



RESOLUTION 2025-12-10 (3)

Date: December 10, 2025

To: THA Board of Commissioners

From: April Black
Executive Director

Re: Fiscal Year 2026 Agency Budget

This resolution would adopt Tacoma Housing Authority's (THA) budget for 2026. The details are set forth in the attachments.

BACKGROUND

Through this resolution, the Board will approve the Tacoma Housing Authority (THA) budget for Fiscal Year 2026. Each year, THA prepares a budget for the upcoming fiscal period, outlining projected revenues and expenditures across its departments and major programs. The budget represents strategic priorities and details departmental expenses. For operational oversight, each department director is responsible for managing and controlling their respective budgets in compliance with Federal, State, and Local regulations.

The Board and Executive Director provided strategic direction for the development of this budget, which was communicated to the Authority's Leadership Team and incorporated into the budget framework. The Finance Director facilitated multiple collaborative sessions with department directors to formulate a comprehensive proposal for presentation to the Executive Director and the Board. The resulting budget acknowledges significant uncertainties ahead, including potential funding reductions, rising operational costs, and programmatic adjustments. It is designed to provide the Agency with the flexibility necessary to adapt effectively to these evolving conditions.

NOTABLE INFORMATION

- The 2026 budget is based on 2025 federal funding levels.
- The Housing Assistance Payments (HAP) budget has been revised to reflect current utilization trends and projected costs through 2026. This adjustment includes an increase in THA's payment standards and a slight increase in the utility allowance.
- The 2026 budget fits recurring expenses within recurring income.
- The salary budget reflects THA's ongoing commitment to compensating staff at levels consistent with the income required to afford a two-bedroom rental unit in Tacoma.
- THA has completed a comprehensive review and update of all property budgets—both Tax Credit and THA-owned—for the Fiscal Year 2026 budget. Adjustments were made to address the evolving needs of individual properties. There are no significant changes in overall staffing levels or major initiatives. Notably, this is the first year Housing Hilltop is budgeted as fully occupied for the entire year.
- This budget, consistent with previous years, relies on cautious projections. The Tacoma Housing Authority's history of careful financial management has enabled it to navigate ongoing fiscal challenges. Given the current uncertainties, maintaining this prudent strategy is expected to benefit the agency moving forward.
- Given the annual fluctuations in grant funding, we worked with departments to revise grant budgets and spending for 2026. As in previous years, expenses were balanced with grant income, so there is no net impact on the agency's budget.
- Significant development activity is planned for 2026. The resyndication and rehabilitation of Hillside Terrace 2 and Salishan's 1-3 is scheduled to close in December of 2025. THA will also be working with partners on the ongoing development of Aviva Crossing and developing the Hillsdale Heights property. THA will continue to seek new development and acquisition opportunities to serve Tacoma's lower-income residents.
- For several years, THA has focused on maximizing the use of both MTW reserves and the reserves from the sale of public housing properties while limiting the use of Business Activity reserves. The impact of this ongoing focus is evident in the increased concentration of reserve balances in unrestricted reserves. As a result of this change, THA will need to maintain larger unrestricted reserves to offset the decrease in MTW and other restricted reserve balances.

I am pleased to present this budget proposal to the Board. It reflects the discussions held throughout the year by the Board and staff. The proposed 2026 budget decreases the amount of MTW spent on non-housing expenses. This increase will allow THA to achieve utilization of over 99% while also reducing the rent burdens of our tenants by increasing the payment standard. Additionally, it strengthens THA's financial resilience and long-term sustainability while meeting our commitment to being a great employer and partner and continuing our work to maintain and add more affordable housing.

ADDITIONAL INFORMATION

Budget Principles

- When we began building the 2026 budget, Congress had not passed the HUD budget, and there were indications that a reduction in funding was a very plausible scenario. Congress has still not passed a budget, but now the most likely scenarios are either a continuing resolution or a budget that includes a modest increase. As a result, we have chosen the worst of these scenarios and budgeted for flat funding.
- The budget will account for THA's strategic objectives.
 - Enhance our financial resilience and sustainability
 - Maintain existing and add more affordable housing throughout Tacoma and Pierce County
 - Invest in housing stability and community vitality
 - Serve as a great employer, contractor, and community partner
- The budget will fit recurring and non-project-oriented expenses within recurring income.
- We will reserve levels within Board directed limits; not too much and not too little.
- We will spend reserves on non-recurring expenses that:
 - Save us money;
 - Make us money;
 - Make us more effective.

