



# **PIERCE COUNTY HOUSING AUTHORITY**

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

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## **INFORMATION PACKET FOR THE BOARD OF COMMISSIONERS' REGULAR MEETING**

**CHATEAU RAINIER  
TUESDAY, JUNE 14TH, 2022**





## PIERCE COUNTY HOUSING AUTHORITY

603 South Polk Street, Tacoma, WA 98444

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### LUNCHEON AND MEETING AGENDA FOR THE BOARD OF COMMISSIONERS

DATE OF EVENT:

June 14<sup>th</sup>, 2022

LOCATION:

Fife Community Center, 2111 54th Ave E., Fife, WA 98424

TIME:

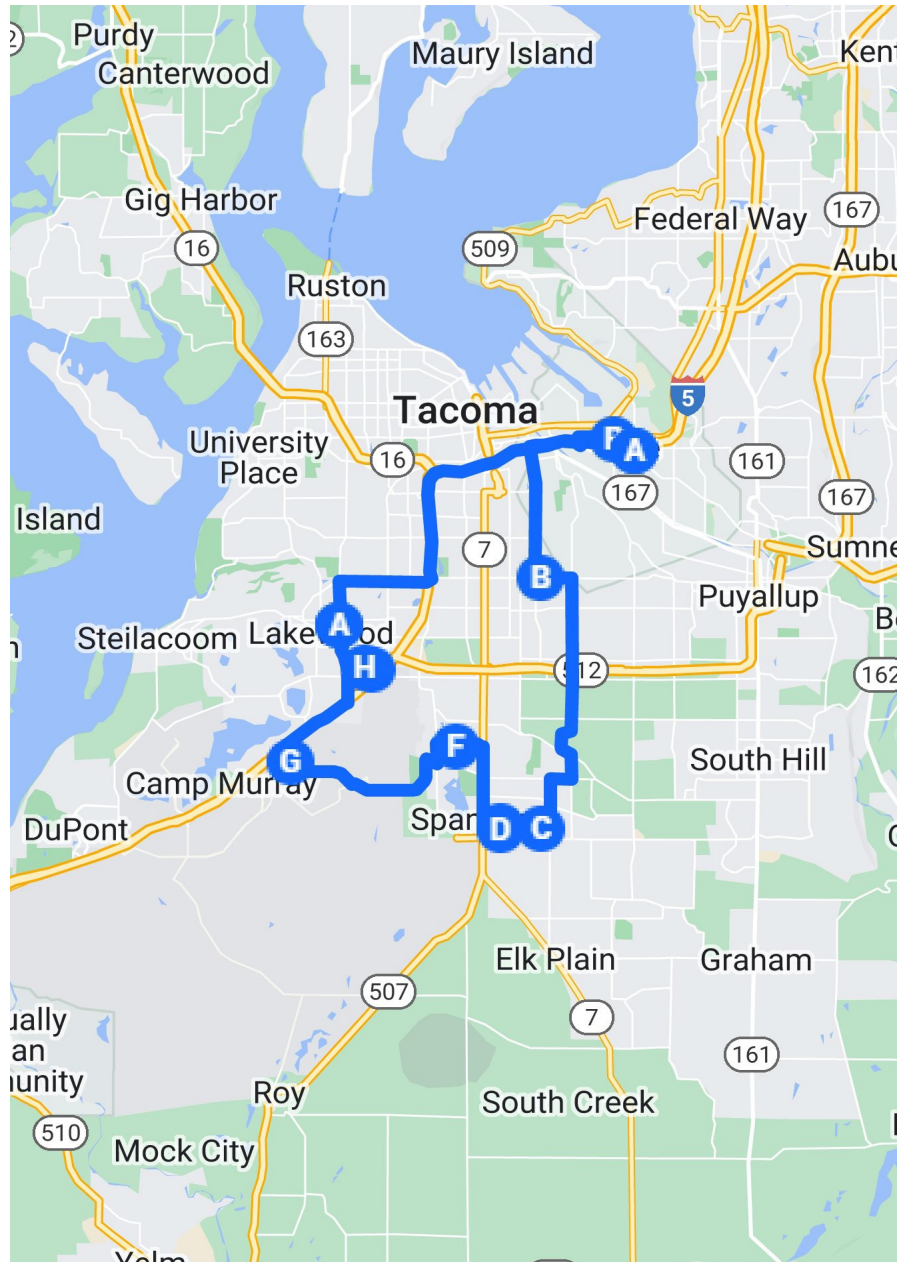
ACTIVITY:

12:00:00 PM	All-Staff PCHA Luncheon Begins at the Fife Community Center
01:30:00 PM	Charter Bus departs from the Fife Community Center with the Board of Commissioners and the Leadership Team to tour the apartment communities and select scattered LIPH sites
03:15:00 PM	The Charter Bus returns passengers to the Fife Community Center
03:30:00 PM	The June 14, 2022 Board Meeting begins in the Chateau Rainier conference room
05:15:00 PM	The Board Meeting adjourns

## ROUTE

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1. Fife Community Center, 54th Avenue East, Fife, WA, USA
2. 1802 72nd St E, Tacoma, WA 98404, USA
3. 17121 19th Ave E, Spanaway, WA 98387, USA
4. 17302 5th Ave E, Spanaway, WA 98387, USA
5. 419 172nd St E, Spanaway, WA 98387, USA
6. 13862 10th Ave S, Tacoma, WA 98444, USA
7. 7320 146th St SW, Lakewood, WA 98439, USA
8. 10810 Lakeview Avenue SW, Lakewood, WA 98499
9. 4111 110th St SW, Tacoma, WA 98499, USA
10. 9100 Lakewood Drive Southwest, Lakewood, WA 98499, USA
11. 4600 16th Street East, Fife, WA 98424, USA
12. Fife Community Center, 54th Avenue East, Fife, WA, USA





## PIERCE COUNTY HOUSING AUTHORITY

603 South Polk Street, Tacoma, WA 98444

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### AGENDA FOR THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS

Tuesday, June 14<sup>th</sup>, 2022

Location: Chateau Rainier Meeting Room

4600 16th Street East

Fife, WA 98424

Time: 3:30PM

1. ROLL CALL
2. PUBLIC COMMENT – FIVE (5) MINUTES PER SPEAKER
3. OLD BUSINESS
  - a. CONSIDER A MOTION APPROVING THE MINUTES FOR THE REGULAR BOARD MEETING HELD ON MAY 25, 2022.....9
  - b. CONSIDER A MOTION RATIFYING THE PAYMENT OF CASH DISBURSEMENTS TOTALING \$3,605,024.17 FOR MAY 2022.....15
4. REPORTS
  - a. Introduction of Staff
  - b. Financial Report – Acting CFO Moreen Forde .....19
  - c. Affordable Housing – Director Christina McLoed.....37
  - d. Maintenance – Director Victor Lovelace .....39
  - e. Project Management – Director Sean McKenna.....41
  - f. Supported Housing – Director Tamara Meade
  - g. Executive Report – Executive Director Jim Stretz
5. STUDY SESSION: CONSULTANT REPORT
  - a. Greg Byrne Consulting's Report .....45
  - b. Q&A
6. COMMISSIONER’S CORNER
7. EXECUTIVE SESSION IF NEEDED

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.

8. ADJOURNMENT



# **PIERCE COUNTY HOUSING AUTHORITY**

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## **OLD BUSINESS**

Tuesday, June 14<sup>th</sup>, 2022



**PIERCE COUNTY HOUSING AUTHORITY  
BOARD OF COMMISSIONERS REGULAR MEETING**

**Wednesday, May 25, 2022 3:30 p.m.**

**Zoom**

**REVISED AGENDA**

1. ROLL CALL
2. PUBLIC COMMENT – FIVE (5) MINUTES PER SPEAKER
3. CONSIDER A MOTION APPROVING THE MINUTES FOR THE REGULAR BOARD MEETING HELD ON April 27, 2022. **Pages 2 to 4**
4. CONSIDER A MOTION RATIFYING THE PAYMENT OF CASH DISBURSEMENTS TOTALING
5. \$3,608,926.06 FOR April 2022 **Page 5**
6. CONSIDER A MOTION CREATING A FINANCE COMMITTEE AND A PROGRAM COMMITTEE
7. REPORTS
  - A. INTRODUCTION OF STAFF
  - B. FINANCE - Moreen Ford Acting CFO **Page 8 to 38**
  - C. Follow-up Board Retreat - Jim
    - i. PCHA Financial Condition - County BDO Report (**page 38 to 97**) and HUD QAD Report **Page 98 to 114**
    - ii. Commissioner Job Description **Page 115 to 118**
    - iii. Meeting with Tacoma Housing Authority
    - iv. Schedule next two work sessions
      1. Tour of properties/lunch with staff
      2. Mission statement review
  - D. Matters of Importance with discussion of possible dashboard data
    - i. Vouchers and Public Housing – Tamara
    - ii. Enterprise Apartments – Tina
    - iii. Facilities and maintenance – Victor
    - iv. Project management - Sean
8. WORK SESSION: REPOSITIONING
  - A. Historic steps taken by the Authority Pages 119 to 130
  - B. Possible uses of Proceeds Pages 131-133
9. COMMISSIONER'S CORNER
10. EXECUTIVE SESSION IF NEEDED

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.
11. ADJOURNMENT





## PIERCE COUNTY HOUSING AUTHORITY

603 South Polk Street, Tacoma, WA 98444

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### MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMISSIONERS

May 25, 2022

Location: via Zoom

In attendance via Zoom: Chairperson Martinez  
Vice Chairperson Walton  
Commissioner Blaksley  
Commissioner Miller  
Commissioner Stewart

Also in attendance via Zoom: Jim Stretz, Executive Director  
Moreen Forde, Acting Chief Financial Officer  
Victor Lovelace, Maintenance Director  
Tina McLeod, Director of Operations  
Sean Mckenna, Director of Project Management  
Tamara Meade, Director of Supported Housing Programs  
Jennifer Groninga, Housing Specialist  
Riley Guerrero, Administrative Assistant  
Freddie Nanguata, Maintenance Specialist

Chairperson Martinez called the meeting to order at 3:34 pm. Roll call was taken with those in attendance.

