



MOTION

Date: March 26, 2025

To: THA Board of Commissioners

MOTION

Adopt a consent motion ratifying the property budgets and annual replacement reserve activity for the nine partnerships with Rental Assistance Demonstration (RAD) contracts administered by THA.

INTENT

Ratify the RAD property budgets and replacement reserve activity to meet the compliance requirements outlined in PIH-2019-23(HA), Rental Assistance Demonstration REV-4 Section 1.6. THA is the contract administrator for nine properties subject to this requirement: Bay Terrace Phase I (2500 Yakima), Hillside Terrace Phase II, Renew Tacoma, and Salishan 1-6.

PIH-2019-23(HA), Rental Assistance Demonstration REV-4 Section 1.6 D. 2.

Ongoing PHA Board Review of Operating Budget. *The Owner must submit to the administering PHA's Board the operating budget for the Covered Project annually. The PHA's Board must confirm that the Project Owner is making deposits into the Reserve for Replacement account in accordance with the RCC as well as assess the financial health of the Covered Project.*

Approved: March 26, 2025



Derek Young, Chair

2025 RAD PROPERTY BUDGETS

	<u>Bay Terrace 1</u>	<u>Hillside Terrace II</u>	<u>Renew Tacoma</u>	<u>Salishan 1</u>	<u>Salishan 2</u>	<u>Salishan 3</u>	<u>Salishan 4</u>	<u>Salishan 5</u>	<u>Salishan 6</u>
Revenue									
Tenant Revenue	1,108,640	697,640	5,714,307	1,569,721	1,594,394	1,686,802	1,676,718	1,715,335	1,666,633
Other Revenues	70,466	3,000	13,500	4,000	5,500	6,000	6,000	2,500	2,400
Total Revenue	1,179,106	700,640	5,727,807	1,573,721	1,599,894	1,692,802	1,682,718	1,717,835	1,669,033
Operating Expenses									
Administrative Expenses	269,587	139,866	1,271,593	237,203	238,871	245,886	289,921	296,986	299,786
Tenant Services	19,600	12,650	139,350	25,250	25,250	25,790	25,250	25,250	25,250
Utilities	151,800	62,900	756,400	169,900	160,300	166,500	149,700	165,100	182,600
Maintenance	279,842	168,458	1,523,670	299,518	302,898	304,565	322,948	308,818	275,958
Protective Services (THA)	27,892	10,882	129,088	-	-	-	-	-	-
Insurance Premiums	95,989	64,885	433,344	115,279	118,404	113,116	120,366	118,785	116,977
Total Other General Expenses	21,650	11,283	113,135	145,193	144,184	146,017	145,949	144,831	144,081
Total Operating Expenses	866,360	470,925	4,366,580	992,343	989,906	1,001,874	1,054,133	1,059,769	1,044,652
Surplus/(Loss) - Operations	312,746	229,715	1,361,227	581,378	609,988	690,928	628,585	658,066	624,381
Interest Expenses	146,230	5,713	768,259	6,440	6,441	6,451	6,679	91,457	174,816
Principal Payments	85,718	5,039	323,706	52,955	52,954	52,944	52,716	83,074	107,276
Replacement Reserve	32,928	69,546	259,942	72,513	69,852	69,852	69,852	69,852	69,852
Cash Flow After Partnership Fees	47,870	149,417	9,320	449,471	480,741	561,681	499,338	413,683	272,438
Cash Flow to THA	63,096	149,417	9,320	449,471	480,741	561,681	517,285	431,023	289,191
PUPY Before RR & Ext. Exp.	12,071	10,237	9,547	10,933	10,906	11,032	11,473	11,486	11,328
PUPY Before Extra. Expense	12,542	11,749	10,117	11,739	11,682	11,808	12,249	12,262	12,104
DCR	1.30	14.90	1.02	8.71	9.24	10.61	9.77	3.52	2.05
EXTRAORDINARY EXPENSE (RR Funded)	33,875	7,500	481,500	15,000	15,000	15,000	40,000	40,000	40,000

2024 RAD PROPERTY REPLACEMENT RESERVE ACTIVITY

Bay Terrace Phase 1		Hillside 2300		Renew Tacoma**	
Monthly RR Contribution	(3 Months @ 2,586.33) (9 Months @ 2,663.91)		12 Months @ 5,599.54		(5 Months @ 18,685.67) (June @ 28,157.96) (6 Months @ 21,030.90)
RR Beginning Balance	288,650.57		951,526.46		2,323,044.74
Total Contribution	31,734.18		67,194.48		252,370.80
Total Interest Earned	4,993.89		30,388.40		1,296.08
*Total RR Withdrawals	-		-		(413,700.18)
RR Ending Balance	325,378.64		1,049,109.34		2,163,011.44
					* Elevator work at 6th Ave, E.B. Wilson, Fawcett, K Street, G Street, Ludwig and Wright. Lender initiated PNA

Salishan 1		Salishan 2		Salishan 3	
Monthly RR Contribution	12 Months @ 5,866.73		12 Months @ 5,651.47		12 Months @ 5,651.47
RR Beginning Balance	626,787.58		612,881.92		573,744.57
Total Contribution	70,400.76		67,817.64		67,817.64
Total Interest Earned	20,425.66		19,956.56		18,749.67
Total RR Withdrawals	-		-		-
RR Ending Balance	717,614.00		700,656.12		660,311.88

Salishan 4		Salishan 5**		Salishan 6	
Monthly RR Contribution	12 Months @ 5,651.47		(5 Months @ 5021.25) (1 Month @ 8,802.57) (6 Months @ 5,651.47)		12 Months @ 5,651.47
RR Beginning Balance	502,230.02		415,286.74		444,755.35
Total Contribution	67,817.64		67,817.64		67,817.64
Total Interest Earned	16,544.60		256.93		14,773.92
Total RR Withdrawals	-		-		-
RR Ending Balance	586,592.26		483,361.31		527,346.91

**The lender manages RR deposits and did not update the monthly amounts. An additional catchup payment was made in June.