Rental Assistance

- Making up nearly 67% of the agency budget, HAP expenses tend to drive the budget process. Over the past 18 months, we have seen a double-digit increase in the average cost of THA's MTW vouchers. A significant portion of this increase was due to higher PBV (project-based voucher) rents in units managed by THA, generating additional unrestricted cash for THA. The cost of tenant-based vouchers also increased over this period, but at a significantly slower rate. The tenant-based voucher holders became more rent-burdened during this period, and as a result, THA is proposing an increase in the payment standards, which will further drive up the cost of HAP in 2026. There will also be 129 new PBV units that will come online in the first half of 2026 at Mercy Housing's Aviva Crossing property. Conversely, the 2026 budget no longer includes funding for the Rapid Rehousing program, which had a lower per-unit cost than many of THA's other subsidy programs. We were still able to budget for MTW utilization of 99.1% of STS, which is essentially the same level as was budgeted for 2025. Unfortunately, HAP expenses are budgeted to increase by 11.2% to reach that utilization.
- The Special Purpose Voucher programs (EHV, FUP, FYI, Mainstream, NED, VASH) projected utilization and average HAP have been updated for the 2026 budget. THA will be working with EHV (Emergency Housing Voucher) participants to transition off the program, as we do not anticipate having funding beyond 2026. With the exception of VASH (Veterans Affairs Supportive Housing) and NED (Non-Elderly Persons with Disabilities), all other program

- utilization is expected to be in line with the 2025 budgeted utilization. Both VASH and NED utilization are expected to increase, with the larger increase in VASH.
- Two Housing Navigators were added in 2025 as part of the budget process to help our tenants find housing. We did not include these vacant positions in the 2026 budget proposal because we do not anticipate having sufficient shoppers to justify them.
- Section 8 Admin Fees are budgeted based on the 2025 administrative fee rates and proration. The per unit administrative fee rate is anticipated to increase; however, a decrease in the proration will likely offset any increase.

Salaries and Benefits

- THA remains committed to providing a housing wage and maintaining competitive compensation for its employees. THA typically contracts with a third party to conduct a compensation study every three years to ensure that THA's salaries are competitive and that employees are paid appropriately. Historically, this study resulted in a number of employees receiving increases above and beyond the across-the-board increase. This study is currently underway, but the financial impact is unclear. The contracts with both unions expire in 2026, so THA will be negotiating wages in the Spring. The 2026 budget includes funds to account for both factors, as well as a likely increase in the housing wage. Unlike prior years, the budget does not include funds for Special Recognition Awards and Merit Awards.
- The cost of medical and dental benefits will increase again for 2026. The increases vary by plan but are generally in line with THA's base plan increase of 8%.
- Despite the increases noted above, the 2026 proposed salary and benefit costs are below the 2025 budgeted costs. This reduction is due to the elimination of thirteen vacant positions. These positions are detailed in Section 8.2 of the Board of Commissioners Decision Points document.

Employee Recognition

- Funding for the annual employee appreciation event held in December and the mid-year employee appreciation event held in the summer has been moved from the Executive Department to Human Resources.
- The 2026 budget includes funding to enable department managers and directors to recognize employee contributions and support team-building activities. Consistent with the 2025 budget, each department's budget includes \$50 per budgeted employee for this purpose.

Restructuring

- In 2025, THA underwent a reorganization, eliminating one department and creating two new ones. The restructuring was not limited to these departments; other functions, grants and related staff were transferred as well. As a result, there were significant changes to the department-level budgets. This reorganization had minimal impact on the overall agency budget.

Reserves and Capital spending

Reserves are essential to our operations. We strive to maintain adequate reserves to ensure operational continuity and efficiency, preserve our credit standing with investors and partners, and provide funding for real estate development opportunities as they arise. We regularly review both overall and category-specific reserve thresholds to determine appropriate minimum and maximum levels. Based on this analysis, the Board sets the optimal reserve targets.

The recent government shutdown has further illustrated the importance of maximizing THA's unrestricted Business Activity reserves. For 2026 we anticipate increasing our Business Activity reserves to \$16.9 million. For our MTW funds, we project reserve levels to be roughly \$700 thousand at THA, with no HUD held reserves.

The budget outlines areas where funds will be reallocated or drawn from reserves rather than operating revenues to cover expenditures. Beyond supporting non-recurring costs, reserves also finance a range of capital projects. The 2026 budget includes several significant capital transactions.