#### **PUBLIC COMMENT:**

Chairperson Martinez asked if there was any public comment. There was no public comment.

#### **OLD BUISINESS:**

Chairperson Martinez asked the Board to consider a motion approving the minutes of the regular board meeting held on April 27<sup>th</sup>, 2022. Commissioner Walton so moved. Commissioner Stewart seconded the motion. A voice vote was taken with the following result:

	In favor	Opposed	Abstain	Absent
Chairperson Martinez	■	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vice Chairperson Walton	■	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Blaksley	■	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Miller	■	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Stewart	■	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Chairperson Martinez asked the Board to consider a motion ratifying the payment of cash disbursements for January 2022. Commissioner Miller so moved. Commissioner Blaksley seconded the motion. A voice vote was taken with the following result:

	In favor	Opposed	Abstain	Absent
Chairperson Martinez	■	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vice Chairperson Walton	■	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Blaksley	■	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Miller	■	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Stewart	■	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## **REPORTS:**

New staff, Riley Guerrero and Freddie Nanguata, were introduced to the Board of Commissioners by Jim Stretz and Victor Lovelace respectively.

Chairperson Martinez asked for the finance report. Acting CFO Moreen Forde went over her written reports, as detailed in the May 25<sup>th</sup> Board Packet. Rental income being \$200,000 lower than in previous years was discussed, as well as the increase in revenue from utility fees. The deficit of \$107,565 was discussed. Commissioner Miller asked that CFO Forde give the takeaway for her report. Forde replied that the report showed solvency. The report was accepted by the Commission.

Chairperson Martinez asked for the follow-up report from the Board Retreat on May 7<sup>th</sup> from Executive Director Jim Stretz. Executive Director Stretz discussed the efforts made on the part of the PCHA in the previous three years that had altered its approach from the unsustainable practices documented in the HUD Report. There was discussion of \$250,000 in unsubstantiated funds from this period. There was also discussion of the key metrics of solvency, and of the HUD report no longer describing the current operating conditions of the PCHA. These were listed as leadership retention among key positions, a pivot in philosophy back towards the PCHA mission statement, and increased staff cooperation and coordination. There was also discussion of the new software conversion being implemented to increase the functionality and transparency of the Finance Department, and HUD approval of PCHA's current methodology.

Executive Director Stretz then discussed a memo shared by April Black with the Tacoma Housing Authority Board of Commissioners that detailed her recommendation that the Tacoma Housing Authority and Pierce County Housing Authority not merge, but instead increase cooperation and revisit the consideration of a merger in 2024. There was a discussion on the propriety of this memo, at which point Commissioner Miller excused himself from the meeting. Commissioner Miller was not present for all further points of discussion or action.

The 2022 PCHA All-Staff Luncheon was announced to the board members for their consideration and attendance. Possible dates and times for the luncheon were discussed, with resolution that the event would best be held in the afternoon on the 14<sup>th</sup> of June.

Director of Supported Housing Tamara Meade reported on the successes recently achieved through the PCHA's Emergency Housing Voucher program. This program encompassed at the time of report 62 vouchers, with 19 recipients housed and 43 issued and seeking housing. These vouchers also, according to Director Meade, allowed for PCHA to assist recipients in broader ways than a usual Housing Choice Voucher would, including help with relocation, furniture, personal identification documents, and security deposits. Director Meade also brought to the Board's attention the recent

developments in Safe Parking Initiatives across Pierce County, and their impacts on communities that the PCHA serves.

Director of Operations Christina McLoed went over her written report, and explained the current process of turning units over after move-outs, which she estimated to cost between \$5,000 to \$6,000 per unit. She discussed the strength and morale of the staff during this process.

Vice Chairperson Walton raised the question of overall morale given current staffing shortages. Director McLoed answered that though she is short 4 positions, that the process has been initiated to hire in 3 of those positions, and her existing staff are excited about the new directions undertaken by PCHA leadership. Director Meade concurred, and said that though she is currently down 3 positions, those absences were caused by life circumstances and not PCHA working conditions. Director Lovelace stated that morale in maintenance is high after the recent removal of the salary cap. Director McKenna agreed. Vice Chairperson Walton stated she was pleased to hear this report, as high morale is necessary for proper coordination.

Director of Maintenance Victor Lovelace discussed his written report. He acknowledged the backlog of maintenance concerns when understaffed, but also discussed the success of the “all hands on deck” strategy for tackling larger-scale projects.

Director of Project Management Sean McKenna went over his written report. He explained the Emergency Housing Voucher and Low Income Public Housing programs as they related to his repositioning, and that he had contracted a consultant to further explore our repositioning options. He also discussed the current feasibility study being conducted on whether the PCHA could modernize a second office space in its portfolio to create a more workable space for a growing workforce. Chairperson Walton asked whether there were possibilities for generating revenue from the lease of this office space, and whether that would account for a better use of funds.

### **WORK SESSION:**

A work session was held on the repositioning strategy for PCHA's Low Income Public Housing. There was discussion on how sales should proceed, and the potential uses for Project Based Vouchers that this project could generate. There was also discussion on HUD's approval for this projects, and how to consider the buyers for the sale of these properties. More information was determined to be provided by the consultant at a later date.

### **COMMISSIONER'S CORNER:**

Chairperson Martinez asked if there was anything for the Commissioner's Corner. Vice Chairperson Walton asked if the Directors had any requests for her in an upcoming meeting with County directors. Requests were made for more clarity about the merger, land, services, and deputies for sheriff's evictions.

Vice Chairperson Walton inquired as to the concerns of a member of the public who had attended prior meetings. Director Meade informed her that the matter had been resolved.

Chairperson Martinez announced that he had a scheduling conflict for the 29<sup>th</sup> of June, the date of the June meeting.

### **EXECUTIVE SESSION:**

No Executive Session was called.

**ADJOURNMENT:**

Chairperson Martinez asked for the Board to consider a motion to adjourn the meeting. Vice Chairperson Walton so moved. Commissioner Blaksley seconded.

	In favor	Opposed	Abstain	Absent
Chairperson Martinez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vice Chairperson Walton	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Blaksley	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Miller	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Commissioner Stewart	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Meeting adjourned at 6:00 pm.



## CASH DISBURSEMENTS

May 2022

June 14, 2022

### PIERCE COUNTY HOUSING AUTHORITY Report of Cash Disbursements Period Ending May, 2022

Below are the cash disbursements for the month of May, 2022

Account Name	Bank	Check and ACH Disbursements	ACH Direct Pays	Bank Fees	Total May-22	Apr-22	Variance
Apts General	US Bank	513.05	571.15	-	1,084.20	2,105.45	(1,021.25)
General Operation	US Bank	582,369.16	178,164.75	1,250.30	761,784.21	699,200.99	62,583.22
Payroll	US Bank	-	146,453.19	-	146,453.19	150,824.86	(4,371.67)
Section 8 HAP	US Bank	2,649,889.55	-	-	2,649,889.55	2,730,744.01	(80,854.46)
S8 FSS	US Bank	39,215.63	-	-	39,215.63	-	39,215.63
LIPH Management	US Bank	2,938.00	-	-	2,938.00	3,312.00	(374.00)
FNMA T&I Escrow	Greystone	-	3,659.39	-	\$3,659.39	\$22,738.75	(19,079.36)
TOTAL		3,274,925.39	328,848.48	1,250.30	\$3,605,024.17	\$3,608,926.06	(3,901.89)

**NOTE:** Gen Ops-ABS Valuation Invoice \$99,900.00 for LIPH Appraisals  
S8 FSS-Graduation Escrow \$32,488.31 and Escrow Rescind \$6,727.32

DISBURSEMENTS audited by the Auditing Officer as required by RCW 42-24-090,  
have been recorded on a listing which has been made available to the Board of Commissioners  
of the Housing Authority of Pierce County.

Dated this day, June 14, 2022 the Board of Commissioners

<http://www.leg.wa.gov/>



<http://www.leg.wa.gov/>

[42.24.080](#) << 42.24.090 >> [42.24.100](#)

#### RCW 42.24.090

##### **Municipal corporations and political subdivisions -- Reimbursement claims by officers and employees.**

No claim for reimbursement of any expenditures by officers or employees of any municipal corporation or political subdivision of the state for transportation, lodging, meals or any other purpose shall be allowed by any officer, employee or board charged with auditing accounts unless the same shall be presented in a detailed account: PROVIDED, That, unless otherwise authorized by law, the legislative body of any municipal corporation or political subdivision of the state may prescribe by ordinance or resolution the amounts to be paid officers or employees thereof as reimbursement for the use of their personal automobiles or other transportation equipment in connection with officially assigned duties and other travel for approved public purposes, or as reimbursement to such officers or employees in lieu of actual expenses incurred for lodging, meals or other purposes. The rates for such reimbursements may be computed on a mileage, hourly, per diem, monthly, or other basis as the respective legislative bodies shall determine to be proper in each instance: PROVIDED, That in lieu of such reimbursements, payments for the use of personal automobiles for official travel may be established if the legislative body determines that these payments would be less costly to the municipal corporation or political subdivision of the state than providing automobiles for official travel.

All claims authorized under this section shall be duly certified by the officer or employee submitting such claims on forms and in the manner prescribed by the state auditor.

[1995 c 301 § 73; 1981 c 56 § 1; 1965 c 116 § 2.]

