or qualifications of staff.
  - This description should be no more than one page, single-spaced 12pt font.

- ❑ **Org Chart:** In addition to the description, a separate organizational chart may be provided for clarification. Provision of this chart or lack thereof will not constitute a scored item.

PREVIOUS DESIGN WORK

- ❑ **Exemplar Project Description:** Please provide a brief explanation of a previous multifamily housing project's scope, client, mission, and budget that you feel is an exemplary demonstration of your firm's work in this field. This project should ideally include substantial rehabilitation or new development of at least 40 units and have been in service for at least one year at the time of this proposal submission. This project should also have ideally been developed for either low-income or permanently-supportive use, used state or federal funding, and/or was part of a LIHTC, PBV, PBRA, RAD and/or MFTE program. Failure to meet the aforementioned ideal conditions will not necessarily result in rejection of all points, but may result in the loss of points commensurate with the perceived degree of variance.
  - This description should be no more than one page, single-spaced 12pt font.

- ❑ **Exemplar Project Schematics:** Please include a schematic from this project that shows the overall floorplan of at least one complete floor of one complete building, and a schematic from this project that includes the complete floorplan of at least one unit in detail.
  - Please ensure the schematic is readable in the format presented, particularly if it has been scaled to fit printer-sized paper.

- ❑ **Exemplar Design Highlights:** Please identify at least two features of this project's design you feel exemplified your firm's approach to the project or a best-practice in terms of creating low-income/permanently-supportive housing, whether in regard to resident experience, maintenance, development cost, etc.
  - This description should be no more than one page, single-spaced 12pt font.

REFERENCES

- ❑ **References:** Please include at least three written references from previous clients of a similar nature to PCHA, and contact information for further correspondence if necessary.

THRESHOLD REQUIREMENTS Organizations that do not meet the following requirements will be eliminated and will not be scored			
W9 Provided	Verification of Insurance	Architecture License for Firm and all applicable personnel	Required Submission Documents Signed and Notarized where applicable

SCORED CRITERIA			
Topic	**Criteria**	**Weight**	**Description**
Firm Qualifications	Firm Composition and History	15	Scored on depth and applicability of experience and certifications.
	Firm Ethos	15	Scored on meaningful engagement with low-income housing residents and demonstration of commitment to PCHA's mission, with note taken to further engagement with residents of varying cultural backgrounds, abilities, and/or ages.
	W/MBE Participation and Inclusion Plan	20	Scored on W/MBE certification and/or depth of W/MBE firm engagement
	Multifamily History List	20	Scored on applicability of previous projects
Staff Qualifications	Description of the Project Team	15	Scored on depth and applicability of experience and certifications.
Previous Design Work	Exemplar Project Description	15 (Scored Together)	Scored on overall demonstration of necessary skills, knowledge, design principles, best-practices, and experience to complete the RFQ Scope of Services successfully.
	Exemplar Project Schematics		
	Exemplar Design Highlights		
References	References	0	References themselves will not be scored, but their content will be used to add context to scores in other categories.
	TOTAL POSSIBLE POINTS:	100	

The Land Use and Scattered Site reports will be added into an updated packet on Tuesday, June 27.

PIERCE COUNTY HOUSING AUTHORITY

603 South Polk Street, Tacoma, WA 98444 | 253-620-5400

EXECUTIVE AND DIRECTOR REPORTS

This report will be added on Tuesday, June 27.

Please turn to the following page for the Finance Report.

Please note that the following report experienced compression errors when sent. An updated report with full numbers will be included in the updated Tuesday Packet.

[illegible] County [illegible]
Statement of Net Position [illegible]
and [illegible]

	[illegible]	[illegible]
Current Assets		
Cash and Cash Equivalents	$ 7,734,245	$ 8,788,840
Cash Restricted	2,385,108	524,698
Accounts Receivable, net	1,564,280	438,934
Prepaid Items and other	410,915	294,409
Tenant Security Deposits	382,170	329,433
Other Current Assets	11,395	11,396
Total Current Assets	$ 13,669,433	$ 10,387,710
Non Current Assets		
Cash Restricted (FSS Program)	$ 395,485	$ 396,728
Capital Assets, net	19,449,243	18,999,361
Other Non Current Assets	744,874	2,843,774
Investment - equity interest	-	-
Total Non Current Assets	$ 20,589,602	$ 22,239,863
Total Assets	$ 34,259,035	$ 32,627,573
Deferred Outflows of Resources	$ 774,876	$ 243,904
Current Liabilities		
Accounts Payable	$ 240,875	$ 217,059
Accrued payroll	(87,727)	142,174
Compensated absences and benefits	147,932	-
Security Deposits	410,088	329,433
Accrued interest payable	75,706	76,626
Notes payable - current portion	206,595	214,549
Funds held for FSS program	610,447	396,728
Other Liabilities	210,727	168,821
Due to intercompany	554,097	-
Unearned Revenue	369,744	209,991
Total Current Liabilities	$ 2,738,484	$ 1,755,381
Non Current Liabilities		
Net Pension and OPEB liability	$ 1,703,814	$ 1,587,689
Compensated absence and benefits	21,793	18,989
Notes payable, net of current portion	16,262,298	16,454,796
Total Non Current Liabilities	[illegible]	[illegible]
Deferred Inflows of Resources	[illegible]	[illegible]
Total Net Position	[illegible]	[illegible]

[illegible]

	[illegible]	C	[illegible]C	D	[illegible]	D[illegible]
		M[illegible]nt[illegible]			[illegible]T[illegible]D	
	M[illegible]	M[illegible]	[illegible]r[illegible]n[illegible]e	M[illegible]	M[illegible]	[illegible]r[illegible]n[illegible]e
[illegible]er[illegible]t[illegible]n[illegible]Re[illegible]enue[illegible]						
Rent Income	$ 663,935	$ 597,248	$ (66,687)	$ 3,101,018	$ 2,891,898	$ (209,120)
Other Tenant Revenue	13,643	99,564	85,921	2,950	495,109	492,159
HUD Subsidy	2,740,448	2,943,743	203,295	14,654,337	12,865,467	(1,788,870)
LIPH Operating Grant	-	36,185	36,185	-	203,869	203,869
FSS Subsidy	13,075	6,565	(6,510)	31,053	36,146	5,093
Admin Subsidy	238,665	370,128	131,463	1,271,518	1,271,559	41
[illegible]	$ 3,669,766	$ 4,053,433	$ 383,667	$ 19,060,876	$ 17,764,048	$ (1,296,828)
[illegible]er[illegible]t[illegible]n[illegible]en[illegible]e[illegible]						
Central Administration	$ (237,403)	$ 68,401	$ 305,804	$ 276,593	$ 342,319	$ 65,726
Utilities	196,350	4,348	(192,002)	627,310	325,977	(301,333)
Maintenance Costs*	129,404	96,653	(32,751)	503,651	672,994	169,343
Wages & Benefits On Site	208,200	238,122	29,922	1,491,801	1,183,650	(308,151)
FSS Expense	19,633	3,398	(16,235)	71,840	18,209	(53,631)
Housing Assistance Payments	2,842,281	2,651,354	(190,927)	13,813,192	12,918,403	(894,789)
General-Taxes, Insurance	17,525	130,532	113,007	88,508	792,502	703,994
Independent Audit Costs	-	116	116	-	9,102	9,102
Vendor, Lender, Professional & Other Fees	490	6,736	6,246	10,596	34,118	23,522
[illegible]	$ 3,176,480	$ 3,199,660	$ 23,180	$ 16,883,491	$ 16,297,274	$ (586,217)
[illegible]	$ 493,286	$ 853,773	$ 360,487	$ 2,177,385	$ 1,466,774	$ (710,611)
[illegible]n[illegible]er[illegible]t[illegible]n[illegible]Re[illegible]enue[illegible]en[illegible]e[illegible]						
Gain (Loss) on Disposition of Assets	-	(742)	(742)	-	(894)	(894)
Investment/Interest Earnings	368	51	(317)	2,991	242	(2,749)
Depreciation	-	(133,132)	(133,132)	-	(652,811)	(652,811)
Interest Expense	(75,167)	(78,962)	(3,795)	(377,266)	(395,977)	(18,711)
[illegible] *(NOI)*	$ 418,487	$ 640,988	$ 222,501	$ 1,803,110	$ 417,334	$ (1,385,776)
Capital Contributions	$ -	$ 99,900	$ 99,900	$ -	$ 113,393	$ 113,393
[illegible]	$ 418,487	$ 740,888	$ 322,401	$ 1,803,110	$ 530,727	$ (1,272,383)
Beginning net position	$ 13,039,620	8,535,732	(4,503,888)	11,654,997	$ 11,187,649	467,348
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible] County [illegible] Authority
Statement of Net Position [illegible] M[illegible]
[illegible]

	[illegible] Choice [illegible] Voucher M[illegible]
Current Assets	
Cash and Cash Equivalents	$ 2,826,021
Cash Restricted	(644,151)
Accounts Receivable, net	204,325
Prepaid Items and other	(48,199)
Total Current Assets	$ 2,508,555
Non Current Assets	
Cash Restricted (FSS Program)	$ 342,777
Capital Assets, net	414,863
Other Non Current Assets	315,570
Total Non Current Assets	$ 1,073,210
Total Assets	$ 3,581,765
Deferred Outflows of Resources	$ 327,413.00
Current Liabilities	
Accounts Payable	$ (65,877)
Accrued payroll	(43,863)
Compensated absences and benefits	4,939
Funds held for FSS program	525,321
Due to intercompany	430,253
Unearned Revenue	725
Total Current Liabilities	$ 851,498
Non Current Liabilities	
Net Pension and OPEB liability	$ 505,677
Compensated absence and benefits	729
Notes payable, net of current portion	125,337
Total Non Current Liabilities	[illegible]
Deferred Inflows of Resources	359,859
Total Net Position	[illegible]

