



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS

BOARD PACKET

February 23, 2022



**Tacoma
Housing
Authority**

Executive Director
April Black

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

REGULAR MEETING **Board of Commissioners**

WEDNESDAY, FEBRUARY 23, 2022

The Board of Commissioners of the Housing Authority of the City of Tacoma will hold a Regular Meeting on **Wednesday, February 23, 2022, at 4:45 pm via Zoom.**

<https://us02web.zoom.us/j/81766942807> / Meeting ID: 817 6694 2807 / 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 February 16, 2022, 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	1950 South State Street Tacoma, WA 98405	matt.driscoll@thenewstribune.com
The Tacoma Weekly	6812 27 th Street West University Place, WA 98466	

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

Sha Peterson
Executive Administrator



TACOMA HOUSING AUTHORITY

UPDATED AGENDA **REGULAR BOARD OF COMMISSIONERS MEETING** **FEBRUARY 23, 2022, 4:45 PM**

Zoom: <https://us02web.zoom.us/j/81766942807> / Meeting ID: 817 6694 2807 / Dial: (253) 215-8782

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. APPROVAL OF MINUTES**
 - 3.1 Minutes of January 14, 2022—Study Session
 - 3.2 Minutes of January 26, 2022—Regular Session
 - 3.3 Minutes of February 4, 2022—Study Session
- 4. GUEST COMMENTS**
- 5. COMMITTEE REPORTS**
 - 5.1 Real Estate Development Committee
 - 5.2 Finance and Audit Committee
 - 5.3 Community Partnerships and Advocacy Committee
 - 5.4 Education, Housing, Services and Partnerships Committee
 - 5.5 Diversity, Equity, Inclusion and Belonging Committee
- 6. COMMENTS FROM THE EXECUTIVE DIRECTOR**
- 7. ADMINISTRATION VERBAL REPORTS**
 - 7.1 Finance
 - 7.2 Administrative Services
 - 7.3 Client Support and Empowerment
 - 7.4 Rental Assistance
 - 7.5 Property Management
- 8. NEW BUSINESS**
 - 8.1 2022-02-23 (1) Laserfiche Document Management System Contract
 - 8.2 2022-02-23 (2) Amendment #2 to The Lindsay Group Contract, **WALK-ON**
- 9. EXECUTIVE SESSION**
- 10. COMMENTS FROM THE COMMISSIONERS**
- 11. ADJOURNMENT**



TACOMA HOUSING AUTHORITY

MINUTES



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES STUDY SESSION FRIDAY, JANUARY 14, 2022

The Commissioners of the Housing Authority of the City of Tacoma met in Study Session via Zoom at 12:00 PM on Friday, January 14, 2022.

1. CALL TO ORDER

Chair Rumbaugh called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 12:04 PM.

2. ROLL CALL

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

PRESENT	ABSENT
Commissioners	
Chair Stanley Rumbaugh (Arrived late at 12:05 pm)	
Vice Chair Shennetta Smith	
Commissioner Derek Young	
	Commissioner Dr. Minh-Anh Hodge
Commissioner Pastor Michael Purter	
Staff	
April Black, Executive Director	
Sha Peterson, Executive Administrator	
	Julie LaRocque, Interim Deputy Executive Director
Richard Deitz, Interim Finance Director	
	Barbara Tanbara, Interim Human Resources Director
Marquis Jenkins, Interim Property Management Director	
Roberta Schur, Interim Real Estate Development Director	
Sandy Burgess, Administrative Services Director	
Aley Thompson, Interim Rental Assistance Director	
Cacey Hanauer, Client Support and Empowerment Director	
Katie Escudero, Interim Policy, Innovation and Evaluation Director	

Chair Rumbaugh declared there was a quorum present @ 12:05 pm and proceeded.

3. HOP Report

Policy, Innovation and Evaluation Project Manager Jess Thompson provided highlights of the subsidy analysis and Housing and Opportunity Program. Next steps will be to go out for public comments and provide recommendations to the Board. This has been a complicated topic according to Jess, and some recommendations have financial impact on the agency and Tacoma Housing Authority (THA) budgeted for the worst-case scenario.