Date: 06/10/2022  
 Time: 9:13:44 AM  
 By: dxs

## A/P Trade Report

Page:1  
 Rpt:G:\HMS\REPORTS\aptrade.qrp

A/Employee			
Name	Check Date	Check #	Check Amount
Kristina Hansen	05/10/2022	7613	\$16.38
Bobbie Jones	05/10/2022	7615	\$6.25
Kristina Hansen	05/17/2022	7625	\$167.31
Bobbie Jones	05/17/2022	7629	\$148.59
Ebonique M Moore	05/17/2022	7631	\$131.04
Krystal L VonGnatensky	05/17/2022	7639	\$63.77
James Christopher King	05/31/2022	7649	\$137.86
James Stretz	05/31/2022	7660	\$62.01
Total For : A/Employee			<u><u>\$733.21</u></u>

# **PIERCE COUNTY HOUSING AUTHORITY**

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

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## **REPORTS**

Tuesday, June 14<sup>th</sup>, 2022





## FINANCE REPORT

Moreen Forde

June 14, 2022

To: Honorable Chair and Members of the Board of Commissioners From:

Moreen Forde, Acting Chief Financial Officer

Date: June 9, 2022

Re: Budget Variance Report for April 30, 2022

### **BACKGROUND**

This high-level, Budget Variance Report covers preliminary unaudited financial operating results for the period of April 30, 2022. These numbers are draft and subject to change.

It is important to note that the financial report includes three limited liability corporations (LLC) properties that make up the Greystone properties. During 2014, the Authority established three separate Limited Liability Companies: Chateau Rainier Apartments LLC, deMark Apartments LLC and Lakewood Village Apartments LLC, for the purpose of debt refunding. The refunding occurred in 2015 and the Authority transferred all assets and liabilities to these three separate legal entities.

### **DISCUSSION**

#### Overview

Year-to-date variances are as follows:

- a) Operating Revenues are under budget by \$212,589 (about 2%)
  1. Rental Income is under budget by \$258,710
  2. Other Tenant Revenue is over budget by \$58,728
  3. Other Income is over budget by \$78,276
  4. Housing Assistant Subsidy is under budget by \$78,276
  5. LIPH Operating Grant is under budget by \$14,620
- b) Operating Expenses are over budget by \$309,339 (about 2%)
  1. Central Administration expenses are under budget.
  2. Utilities are over budget.
  3. Maintenance Costs are over budget.
  4. Wages and Benefits on Site are under budget.
  5. FSS Payments are under budget.
  6. General Taxes, Insurance is over budget.
  7. HAP/FSS Payments are over budget.
  8. Vendor, Lender, Professional & Other Fees are under budget.
- c) Profit before non-Operating Revenues/Expenses is under budget by \$521,928 (46%)
- d) Net Operating Income after Operating Costs is under budget by \$520,971

#### Operations - Revenue

Rental income (Total Tenant Revenue) of \$2,294,650 is under budget by \$258,710(10%); other tenant revenue is over budget \$58,728 and other income is over budget by \$59,717 due to FSS forfeiture of \$25,293 and insurance claim

proceeds of \$34,726. The budget for Housing Assistance Payments (HAP) is under budget by \$78,275, Low-Income Public Housing (LIPH) Operating Grant is under budget by \$14,620. Other income includes such items as fraud recovery from unreported income from families, fees from administering vouchers for other housing authorities (Portability) and forfeitures from the Family Self Sufficiency (FSS) program.

HCV administrative fee income is reported at the amount received from HUD. The factors that affect how much administrative fee PCHA receives are (1) the percentage of proration HUD announces and

(2) The number of units leased as of the first of each month. HUD issued a notice that the Advanced administrative fees for the month of April through May 2022 were 88% proration.

#### Operations - Expenses

Total Operating expenses are more than the year-to-date budget by \$309,339 (less than 2%). Contributing factors are - Central administrative cost are under budget by \$115,959, wages and benefits are under budget by \$94,838, maintenance costs are over budget by \$23,574; utilities are over budget by \$94,949 and general, taxes and insurance are over budget by \$195,050 due to increase cost in insurance and continued maintenance work.

#### **Emergency Housing Vouchers**

The housing authority was allocated 62 emergency housing vouchers to assist individuals and families who are (1) homeless; (2) at risk of homelessness; (3) fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking or human trafficking; or (4) recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability. (Notice PIH 2021-25(HA))

#### **Statement of Net Position**

Currently PCHA has sufficient cash flow to timely pay vendors as their invoices come due and meet the salary and benefit liability of the current staff, basically maintain day-to-day operations.

#### **OTHER ISSUES IMPACTING FINANCE DEPARTMENT**

Nan McKay and Associates (NMA) has taken on the role of Acting Finance Director and continues to provide consulting services. They also prepare and submit the HUD's monthly Voucher Management System (VMS) to REAC.

The housing authority submitted the unaudited FDS for CY 2021 on March 3, 2022. This submission was approved by the REAC team. The audited financial statement for Calendar Year 2020 was submitted to REAC on March 29, 2022. The submission is in review status. The audited financial statements were submitted the State office on May 30, 2022.

Respectfully submitted,

Moreen Forde  
Acting Chief Financial Officer

Attachment: Year to date financials budget to actual

Pierce County Housing Authority  
Statement of Revenues and Expenses  
April 30, 2022

	2022					2021				
	TOTAL PHA-WIDE CURRENT YEAR					TOTAL PHA-WIDE PRIOR YEAR				
	April-22	Y-T-D	BUDGET	VARIANCE	Variance %	April-21	Y-T-D	BUDGET	VARIANCE	Variance %
<b>Operating Revenues:</b>										
Rent Income	\$ 592,336	\$ 2,294,650	\$ 2,553,360	\$ 258,710	10%	\$ 563,322	\$ 2,254,645	\$ 2,371,144	\$ 116,499	5%
Other Tenant Revenue	80,104	325,048	266,320	(58,728)	-22%	10,027	33,597	46,110	12,513	27%
Other Income	2,760	70,497	10,780	(59,717)	-554%	15,848	52,390	49,994	(2,396)	-5%
Housing Assistance Grants	2,461,740	9,921,724	10,000,000	78,276	1%	2,380,436	9,528,020	9,528,020	-	0%
FSS Grant	7,816	29,581	20,596	(8,985)	-44%	11,014	53,295	53,295	-	0%
Admin Operating Grant	206,595	863,820	852,976	(10,844)	-1%	187,750	830,229	830,229	-	0%
EHV Service Fees	-	1,009	-	(1,009)	1%	-	-	-	-	0%
Rural Rental Grant	9,070	36,601	36,867	266	1%	9,375	38,492	38,492	-	0%
LIPH Operating Grant	42,626	167,683	182,303	14,620	8%	32,327	121,056	121,056	-	0%
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 3,403,047</b>	<b>\$ 13,710,613</b>	<b>\$ 13,923,202</b>	<b>\$ 212,589</b>	<b>2%</b>	<b>\$ 3,210,099</b>	<b>\$ 12,911,724</b>	<b>\$ 13,038,340</b>	<b>\$ 126,616</b>	<b>1%</b>
<b>Operating Expenses:</b>										
Central Administration	\$ 64,387	\$ 249,953	\$ 365,912	\$ 115,959	32%	\$ 48,882	\$ 256,430	\$ 449,202	\$ 192,772	43%
Utilities	112,008	321,629	226,680	(94,949)	-42%	99,331	295,267	291,128	(4,139)	-1%
Maintenance Costs	124,406	576,341	552,767	(23,574)	-4%	122,792	469,650	361,483	(108,167)	-30%
Wages & Benefits On Site	216,912	899,402	994,240	94,838	10%	200,195	787,416	924,126	136,710	15%
General-Taxes, Insurance	231,578	660,562	465,512	(195,050)	-42%	134,288	452,683	214,106	(238,577)	-111%
FSS Payments	8,696	38,929	51,976	13,047	25%	8,436	46,242	46,242	-	0%
Housing Assistance/FSS Payments	2,697,270	10,254,884	10,000,000	(254,884)	-3%	2,350,420	9,414,237	9,414,237	-	0%
EHV Expenses	8,513	35,580	33,600	(1,980)	-6%	-	-	-	-	0%
Rural Rental Assistance	6,736	27,382	41,407	14,025	34%	7,041	29,155	29,155	-	0%
Independent Audit Costs	4,272	8,986	12,000	3,014	25%	-	29,508	23,998	(5,510)	-23%
Vendor, Lender, Professional & Other Fees	8,299	23,965	44,180	20,215	46%	4,942	21,146	16,685	(4,461)	-27%
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 3,483,077</b>	<b>\$ 13,097,613</b>	<b>\$ 12,788,274</b>	<b>\$ (309,339)</b>	<b>-2%</b>	<b>\$ 2,976,327</b>	<b>\$ 11,801,734</b>	<b>\$ 11,770,362</b>	<b>\$ (31,372)</b>	<b>0%</b>
<b>PROFIT (LOSS) AFTER OPERATING COSTS</b>	<b>\$ (80,030)</b>	<b>\$ 613,000</b>	<b>\$ 1,134,928</b>	<b>\$ 521,928</b>	<b>46%</b>	<b>\$ 233,772</b>	<b>\$ 1,109,990</b>	<b>\$ 1,267,978</b>	<b>\$ 157,988</b>	<b>12%</b>
<b>Non Operating Revenues (Expenses):</b>										
Special Items	\$ -	\$ -	\$ -	\$ -	0%	\$ -	\$ (4,288)	\$ (4,288)	\$ -	0%
Gain (Loss) on Disposition of Assets	49	(153)	8,333	8,486	43%	(1,849)	(5,254)	(5,254)	-	0%
Investment/Interest Earnings	50	191	333	142	0%	50	272	272	-	0%
Depreciation	(125,469)	(519,679)	(526,227)	(6,548)	1%	(131,480)	(527,451)	(527,451)	-	0%
Mortgage Interest Expense	(79,091)	(317,015)	(320,052)	(3,037)	175%	(80,593)	(323,100)	(323,100)	-	39%
<b>NET OPERATING INCOME (NOI)</b>	<b>\$ (284,491)</b>	<b>\$ (223,656)</b>	<b>\$ 297,315</b>	<b>\$ 520,971</b>	<b>171%</b>	<b>\$ 19,900</b>	<b>\$ 250,169</b>	<b>\$ 408,157</b>	<b>\$ 157,988</b>	<b>51%</b>
Capital Contributions	\$ 13,493	\$ 13,493	\$ -	\$ (13,493)		\$ -	\$ -	\$ -	\$ -	
Section 8 Cares Act	-	-	-	-		(25,762)	(89,025)	(89,025)	-	
Section 8 Cares Act - Expense	-	-	-	-		(9,113)	(9,113)	(9,113)	-	
LIPH Cares Act Funds	-	-	-	-		-	-	-	-	
LIPH Cares Act Expenses	-	-	-	-		-	-	-	-	
<b>YTD CHANGE TO NET ASSETS</b>	<b>(270,998)</b>	<b>(210,163)</b>	<b>297,315</b>	<b>507,478</b>	<b>171%</b>	<b>(14,975)</b>	<b>152,031</b>	<b>310,019</b>	<b>157,988</b>	<b>51%</b>

