



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS

BOARD PACKET

May 24, 2023



**Tacoma
Housing
Authority**

Executive Director
April Black

Board of Commissioners
Shennetta Smith, Chair | Dr. Minh-Anh Hodge, Vice Chair
Stanley Rumbaugh | Derek Young | Pastor Michael Purter

REGULAR MEETING

BOARD OF COMMISSIONERS

MAY 24, 2023

The Board of Commissioners of the Housing Authority of the City of Tacoma will hold a Regular Meeting on **Wednesday, May 24, 2023, at 4:45 PM via Zoom and at 902 S L Street, Tacoma, WA 98405.**

<https://us02web.zoom.us/j/84512576670> | **Meeting ID:** 845 1257 6670 | **Dial:** (253) 215-8782

The site is accessible to people with disabilities. Persons who require special accommodations should contact Sha Peterson (253) 207-4450, before 4:00 pm the day before the scheduled meeting.

I, Sha Peterson, certify that on or before 5 days prior to meeting, I faxed / EMAILED the preceding PUBLIC MEETING NOTICE before:

City of Tacoma	747 Market Street, Room 800 Tacoma, WA 98402	CityClerk@cityoftacoma.com
Northwest Justice Project	715 Tacoma Avenue South Tacoma, WA 98402	
KCPQ-TV/Channel 13	1813 Westlake Avenue North Seattle, WA 98109	tips@q13fox.com
KSTW-TV/CW 11	1715 East Madison Street Seattle, WA 98122	cw11@kstwtv.com
KNKX	930 Broadway Tacoma, WA 98402	info@knkx.org
Tacoma News Tribune	2602 S. 38th Street, Suite A PMB3 Tacoma, WA 98409	newstips@thenewstribune.com

and other individuals and organizations with residents reporting applications on file.

Sha Peterson
Executive Initiatives Officer

902 SOUTH L STREET, SUITE 2A | TACOMA, WASHINGTON 98405-4037

Phone 253-207-4400 | Fax 253-207-4440 | www.tacomahousing.org



AGENDA

TACOMA HOUSING AUTHORITY REGULAR BOARD OF COMMISSIONERS MEETING APRIL 26, 2023, 4:45 PM

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

ZOOM: <https://us02web.zoom.us/j/84512576670> / MEETING ID: 845 1257 6670

DIAL: (253) 215-8782

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **APPROVAL OF MINUTES**
 - 3.1. Minutes of April 26, 2023—Regular Session
4. **GUEST COMMENTS**
5. **COMMITTEE REPORTS**

Note: There were no committee meetings in May
6. **PRESENTATION: PAYMENT STANDARD ANALYSIS**
7. **AGENCY MONTHLY REPORT**
8. **FINANCE REPORT**
 - 8.1. Ratifying Cash Disbursement for April 2023
9. **NEW BUSINESS**
 - 9.1 2023-05-24 (1) Interlocal Agreement with Pierce County Housing Authority for Legal Services
 - 9.2 2023-05-24 (2) Procurement Policy Re-write
 - 9.3 2023-05-24 (3) Ratify the Trades Council Contract
10. **SPECIAL RECOGNITION**
11. **EXECUTIVE SESSION**
 - 11.1 To review the performance of a public employee.
12. **COMMENTS FROM THE COMMISSIONERS**
13. **ADJOURNMENT**



TACOMA HOUSING AUTHORITY

MINUTES



BOARD OF COMMISSIONERS MEETING MINUTES

REGULAR SESSION WEDNESDAY, APRIL 26, 2023

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session at 902 South L Street, Tacoma, WA 98405 at 4:45 pm on Wednesday, April 26, 2023.

1. CALL TO ORDER

Chair Smith called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:50 pm.

2. ROLL CALL

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

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

Chair Smith declared there was a quorum present at 4:51 pm and proceeded.

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Chair Smith asked for any corrections to or discussion of minutes for the Regular Session of the Board of Commissioners for Wednesday, February 22, 2023. Commissioner Young moved to adopt the minutes. Commissioner Purter seconded.

Upon roll call, the vote was as follows:

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

Motion approved.

4. GUEST COMMENTS

None.

5. COMMITTEE REPORTS

REAL ESTATE DEVELOPMENT COMMITTEE—COMMISSIONER RUMBAUGH, COMMISSIONER YOUNG

The committee met last week and discussed The Rise. Commissioner Young thanked everyone who helped with The Rise incident. It was a lot of work, but it was amazing to watch and showed everything to the community. The committee also discussed James Center North and Hillsdale Heights updates.

FINANCE AND AUDIT COMMITTEE—VICE CHAIR HODGE AND COMMISSIONER YOUNG

The committee did not meet.

EDUCATION, HOUSING SERVICES AND PARTNERSHIPS COMMITTEE—CHAIR SMITH, VICE CHAIR HODGE

The committee did not meet.

COMMUNITY PARTNERSHIPS AND ADVOCACY COMMITTEE—CHAIR SMITH, COMMISSIONER PURTER

The committee met last week where staff presented their updates on projects and funding, including James Center North information. The committee also discussed Housing Hilltop and how the community came together to support The Rise. There was an outpour of love for the residents. Commissioner Purter thanked everyone who participated with assisting The Rise residents.

DIVERSITY, EQUITY, INCLUSION AND BELONGING COMMITTEE —CHAIR SMITH, VICE CHAIR HODGE

The committee meet on April 20th and looked at the Board By-Laws, recommendations by the Lindsay Group, and recommendations by the DEIB sub-committee. There are some additional items to add to the By-Laws including protocol for all staff members to have access to Board members for a way to build more thoughtful and meaningful relationships with Board members and for the Executive Director to address issues of equity and policing within the organization. Final recommendations will be provided to the Board in May. Chair Smith noted the great things the DEIB sub-committee is coming up with. Commissioner Hodge added that the committee wants to understand the roles and responsibilities of the Board.

6. AGENCY MONTHLY REPORT

6.1 OVERVIEW OF THA'S MOVING TO WORK (MTW) PROGRAM

Policy Manager Katie Escudero presented the Moving to Work program to the Board. There are three objectives: increase housing choice, increase economic independence, and reduce cost and achieve greater cost-effectiveness. THA is part of 39 initial MTW agencies and secured a 10-year contract in 2016 and up for renewal in 2028. Commissioner Young asked how much feedback THA receives during public comment. Not a lot, according to Eskudero but THA receives more feedback when it does targeted comments.

With our regulatory exemptions and single fund flexibility, in 2022, THA:

- Provided housing assistance to over 4,500 households
- Continued utilizing our efficiencies to serve customers in a more streamlined manner
- Continued to place property-based subsidies in seven different properties – preserving more than 352 affordable housing units.
- Resourced and supported the local homelessness response system
- Strategized new ways to engage landlords and support households in this competitive housing market
- In response to the tremendous impacts of the COVID-19 pandemic and the lifting of the eviction moratorium, THA's Property Management department focused on eviction prevention efforts to help keep residents who are at-risk of eviction housed

6.2 AGENCY HIGHLIGHTS FOR FEBRUARY AND MARCH

Executive Director (ED) Black highlighted a few things from the agency report. THA learned yesterday that The Rise construction will be completed by the end of next week, May 5. There are 15 residents who will not return to their units until the elevators are back online. There is not estimated time on when this will be finished. The Emergency Operations Committee will move out of emergency mode and have people return to their normal jobs.

There is a resolution to be presented to the Board tonight regarding the Resyndication of Hillside and Salishan. The team is excited to begin the work. Residents will help consulting. The Board received the summary of data from the waitlist opening. THA received 15k applications, majority from Tacoma and Pierce County. Staff will conduct lottery next Monday. Huge shout out to the team and Project Manager Jess Thompson. Commissioner Young noted that 15k applications is both shocking and depressing.

Client Support and Empowerment staff has been focused on resident engagement including daily activities. THA signed on as a partner with Black Home Initiative which targets the racial inequities at the core of the housing ecosystem in an effort to increase homeownership among black households.

The Washington state legislature session wrapped up last week and THA received \$2M of assistance for capital improvements for James Center North.

7. FINANCE REPORT

FINANCE

Finance Department (FD) Director Rich Deitz directed the board to the finance report.

7.1 RATIFYING CASH DISBURSEMENT FOR FEBRUARY 2023

Commissioner Young moved to ratify the payment of cash disbursements totaling \$6,338,412 for the month of February 2023. Commissioner Purter seconded.

Upon roll call, the vote was as follows:

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

Motion approved.

7.2 RATIFYING CASH DISBURSEMENT FOR MARCH 2023

Commissioner Purter moved to ratify the payment of cash disbursements totaling \$6,736,822 for the month of March 2023. Commissioner Young seconded.

Upon roll call, the vote was as follows:

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

Motion approved.

8. NEW BUSINESS

8.1 APPROVAL OF ACCOUNTS RECEIVABLE WRITE OFFS

RESOLUTION 2023-04-26 (1)

(Approval of Accounts Receivable Write Offs)

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

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

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

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

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

THA Write offs and Collections

Ledger #	Balance
LD-2018-039935	\$395.00
LD-2017-028837	\$833.00
LD-2017-028606	\$557.00
LD-2017-001253	\$676.00
LD-2017-037406	\$443.00
LD-2017-003388	\$450.00
LD-2017-013444	\$538.00
LD-2019-041984	\$747.00
LD-2017-010976	\$1,557.00
LD-2019-042671	\$966.00
LD-2017-021257	\$620.00
LD-2017-028340	\$1,304.00
LD-2017-006468	\$544.00
LD-2019-043987	\$752.00
LD-2017-028676	\$3,882.00*
	<hr/>
	\$14,264.00
Total THA for Write Off	\$3,882.00
Total THA to Collections	<u>\$10,382.00</u>

Vice Chair Hodge motioned to approve the resolution. Commissioner Purter seconded the motion.

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

Motion approved: April 26, 2023

Shennetta Smith, Chair

8.2 SHILOH PBV VASH CONVERSION

RESOLUTION 2023-04-26 (2)

(Shiloh Baptist S. 13th & S. I street Supportive Housing project -- Conversion of HUD-VASH vouchers to Project Based VASH Vouchers)

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

WHEREAS, Shiloh Baptist S. 13th & S. I street project will provide 60 units of affordable housing; and

WHEREAS, Shiloh Baptist S. 13th & S. I street project will house very-low-income and extremely low-income households in our community; and

WHEREAS, THA has underutilized HUD-VASH vouchers available; and

WHEREAS, THA and the Department of Veterans Affairs Puget Sound Health Care System (American Lake Division) agree that the conversion of these HUD-VASH vouchers will provide an additional housing option for many homeless veterans in our community; now, therefore, be it

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

THA's Executive Director is authorized to approve the conversion of twenty (20) HUD-VASH vouchers to Project-Based VASH vouchers at Shiloh Baptist S. 13th & S. I street development.

Commissioner Young motioned to approve the resolution. Vice Chair Hodge seconded the motion.

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

Motion approved: April 26, 2023

Shennetta Smith, Chair

8.3 SHILOH PBV VASH AHAP

RESOLUTION 2023-04-26 (3)

(Shiloh Baptist Church -- Project Based VASH Voucher AHAP)

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

WHEREAS, Shiloh Baptist S. 13th & S. I street project will provide 60 units of affordable housing; and

WHEREAS, Shiloh Baptist S. 13th & S. I street project will house very-low-income and extremely low-income households in our community; and

WHEREAS, THA has underutilized HUD-VASH vouchers available; and

WHEREAS, THA and the Department of Veterans Affairs Puget Sound Health Care System (American Lake Division) agree that the conversion of these HUD-VASH vouchers will provide an additional housing option for many homeless veterans in our community; now, therefore, be it

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

THA's Executive Director is authorized to execute an Agreement to enter into a Housing Assistance Payment (AHAP) contract with Shiloh Baptist Church for its S. 13th & S. I street Supportive Housing project.

Commissioner Young motioned to approve the resolution. Commissioner Purter seconded the motion.

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

Motion approved: April 26, 2023

Shennetta Smith, Chair

8.4 BRAWNER AND COMPANY FINANCIAL AND DEVELOPMENT SERVICES FOR ASSET REPOSITIONING SAL 1-3 AND HILLSIDE TERRACE

RESOLUTION 2023-04-26 (4)

(Brawner & Company, Financial & Development Services for the Asset Repositioning of Salishan One, Salishan Two, Salishan Three and Hillside Terrace)

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

Whereas, THA owns and manages and develops affordable rental housing in Tacoma; and

Whereas, THA is committed to developing additional residential housing in Tacoma to meet THA and community goals and need; and

Whereas, THA financial feasibility, predevelopment, preconstruction, financing and construction management are important tasks to be completed for all new development, acquisition and redevelopment projects; and

Whereas, Brawner & Company was selected through an interlocal agreement with Housing Opportunities of Southwest Washington via THA BOC Resolution 2022-04-27 (6) to provide financial feasibility and real estate development and redevelopment services; and

Whereas, the contract costs are paid through the development financing; now, therefore, be it

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

Approve Resolution 2023-04-26 (4) authorizing the execution of a contract with Brawner & Company for a not to exceed amount of \$3,000,000 for the re-syndication of Salishan 1, 2, 3 and Hillside Terrace.

Commissioner Young motioned to approve the resolution. Commissioner Purter seconded the motion.

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

Motion approved: April 26, 2023

Shennetta Smith, Chair

8.5 REVISE THA’S POLICY HR 35.01 TIME AWAY FROM WORK

RESOLUTION 2023-04-26 (5)

(Revise THA’s Policy HR 35.01 Time Away from Work)

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

WHEREAS, THA may have circumstances where employees would prefer to cash out versus use accrued vacation time; and

WHEREAS, vacation leave is worth 100% upon an employee’s exit from THA; and

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

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

Authorize THA's Executive Director to revise THA Policy HR-35.01 Time Away from Work.

Vice Chair Hodge motioned to approve the resolution. Commissioner Purter seconded the motion.

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

Motion approved: April 26, 2023

Shennetta Smith, Chair

8.6 PROVIDE SIX ADDITIONAL "REST AND WELLNESS" DAYS IN 2023

RESOLUTION 2023-04-26 (6)

(Provide Six (6) Additional "Rest and Wellness" Days in 2023)

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

WHEREAS, THA may provide additional paid time off; and

WHEREAS, THA will provide six (6) additional "Rest and Wellness" Days in 2023; and

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

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

Authorize THA's Executive Director to provide six (6) additional "Rest and Wellness" Days in 2023.

Vice Chair Hodge motioned to approve the resolution. Commissioner Young seconded the motion.

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

Motion approved: April 26, 2023

Shennetta Smith, Chair

9. EXECUTIVE SESSION

The Board went into executive session at 5:42 pm for one hour and one minute to discuss with legal counsel representing the agency-on-agency litigation or potential litigation and to review the performance of a public employee. The Board came back into regular session at 6:43 pm.

10. COMMENTS FROM COMMISSIONERS

Commissioner Purter thanked ED Black and staff for everything they do. Vice Chair Hodge echoed the thanks.

11. ADJOURNMENT

There being no further business to conduct, the meeting ended at 6:44 pm.

APPROVED AS CORRECT

Adopted: May 24, 2023

Shennetta Smith, Chair



**Tacoma
Housing
Authority**

Executive Director
April Black

Board of Commissioners
Shennetta Smith, Chair | Dr. Minh-Anh Hodge, Vice Chair
Stanley Rumbaugh | Derek Young | Pastor Michael Purter

Real Estate Development Committee

Commissioner Stanley Rumbaugh
Commissioner Derek Young
April Black
Sandy Burgess
Richard Deitz
Julie LaRocque

Finance Committee

Commissioner Derek Young
Vice Chair Minh-Anh Hodge
April Black
Richard Deitz
Duane Strom
Julie LaRocque

Community Partnerships and Advocacy Committee

Chair Shennetta Smith
Commissioner Pastor Michael Purter
April Black
Nick Tolley
Marquis Jenkins
Julie LaRocque

Education, Housing, Services and Partnerships Committee

Chair Shennetta Smith
Vice Chair Minh-Anh Hodge
April Black
Katie Escudero
Jess Thompson
Aley Thompson
Julie LaRocque

Diversity, Equity and Inclusion Committee

Chair Shennetta Smith
Vice Chair Minh-Anh Hodge
Cacey Hanauer
Sharrall Madden
Marquis Jenkins
Katie Escudero
Jess Thompson
Aley Thompson
Julie LaRocque



TACOMA HOUSING AUTHORITY

PRESENTATION
Payment Standard Analysis



2023 Spring Payment Standards Analysis



We aim to:

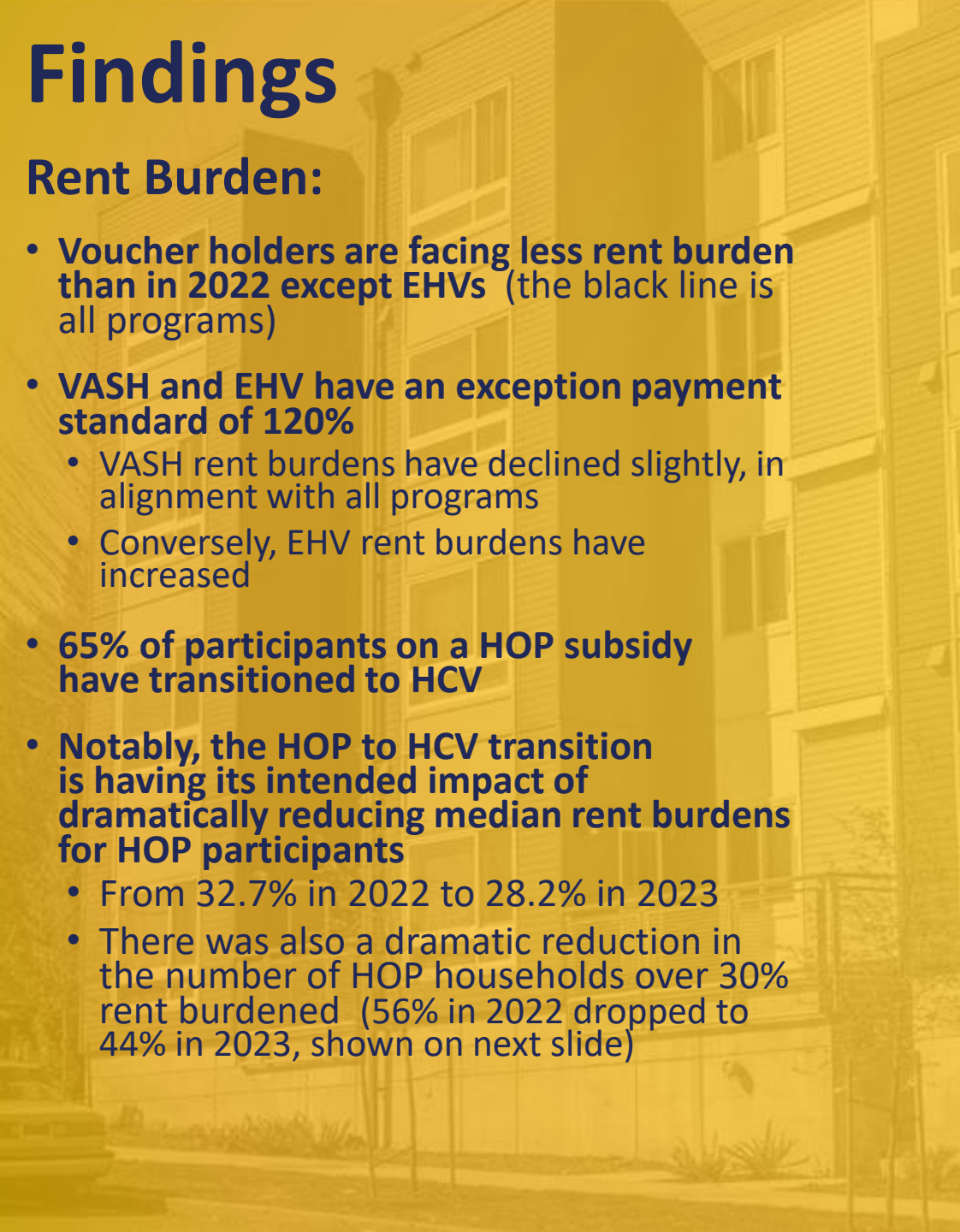
- Reduce Rent Burden**
- Increase Housing Choice**
- Reduce Unplanned Relocation**
- Increase Housing Success**

May 2023

Background

- **Payment Standards set the value of a voucher**
 - The rent plus the tenant-paid utilities is compared to the payment standard when determining rent reasonableness
- **PHAs must set payment standards between 90-110% of Fair Market Rents (FMR)**
 - In 2023, HUD's FMRs increased by 8-10%
- **Effective January 1, 2023: THA's payment standards are 105% of the FMR for 0-3 bedrooms and 100% of the FMR for all other bedroom sizes**
 - EHV and VASH have exception payment standards at 120% of the FMR (2br: \$1,972)