[illegible]
[illegible]
[illegible]
[illegible]

	[illegible]	C	[illegible]	D	[illegible]	[illegible]
	[illegible] Month			[illegible] Month Ended		
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible] Revenues						
HAP Subsidy	$ 2,553,390	$ 2,943,743	$ 390,353	$ 12,982,586	$ 12,865,467	$ (117,119)
Admin Subsidy and FSS Subsidy	231,226	361,058	129,832	1,232,709	1,224,878	(7,831)
Other Income	(235)	16,724	16,959	(15,829)	77,180	93,009
[illegible]	$ 2,784,381	$ 3,321,525	$ 537,144	$ 14,199,466	$ 14,168,534	$ (30,932)
[illegible]						
Central Administration	$ (109,197)	$ 25,657	$ 134,854	$ 234,825	$ 124,116	$ (110,709)
Maintenance Costs*	1,783	-	(1,783)	4,724	-	(4,724)
Wages & Benefits On Site	46,649	83,044	36,395	361,780	414,827	53,047
HAP Expenses	2,767,724	2,641,165	(126,559)	13,409,234	12,895,452	(513,782)
FSS Expenses	16,499	7,165	(9,334)	58,654	42,614	(16,040)
General-Taxes, Insurance	-	57,853	57,853	-	291,844	291,844
Independent Audit Costs	-	46	46	-	3,641	3,641
Vendor, Lender, Professional & Other Fees	426	-	(426)	9,956	-	(9,956)
[illegible]	$ 2,723,884	$ 2,814,930	$ 91,046	$ 14,079,173	$ 13,772,494	$ (306,679)
[illegible]	$ 60,497	$ 506,595	$ 446,098	$ 120,293	$ 396,040	$ 275,747
[illegible] Revenue [illegible]						
Investment/Interest Earnings	42	16	(26)	1,115	83	(1,032)
Depreciation	-	(9,571)	(9,571)	-	(16,625)	(16,625)
[illegible] *(NOI)*	$ 60,539	$ 497,040	$ 436,501	$ 121,408	$ 380,234	$ 258,826
Covid Expenses	$ -	$ -	$ -	$ -	$ -	$ -
EHV Expenses	-	(15,737)	(15,737)	-	(51,914)	(51,914)
[illegible]	$ 60,539	$ 481,303	$ 420,764	$ 121,408	$ 328,320	$ 206,912
Beginning net position	2,005,539		(2,005,539)	1,944,670	$ 809,623	1,135,047
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible] Funds	$ 224,323
Spent	(83,367)
Balance	$ 140,956

Pierce County Housing Authority
Statement of Net Position [illegible]
[illegible]

	D
	[illegible]
Current Assets	
Cash and Cash Equivalents	$ 1,215,343
Accounts Receivable, net	122,475
Prepaid Items and other	(977)
Tenant Security Deposits	42,350
Total Current Assets	$ 1,387,215
Non Current Assets	
Cash Restricted (FSS Program)	$ 52,708
Capital Assets, net	5,052,163
Other Non Current Assets	121,904
Total Non Current Assets	$ 5,226,775
Total Assets	$ 6,613,990
Deferred Outflows of Resources	$ 126,503.00
Current Liabilities	
Accounts Payable	$ 10,261
Accrued payroll	(8,203)
Compensated absences and benefits	10,070
Security Deposits	40,850
Funds held for FSS program	85,126
Other Liabilities	51,640
Due to intercompany	107,940
Unearned Revenue	48,344
Total Current Liabilities	$ 346,028
Non Current Liabilities	
Net Pension and OPEB liability	$ 200,986
Compensated absence and benefits	1,484
Total Non Current Liabilities	[illegible]
Deferred Inflows of Resources	[illegible]
Total Net Position	[illegible]

□er□e□C□unt□□ □u□n□ □ut□□r□t□
□t□te□ ent□□Re□enue□□□ □en□e□□nd□
C□□n□e□□n□et□□□□t□n□e□r□T□D□te□
T□r□u□□M□□□□□□□□

	□	C	□C	D	□	D□
□	□□□ □n□□□e□u□□□□u□n□	M□nt□		□□□ □n□□□e□u□□□□u□n□	□T□D	
□	M□□□□□□	M□□□□□□	□□r□n□e	M□□□□□□	M□□□□□□	□□r□n□e
□□er□t□n□Re□enue□□						
Rent Income	$ 63,692	$ 59,366	$ (4,326)	$ 343,455	$ 315,786	$ (27,669)
Other Tenant Revenue	478	5,125	4,647	(249)	22,988	23,237
HUD Subsidy	43,961	36,185	(7,776)	349,828	203,869	(145,959)
C□□□D□□	-	-	-	-	-	-
T□T□□□□□R□T□□□R□□□□□□□	$ 108,131	$ 100,676	$ (7,455)	$ 693,034	$ 542,643	$ (150,391)
□□er□t□n□□□en□e□□						
Central Administration	$ (58,092)	$ 8,937	$ 67,029	$ 50,207	$ 43,276	$ (6,931)
Utilities	3,571	(1,202)	(4,773)	11,725	978	(10,747)
Maintenance Costs*	15,677	10,666	(5,011)	46,906	76,852	29,946
Wages & Benefits On Site	14,210	41,582	27,372	119,935	205,979	86,044
FSS Expense	3,134	1,004	(2,130)	13,186	4,484	(8,702)
General-Taxes, Insurance	-	19,261	19,261	-	207,934	207,934
Independent Audit Costs	-	16	16	-	1,274	1,274
Vendor, Lender, Professional & Other Fees	-	315	315	-	3,450	3,450
T□T□□□□□R□T□□□□□□□□□□□	$ (21,500)	$ 80,579	$ 102,079	$ 241,959	$ 544,227	$ 302,268
□R□□T□□□□□□□□T□R□□□R□T□□□ C□□T□	$ 129,631	$ 20,097	$ (109,534)	$ 451,075	$ (1,584)	$ (452,659)
□□n□□ □er□t□n□Re□enue□□□□en□e□□						
Investment/Interest Earnings	125	3	(122)	445	18	(427)
Depreciation	-	(29,291)	(29,291)	-	(146,452)	(146,452)
□□T□□□R□T□□□□C□M□*(NOI)*	$ 129,756	$ (9,191)	$ (138,947)	$ 451,520	$ (148,018)	$ (599,538)
Operating Transfers In (out)	-	99,900	99,900	-	99,900	99,900
□TD□C□□□□□□T□□□T□□□□T□	$ 129,756	$ 90,709	$ (39,047)	$ 451,520	$ (48,118)	$ (499,638)
Beginning net position	$ 5,917,502		(5,917,502)	5,595,738	$ 42,591	5,553,147
□□D□□□□T□□□T□□	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Pierce County Housing Authority
Statement of Net Position [illegible]
[illegible]

	D Brookridge Apartments [illegible]TD M[illegible]	
Current Assets		
Cash and Cash Equivalents	$	639,226
Accounts Receivable, net		21,573
Accounts Receivable, HUD		1,149
Prepaid Items and other		(925)
Tenant Security Deposits		27,329
Due from intercompany		-
Total Current Assets	$	688,352
Non Current Assets		
Cash Restricted (FSS Program)	$	-
Capital Assets, net		1,445,183
Total Non Current Assets	$	1,445,183
Total Assets	$	2,133,535
Deferred Outflows of Resources	$	-
Current Liabilities		
Accounts Payable	$	6,607
Accrued payroll		(4,488)
Compensated absences and benefits		2,424
Security Deposits		33,088
Other Liabilities		910
Due to intercompany		(12,338)
Unearned Revenue		30,817
Total Current Liabilities	$	57,020
Non Current Liabilities		
Compensated absence and benefits		357
Notes payable, net of current portion		3,185
Total Noncurrent Liabilities	[illegible]	
Deferred Inflows of Resources	$	-
Total Net Position	[illegible]	

[illegible]