- The Housing Hilltop LLLP project included several loans from THA to the partnership. The \$15,475,000 loan from THA to the partnership has an estimated remaining balance of \$7 million that will need to be funded in 2026. At approximately the same time the loan becomes payable, Housing Hilltop LLLP will be required to pay THA a developer fee, which will help offset the cash impact. The remaining balance of the developer fee will be deferred and paid from property cash flow. The 2026 budget includes an anticipated developer fee payment of \$5,950,000, but this will be impacted by both the property's performance and timely conversion to permanent financing. THA will utilize reserves to fill the gap between the cash developer fee and the loan.
- Work at the Aviva Crossing site will continue into 2026, but the 2026 budget does not include any capital-related activity for this site. THA's role in the capital activity is expected to be completed prior to year-end. The AMRED budget does include funding to prepare for future stages of development. THA may sell an additional parcel in 2026, but consistent with our conservative budgeting principles, it was not included as revenue in the 2026 budget.
- THA is planning to sell multiple lots at the Hillsdale Heights property. The details of these sales have yet to be finalized, but \$2.5 million has been included in the budget as a placeholder.
- We are budgeting \$860,000 in MTW reserves to improve THA offices and community spaces and update the THA fleet.
- THA remains dedicated to identifying opportunities for the acquisition of additional affordable housing units to better serve its clients. Accordingly, \$2 million from Reserves with Restrictions (ACC sales proceeds) has been allocated for the purchase of rental properties.

Tax Credit Partnerships

The cash flow generated from THA's tax credit partnerships is reflected under Other Revenue and is budgeted to be \$4.29 million in 2026 based on the partnership budgets. A high-level view of the partnership budgets is available in Attachment D. The Salishan-Hillside resyndication is scheduled to

close in early December and has been excluded from the table during this transition period. Many of these budgets are subject to approval from the partnership's Limited Partner and, as such, are not final.

Property Reserves

We are budgeting a \$1.9 million transfer of funds from THA-owned rental properties to Business activities in 2026 in order to maintain optimal Operating and Replacement reserves at the properties. We will maintain a six-month operating reserve based on expenses, as well as a replacement reserve for all properties that we own. This accounts for the \$3.8 million reserve level for this category.

Use of MTW flexibility

Due to our MTW flexibilities, we have had the ability to combine our Public Housing Operating subsidies, Public Housing Capital Funds, and Section 8 Housing Choice Voucher Program assistance into a single authority-wide funding source. With our Public Housing primarily converted to Section 8 RAD units, our flexibility lies in combining our Section 8 Housing Choice Voucher HAP funds and Section 8 admin fees for those units into a single funding source to carry out the mission of the MTW Demonstration program through activities that would otherwise be eligible under sections 8 and 9 of the 1937 act.

Reserves

The budget will leave us with the following reserves as indicated in Attachment A:

○	MTW Reserves	\$ 694,468
○	Business Activities (Non-MTW) reserves	\$ 16,929,020
○	THA Owned Property reserves	\$ 3,792,146
○	Reserves with Restrictions	\$ 1,830,000
○	Salishan-Hillside Recontraction Reserve	\$ 11,000,000
○	Section 8 Reserves held at HUD	\$ -
		\$ 34,245,634

RECOMMENDATION

I recommend that the Board adopt Resolution 2025-12-10(3) to formally approve THA's Fiscal Year 2026 Annual Budget.



RESOLUTION 2025-12-10 (3)

(Fiscal Year 2026 Annual Budget)

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

WHEREAS, The Housing Authority of the City of Tacoma ("Authority") intends to incur expenses and other cash outflows for Fiscal Year 2026; and

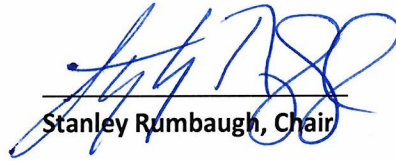
WHEREAS, Authority staff has prepared and the Board of Commissioners of the Housing Authority of the City of Tacoma has reviewed and provided input to the proposed Fiscal Year 2026 annual budget; now, therefore, be it

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

1. The Board of Commissioners of the Housing Authority of the City of Tacoma adopts the attached FY 2026 Agency wide budget. Expenses and other cash outflows are projected as follows:

<u>Expenses - Operations</u>		
Asset Management & Real Estate Development	\$	4,081,892
Client Support & Empowerment		2,954,327
Executive		904,800
Finance		2,733,284
Human Resources		863,470
Information Technology		5,103,790
Legal Services		777,104
Rental Assistance		78,498,820
Strategic Initiatives		1,206,155
Property Management Overhead		6,632,220
Property Budgets		<u>2,617,816</u>
Subtotal		\$106,373,678
<u>Additional Cash Outflows</u>		
Debt Service		240,710
Loans		7,000,000
Capital Expenditures		2,860,000
Replacement Reserves		<u>172,568</u>
Subtotal		\$10,273,278
TOTAL APPROVED BUDGET		<u>\$116,646,956</u>

Approved: December 10, 2025



Stanley Rumbaugh, Chair



Attachment A
BOARD OF COMMISSIONERS DECISION POINTS: 2026 Budget
December, 2025

The green boxes below denote the main decisions for the THA Board. The contents of the green boxes are staff proposals.
The yellow boxes below and other text contain information and staff proposals that will help the Board decide.

1. **AVAILABLE RESERVES**

Minimum necessary and Optimal Reserves

Type/Purpose of Reserves	Projected Reserves 01/01/26	Minimum	Maximum	Amount to Reserve - 2026	Amount of reserves available to use in FY-2026
a. MTW Reserves	\$1,000,000	\$0	\$26,600,000	\$690,000	\$310,000
b. Business Activities (Non-MTW) reserves	\$13,600,000	\$1,400,000	\$32,200,000	\$13,300,000	\$300,000
c. THA Owned Property	\$3,500,000	\$3,990,000	\$3,800,000	\$3,785,000	(\$285,000)
d. Reserves with Restrictions (ACC sale proceeds)	\$3,840,000	\$0	\$0	\$0	\$3,840,000
e. Salehan-Hillside Reconstruction Reserve	\$11,000,000	\$11,000,000	\$11,000,000	\$11,000,000	\$0
f. Section 8 Reserves held at HUD.	\$7,400,000	\$0	\$0	\$0	\$7,400,000
	\$43,437,500	\$16,390,000	\$73,600,000	\$28,775,000	\$11,565,000

Reserves	Annual Expenses	Period	Minimum Amount	Period	Maximum Amount
Recurring MTW Expenses	\$19,726,392	1 month	\$6,600,000	4 months	\$26,600,000
Recurring Non-MTW Expenses	\$16,763,793	1 month	\$1,400,000	4 months	\$5,600,000
Recurring Property Expenses	\$3,902,130	1 month + RR	\$2,150,000	6 months + RR	\$3,800,000
Total Required Operating Reserves			\$10,150,000		\$36,000,000

2. RECURRING OPERATIONAL INCOME AND EXPENSES FY-2026

Recurring Income	Cost of Recurring operations	Surplus or (Shortfall) in recurring operations ¹
MTW	\$79,726,392	(\$4,828,005)
Non-MTW	\$16,763,793	\$2,431,657
Rental Properties	\$3,902,130	\$2,416,646
Total	\$100,392,315	\$20,298

3. BUDGET IMPACT - RESERVES - FY-2026

	MTW	Business Activities	THA Owned Property	Reserves with Restrictions (ACC sale proceeds)	Saintman-Hillside Reconstruction Reserve	Section 8 Reserves held at HUD.	Total
Estimated Reserves - 01/01/26	\$1,000,000	\$13,600,000	\$3,500,000	\$3,830,000	\$11,000,000	\$7,400,000	\$40,330,000
a. Recurring Surplus/(Shortfall) ¹	(\$4,828,005)	\$2,431,657	\$2,416,646				\$20,298
Non-Recurring Income/(Expense)							Amount
b. Non Recurring Income - Operational	\$0	\$7,649,977					\$7,649,977
c. Non Recurring Income - Capital		\$2,500,000					\$2,500,000
d. Non Recurring Expenses - Operational	(\$2,017,527)	(\$4,152,614)	(\$224,500)				(\$6,394,641)
e. Non Recurring Expenses - Capital	(\$860,000)			(\$2,000,000)			(\$2,860,000)
f. Operating Transfers		\$1,900,000	(\$1,900,000)				\$0
g. HUD HAP Drawdown/Transfer to MTW	\$7,400,000					(\$7,400,000)	\$0
j. Housing Hilltop Loans		(\$7,000,000)					(\$7,000,000)
k. Projected Reserves - 12/31/26	\$694,468	\$16,929,020	\$3,792,146	\$1,830,000	\$11,000,000	\$0	\$34,245,634