Interim Rental Assistance Director Aley Thompson noted the process on what it takes to get housed. When a person is called off from the waitlist, they either respond or not respond, 50% of which do not respond. If a client finds a unit, they will need to negotiate with a landlord.

THA's two main voucher programs are the Housing Opportunity Program (HOP) and the Housing Choice Voucher (HCV) program.

HOP

- THA pays 50% of the payment standard. The household pays the remaining housing costs.
- Based on 2 people per bedroom for voucher size. Adjusted if household size decreases and does not adjust if household size increases.
- There is no time limit for elderly/disabled household and there is a 5-year limit for work-able households.
- There is no utility allowance.
- The subsidy amount will not change if a household's income changes.

HCV

- The household pays 30% of income on rent, and THA pays the remaining housing costs.
- Voucher size is based on 2 people per bedroom and adjusted if a household size decreases or increases.
- There is no time limit for all households.
- Utility allowance is factored into subsidy.
- When income increases, the subsidy will decrease at the household's next re-certification (every 2-3 years), and the subsidy will increase if there is a loss of income.

Jess provided a few scenarios to compare HOP and HCV and key findings.

Commissioner Comments:

- Chair Rumbaugh does not see how people need deeper subsidy than people who have left. According to Executive Director (ED) Black, HOP saved THA a significant amount of money at the time it was implemented, majority of which is directed into supporting THA staff including Client Support and Empowerment (CSE), landlord liaison and housing search assistance. Staff is not fully expending all funds, is mindful not to dip into reserves, and monitors Housing and Urban

Development (HUD) funding. Chair Rumbaugh responded that THA still has unutilized funds in the Housing Choice Voucher (HCV) program that may or may not be obligated. ED Black noted that THA has plans for how it would prioritize HUD funds if received but is not planning to spend all 2022 HUD voucher funds on the table. THA is budgeting to remain at 100% of utilization without exceeding its income and will revisit assumptions once the final federal funding allocation is decided after February.

- There will be community consult plan to make sure the community can weigh in and fold recommendations into the implementation plan. Vice Chair Smith asked that the community consult include REACH. Chair Rumbaugh added that all technical colleges in Pierce County should also be added.
- Commissioner Purter thanked PIE and ED Black for their research. He understands that staff will be looking into helping current and new clients and he thinks it is a wonderful forecast and outlook.
- Chair Rumbaugh echoed Commissioner Purter's thanks to staff. He is looking forward to the community and partner comments.
- Vice Chair Smith appreciated the great information and breakdown of the report. She thinks it is a good idea to take the restraints off vouchers and provide customers fair chance.
- Commissioner Young inquired more about the number of people served and the budget impact. He asked if there were any other reasons that triggered the 80% out of HOP. Interim PIE Director Katie Escudero responded that the data is not reliable, but that Jess did dig into the case files. Exits are due to people moving or porting out from HOP subsidy.
- Commissioner Young expresses his appreciation for the report, which is a very useful reference for him.

10. ADJOURNMENT

There being no further business to conduct, the meeting ended at 12:49 pm.

APPROVED AS CORRECT

Adopted: January 14, 2022

Stanley Rumbaugh, Chair

A vertical bar on the left side of the page, composed of several horizontal segments of different colors: maroon, dark grey, light green, lime green, red, and orange.

HOP Report, Recommendations, & Community Consult Plan

From Offer of Assistance to Housed



Step 1: Respond to Offer of Assistance

Household responds to THA's offer of assistance.

Anecdotally, roughly 50% do not respond to the offer of assistance.

Households can turn down one offer of assistance in order to receive a different subsidy.

Step 2: Complete Application

Submit all forms and required documentation.

Denial Reasons

- Over 50% AMI
- Fail background check
- Owe outstanding balance to PHA
- Previously terminated from THA program

Appeal

Denial reversed

Step 3: Receive Voucher, Find and Apply for Unit

Meet income requirements and pass landlord screening.

Barriers

- Lack of affordable units
- Not enough income (usually required to have 2.5 – 3x rent)
- No/poor rental history
- No/poor credit
- Justice involved

Step 4: HQS Inspection

Submit paperwork for THA to inspect unit/property.