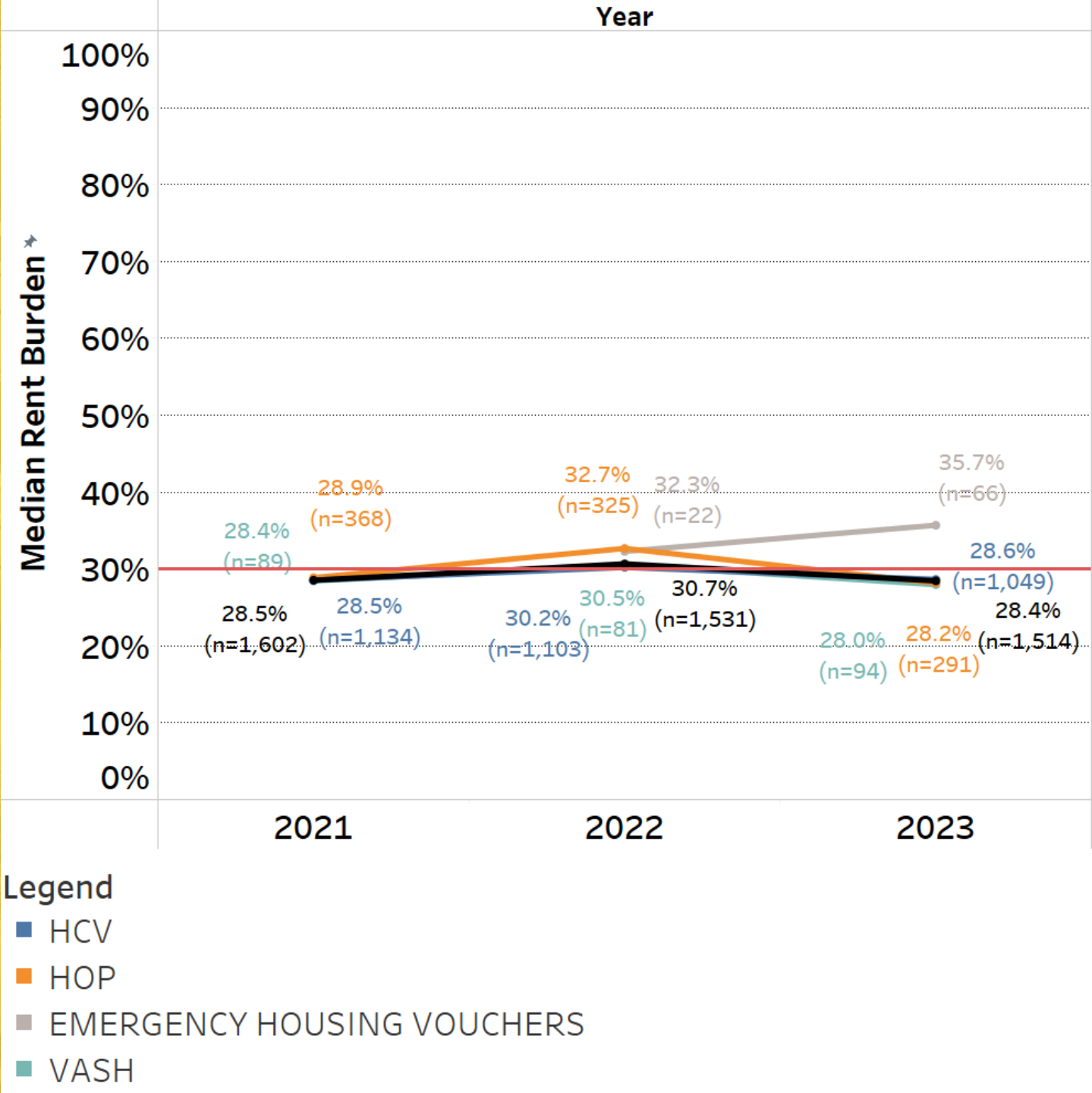
	FY 2023 FMRs	Current Payment Standards	% of the FMR	Exception PS: VASH & EHV	% of the FMR
Studio	\$ 1,174	\$ 1,233	105%	\$ 1,409	120%
1 Bedroom	\$ 1,308	\$ 1,373	105%	\$ 1,570	120%
2 Bedroom	\$ 1,643	\$ 1,725	105%	\$ 1,972	120%
3 Bedroom	\$ 2,335	\$ 2,452	105%	\$ 2,802	120%
4 Bedroom	\$ 2,740	\$ 2,740	100%	\$ 3,288	120%
5 Bedroom	\$ 3,151	\$ 3,151	100%	\$ 3,781	120%
6 Bedroom	\$ 3,562	\$ 3,562	100%	\$ 4,274	120%
7 Bedroom	\$ 3,973	\$ 3,973	100%	\$ 4,768	120%
8 Bedroom	\$ 4,384	\$ 4,384	100%	\$ 5,261	120%



Findings

Rent Burden:

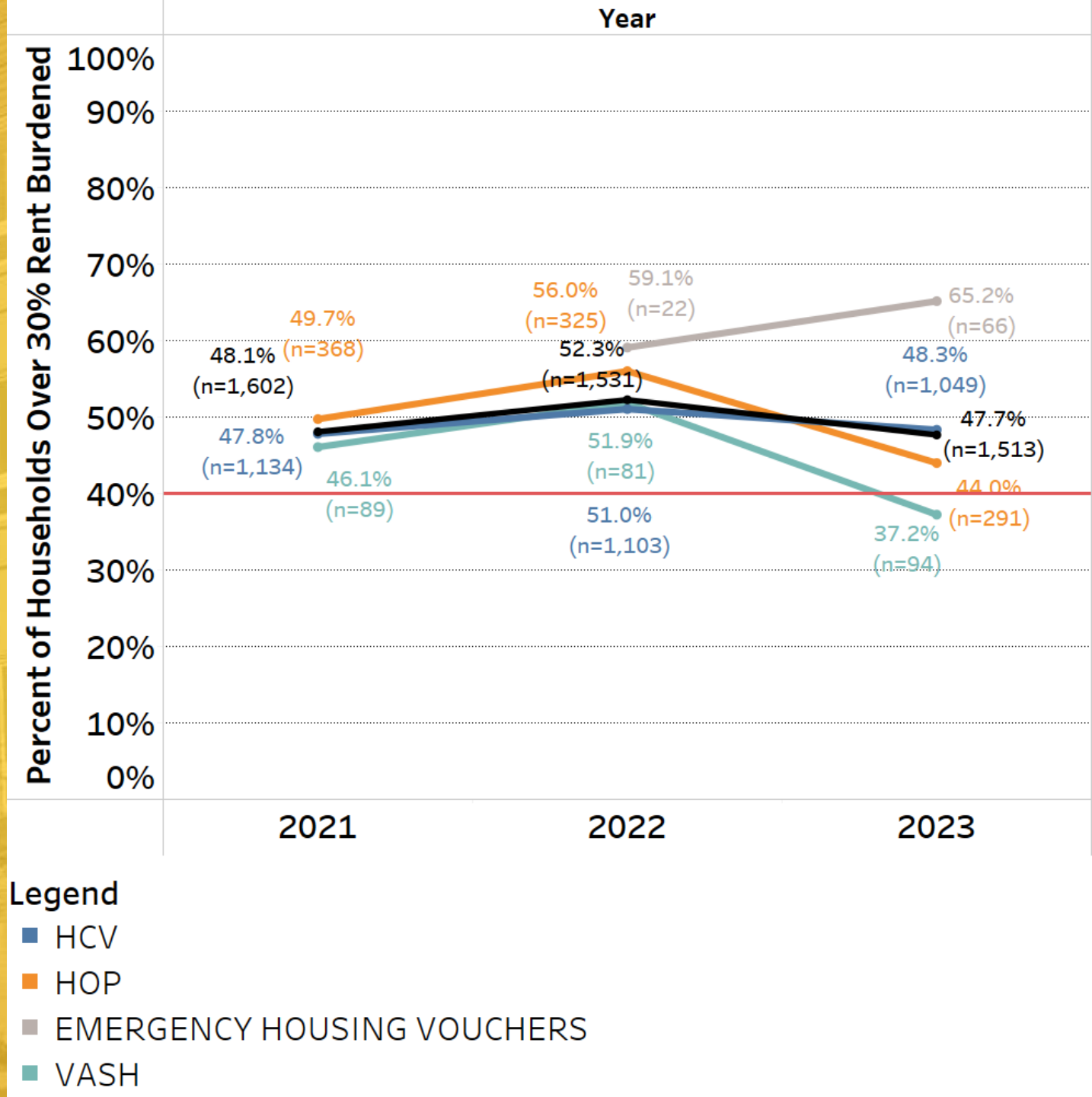
- **Voucher holders are facing less rent burden than in 2022 except EHV** (the black line is all programs)
- **VASH and EHV have an exception payment standard of 120%**
 - VASH rent burdens have declined slightly, in alignment with all programs
 - Conversely, EHV rent burdens have increased
- **65% of participants on a HOP subsidy have transitioned to HCV**
- **Notably, the HOP to HCV transition is having its intended impact of dramatically reducing median rent burdens for HOP participants**
 - From 32.7% in 2022 to 28.2% in 2023
 - There was also a dramatic reduction in the number of HOP households over 30% rent burdened (56% in 2022 dropped to 44% in 2023, shown on next slide)



Findings

Rent Burden Continued:

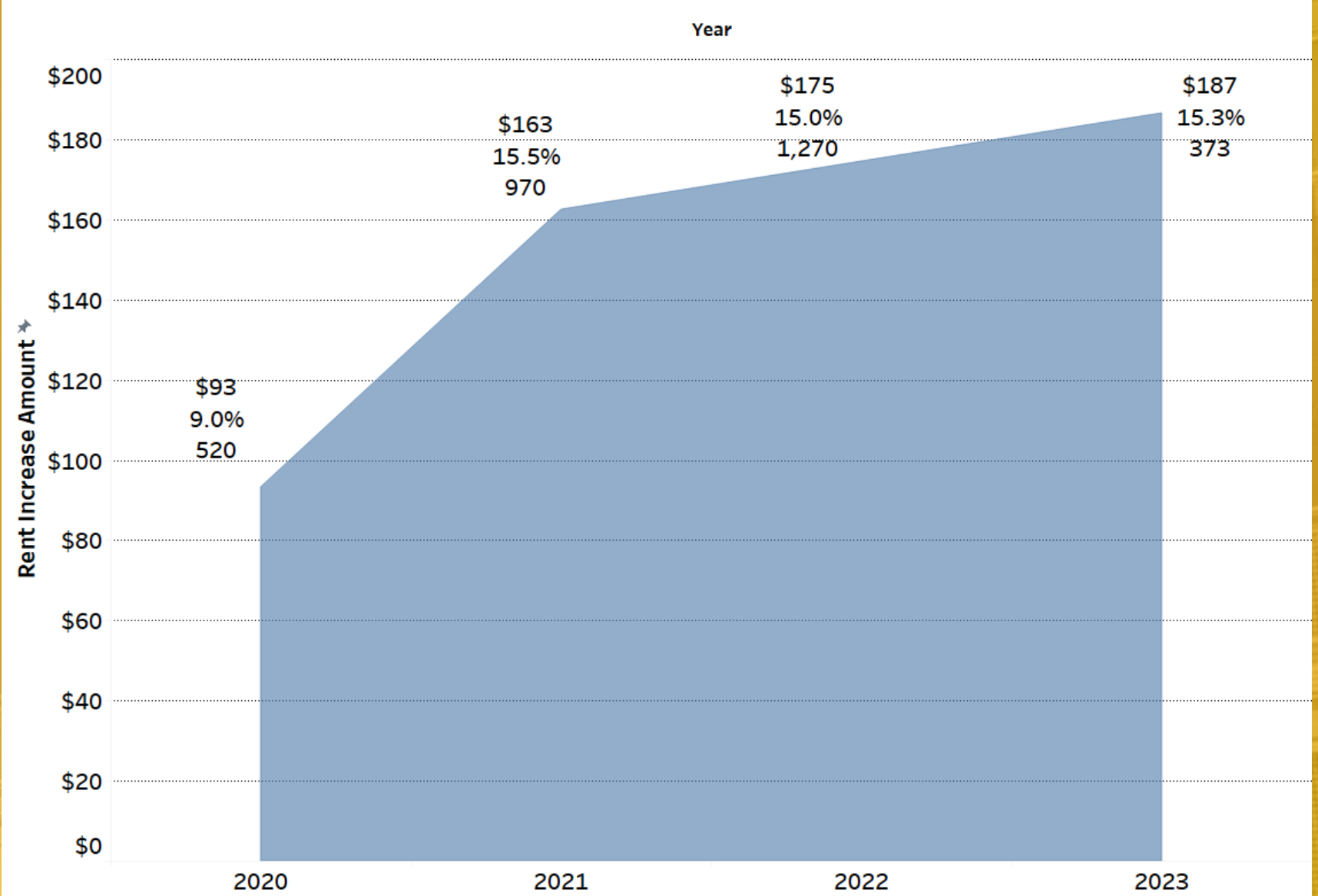
- There is a significant reduction in the number of HOP households over 30% rent burdened
- 56% in 2022 dropped to 44% in 2023



Findings

Rent Increases:

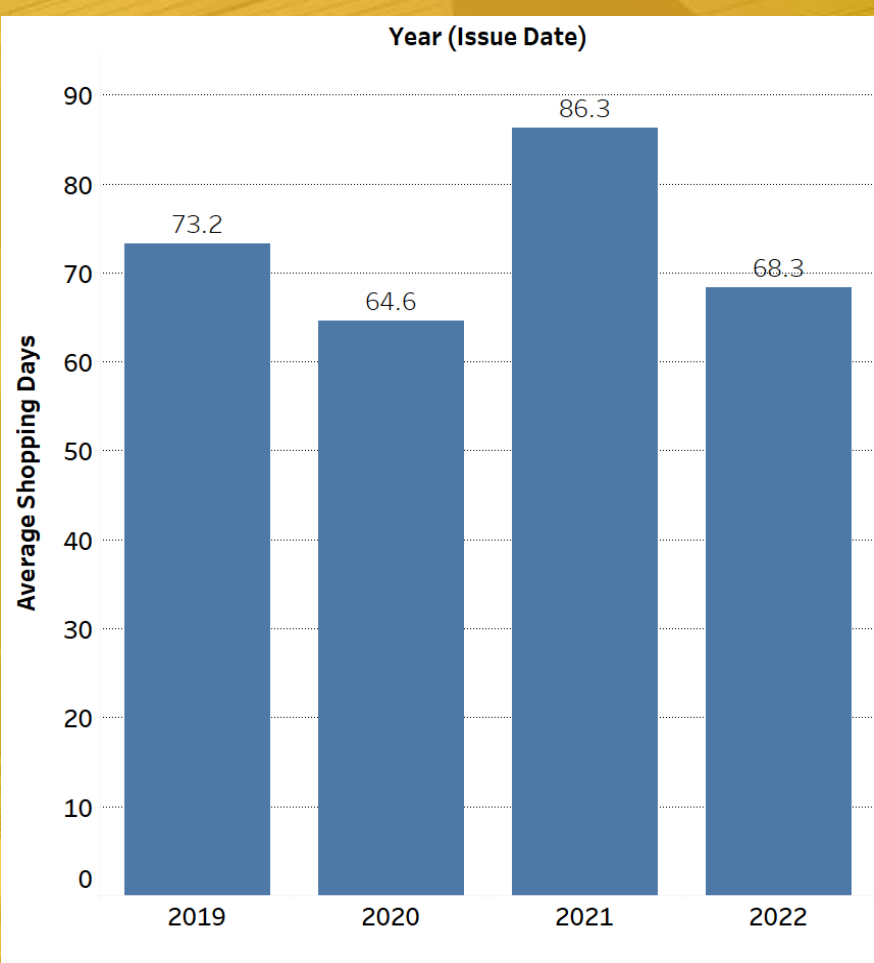
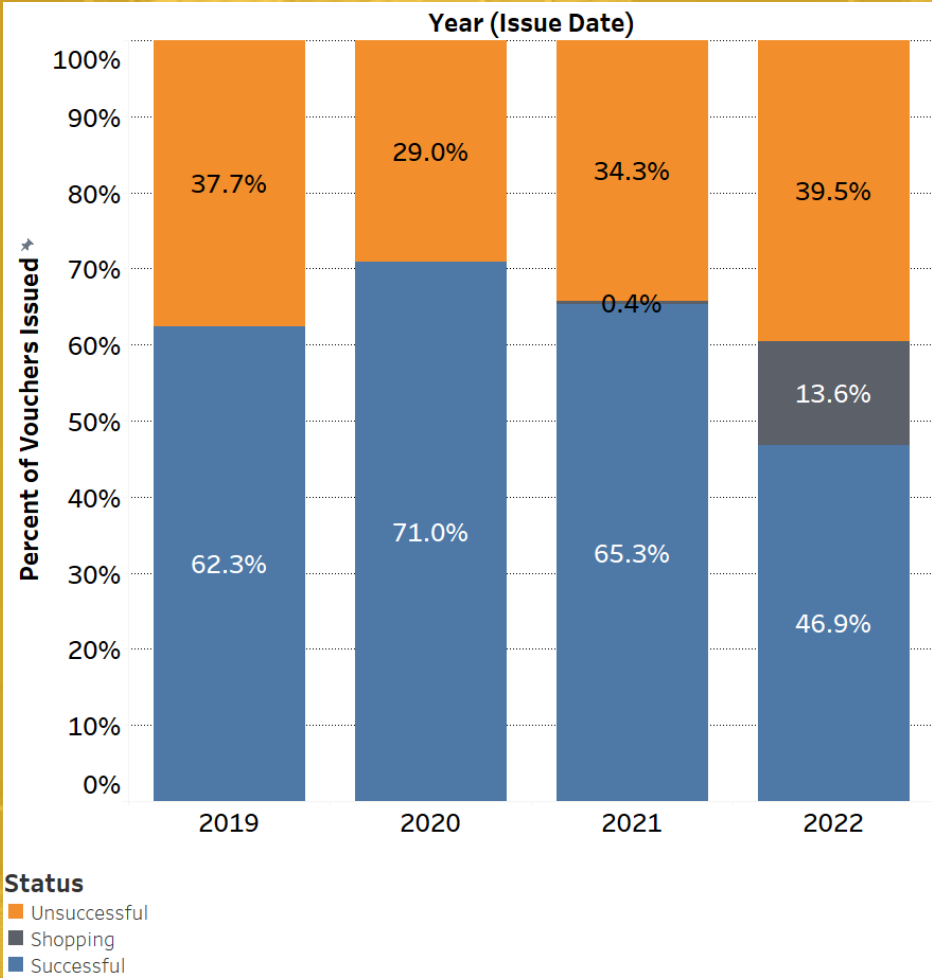
- Interim rent adjustments increased at 15%, remaining at nearly the same levels as last year, which were already significantly higher than prior years
- Average rent increases are \$187



Findings

Housing Success:

- Rates of housing success (i.e. the ability for a household to secure a unit) decreased in 2022
- However, shopping days among households who secured housing decreased in 2022
- It is too early to determine the impact of the payment standard increase on 2023 shoppers



Findings

Market Rents and Vacancy Rates:

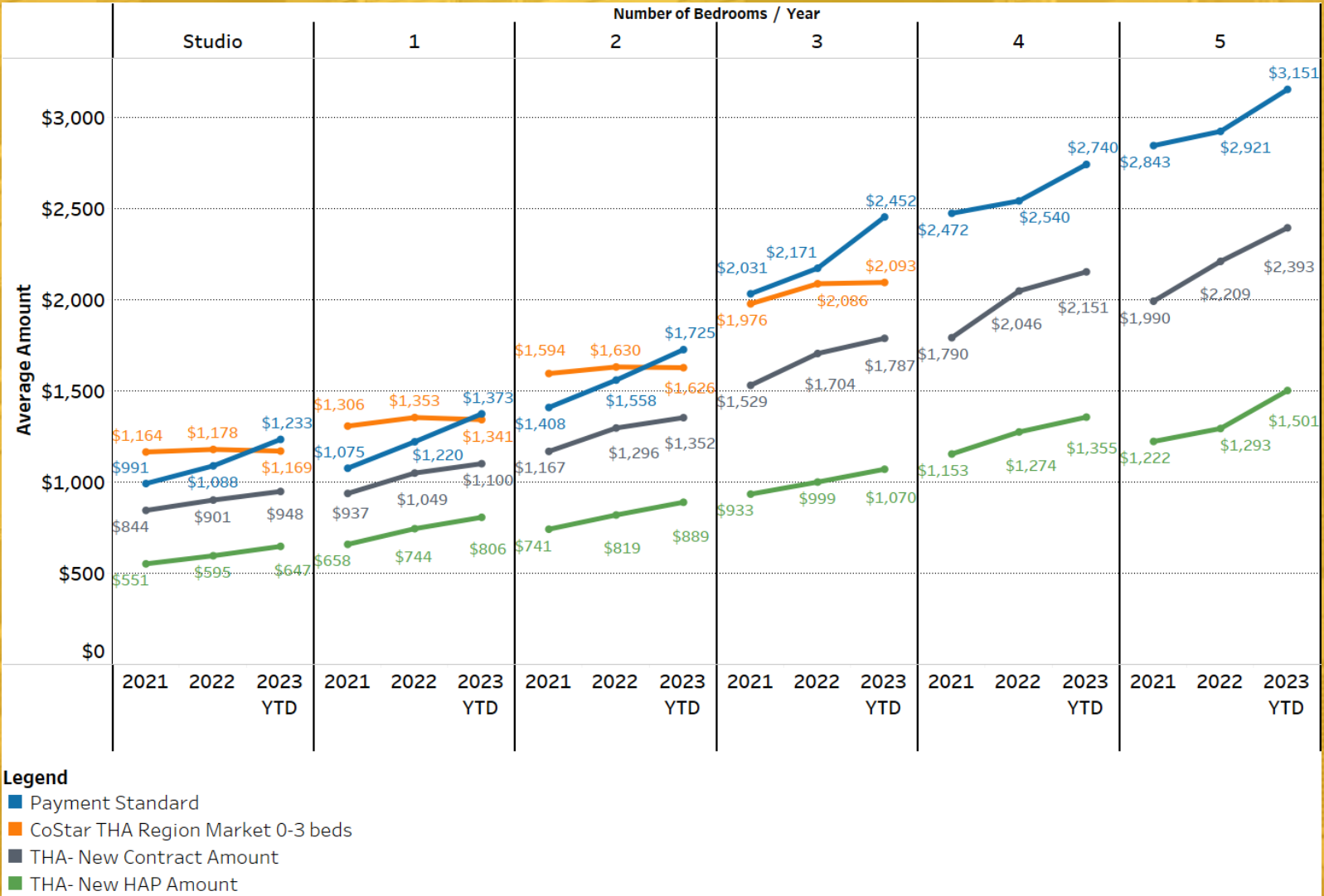
- Market rents decreased slightly while vacancy rates increased across nearly all regions and unit sizes, indicating a slightly less stressed rental market
- Payment Standards for studio-, 1-, and 2-bedroom units increased faster than average market rents from 2022 to 2023, exceeding them.
- 72% of 167 vacant units listed in by our landlord partners in April 2023 are at or below THA's payment standards compared to 26% prior to the payment standard change