[illegible]	[illegible]	C	[illegible]C	D	[illegible]	D[illegible]
		[illegible] Month			[illegible] YTD	
	M[illegible]	M[illegible]	[illegible]	M[illegible]	M[illegible]	[illegible]
[illegible] Revenue[illegible]						
Rent Income	$ 68,170	$ 45,137	$ (23,033)	$ 301,182	$ 207,942	$ (93,240)
Other Tenant Revenue	1	7,053	7,052	$ 40	27,500	27,460
[illegible]	$ 68,171	$ 52,190	$ (15,981)	$ 301,222	$ 235,442	$ (65,780)
[illegible]						
Central Administration	$ (20,668)	$ 2,630	$ 23,298	$ 19,524	$ 12,815	$ (6,709)
Utilities	10,866	11	(10,855)	37,703	26,465	(11,238)
Maintenance Costs*	14,717	5,056	(9,661)	35,342	46,178	10,836
Wages & Benefits On Site	1,305	9,458	8,153	28,577	30,994	2,417
General-Taxes, Insurance	-	3,586	3,586	-	19,010	19,010
Independent Audit Costs	-	5	5	-	364	364
Vendor, Lender, Professional & Other Fees	-	306	306	-	1,911	1,911
[illegible]	$ 6,220	$ 21,052	$ 14,832	$ 121,146	$ 137,737	$ 16,591
[illegible]	$ 61,951	$ 31,138	$ (30,813)	$ 180,076	$ 97,705	$ (82,371)
[illegible] Revenue[illegible]						
Gain (Loss) on Disposition of Assets	$ -	$ -	$ -	$ -	$ 813	$ 813
Investment/Interest Earnings	-	-	-	546	-	(546)
Depreciation	-	(12,233)	(12,233)	-	(61,034)	(61,034)
[illegible] ***(NOI)***	$ 61,951	$ 18,905	$ (43,046)	$ 180,622	$ 37,484	$ (143,138)
[illegible]	$ 61,951	$ 18,905	$ (43,046)	$ 180,622	$ 37,484	$ (143,138)
Beginning net position	2,011,022		(2,011,022)	1,892,351	$ 75,294	1,817,057
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Merced County Housing Authority

Statement of Net Position [illegible] **D**

	[illegible] YTD [illegible]
Current Assets	
Cash and Cash Equivalents	$ 1,029,859
Cash Restricted	525,707
Accounts Receivable, net	37,380
Prepaid Items and other	164,961
Tenant Security Deposits	134,508
Total Current Assets	$ 1,939,485
Non Current Assets	
Capital Assets, net	$ 4,337,768
Total Non Current Assets	$ 4,337,768
Total Assets	$ 6,277,253
Deferred Outflows of Resources	$ -
Current Liabilities	
Accounts Payable	$ 36,179
Accrued payroll	(23,061)
Compensated absences and benefits	12,847
Security Deposits	141,621
Accrued interest payable	43,067
Notes payable - current portion	117,561
Other Liabilities	20,893
Due to intercompany	(103,916)
Unearned Revenue	78,810
Total Current Liabilities	$ 324,001
Non Current Liabilities	
Compensated absence and benefits	1,893
Notes payable, net of current portion	$ 8,943,548
Total Non Current Liabilities	[illegible]
Deferred Inflows of Resources	[illegible]
Total Net Position	[illegible]

[illegible]

[illegible]	[illegible]	C	[illegible]	D	[illegible]	[illegible]
	[illegible]			[illegible]		
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]						
Rent Income	$ 276,335	$ 215,637	$ (60,698)	$ 1,416,189	$ 1,046,006	$ (370,183)
Other Tenant Revenue	5,297	33,252	27,955	6,151	132,449	126,298
[illegible]	$ 281,632	$ 248,889	$ (32,743)	$ 1,422,340	$ 1,178,455	$ (243,885)
[illegible]						
Central Administration	$ (76,873)	$ 9,862	$ 86,735	$ 65,488	$ 48,062	$ (17,426)
Utilities	104,452	272	(104,180)	304,498	146,886	(157,612)
Maintenance Costs*	21,444	34,757	13,313	144,460	200,545	56,085
Wages & Benefits On Site	18,422	42,653	24,231	137,481	211,051	73,570
General-Taxes, Insurance	-	21,646	21,646	-	100,987	100,987
Independent Audit Costs	-	17	17	-	1,365	1,365
Vendor, Lender, Professional & Other Fees	-	1,167	1,167	-	8,401	8,401
[illegible]	$ 67,445	$ 110,374	$ 42,929	$ 651,927	$ 717,297	$ 65,370
[illegible]	$ 214,187	$ 138,515	$ (75,672)	$ 770,413	$ 461,158	$ (309,255)
[illegible]						
Gain (Loss) on Disposition of Assets	$ -	$ -	$ -	$ -	$ (1,339)	$ (1,339)
Investment/Interest Earnings	-	9	9	14	43	29
Depreciation	-	(30,116)	(30,116)	-	(151,356)	(151,356)
Interest Expense	(42,762)	(43,592)	(830)	(214,653)	(218,693)	(4,040)
[illegible] *(NOI)*	$ 171,425	$ 64,816	$ (106,609)	$ 555,774	$ 89,813	$ (465,961)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Beginning net position	(3,163,614)	171,426	3,335,040	(3,547,963)	326,055	(3,874,018)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Pierce County Housing Authority
Statement of Net Position [illegible]
[illegible]

	D [illegible]
Current Assets	
Cash and Cash Equivalents	$ (324,820)
Cash Restricted	120,962
Accounts Receivable, net	51,767
Prepaid Items and other	62,045
Tenant Security Deposits	60,243
Total Current Assets	$ 2,303
Non Current Assets	
Capital Assets, net	$ 1,492,987
Total Non current Assets	$ 1,492,987
Total Assets	$ 1,495,290
Current Liabilities	
Accounts Payable	$ 9,533
Accrued payroll	(4,977)
Security Deposits	60,983
Accrued interest payable	13,656
Notes payable - current portion	37,251
Other Liability	6,854
Unearned Revenue	46,123
Total Current Liabilities	$ 119,049
Non Current Liabilities	
Compensated absence and benefits	307
Notes payable, net of current portion	$ 2,836,423
Total non current liabilities	[illegible]
Total Net Position	[illegible]

[illegible]
[illegible]
[illegible]
[illegible]

	A	C	C	D	F	D
		deM r			deM r	
		M nt			TD	
	M[illegible]	M[illegible]	[illegible]	M[illegible]	M[illegible]	[illegible]
[illegible]						
Rent Income	$ 76,181	$ 76,785	$ 604	$ 352,980	$ 376,491	$ 23,511
Other Income	979	13,633	12,654	991	77,428	76,437
[illegible]	$ 116,341	$ 90,418	$ (25,923)	$ 516,192	$ 453,919	$ (62,273)
[illegible]						
Central Administration	$ (33,499)	$ 4,602	$ 38,101	$ 37,909	$ 22,432	$ (15,477)
Utilities	15,020	35	(14,985)	57,283	39,525	(17,758)
Maintenance Costs*	10,527	16,225	5,698	45,306	105,194	59,888
Wages & Benefits On Site	7,730	20,239	12,509	35,337	119,078	83,741
General-Taxes, Insurance	-	7,409	7,409	-	47,876	47,876
Independent Audit Costs	-	8	8	-	637	637
Vendor, Lender, Professional & Other Fees	-	491	491	-	2,807	2,807
[illegible]	$ (222)	$ 49,009	$ 49,231	$ 175,835	$ 337,549	$ 161,714
[illegible]	$ 116,563	$ 41,409	$ (75,154)	$ 340,357	$ 116,370	$ (223,987)
[illegible]						
Investment/Interest Earnings	-	2	2	3	11	8
Depreciation	-	(12,372)	(12,372)	-	(61,904)	(61,904)
Interest Expense	(13,559)	(13,822)	(263)	(68,037)	(69,342)	(1,305)
[illegible] *(NOI)*	$ 103,004	$ 15,217	$ (87,787)	$ 272,323	$ (14,865)	$ (287,188)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Beginning net postion	(1,563,493)	-	1,563,493	(1,732,812)	352	(1,733,164)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Teresa D Johnson CPA, Inc did not perform an audit, review or compilation engagement on these financial statements and no assurance is provided on them.

Pierce County Housing Authority
Statement of Net Position [illegible]
[illegible]

	D
	[illegible] Apartments **[illegible] TD** **[illegible]**
Current Assets	
Cash and Cash Equivalents	$ (180,110)
Accounts Receivable, net	(5,471)
Prepaid Items and other	(376)
Tenant Security Deposits	11,260
Total Current Assets	$ (174,110)
Non Current Assets	
Capital Assets, net	386,499
Total Non Current Assets	$ 386,499
Total Assets	$ 212,389
Current Liabilities	
Accounts Payable	$ 3,373
Security Deposits	12,085
Other Liabilities	(799)
Unearned Revenue	1,808
Total Current Liabilities	$ (24,086)
Non Current Liabilities	
Total Non Current Liabilities	[illegible]
Total Net Position	[illegible]

[illegible]er[illegible]e[illegible]C[illegible]unt[illegible]u[illegible]n[illegible]ut[illegible]r[illegible]t[illegible]
[illegible]t[illegible]te[illegible]ent[illegible]Re[illegible]enue[illegible]en[illegible]e[illegible]nd[illegible]
C[illegible]n[illegible]e[illegible]n[illegible]et[illegible]t[illegible]n[illegible]e[illegible]r[illegible]T[illegible]D[illegible]te[illegible]
T[illegible]r[illegible]u[illegible]M[illegible]