Barriers

- Landlord may refuse to sign paperwork for inspection.
- Unit/property may not pass inspection.
- Landlord may not be willing to make repairs to pass inspection.

Step 5: Lease Up

Pay deposit, landlord to sign HOP contract

Barriers

- Affording deposit

Housing Opportunity Program

Fixed Subsidy

THA pays 50% of the payment standard.
The household pays the **remaining housing costs**.

Voucher Size

Based on 2 people per bedroom.
Adjusted if household size **decreases**.
Does not adjust if household size increases.

Time Limit

No time limit for **elderly/disabled** households.
5-year limit for **work-able** households.

Utility Allowance

None.

Changes in Income

The subsidy amount **will not change** if a household's income changes.

Housing Choice Voucher

Income-based Assistance

The household pays **~30% of income** on rent.
THA pays the remaining housing costs.

Voucher Size

Based on 2 people per bedroom.
Adjusted if a household size **decreases OR increases**.

Time Limit

No time limit for **all** households.

Utility Allowance

Factored into subsidy.

Changes in Income

When income increases, the subsidy will decrease at the household's next re-certification (every 2-3 years).

The subsidy will increase if there is a loss of income.

Affording Rent

Even if they income qualify, the household needs to afford the rent. Typically, landlords require that a tenant's income is 2.5-3x their portion of the rent.

The following examples demonstrate the difference in tenant rent payments if the households were on HOP versus HCV.

1. Annual Household Income

2. Voucher Size

3. Payment Standard/Contract Rent

Subsidy Program

4. Rent based on 30% of income

5. Rent based on 50% of payment standard

6. Portion of monthly income spent on rent

Scenario A:
Unemployed couple with an infant. The family qualifies for a 2-bedroom payment standard.

Scenario B:
Single elderly individual on fixed \$791/mo SSI payment. They qualify for a 1-bedroom payment standard.

Scenario C:
Single parent with three children, working 25 hrs/week for \$15. The family qualifies for a 2-bedroom payment standard.

\$0

2

\$1,484

HOP

HCV

\$75

\$742

>100%

\$9,492

1

\$1,162

HOP

HCV

\$237

\$581

73%

30%

\$19,500

2

\$1,484

HOP

HCV

\$487

\$742

46%

30%

Summary of Findings

- **Lease Up:** HCV households are more likely to secure housing than HOP households.
 - Extremely low-income households are least likely to secure housing with a HOP voucher.
- **Income:** HCV households are more likely to experience an increase in income.
 - A sample of work-able households that entered and exited at roughly the same time showed a 200% increase for HCV and 30% for HOP.
- **Program Exits:** HCV households are less likely to exit for negative reasons.
 - HCV 3x more likely to exit due to self-sufficiency.
- **Rent Burden:**
 - *Current Rent Burden:* HOP households are twice as likely to have a severe rent burden on assistance.
 - *Market Rent Burden:* HCV households face a lower rate of severe market rent burden at exit.

Recommendations & Anticipated Impacts

1. **Convert to income-based subsidy**

- Improved lease up success for extremely low-income households
- Will benefit 2/3 of clients across nearly all demographic categories

2. **Eliminate time limits**

- Increased lease up success
- Fewer people exiting under negative circumstances
- Reduce the number returning to the waitlist/homelessness system

3. **Halt application of HOP to new populations**

- Increased overall success for clients in special programs
- Improved outcomes for BIPOC households in special programs

4. **Maintain aspects of HOP that benefit clients and support administrative efficiencies**

CHAP & CHOP Recommendations

- Convert voucher to income-based subsidy
- Maintain the 5-year time limit
- CHAP: Remove non-housing related program requirements
- CHOP: Consult with DCYF to determine if any program modifications can improve outcomes

Community Consult Plan

- Issue a notice of intended program changes.
- 30-day comment period for the intent to:
 - Identify any areas of oversight or concern that we need to address prior to implementation.
 - Solicit community input regarding whether we should continue to try and improve CHAP by moving forward with the recommendations, or pivot and explore other ways to serve homeless students.
- Once approved, begin robust community education and re-briefing process.