Measure- 2023 YTD	THA Jurisdiction	Pierce County
Average Yearly Effective Rent 2023 YTD (\$)	\$1,516	\$1,551
<i>% Chg from Fall 2022 PSA</i>	<i>-1.2%</i>	<i>-1.0%</i>
Vacancy Rate (%) Average 2023 YTD	6.4%	6.6%
<i>% Chg from Fall 2022 PSA</i>	<i>51.7%</i>	<i>42.8%</i>
Vacant Units	2,854	4,235
<i>% Chg from Fall 2022 PSA</i>	<i>56.5%</i>	<i>46.7%</i>
Total Units (N)	47,690	69,245
<i>% Chg from Fall 2022 PSA</i>	<i>2.9%</i>	<i>4.5%</i>
Existing Buildings	1,420	2,144
<i>% Chg from Fall 2022 PSA</i>	<i>1.1%</i>	<i>1.9%</i>

Findings

Contract Rents

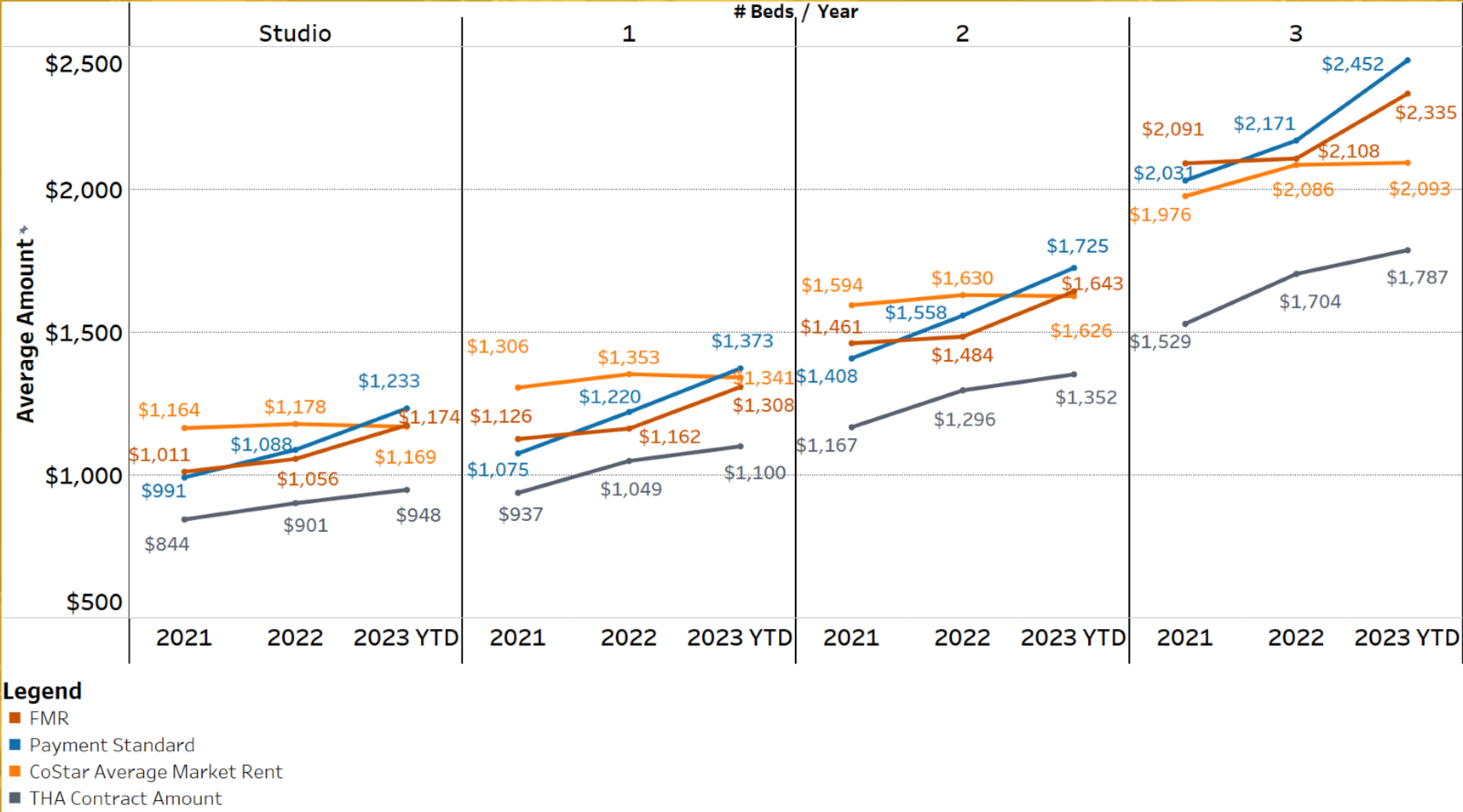
- Average contract rents are increasing at a slower rate relative to the last Payment Standards analysis in October 2022.
- Average contract rents and HAP appear to be increasing faster than market rents.



Findings

HUD Fair Market Rents

- 2023 FMRs appear to have increased faster than market rents and to a lesser extent contract rents
- It is important to note that until 2023, FMRs were below market rents for most of the households THA serves



Findings – Financial Impacts

- **MTW Impacts - Current Trends Are Expected to Continue.** The offsetting impact of lower than anticipated utilization and higher than projected Average HAP has resulted in total HAP costs that are remarkably in line with budget. A reduction in payment standards would have limited impact on 2023 due to the implementation date and the high percentage of THA voucher holders that would remain under the current payment standards even if they were lowered.
- **Non-MTW/Special Purpose Voucher Impacts**
 - Special Purpose Vouchers are funded on a reimbursement basis. If we run out of funding, we have the opportunity to request additional funds from HUD. It does raise the risk of the request not being funded.
 - EHV - Utilization is currently tracking on budget, while Average HAP is growing significantly faster than was anticipated. Based on current trends, EHV HAP may be over budget by as much as \$180K.
 - VASH - Similar to EHV, the Average HAP is higher than anticipated, and utilization is running close to budget.

Recommendation

- **It is too early to see the full impact of the January 2023 Payment Standards changes**
 - Market rents decreased slightly and rent increases remain at 15%
 - Median household rent burden decreased
 - More than 40% of households are paying over 30% of their income toward rent
 - HAP expenses have increased
 - Notably, THA needs to increase overall utilization to meet our substantially the same requirement
 - Housing success rates are to be determined ...
- **We recommend making no change to THA's Payment Standards**
 - Carefully track HAP expenditures and utilization
 - Reassess in the fall when the impacts of the January 2023 payment standards can be measured and the new FMRs are released
 - Explore options to streamline how quickly THA can implement a lower payment standard, while providing ample notice to households

	FY 2023 FMRs	Current Payment Standards	% of the FMR	Exception PS: VASH & EHV	% of the FMR
Studio	\$ 1,174	\$ 1,233	105%	\$ 1,409	120%
1 Bedroom	\$ 1,308	\$ 1,373	105%	\$ 1,570	120%
2 Bedroom	\$ 1,643	\$ 1,725	105%	\$ 1,972	120%
3 Bedroom	\$ 2,335	\$ 2,452	105%	\$ 2,802	120%
4 Bedroom	\$ 2,740	\$ 2,740	100%	\$ 3,288	120%
5 Bedroom	\$ 3,151	\$ 3,151	100%	\$ 3,781	120%
6 Bedroom	\$ 3,562	\$ 3,562	100%	\$ 4,274	120%
7 Bedroom	\$ 3,973	\$ 3,973	100%	\$ 4,768	120%
8 Bedroom	\$ 4,384	\$ 4,384	100%	\$ 5,261	120%



TACOMA HOUSING AUTHORITY

AGENCY MONTHLY REPORT



TACOMA HOUSING AUTHORITY

To: THA Board of Commissioners
From: April Black, Executive Director
Date: May 24, 2023
Re: Agency Monthly Report

THA's Mission

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

On the following pages you will find our agency highlights for the month of April. The agency updates are categorized as they relate to our long-term goals:

- Increase the amount of available housing for low-income families
- Increase housing access and stability
- Embed principles of diversity, equity, inclusion and belonging (DEIB) in THA's program, culture, and priorities
- Make THA a great place to work

Every person at THA contributes to our work and is integral to fulfilling our mission. This report represents just a small percentage of the work our team does in service to our community.

TABLE OF CONTENTS

Increase the amount of Affordable Housing for low income families	2
Increase Housing access and Stability	3
Embed principles of diversity, equity, inclusion, and belonging (DEIB) in THA’s programs, culture, and priorities.....	6
Make THA a great place to work	7
A Look Ahead: June Board Focus.....	9
Advocacy Items.....	9

INCREASE THE AMOUNT OF AFFORDABLE HOUSING FOR LOW INCOME FAMILIES

Housing Hilltop

The Housing Hilltop project remains on schedule and within budget. Both sites are active with the pouring of concrete walls and other structural elements, and we will start to see more vertical construction and wood framing on the South building in the coming weeks. In last months’ report, we indicated some security concerns both in the neighborhood and on the sites. Walsh Construction has installed security cameras as required by our Builder’s Risk insurance policy, and they have also hired security patrol during their work hours to keep their staff and subcontractors safe. Metro Parks is also using the same security company to patrol their parks, including People’s Park, and there is some synergy between the two patrols. Street activity is lower on some days. THA continues to work with the city to address illegal activity on the street and we anticipate another neighborhood meeting soon.

Aviva Crossing (James Center North)

Work continues on the Aviva Crossing project with Koz Development, Mercy Housing N.W. and Metro Parks. We are adding the city into our regular meetings to plan for the Boundary Line Adjustment applications as well as to coordinate sewer upgrades, storm water management and other infrastructure.

Hillsdale Heights

We are finalizing work on an MOU with Bridge Meadows for their development of housing on a portion of the Hillsdale Heights site. And, we are beginning conversations with Habitat for Humanity for the development of affordable homeownership opportunities on one of the remaining parcels, as well as other developers.

Applications for Additional Vouchers

The Rental Assistance Department is working in partnership with the VA and the Department of Children Youth and Families to submit applications for additional VASH (Veteran's Affairs Supportive Housing) and FUP (Family Unification Program) vouchers. Voucher awards will likely be announced in several months, we will update the Board once we hear from HUD.

INCREASE HOUSING ACCESS AND STABILITY

Housing Households

This month 1,825 families were added to THA's housing waitlist in random order. Families were notified about their waitlist status beginning on May 15th. We started pulling names from the new wait list to offer vouchers and units in THA's portfolio.

To meet our MTW requirements THA must serve substantially the same number of customers as when we were a non-MTW agency. This month our STS utilization is 96.7%, down slightly from last month. The decrease reflects program attrition, the number of people exiting our programs is outpacing the number we are adding. With our new waitlist live, the eligibility team developed a plan to conduct weekly waitlist pulls to boost utilization. Our Special Purpose vouchers have been experiencing growth since Q4 of last year. Emergency Housing Vouchers are 74% utilized (up from 41% in October), Mainstream at 100% (up from 78%), and Foster Youth to Independence at 21% (up from 7%).

This month the Board will hear a presentation on the state of the rental market and the value of THA's vouchers. Staff recommends that we wait until the Fair Market Rents for 2024 are released in the fall before making any changes to THA's payment standards. While HAP is increasing and rents are decreasing slightly, it is too early for us to see the impact of higher payment standards on housing success (the new standards were effective 1/1/23). One notable finding is that the increased payment standards are driving down rent burdens which should have a corresponding impact on housing stability. More information is detailed in the presentation above and the full analysis completed by Daniel Stutman is linked [here](#).

Yardi Conversion Update

The Yardi implementation project continues to be on-time and under budget with a scheduled go-live of core functions and key axillary modules on October 3rd. A number of key events will lead up to this final conversion.

Coming up in June, THA will complete its trial conversion. This will give the agency an almost complete system to test functionality, data quality and enable the agency to look for gaps in the configuration. Yardi uses a waterfall project management methodology with a script/homework conversion plan to move agencies to its product. To reduce risk, THA requested this extra conversion to help the agency identify areas that need attention before the final conversion in October.

In addition, through the months of July and August, THA staff will undergo intense training on the Yardi product.

The conversion itself begins the week before Labor Day with a week-long “dark period” where most of THA’s data will be converted from OpenDoor, our existing system, to Yardi. From Labor Day through August, parts of the system will go live in a rolling fashion while other data conversions are completed. This culminates on October 3rd when financial data is converted.

After go-live, THA staff will have experts from Yardi and our consultants on site to help with any usability challenges or system needs.

As with any large conversion of this type, there will be a transition period, typically lasting up to six months after go-live, where system use is not optimal as people learn to use the new tool and issues missed during the conversion are discovered and fixed. Indeed, some functions may even temporarily take a step backwards for a period of time until a new solution can be found. We are prepared for this and will have resources available through the period to assist THA staff.

Communication is key and we are already preparing to keep staff fully informed as we move forward.

This transition has truly been a team effort with many departments working long hours together to see to its success.

In addition to Yardi, CSE is moving forward with a companion system called Apricot. Apricot will integrate with Yardi and be used to track our services and programs with clients. It is planned to go live simultaneously with Yardi in October.

While this project has been an enormous undertaking for THA, it will yield much better support for our clients going forward while also being far more efficient with THA resources. In addition, THA will have a robust data reporting capability it has not had before.

Please look forward to further updates as we approach October.

Housing Stability and Customer Support

April was a busy month for the CSE crew, as well, with a heavy focus on lining up summer programming and organizing opportunities for individuals and families throughout the portfolio and for voucher holders. With the help from the contract team, we completed a hand full of contracts this past month. MetroParks, KBTC, First Tee, Ted Brown Music, ClubZ, Krownless Kings, and Salishan Association. Metro Parks will be offering summer meals and programming July 3rd – September 1st. They will be onsite at Salishan from 9:30am – 3:30pm with programming taking place between 10:00am -3:00pm. Lunch will be served from 12:00-1:00pm. During time we will be offering different types of crafts, game, organized field games, full relays, and a story time. We also contracted with Tacoma Public Schools to bring a McKinney Vento Housing Navigator named Michelle Birge to be embedded at the FIC. She has already started sitting at the FIC once per week and begun collaborating with staff and working with TPS/THA families to support their students' and families' needs.

On Wednesdays, GreenTrike Play to Learn serves 20-25 families every with fun group activities, songs, and a group circle time for children and their caregivers to enjoy together. Additionally, Nourish Tacoma is faithfully on site and serves 75- 90 families from 1pm-4pm every Friday in Salishan with its mobile food truck. Tacoma Online staff met with families in in Salishan at the Family Investment Center to offer support to the families they serve who have asked for more in person access to school staff.

Salishan's Spring Break was a hit with the youth of the community serving over 100 youth with games, arts & crafts, a movie night, talent show, and ending the week with an egg hunt and BBQ.

In April the Family Self Sufficiency team took their orientation on the road and offered a session to the residents at North K Street apartments. The event was a success and gained interest in the program from many residents who might otherwise not have known it was a fit for them.

We helped wrap up our MultiCare Fall Prevention grant which was used to bring Dr. Anna Chang of Onsite Physical Therapy and her exercise classes into the mid-rise buildings. A total of 39 residents participated over the 12-week period of classes. As one resident explained:

"Anna's professionalism, knowledge, and patience has been a godsend for me. I have balance issues and fall frequently. I have a hard time getting up from the floor, and she has shown me how to do it correctly. Anna has addressed my many conditions and showed me how to become stronger and more confident. My balance has improved immensely! Anna has helped so much that I haven't fallen since I started the classes. She has shown me how to stretch correctly with and without the stretch bands. I have been walking and standing taller and straighter than I have in 30 years! I believe that these exercise classes are one of the best activities that THA has come up with in the seven years I have lived here. None of the hundreds of thousands of dollars spent over the last 25 years for my Physical Therapy has helped as much as Anna's classes"

EMBED PRINCIPLES OF DIVERSITY, EQUITY, INCLUSION, AND BELONGING (DEIB) IN THA'S PROGRAMS, CULTURE, AND PRIORITIES

Hiring Practices

The Human Resources department is in its final stages of a comprehensive review of our hiring processes which has been conducted in collaboration with our Business Process Team. This review included current hiring managers to examine our recruitment and selection procedures. The aim of this project is to ensure that our processes align with THA's organizational goals and objectives, particularly with respect to Diversity, Equity, Inclusion, and Belonging (DEIB). As we approach completion, we are confident that these refinements will strengthen our commitment to fostering a diverse and inclusive workforce, thus better reflecting the communities we serve.

Pay Equity Analysis

The Human Resources department has started the Pay Equity Analysis phase of the compensation study. Now that we have an established paygrade structure and market value for each position, our consulting firm is conducting an equity review of each employee's compensation. During this review, our primary focus will be on ensuring that our newly developed compensation program effectively addresses and eliminates any potential biases in pay practices related to gender, race, tenure, age and total work experience. We will approach this process systematically to guarantee that THA implements compensation practices that are fair, unbiased, and promote equity for all employees.

More Equitable Procurement

This month you will see a resolution to contract to re-write THA's procurement policy. This rewrite will include evaluation of the barriers to contract with THA and creation of a more equitable procurement process. We will also add language to set goals for contracting with women-owned and minority business enterprises.

MAKE THA A GREAT PLACE TO WORK

Trades Council Collective Bargaining Agreement

The Tacoma Housing Authority (THA) and the Trades Council have reached a tentative agreement on the expiring Collective Bargaining Agreement (CBA). These proposed changes aim to foster an environment of inclusivity and respect for all employees by using gender-neutral language. Notably, the introduction of a new subcontracting section and a volunteer on-call backup list will provide THA with greater operational flexibility and better ability to respond to large-scale emergencies, ensuring essential services. In addition, we updated the agreement to include the latest state law provisions, such as the Washington Paid Family and Medical Leave and WA Long Term Care Act. Moreover, the revised sick leave section and the introduction of a competitive wage scale for Maintenance Specialists are designed to incentivize employee retention, recognize long-term commitment, and draw in skilled and dedicated professionals. Overall, this tentative agreement between THA and the Trades Council represents a substantial investment in THA's workforce, aligning with its commitment to high-quality service goal within an inclusive and flexible work environment.

Hiring Events

The Human Resources Department actively participated in the UW Tacoma Spring All Industries Career & Internship Fair on April 20, 2023. Additionally, HR will be attending The REACH Center/Tacoma Community House Community Resource Fair on May 13, 2023, and the THA (Salishan) Eastside Connect 2023 Career and Resource Fair on May 19, 2023. Participating in Job Fairs has started to increase THA's visibility within the community and facilitated stronger connections with residents, employers, community and technical colleges, and social service organizations. Notably, as a direct outcome of attending the March, Bay Terrace career event, we identified and hired four individuals into Property Specialist and a Maintenance Specialist position.

Employee Wellness Programs

We are delighted to announce the launch of a new wellness benefit in partnership with Caravan Wellness, aimed at enhancing employee well-being during World Mental Health Month. This initiative further solidifies Tacoma Housing Authority (THA) as a great place to work. By providing all employees with free access to Caravan Wellness, we are equipping them with valuable resources to support their mental and physical health. With hundreds of video programs available, employees can harness energy, reduce stress, and increase productivity. This initiative promotes a positive work environment by prioritizing employee well-being and fostering a culture of self-care. We encourage employees to participate in at least one class per day, even if it's just for a few minutes, as we believe that investing in their wellness will ultimately contribute to their overall job satisfaction and engagement. Furthermore, by hosting a virtual workshop, we are offering an opportunity for employees to learn more about the program and maximize the benefits it offers. We are confident that this partnership with Caravan Wellness will further strengthen THA's reputation as a great place to work, demonstrating our commitment to supporting the well-being of our valued employees.

Internship Opportunities

Aiden Zalma and McKenna Clark have successfully completed their internships with the Human Resources Department. Aiden and McKenna demonstrated remarkable dedication and a strong commitment to learning. Their valuable contributions have positively impacted our organization, and we extend our gratitude for their time with us. Aiden and McKenna have expressed their gratitude for the valuable experiences gained during their internships and are now looking forward to pursuing careers in HR. Having fulfilled their required internship hours, they will be graduating from their respective degree programs.

New Staff

The Finance Department is happy to announce the hiring of Daniel Kim as the new Property Accounting Manager. Daniel is a CPA who comes to us from King County Housing Authority and has already shown himself to be a great addition to the department.

Rental Assistance welcomed Avinoam “Avi” Slotnick as the new Property Specialist for the Eligibility Team.

Property Management welcomed Ja’Nette Watson as the new Property Specialist for West Portfolio.

A LOOK AHEAD: JUNE BOARD FOCUS

Our June Board meeting will be focused on Phase 1 of annual planning as we get ready to begin Moving-to-Work Planning and budgeting for 2024.

ADVOCACY ITEMS

A summary of the 2023 WA State Legislative Session is on the following pages.

2023 Legislative Session Review

The 2023 Washington State Legislative Session has ended, and I've prepared a full wrap up of legislation that THA has supported, complements our mission, and has the potential to impact our work.

I'll explain what these new laws or programs intend to do, as the session was marked from the start as an opportunity to make a generational investment in affordable housing to address the housing and homelessness crisis in Washington. Governor Inslee set the stage by calling for a \$4 billion bond referendum for affordable housing and reforms to zoning and permitting laws. When the session was called to a close, most of the moderate bills that favored more housing development were able to pass, while bills like rent control, higher taxes, and statewide mandates were culled or pared down. Similarly, the budgets that were passed funded affordable housing investments at historically high rates but did not approach the level of the \$4 billion bond referendum.

I'm using Sightline's Dan Bertolet as the main source to offer expanded explanations of the legislation below because he's smart, experienced, thorough, and has a mostly practical view of issues without too much political coloring.

As a reminder, I've binned the bills for review into 3 buckets.

1. Supply: More new homes to reduce the shortage and cool rents and prices
2. Stability: More protections to safeguard those with the least housing security
3. Subsidy: More subsidies to help those who can't afford what the market offers

Supply

- *LEGALIZE MIDDLE HOUSING*
[HB 1110](#) legalizes [duplexes, fourplexes, or sixplexes](#), depending on city size and proximity to transit, schools, and parks, on all residential lots in Washington's urban communities, subject to the same building form and site restrictions that apply to single-detached houses.

Why is this important?