4. FY-2026 PROJECTED END OF YEAR RESERVE LEVELS

Type/Purpose of Reserves	Projected Reserves 12/31/26	Minimum	Maximum
a. MTW Reserves	\$694,468	\$0	\$26,600,000
b. Business Activities (Non-MTW) reserves	\$16,929,020	\$1,400,000	\$32,200,000
c. THA Owned Property	\$3,792,146	\$3,990,000	\$3,800,000
d. Reserves with Restrictions (ACC sale proceeds)	\$1,830,000	\$0	\$0
e. Salishan-Hillside Reconstruction Reserve	\$11,000,000	\$11,000,000	\$11,000,000
f. Section 8 Reserves held at HUD.	\$0	\$0	\$0
Totals	\$34,245,634	\$16,390,000	\$73,600,000

Amount to Reserve - 2026	Excess/(Deficit) Reserves Over Amount to Reserve
\$690,000	\$4,468
\$13,300,000	\$3,629,020
\$3,785,000	\$7,146
\$0	\$1,830,000
\$11,000,000	\$0
\$0	\$0
\$28,775,000	\$5,470,634

5. NOTABLE CHANGES FROM THE PRIOR YEAR BUDGET*

NOTABLE RECURRING CHANGES FROM 2025 BUDGET			
5.1	Notable Increases in 2026 Recurring Revenue	Amount	Amount
a.	Section 8 HAP - HUD Increase	\$3,080,000	
b.	Section 8 Admin Fees	\$274,000	\$7,563,000
c.	Tenant Revenue	\$308,000	\$67,000
d.	Property Waterfall Payments	\$1,204,000	\$45,000
e.	Commercial Revenue	\$329,000	\$40,000
f.	Internal & Property Related Fees		\$68,000
g.	- Tax Credit Property Management Fees	\$79,000	\$275,000
h.	- Admin Support Fee & THA Property Mgmt Fee	\$116,000	\$50,000
i.	- Community Service Fee (THA Managed Properties)	\$665,000	\$196,000
j.	Interest Income	\$427,000	\$165,000
k.			\$30,000
l.	Subtotal	\$6,482,000	\$8,499,000
5.2	Notable Decreases in 2026 Recurring Revenue		
a.	Operating Lease Revenue	\$58,000	(\$1,851,000)
b.			(\$64,000)
c.			(\$76,000)
d.			(\$33,000)
e.	Subtotal	\$58,000	(\$1,915,000)

* Rounded to the nearest thousand

NOTABLE NON-RECURRING CHANGES*				
5.3	Notable Increases in 2026 Non-Recurring Revenue	Amount	Notable Increases in 2026 Non-Recurring Expense	Amount
a.	Developer Fee	\$5,250,000	Due diligence	\$200,000
b.	2025 HAP Income carryover and included in 2026 budget	\$1,400,000	Contract Services	\$349,000
c.	Operating Subsidy (Housing Hilltop Commercial Grant)	\$500,000	Equipment purchases	\$47,000
d.	Grant & Miscellaneous revenue	\$110,000	IT Contracts (ADP and Apricot conversions)	\$270,000
e.			IT Licenses	\$95,000
f.			Maintenance Contracts	\$171,000
g.	Subtotal	\$7,260,000		\$1,132,000
5.4	Notable Decreases in 2026 Non-Recurring Revenue		Notable Decreases in 2026 Non-Recurring Expense	
a.			Staffing (Salary & Benefits)	\$270,000
b.			HAP - Rapid Rehousing	\$900,000
c.			Travel and training	(\$131,000)
d.	Subtotal	\$0		\$1,039,000

* Rounded to the nearest thousand

A LOOK AHEAD				
5.5	Recurring FY-27 Income		Recurring FY-27 Expense	Amount
a.	Section 8 HAP - HUD increase	TBD	Section 8 HAP	TBD
b.	Housing Hilltop Commercial Rents	TBD		
c.	Reduced Jame Center Commercial Rents	TBD		
d.	HUD's planned elimination of EHV voucher funding	TBD		
5.6	Non-Recurring FY-27 Income		Non-Recurring FY-27 Expense	Amount
a.	Developer Fees		Property Purchases	TBD
	1. Hillside-Salisban Developer Fee (2028)	TBD	Salisban Resynchronization Loans	TBD
b.	Aviva Crossing (James Center) Lot Sales	TBD	Highland Crest Refinance	TBD