Stakeholders

- Current clients
- Landlords
- Coordinated Entry
- Continuum of Care
- The Black Collective
- Tacoma Urban League
- Service provider partners (DCYF, TCC)
- NW Justice Project
- Tacoma/Pierce County Coalition to End Homelessness
- City Council
- Tacoma Community
- THA Employees



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES REGULAR SESSION WEDNESDAY, JANUARY 26, 2022

The Commissioners of the Housing Authority of the City of Tacoma met in Regular Session via Zoom at 4:45 PM on Wednesday, January 26, 2022.

1. CALL TO ORDER

Chair Rumbaugh called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 4:48 pm.

2. ROLL CALL

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

PRESENT	ABSENT
Commissioners	
Chair Stanley Rumbaugh	
Vice Chair Shennetta Smith	
Commissioner Derek Young	
Commissioner Dr. Minh-Anh Hodge	
Commissioner Pastor Michael Purter	
Staff	
April Black, Executive Director	
Sha Peterson, Executive Administrator	
Julie LaRocque, Interim Deputy Executive Director	
Rich Deitz, Interim Finance Director	
Barbara Tanbara, Interim Human Resources Director	
Marquis Jenkins, Interim Property Management Director	
Roberta Schur, Interim Real Estate Development Director	
Sandy Burgess, Administrative Services Director	
Aley Thompson, Interim Rental Assistance Director	
Cacey Hanauer, Client Support & Empowerment Director	
	Katie Escudero, Interim Policy, Innovation and Evaluation Director

Chair Rumbaugh declared there was a quorum present @ 4:49 pm and proceeded.

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Chair Rumbaugh asked for any corrections to or discussion of minutes for the Regular Session of the Board of Commissioners for Wednesday, November 10, 2021. Commissioner Hodge moved to adopt the minutes. Commissioner Purter seconded.

Upon roll call, the vote was as follows:

AYES: 5
NAYS: None
Abstain: None
Absent: None

Motion approved.

Chair Rumbaugh asked for any corrections to or discussion of minutes for the Regular Session of the Board of Commissioners for Wednesday, December 8, 2021. Vice Chair Smith moved to adopt the minutes. Commissioner Hodge seconded.

Upon roll call, the vote was as follows:

AYES: 5
NAYS: None
Abstain: None
Absent: None

Motion approved.

4. GUEST COMMENTS

Jo Davies

Jo stated that she understands that things are progressing with the partnership with TUPAC and she applauds THA for doing this. She thinks it is very important that all organizations in Hilltop come together to support one another. If THA is in a place to accommodate TUPAC then it should do so. She commends THA in moving in this direction. Chair Rumbaugh asked Jo to stay tuned since this is still a pending issue, but he appreciates her comments.

Pete and Tiffany Reyes

Pete and Tiffany echoed what Jo said. They read the article regarding the Hilltop development, and both feel that access to art in Hilltop is important to the black and brown children in the neighborhood. As Hilltop residents, they have provided significant support for the direction Hilltop is going. Seeing their opinions reflected in the neighborhood where they invest their life and effort is important. Chair Rumbaugh noted that THA has an obligation to provide housing for people unhoused and are trying to work something out with the competing interests. Tiffany asked when the change in

direction occurred considering the two-year planning process. Chair Rumbaugh responded that THA just recently received the financial information that had been requested from TUPAC. Tiffany asked that THA continue to hold Hilltop resident opinions. Chair Rumbaugh stated that he would be the first one to agree that arts provide vibrancy to any neighborhood. Vice Chair Smith added that whatever decision THA decides, it would be to support starving artists.

Chair Rumbaugh encouraged the public to continue to comment on what THA is or is not doing. “The Board is here to serve as best we can,” commented Chair Rumbaugh.

5. COMMITTEE REPORTS

Real Estate Development Committee—Chair Rumbaugh, Commissioner Young

The committee met to discuss acquisitions, one being North Highland Court Apartments. The committee also met to go over pending work in progress and reviewed other proposals that may end up being of interest to THA.