HB 1110 increases housing choice, increases density in predominantly single-family neighborhoods, and diversifies housing construction types, which is all good and warranted. But I want to be clear that at its best, and most importantly, HB 1110 is also an anti-racist bill to stop enclaves from discriminating who lives where -it's an effort to begin to right some of the wrongs of racial covenants and redlining. Historically, many cities banned middle housing to exclude Black Americans, and today those bans continue to segregate neighborhoods by race and class. This exclusionary zoning, together with the federally sanctioned practice of redlining, robbed Black families of wealth building through home ownership. Re-legalizing middle housing will help correct that historic injustice.

Therefore, it is important to consider HB 1110 as an anti-racist reclamation effort. The sordid history of our country's treatment of non-white residents and systematic exclusion from wealth

building has led to an embarrassing lack of understanding of how we have supported or limited certain communities to grow, function, and thrive.

The state made a strong statement in passing this legislation; that excluding populations from living in certain areas by using zoning restrictions and covenants is not a policy decision that has moral standing any longer.

***THA was an active supporter of this legislation.**

- **ACQUISITION FINANCING**

[HB 1046](#) expanding housing supply by authorizing public housing authorities to finance certain affordable housing developments. A one-page summary is accessible [here](#).

Why is this important?

Public Housing Authorities (PHAs) continue to have the ability to collaborate with private entities to develop affordable housing. HB 1046 modernizes the affordability requirements for privately owned housing financed by a PHA from half of the units at 50% of AMI to half of the units at 80% of AMI. Updating this existing statute creates new avenues to bring affordable workforce housing to the state.

PHAs could participate in projects by providing interim financing in the form of a favorable construction loan or issuing taxable bonds to support the project's permanent financing. This tool is additive and would not utilize Low-Income Housing Tax Credits or the Housing Trust Fund. This allows a PHA could negotiate deeper and longer affordability requirements, future partnership opportunities, including to project-base vouchers, or a purchase option so that the PHA can bring the property under public ownership in the future.

***THA was an active supporter of this legislation, which was sponsored by our friends at King County Housing Authority.**

- **ACCESSORY DWELLING UNITS**

[HB 1337](#) lifts local barriers on ADUs by ending renter bans (requirements for owners to live on-site), capping impact fees and parking mandates, legalizing two ADUs per lot, and setting baseline standards on minimum lots size, ADU size and height, and more, read about the details [here](#).

Why is this important?

On the modest end of increasing units and density within single family neighborhoods are accessory dwelling units (ADUs), or more familiarly, granny flats and backyard cottages. These are modest-sized—and most often more modestly-priced—homes that can be tucked into existing buildings, homes, yards, and neighborhoods. Boosting ADUs does two good things: it increases the number of homes available, and those additional homes are more affordable than a typical stand-alone house. Combined with the middle housing reform, there could be very positive impact on housing diversity that hasn't been seen in a very long time.

***THA was a passive supporter of this legislation.**

- *EXISTING BUILDINGS*

[HB 1042](#) makes it easier to add housing within the envelope of existing buildings by exempting the added units from parking mandates, density limits, and other potential regulatory barriers. Beginning in 2024, cities may not impose additional restrictions on housing unit density that includes preventing additional housing units within an existing building, or parking requirements. The bill was amended to allow cities to impose exterior design/architectural requirements when new units are being added to buildings on certain historic registers.

Why is this important?

Prohibits cities from imposing certain restrictions or requirements on existing buildings zoned for commercial or mixed use through ordinances, development and zoning regulations, or other official controls. Essentially this frees up commercial office space, that is now a robust supply, from onerous regulatory burden when a developer is trying to renovate for residential use.

***THA was a passive supporter of this legislation.**

- *SINGLE STAIR APARTMENTS*

[SB 5491](#) would have established building code cities can adopt to raise the height limit of buildings with a [single stairway](#) or “point access block” from the current typical limit of three stories to (a) five stories for purely residential buildings and (b) six stories for buildings with commercial uses on the first floor, all subject to size restrictions and additional fire safety measures. You can read more [here](#).

The House Housing Committee [amended it](#) to be less specific, requiring the State Building Code Council to develop recommendations for single-stair buildings up to six stories, and to adopt those changes by July 2026.

Why is this important?

Research shows that allowing taller point access blocks – compact single stair buildings with dwellings centered around a stairway and elevator core – statewide, will unlock more small-scale development without the need for parcel assemblage, a process which increases costs and time of development. These buildings have a single point of access vertical corridor leading to the upper levels, hence the name. It could also unlock better development — especially between the ‘missing middle’ and mid-rise scales. This means more affordable housing, more climate adaptive housing, more multigenerational and family-sized housing.

***THA was neutral on this legislation.**

- *CONDOMINIUM REFORM*

[SB 5258](#) modifies condominium laws to effectively increase the supply and affordability of their construction. You can read a brief rundown of the bill [here](#).

It contains several provisions aimed at boosting construction and homeownership of condominiums and townhomes, modifies the requirements for claims regarding construction defects and makes the qualified warranty program available to developers subject to the Uniform Common Interest Ownership Act. It exempts certain sales of condominiums and townhomes from the real estate excise tax (REET) -only if within an MFTE zone, and creates the Down Payment Assistance Account for buyers purchasing a condominium or townhome.

- *CLIMATE PLANNING*

[HB 1181](#) makes a broad set of changes to the Growth Management Act to address climate change, including a provision for local governments to legalize higher-density housing.

***THA was a passive supporter of this legislation.**

- *SEPA (ENVIRONMENTAL REVIEW) REFORM*

[HB 5412](#) exempts from State Environmental Policy Act review proposed housing developments within urban growth areas that comply with local Comprehensive Plans. Read a thorough rundown [here](#).

Why is this important?

Exempting SEPA from development is definitely somewhat controversial, but only because we think of SEPA as protecting the environment from contamination, dangerous exposure, risky business practices, and the like -think giant industrial construction project next to 50 acres of critical wetland. This is definitely where SEPA is meant to be utilized and considerate of our shared environmental values. But the reality when it comes to housing is that more than often the environmental risks that are being considered are things like noise, shade, size, even design. More and more, it's used to exclude types of development that neighbors don't want to see, rather than truly addressing developments that are risking the environmental health of the community. This reform allows developments to move forward if they've addressed the local environmental regulations that cities have already put in place.

***THA was a passive supporter of this legislation.**

- *LOCAL DESIGN REVIEW*

[HB 1293](#) requires local design review to use "clear and objective" standards that don't reduce development capacity otherwise allowed, and the process cannot require more than one public meeting.

Why is this important?

Similar to the SEPA reform, limiting local design review opportunities allow for more diverse housing to be built without extensive and deliberately exclusive NIMBY-ism to sink projects that otherwise would pass regulatory muster. Local design review boards are often not reflective of the majority of the community, and are notoriously focused on individual views and needs, rather than considering how to diversify and expand the needs of the community.

***THA was neutral on this legislation.**

- *LOCAL GOVERNMENT SUPPORT FOR STREAMLINED HOUSING PERMITTING*
[SB 5290](#) establishes grant programs for local governments to reduce permit review timelines and to support local governments' transition from paper-based to software/web-based systems.

Why is this important?

One of the most prevalent complaints from developers as it concerns housing development is the time it takes to complete permitting. Though there has been varying levels of study done on the actual effect permit timing affects costs and timelines, it is generally regarded that faster permitting will speed up and reduce costs to develop housing. This legislation incentivized government entities to address this complaint by addressing technological and regulatory roadblocks.

***THA was a passive supporter of this legislation.**

Stability

- *HISTORIC DISPARITIES IN HOMEOWNERSHIP*
[HB 1474](#) establishes a Special Purpose Credit Program, funded by a \$100 document recording fee, to provide down payment assistance and closing cost assistance to first-time homebuyers with income less than the area median who were themselves, or are descendants of someone who was, excluded from homeownership in Washington by a racially restrictive real estate covenant prior to April 11, 1968 (passage of the Fair Housing Act). Seattle Times did a good write up [here](#).

Why is this important?

In Washington state alone, BIPOC households are nearly one and a half times less likely to own a home than white households and Black households, in particular, are just over 2x less likely to own a home than their white counterparts. The most recent data available tells us that the homeownership rate for BIPOC households in Washington is 49% compared to a rate of 68% among non-Hispanic white households, while the homeownership rate for Black households in Washington is only 31%.

As the primary way most households build wealth in the U.S., homeownership opportunities act as a gateway to opportunity and success. Yet, the opportunity to own has not been extended to everyone, and in fact it has often been intentionally, and eventually systemically, blocked.

This shameful history continues to exclude Black households from participating in wealth building and is the main culprit of the vast white-black wealth gap in this country.

***THA was an active supporter of this legislation.**

- *CHILD WELFARE HOUSING ASSISTANCE PROGRAM*
[SB 5256](#) proposed by DCYF and fostered by an extensive partnership between the agency, housing authorities, and the state judiciary, this bill makes the child welfare housing assistance program a permanent program, and makes the program statewide. It leverages just over 2000 housing

authority vouchers and units worth \$30 million with supportive services to ensure that foster youth and families are served by a one-of-a-kind national partnership. It was the signature legislation for our state association.

Here is a <one-pager> that explains the partnership and program.

***THA was an active supporter of this legislation.**

- **DAMAGE DEPOSITS**

[HB 1074](#) establishes rules to ensure that landlords fairly and promptly return tenants' damage deposits after they move out.

***THA was a passive supporter of this legislation.**

- **EVICTION RIGHTS**

[SB 5197](#) modifies eviction notice and eviction legal process requirements to give tenants more options and leeway.

***THA was neutral on this legislation.**

Subsidy

- **AFFORDABLE HOUSING IN THE CAPITAL BUDGET**

[SB 5200](#) / [HB 1147](#) Washington's [2023-25 Biennial Capital Budget](#) allocates \$570 million for affordable housing, including:

\$400 million to the [Housing Trust Fund](#) (the highest amount ever allocated);

\$60 million to connect affordable housing developments to infrastructure ([CHIP](#));

\$50 million for projects designed to increase the supply and affordability of transit-oriented housing;

\$40 million for the Housing Finance Commission Land Acquisition Program ([ELAP](#));

\$14.5 million for youth shelters and housing; and

\$5 million for landlord mitigation.

Why is this important?

Washington state is in a housing crisis, with an estimated shortage of a million homes for current and expected future residents as our region grows. The lack of supply is almost overwhelming when the numbers become clear.

For example, in **Pierce County**, expected population growth by the year 2044 is around 127,000 new residents (median estimation). To accommodate our current housing unit shortages and the needs of this new population, there is an estimated need for 111,511 new housing units in varying levels of AMI. *This information is sourced from the Puget Sound Regional Council's Growth Management Coordinating Committee using Dept of Commerce metric for long-range housing planning.*

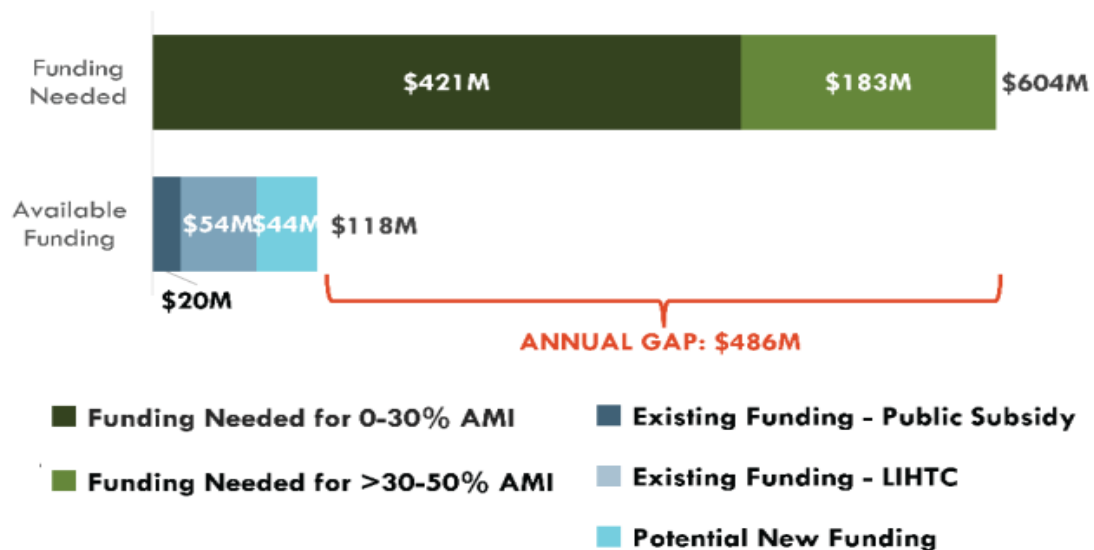
0-80% AMI: 70,896 new units
 (of these: 19,466 need to be 0-30% AMI Permanent Supportive Housing)
 80-120% AMI: 13,416 new units
 120%+ AMI: 27,199

If we use Housing Hilltop as a model for a per unit cost (which I won't claim is an accurate long-term estimate) we can at least extrapolate the significant funding gaps that exist in developing the amount of housing that is going to be necessary to provide everyone with homes they can afford. We'll assume that the inflated per unit costs are only relevant to 0-50% AMI construction.

Housing Hilltop @ \$500,000 per unit x 231 units = \$115,500,000 (rough estimate)
 Extrapolated avg @ \$500,000 per unit x 54,552 *future* units = \$27,276,000,000 (yes, BILLION)

Now that you have a clear conceptual understanding of the roughly estimated cost of just half of the units we'll need build in Pierce County alone, let's take a gander at what we currently spend, per year, on the affordable housing we need.

Annual Funding Needed and Funding Available for Affordable Housing, Pierce County*



As seen in the Pierce County Housing Assessment done by Berk Consulting last year, the gap between 1) what we currently spend on >50% AMI housing and 2) the need, is... *vast*, almost \$500 million per year, and that's conservative. It requires a significantly increased investment from the state and other sources to leverage investment, financing, and local funds. The Berk report states some high-level recommendations to help close this gap.

- Needs for housing **below 50% AMI** will require public subsidies
 - New direct public funding from the County and individual cities
 - Surplus land donations
 - Private equity supported by tax credits (such as LIHTC)
 - Additional sources of federal- and state-level funding
 - Additional private, non-profit, and government agency support

So, as you can see, the fact that the Legislature passed the largest housing subsidy package in the state's history is very important. But to be clear, it's really not enough and will need to be increased in subsequent biennia to ensure that the need is met.

***THA was an active supporter of this legislation.**

- *SURPLUS PROPERTY FOR AFFORDABLE HOMEOWNERSHIP*
[HB 1695](#) clarifies the definitions of affordable housing that qualify as a "public benefit" to authorize governments and public agencies to sell publicly owned surplus property at discounted prices for affordable homeownership development.

***THA was a passive supporter of this legislation.**

- *AFFORDABLE ADU EXEMPTION*
[SB 5045](#) creates a property tax exemption for ADUs to owners who offer them at rent affordable to people making 60 percent (respectively to each bill) of the area median income.

***THA was a passive supporter of this legislation.**

- *AFFORDABLE HOUSING UTILITY EXEMPTION*
[HB 1326](#) authorizes local waivers of utility connection charges for affordable and supportive housing owned by nonprofits and housing authorities.

***THA was a passive supporter of this legislation.**

Capital and Operating Budget inclusions, recent Intergovernmental successes

- *ARLINGTON YOUTH CAMPUS ONGOING FUNDING*

The Office of Homeless Youth (OHY) and THA recommended that the Legislature continue to fund the Arlington Drive at \$4.25 million per biennium in state general funds for operational costs to maintain support services for youth and young adults who lack a safe and stable place to stay.

The Legislature funded **\$2.125 million per year** for the fully requested amount in the OHY operational budget, meaning the funding is now permanently in the budget as operational spending. We will still have to monitor to ensure it stays that way, but this is a huge win to ensure that Arlington Drive is able to operate for the foreseeable future.

- *AVIVA CROSSING SANITARY SEWER UPGRADES*

The City of Tacoma's sanitary sewer system does not currently have capacity to provide wastewater service for the Aviva Crossing residential development buildout. The existing, at-capacity 8-inch sanitary sewer main that serves the project site will need to be replaced with an upsized sewer main along the South Mildred Street frontage up to where it ties into a larger, downstream sewer main. This main line upsizing will provide sufficient capacity for this large-scale project while ensuring a remaining 15% capacity for future development connections, while adding pipe extension connections to the interior of the development along two streets.

Therefore, this legislative session THA requested a capital appropriation of \$2.2 million for the required sanitary sewer upgrades. **We were successful in getting a \$2 million direct appropriation** in the [Connecting Housing to Infrastructure](#), or CHIP, account. The funding will flow through the City of Tacoma for use on this project, ensuring our initial development partners are able to move forward without delay.

- *HILLSDALE HEIGHTS, BRIDGE MEADOWS PRE-DEVELOPMENT*

THA has executed an MOU that aligns developer Bridge Meadows (BM) on approximately 60% of the Hillsdale Heights property owned by THA on 60th and McKinley. BM provides housing and services to foster children, a population that faces an extremely high risk of homelessness, unplanned parenthood, drug abuse, and involvement with the justice system. BM provides families impacted by the foster care system with essential services and permanent residency in intergenerational housing communities where they are surrounded by supportive resident elders and peers.

Following a successful model established at other Bridge Meadows housing communities across the state of Oregon, Bridge Meadows Tacoma will serve 45-50 senior households and 15-20 foster families. Foster youth will receive intensive counseling and resource referrals to help overcome past trauma and support healthy development. Their caregivers will receive training, peer support, and access to needed services. Seniors will receive training, build meaningful relationships, and age in place as they provide reciprocal support to families and one another.

As part of the renewed MOU agreement, THA helped facilitate a state funding appropriation for BM to complete predevelopment work in 2023 and early 2024 on the site. **We were successful in helping to get \$515,000 awarded** to BM to complete a predevelopment scope that includes:

- ✓ Completed Design Plan utilizing Trauma-Informed Design Principles, Universal Design Principles, and Well-Building Principles
- ✓ Completed Master Plan

- ✓ Completed Environmental Management Planning (EMP); all Bridge Meadows construction projects have an Earth Advantage Platinum Award
- ✓ Securing all appropriate permits and entitlements to begin construction in 2024
- *FOUR CORNERS THRIVING COMMUNITIES TECHNICAL ASSISTANCE*
THA won a technical assistance award as part of a new collaborative program between USDOT and HUD, called [Thriving Communities](#). Our proposal, with lead partner Pierce Transit and additional cohort partner, University Place was selected for the inaugural FY2022 program.

In the coming weeks we will plan a strategy to highlight the Four Corners work and vision to our community, state and federal delegation, positioning the project for additional investment and collaboration into the future. This will directly support our work at James Center North (Aviva Crossing).

Our application was one of three [selected](#) for WA state. We plan on applying for additional rounds of funding as they become available.

The program provides technical assistance provided by planning lead [WSP USA](#) and its subgrantees to the tune of sharing \$5.1M split between 15 cohort participants (of which we are one cohort). **We expect an approximate \$400,000 worth of planning work** will be shared by the named partners. Next steps are to figure out a scope of work based on the partner needs and guidelines of the program work.

- *AVIVA CROSSING STORMWATER INFRASTRUCTURE & SUSTAINABILITY*
At James Center North (Aviva Crossing), owned by THA for almost a decade, we are partnering to build over 100 new, deeply affordable housing units on this site, with a planned additional 350+ units of varying affordability to help address the ongoing housing crisis in our community. However, critical to the environmental sustainability of the project is sufficient stormwater detention and filtration. The current stormwater system is at or nearing capacity (similar to the sanitary sewer as outlined earlier), and new developments will need to provide on-site stormwater detention to support this denser development and protect our region's natural resources by limiting future stormwater runoff that ends up in the Leach Creek Basin system -a critical urban watershed that receives stormwater runoff from a large part of the urbanized area.

Increased stormwater runoff from new dense housing developments (that are necessary to address our current housing needs) can be detrimental to our urban watersheds if not properly addressed. We have an innovative plan that addresses this concern by creating a "Stormwater Park" that includes constructed and natural detention system(s) (otherwise known as green-stormwater infrastructure, or GSI) in an accessible area of the site, doubling as a community amenity that provides active and passive green space for residents and the commercial patrons. The stormwater natural detention area will be double as a public park open to the entire Aviva Crossing community and the public at large -providing recreation and innovative environmental solutions to the west side of Tacoma. This can be done through both landscaping and infrastructure solutions.

To help plan, design, engineer, and construct this park with our partners, THA requested a \$3 million federal appropriation for community directed spending (CDS) through the offices of Rep. Derek Kilmer, Sen. Patty Murray, and Sen. Maria Cantwell. We were successful in getting named on the final slates of both Rep. Kilmer and Sen. Cantwell after 2 rounds of review. This means that 1) if/when Congress negotiates a FY24 budget, and 2) either the House and Senate (or both) keep and fund the CDS programs -**we will be awarded \$3 million dollars from the federal government** for this project.