Back-up Detail - Notable Items

6. NON-RECURRING INCOME: FY-2026

Sources of Non-Recurring Income		Amount	MTW / Non-MTW / Properties	Department
<i>Operational</i>				
a.	2025 HAP income carryover and included in 2026 budget	\$7,400,000	MTW	RA
b.	Developer Fee Income		\$5,950,000	
	1. Housing Hilltop Developer Fee	\$5,950,000	Non-MTW	AMRED
c.	Grant Income (All grants with end dates)	\$1,699,977	Non-MTW	CS / RA / AMRED

<i>Capital</i>		Amount	MTW / Non-MTW / Properties	Department
a.	Land Sales (Hillside Heights)	\$2,500,000	Non-MTW	AMRED

7. NOTABLE NON-RECURRING EXPENSES (Non Grant Funded) - FY 2026

7.1 Operational Expenses

	Amount	MTW / Non-MTW / Properties	Department
a. Salaries & Benefits		\$1,265,350	
1. Development/Grant Funded/Time limited positions (Sal & Ben)	\$1,173,844	MTW/Non-MTW	Multiple
2. Overtime	\$91,506	MTW/Non-MTW	Multiple
b. Advertising & Marketing		\$10,190	
1. Property Videos	\$10,190	MTW/Non-MTW	SI
c. Information Technology Expenses		\$955,000	
1. Data Warehouse/Fabric Support	\$200,000	MTW/Non-MTW	IT
2. Eagle Eye Camera System	\$50,000	MTW/Non-MTW	IT
3. IT Genelec Access Control SaaS upgrade	\$70,000	MTW/Non-MTW	IT
4. IT Innovative Technology Infrastructure Wiring	\$20,000	MTW/Non-MTW	IT
5. Electronic Documents Project Support	\$50,000	MTW/Non-MTW	IT
6. IT Security	\$40,000	MTW/Non-MTW	IT
7. Yard Support	\$200,000	MTW/Non-MTW	IT
8. Apricot transition project	\$75,000	MTW/Non-MTW	IT
9. ADP conversion	\$250,000	MTW/Non-MTW	IT
d. Office Equipment		\$113,000	
1. IT Equipment (Computer replacements)	\$75,000	MTW/Non-MTW	Multiple
2. IT Equipment (Other)	\$38,000	MTW/Non-MTW	Multiple
e. Legal		\$280,000	
1. HR Claims & Other Miscellaneous	\$15,000	MTW/Non-MTW	HR
2. Policy Handbook review	\$15,000	MTW/Non-MTW	HR
3. Miscellaneous	\$75,000	MTW/Non-MTW	AMRED
4. New or upcoming Development Projects/Acquisitions	\$80,000	Non-MTW	AMRED
5. Aviva Crossing and Hillsdale Heights	\$80,000	Non-MTW	AMRED
6. Landlord tenant law analysis	\$15,000	Non-MTW	PM
f. Administrative Contracts		\$622,000	
1. Capital Improvement Plan	\$10,000	MTW	AMRED
2. Housing Hilltop Commercial (Grant Funded)	\$500,000	Non-MTW	AMRED
3. Misc. Contracts	\$27,000	MTW/Non-MTW	EX
4. Budget & Finance Consulting Services	\$25,000	MTW/Non-MTW	FD
5. Misc. Consulting and Recruitment Services	\$10,000	MTW/Non-MTW	HR
6. Compensation Consulting	\$20,000	MTW/Non-MTW	HR
7. Administrative Plan & Program Evaluation	\$15,000	MTW	SI
9. Section 8 Market Study	\$15,000	MTW	RA
g. Staff Training and Travel		\$441,130	
1. Registrations, and Travel for all Departments	\$441,130	MTW/Non-MTW	All
h. Due Diligence - Development Opportunities		\$1,350,000	
1. Aviva Crossing (James Center)	\$50,000	Non-MTW	AMRED
2. Hillside 1500 Redevelopment	\$150,000	Non-MTW	AMRED
3. Selishan Resyndication Phase 2	\$150,000	Non-MTW	AMRED
3. New Opportunities & Acquisitions	\$1,000,000	Non-MTW	AMRED
i. Tenant Services			
1. Security Deposit Assistance	\$25,000	MTW	PM
l. Maintenance		\$357,900	
1. Landscaping & Irrigation (902, FIG & SAL7)	\$60,400	Non-MTW	PM
2. 902 Security Equipment, Flooring & Appliances	\$27,500	Non-MTW	PM