Pierce County Housing Authority  
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	B			C			B-C			D			E			D-E		
	Orting-Senior Apartments			Orting-Senior Apartments			Orting-Senior Apartments			Orting-Senior Apartments			Orting-Senior Apartments			Orting-Senior Apartments		
	Month			Month			Month			Y-T-D			Y-T-D			Y-T-D		
	April 2022			April 2021			Variance			April 2022			April 2021			Variance		
<b>Operating Revenues:</b>																		
Rent Income	\$ 11,070			\$ 11,070			\$ -			\$ 44,895			\$ 45,255			\$ 360		
Other Tenant Revenue	995			931			(64)			4,042			5,213			1,171		
Rental Assistance	6,736			7,041			305			27,382			29,155			1,773		
Subsidy Interest	2,334			2,334			-			9,219			9,337			118		
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 21,135</b>			<b>\$ 21,376</b>			<b>\$ 241</b>			<b>\$ 85,538</b>			<b>\$ 88,960</b>			<b>\$ 3,422</b>		
<b>Operating Expenses:</b>																		
Central Administration							\$ -									\$ -		
Utilities	3,419			2,924			(495)			13,377			12,261			(1,116)		
Maintenance Costs*	837			3,879			3,042			3,413			8,395			4,982		
Wages & Benefits On Site	1,518			1,506			(12)			6,300			7,463			1,163		
General-Taxes, Insurance	1,640			1,964			324			6,458			7,891			1,433		
Rental Assistance	6,736			7,041			305			27,382			29,155			1,773		
Independent Audit Costs							-									-		
Vendor, Lender, Professional & Other Fees							-									-		
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 14,150</b>			<b>\$ 17,314</b>			<b>\$ 3,164</b>			<b>\$ 56,930</b>			<b>\$ 65,165</b>			<b>\$ 8,235</b>		
<b>PROFIT (LOSS) AFTER OPERATING COSTS</b>	<b>\$ 6,985</b>			<b>\$ 4,062</b>			<b>\$ (2,923)</b>			<b>\$ 28,608</b>			<b>\$ 23,795</b>			<b>\$ (4,813)</b>		
<b>Non Operating Revenues (Expenses):</b>																		
Insurance Settlement/Other	\$ -			\$ -			\$ -			\$ -			\$ -			\$ -		
Gain (Loss) on Disposition of Assets	-			-			-			2			1			(1)		
Investment/Interest Earnings	-			-			-			-			-			-		
Depreciation	(1,767)			(1,679)			88			(7,069)			(6,333)			736		
Interest Expense	(2,334)			(2,334)			-			(9,219)			(9,337)			(118)		
<b>NET OPERATING INCOME (NOI)</b>	<b>\$ 2,884</b>			<b>\$ 49</b>			<b>\$ (2,835)</b>			<b>\$ 12,322</b>			<b>\$ 8,126</b>			<b>\$ (4,196)</b>		
Capital Contributions	\$ -			\$ -			\$ -			\$ -			\$ -			\$ -		
Operating Transfers In (out)	-			-			-			-			-			-		
Prior Period Adjustment	-			-			-			-			-			-		
<b>YTD CHANGE TO NET ASSETS</b>	<b>\$ 2,884</b>			<b>\$ 49</b>			<b>\$ (2,835)</b>			<b>\$ 12,322</b>			<b>\$ 8,126</b>			<b>\$ (4,196)</b>		

Pierce County Housing Authority  
Statement of Revenues, Expenses and  
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	B			C			B-C			D			E			D-E		
	deMark			deMark						deMark			deMark					
	April 2022			April 2021			Variance			April 2022			April 2021			Variance		
<b>Operating Revenues:</b>																		
Rent Income	\$ 77,090	\$		\$ 73,030	\$		\$ (4,060)			\$ 299,706	\$		\$ 292,658	\$		\$ (7,048)		
Other Tenant Revenue	8,925			270			(8,655)			29,068			2,646			(26,422)		
Other Income	-			-			-			34,726			-			(34,726)		
							-									-		
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 86,015</b>	<b>\$</b>		<b>\$ 73,300</b>	<b>\$</b>		<b>\$ (12,715)</b>			<b>\$ 363,500</b>	<b>\$</b>		<b>\$ 295,304</b>	<b>\$</b>				
<b>Operating Expenses:</b>																		
Central Administration	\$ 4,684	\$		\$ 3,199	\$		\$ (1,485)			\$ 17,830	\$		\$ 18,540	\$		\$ 710		
Utilities	9,376			8,840			(536)			39,490			39,219			(271)		
Maintenance Costs*	25,769			9,927			(15,842)			90,723			47,834			(42,889)		
Wages & Benefits On Site	29,572			14,554			(15,018)			94,888			59,765			(35,123)		
General-Taxes, Insurance	10,209			34,014			23,805			42,663			58,260			15,597		
Independent Audit Costs	299						(299)			629			2,066			1,437		
Vendor, Lender, Professional & Other Fees	412			681			269			2,316			2,726			410		
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 80,321</b>	<b>\$</b>		<b>\$ 71,215</b>	<b>\$</b>		<b>\$ (9,106)</b>			<b>\$ 288,539</b>	<b>\$</b>		<b>\$ 228,410</b>	<b>\$</b>		<b>\$ (60,129)</b>		
<b>PROFIT (LOSS) AFTER OPERATING COSTS</b>	<b>\$ 5,694</b>	<b>\$</b>		<b>\$ 2,085</b>	<b>\$</b>		<b>\$ (3,609)</b>			<b>\$ 74,961</b>	<b>\$</b>		<b>\$ 66,894</b>	<b>\$</b>		<b>\$ (8,067)</b>		
<b>Non Operating Revenues (Expenses):</b>																		
Insurance Settlement/Other							\$ -									\$ -		
Gain (Loss) on Disposition of Assets				(524)			(524)						(2,242)			(2,242)		
Investment/Interest Earnings	2			3			1			9			20			11		
Depreciation	(12,360)			(12,397)			(37)			(49,532)			(49,994)			(462)		
Interest Expense	(13,845)			(14,116)			(271)			(55,520)			(56,596)			(1,076)		
<b>NET OPERATING INCOME (NOI)</b>	<b>\$ (20,509)</b>	<b>\$</b>		<b>\$ (24,949)</b>	<b>\$</b>		<b>\$ (4,440)</b>			<b>\$ (30,082)</b>	<b>\$</b>		<b>\$ (41,918)</b>	<b>\$</b>		<b>\$ (11,836)</b>		
<b>COVID 19</b>	<b>\$ -</b>	<b>\$</b>		<b>\$ -</b>	<b>\$</b>		<b>\$ -</b>			<b>\$ -</b>	<b>\$</b>		<b>\$ -</b>	<b>\$</b>		<b>\$ -</b>		
Operating Transfers In (out)	-			-			-			-			-			-		
Prior Period Adjustment	-			-			-			-			-			-		
<b>YTD CHANGE TO NET ASSETS</b>	<b>\$ (20,509)</b>	<b>\$</b>		<b>\$ (24,949)</b>	<b>\$</b>		<b>\$ (4,440)</b>			<b>\$ (30,082)</b>	<b>\$</b>		<b>\$ (41,918)</b>	<b>\$</b>		<b>\$ (11,836)</b>		