➤ **TOTAL 2023 EXPECTED FUNDING AWARDS FOR THA AND PARTNER INVOLVED PROJECTS via STATE AND FEDERAL APPROPRIATIONS or PROJECT SPECIFIC GRANTS**

(*Disclaimer: assumes Federal budget award via a passed FY24 budget)

\$10,165,000

State budget allocation, detailed breakdowns

Here's a full rundown of the state legislative session's capital investments in Tacoma:

Project	Final Capital Budget
Affordable Housing Land Acquisition	\$1.5 million
Main Library	\$2 million
Cheney Stadium	\$3 million
Tacoma Arts Live Renovation Grant	\$2 million
The Grand Cinema	\$500,000
Cora Whitley Family Center	\$2.5 million
Sea Mar Community Health Center – Dental	\$3.5 million
Bridge Meadows	\$515,000
Lincoln District Family Housing	\$5.05 million
Shiloh Baptist Church New Life Housing	\$1 million
Asian Pacific Cultural Center	\$2 million in LCP
Portland Avenue Park Sprayground	\$500,000
Youth Assist Program Skills Training Center	\$500,000
Maritime 253: South Puget Sound Maritime Skills Center	\$8 million
UWT Land Acquisition	\$7.7 million
Asberry Home – Heritage Grant	\$203,000
Aviva Crossing Sanitary Sewer Upgrades	\$2 million
Tacoma/Pierce County Habitat Affordable Housing	\$14 million
Chinese Reconciliation Project	\$1 million
School Based Health Care Facility	\$515,000
Slavonian Hill	\$472,000
United Way Elevator and Disability Access	\$129,000
TCC – Innovative Learning and Engagement	\$40.3 million
Latino Arts and Culture Community Center	\$90,000
CLR Certified Behavioral Health Center	\$2.446 million
Multicultural Youth Recreation Facility	\$226,000
Removal of Dickman Mill	Portion of \$9.65 million DNR approp
Ashley House	\$500,000

Here's a full rundown of the state legislative session's ongoing operational funding investments in Tacoma:

Project/Program	Final Budget
Tacoma Housing Authority Arlington Youth Campus	\$4.25 million
Grant to a nonprofit organization with offices in Seattle and Tacoma to provide criminal law and civil rights cases for underserved populations focusing on black gender-diverse communities	\$700,000
Tacoma nonprofit to provide social services and educational programming to assist Latino and indigenous communities in honoring heritage and culture	\$426,000
Grant to a nonprofit biotech incubator and science research center located in the City of Tacoma	\$250,000
Grant to nonprofit to continue the operation of the guaranteed basic income program in Tacoma	\$1.9 million
Pre-law pipeline and social justice program at UW-Tacoma	\$400,000
BS programs in mechanical and civil engineering to support local employer demand for graduates in this field at the UW Tacoma campus	\$3.628 million
UW-Tacoma school of nursing and healthcare leadership	\$546,000
Computing and engineering programs at the UW-Tacoma campus	\$2.85 million
Development and implementation of program to support pathways from prison to the UW-Tacoma campus	\$800,000
Workforce funding for increased student support services at UW-T	\$1,397,000
COVID-relief business assistance for the LeMay Museum	\$200,000
Hilltop Community Hub (funds appropriated to City of Tacoma)	\$270,000

Here's a full rundown of the state legislative session's transportation funding investments in Tacoma:

Project	2023-25	2025-27	2027-29	Future
SR 167	\$873,505	\$866,520	\$216,456	\$17,899
I-5 JBLM Corridor	\$206,917	\$61,398		
I-5 JBLM 38th St to JBLM	\$206,478			
Puyallup Ave Corridor	\$3,000	\$6,000		
Fife to Tacoma Pedestrian Access (i.e. T2P Trail)	\$2,500	\$10,000	\$13,100	
Schuster Parkway (CW)	\$1,000	\$3,000		
Schuster Parkway (MAW)	\$15,000			
Tacoma Dome Link Light Rail Access, Fife to Tacoma	\$2,400	\$17,600		
Tacoma Rail – Zero-Emission Locomotives and Charging				



TACOMA HOUSING AUTHORITY

FINANCE REPORT



MOTION

Date: May 24, 2023

To: THA Board of Commissioners

MOTION

Adopt a consent motion ratifying the payment of cash disbursements totaling \$6,824,454 for the month of April 2023.

Approved: May 24, 2023

Shennetta Smith, Chair

TACOMA HOUSING AUTHORITY
Cash Disbursements for the month of April 2023

		Check Numbers		Amount	Totals
		From	To		
A/P Checking Accounts					
Accounts Payable Checks	Check #'s	96,495	- 96,552		
Accounts Payable ACHs	ACHs	1,941	- 2,001		
Business Support Center				861,415	Program Support
Moving To Work Support Center				95,357	
Moving To Work Buildings (used by Support Center)				22,126	
Tax Credit Program Support Center				26,793	
Section 8 Programs				64,008	Section 8 Operations
Arlington Crisis Residential Center				20	Properties
Hillsdale Heights				46	
Highland Crest Apts				24	
Hilltop Lofts				11	
James Center				57	
Outrigger				10	
Prairie Oaks Operations				676	
Salishan 7				13,925	
Alberta J Canada Bldg				321	
Arlington Youth Campus				41,704	
Saravida Building				22,651	Development
James Center				10,320	
Housing Hilltop LLLP				176,641	
Hillsdale Heights				475	
Bus Development Activity				43	Client Support
Department of Commerce Funding for Crisis Residential Center				176,683	
Community Services MTW Fund				12,923	
Education Private Grants (Gates, etc.)				25	
AMP 6 - Scattered Sites				1,195	Public Housing
AMP 9 - HT 1500 - Subsidy				387	
THA SUBTOTAL				1,527,835	
Hillside Terrace 2 & 1500				2,604	Tax Credit Projects - Reimbursable
Bay Terrace I & II & Community Facility				8,017	
Housing Hilltop LLLP				12,749	
Arlington Youth Campus				2,507	
Court F (The Rise)				4,272	
Renew Tacoma Housing				18,046	
Salishan 1 - Salishan 6				12,152	
TAX CREDIT SUBTOTAL (Operations & Development - billable)				60,346	1,588,181
Section 8 Checking Account (HAP Payments)					
SRO/HCV/VASH/FUP/NED	Check #'s	486,811	- 486,920	166,178	
	ACHs	29,739	- 30,690	4,066,513	\$ 4,232,691
Payroll & Payroll Fees - ADP					\$ 1,003,583
TOTAL DISBURSEMENTS					\$ 6,824,454



TACOMA HOUSING AUTHORITY



Date: May 24, 2023

To: THA Board of Commissioners

From: Richard Deitz
Associate Director of Finance

Re: Finance Department Board Report

1. FINANCIAL STATEMENT

I present the April 2023 disbursement report for your approval.

The Finance Department is submitting the financial statement for the period ending March 31, 2023. The financials represent a snapshot of where we currently stand financially and provide an early indication of what areas may need additional attention. As these financials represent a short period of time, they are more prone to significant variances related to timing issues and other temporary anomalies. We do our best to consider these anomalies as we project what our financials will look like at the end of the year based on the current information. We also know that our plans and expectations will continue to change throughout the year, and we will update our projections to reflect these changes.

As previously noted, first-quarter numbers can be significantly impacted by temporary timing differences that will resolve over the course of the year. These timing differences primarily drive the current deficit of \$1,031,981 shown on Line 51 – Surplus/(Deficit) before Capital Expenditures. We submitted a small MTW draw request in March, assuming we would receive a much larger disbursement related to HUD's 2022 MTW reconciliation in April. This resulted in a temporary operating MTW deficit of just under \$470,000 for the first quarter. We have also not received the annual Tax Credit property waterfall payments and have incurred other once-a-year costs such as leasehold excise tax. Once these timing differences are resolved, we anticipate finishing the year with an operating surplus of \$924,000, as displayed on Line 51. Capital activity has been relatively limited and is primarily related to capital improvements at James Center North. A few of the more significant items budgeted in this area are new property acquisitions, James Center capital improvements, and the Yardi and Laserfiche implementations.

For this report, general themes and notable items will be addressed.

- *Line 1, HAP reimbursements* – We are significantly under budget year to date; however, we are running closer to budget than we have been in prior years. There are two primary factors leading to this gap. At the end of the first quarter, THA was awaiting additional reimbursements related to HUD's 2022 MTW reconciliation. The

overall MTW spending was also below what was anticipated, and as a result, we did not have the expenses to draw the total amount of funds available. We did receive our 2023 funding notice from HUD in April, which contained an 8.3% Renewal Inflation Factor with 100% proration. This will give THA access to an additional \$2.24 million in MTW funds over and above the 4% increase already included in the 2023 budget.

- *Line 3 – Community Services* – This line item relates to the HUD Family Self-Sufficiency Grant. THA was awarded a grant of \$245,195 for 2023, but we have not been able to draw down funds due to technical issues.
- *Line 5 – Capital Fund Operating Revenue* – This is primarily a carryover of funds from 2019, which we drew down in January to ensure that they were used prior to their expiration. We do not anticipate making another draw until 2024.
- *Line 7, Tenant Revenue – Dwelling rent* – The lower than anticipated dwelling rental revenue is primarily tied to Salishan 7 and North Highland Court. Salishan 7 has been hit with many vacancies which has negatively impacted revenue. Several issues have led to a fairly significant variance at North Highland Court, which is in its first year in operation as a THA property.
- *Line 13 – Investment Income* – Interest income is significantly higher than budgeted due to the rapid rise in interest rates. The majority of our funds are held at Heritage Bank, currently earning 1.75% compared to the 0.27% interest rate we received during the budget formulation period. In the past year, the Washington State Local Investment pool rate has risen from 0.23% in March of 2022 to 4.75%.
- *Lines 15 – 25 – Administrative Expense* – Each line item is currently under budget. A good portion of this is simply timing. We have a number of new and vacant positions budgeted for 2023 that we are still in the process of hiring. As we bring these new employees onboard, our salary and benefits costs should come more in line with the budget as we continue through the year. We also set aside funds within *Administrative Salaries* to fund the salary increases and repositioning related to the salary study and union negotiations. The impact of these adjustments will not occur until the second half of the year.
- *Lines 26 – 30 – Tenant Service* – The Tenant Service area is under budget as a whole for the first quarter. In the Salaries and Benefits area, the underspending results from unfilled vacancies.

- *Line 31 – Utilities* – This line item is for utilities at 902, the FIC, and the other THA owned properties. We did not have the utility expenses for James Center at the time of this report. Once these expenses are posted, the total utility costs should be slightly over budget.
- *Lines 32 – 36 – Ordinary Maintenance and Operations* – This category is running over budget, and we anticipate this trend will continue throughout the year. THA has a grant that is paying for a portion of the maintenance staff that is working at Arlington Youth Campus. These funds were originally budgeted to be used in other areas. The Maintenance Supervisors were also budgeted under Administrative Expenses; however, their salaries are going to Maintenance Labor. Highland Crest and Outrigger Apartments were also over significantly in Maintenance Labor.
- *Line 39 – Other General Expense* – This area is currently running over budget as a result of timing-related issues and bad debt at the commercial properties. The most significant timing-related issue is the annual leasehold excise tax payments of \$77,000 that all hit in Q1.
- *Line 44 – Section 8 HAP Payments* – This line item is currently right on budget. We have not received billing for rapid rehousing, so there are additional expenses related to Q1 activity that will push us slightly over budget.

2. INVESTMENTS

Surplus funds are invested in Heritage checking and the Washington State Investment Pool. Rates with Heritage Bank are at 1.75%. The Washington State Local Government Investment Pool currently provides a return rate of 4.76%.

3. AUDIT

The Washington State auditors have not yet provided a start date to begin work on the audit for 2022. We anticipate that the Washington State auditors will continue doing most of their work remotely. They will most likely work on the Single audit concurrently with the financial audit and finish up with the Accountability audit. The entrance conference will be determined after the auditors let us know when they will officially start working on the audit.

TACOMA HOUSING AUTHORITY
AGENCY WIDE

		March-23				Thru 12/31/2023		
		CURRENT QTR ACTUAL	YEAR TO DATE ACTUAL	BUDGETED YTD	VARIANCE	PROJECTED ACTUAL	BUDGETED	VARIANCE
OPERATING RECEIPTS								
1	HUD grant - Section 8 HAP reimbursement	13,408,549	13,408,549	16,640,764	-19.42%	68,837,134	69,392,272	-0.80%
2	HUD grant - Section 8 Admin fee earned	1,614,592	1,614,592	1,420,327	13.68%	6,234,627	5,681,306	9.74%
3	HUD grant - Community Services	0	0	49,416	-100.00%	245,195	197,662	24.05%
4	HUD grant - Public Housing subsidy	2,255	2,255	3,075	-26.67%	9,020	12,300	-26.67%
5	HUD grant - Capital Fund Operating Revenue	486,041	486,041	125,035	288.72%	486,041	500,141	-2.82%
6	Other Government Grants	586,643	586,643	593,750	-1.20%	2,375,000	2,375,000	0.00%
7	Tenant Revenue - Dwelling rent	802,286	802,286	868,458	-7.62%	3,273,327	3,473,831	-5.77%
8	Tenant Revenue - Other	56,186	56,186	41,703	34.73%	213,507	166,810	27.99%
9	Management Fee Income	846,451	846,451	871,276	-2.85%	3,419,662	3,485,105	-1.88%
10	Other Revenue	322,291	322,291	552,588	-41.68%	2,182,480	2,210,353	-1.26%
11	Other Revenue - Developer Fee Income	0	0	0	N/A	0	0	N/A
12	Other Revenue - T/C Waterfall Payments	0	0	457,750	-100.00%	1,061,279	1,831,000	-42.04%
13	Investment income	160,210	160,210	12,287	1203.95%	640,840	49,146	1203.95%
14	TOTAL OPERATING RECEIPTS	18,285,504	18,285,504	21,636,428	-15.49%	88,978,112	89,374,926	-0.44%
OPERATING EXPENDITURES								
Administrative Expenses								
15	Administrative Salaries	2,277,169	2,277,169	2,677,567	-14.95%	10,756,971	11,504,782	-6.50%
16	Administrative Personnel - Benefits	774,993	774,993	991,579	-21.84%	3,680,111	4,066,421	-9.50%
17	Audit Fees	0	0	32,500	-100.00%	130,000	130,000	0.00%
18	Management Fees	134,451	134,451	178,210	-24.55%	655,365	712,839	-8.06%
19	Office Expense	594,903	594,903	629,359	-5.47%	2,486,695	2,517,477	-1.22%
20	Legal	46,528	46,528	90,750	-48.73%	363,000	363,000	0.00%
21	Travel/Training	81,318	81,318	142,708	-43.02%	539,568	571,000	-5.50%
22	Other administrative expenses	620,212	620,212	753,612	-17.70%	2,927,401	3,014,410	-2.89%
23	Due diligence - Perspective Development	10,320	10,320	100,000	-89.68%	400,000	400,000	0.00%
24	Contingency	0	0	26,250	-100.00%	0	105,000	-100.00%
25	Total Administrative Expenses	4,539,894	4,539,894	5,622,535	-19.26%	21,939,110	23,384,929	-6.18%

TACOMA HOUSING AUTHORITY
AGENCY WIDE

			March-23		Thru 12/31/2023			
		CURRENT MTH ACTUAL	YEAR TO DATE ACTUAL	BUDGETED	VARIANCE	PROJECTED ACTUAL	BUDGETED	VARIANCE
Tenant Service								
26	Tenant Service - Salaries	389,757	389,757	446,050	-12.62%	1,814,561	1,842,194	-1.50%
27	Tenant Service Personnel - Benefits	147,090	147,090	184,520	-20.29%	707,562	748,743	-5.50%
28	Relocation Costs	2,238	2,238	750	198.40%	4,000	3,000	33.33%
29	Tenant Service - Other	704,653	704,653	705,961	-0.19%	2,818,612	2,823,845	-0.19%
30	Total Tenant Services	1,243,738	1,243,738	1,337,281	-7.00%	5,344,735	5,417,782	-1.35%
Utilities								
31	Total Project Utilities	108,621	108,621	116,750	-6.96%	449,484	467,000	-3.75%
Ordinary Maintenance & Operations								
32	Maintenance Salaries	133,379	133,379	64,246	107.61%	426,813	262,977	62.30%
33	Maintenance Personnel - Benefits	38,267	38,267	17,821	114.73%	122,454	73,533	66.53%
34	Maintenance Materials	44,795	44,795	40,691	10.09%	169,180	163,860	3.25%
35	Contract Maintenance	188,263	188,263	212,280	-11.31%	828,052	850,467	-2.64%
36	Total Routine Maintenance	404,704	404,704	335,038	20.79%	1,546,499	1,350,837	14.48%
General Expenses								
37	Protective Services	32,939	32,939	20,450	61.07%	81,800	81,800	0.00%
38	Insurance	98,096	98,096	101,894	-3.73%	404,156	407,608	-0.85%
39	Other General Expense	237,538	237,538	116,287	104.27%	491,767	464,951	5.77%
40	Interest Expense	123,718	123,718	161,155	-23.23%	644,620	644,620	0.00%
41	Total General Expenses	492,291	492,291	399,786	23.14%	1,622,343	1,598,979	1.46%
42	TOTAL OPERATING EXPENSES	\$ 6,789,248	\$ 6,789,248	\$ 7,811,390		\$ 30,902,171	\$32,219,527	
Nonroutine Expenditures								
43	Ext. Maint/Fac Imp/Casualty Loss (Proceeds)	(17,540)	(17,540)	15,700	-211.72%	62,800	62,800	0.00%
44	Sec 8 HAP Payments	12,485,776	12,485,776	12,506,270	-0.16%	53,825,296	52,959,291	1.64%
45	Total Nonroutine Expenditures	12,468,236	12,468,236	12,521,970	-0.43%	53,888,096	53,022,091	1.63%
46	TOTAL EXPENDITURES	19,257,484	19,257,484	20,333,360	-5.29%	84,790,267	85,241,618	-0.53%
47	OPERATING SURPLUS/(DEFICIT)	(971,980)	(971,980)	1,303,068	-174.59%	4,187,844	4,133,308	1.32%
48	Debt Service Principal Pymt/Loan Payoffs	(60,001)	(60,001)	(815,858)	-92.65%	(3,263,430)	(3,263,430)	0.0%
49	Surplus/Deficit Before Reserve Appropriations	(1,031,981)	(1,031,981)	487,210	-311.81%	924,414	869,878	6.27%
50	Reserve Appropriations - Operations	0	0	0		0	0	
51	Surplus/Deficit Before Capital Expenditures	(1,031,981)	(1,031,981)	487,210		924,414	869,878	
52	Capitalized Items/Development Projects	(438,102)	(438,102)	(1,120,000)	-60.88%	(4,480,000)	(4,480,000)	0.00%
53	Reserve for Replacement	(46,227)	(46,227)	(46,227)	0.00%	(184,907)	(184,907)	0.00%
54	Revenue - Capital Grants/Sale of Property	0	0	312,500	-100.00%	1,250,000	1,250,000	0.00%
55	Reserve Appropriations - Capital	225,361	225,361	693,750	-67.52%	2,775,000	2,775,000	0.00%
56	THA SURPLUS/(DEFICIT)	(1,290,948)	(1,290,948)	327,233		284,508	229,971	

TACOMA HOUSING AUTHORITY			
CASH POSITION - Mar 2023			
Account Name		Current Balance	Interest
HERITAGE BANK			
Accounts Payable		4,813,719	1.75%
Section 8 Checking		4,769,608	1.75%
THA Affordable Housing Proceeds-Salishan		1,995,031	1.75%
THA Scattered Sites Proceeds		5,955,541	1.75%
FSS Escrows		231,742	1.75%
FSS Forfeitures		2,359	1.75%
CSA Escrows		106,100	1.75%
Note Fund Account		104	1.75%
THA Investment Pool		341	1.75%
THDG - Tacoma Housing Development Group		1,117,235	1.75%
Salishan 7 Operations		1,516,974	1.75%
Salishan 7 Security Deposit		31,222	1.75%
Salishan 7 Replacement Reserve		592,440	1.75%
Salishan 7 Operating Reserve		206,044	1.75%
North Highland Operations		73,246	1.75%
North Highland Security Deposit		25,606	1.75%
Highland Crest Operations		891,706	1.75%
Highland Crest Replacement Reserve		366,453	1.75%
Highland Crest Security Deposit		40,844	1.75%
Outrigger Operations		685,626	1.75%
Outrigger Replacement Reserve		310,196	1.75%
Outrigger Security Deposit		26,243	1.75%
Prairie Oaks Operations		281,340	1.75%
Prairie Oaks Replacement Reserve		47,715	1.75%
Prairie Oaks Security Deposit		6,227	1.75%
Payroll Account		14,469	1.75%
HOME STREET BANK			
James Center North Operations		1,309,693	0.00%
James Center North Security Deposit		75,035	0.00%
WASHINGTON STATE			
Investment Pool		\$ 8,430,561	4.76%
1. TOTAL THA CASH BALANCE		\$ 33,923,420	
Less:			
2. Total MTW Cash Balance		\$ -	
Less Minimum Operating Reserves			
2.01 Public Housing AMP Reserves (4 months Operating Exp.)			
2.02 S8 Admin Reserves (3 months Operating Exp.)		726,000	
2.09 Less Total Minimum Operating Reserves		\$ 726,000	
2.1. MTW Cash Available (Lines 2-2.09)		\$ -	
3. MTW Cash Held By HUD		\$ 10,967,835	
4. Non MTW Cash Restrictions/Obligations			
4.1 Non MTW Operational Restrictions			
4.10 HUD Restricted - Lot and Property Sales		\$ 7,950,572	
4.101 Area 2B Sales Proceeds (Afford Hsg)		1,995,031	
4.102 Scattered Sites Proceeds (Afford Hsg)		5,955,541	
4.20 THA Property Accounts Reserved		\$ 12,719,416	
4.201 Security Deposit Accounts		205,176	

TACOMA HOUSING AUTHORITY				
CASH POSITION - Mar 2023				
4.202 Highland Crest Operations Reserves		520,000		
4.203 Highland Crest Replacement Reserves		366,453		
4.204 James Center North Operations Reserves (Debt Svc)		1,000,000		
4.205 James Center North Capital		262,935		
4.206 Outrigger Operations Reserve		150,000		
4.207 Outrigger Replacement Reserves		310,196		
4.208 Prairie Oaks Operations Reserves		177,000		
4.209 Prairie Oaks Replacement Reserves		47,715		
4.210 Salishan 7 Operations Reserves		750,000		
4.211 Salishan 7 Replacement Reserves		592,440		
4.212 North Highland Court Operations Reserves		50,000		
4.213 Housing Hilltop Loan Reserve		8,287,500		
4.30 Rental Assistance Reserves			\$ 855,568	
4.301 Mod Rehab Operating Reserves		81,191		
4.302 VASH, FUP, FYI, NED, EHV & MAIN HAP Reserves		434,177		
4.303 FSS & CSA Escrows		340,201		
4.40 Prepaid Grants			\$ 1,670,152	
4.401 TPS Interlocal (CS-2017-011)		213,486		
4.402 Balmer Foundation - Education Prog (CS-2020-005)		105,040		
4.403 College Spark (PI-2018-005)		52,848		
4.404 GTCF Grant (PI-2019-005)		131,544		
4.405 Ballmer Foundation - COVID Rent Assist (RA-2020-003)		50,000		
4.406 THDG		1,117,235		
4.60 Total - Non MTW Cash Restrictions (4.10+4.20+4.30+4.40+4.50)			\$ 23,195,709	
4.70 Agency Contracted or Budgeted Commitments Remaining			\$ -	
		-		
		-		
4.99 Total Non MTW Cash Restrictions/Obligations (Lines 4.60+4.70)			\$ 23,195,709	
5. THA UNENCUMBERED (Non-MTW) CASH (Lines 1-2-4.99)			\$ 10,727,711	
6. Development Advances - Project Reimbursement upon draw			\$ 44,019	
6.01 Housing Hilltop LLLP		44,019		



TACOMA HOUSING AUTHORITY

NEW BUSINESS

Resolution 1



RESOLUTION 2023-05-24 (1)

Date: May 24, 2023

To: THA Board of Commissioners

From: April Black
Executive Director

Re: Interlocal Agreement with Pierce County Housing Authority for Legal Services

This resolution would allow Tacoma Housing Authorities Executive Director to execute an Intergovernmental Cooperative Purchasing Agreement with Pierce County Housing Authority (PCHA) so that it may rely on THA's procurement of Legal Services with Gordon Thomas Honeywell.