		C	[illegible]C	D		D[illegible]
	[illegible]dden [illegible]e[illegible]rt[illegible]ent[illegible]			[illegible]dden [illegible]e[illegible]rt[illegible]ent[illegible]		
		M[illegible]nt[illegible]			[illegible]T[illegible]D	
	M[illegible]	M[illegible]	[illegible]r[illegible]n[illegible]e	M[illegible]	M[illegible]	[illegible]r[illegible]n[illegible]e
[illegible]er[illegible]t[illegible]n[illegible]Re[illegible]enue[illegible]						
Rent Income	$ 22,555	$ 16,950	$ (5,605)	$ 96,496	$ 77,042	$ (19,454)
Other Tenant Revenue	797	1,851	1,054	801	7,297	6,496
T[illegible]T[illegible]R[illegible]T[illegible]R[illegible]	$ 23,352	$ 18,801	$ (4,551)	$ 97,297	$ 84,339	$ (12,958)
[illegible]er[illegible]t[illegible]n[illegible]en[illegible]e[illegible]						
Central Administration	$ (10,472)	$ 1,316	$ 11,788	$ 8,586	$ 6,404	$ (2,182)
Utilities	4,980	997	(3,983)	15,868	13,998	(1,870)
Maintenance Costs*	2,173	2,516	343	8,091	26,144	18,053
Wages & Benefits On Site	117	1,132	1,015	4,740	9,345	4,605
General-Taxes, Insurance	6	1,750	1,744	88	9,032	8,944
Independent Audit Costs	-	2	2	-	182	182
Vendor, Lender, Professional & Other Fees	-	133	133	-	856	856
T[illegible]T[illegible]R[illegible]T[illegible]	$ (3,196)	$ 7,846	$ 11,042	$ 37,373	$ 65,961	$ 28,588
[illegible]R[illegible]T[illegible]T[illegible]R[illegible]R[illegible]T[illegible]C[illegible]T[illegible]	$ 26,548	$ 10,955	$ (15,593)	$ 59,924	$ 18,378	$ (41,546)
[illegible]n[illegible]er[illegible]t[illegible]n[illegible]Re[illegible]enue[illegible]en[illegible]e[illegible]						
Gain (Loss) on Disposition of Assets	$ -	$ -	$ -	$ -	$ (139)	$ (139)
Depreciation	-	(5,718)	(5,718)	-	(28,659)	(28,659)
[illegible]T[illegible]R[illegible]T[illegible]C[illegible]M[illegible] *(NOI)*	$ 26,548	$ 5,237	$ (21,311)	$ 59,924	$ (10,420)	$ (70,344)
[illegible]TD[illegible]C[illegible]T[illegible]T[illegible]T[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Beginning net position	208,542	-	(208,542)	175,166	(5,183)	180,349
[illegible]D[illegible]T[illegible]T[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]er[illegible]e[illegible]C[illegible]unt[illegible]u[illegible]n[illegible]ut[illegible]r[illegible]t[illegible]

[illegible]t[illegible]te[illegible]ent[illegible]et[illegible]t[illegible]n[illegible]M[illegible]

[illegible]

	D [illegible]e[illegible]d [illegible]T[illegible]D M[illegible]
Current [illegible]et[illegible]	
Cash and Cash Equivalents	$ 722,804
Cash Restricted	169,788
Accounts Receivable, net	57,481
Prepaid Items and other	87,152
Tenant Security Deposits	71,874
T[illegible]t[illegible] Current [illegible]et[illegible]	$ 1,138,900
[illegible]n Current [illegible]et[illegible]	
Capital Assets, net	4,164,923
T[illegible]t[illegible]n[illegible]urrent [illegible]et[illegible]	$ 4,164,923
T[illegible]t[illegible]et[illegible]	$ 5,303,823
Current [illegible]t[illegible]e[illegible]	
Accounts Payable	$ 17,885
Accrued payroll	(8,323)
Security Deposits	82,204
Accrued interest payable	18,983
Notes payable - current portion	51,782
Other Liability	9,381
Unearned Revenue	31,983
T[illegible]t[illegible] Current [illegible]t[illegible]e[illegible]	$ 106,729
[illegible]n Current [illegible]t[illegible]e[illegible]	
net Pension and OPEB liability	$ -
Compensated absence and benefits	242
Notes payable, net of current portion	$ 3,943,128
T[illegible]t[illegible]n[illegible]n[illegible]urrent [illegible]t[illegible]e[illegible]	[illegible]
T[illegible]t[illegible]et[illegible]t[illegible]n	[illegible]

[illegible]
[illegible]
[illegible]
[illegible]

	[illegible]	C	[illegible]	D	[illegible]	D[illegible]
	[illegible] Month			[illegible] YTD		
	M[illegible]	M[illegible]	[illegible]	M[illegible]	M[illegible]	[illegible]
[illegible]						
Rent Income	$ 120,037	$ 124,142	$ 4,105	$ 548,022	$ 581,923	$ 33,901
Other Tenant Revenue	2,720	20,084	17,364	4,191	75,413	71,222
[illegible]	$ 179,866	$ 144,226	$ (35,640)	$ 801,373	$ 657,336	$ 144,037
[illegible]						
Central Administration	$ (55,008)	$ 7,230	$ 62,238	$ 49,566	$ 35,254	$ (14,312)
Utilities	35,979	-	(35,979)	113,352	46,478	(66,874)
Maintenance Costs*	32,438	16,733	(15,705)	94,482	125,520	31,038
Wages & Benefits On Site	14,317	20,275	5,958	86,265	79,253	(7,012)
General-Taxes, Insurance	-	12,839	12,839	158	84,797	84,639
Housing Assistance Payments	-	-	-	-	-	-
Independent Audit Costs	-	13	13	-	1,001	1,001
Vendor, Lender, Professional & Other Fees	-	648	648	-	6,923	6,923
[illegible]	$ 27,726	$ 57,738	$ 30,012	$ 343,823	$ 379,226	$ 35,403
[illegible]	$ 152,140	$ 86,488	$ (65,652)	$ 457,550	$ 278,110	$ (179,440)
[illegible]						
Gain (Loss) on Disposition of Assets	$ -	$ (742)	$ (742)	$ -	$ (872)	$ (872)
Investment/Interest Earnings	-	3	3	4	16	12
Depreciation	-	(26,110)	(26,110)	-	(131,587)	(131,587)
Interest Expense	(18,847)	(19,213)	(366)	(94,576)	(96,389)	(1,813)
[illegible] *(NOI)*	$ 133,293	$ 40,426	$ (92,867)	$ 362,978	$ 49,278	$ (313,700)
Prior Period Adjustment	$ -	[illegible]	$ -	[illegible]	$ -	$ -
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Beginning net position	1,120,431	-	(1,120,431)	890,746	89,704	801,042
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible] D

	[illegible] YTD
Current Assets	
Cash and Cash Equivalents	$ 170,878
Accounts Receivable, net	(442)
Prepaid Items and other	(376)
Tenant Security Deposits	4,412
Total Current Assets	$ 188,282
Non Current Assets	
Capital Assets, net	265,451
Total Non Current Assets	$ 265,451
Total Assets	$ 453,733
Current Liabilities	
Accounts Payable	$ 3,374
Security Deposits	5,187
Other Liabilities	645
Unearned Revenue	6,337
Total Current Liabilities	$ 4,545
Non Current Liabilities	
Notes payable, net of current portion	$ 66,385
Total Non Current Liabilities	[illegible]
Total Net Position	[illegible]

[illegible] County [illegible]
Statement of Revenues, Expenses and
Changes in Net Position [illegible] To Date
Through Month [illegible]

	[illegible]	C	[illegible]C	D	[illegible]	D[illegible]
	Month [illegible] Month			Month [illegible] YTD		
	M[illegible]	M[illegible]	Variance	M[illegible]	M[illegible]	Variance
Operating Revenues						
Rent Income	$ 9,617	$ 11,250	$ 1,633	$ 37,537	$ 58,654	$ 21,117
Other Tenant Revenue	352	220	(132)	352	770	418
[illegible]	$ 20,606	$ 11,470		$ 92,679	$ 59,424	$ (33,255)
Operating Expenses						
Central Administration	$ (10,932)	$ 1,316	$ 12,248	$ 8,644	$ 6,404	$ (2,240)
Utilities	3,422	1,294	(2,128)	16,367	10,882	(5,485)
Maintenance Costs*	7,646	1,885	(5,761)	21,977	11,740	(10,237)
Wages & Benefits On Site	540	1,237	697	6,560	7,314	754
General-Taxes, Insurance	26	1,744	1,718	203	8,699	8,496
Housing Assistance Payments	-	-	-	-	-	-
Independent Audit Costs	-	2	2	-	182	182
Vendor, Lender, Professional & Other Fees	-	133	133	-	856	856
[illegible]	$ 702	$ 7,611	$ 6,909	$ 53,751	$ 46,077	$ (7,674)
[illegible]	$ 19,904	$ 3,859	$ (16,045)	$ 38,928	$ 13,347	$ (25,581)
Non-Operating Revenue/Expenses						
Depreciation	-	(2,530)	(2,530)	-	(12,681)	(12,681)
[illegible] *(NOI)*	$ 19,904	$ 1,329	$ (18,575)	$ 38,928	$ 666	$ (38,262)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Beginning net position	362,899	-	(362,899)	343,875	1,995	341,880
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Pierce County Housing Authority
Statement of Net Position [illegible] M[illegible]
[illegible]

D

	[illegible] Department [illegible] TD M[illegible]	
Current Assets		
Cash and Cash Equivalents	$	102,872
Accounts Receivable, net		14,898
Prepaid Items and other		(299)
Tenant Security Deposits		5,306
Total Current Assets	$	123,694
Non Current Assets		
Capital Assets, net	$	47,447
Total Noncurrent Assets	$	47,447
Total Assets	$	171,141
Deferred Outflows of Resources	$	-
Current Liabilities		
Accounts Payable	$	3,187
Security Deposits		4,393
Other Liabilities		(551)
Unearned Revenue		7,730
Total Current Liabilities	$	3,654
Non Current Liabilities		
Total Noncurrent Liabilities		[illegible]
Deferred Inflows of Resources		[illegible]
Total Net Position		[illegible]