Pierce County Housing Authority  
Statement of Revenues, Expenses and  
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	B			C			B-C			D			E			D-E		
	Lakewood			Lakewood						Lakewood			Lakewood					
	April 2022			Month			Variance			April 2022			Y-T-D			Variance		
	April 2021			April 2021						April 2021			April 2021					
<b>Operating Revenues:</b>																		
Rent Income	\$	120,696	\$	120,371	\$	(325)	\$			\$	457,781	\$	478,433	\$	20,652			
Other Tenant Revenue		14,874		1,212		(13,662)					55,329		3,818		(51,511)			
						-									-			
						-									-			
<b>TOTAL OPERATING REVENUES</b>	\$	135,570	\$	121,583	\$	(13,987)	\$			\$	513,110	\$	482,251	\$				
<b>Operating Expenses:</b>																		
Central Administration	\$	7,358	\$	5,040	\$	(2,318)	\$			\$	28,024	\$	29,071	\$	1,047			
Utilities		9,178		8,580		(598)					46,478		44,354		(2,124)			
Maintenance Costs*		20,048		33,334		13,286					108,787		120,054		11,267			
Wages & Benefits On Site		13,044		27,172		14,128					58,978		104,386		45,408			
General-Taxes, Insurance		13,335		14,303		968					71,958		45,997		(25,961)			
Independent Audit Costs		470		-		(470)					988		3,246		2,258			
Vendor, Lender, Professional & Other Fees		1,777		1,011		(766)					6,275		4,045		(2,230)			
<b>TOTAL OPERATING EXPENSES</b>	\$	65,210	\$	89,440	\$	24,230	\$			\$	321,488	\$	351,153	\$	29,665			
<b>PROFIT (LOSS) AFTER OPERATING COSTS</b>	\$	70,360	\$	32,143	\$	(38,217)	\$			\$	191,622	\$	131,098	\$	(60,524)			
<b>Non Operating Revenues (Expenses):</b>																		
Insurance Settlement/Other						\$	-								\$	-		
Gain (Loss) on Disposition of Assets						(922)	(922)				(131)		(922)		(791)			
Investment/Interest Earnings		3		5		2					13		27		14			
Depreciation		(26,166)		(27,286)		(1,120)					(105,477)		(109,152)		(3,675)			
Interest Expense		(19,246)		(19,622)		(376)					(77,176)		(78,672)		(1,496)			
<b>NET OPERATING INCOME (NOI)</b>	\$	24,951	\$	(15,682)	\$	(40,633)	\$			\$	8,851	\$	(57,621)	\$	(66,472)			
<b>COVID 19</b>	\$	-	\$	-	\$	-	\$			\$	-	\$	-	\$	-			
Operating Transfers In (out)		-		-		-					-		-		-			
Prior Period Adjustment		-		-		-												
<b>YTD CHANGE TO NET ASSETS</b>	\$	24,951	\$	(15,682)	\$	(40,633)	\$			\$	8,851	\$	(57,621)	\$	(66,472)			

Pierce County Housing Authority  
Statement of Revenues, Expenses and  
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	B	C	B-C	D	E	D-E
	Chateau Rainier Month			Chateau Rainier Y-T-D		
	April 2022	April 2021	Variance	April 2022	April 2021	Variance
<b>Operating Revenues:</b>						
Rent Income	\$ 213,958	\$ 202,905	\$ (11,053)	\$ 830,369	\$ 815,597	\$ (14,772)
Other Tenant Revenue	35,812	3,601	(32,211)	99,196	8,081	(91,115)
			-			-
			-			-
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 249,770</b>	<b>\$ 206,506</b>	<b>\$ (43,264)</b>	<b>\$ 929,565</b>	<b>\$ 823,678</b>	
<b>Operating Expenses:</b>						
Central Administration	\$ 10,042	\$ 6,834	\$ (3,208)	\$ 38,199	\$ 39,823	\$ 1,624
Utilities	81,694	68,749	(12,945)	189,050	142,983	(46,067)
Maintenance Costs*	46,171	36,221	(9,950)	169,610	140,350	(29,260)
Wages & Benefits On Site	47,385	37,271	(10,114)	168,398	140,760	(27,638)
General-Taxes, Insurance	9,154	14,681	5,527	33,083	57,001	23,918
Independent Audit Costs	641	-	(641)	1,348	4,426	3,078
Vendor, Lender, Professional & Other Fees	2,506	1,746	(760)	7,234	7,124	(110)
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 197,593</b>	<b>\$ 165,502</b>	<b>\$ (32,091)</b>	<b>\$ 606,922</b>	<b>\$ 532,467</b>	<b>\$ (74,455)</b>
<b>PROFIT (LOSS) AFTER OPERATING COSTS</b>	<b>\$ 52,177</b>	<b>\$ 41,004</b>	<b>\$ (11,173)</b>	<b>\$ 322,643</b>	<b>\$ 291,211</b>	<b>\$ (31,432)</b>
<b>Non Operating Revenues (Expenses):</b>						
Insurance Settlement/Other			\$ -			\$ -
Gain (Loss) on Disposition of Assets	(1,269)	-	1,269	(1,339)	(420)	919
Investment/Interest Earnings	9	9	-	34	54	20
Depreciation	(30,292)	(31,051)	(759)	(121,239)	(124,790)	(3,551)
Interest Expense	(43,666)	(44,520)	(854)	(175,100)	(178,495)	(3,395)
<b>NET OPERATING INCOME (NOI)</b>	<b>\$ (23,041)</b>	<b>\$ (34,558)</b>	<b>\$ (11,517)</b>	<b>\$ 24,999</b>	<b>\$ (12,440)</b>	<b>\$ (37,439)</b>
<b>COVID 19</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
Operating Transfers In (out)	-	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	-	-
<b>YTD CHANGE TO NET ASSETS</b>	<b>\$ (23,041)</b>	<b>\$ (34,558)</b>	<b>\$ (11,517)</b>	<b>\$ 24,999</b>	<b>\$ (12,440)</b>	<b>\$ (37,439)</b>

Pierce County Housing Authority  
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	B			C			B-C			D			E			D-E		
	Village Square Apartments			Month						Village Square Apartments			Y-T-D					
	April 2022			April 2021			Variance			April 2022			April 2021			Variance		
<b>Operating Revenues:</b>																		
Rent Income	\$	22,605	\$	23,818	\$	1,213				\$	89,009	\$	93,998	\$	4,989			
Other Tenant Revenue		4,321		46		(4,275)					14,265		943		(13,322)			
						-									-			
						-									-			
<b>TOTAL OPERATING REVENUES</b>	\$	26,926	\$	23,864						\$	103,274	\$	94,941					
<b>Operating Expenses:</b>																		
Central Administration	\$	2,005	\$	1,381	\$	(624)				\$	7,646	\$	7,898	\$	252			
Utilities		2,806		2,199		(607)					12,933		11,079		(1,854)			
Maintenance Costs*		3,587		4,870		1,283					42,981		16,472		(26,509)			
Wages & Benefits On Site		900		7,416		6,516					19,681		43,050		23,369			
General-Taxes, Insurance		2,730		2,916		186					11,882		10,562		(1,320)			
Independent Audit Costs		128		-		(128)					270		885		615			
Vendor, Lender, Professional & Other Fees		168		281		113					960		1,125		165			
<b>TOTAL OPERATING EXPENSES</b>	\$	12,324	\$	19,063	\$	6,739				\$	96,353	\$	91,071	\$	(5,282)			
<b>PROFIT (LOSS) AFTER OPERATING COSTS</b>	\$	14,602	\$	4,801	\$	(9,801)				\$	6,921	\$	3,870	\$	(3,051)			
<b>Non Operating Revenues (Expenses):</b>																		
Insurance Settlement/Other					\$	-								\$	-			
Gain (Loss) on Disposition of Assets				(404)		(404)							(404)		(404)			
Investment/Interest Earnings						-									-			
Depreciation		(3,091)		(3,081)		10					(12,386)		(12,321)		65			
Interest Expense						-									-			
<b>NET OPERATING INCOME (NOI)</b>	\$	11,511	\$	1,316	\$	(10,195)				\$	(5,465)	\$	(8,855)	\$	(3,390)			
Capital Contributions	\$	-	\$	-	\$	-				\$	-	\$	-	\$	-			
Operating Transfers In (out)		-		-		-					-		-		-			
Prior Period Adjustment		-		-		-					-		-		-			
<b>YTD CHANGE TO NET ASSETS</b>	\$	11,511	\$	1,316	\$	(10,195)				\$	(5,465)	\$	(8,855)	\$	(3,390)			

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	B			C			B-C			D			E			D-E		
	Brookridge Apartments			Brookridge Apartments						Brookridge Apartments			Brookridge Apartments					
	Month			Month						Y-T-D			Y-T-D					
	April 2022			April 2021			Variance			April 2022			April 2021			Variance		
Operating Revenues:																		
Rent Income	\$	41,500	\$	42,210	\$	710				\$	162,805	\$	167,554	\$	4,749			
Other Tenant Revenue		6,317		945		(5,372)					20,447		1,767		(18,680)			
						-									-			
						-									-			
<b>TOTAL OPERATING REVENUES</b>	\$	47,817	\$	43,155	\$	(4,662)				\$	183,252	\$	169,321	\$	(13,931)			
Operating Expenses:																		
Central Administration	\$	2,679	\$	1,818	\$	(861)				\$	10,184	\$	10,642	\$	458			
Utilities		9,459		7,346		(2,113)					26,454		25,756		(698)			
Maintenance Costs*		6,377		13,999		7,622					39,385		51,982		12,597			
Wages & Benefits On Site		3,708		11,901		8,193					21,535		53,468		31,933			
General-Taxes, Insurance		5,143		4,372		(771)					17,161		15,309		(1,852)			
Independent Audit Costs		171		-		(171)					359		1,180		821			
Vendor, Lender, Professional & Other Fees		306		483		177					1,605		1,930		325			
<b>TOTAL OPERATING EXPENSES</b>	\$	27,843	\$	39,919	\$	12,076				\$	116,683	\$	160,267	\$	43,584			
<b>PROFIT (LOSS) AFTER OPERATING COSTS</b>	\$	19,974	\$	3,236	\$	(16,738)				\$	66,569	\$	9,054	\$	(57,515)			
Non Operating Revenues (Expenses):																		
Insurance Settlement/Other						\$	-								\$	-		
Gain (Loss) on Disposition of Assets	\$	813				(813)					813		(329)		(1,142)			
Investment/Interest Earnings						-									-			
Depreciation		(12,231)		(12,130)		101					(48,801)		(48,475)		326			
Interest Expense						-									-			
<b>NET OPERATING INCOME (NOI)</b>	\$	8,556	\$	(8,894)	\$	(17,450)				\$	18,581	\$	(39,750)	\$	(58,331)			
Capital Contributions	\$	-	\$	-	\$	-				\$	-	\$	-	\$	-			
Operating Transfers In (out)		-		-		-												
Prior Period Adjustment																		
<b>YTD CHANGE TO NET ASSETS</b>	\$	8,556	\$	(8,894)	\$	(17,450)				\$	18,581	\$	(39,750)	\$	(58,331)			