BACKGROUND

PCHA seeks to secure the legal services of an employment law firm. For this same type of work, THA procured Gordon Thomas Honeywell, LLP on August 10, 2020, through a competitive bid process. PCHA wishes to rely on THA's procurement to contract with Gordon Thomas Honeywell, LLP. This is permissible if THA and PCHA sign an Interlocal Cooperation Agreement under the Interlocal Cooperation Act, Chap. 39.34 RCW.

RECOMMENDATION

Staff recommends entering an Interlocal Agreement with Pierce County Housing Authority so it may contract for needed employment law services.



RESOLUTION 2023-05-24 (1)

Interlocal Agreement with Pierce County Housing Authority for Legal Services

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

WHEREAS, Pierce County Housing Authority seeks to secure legal services to assist with employment law; and

WHEREAS, THA followed the Housing and Urban Development (HUD) procurement process 24 CFR 85.36; and THA's Procurement policy in procuring legal services with Gordon Thomas Honeywell, LLP; and

WHEREAS, PCHA wishes to use the services of Gordon Thomas Honeywell; and

WHEREAS, Chapter 39.34 RCW (The Interlocal Cooperation Act) permits public agencies to cooperate and exercise joint powers in carrying out their public purposes, includes the purchase of goods and services; now, therefore be it

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

Tacoma Housing Authority Executive Director is authorized to enter into an Intergovernmental Cooperative Purchase Agreement with Pierce County Housing Authority so that the housing authority may rely on THA's procurement of Gordon Thomas Honeywell, LLP for legal services.

Approved: 2023-05-24

Shennetta Smith, Chair

Resolution 2



RESOLUTION 2023-05-24 (2)

Date: May 24, 2023

To: THA Board of Commissioners

From: April Black
Executive Director

Re: Procurement Policy Re-write

This resolution would allow Tacoma Housing Authority to contract with Stoel & Rives, LLP to revise THA Procurement Policy (PCI-01). The last Policy re-write was authorized in 2016 by Resolution 2016-12-14 (10) and was updated by Colm Nelson, formerly of Foster Garvey, and currently with Stoel & Rives, LLP.

BACKGROUND

THA seeks to secure the legal services of Stoel & Rives, LLP, to assist THA in reviewing, revising, and updating its Procurement Policy. Specific areas under review include, but are not limited to:

- Update required Federal Clauses Addendum.
- Update Washington State Required Clauses for Public Work's contracts.
- Evaluate current barriers to contract and procurement processes.
- Include additional language to set MWBE goals for the agency for equity in procurement and contracting.
- Review current signing authority thresholds.
- Evaluate having one policy for THA owned properties and another policy as it relates to Private Entities.

RECOMMENDATION

Staff recommends contracting with Stoel & Rives, LLC to review and update THA's Procurement Policy.



RESOLUTION 2023-05-24 (2)

Procurement Policy Re-Write

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

WHEREAS, Tacoma Housing Authority re-wrote the current procurement policy in 2016 by resolution 2019-12-14 (10); and

WHEREAS, THA wishes to revise and update THA Procurement Policy PCI-01; and

WHEREAS, THA wishes to seek the legal advisement of Stoel & Rives, LLP; now, therefore, be it

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

Tacoma Housing Authority is authorized to review, revise and update THA Procurement Policy PCI-01.

Approved: 2023-05-24

Shennetta Smith, Chair

Resolution 3



RESOLUTION 2023-05-24 (3)

Date: May 24, 2023

To: THA Board of Commissioners

From: Sharrall Madden
Human Resources Director

Re: Ratify the Trades Council Contract

This Resolution would authorize the Executive Director to sign the newly ratified collective bargaining agreement between the Tacoma Housing Authority ("THA") and the Pierce County, Washington Building and Construction Trades Council ("Trades Council").

BACKGROUND

This resolution pertains to the ratification of the Collective Bargaining Agreement (CBA) that was recently negotiated between Tacoma Housing Authority and Trades Council. The bargaining unit, consisting of THA's maintenance staff, voted to ratify this agreement on April 28, 2023. The three-year contract is set to take effect on June 1, 2023, and will expire on May 31, 2026.

The updated CBA includes several significant changes:

1. The language has been updated to be gender neutral.
2. A new subcontracting section has been introduced to formalize the process for outsourcing work during emergencies.
3. A volunteer on-call backup list has been added to ensure additional support during large-scale emergencies and business need.
4. Provisions for Washington State laws, including the Washington Paid Family and Medical Leave and WA Long Term Care Act, have been included.

5. Revisions have been made to sick leave section to provide additional benefits based on the employee's length of service. Notably, employees retiring from employment with 20 years of service at THA will now be eligible for 100% of their accrued sick leave balance.
6. A new wage scale for Maintenance Specialists has been introduced, aiming to attract and retain employees, thereby increasing the number of employees earning a housing wage.

Trades Council Business Representative, Manning Webb, has confirmed that all questions and concerns from the membership were addressed during the negotiation process. The membership, in turn, voted in favor of the proposed tentative agreement.

RECOMMENDATION

Approve Resolution 2023-05-24 (3) authorizing the Executive Director to sign the new Pierce County, Washington Building & Construction Trades Council collective bargaining agreement.



RESOLUTION 2023-05-24 (3)

Ratify the Trades Council Contract

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

WHEREAS, on April 28, 2023, the maintenance staff of THA, voted to ratify the newly negotiated Collective Bargaining Agreement (CBA); and

WHEREAS, the revised agreement includes numerous improvements and updates, such as gender-neutral language, a new subcontracting section, a volunteer on-call backup list, updates to state law provisions, revisions to the cashout of accrued sick leave, and a new maintenance specialist wage scale; and

WHEREAS, the new effective date of the negotiated Collective Bargaining Agreement is June 1, 2023; and

WHEREAS, Trades Council Business Representative Manning Webb, after meeting with the membership of THA, has confirmed that all questions and concerns were addressed and that the membership voted in favor of the proposed tentative agreement; now, therefore, be it

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

1. That the Board of Commissioners, having reviewed the new Collective Bargaining Agreement (CBA), hereby ratify and approve the said agreement in its entirety.
2. That the Board acknowledges the collective efforts of all parties involved in the negotiation process, recognizing their commitment to promoting the welfare of the employees and the goals of the organization.
3. That the Board authorizes and the Executive Director to execute and deliver the CBA on behalf of the organization, and to take all necessary actions to implement the terms and conditions set forth in the agreement.
4. That this resolution shall take effect immediately upon its adoption.

Approved: 2023-05-24

Shennetta Smith, Chair

AGREEMENT

BETWEEN

HOUSING AUTHORITY OF THE CITY OF TACOMA

AND

PIERCE COUNTY, WASHINGTON BUILDING AND
CONSTRUCTION TRADES COUNCIL

June 1, 2023 – May 31, 2026

TABLE OF CONTENTS

AGREEMENT	1
ARTICLE 1 DEFINITIONS AND CONSTRUCTION	1
ARTICLE 2 SCOPE OF AGREEMENT	2
SECTION 2.1 Union Recognition	2
SECTION 2.2 Coverage.....	2
SECTION 2.3 Management Rights.....	3
SECTION 2.4 Subcontracting.....	3
ARTICLE 3 UNION BUSINESS	4
SECTION 3.1 Union Membership	4
SECTION 3.2 Union Representatives and Activity	4
ARTICLE 4 WORK SCHEDULE.....	4
SECTION 4.1 Workweek - Workday	4
SECTION 4.2 Lunch and Break Periods	5
SECTION 4.3 Overtime.....	5
SECTION 4.4 Call Out Time	5
SECTION 4.5 Minimum Reporting Pay	5
SECTION 4.6 Inclement Weather	5
SECTION 4.7 On-Call	5
SECTION 4.8 Personal Vehicle Use	7
SECTION 4.9 Clothing Change	7
ARTICLE 5 MAINTENANCE OF BENEFITS AND COLLABORATIVE EFFORTS	7
ARTICLE 6 COMPENSATION	7
SECTION 6.1 Base Rates of Pay	7
SECTION 6.2 Pay Periods.....	7
SECTION 6.3 Temporary	8
SECTION 6.4 Washington Paid Family and Medical Leave.....	8
SECTION 6.5 Washington Long Term Care Act.....	8
ARTICLE 7 INSURANCE, RETIREMENT AND DEFERRED COMPENSATION.....	8
SECTION 7.1 Laborer's Trust Eligibility.....	8
SECTION 7.2 Cost Sharing.....	8
SECTION 7.3 Retiree Disclaimer	8
SECTION 7.4 "Special Flat Rate" Agreement	9
SECTION 7.5 Trust Agreement.....	9
SECTION 7.6 Dental Insurance.....	9
SECTION 7.7 Retirement and Pension Program.....	9
SECTION 7.8 Deferred Compensation Program	9
SECTION 7.9 Health Care and Dependent Care Flexible Spending Accounts	9
SECTION 7.10 Disability Insurance.....	9
SECTION 7.11 Employee Assistance Program	9
ARTICLE 8 HOLIDAYS, VACATION AND LEAVE	9
SECTION 8.1 Holidays.....	9
SECTION 8.2 Vacations	10
SECTION 8.3 Sick Leave	11

SECTION 8.4	Death in Employee's Family	12
SECTION 8.5	Jury and Witness Duty	13
SECTION 8.6	Military Duty	13
SECTION 8.7	Leave of Absence Without Pay	13
ARTICLE 9	EDUCATION/TRAINING	13
SECTION 9.1	Education and Training Programs	13
SECTION 9.2	Orientation Sessions	13
ARTICLE 10	DEFINITION OF SENIORITY	13
SECTION 10.1	Definition of Seniority	13
SECTION 10.2	Accrual of Seniority	14
SECTION 10.3	Loss of Seniority	14
SECTION 10.4	Seniority for Vacation and Overtime.....	14
ARTICLE 11	JOB VACANCIES	14
SECTION 11.1	Vacancy Posting.....	14
SECTION 11.2	Notification of Union	15
SECTION 11.3	Temporary Employment.....	15
SECTION 11.4	Short-Term Employment Program.....	15
ARTICLE 12	PERFORMANCE EVALUATIONS	15
SECTION 12.1	When Performed	15
SECTION 12.2	Procedure	16
ARTICLE 13	DISCIPLINE AND TERMINATION OF EMPLOYMENT	16
SECTION 13.1	Discipline and Discharge of Regular Employees	16
SECTION 13.2	Discipline and Discharge of Other Employees	16
SECTION 13.3	Resignation	16
ARTICLE 14	LAYOFFS	17
SECTION 14.1	Reduction in Force	17
SECTION 14.2	Recall	17
ARTICLE 15	SERVICE FILES	17
ARTICLE 16	AFFIRMATIVE ACTION AND DISCRIMINATION	17
ARTICLE 17	DISPUTE RESOLUTION	18
SECTION 17.1	Informal Settlement of Complaints.....	18
SECTION 17.2	Grievance Defined	18
SECTION 17.3	Steps.....	18
SECTION 17.4	Binding Arbitration.....	19
SECTION 17.5	Arbitrator Authority	19
SECTION 17.6	Untimely Action	20
SECTION 17.7	Grievance Termination	20
ARTICLE 18	UNION-MANAGEMENT COMMITTEE	20
SECTION 18.1	Purpose	20
SECTION 18.2	Meetings	20
SECTION 18.3	Scope.....	20
ARTICLE 19	STRIKES, WORK STOPPAGES AND LOCKOUTS	21

ARTICLE 20 SAFETY.....	21
ARTICLE 21 EFFECTS OF OTHER LAWS	21
ARTICLE 22 CONTRACT TERM AND TERMINATION.....	21
SCHEDULE A MAINTENANCE SPECIALIST WAGE SCALE.....	23
LETTER OF UNDERSTANDING RE RESERVED SUBJECTS	25
LETTER OF UNDERSTANDING RE PUBLIC EMPLOYEES BENEFITS BOARD	27
APPENDIX A.....	28

AGREEMENT

THIS AGREEMENT is made and entered into at Tacoma, Washington, this ____ day of _____, 2023, by and between THE HOUSING AUTHORITY OF THE CITY OF TACOMA, its successors and assigns, hereinafter referred to as the Employer, and the PIERCE COUNTY, WASHINGTON BUILDING AND CONSTRUCTION TRADES COUNCIL, hereinafter referred to as the Union, for the purpose of fixing the wage scale, schedule of hours, and general rules and regulations between the Employer and the Union, and to clearly define mutual obligations between the parties hereto. Therefore, it is mutually agreed as follows:

ARTICLE 1 DEFINITIONS AND CONSTRUCTION

As used in this Agreement:

1.1 “Employee” means, except as specifically provided otherwise, any regular, full-time, part-time and probationary employee covered by this agreement, but does not include any temporary employee.

1.2 “Regular full-time employee” means any employee who has successfully completed the probationary period in his or her position, who has received a minimum of 2.8 probationary evaluation rating and who is regularly scheduled to work 40 hours per week.

1.3 “Regular part-time employee” means any employee who has successfully completed the probationary period in his or her position and who has an established work schedule of less than 40 hours per week.

1.4 “Probationary employee” means any employee who has:

- (a) completed less than 120 calendar days of continuous employment as a new hire; or
- (b) completed less than 120 calendar days of continuous employment in a new or different position.

The Employer may extend the probationary period in any case by mutual agreement with the Union. The Union shall not unreasonably withhold consent to such extensions.

1.5 “Lead employee” is one who is assigned extra administrative responsibilities as defined by management but does not have supervisory authority as determined by the National Labor Relations Act (i.e., ability to hire, fire, discipline, and evaluate performance). The Employer will notify employees in the department of the opportunity for a lead assignment for the purpose of soliciting interest. However, the Employer will have ultimate discretion over making the assignment; in the case of two or more employees expressing interest for the same role, the procedures outlined in Section 11.1(a) shall apply. If such duties are removed, the Employer will notify the employee at least two (2) weeks in advance. However, less notice may be required due to discipline, policy violations, or other extenuating circumstances. Employees who accept and perform assigned lead responsibilities shall receive two dollars (\$2.00) per hour in addition to their hourly rate of pay.

1.6 “Temporary employee” means any employee hired for a limited period of time, not to exceed 120 days, or mutually agreed upon extension.

1.7 “Inactive” status means that an employee who has been placed on inactive status because the Employer has determined that the employee is:

- (a) unable to perform the essential functions of the job for an indefinite and uncertain period of time and has exhausted all statutory or contractual leave entitlement or;
- (b) not suitable to perform services for the Employer for an indefinite and uncertain period of time for reasons such as a pending criminal matter, pending investigation, or a personal situation which the employee has exhausted all statutory or contractual leave entitlements.

Although an inactive employee remains one of the Employer's employee and thus retains their seniority date should he or she ever resume employment, the Employer will not hold a position open for an employee on inactive status. An inactive employee does not earn compensation or accrue benefits while on inactive status. Inactive status may not continue longer than six months. If an employee is to be restored to active employment status, the employee will be returned to the first vacant position with the Employer for which the employee is qualified, has applied, and is selected. Inactive status does not confer any entitlement or preference for future employment.

- (c) Nothing in this section shall require the Employer to place any employee on inactive status. Rather, the Employer shall have the sole discretion to place an employee on inactive status.

1.8 "Dependent" when used in connection with the Employer-provided insurance benefits (not including any multi-employer Taft-Hartley Trusts) means (1) the lawful spouse of an employee, (2) any natural or adopted child or stepchild who is primarily dependent on the employee or (3) any minor for whom the employee has legal custody and who is primarily dependent on the employee or (4) a child of the domestic partner that qualifies under the THA Policy HR-20.10: Domestic Partner Benefits. As used in any multi-employer Taft-Hartley Trust, including the Laborers Trust referenced in Section 7.2, "dependent" shall have the same meaning as in the applicable Trust documents.

1.9 "Continuous employment" means continuous employment from the most recent date of hire or rehire.

1.10 "Anniversary date of service" means the same date each year as the date on which the employee first began work.

1.11 "Inclement Weather" means snow, ice, and impact of severe cold.

Unless a different meaning is clearly required by the subject matter of a particular section, the singular form includes the plural and vice versa.

ARTICLE 2

SCOPE OF AGREEMENT

SECTION 2.1 Union Recognition

The Employer recognizes the Union as the exclusive collective bargaining agent for the employees covered by this Agreement.

SECTION 2.2 Coverage

This Agreement applies to the employees holding the job titles set forth in Schedule A to this Agreement. Any positions not covered by Schedule A or any positions which may be established during the life of this Agreement, except those traditionally associated with management and administration, shall be subject to negotiations between the Employer and the Union. In the event the parties are unable to agree

on the title and rate of pay for the job in question, the dispute shall be resolved by the arbitration procedure in this Agreement.

SECTION 2.3 Management Rights

Except as expressly restricted or abridged by a specific provision of this Agreement, the Employer shall have and retain all rights to manage and direct the business of the Employer, including but not limited to the right to (i) hire, assign, determine the qualification and competence of, promote, demote, transfer, discipline, suspend, discharge, and lay off employees; (ii) implement and enforce reasonable rules and regulations, and safety, production, and performance standards; (iii) assign and direct employees and the methods, processes, and schedules of doing work; and (iv) subcontract work not covered by this Agreement according to the business needs of the Employer.

The foregoing recitation of specific management rights shall not be deemed to waive, limit or impair any rights of the Employer not so enumerated. The exercise of management rights is the exclusive prerogative of the Employer.

SECTION 2.4 Subcontracting

Except as provided in Article 11.3, if work with a limited window of time for completion by necessity or by external requirements arises, the Employer will provide written notice to the Union with a description of the work, the time constraints, and the reasons for those time constraints. Necessity will be based on life, safety, and asset preservation needs. The Union, either through its authorized representatives or via individual members, will respond with available employees as soon as possible, but not more than three (3) business days for requests with a limited window of time for completion by necessity or by external requirements or no more than fifteen (15) business days for non-emergency work with no limited window for completion or external requirements. The Parties may agree to not pursue mandatory overtime. If the Union does not respond with available employees by the end of the applicable notice period, the Employer reserves the right to subcontract the necessary work. The Employer and Union will negotiate the impacts of such contracting out on the employees as required by law.

Prior to the notice periods above, volunteer overtime opportunities shall be offered to all Bargaining Unit Employees specifying type of work to be performed, days of the week, hours per day, and estimated start and finish dates overtime work will be available. Bargaining Unit Employees who sign up for volunteer overtime shall have the first opportunity to take part in the additional workload and in no way experience a reduction of hours or overtime opportunities due to subcontracting.

The notice periods above shall not apply to short-term subcontracting in response to emergencies, unforeseen circumstances requiring short-term and immediate attention, or situations where specialized certifications or equipment are required; the Employer will retain the right to subcontract at its discretion, however it shall notify the Union as soon as feasibly possible.

Prior to October 31 of each calendar year, the Parties will jointly review the current volunteers for the snow team as requested by the Employer; simultaneously, the Parties will evaluate the availability of seasonal Grounds Keepers under Section 11.4. The Employer and the Union will agree in writing to the scope and duration of the Employer's authority to subcontract work for inclement weather response by October 31 of each calendar year. The Union will evaluate its ability to commit to addressing work caused by inclement weather with current staff, and the Parties will agree to the subcontracting for the remainder of the season accordingly.

Subcontracting work shall not inadvertently result in a reduction of workforce within the bargaining unit or inhibit in any way its opportunity to increase its numbers based on the Employer's growth.

ARTICLE 3 UNION BUSINESS

SECTION 3.1 Union Membership

- a) Payroll Deductions: The Employer shall honor the terms and conditions of each employee's signed payroll deduction form. The Union shall communicate with the Employer the list of employees for whom monies should be withheld and in what amounts. The employee may revoke the authorization by sending a written notice to the Employer and the Union. Monthly deductions will be promptly transmitted to the Union by check payable to its order.
- b) Orientation Meeting: Within the first seven (7) days of employment, the Employer shall transmit to the Union the newly hired employee's address, work phone number, work email, job title, work shift and job location. The Employer will provide the union an opportunity to meet with newly hired staff at the end of the employee's scheduled on-boarding meeting. If that is not feasible, a separate meeting will be arranged. In either case, the meeting will be on paid time.
- c) Indemnification. The Union shall indemnify, defend and hold the Employer harmless against any and all claims, suits, orders, or judgments that arise out of or by reason of the Employer's compliance with this Section.

SECTION 3.2 Union Representatives and Activity

The Union shall advise the Employer in writing of the names of all Business Representatives, agents, and Union representatives authorized to represent the Union in dealings with the Employer. The Union shall also provide the Employer with written notice of any change in such Business Representatives, agents and stewards within a reasonable time of a change.

The Business Representative of the Union shall have access to the Employer's premises, at reasonable times and upon reasonable prior notice to the Executive Director or designee to investigate specific employee complaints or grievances relating to this Agreement; except that union business, other than the adjustment of grievances directly between the Executive Director and the Business Representative, shall not involve the Employer's employees during their hours of work, and union meetings shall not be conducted on the Employer's premises unless mutually agreed upon between the Union and the Employer.

A bulletin board shall be made available to the Union for the purpose of posting notices pertaining to union business, provided that such notices shall be submitted to the Human Resource Director of the Employer or designee for approval before being posted, which approval shall not be unreasonably withheld.