[illegible] County [illegible]
Statement of Revenue, [illegible] and Changes in Net [illegible] (Year To Date)
Through M[illegible]

	M[illegible]	M[illegible]	[illegible]ariance	M[illegible]	M[illegible]	[illegible]ariance
	[illegible] Month			[illegible] YTD		
Operating Revenues						
Rent Income	$ 18,375	$ 12,500	$ (5,875)	$ 69,670	$ 58,670	$ (11,000)
Other Tenant Revenue	465	2,478.00	2,013	469	81,318	80,849
TOTAL [illegible] REVENUES	$ 20,118	$ 14,978	$ (5,140)	$ 76,529	$ 139,988	$ 63,459
Operating Expenses						
Central Administration	$ (9,797)	$ 1,314	$ 11,111	$ 13,106	$ 6,411	$ (6,695)
Utilities	4,573	1,095	(3,478)	17,748	13,131	(4,617)
Maintenance Costs*	1,469	2,760	1,291	8,121	28,142	20,021
Wages & Benefits On Site	-	2,783	2,783	3,545	6,387	2,842
General-Taxes, Insurance	-	1,643	1,643	14	9,296	9,282
Independent Audit Costs	-	2	2	-	182	182
Vendor, Lender, Professional & Other Fees	-	115	115	-	767	767
TOTAL [illegible] EXPENSES	$ (3,755)	$ 9,712	$ 13,467	$ 42,534	$ 64,316	$ 21,782
[illegible]	$ 23,873	$ 5,266	$ (18,607)	$ 33,995	$ 75,672	$ 41,677
Non-Operating Revenue (Expenses)						
Depreciation	$ -	$ (280)	$ (280)	$ -	$ (18,147)	$ (18,147)
[illegible] INCOME *(NOI)*	$ 23,873	$ 4,986	$ (18,887)	$ 33,995	$ 57,525	$ 23,530
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Beginning net position	142,414	-	(142,414)	132,292	62,511	69,781
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

D

	[illegible] TD M[illegible]
Current Assets	
Cash and Cash Equivalents	$ (51,691)
Accounts Receivalbe, net	36,880
Accounts Receivable, HUD	11,528
Prepaid Items and other	(429)
Tenant Security Deposits	14,995
Total Current Assets	$ 11,283
Non Current Assets	
Cash Restricted (FSS Program)	$ -
Capital Assets, net	408,024
Total Non Current Assets	$ 408,024
Total Assets	$ 419,307
Deferred Outflows of Resources	$ -
Current Liabilities	
Accounts Payable	$ 4,909
Accrued payroll	(2,996)
Security Deposits	23,975
Other Liabilities	(219)
Unearned Revenue	3,401
Total Current Liabilities	$ 16,396
Non Current Liabilities	
Net Pension and OPEB liability	$ -
Compensated absence and benefits	49
Notes payable, net of current portion	1,754
Total Non Current Liabilities	[illegible]
Deferred Inflows of Resources	[illegible]
Total Net Position	[illegible]

[illegible]

[illegible]	[illegible] Month			[illegible] YTD		
	M[illegible]	M[illegible]	[illegible]	M[illegible]	M[illegible]	[illegible]
[illegible] Revenue						
Rent Income	$ 29,938	$ 24,412	$ (5,526)	$ 109,033	$ 113,421	$ 4,388
Other Tenant Revenue	2,368	3,400	1,032	4,902	17,665	12,763
[illegible]	$ 34,625	$ 27,812		$ 124,579	$ 131,086	$ 6,507
[illegible]						
Central Administration	$ (14,532)	$ 1,971	$ 16,503	$ 13,272	$ 9,617	$ (3,655)
Utilities	4,551	453	(4,098)	22,709	12,868	(9,841)
Maintenance Costs*	10,356	5,393	(4,963)	41,659	48,866	7,207
Wages & Benefits On Site	3,439	1,843	(1,596)	35,688	21,524	(14,164)
General-Taxes, Insurance	3	2,815	2,812	583	15,683	15,100
Independent Audit Costs	-	3	3	-	273	273
Vendor, Lender, Professional & Other Fees	-	-	-	-	-	-
[illegible]	$ 3,817	$ 12,478	$ 8,661	$ 113,911	$ 108,831	$ (5,080)
[illegible]	$ 30,808	$ 15,334	$ (15,474)	$ 10,668	$ 22,255	$ 11,587
[illegible]						
Gain (Loss) on Disposition of Assets	$ -	$ -	$ -	$ -	$ -	$ -
Depreciation	-	(3,095)	(3,095)	-	(15,481)	(15,481)
		-			-	
[illegible] *(NOI)*	$ 30,808	$ 12,239	$ (18,569)	$ 10,668	$ 6,774	$ (3,894)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Beginning net position	370,300	-	(370,300)	390,440	19,013	371,427
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Pierce County Housing Authority
Statement of Net Position [illegible]
[illegible]

D

	[illegible] YTD [illegible]	
Current Assets		
Cash and Cash Equivalents	$	219,660
Cash Restricted		94,179
Accounts Receivable, net		49,191
Tenant Security Deposits		6,600
Total Current Assets	$	346,585
Non Current Assets		
Capital Assets, net		437,281
Total Non Current Assets	$	437,281
Total Assets	$	783,866
Deferred Outflows of Resources	$	-
Current Liabilities		
Accounts Payable	$	3,148
Security Deposits		5,702
Other Liabilities		392
Unearned Revenue		6,174
Total Current Liabilities	$	20,927
Non Current Liabilities		
Notes payable, net of current portion		333,444
		-
Total Non Current Liabilities		[illegible]
Deferred Inflows of Resources		[illegible]
Total Net Position		[illegible]

□er□e□C□unt□□□u□n□□ut□□r□t□
□t□te□ent□□□Re□enue□□□□en□e□□nd□
C□□n□e□□n□et□□□□t□n□e□r□T□D□te□
T□r□u□□M□□□□□□□□□□

	□	C	□□C	D	□	D□□
	□rt□n□□□en□□r□□□rt□ent□			□rt□n□□□en□□r□□□rt□ent□		
	M□nt□			□□T□D		
	M□□□□□□	M□□□□□□	□□r□□n□e	M□□□□□□	M□□□□□□	□□r□□n□e
□□er□t□n□□Re□enue□□						
Rent Income	$ 12,645	$ 21,225	$ 8,580	$ 60,253	$ 106,764	$ 46,511
Other Tenant Revenue	156	-	(156)	156.00	-	(156)
T□T□□□□□□R□T□□□R□□□□□□□	$ 12,801	$ 21,225	$ 8,424	$ 60,409	$ 106,764	$ 46,355
□□er□t□n□□□□en□e□□						
Central Administration	$ 1,341	$ -	$ (1,341)	$ 10,463	$ -	$ (10,463)
Utilities	3,319	1,392	(1,927)	11,175	14,766	3,591
Maintenance Costs*	2,719	659	(2,060)	16,514	4,073	(12,441)
Wages & Benefits On Site	390	1,811	1,421	8,465	8,110	(355)
General-Taxes, Insurance	172	1,624	1,452	858	8,086	7,228
Rental Assistance	-	6,736	6,736	-	34,118	34,118
Independent Audit Costs	-	-	-	-	-	-
T□T□□□□□□R□T□□□□□□□□□□□	$ 7,941	$ 12,222	$ 4,281	$ 47,475	$ 69,153	$ 21,678
□R□□T□□□□□□□□□T□R□□□□R□T□□□ C□□T□	$ 4,860	$ 9,003	$ 4,143	$ 12,934	$ 37,611	$ 24,677
□□n□□□er□t□n□□Re□enue□□□□□en□e□□□						
Investment/Interest Earnings	$ 23	$ -	$ (23)	$ 47	$ 2	$ (45)
Depreciation	-	(1,817)	(1,817)	-	(8,886)	(8,886)
Interest Expense	-	(2,334)	(2,334)	-	(11,554)	(11,554)
□□T□□□□R□T□□□□C□M□□*(NOI)*	$ 4,883	$ 4,852	$ (31)	$ 12,981	$ 17,173	$ 4,192
					-	
□TD□C□□□□□□T□□□□T□□□□T□	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Beginning net position	424,612	-	(424,612)	416,514	22,025	394,489
□□D□□□□T□□□T□□	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Pierce County Housing Authority
Statement of Net Position [illegible]
[illegible]

	D
	General Operating **YTD** **M[illegible]**
Current Assets	
Cash and Cash Equivalents	$ 916,644
Cash Restricted	1,416,530
Accounts Receivable, net	50,495
Prepaid Items and other	148,190
Tenant Security Deposits	3,417
Due from intercompany	873,687
Other Current Assets	11,395
Total Current Assets	$ 3,420,358
Non Current Assets	
Cash Restricted (FSS Program)	$ -
Capital Assets, net	994,301
Other Non Current Assets	307,400
Investment - equity interest	-
Total Non Current Assets	$ 1,301,701
Total Assets	$ 4,722,059
Deferred Outflows of Resources	$ 320,960.00
Current Liabilities	
Accounts Payable	$ 196,239
Accrued payroll	18,934
Other Liabilities	96,835
Due to intercompany	331,919
Unearned Revenue	-
Total Current Liabilities	$ 757,521
Non Current Liabilities	
Net Pension and OPEB liability	$ 997,151
Compensated absence and benefits	16,734
Notes payable, net of current portion	-
	-
Total Non Current Liabilities	[illegible]
Deferred Inflows of Resources	[illegible]
Total Net Position	[illegible]