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Changes in Net Position Year To Date  
Through April 30, 2022

	B	C	B-C	D	E	D-E
	Hidden Village Apartments Month			Hidden Village Apartments Y-T-D		
	April 2022	April 2021	Variance	April 2022	April 2021	Variance
<b>Operating Revenues:</b>						
Rent Income	\$ 16,950	\$ 14,400	\$ (2,550)	\$ 60,092	\$ 58,819	\$ (1,273)
Other Tenant Revenue	1,571	8	(1,563)	5,446	1,131	(4,315)
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 18,521</b>	<b>\$ 14,408</b>	<b>\$ (4,113)</b>	<b>\$ 65,538</b>	<b>\$ 59,950</b>	<b>\$ (5,588)</b>
<b>Operating Expenses:</b>						
Central Administration	\$ 1,342	\$ 897	\$ (445)	\$ 5,087	\$ 5,376	\$ 289
Utilities	1,924	1,803	(121)	13,806	8,436	(5,370)
Maintenance Costs*	4,737	2,617	(2,120)	22,059	11,745	(10,314)
Wages & Benefits On Site	1,274	1,108	(166)	8,212	5,014	(3,198)
General-Taxes, Insurance	2,169	2,317	148	8,046	7,882	(164)
Independent Audit Costs	85	-	(85)	180	590	410
Vendor, Lender, Professional & Other Fees	133	215	82	723	859	136
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 11,664</b>	<b>\$ 8,957</b>	<b>\$ (2,707)</b>	<b>\$ 58,113</b>	<b>\$ 39,902</b>	<b>\$ (18,211)</b>
<b>PROFIT (LOSS) AFTER OPERATING COSTS</b>	<b>\$ 6,857</b>	<b>\$ 5,451</b>	<b>\$ (1,406)</b>	<b>\$ 7,425</b>	<b>\$ 20,048</b>	<b>\$ 12,623</b>
<b>Non Operating Revenues (Expenses):</b>						
Insurance Settlement/Other	\$ -	\$ -	\$ -			\$ -
Gain (Loss) on Disposition of Assets	(139)		139	(139)		139
Investment/Interest Earnings			-			-
Depreciation	(5,735)	(5,610)	125	(22,942)	(22,473)	469
Interest Expense			-			-
<b>NET OPERATING INCOME (NOI)</b>	<b>\$ 983</b>	<b>\$ (159)</b>	<b>\$ (1,142)</b>	<b>\$ (15,656)</b>	<b>\$ (2,425)</b>	<b>\$ 13,231</b>
Capital Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Transfers In (out)	-	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	-	-
<b>YTD CHANGE TO NET ASSETS</b>	<b>\$ 983</b>	<b>\$ (159)</b>	<b>\$ (1,142)</b>	<b>\$ (15,656)</b>	<b>\$ (2,425)</b>	<b>\$ 13,231</b>

Pierce County Housing Authority  
Statement of Revenues, Expenses and  
Changes in Net Position Year To Date  
Through April 30, 2022

	B	C	B-C	D	E	D-E
	Montgrove Manor Month			Montgrove Manor Y-T-D		
	April 2022	April 2021	Variance	April 2022	April 2021	Variance
<b>Operating Revenues:</b>						
Rent Income	\$ 10,954	\$ 12,150	\$ 1,196	\$ 47,404	\$ 48,600	\$ 1,196
Other Tenant Revenue	220	295	75	550	320	(230)
	-	-	-	-	-	-
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 11,174</b>	<b>\$ 12,445</b>		<b>\$ 47,954</b>	<b>\$ 48,920</b>	
<b>Operating Expenses:</b>						
Central Administration	\$ 1,342	\$ 897	\$ (445)	\$ 5,087	\$ 5,376	\$ 289
Utilities	2,387	1,509	(878)	9,849	11,322	1,473
Maintenance Costs*	1,426	2,156	730	8,575	9,642	1,067
Wages & Benefits On Site	1,192	1,702	510	6,077	7,218	1,141
General-Taxes, Insurance	2,024	1,910	(114)	7,974	6,405	(1,569)
Independent Audit Costs	85	-	(85)	180	590	410
Vendor, Lender, Professional & Other Fees	133	215	82	723	859	136
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 8,589</b>	<b>\$ 8,389</b>	<b>\$ (200)</b>	<b>\$ 38,465</b>	<b>\$ 41,412</b>	<b>\$ 2,947</b>
<b>PROFIT (LOSS) AFTER OPERATING COSTS</b>	<b>\$ 2,585</b>	<b>\$ 4,056</b>	<b>\$ 1,471</b>	<b>\$ 9,489</b>	<b>\$ 7,508</b>	<b>\$ (1,981)</b>
<b>Non Operating Revenues (Expenses):</b>						
Insurance Settlement/Other			\$ -			\$ -
Gain (Loss) on Disposition of Assets			-		(938)	(938)
Investment/Interest Earnings			-			-
Depreciation	(2,528)	(2,516)	12	(10,150)	(10,149)	1
Interest Expense			-			-
<b>NET OPERATING INCOME (NOI)</b>	<b>\$ 57</b>	<b>\$ 1,540</b>	<b>\$ 1,483</b>	<b>\$ (661)</b>	<b>\$ (3,579)</b>	<b>\$ (2,918)</b>
Capital Contributions	\$ -	\$ -				
Operating Transfers In (out)	-	-				
Prior Period Adjustment						
<b>YTD CHANGE TO NET ASSETS</b>	<b>\$ 57</b>	<b>\$ 1,540</b>	<b>\$ 1,483</b>	<b>\$ (661)</b>	<b>\$ (3,579)</b>	<b>\$ (2,918)</b>

Pierce County Housing Authority  
Statement of Revenues, Expenses and  
Changes in Net Position Year To Date  
Through April 30, 2022

	B	C	B-C	D	E	D-E
	Oakleaf Apartments Month			Oakleaf Apartments Y-T-D		
	April 2022	April 2021	Variance	April 2022	April 2021	Variance
<b>Operating Revenues:</b>						
Rent Income	\$ 11,490	\$ 13,230	\$ 1,740	\$ 46,170	\$ 52,430	\$ 6,260
Other Tenant Revenue	2,060	-	(2,060)	78,841	410	(78,431)
			-			-
			-			-
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 13,550</b>	<b>\$ 13,230</b>	<b>\$ (320)</b>	<b>\$ 125,011</b>	<b>\$ 52,840</b>	<b>\$ (72,171)</b>
<b>Operating Expenses:</b>						
Central Administration	\$ 1,337	\$ 921	\$ (416)	\$ 5,097	\$ 5,266	\$ 169
Utilities	2,782	2,496	(286)	12,036	9,030	(3,006)
Maintenance Costs*	1,836	4,248	2,412	25,381	16,149	(9,232)
Wages & Benefits On Site	790	1,050	260	3,604	4,643	1,039
General-Taxes, Insurance	1,707	1,619	(88)	7,653	5,826	(1,827)
Independent Audit Costs	85	-	(85)	180	590	410
Vendor, Lender, Professional & Other Fees	115	191	76	652	765	113
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 8,652</b>	<b>\$ 10,525</b>	<b>\$ 1,873</b>	<b>\$ 54,603</b>	<b>\$ 42,269</b>	<b>\$ (12,334)</b>
<b>PROFIT (LOSS) AFTER OPERATING COSTS</b>	<b>\$ 4,898</b>	<b>\$ 2,705</b>	<b>\$ (2,193)</b>	<b>\$ 70,408</b>	<b>\$ 10,571</b>	<b>\$ (59,837)</b>
<b>Non Operating Revenues (Expenses):</b>						
Insurance Settlement/Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gain (Loss) on Disposition of Assets	-	-	-	-	-	-
Investment/Interest Earnings	-	-	-	-	-	-
Depreciation	(277)	(5,979)	(5,702)	(17,867)	(23,971)	(6,104)
Interest Expense			-			-
<b>NET OPERATING INCOME (NOI)</b>	<b>\$ 4,621</b>	<b>\$ (3,274)</b>	<b>\$ (7,895)</b>	<b>\$ 52,541</b>	<b>\$ (13,400)</b>	<b>\$ (65,941)</b>
Capital Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Transfers In (out)	-	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	-	-
<b>YTD CHANGE TO NET ASSETS</b>	<b>\$ 4,621</b>	<b>\$ (3,274)</b>	<b>\$ (7,895)</b>	<b>\$ 52,541</b>	<b>\$ (13,400)</b>	<b>\$ (65,941)</b>

Pierce County Housing Authority  
Statement of Revenues, Expenses and  
Changes in Net Position Year To Date  
Through April 30, 2022