ARTICLE 4 WORK SCHEDULE

SECTION 4.1 Workweek - Workday

- (a) The standard workweek of a regular full-time employee shall be forty (40) hours to be scheduled by an appropriate Supervisor or Department Director on five consecutive 8-hour workdays Monday through Saturday. A recurring non-standard workweek, such as a 4 x 10 schedule, may be established for certain jobs or individuals to meet long-term business or personal requirements. Either the Employer or the employee(s) may initiate a request for a non-standard work schedule. Non-standard work schedules must be reviewed and pre-approved in writing using THA Form 25.10(1) Non-Standard Work Schedule Application.

- (b) An occasional non-standard workweek may be established for certain jobs or individuals to meet short term business or personal requirements provided that the business needs of the Employer can be met. Such a non-standard flexible workweek may adjust hours within a given workday or workweek but in no case shall an employee work more than forty (40) hours in a workweek as a result of an occasional non-standard workweek. An occasional non-standard workweek must be mutually agreed upon by the Employer and the employee.

SECTION 4.2 Lunch and Break Periods

Each 8-hour workday shall include one unpaid lunch period of 30 minutes approximately midway through the workday, and one paid break period of 15 minutes in the morning and one 15 minute paid break in the afternoon. One additional paid break period of 15 minutes may be taken during each three-hour overtime period. The Employer may schedule lunch and break periods to accommodate its business needs. The Employer will provide bargaining unit employees with an additional ½ hour paid lunch (at straight time) on payday.

SECTION 4.3 Overtime

The Employer may require overtime work according to its business needs. Any hours required or pre-authorized by the Employer to be worked by an employee in excess of 40 hours in any workweek shall be compensated at a rate one and one-half times the employee's hourly base rate. Any hours required by the Employer to be worked on a Sunday shall be compensated at a premium rate twice the employee's hourly base rate. No overtime will be worked unless it has been specifically approved in advance by the employee's supervisor. For the purposes of this section, "hours worked" includes hours worked only.

SECTION 4.4 Call Out Time

When an employee is called out to work other than during normal work hours, a "Call Out Time" minimum of two (2) hours of the applicable rate of pay shall be paid.

SECTION 4.5 Minimum Reporting Pay

An employee, who reports to work during normal working hours, whether or not on overtime status, shall be entitled upon reporting to a minimum of four (4) hours pay, whether or not actually worked.

SECTION 4.6 Inclement Weather

An employee is expected to report to work regardless of weather conditions if the employee can possibly do so. An employee who is unable to get to work or who has approval to leave work early because of weather conditions shall charge the time missed against accrued vacation leave. In the event no vacation leave is accrued, time missed shall be charged to leave without pay. Tardiness due to an employee's inability to report for scheduled work because of severe weather or conditions caused by such weather may be allowed up to one hour at the beginning of the work day, at the sole discretion of the Employer; inclement weather tardiness in excess of that allowed by the Employer shall be charged as provided above.

SECTION 4.7 On-Call

- a. On call duties will be scheduled according to the following procedure:
 - i. On-Call is a responsibility of all maintenance employees, all regular, full-time employees are expected to participate. Employees may apply for reasonable accommodation related to their On-Call responsibilities.

- ii. Annually all regular, full time employees will choose one week periods to perform On-Call duties. An employee will sign up for on-call status no more than once every three (3) weeks. Without the express written permission of the Portfolio Manager or their designee, no employee may be on-call more than one week in each three week period.

The selection of weeks shall be in a “round robin” format. The most senior employee will choose one week, the next senior employee will choose one week and so on until the entire roster of eligible employees have chosen a week. The process will continue for the remaining weeks until eligible employees have an equal number of On-Call weeks.

- iii. For all one week periods not scheduled by sign-up, the Employer will solicit volunteers to sign-up for the remaining weeks of On-Call duties.
- iv. For all one week periods not scheduled by volunteer sign-up, the Employer will assign the work by rotating through the roster of employees in reverse seniority.

b. A volunteer On-Call back up list will be available. The volunteer backup roster will not be subject to the same availability and activity restriction as the primary On-Call employee list. If a backup employee is needed to perform On-Call duties, the Employer will call the first employee on the volunteer backup list and continue contacting backup employees until one is able to arrive onsite within two (2) hours. The volunteer backup list shall be determined by the order in which the employees volunteered. Once the volunteer backup list is exhausted and a need still exists, calls to the general employee list may occur in seniority order beginning with the most senior employee. Backup employees who respond to a call from the volunteer list and perform requested On-Call duties will be entitled to compensation for hours worked in accordance with applicable law.

c. An employee who is on-call will be given the On-Call phone and must be (1) accessible by telephone; (2) available to return to the worksite within a designated response time; and (3) in a physical condition that allows him/her to perform duty assignments.

d. If the employee is scheduled for an on-call week but for unforeseen circumstances, will not be able to take the on-call assignment for all or part of that week, the duty may only be traded or reassigned with the prior approval of the Portfolio Manager or their designee. If incapacitated or unavailable, it must be noted on the employee’s timecard and on-call pay shall be forfeited for that time period.

e. An employee who is assigned to on-call duty and cannot be reached or does not report within two hours of being contacted may face disciplinary action and shall not receive on-call pay for that day. An employee who has a record of excessive unavailability while on on-call duty may face disciplinary action.

f. Pay for work performed shall be at the overtime rate of one and one-half (1 1/2) times the straight time hourly rate of pay of the responding employee. In computing time, the nearest one-quarter (1/4) hour shall be used. In accordance with Section 4.5 of the current agreement, a call-out time minimum of two hours of the applicable rate of pay shall be paid.

g. Compensation will be paid from the time the employee begins travel to the On-Call jobsite in their designated Employer-provided vehicle, unless the On-Call needs do not require use of an Employer-provided vehicle. The On-Call manager will inform the On-Call employee if an Employer-provided vehicle is not required for the response. For the purpose of On-Call duties all tolls and fees incurred while performing On-Call duties will be reimbursed to the employee.

h. All work performed on holidays will be paid at the rate of two times the employee's straight time rate of pay plus their regular pay for the holiday.

Employees assigned to on-call duties shall be compensated for (a) up to 30 minutes per day of “work time” that is not “call out” time (e.g. “triage time” talking on the phone with a client or others to resolve the problem) and (b) the inconvenience of being on-call at a rate of \$325.00 per week broken down to the following schedule:

- | | | |
|-----|-------------------------|------------------|
| i. | Monday through Friday | \$45.00 per diem |
| ii. | Saturday through Sunday | \$50.00 per diem |

“Time worked” as “triage time” after the 30 minutes will be paid in 15-minute increments at the employee’s applicable rate. Compensable triage time includes time spent communicating with the call center, management staff, relevant tenant, security, or backup On-Call employee as needed in accordance with 4.7(b).

- i. The employee will be assigned a Housing Authority vehicle to use during the on-call period, subject to Housing Authority policy.
- j. Nothing in this language shall be interpreted to limit the Employer’s rights as set forth in Section 2.3 Management Rights and Section 13.1 Discipline and Discharge of Regular Employees including the right to suspend employees from on-call duty as appropriate disciplinary or corrective action.

SECTION 4.8 Personal Vehicle Use

Employees will not use their personal vehicles as a replacement or substitution for Employer-owned vehicles for the daily requirements of their maintenance duties.

SECTION 4.9 Clothing Change

When an employee’s clothing becomes soaked by sewage, waste water, water or oil, the employee shall be given the opportunity, on the Employer’s time and with prior authorization, to clean up and change clothing. The Employer will provide washing and changing facilities at designated locations. When circumstances require the employee to leave the worksite, they shall be compensated for the time required to clean up, not to exceed two (2) hours, at the normal straight time rate.

ARTICLE 5 MAINTENANCE OF BENEFITS AND COLLABORATIVE EFFORTS

All benefits now being extended to the employee shall remain in force and shall not be rescinded during the life of this Agreement provided that any benefit changes to the Laborers Trust will apply to employees covered by the Agreement who are enrolled in that plan. However, the parties agree that if there is any substantial adverse change in the costs of benefits or Employer’s financial position, the Employer and Union shall meet to discuss such changes and the appropriate action, if any, to be taken. The employer provides benefits to eligible employees as defined in Appendix A.

ARTICLE 6 COMPENSATION

SECTION 6.1 Base Rates of Pay

Employees shall be paid not less than the minimum for his or her title as set forth in Schedule A.

SECTION 6.2 Pay Periods

Employees shall be paid on a bi-weekly basis (every two weeks).

SECTION 6.3 Temporary

A temporary employee shall be compensated for each hour worked at no less than the minimum starting salary for the position as set forth in Schedule A.

SECTION 6.4 Washington Paid Family and Medical Leave

Employer will pay the applicable Employer share of the WPFML premium. Employees will pay the applicable Employee share of the WPFML premium through payroll deduction.

SECTION 6.5 Washington Long Term Care Act

The Employer will deduct any tax required for the Washington Long Term Care program upon implementation via payroll deduction unless the employee has provided proof of acceptable alternative coverage that allows the employee to opt out of the program under applicable law.

ARTICLE 7

INSURANCE, RETIREMENT AND DEFERRED COMPENSATION

SECTION 7.1 Laborer's Trust Eligibility

The Employer shall contribute the full monthly premium to the Northwest Laborers – Employers Health and Security Trust Fund (the "Laborers Trust") on behalf of each bargaining unit employee who has at least eighty (80) compensated hours in the prior calendar month, provided, however, that no contribution will be due or owing on behalf of (a) any temporary employee on whose behalf fringe benefits are provided as specified in the appropriate local union trust agreement as provided in Section 11.3; (b) any temporary employee who performs less than eighty (80) hours of service for the Employer; and (c) persons performing emergency short-term services under Section 11.4 who the parties agree are not performing bargaining unit work and on that basis are not provided benefits under this section 7.1.

SECTION 7.2 Cost Sharing

The Employer believes that the Agency and all employees share an interest in controlling health care costs. The Employer believes that such interests are best served if both the Employer and employees have a financial stake in the cost of health insurance.

Insurance premiums are based on the NW Laborers Health and Welfare Trust. The annual premium, beginning in 2023, will be based on the annual rates published by the trustees each May. The premium rate between May 2022 and May 2023 is \$950.00. The Employer will bear the cost of the base amount annually.

Should the annual rate increase during the duration of this Agreement by any amount up to ten percent (10%), these costs will be borne by the Employer. The amount of any premium increase in excess of ten percent (10%) will be shared equally between the Employer and the employee.

For example, if the premium was \$950, and the increase was 20% (\$190.00), the employee would be responsible for an additional \$47.50 per month ($\$190.00 / 2 = \$95.00 / 2 = \47.50).

SECTION 7.3 Retiree Disclaimer

The Employer does not agree to provide, and shall not be required to provide, any health and welfare benefit for any retiree of the Employer.

SECTION 7.4 “Special Flat Rate” Agreement

The parties intend that Sections 7.1 through 7.3 of this Agreement to be the “Special Flat Rate” Agreement with the Laborers Trust Fund. The parties agree that the Employer is contributing to the Laborers Trust fund on a flat rate basis as an “Individual Employer” and is not contributing on an “Active Hour Bank” basis.

SECTION 7.5 Trust Agreement

The parties acknowledge that the plan established by the Northwest Laborers-Employers Health and Security Trust is controlled and administered by a joint Board of Trustees. The Employer agrees to be bound by the Trust Agreement for the Northwest Laborers-Employers Health and Security Trust Fund, as may be amended from time to time, which is incorporated herein by reference.

SECTION 7.6 Dental Insurance

Subject to cost sharing as provided in Section 7.2, the Employer shall provide a dental plan as part of the Northwest Laborers-Employers Health and Security Trust Fund for all eligible employees and dependents.

SECTION 7.7 Retirement and Pension Program

The retirement benefits under the State Employees Retirement System shall be provided for each eligible employee under the rules of the State Employees Retirement Board.

SECTION 7.8 Deferred Compensation Program

All employees shall be eligible to participate in any deferred compensation program implemented by the Employer.

SECTION 7.9 Health Care and Dependent Care Flexible Spending Accounts

The Employer will offer Health Care and Dependent Care Flexible Spending Accounts for employees who choose to participate, as permitted by applicable insurance contracts and/or Trust documents.

SECTION 7.10 Disability Insurance

The Employer shall provide and pay for long term disability insurance policy for all eligible employees. The amount of long-term coverage shall be up to two-thirds of monthly compensation not to exceed a monthly benefit of \$ 5,000.

SECTION 7.11 Employee Assistance Program

The Employer shall provide and pay for an Employee Assistance Program for all eligible employees and families during the term of this Agreement.

ARTICLE 8 HOLIDAYS, VACATION AND LEAVE

SECTION 8.1 Holidays

(a) Employer observed Holidays. The Employer shall observe the following holidays:

HOLIDAY OBSERVED

New Year's Day
 Martin Luther King Day
 Presidents' Day
 Memorial Day
 Juneteenth
 Independence Day
 Labor Day
 Veterans Day
 Thanksgiving Day
 Day after Thanksgiving
 Christmas Eve
 Christmas Day

Two (2) Floating Holidays. Only employees who have successfully passed probation may take floating holidays. Floating holidays shall be used in eight (8) hour increments only and with prior arrangement and approval of the Employer. Floating holidays do not carry over from one calendar year to the next. An employee hired on or after August 1st of a given year does not earn any floating holidays for the year of hire.

And all other Holidays observed by the Employer.

- (b) **Holiday Pay.** An eligible full-time employee shall be compensated for each Employer holiday which occurs while the employee is on the payroll, whether or not worked by the employee, at the employee's base rate for eight hours. An eligible part-time employee shall be compensated for each such Employer holiday at the proportion of hours normally worked versus full-time hours. Any hours required by the Employer to be worked on an Employer holiday (except for employee's individually scheduled floating holiday) shall be compensated at the rate of twice the employee's hourly base rate, in addition to holiday pay.
- (c) **No Charge against Vacation Credit.** A holiday occurring during an employee's scheduled vacation shall not be charged against accrued vacation credits.
- (d) **Holidays falling on Saturday** shall be observed the proceeding Friday unless otherwise designated. **Holidays falling on Sunday** shall be observed the following Monday unless otherwise designated.
- (e)

SECTION 8.2 Vacations

- (a) All eligible employees will accrue vacation under the following schedule:

	Length of Service	Total Annual Vacation Days
1)	Employees with 0 to 5 years' service	14 days
2)	Employees with over 5 to 9 years' service	16 days
3)	Employees with over 9 to 14 years' service	18 days
4)	Employees with over 14 to 20 years' service	22 days

- (b) Paid vacation days shall not accrue during a leave of absence without pay or suspension. Where an employee is on disability leave and is using paid sick time they will continue to accrue leave only if it is Employer-provided paid leave. Where the employee has exhausted all sick time and other paid leave and is on an unpaid leave of absence, regardless of whether workers compensation or disability insurance may be paying benefits to the employee, they would not continue to accrue leave.
- (c) All vacation time must be earned/accrued. Employees in each department may make initial vacation selections by January 31 for that calendar year. The Employer will respond to such vacation requests by February 15 of that year. Employees are encouraged to take vacation a week at a time. In cases of scheduling conflicts, vacation time will be approved based on bargaining unit seniority. Employees are encouraged to take vacations to the amount of earned annual vacation. Employees may not carry over more than forty (40) days of vacation time.

An Employee with 200 or more accrued vacation hours may cash out up to a maximum of forty (40) hours of accrued vacation once during each calendar year of the term of this Agreement. Cash-out requests must be submitted to the Human Resources department to be paid out the following full pay period after submission and processing is complete. Employees may only cash out once per calendar year. Employees must have the minimum of 200 accrued vacation hours on the date of the submission and have a minimum of 160 accrued vacation hours on the date the cash-out is paid. Upon retirement or departure, the Employer shall pay no more than 40 days of accumulated vacation time.

- (d) Vacation time shall not be taken in units of less than one-half hour.
- (e) Subject to Section 8.2 (c), an employee who is separated from employment with the Employer shall be paid their accumulated vacation time at their current rate of pay in a lump sum at the time of separation, except for instances when the employee is separated for cause, in which event the employee shall not be reimbursed for accumulated unused vacation time. An employee may not elect to take unpaid time off of work when leave time of any type is available to him/her.
- (f) New employees will accrue vacation days during their probationary period but will not be entitled to use vacation leave until after the successful completion of the probationary period. If the new employee does not successfully complete probation and is terminated, he or she is not entitled to a cash-out of any vacation leave.
- (g) All vacations and leave must be approved in advance by the employee's supervisor, in writing or by comparable electronic means (e.g. email, text, ADP).
- (h) Employees shall make their requests for vacation use in advance with proper notice to their supervisor. Proper notice will constitute at least one day notice for each day requested, except in the case of a catastrophic event.

SECTION 8.3 Sick Leave

- (a) Employees shall accrue sick leave at the rate of one day per month or 12 days per year. All sick time must be accrued prior to taking it. In the event that any employee is sick and has no approved sick time, vacation time shall be charged. In the event that the employee has no sick or vacation time accrued, the employee shall not be paid for time missed. An employee may not elect to take unpaid time off of work when any leave time of any type is available to the employee.

- (b) Sick leave shall be taken in increments in accordance with applicable law.
- (c) Paid sick days shall not accrue during a leave of absence without pay or suspension. Where an employee is on a disability leave and is in a paid leave status, they will continue to accrue sick leave. Where the employee is in an unpaid leave status, for whatever reason, including during an occupational injury leave or disability insurance leave, the employee will not continue to accrue sick leave.
- (d) An employee who is unable to report to work as scheduled for a foreseeable qualifying reason shall provide reasonable notice to their supervisor. For Washington State Paid Sick Leave purposes, foreseeable events require notice at least 10 days in advance, or as soon as practical. For unforeseen leave for a qualifying reason, notice should be provided as soon as possible before the start of the scheduled shift, unless it is impractical to do so. The Employer may require a physician statement or other proof of the medical necessity for any absence for which sick leave has been used if the absence continues for more than three consecutive work days.
- (e) Employees may use sick leave for qualifying reasons as defined by applicable law.
- (f) The State and Federal Family and Medical Leave Acts and the Washington State Paid Sick Leave Act are part of the Employer's sick leave policy and shall apply to employees covered under this Agreement.
- (g) An employee who is separated from employment due to retirement for disability or length of service after at least 20 years of employment with the Employer or death at any time shall be compensated to the extent of 100% of their accrued sick leave, up to a maximum accumulation of 960 hours. An employee who is separated from employment due to retirement for disability or length of service after 10 years, but less than 20, years shall be compensated to the extent of 50% of their accrued sick leave, up to a maximum of 960 hours (480 hours paid). An employee who retires after less than 10 years of employment with the Employer or is separated from employment for reasons other than retirement or death shall be compensated to the extent of 25% of their sick leave accrued up to a maximum accumulation of 960 hours (240 hours paid). In the event that separation results from the employee's death, the Employer shall pay this same compensation to the employee's estate or successor, as provided by applicable law. Employees are not eligible for payout of any accrued sick leave if they leave employment for any reason during their initial 120-day or extended probation period.
- (h) Any employee proved to have misused sick leave shall be subject to disciplinary action.

SECTION 8.4 Death in Employee's Family

Employees shall be granted four days' Bereavement Leave with Pay upon the death of an immediate family member.

Immediate Family Member: Spouse, registered domestic partner, father, mother, stepparent, mother-in-law, father-in-law, foster parent, brother, sister, stepchild, child, foster child, adopted child, child for whom the employee has parenting responsibility, grandparents, or grandchild of employee.

For the purpose of attending the funeral a maximum of one days' Bereavement Leave with pay may be granted for the death of son-in-law or daughter-in-law of the employee or the death of the employee's spouse's or employee's registered domestic partner's foster parent, brother, brother-in-law, sister, sister-in-law, stepchild, child, foster child, grandparents or grandchildren.

SECTION 8.5 Jury and Witness Duty

An employee who is subpoenaed for jury duty or as a witness shall be granted a leave of absence. Immediately upon receipt of a subpoena, and prior to the leave of absence, the employee shall provide a copy of the subpoena to the immediate supervisor. An employee who is granted leave for jury duty shall be compensated at the regular rate for each hour absent from work for such duty, not to exceed eight hours per day, less all compensation other than reimbursement for travel expenses received for jury duty. The status of a probationary employee shall be extended an hour for each hour absent due to jury and witness duty. The Employer may require written documentation of the dates of duty and the compensation received.

SECTION 8.6 Military Duty

State and Federal law will apply to define benefits to employees fulfilling military duty to the government.

SECTION 8.7 Leave of Absence Without Pay

The Employer may grant leaves of absence without pay for purposes other than medical leave for a period not to exceed four (4) months. However, the terms of such leaves of absence, including a specific return date, must be in writing.

An employee on an approved leave of absence without pay shall retain all seniority rights and shall be entitled to the same or a comparable position upon returning to employment. An employee on leave of absence without pay shall not be entitled to or accrue any of the benefits of this Agreement; provided, however, that employees on leave of absence without pay may self-pay insurance premiums if permitted by the policies of the provider and in accordance with then current law.

ARTICLE 9 EDUCATION/TRAINING

SECTION 9.1 Education and Training Programs

Each regular employee who is in a pay status is encouraged to participate in educational programs which will mutually benefit the Employer and employee. Management reserves the right to identify an appropriate training schedule/program for all newly hired employees.

SECTION 9.2 Orientation Sessions

The Employer shall provide a new employee orientation session. It will include introduction to shop stewards, if such a position is established per Section 3.2 Union Representatives and Activity.

ARTICLE 10 DEFINITION OF SENIORITY

SECTION 10.1 Definition of Seniority

Seniority shall be defined as an employee's length of continuous full time employment with the Employer in a bargaining unit position.

SECTION 10.2 Accrual of Seniority

For the purpose of continuous employment, the original date of hire shall be observed, unless broken as referred to in Section 10.3 Loss of Seniority, but seniority shall not accrue during either (a) time of separation of one year or less due to layoff (See Section 14.2 Recall) or (b) time of temporary transfer or promotion to non-bargaining unit positions (See Section 10.3 Loss of Seniority). Seniority accrual will resume when the employee resumes the bargaining unit position.

SECTION 10.3 Loss of Seniority

Seniority shall be lost upon resignation, retirement, discharge, layoff (after one year in case of layoff only), failure to report to work within five working days after notice by registered mail of recall from layoff, or a temporary transfer or promotion to a non-bargaining unit position for a period that exceeds 120 days, provided that Employer and Union may extend this 120-day period for a particular employee by written agreement.