3. 902 Windows	\$48,000	Non-MTW	PM
4. Salishan 7 - Painting & HVAC Replacement	\$132,000	Non-MTW	PM
5. Outigger - Painting	\$90,000	Non-MTW	PM
l. Other Expenses		\$10,100	
1. Archiving	\$10,100	Non-MTW	Multiple
2. Subscriptions	\$11,660	MTW/Non-MTW	Multiple
m. Contingency	\$100,000	Non-MTW	EX

7.2 CAPITAL EXPENSES

	Amount	MTW / Non-MTW / Properties	Department
a. Accessibility and sound deadening for THA facilities	\$710,000	MTW	AMRED
b. Maintenance Vehicles	\$150,000	MTW	PM
c. Housing Hilltop Redevelopment		\$7,000,000	
1. THA Loan A - Sponsor Loan	\$7,000,000	Non MTW	AMRED
d. New Acquisitions		\$2,000,000	
1. THA Funds - HUD Restricted Sales Proceeds	\$2,000,000	Non-MTW	AMRED

8. NOTABLE RECLASSIFICATIONS AND REDUCTIONS - FY 2026

Position	Department
8.1 Position Reclassifications	
a. Upgrade Asset Manager to Senior Asset Manager	AM/RED
b. Upgrade Maintenance Supervisor to Maintenance Manager	PM
8.2 Vacant Budgeted 2025 Positions not included in the 2026 Budget	
a. Community Builder	CSE
b. Program Manager	CSE
c. Intergovernmental Affairs Manager	EX
d. Senior Advisor	EX
e. HR Manager	HR
f. IT Support Specialist	IT
g. Senior Data Analyst	IT
h. Business Process Analyst	IT
i. Construction Manager	PM
j. Property Operations Manager	PM
k. Senior Property Manager	PM
l. Housing Navigator (2)	RA

Tacoma Housing Authority - THA Owned Properties 2026 Proposed Budget

	Highland Crest	North Highland	Outrigger	Salishan 7	A/C Commercial	Housing Hilltop Commercial	James Center	Subtotal
Revenue - Operations								
Tenant Revenue	1,051,475	508,660	659,690	2,680,742	-	-	-	4,900,567
Other Revenues	47,500	17,000	46,623	40,000	93,171	59,172	1,114,742	1,418,208
Total Revenue	1,098,975	525,660	706,313	2,720,742	93,171	59,172	1,114,742	6,318,776
Total Revenue	1,098,975	525,660	706,313	2,720,742	93,171	59,172	1,114,742	6,318,776
Expenses - Operations								
Operating Expense								
Administrative Expenses	86,839	55,953	58,490	194,168	73,092	12,962	78,000	559,503
Tenant Services	5,500	3,000	1,800	92,985	-	-	-	103,285
Utilities	93,884	35,687	67,920	165,000	6,226	15,285	86,000	470,002
Maintenance	288,800	130,095	212,600	351,825	5,980	7,741	272,100	1,269,141
Protective Services (THA)	720	-	-	-	-	-	10,000	10,720
Insurance Premiums	74,919	27,330	34,874	111,716	-	-	86,999	335,837
Total Other General Expenses	900	650	200	157,526	27	1,177	87,963	248,443
Interest Expense and Amortization Cost	274,591	146,231	105,600	-	-	-	-	526,422
Total Operating Expense	826,152	398,946	481,484	1,073,220	85,325	37,165	621,062	3,523,353
Non-Operating Expenses	-	-	90,000	100,000	-	-	-	190,000
Total Expenses - Operations	826,152	398,946	571,484	1,173,220	85,325	37,165	621,062	3,713,353
Surplus/(loss) - Operations	272,823	126,714	134,829	1,547,522	7,847	22,007	493,680	2,605,423
Capital Expenses Revenue	(42,665)	(13,803)	(44,100)	(72,000)	-	-	-	(172,568)
Liability and Equity	(114,544)	(50,885)	(62,780)	(12,500)	-	-	-	(240,710)
Net Surplus/(loss)	115,615	62,026	27,949	1,463,022	7,847	22,007	493,680	2,192,145