	B	C	B-C	D	E	D-E
	Low Income Public Housing Month			Low Income Public Housing Y-T-D		
	April 2022	April 2021	Variance	April 2022	April 2021	Variance
<b>Operating Revenues:</b>						
Rent Income	\$ 66,024	\$ 50,138	\$ (15,886)	\$ 256,420	\$ 201,300	\$ (55,120)
Other Tenant Revenue	5,009	2,720	(2,289)	17,863	9,369	(8,494)
HUD Subsidy	42,626	32,327	(10,299)	167,683	121,056	(46,627)
Capital Fund						
<b>COVID 19</b>	-	-	-			
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 113,659</b>	<b>\$ 85,185</b>	<b>\$ (28,474)</b>	<b>\$ 441,966</b>	<b>\$ 331,725</b>	
<b>Operating Expenses:</b>						
Central Administration	\$ 8,681	\$ 7,087	\$ (1,594)	\$ 34,339	\$ 34,264	\$ (75)
Utilities	(11)	(2,491)	(2,480)	2,180	1,050	(1,130)
Maintenance Costs*	13,743	7,572	(6,171)	66,186	36,079	(30,107)
Wages & Benefits On Site	37,185	32,807	(4,378)	174,864	106,000	(68,864)
FSS Expense	1,004	980	(24)	3,480	3,136	(344)
General-Taxes, Insurance	119,683	18,394	(101,289)	178,207	67,040	(111,167)
Independent Audit Costs	598	-	(598)	1,258	4,131	2,873
Vendor, Lender, Professional & Other Fees	2,662	-	(2,662)	3,134	1,174	(1,960)
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 183,545</b>	<b>\$ 64,349</b>	<b>\$ (119,196)</b>	<b>\$ 463,648</b>	<b>\$ 252,874</b>	<b>\$ (210,774)</b>
<b>PROFIT (LOSS) AFTER OPERATING COSTS</b>	<b>\$ (69,886)</b>	<b>\$ 20,836</b>	<b>\$ 90,722</b>	<b>\$ (21,682)</b>	<b>\$ 78,851</b>	<b>\$ 100,533</b>
<b>Non Operating Revenues (Expenses):</b>						
Insurance Settlement/Other			\$ -			\$ -
Gain (Loss) on Disposition of Assets			-			-
Investment/Interest Earnings	2	5	3	15	23	8
Depreciation	(29,271)	(28,111)	1,160	(117,161)	(112,506)	4,655
Interest Expense			-			-
<b>NET OPERATING INCOME (NOI)</b>	<b>\$ (99,155)</b>	<b>\$ (7,270)</b>	<b>\$ 91,885</b>	<b>\$ (138,828)</b>	<b>\$ (33,632)</b>	<b>\$ 105,196</b>
<b>COVID 19</b>	<b>\$ -</b>	<b>\$ (9,113)</b>	<b>\$ (9,113)</b>	<b>\$ -</b>	<b>\$ (9,113)</b>	<b>\$ (9,113)</b>
Operating Transfers In (out)		-	-			-
Prior Period Adjustment		-	-			-
<b>YTD CHANGE TO NET ASSETS</b>	<b>\$ (99,155)</b>	<b>\$ (16,383)</b>	<b>\$ 82,772</b>	<b>\$ (138,828)</b>	<b>\$ (42,745)</b>	<b>\$ 96,083</b>

Pierce County Housing Authority  
Statement of Revenues, Expenses and  
Changes in Net Position Year To Date  
Through April 30, 2022

	B	C	B-C	D	E	D-E
	Housing Choice Voucher Month			Housing Choice Voucher Y-T-D		
	April 2022	April 2021	Variance	April 2022	April 2021	Variance
<b>Operating Revenues:</b>						
HAP Subsidy	\$ 2,461,740	\$ 2,380,436	\$ (81,304)	\$ 9,921,724	\$ 9,528,020	\$ (393,704)
FSS Subsidy	7,816	11,014	3,198	29,581	53,295	23,714
Admin Subsidy	206,595	187,750	(18,845)	863,820	830,229	(33,591)
EHV Revenue			-	1,009		(1,009)
Other Income	1,535	14,660	13,125	30,875	47,506	16,631
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 2,677,686</b>	<b>\$ 2,593,860</b>	<b>\$ (83,826)</b>	<b>\$ 10,847,009</b>	<b>\$ 10,459,050</b>	<b>\$ (387,959)</b>
<b>Operating Expenses:</b>						
Central Administration	\$ 24,917	\$ 20,288	\$ (4,629)	\$ 98,459	\$ 98,061	\$ (398)
Utilities			-			-
Maintenance Costs*			-			-
Wages & Benefits On Site	79,075	62,858	(16,217)	331,782	252,835	(78,947)
HAP Expenses	2,694,618	2,350,420	(344,198)	10,252,232	9,414,237	(837,995)
FSS Expenses	7,692	7,456	(236)	35,449	43,106	7,657
General-Taxes, Insurance	53,403	40,281	(13,122)	233,991	174,650	(59,341)
Independent Audit Costs	1,709	-	(1,709)	3,594	11,806	8,212
Vendor, Lender, Professional & Other Fees	-		-			-
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 2,861,414</b>	<b>\$ 2,481,303</b>	<b>\$ (380,111)</b>	<b>\$ 10,955,507</b>	<b>\$ 9,994,695</b>	<b>\$ (960,812)</b>
<b>PROFIT (LOSS) AFTER OPERATING COSTS</b>	<b>\$ (183,728)</b>	<b>\$ 112,557</b>	<b>\$ 296,285</b>	<b>\$ (108,498)</b>	<b>\$ 464,355</b>	<b>\$ 572,853</b>
<b>Non Operating Revenues (Expenses):</b>						
Insurance Settlement/Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gain (Loss) on Disposition of Assets	736	(736)		736		(736)
Investment/Interest Earnings	15	17	2	67	83	16
Depreciation	(1,752)	(1,640)	112	(7,055)	(7,286)	(231)
Interest Expense	-		-			-
<b>NET OPERATING INCOME (NOI)</b>	<b>\$ (184,729)</b>	<b>\$ 110,934</b>	<b>\$ 295,663</b>	<b>\$ (114,750)</b>	<b>\$ 457,152</b>	<b>\$ 571,902</b>
Covid Expenses		\$ (25,763)	\$ (25,763)		\$ (89,025)	\$ (89,025)
EHV Expenses	(11,165)		11,165	(38,232)		38,232
Operating Transfers In (out)			-			-
Prior Period Adjustment			-			-
<b>YTD CHANGE TO NET ASSETS</b>	<b>\$ (195,894)</b>	<b>\$ 85,171</b>	<b>\$ 281,065</b>	<b>\$ (152,982)</b>	<b>\$ 368,127</b>	<b>\$ 521,109</b>

<b>EHV Funds</b>	\$ 333,260
Spent	(58,495)
<b>Balance</b>	<b>\$ 274,765</b>

**PIERCE COUNTY HOUSING AUTHORITY**  
**Cash Position Report**  
**Period Ending May, 2022**

Account Name	Bank	Balance		Variance
		May-22	Apr-22	
<b>General Operating Accounts</b>				
Apartments General	US Bank	\$ 67,311.04	\$ 61,338.14	5,972.90
Payroll	US Bank	162,788.16	162,788.16	-
General Operation	US Bank	2,145,198.64	2,103,077.79	42,120.85
PCHA Special Item	US Bank	1,415,538.14	1,415,532.13	6.01
Homeownership	US Bank	502,128.65	501,687.52	441.13
<b>Tenant Trust Accounts</b>				
Damage Deposits	US Bank	290,200.60	284,840.82	5,359.78
<b>Hud Trust Accounts</b>				
Section 8	US Bank	3,711,810.46	3,246,107.08	465,703.38
LIPH Management	US Bank	603,211.62	592,466.64	10,744.98
LIPH Damage Deposits	US Bank	42,650.00	42,397.93	-
Section 8 FSS	US Bank	344,226.27	372,219.45	(27,993.18)
LIPH FSS	US Bank	52,501.71	51,497.49	1,004.22
<b>Rural Development Funds</b>				
Rural Development (Orting) Reserve	US Bank	94,121.80	94,121.41	0.39
<b>FNMA Loan Reserve Account (Restricted)</b>				
CR Restabilization Reserve (PB S8 HAPC)	Greystone (TTE)	59,663.41	59,661.94	1.47
DM Restabilization Reserve (PB S8 HAPC)	Greystone (TTE)	18,917.69	18,917.22	0.47
LV Restabilization Reserve (PB S8 HAPC)	Greystone (TTE)	26,296.83	26,296.18	0.65
CR Replacement Reserve	Greystone (TTE)	297,198.21	289,454.12	7,744.09
DM Replacement Reserve	Greystone (TTE)	65,015.92	65,014.32	1.60
LV Replacement Reserve	Greystone (TTE)	98,912.39	98,909.95	2.44
CR FNMA Tax & Insurance Escrow	Greystone (TTE)	28,347.59	17,771.02	10,576.57
DM FNMA Tax & Insurance Escrow	Greystone (TTE)	8,924.03	1,710.74	7,213.29
LV FNMA Tax & Insurance Escrow	Greystone (TTE)	4,736.15	-	4,736.15
FNMA Reserve Total		608,012.22	577,735.49	30,276.73
TOTAL PCHA		\$ 10,039,699.31	\$ 9,505,810.05	\$ 563,913.92

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 Cashpos

## FOOTNOTES

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### Notes to Pierce County Housing Authority Report of Cash and Investment Position:

#### Apartments General

An account used primarily for receipt of revenues from apartments finance with the 1998 Pooled Housing Refunding Revenue Bond ('98 Bond Projects) and Orting Senior Apartments. Recordkeeping segregates funds for subsequent distribution to designated programs and specific uses in accordance with bond and loan regulatory agreements.

#### Payroll

General operating account used for payment of employee wages.

#### General Operation

General operating account used for payment of goods and services and non-compensation payroll related liabilities for all PHA programs.

#### PCHA Special Item

PCHA net proceeds collected from fraud recovery.

#### Homeownership

Account used primarily for receipt of revenues from 5H Homeownership notes. Use of proceeds are regulated by 24 CFR 906.3 and 906.31 which state: § 906.3 Requirements applicable to homeownership programs previously approved by HUD. (a) Any existing section 5(h) or Turnkey III homeownership program continues to be governed by the requirements of part 906 or part 904 of this title, respectively, contained in the April 1, 2002, edition of 24 CFR, parts 700 to 1699. The use of other program income for homeownership activities continues to be governed by agreements executed with HUD. § 906.31 Requirements applicable to net proceeds resulting from sale. (a) PHA use of net proceeds. The PHA must use any net proceeds of any sales under a homeownership program remaining after payment of all costs of the sale for purposes relating to low-income housing and in accordance with its PHA plan.