[illegible]

[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]
[illegible]		
[illegible]	$ -	$ -
[illegible]		
Central Administration	$ 154,544	$ (253,911)
Utilities	5,618	18,614
Maintenance Costs*	8,413	35,350
Wages & Benefits On Site	83,273	553,218
General-Taxes, Insurance	17,319	86,604
Vendor, Lender, Professional & Other Fees	49	196
[illegible]	$ 269,216	$ 440,071
[illegible]	$ (269,216)	$ (440,071)
[illegible]		
Other Income	$ 264	$ 514
Investment/Interest Earnings	180	689
[illegible] (NOI)	$ (268,772)	$ (438,868)
[illegible]	[illegible]	[illegible]
Beginning net position	3,189,842	3,359,938
[illegible]	[illegible]	[illegible]

Pierce County [illegible]
Statement of Net Position [illegible]
[illegible]

	D [illegible]
Current Assets	
Cash Restricted	560,483
Accounts Receivable, net	923,727
Total Current Assets	$ 1,975,043
Non Current Assets	
Other Non Current Assets	-
Total Non Current Assets	$ 2,354
Total Assets	$ 1,977,397
Deferred Outflows of Resources	$ -
Current Liabilities	
Due to intercompany	854
Unearned Revenue	-
Total Current Liabilities	$ 1,645
Non Current Liabilities	
Total Non Current Liabilities	[illegible]
Deferred Inflows of Resources	[illegible]
Total Net Position	[illegible]

[illegible]
[illegible]
[illegible]
[illegible]

	[illegible]	D
	[illegible]	[illegible]
[illegible] Revenue[illegible]		
[illegible]	$ -	$ -
[illegible]		
Vendor, Lender, Professional & Other Fees	$ 1	$ 385
[illegible]	$ 72	$ 718
[illegible]	$ (72)	$ (718)
[illegible]		
Investment/Interest Earnings	-	128
[illegible] (NOI)	$ (72)	$ (590)
[illegible]	[illegible]	[illegible]
Beginning net position	1,975,039	1,975,557
[illegible]	[illegible]	[illegible]

Report of Maintenance Division

June 2023

Staff Projects

I. Chateau Rainer (248 units)
   a. A103 and A105 were completed to make ready status. A portion of the sidewalk area was cut out and replaced near “A” building. About 38 work orders were completed this month.

II. Demark (93 units)
   a. B107, D205, E101, and E108, were completed to make ready status. About 28 work orders were completed this month.

III. Lakewood Village (136 units)
   a. B204 and F203 were completed to make ready status. 65 work orders were completed this month.

IV. Low Income Public Housing (124 homes)
   a. Roof and gutters were cleaned at 14, 16, 81 and 82, 89, 99, 100, 147, 161, 168, 176,178, 186, and 187. 36 work orders were completed this month.

V. Village Square (38 units)
   a. 24 was completed to make ready status. 15 work orders were completed this month.

Training and Development

This month’s safety meeting will cover “Asbestos Awareness” which will explain, what is asbestos, inhalation hazards, health effects, and protective measures.

Victor Lovelace Maintenance Manager Pierce County Housing Authority

1525 108th St S Tacoma, WA 98444-2613

Voice 253.620.5400 ext. 1459 Fax 253.548.0556 vlovelace@pchawa.org

Project Management Report to PCHA Board of Commissioners

June 28, 2023

1. **Section 18 Disposition: 36 Vouchers approved for 2023 Lease-up schedule**
    a. Five units vacant
        i. All five on Habitat "wish list". Offer expected June 27. Funding sources (HTF, Home) fully available July, 2023.
        ii. First round of purchases taking longer due to funding arrival and organization of subordination agreements necessary to stack funding.
        iii. Board review of RE Broker solicitation pending
    b. Two LIPH households currently in escrow, closing July 11 and July 17
        i. Both sales are below appraised value but at maximum borrowing limit for each.
        ii. Two other sales to residents pending. Expect offers withing 30 days.
    c. Working with 12 households for moves in next 90 days
        i. Five additional vacates expected by July 31
        ii. 12 vouchers expected to be issued by July 31
    d. Staffing issues
        i. Lost one Relocation member, expect to hire replacement by July 12
        ii. Considering hiring back retired employee for one day per week
        iii. Considering hiring temp. employee for up to 20 hrs/week.
2. **Of interest**
    a. City of Lakewood CBDG grant:
        i. Project underway. Expected finish mid-August
        ii. Total PCHA outlay anticipated to be approx. $20,000, primarily due to change orders associated with damaged confirmed via paint prep.
    b. Oakleaf and Village Square damaged units
        i. No bid responses from formal solicitation. They will be advertised again.
3. **Capital Fund**
    a. 2022 capital fund request approved: $388,791.

    i. Funds to be drawn down to Operating fund to cover Relocation and Sales Transaction activities.

b. Revised 2022-2026 Capital Fund Five-Year Action Plan
    i. Revised 2023 request to include $90,000 for repair/replace of three septic systems
    ii. Remaining eligible funds (Unknown value at this time) in 2023-2026 Capital Fund to be drawn down to Operating fund to cover Relocation and Sales Transaction activities.

WA054 HCV Leasing and Spending Projection - The Goods

Utilization Report: HCV Utilization March 2023

Print | TYT Guide | TYT Videos

PHA Name	HA of Pierce County	PHA Number	WA054

Save | Access Additional Tools | Disclaimer

ACC/Funding Information

ACC	Current Year (2023)	Year 2 (2024)	Year 3 (2025)
Beginning ACC Vouchers	2,965	2,967	2,967
Funding Components	Current Year (2023)	Year 2 (2024)	Year 3 (2025)
Initial BA Funding (net offset)	$34,429,151	$33,196,555	$35,699,323
Offset of HAP Reserves	$0	$0	$0
Set Aside Funding	$0		
New ACC Units Funding	$1,290,024	$213,574	$0
Total ABA Funding Provided	$35,719,176	$33,410,128	$35,699,323
PHA Income	$0	$0	
Total Cash-Supported Prior Year-End Reserves	-$39,515	$2,483,106	$193,911
Total Funding			
Total Funding Available	$35,679,661	$35,893,234	$35,893,234

Funding Proration/Offset Levels

HAP	
Year 2 (2024) Rebenchmark	100.0%
Year 3 (2025) Rebenchmark	100.0%
Year 2 (2024) % 'Excess' Reserves Offset	0.0%
Year 3 (2025) % 'Excess' Reserves Offset	0.0%
Administrative Fees	
Year 1 (2023)	92.0%
Year 2 (2024)	80.0%

Program Projection Variables

Success Rate	61%	Non-PBV Annual Turnover Rate	6.3%
			EOP Rate as of 4/30/2023 (144 TB.PB EOPs): 5.53%

Time from Issuance to HAP Effective Date (Current: 2.14 months)	
% leased in 30 days	33%
% leased in 30 to 60 days	30%
% leased in 60 to 90 days	29%
% leased in 90 to 120 days	6%
% leased in 120 to 150 days	2%

Leasing and Spending Outcomes: Current and Following Year Projections

	2023	*2024*
UML % of ACC (UMA)	88.3%	91.4%
HAP Exp as % of All Funds	93.0%	99.5%
HAP Exp as % of Eligibility only	92.9%	106.9%
End of Year Results		
Projected 12/31 Total HAP Reserves	$2,483,106	$193,911
HAP Reserves as % of ABA (Start: -0.1%)	*7.0%*	*0.6%*
"Excess" Reserves Subject To Offset	$0	$0

End of Year 3 Results (2025)

$1,579,894	4.4%	Projected Total HAP Reserves ========= Reserves % BA

HUD-Held Reconciliation - 12/31/2022 Cash Sufficiency Check

HUD-established CYE HHR	$246,083		HUD-established CYE HHR	
HUD-Estimated Restricted Net Position	($152,883)	$956,796	PHA-Held Cash 12/31/2022 (VMS)	
HUD-Reconciled	*$93,200*	*$1,202,879*	*HUD-Reconciled (Cash Capped)*	
Lower of H17/I17 (May Override)	($39,515)		Lower of H17/I17 (May Override)	Reserve Adjustment due to PY VMS Changes.

HUD-Reconciled RNP v PHA-Reported RNP

HUD v. PHA difference: ($56,937.00) or -0.2% of Eligibility	($95,946)	<--EOY VMS RNP ============= HUD-estimated RNP-->	($152,883)

Administrative Fees Analysis | See Detail

<= 7,200 UMLs (No Proration)	> 7,200 UMLs (No Proration)		2023	2024
		Admin Fees Earned (PY: $2,793,965)	$2,769,132	$2,471,057
$108.71	$101.49	Expense	$1,501,701	$1,126,848
		Expense %	54.2%	45.6%

WA054 has a cost per UML of $67.83 compared to its Earnings/UML & Size peer group of $86.66 (a difference of -27.8%) and its state peer group (of all PHAs in the state) of $56.87 (a difference of 16.2%).

Based on the most recent, official (end of fiscal year) UNP, WA054 has a projected 2023 Calendar Year-End (CYE) UNP of $2,320,173 (or 83.8% of CY 2023 Earned Admin Fees) and a 2024 CYE UNP of $3,587,605 (or 145.2% of CY 2024 Earned Admin Fees).