SECTION 10.4 Seniority for Vacation and Overtime

- a. Seniority will be observed in prioritizing vacation requests submitted at the same time for the same vacation period.
- b. Overtime shall be assigned to the employee currently assigned to the impacted worksite or where two or more employees have substantially the same abilities and qualifications for needed overtime hours, needed overtime hours will be offered first to the more senior employee at that work site. When employees are unable to work overtime, overtime hours will be offered to the most senior maintenance employee available to perform the work.

ARTICLE 11 JOB VACANCIES

SECTION 11.1 Vacancy Posting

- (a) The Executive Director has the primary authority for the recruitment and screening of applicants for vacant bargaining unit positions. The Executive Director, or designee, shall decide the relative qualifications, skills, abilities, attendance record, and discipline record of an applicant for a position. First consideration for vacant bargaining unit positions shall be given to bargaining unit employees provided that such employees have the qualifications, skills, abilities, attendance record, and discipline record for the position in question. When these factors for two or more applicants for a given position are substantially equal, as determined by the Employer, seniority shall be the determining factor.
- (b) For all regular positions not filled by an existing union employee pursuant to subparagraph (a), the Employer agrees to notify the Union of such an opening and the skills or qualifications needed for the position. The Employer agrees to consider candidates referred by the Union. The Employer may request by name, qualified individuals to fill open positions, regardless of that individual's position on a Union hall hiring list. The union will be given up to three days to refer candidates. The Employer is not required to hire from the Union list.
- (c) Employees who wish to apply for posted positions must apply online through the Employer's website at www.tacomahousing.org.
- (d) In the event that an employee applies for a position that results in upward mobility and their performance is unsatisfactory and they are unable to meet the essential tasks of the position, the employee has no bump back to their old position.

- (e) New hires and personnel in new positions may not apply for promotions, transfers, etc. for six months; unusual circumstances may be open for discussion.

SECTION 11.2 Notification of Union

The Employer has the final choice as to whom it hires. Notice of new hires will be provided as set forth in Article 3.1(b).

SECTION 11.3 Temporary Employment

The Employer may hire temporary employees for peak workloads, or replacement of employees on leave. The Union will attempt to meet the temporary employment needs of the Employer. If the Union is unable to meet these needs, the Employer may hire from outside sources.

All temporary employees performing bargaining unit work shall not be paid less than the minimum hourly wage as set in Schedule A and if the temporary employee is a member of a Pierce County Building Trades member union and if the temporary employee is a participant in one or more multi-employer employee benefit trust plans as a result of employment through such union membership, then the Employer will pay on the temporary employee's behalf, the then applicable fringe benefit contribution amounts as specified in the appropriate local union trust agreements. No other benefits or compensation shall apply for temporary employees, except when required by law or that when a temporary employee is hired as a regular employee with no break in service, the vacation, sick leave and seniority for the employee shall be calculated using the date of hire as a temporary employee. As used in this Section, "break in service" means an absence from employment with the Employer of 30 calendar days or more.

The Employer will sign an appropriate compliance agreement with the Union[s] furnishing temporary employees to the Housing Authority to effectuate the provisions of this Section 11.3. If the employer, after consultation with the union, determines that it needs a temporary employee from a local union affiliated with the PCBCTC to work at a skill level greater than the top skill level of the Maintenance Specialist classification, then the parties will adopt an appropriate compliance agreement with the affiliated union that will, among other terms, specify the rate of pay and benefit contribution amount for that position.

SECTION 11.4 Short-Term Employment Program

The Employer may employ up to three (3) part-time seasonal Grounds Keepers which will be exempted from this agreement. Part-time seasonal workers shall not be allowed to work more than 750 hours each in a contract year. Any part-time seasonal worker who works 751 hours or more in a contract year will be included in the bargaining unit with all of the provisions and protections afforded by the agreement.

The short-term employment program will not accrue from one contract year to the next.

ARTICLE 12 PERFORMANCE EVALUATIONS

SECTION 12.1 When Performed

To ensure the success and growth of our employees and our agency, performance evaluations are conducted with each employee at the end of the 120-day probationary period following the employee's date of hire or rehire and then annually based on the employee's anniversary date. In devising or modifying this system, the Employer shall consult with the Union pursuant to Article 18.

The Employer may periodically conduct additional performance evaluations as it sees fit.

SECTION 12.2 Procedure

Performance evaluations shall be conducted by the employee's immediate supervisor or other manager as the Executive Director directs. A copy of the written evaluation form shall be reviewed with and given to the employee, who shall acknowledge receipt in writing, and who may comment in writing on the evaluation. The employee may discuss the evaluation with the Department Director, and shall have the right to have a Union representative present during any such discussion.

ARTICLE 13 DISCIPLINE AND TERMINATION OF EMPLOYMENT

SECTION 13.1 Discipline and Discharge of Regular Employees

- (a) All disciplinary actions against regular employees shall be conducted in a fair manner, and shall be consistent with the infractions for which disciplinary action is being taken. All suspensions and discharges shall be stated in writing and the reason stated, and a copy given to the employee within five (5) working days of the date of said suspension. Appropriate due process shall apply.
- (b) Disciplinary actions will normally be taken in the following order:
 - 1) Oral warning, with written documentation
 - 2) Written reprimand
 - 3) Probation or suspension without pay
 - 4) Discharge
- (c) The above sequence need not be followed if an infraction is sufficiently severe to merit immediate written reprimand, probation, suspension or discharge. No regular employee shall be penalized, discharged, or suspended without just cause.
- (d) A regular employee or Union representative shall be informed as to the cause of any disciplinary meeting. The employee shall also have the right to have a shop steward or Union representative, if one is reasonably available, at all disciplinary meetings and shall be so informed when summoned to such meetings.
- (e) The Employer shall not pay any compensation other than salary for hours actually worked to any employee discharged for just cause.

SECTION 13.2 Discipline and Discharge of Other Employees

The provisions of Section 13.1, Discipline and Discharge of Regular Employees, do not govern the Employer's discipline or discharge of probationary or temporary employees or other employees.

SECTION 13.3 Resignation

An employee may resign, including for retirement or medical disability, upon advance written notice of not less than two calendar weeks to his immediate supervisor. The Employer shall not pay any compensation other than salary for hours actually worked to any employee who resigns without giving such notice. No employee will be discharged without two (2) weeks' notice or two (2) week's pay (including holiday pay when applicable) in lieu of the two (2) weeks' notice unless such discharge is for just cause.

ARTICLE 14 LAYOFFS

SECTION 14.1 Reduction in Force

The Employer has the primary authority for the selection of positions or personnel to be separated due to a reduction in force. In the event of a reduction in force, the Employer shall first determine how many positions of each job title(s) to eliminate. The Employer shall attempt to accomplish the lay-off by volunteers within the job title. If there are no or insufficient volunteers, the Employer will assess the then current relative existing qualifications, skills, abilities, attendance record, and discipline record. If the Employer determines that these factors are substantially equal, the selection for lay-off shall be made in reverse seniority. If the Employer determines that these factors are not substantially equal, then it may make the selection for lay-off without regard to seniority.

An employee shall be given two weeks' notice of layoff or two weeks' pay in lieu thereof.

SECTION 14.2 Recall

Any regular employee laid off shall be placed on a recall list for a period of one year. A regular employee recalled and reinstated within that time to the employee's former or comparable position shall receive the former rate of pay as adjusted by wage increases applicable to the job title during the period the employee was on the recall list. Recall shall occur by job title according to the same factors set forth in Section 14.1 Reduction in Force.

Any notice of re-employment to a laid-off employee shall be by certified mail, return receipt requested, to the last known address of such laid-off employee. It is the responsibility of each employee to keep the Employer advised of any changes in telephone number or address.

On rehire of a laid-off employee, he or she shall be granted the option of paying back vacation leave at time of reinstatement.

ARTICLE 15 SERVICE FILES

- (a) The Employer maintains personnel files for all of its employees. Upon written request to the Employer, an employee will be provided with reasonable opportunity to review or copy their personnel file during normal business hours.
- (b) A service record shall be maintained for every employee and shall contain all information pertinent to their employment.
- (c) It is the employee's responsibility to report promptly all changes regarding name, address, telephone number, marital status, number of dependents, or other pertinent information to the Employer.
- (d) An employee shall have an opportunity to submit written comments on material placed in their file by the Employer. This shall be done by sending such comment to the Employer with a copy to the employee's supervisor.

ARTICLE 16 AFFIRMATIVE ACTION AND DISCRIMINATION

The Employer will not discriminate against an employee for union activity.

It is agreed and recognized by the Tacoma Housing Authority and the Pierce County Washington Building and Construction Trades Council that the Tacoma Housing Authority is an equal opportunity employer, and that the Tacoma Housing Authority and said Union will not discriminate against any employee or job applicant because of race, creed, color, national origin, sex, age, marital status, familial status, disability, ancestry, sexual orientation, gender identity or any other status protected by applicable law. To the extent permitted by law, the Employer and the Union will take affirmative action to ensure that applicants are employed and employees are treated during their employment without regard to race, creed, color, national origin, sex, age, marital status, familial status, disability, ancestry, sexual orientation, gender identity or other protected characteristic.

In accordance with 24 CFR Part 135, Section 7 and any other applicable law or regulation, the Employer will, to the greatest extent feasible and consistent with this Agreement, give opportunity for training and employment to lower income residents of the Employer's programs.

ARTICLE 17 DISPUTE RESOLUTION

Employees are encouraged to meet with their immediate supervisor to solve any questions, misunderstandings or complaints, which may arise from time to time. Any dispute between an employee and the Employer concerning the interpretation and applications of this Agreement shall be resolved as follows:

SECTION 17.1 Informal Settlement of Complaints

An employee shall discuss any complaint with such employee's immediate supervisor, if applicable, as soon as possible after the occurrence, or circumstances giving rise to the complaint. Any settlement, withdrawal or disposition of the complaint at this informal settlement stage shall not be a binding precedent in the settlement of similar complaints or grievances. The employee's immediate supervisor, if applicable, shall respond to such complaints within five (5) working days. An employee shall have the right to Union representation upon request.

SECTION 17.2 Grievance Defined

"Grievance" as used for the purposes of this Article is limited to matters that involve an allegation by a bargaining unit member that the Employer has violated a specific provision of this Agreement which has not otherwise been excluded from the grievance procedure.

SECTION 17.3 Steps

Step 1: A grievance shall be reduced to writing and presented by the shop steward or the union, to the Employer's Human Resource Office, within fifteen (15) working days from the date of the occurrence of the events or actions giving rise to the grievance.

Grievances not so referred shall no longer be considered in dispute. The written grievance shall include:

1. The name and position of the employee by or on whose behalf the grievance is brought
2. The date of the circumstances giving rise to such grievance and the date of the employee's first knowledge thereof, if later
3. A summary of the actions precipitating the grievance in enough detail to clearly define employee's position
4. The specific provision or provisions of this contract alleged to control the proper resolution of this grievance

5. The remedy or relief sought by the employee
6. The signature of the person submitting the grievance on behalf of the employee and such person's name and position if other than the aggrieved employee

Thereafter, the department head, HR representative, Shop Steward, Business Representative, and/or employee will attempt to settle the grievance by communicating within fifteen (15) working days of the delivery of the written grievance to the Employer's Human Resource Office (the Step 1 meeting). The HR department shall respond in writing within 15 (fifteen) working days of the Step 1 meeting. If the grievance is not resolved at Step 1, the grievance may proceed to Step 2.

Step 2: Grievances not settled at Step 1 shall be submitted by the shop steward or Union representative and/or employee to the Human Resource Director, or designee, within ten (10) working days from the date the HR department has provided the Step 1 response. Grievances not so referred shall no longer be considered in dispute. The HR Director, or designee, shall immediately investigate the grievance and shall respond in writing within ten (10) working days.

Step 3: If the grievance is not resolved pursuant to Step 2, the Business Representative, shop steward, Union representative and/or employee and the Executive Director, or designee, shall meet within ten (10) working days from the date of the HR Director's, written Step 2 response. Grievances not so referred shall no longer be considered in dispute. The Executive Director shall respond in writing within twenty (20) working days. If the grievance is not resolved at this Step, the grievance may be submitted to binding arbitration.

The above time frames can be modified by mutual agreement of the Union and the Employer.

Employees shall have the right to present grievances individually or as a group through their designated representatives. In so doing, employees shall be assured of freedom from restraint and interference.

SECTION 17.4 Binding Arbitration

Any grievance not settled, withdrawn or otherwise resolved by the grievance settlement procedure may be submitted to arbitration. A demand for arbitration shall be served in writing within 60 calendar days of the occurrence or circumstances giving rise to the grievance, signed by both the affected employee(s) and the Business Representative.

The parties may select the arbitrator by agreement. If they are unable to do so within ten (10) working days after submission of the demand for arbitration, the parties shall jointly request the Public Employment Relations Commission (PERC) or the Federal Mediation and Conciliation Service (FMCS) to submit a panel of seven persons from which the parties shall select an arbitrator by the process of elimination, each party, in turn, striking a name from the panel until one remains. The right to strike the first name from the panel shall be determined by lot. The parties shall request the agency to appoint as the arbitrator the person whose name remains. The parties shall share equally the arbitrator's fee. All other costs, including legal fees, shall be borne by the party incurring them.

SECTION 17.5 Arbitrator Authority

The arbitrator's decision shall be based solely on the evidence submitted at the hearing. The arbitrator shall have authority only to interpret the applicable provisions of this Agreement and to order an appropriate remedy, which does not conflict with its terms. The arbitrator shall not have authority to award a remedy for a grievance if the procedures outlined in this Article have not been followed, or to award a remedy which is punitive in nature or which affects any employees other than those submitting the grievance.

SECTION 17.6 Untimely Action

Failure to file a grievance, process the grievance as set forth in this section, or demand arbitration within the time limits prescribed by this Article shall constitute a waiver of the grievance and the right to arbitration.

SECTION 17.7 Grievance Termination

A grievance may be terminated at any time upon receipt of a signed statement from the employee or duly authorized Union representative stating the matter is no longer at issue.

ARTICLE 18 UNION-MANAGEMENT COMMITTEE

SECTION 18.1 Purpose

A union-management committee is established. The committee will consist of two Employer representatives and two Union representatives, or otherwise as mutually agreed upon. One of the Union representatives shall be from the Pierce County, Washington Building & Construction Trades Council.

SECTION 18.2 Meetings

The committee shall convene upon the request of either party.

Prior to the meeting, subject matters may be submitted by either party. A written agenda will be prepared. The agenda may be supplemented by agreement of both parties.

SECTION 18.3 Scope

The committee may discuss the following topics:

1. Administration of the contract,
2. problems which may affect bargaining unit members,
3. dissemination of items of a general interest to all parties,
4. training needs and policies of the employer,
5. planned reductions in force (RIF),
6. performance evaluation system design,
7. other items as mutually agreed upon.

The committee shall have no power to bind either party. It is intended for informal discussion.

The committee is not intended to prevent the parties' practice of informal discussion.

ARTICLE 19
STRIKES, WORK STOPPAGES AND LOCKOUTS

During the term of this Agreement, there shall be no lockouts, and the Union and its members shall not cause, sanction, condone or take part in any strike; except that it is not a violation of this Agreement for an employee to refuse to pass a bona fide picket line established by any union.

ARTICLE 20
SAFETY

All employees shall be provided safe, sanitary, and healthful working conditions and are expected to follow all of the Employer's safety procedures. The Employer agrees to provide reasonable training in safety procedures and to make available to bargaining unit employees the Employer's written safety policies.

The Employer agrees to reimburse employees for the actual cost for the purchase of approved protective footwear, not to exceed the amount of \$150 per calendar year. The Employee must provide an itemized receipt to verify eligibility and compliance.

ARTICLE 21
EFFECTS OF OTHER LAWS

If any part or provision of this Agreement is determined by a court or other tribunal acting within its jurisdiction to be invalid or unenforceable, the remainder of the Agreement shall remain in effect. The Employer shall have the right to modify any term or condition of employment in order to comply with an order of such court or tribunal or to conform to any other applicable legal requirement, and such modification shall not be deemed a breach of this Agreement.

ARTICLE 22
CONTRACT TERM AND TERMINATION

This Agreement shall become effective June 1, 2023 and shall remain in effect until May 31, 2026.

Signed this _____ day of _____, 2023

FOR THE EMPLOYER:

HOUSING AUTHORITY OF THE CITY OF
TACOMA

FOR THE UNION:

PIERCE COUNTY, WASHINGTON
BUILDING & CONSTRUCTION TRADES
COUNCIL

April Black
Executive Director

Nathe Lawver
Interim Executive Secretary

LABORERS' LOCAL 252

SCHEDULE A
MAINTENANCE SPECIALIST WAGE SCALE

Job Title	July 8, 2023, Hourly Salary Range		
	LOW	MID	HIGH
Maintenance Specialist	<u>\$66,600.00 Annual</u> <u>(\$32.0192/hour)</u>	<u>\$73,250.00 Annual</u> <u>(\$35.2163/hour)</u>	<u>\$79,900.00 Annual</u> <u>(\$38.4134/hour)</u>

New employees will be hired and placed within the range based on their previous experience and training as assessed and determined by the Employer.

1. Annual Wage Increase

Parties agree to reopen the wage scale on an annual basis beginning June 1 of each calendar year, unless Employer incurs a significant revenue shortfall as a result of state or federal budget reductions. Should Employer deem, in its sole discretion, that a shortfall has occurred, Employer will provide the Union with written notice at least 30 days prior to June 1 of each calendar year. Upon such notice, the wage scale currently in effect will remain in effect until June 1 of the next calendar year.

If hired or promoted to your <u>current position</u>:	If hired or promoted to <u>current position</u>:	You will be placed, at a minimum at:
Up to ~ 18 months	Between 1/1/22 - Current	Level 1 of the 7/8/23 Pay Grade
Over ~ 18 months to ~ 3 years	Between 7/1/20 - 12/31/21	Level 2 of the 7/8/23 Pay Grade
Over ~ 3 years to ~4.5 years	Between 1/1/19 - 6/30/20	Level 3 of the 7/8/23 Pay Grade
Over ~ 4.5 yrs to ~ 6 years	Between 7/1/17 to 12/31/18	Level 4 of the 7/8/23 Pay Grade
Over ~ 6 yrs to ~ 7.5 yrs	Between 1/1/16 to 6/30/17	Level 5 of the 7/8/23 Pay Grade
Over ~7.5 yrs to ~ 9 yrs	Between 7/1/14 to 12/31/15	Level 6 of the 7/8/23 Pay Grade
Over ~9 yrs to ~ 10.5 yrs	Between 1/1/13 to 6/30/14	Level 7 of the 7/8/23 Pay Grade
Over ~10.5 yrs to ~ 12.0 yrs	Between 7/1/11 to 12/31/12	Level 8 of the 7/8/23 Pay Grade
Over ~12 yrs to ~ 13.5 yrs	Between 1/1/10 to 6/30/11	Level 9 of the 7/8/23 Pay Grade
Over ~13.5 yrs to ~ 15.0 yrs	Between 7/1/08 to 12/31/09	Level 10 of the 7/8/23 Pay Grade
Over ~15 yrs	Before 6/30/08	Level 11 of the 7/8/23 Pay Grade

HOURLY	Levels	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
PAY GRADE	MT	66,600	67,550	68,500	69,450	70,400	71,350	72,300	73,250	74,200	75,150	76,100	77,050	78,000	78,950	79,900

**LETTER OF UNDERSTANDING
RE RESERVED SUBJECTS**

The parties have agreed to negotiate a trial program by which on-call maintenance employees may drive their assigned THA maintenance vehicle home during the employee's on-call time for use during call out situations. The parties acknowledge that personal use of the THA maintenance vehicle is prohibited and acknowledge THA's need to use a GPS or other tracking system for liability and accountably reasons. The parties will endeavor to implement this trial program before the end of 2018.

LETTER OF UNDERSTANDING ADDITIONAL PROPERTIES

The parties agree to continue in full force and effect the THA–PCWBCTC–OPEIU Agreement dated December 2006 pertaining to additional properties.

**LETTER OF UNDERSTANDING
RE PUBLIC EMPLOYEES BENEFITS BOARD**

If Employer enrolls in the Public Employees Benefits Board (PEBB) Full Benefits program during the lifetime of this Agreement, Employer will no longer provide long term disability or voluntary life insurance as of January 1 in the following calendar year.

APPENDIX A

An employee's eligibility to participate in employee benefits is based upon their employment status. See chart below:

	<i>Newly Hired Probationary Employees*</i>	<i>Regular employees 30 hours effective January 1, 2015</i>	<i>Regular Employees regularly scheduled for 24 or more hrs but less than 30 hours effective January 1, 2015</i>
Holiday	<ul style="list-style-type: none"> ▪ Eligible for Company-paid ▪ Not Eligible for Floating 	Eligible	Eligible / Pro-Rated
Vacation	Accrues but Not Eligible to use until end of Probation	Eligible	Eligible / Pro-Rated
Medical Leave and Other Leaves	Eligible to use Accrued Leave	Eligible	Eligible / Pro-Rated
Long Term Disability**†	Eligible	Eligible	Eligible
Voluntary Life Insurance **†	Eligible	Eligible	Not Eligible
Employee Assistance Program**	Eligible	Eligible	Eligible
Voluntary Medical Flexible Spending Accounts**	Eligible	Eligible	Eligible
Voluntary Dependent Care Flexible Spending Account**	Eligible	Eligible	Eligible
Public Employees Retirement System (PERS)	Eligible	Eligible	Eligible / Pro-Rated
Deferred Compensation	Eligible	Eligible	Eligible
Northwest Laborers-Employers Health and Security Trust Fund	Eligible based on hours worked	Eligible based on hours worked	Eligible based on hours worked

* Note: Newly promoted probationary employees do not have the same restrictions on benefit eligibility. Newly promoted probationary employees are eligible based on their hours worked per above chart.

** Note: The actual terms for employee eligibility are defined in the insurance plan Summary Plan Description for Northwest Laborers Employers Health and Security Trust Fund.

† Note: Refer to Letter of Understanding Re: Public Employee Benefits Board.