#### Damage Deposits and Damage Deposit Investments

Trust account used to retain apartment tenant deposits as security for performance of the tenant's obligations during the lease/rental agreement period. Funds are restricted from general use in accordance with RCW 59.18.270.

#### Section 8 General Operating

Account used for receipt of revenues for the PHA's Section 8 programs, disbursements for housing assistance related payments to landlords, participants and receiving PHAs, and for distribution to the PHA's General Operating account for payment of administrative costs of the associated programs, predominantly Housing Choice Vouchers (HCV). Since 2004, all HCV housing assistance funding is restricted for use to pay current or future housing assistance and all administrative fee funding may only be used to cover costs incurred to perform PHA HCV administrative responsibilities in accordance with HUD regulations and requirements.

#### LIPH Management

An account used primarily for receipt of revenues for the PHA's Low-Income Public Housing (LIPH) program, and for distribution to the PHA's General Operating account for specific LIPH program uses in accordance with HUD regulations and requirements. A minor amount is disbursed to program participants for utility assistance payments. This account also retains proceeds from land sales in the LIPH program which are restricted for capital improvement projects.

#### LIPH Damage Deposits

Trust account used to retain LIPH participant deposits as security for performance of the tenant's obligations during the lease/rental agreement period. Funds are restricted from general use in accordance with RCW 59.18.270.

#### Section 8 and LIPH FSS

Trust account used to retain S8 and LIPH FSS participant escrow balances.

Rural Development (Orting) Reserve

A reserve account funded through contributions from project operating funds. It is used primarily to pay for large planned expenses for maintenance and improvements of capital items. The project's reserves must be held in a supervised account that requires the Rural Development approval for all withdrawals.

LLC Replacement Reserve and Restabilization Reserve

Reserve accounts individually funded through loan proceeds of the Chateau Rainier, DeMark and Lakewood Village LLCs, for the specific purposes outlined in the FNMA loan agreement. Funds are legally restricted and unavailable for use in daily routine operations. Funds are held by the lender and are expected to remain on account through the life of the loan term.



The Affordable Housing team continues to provide quality customer service to residents and public of our eight affordable housing complexes while navigating the continued impacts of the pandemic, staffing, and economy.

### **HIGHLIGHTS**

#### **Customer Service**

- Work Orders – along with meeting with residents for lease renewals, resident work orders have increased
- Continued to meet with residents in individual meetings
- Promoting vacancies, processing application, and moving new residents into communities

#### **Yardi Software Transition for Affordable Housing Division**

- Go Live/Transition to new software for current = July 1, 2022
- Week of June 6, 2022 - Resident letters distributed by both Zego Paylease and PCHA property management providing residents their new “T-account” numbers associated with the Yardi software
- Multiple layers, coordination, and timelines with Finance, Affordable Housing, Yardi, and Wise Consulting to finally get to this step.
- Mandatory overtime for staff the data entry/account updates of all 670 units

#### **Staffing**

- Recruitment Assistant Property Manager – external/public recruitment, reviewed applications, interviews starting
- Drafting of Senior Property Manager job description in progress. Director of Project Manager Sean McKenna assisting Director of Operations McLeod with this work.

#### **Delinquencies, Repayments, Evictions**

- 14-Day Pay or Quit Notices being issued every month. Multiple administrative layers to new landlord-tenant law, which requires Repayment Plan offers and Early Eviction Resolution Program (ERP) through Center for Dialog and Resolution.
- Eviction on non-payment cannot happen unless tenant refuses to enter into Repayment Plan and we receive a “certificate of failure” from ERP, or fails to comply with signed/executed Repayment Plan terms.
  - Working with attorney and ERP/Center of Dialog & Resolution to get movement on the highest balances, most of whom have not entered into Repayment Plans and are unresponsive to communications from property management
  - Supplementary Occupancy and Delinquency Data Report for May 2022 and June 2022 will be included in the July 2022 Board Report





## MAINTENANCE REPORT

Victor Lovelace

June 14, 2022

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### Staff Projects

1. Chateau Rainer (248 units)  
E106 and G104 are in the process of being completed to make ready status. 76 work orders were completed this month.
2. Demark (93 units)  
B104 is in the process of being completed to make ready status. 18 work orders were completed this month.
3. Lakewood Village (136 units)  
This month we are utilizing all Maintenance Specialists for our "All Hands" approach to substantially reduce the amount of vacant units at Lakewood Village, Oakleaf, and Village Square. I will add an update on the progress on the next report. 26 work orders were completed this month.
4. Low Income Public Housing (124 homes)  
130 was completed to make ready status. UPCS inspections were completed at 106, 144, 146, and 172. 22 work orders were completed this month.
5. Oakleaf (26 units)  
1 is in the process of being completed to make ready status. 5 work orders were completed this month.

### Training and Development

- This month's safety meeting will cover "Asbestos Awareness" which will explain properties of asbestos, health hazards from asbestos, activities resulting in potential asbestos exposure, and asbestos regulations.



**I. Section 18 Disposition**

1. Project Timeline: **Submission TBD**
2. Total appraised home value: \$48.08 MM.
  1. Estimated transaction costs: \$2.8 MM. (Commission, Title, Escrow, Recording)
  2. Estimated Relocation costs: \$2.2 MM (Staff, Movers, Depositions, other fees and services)
  3. Estimated Capital Needs through 2026: \$1.6 MM
    1. Estimate does not include septic systems
  4. Total Capital Fund (2020-2022): \$871,636
3. Partner Meetings-PCHA talks with County officials and representatives from Habitat for Humanity. Process pending.
  1. Habitat would need to identify specific units prior to application submission
    1. Estimated commission savings on selling 40 units: \$800,000
4. Engaged consultant to assist with possible use of funds and other technical matters
  1. Report to follow
5. Chicago Title has delivered nearly half of the Declarations of Trust documents for each property
  1. To be included in application submission.

**II. Ongoing repairs:**

1. Structural Damage at Village Square (car damage)
2. Structural Damage at deMark roof (tree)
3. Fire Damage at Oakleaf
4. LIPH unit 009 flood damage

**III. Of Interest**

1. City of Lakewood CBDG grant fund application draft submitted February 15, for money to pay for exterior paint and minor repairs at both Oakleaf and Village Square apartments.
  1. Tentative approval received via email from Jeff Gumm at City of Lakewood on May 24. Currently in Environmental review, with contract to follow.
2. Engaged local architect to commence with renovation plan at 1525 108<sup>th</sup> St.
  1. Goal is to expand office space into warehouse and relocate both Buildings A and C staff, totaling up to 26 persons.



# **PIERCE COUNTY HOUSING AUTHORITY**

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

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## **STUDY SESSION**

Tuesday, June 14<sup>th</sup>, 2022



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## GREGORY A. BYRNE

Mr. Byrne is the principal of Greg Byrne Consulting, which provides assistance to public housing authorities (PHAs) in the conversion to Section 8. Mr. Byrne previously worked for 17 years at HUD, where, most recently, he was the Director of the Affordable Housing Transaction Division within the Office of Recapitalization, overseeing all conversions under HUD's Rental Assistance Demonstration (RAD) program as well as all restructurings under the Mark-to-Market program.

Prior to his time with the Office of Recapitalization, Mr. Byrne was the Director of the Financial Management Division (FMD) in the Office of Public and Indian Housing, responsible for both the public housing Operating Fund Program and public housing's conversion to asset management.

Mr. Byrne was the Project Director for the Public Housing Operating Cost Study at Harvard University's Graduate School of Design. He has also served as the Executive Assistant to the Chairman of the Chicago Housing Authority; the Executive Director of the Dade County Department of Housing and Urban Development, the nation's 10<sup>th</sup> largest housing authority; and Principal Associate with Abt Associates. He is a former President of the Council of Large Public Housing Authorities.

Mr. Byrne received his M.S. in City Planning from the Massachusetts Institute of Technology (1998) and his Bachelors of Arts in Political Science from Tufts University (1981). He is author of the HUD guidebook on the private management of public housing as well as its guides on public housing repositioning. Mr. Byrne was also a member of the Operating Fund Negotiated Rulemaking Committee and currently serves as an advisory member of HUD's current study of public housing capital needs.



# Greg Byrne Consulting

## 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.<sup>1</sup>

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<sup>2</sup> 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 dispose of the units for Fair Market Value, expected to generate approximately \$40

<sup>1</sup> See "A Guide to Public Housing Repositioning, Small PHAs", March 2021, [Guide\\_Repositioning\\_Small\\_PHAs.pdf \(hud.gov\)](https://www.hud.gov/sites/default/files/2021-03/Guide_Repositioning_Small_PHAs.pdf).

<sup>2</sup> PCHA has disposed of 26 other scattered site units over about the past ten years under a public housing homeownership program for low-income households.

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.<sup>3</sup> 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:

- e) 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
- f) 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).

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.”

<sup>3</sup> 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 \(hud.gov\)](https://www.hud.gov/PIH2021-07)

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.<sup>4</sup>

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

- g) 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.
- h) 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).

<sup>4</sup> 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.

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.<sup>5</sup> 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 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).<sup>6</sup> 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).<sup>7</sup>

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%

<sup>5</sup> See [Faircloth\\_Resource\\_Package.pdf \(hud.gov\)](#)

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, 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.

<sup>6</sup>See 24 CFR 905.604.

<sup>7</sup> Under FTR, a PHA can actually request from HUD a "Notice of Anticipated RAD Rents", or NARR.

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](mailto: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