WA054 HCV Leasing and Spending Projection - The Goods

2023	UMAs	Actual UMLs	Actual HAP	Vouchers Issued/Projected to be Issued	Non-PBV Additions/Reductions	New Leasing from Issued Vouchers	Non-PBV Estimated Attrition	UMLs: Actual/Projected	HAP: Actual/Projected	PUC: Actual/Projected	Manual PUC Override	Year-to-Date UML %	Year-to-Date ABA Expended %	Monthly UML %	Monthly ABA Expended %
Jan-23	2,965	2,534	$2,662,880					2,534	$2,662,880	$1,051		85.5%	89.5%	85.5%	89.5%
Feb-23	2,965	2,513	$2,662,030					2,513	$2,662,030	$1,059		85.1%	89.4%	84.8%	89.4%
Mar-23	2,967	2,521	$2,615,470					2,521	$2,615,470	$1,037		85.1%	88.9%	85.0%	87.9%
Apr-23	2,967	2,519	$2,610,085					2,519	$2,610,085	$1,036		85.0%	88.6%	84.9%	87.7%
May-23	2,967	**0**	**$0**	116		0		2,573	$2,698,270	$1,049		85.4%	89.0%	86.7%	90.6%
Jun-23	2,967	**0**	**$0**	0		23	-12.4	2,586	$2,689,561	$1,040		85.7%	89.2%	87.2%	90.4%
Jul-23	2,967	**0**	**$0**	70		21	-12.5	2,597	$2,710,225	$1,044		85.9%	89.5%	87.5%	91.1%
Aug-23	2,967	**0**	**$0**	275		35	-12.5	2,621	$2,757,239	$1,052		86.2%	89.9%	88.3%	92.6%
Sep-23	2,967	**0**	**$0**	0		72	-12.7	2,682	$2,847,827	$1,062		86.7%	90.5%	90.4%	95.7%
Oct-23	2,967	**0**	**$0**	0		64	-13.0	2,736	$2,930,227	$1,071		87.2%	91.3%	92.2%	98.4%
Nov-23	2,967	**0**	**$0**	0		51	-13.2	2,776	$2,999,140	$1,081		87.8%	92.2%	93.5%	100.8%
Dec-23	2,967	**0**	**$0**	0		11	-13.4	2,775	$3,013,601	$1,086		88.3%	92.9%	93.5%	101.2%
Total	*35,600*	*10,087*	*$10,550,465*	*461*	*0*	*278*	*-89.8*	*31,432*	*$33,196,555*	*$1,056*		*88.3%*	*92.9%*		
2024															
Jan-24	2,967			5		3	-13.4	2,766	$3,008,382	$1,088		93.2%	108.1%	93.2%	108.1%
Feb-24	2,967			5		1	-13.4	2,755	$3,000,572	$1,089		93.0%	107.9%	92.8%	107.8%
Mar-24	2,967			5		2	-13.3	2,744	$2,993,804	$1,091		92.9%	107.8%	92.5%	107.5%
Apr-24	2,967			5		3	-13.3	2,735	$2,988,043	$1,093		92.7%	107.7%	92.2%	107.3%
May-24	2,967			5		3	-13.2	2,726	$2,982,506	$1,094		92.5%	107.6%	91.9%	107.1%
Jun-24	2,967			5		3	-13.1	2,716	$2,977,056	$1,096		92.4%	107.5%	91.6%	106.9%
Jul-24	2,967			5		3	-13.1	2,707	$2,971,626	$1,098		92.2%	107.4%	91.3%	106.7%
Aug-24	2,967			5		3	-13.0	2,698	$2,966,214	$1,099		92.0%	107.2%	90.9%	106.5%
Sep-24	2,967			5		3	-13.0	2,689	$2,960,821	$1,101		91.9%	107.1%	90.6%	106.3%
Oct-24	2,967			5		3	-12.9	2,681	$2,955,448	$1,103		91.7%	107.0%	90.3%	106.2%
Nov-24	2,967			5		3	-12.9	2,672	$2,950,093	$1,104		91.6%	107.0%	90.0%	106.0%
Dec-24	2,967			5		3	-12.8	2,663	$2,944,758	$1,106		91.4%	106.9%	89.8%	105.8%
Total	*35,604*	*0*	*$0*	*60*	*0*	*33*	*-157.5*	*32,552*	*$35,699,323*	*$1,097*		*91.4%*	*106.9%*		

Graphs

FINANCIAL - Beginning Year: Cash & Investments (VMS) of $956,796 compares to RNP (VMS) of $-95,946. Current: VMS Cash & Investments of $2,229,274 compares to VMS NRP plus UNP of $2,229,273. SPVs: Additional SPV leasing should focus on the 50 unleased VASH vouchers and the 24 unleased NED vouchers. PBVs: Currently, the PHA reports 201 leased PBVs, for a leased PBV rate of 83%. Additional leasing should focus on the 42 unleased PBVs, for which the PHA is making vacancy payments on 0. Finally, the PHA reports 0 PBVs under AHAP.

Comments (Hover for VMS Comments)

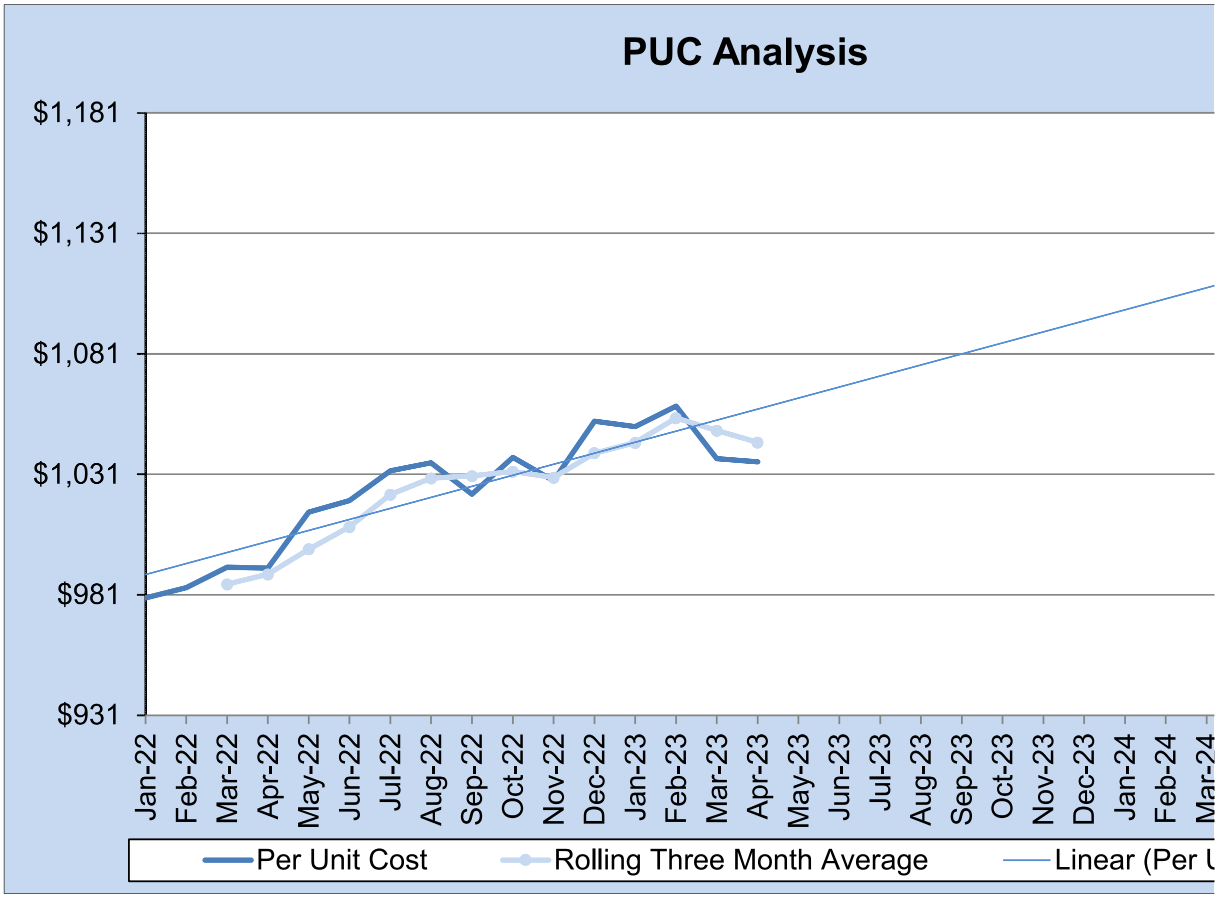
HCV Leasing and Spending Projection

PUC Analysis						
Year	Month	ACTUAL Leased Units	Actual HAP	Per Unit Cost	Monthly Change	Rolling Three Month Average
2022	J	2,648	$2,594,448	$979.78		
2022	F	2,644	$2,601,498	$983.93		
2022	M	2,643	$2,623,181	$992.50	**0.87%**	$985.40
2022	A	2,646	$2,625,174	$992.13	**-0.04%**	$989.52
2022	M	2,606	$2,645,821	$1,015.28	**2.33%**	$999.97
2022	J	2,586	$2,637,958	$1,020.09	**0.47%**	$1,009.17
2022	J	2,538	$2,620,303	$1,032.43	**1.21%**	$1,022.60
2022	A	2,531	$2,621,497	$1,035.76	**0.32%**	$1,029.43
2022	S	2,575	$2,633,476	$1,022.71	**-1.26%**	$1,030.30
2022	O	2,548	$2,644,775	$1,037.98	**1.49%**	$1,032.15
2022	N	2,600	$2,673,714	$1,028.35	**-0.93%**	$1,029.68
2022	D	2,551	$2,686,433	$1,053.09	**2.41%**	$1,039.81
2023	J	2,534	$2,662,880	$1,050.86	**-0.21%**	$1,044.10
2023	F	2,513	$2,662,030	$1,059.30	**0.80%**	$1,054.42
2023	M	2,521	$2,615,470	$1,037.47	**-2.06%**	$1,049.21
2023	A	2,519	$2,610,085	$1,036.16	**-0.13%**	$1,044.31
2023	M					
2023	J					
2023	J					
2023	A					
2023	S					
2023	O					
2023	N					
2023	D					
2024	J					
2024	F					
2024	M					
2024	A					
2024	M					
2024	J					

Choose PUC Method	Average Rolling Three-Month Change

Material Nev
a Material N

HCV Leasing and Spending Projection

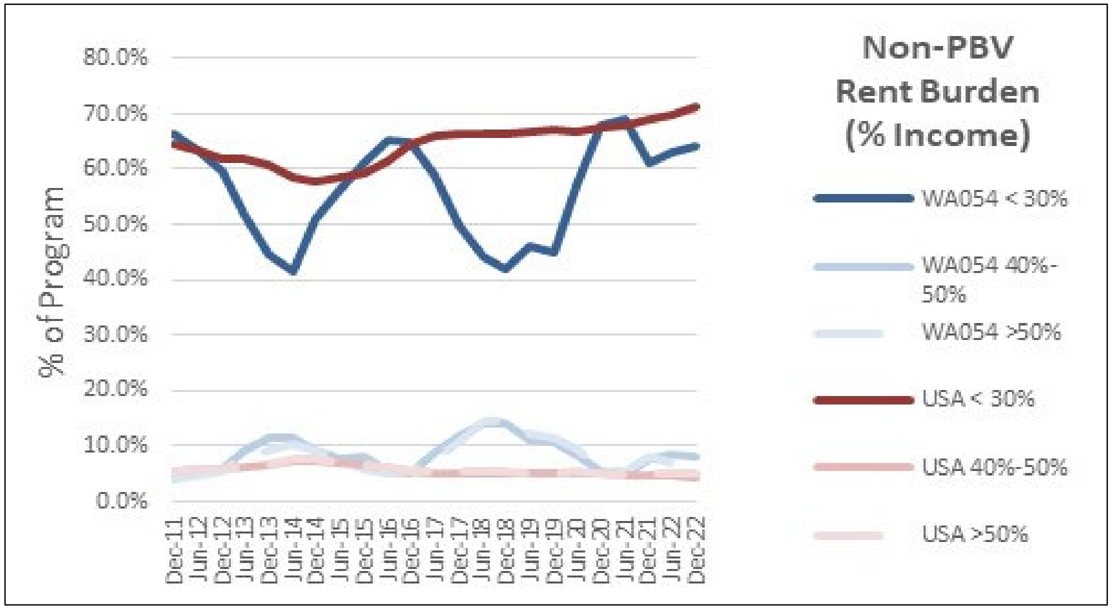


Remove Abated Units from PUC

R-Squared, last 6 months

w Units at
lew PUC?

HCV Leasing and Spending Projection



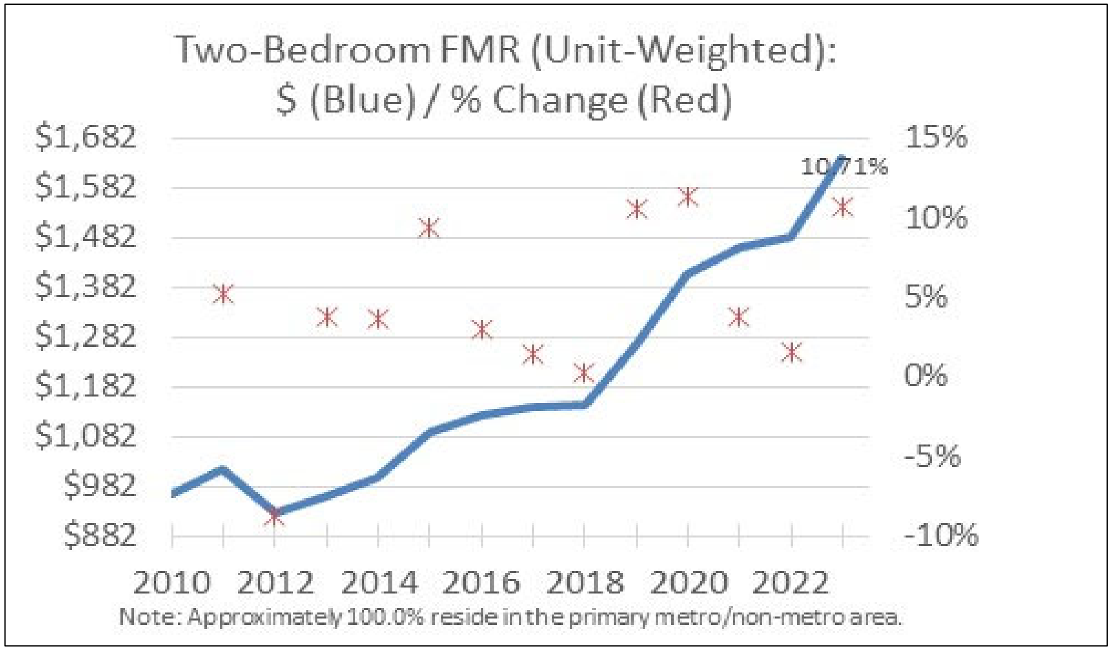
Count of Areas (i.e. Zip Code) in SAFMR	45
% of November 2022 UML - within SAFMR	87.8%
Count of Areas - SAFMR > FMR	20
% of November 2022 UML - SAFMR > FMR	31.7%

Open SAFMR Detail Analysis

Exception Payment Standard: SAFMR	PIH 2018-01
WA054 is not participating in SAFMRs.	

Exception Payment Standard: Expedited 120%/Immediate	PIH 2022-30
WA054 applied for neither the 120% payment standard waiver, nor the expedited implementation waiver.	

Success Rate Payment Standard - Use 50th Percentile	CFR



P H A : W A 0 5 4	Quality Assurance Check		
	Topic	TYT Input	QA Question
	Success Rate (Cell K5)	61%	Have you obtained the actual PHA success rate, rather than use the default 70%? Please address in the checklist if you use the default success rate rather than obtaining a success rate from the PHA.
	Time from Issuance to HAP Effective Date (Cells K8 -K12)	2.14	Have you obtained the actual time it takes from issuance to HAP effective date, rather than use the default 2.28 months? Please address in InfoPath if you use the default time from issuance to HAP.
	PHA-Reported RNP v. HUD-estimated RNP	0.63	If the PHA-Reported RNP is materially more/less than FMC - have you determined why? Please address in the checklist.
	End Of Participation Rate (Cell M5)	6.3%	Have you validated the auto-populated EOP rate with the PHA, i.e. checked in with them to see if the number is reasonable? Does it reflect PIC?
	Per Unit Cost Used in Projection	See "PUC.RB Analysis" Tab	Have you determined that the last actual PUC is reasonable going forward (see "PUC Analysis" Tab)? Did you discuss with the PHA? If needed, have you used the Manual PUC Override (Column M)?
	Utilization Performance: 2023 - Proj. Year End HAP Reserves %	7.0%	If 12/31 HAP Reserves show red (based on PHA size) and is positive, have you addressed leasing potential with the PHA? If the 12/31 HAP Reserves show red (based on PHA size) and is negative - it's '23 now but will I live to see '24? The ways things is going I don't know. #RIPCoolio. Please address in checklist.
	Utilization Performance: 2024 - Proj. Year End HAP Reserves %	0.6%	Ideally, you and the PHA have discussed tentative leasing plans into Year 2. Is this reflected in an issuance scenario?
	Vouchers on the Street	461	Have the most recent month's uncontracted vouchers on the street (in VMS) been entered in Column F - unless you have obtained from the PHA the ongoing number of vouchers actually issued for the last several months?
	Issuance/Leasing Scenario	Has a projected leasing scenario been discussed with the PHA for the current year? For the following year? Is this displayed in the forecast in the form of future months issuances in Column F? Please discuss.	

Data Upload

Project-Based Information

VMS Fields	CURRENT		
Number of PBV Under AHAP	0		
PBV Under HAP - Leased	201		
PBV Under HAP - Not Leased	42	17.3% Vacant PBV	
PBV Vacancy Payments	0		
PBV HAP	$166,315		
RAD - Comp 1 UMLs	0	0	HUD-Anticipated UMAs
RAD - Comp 1 HAP	$0		
RAD - Comp 2 UMLs	0	0	
RAD - Comp 2 HAP	$0		

VMS Data Analysis

Leased PBV, but NO unleased PBV?	
More RAD leased than PBV leased (RAD is subset of PBV)?	
More RAD HAP than PBV HAP (RAD is subset of PBV)?	
Not reporting any RAD1, when RAD1 exists?	
Not reporting any RAD2, when RAD2 exists?	
Underreporting PBVs (leased and unleased) when RAD1/2 exists?	
Underreporting PBV Under HAP - Not Leased based on RAD underleased?	

PIC Data Analysis