Finance Committee—Commissioner Hodge and Commissioner Young

The committee did not meet.

Education, Housing Services and Partnerships Committee—Vice Chair Smith, Commissioner Hodge

The committee did not meet.

Community Partnerships and Advocacy Committee—Vice Chair Smith, Commissioner Purter

The committee did not meet, but Commissioner Purter hopes to meet within the next thirty days.

Diversity, Equity and Inclusion Committee—Vice Chair Smith, Commissioner Hodge

The Committee did not meet.

6. COMMENTS FROM THE EXECUTIVE DIRECTOR

Executive Director (ED) April Black directed the board to her report. She appreciates the public’s interest in the Housing Hilltop topic. She offered her apologies to the Board, staff and the community members in making an abrupt decision regarding Housing Hilltop without consulting with them first. When reviewing the financial and design packages, reducing space allowed for THA to add three additional units for low-income people and less of a risk. It became evident that this was a serious concern to members of the Hilltop community and council. THA had been in community dialogues for 2-3 years where THA hoped to add this performing arts space. ED Black has been in discussions with the city, and she has adequate assurance that THA will have financial risks mitigated. She would like the Board’s trust to continue these conversations, and if the financial concerns are resolved, if the Board is willing to continue to move forward with 10k sf space and not add the additional 3 units for affordable housing. Chair Rumbaugh noted that the discussions have been going on long before she became ED and the Board has never been an operational Board, participating in day-to-day operations, only for policy considerations. He added that ED Black does not need to apologize. Vice Chair

Smith added that if THA does not follow through with the 10k for performing arts and only wants to provide the 5k to arts, THA should dedicate 5k to starving artists. This would be doing THA's due diligence.

ED Black has been advised by TUPCAC that 5k will not be adequate for the performing arts space they need. She has been talking with TUPAC as a provider because they were identified by the community as a strong community partner. Commissioner Purter asked that ED Black continue to talk with the city and revisit discussions. He wants THA to fulfill its promise to the community. Commissioner Young added that the discussions pre-dates ED Black. He is fine with her continuing conversations with the city. He also added that putting a large space with a single organization is risky. Commissioner Hodge stated that THA's mission is to establish affordable housing. She advocates for THA to do everything it can to keep its promise to the community. She agreed that the Board does not get involved with day-to-day operations, but when this kind of critical issues happen, everybody needs to be involved. She added that it is not fair for the ED to receive the brunt of the negative comments. Commissioner Young, agreed. "This is a conversation we need to have as a board. We need to be careful on how far and deep we go on those conversations," replied Commissioner Young. ED Black will continue to work with the city and THA staff. The Board fully supports ED Black's continued discussions with the city.

The Diversity, Equity and Inclusion work has started. THA's consultant, The Lindsay Group (TLG) will be doing an assessment of the organization, reviewing all data available and looking at processes. TLG recommends that THA use the February 4th Study Session as strategy DEI work. Chair Rumbaugh approved.

The homeless encampment in the Hilltop property has increased growth which is impacting businesses in the area. They are now moving to the parking lot available for Alberta J Canada and THA is receiving 3-4 complaints a day regarding safety. THA has been advised that TPD cannot enforce removal of belongings without a trespass order. ED Black is planning on signing a no trespass order. Chair Rumbaugh hears city complaints regularly and there is a tremendous amount of property destruction, harassment, graffiti and trashing of neighborhoods. He does not like the idea of displacing people already on the streets, but THA has reached out to the homeless groups and contacts have been made for housing. He is inclined strongly to go ahead with the no trespass order. Commissioner Young does not want to be bullying people unhoused but believes it will either happen now or in six months. Vice Chair Smith agrees with the no trespass order. She added that there are no great things happening in the encampment and THA needs to make sure staff are safe. She works with homeless population and there are a lot of resources to get them off the street.

THA's vaccination mandate went into effect January 14th and THA approved some reasonable accommodations. This was not easy, but an important decision for THA. ED Black is sorry staff left due to the decision. She thanked the commissioners for their support moving forward with the mandate.

THA received notice from CLPHA yesterday to sign a letter to congress asking to maintain housing in the package which has significant cuts.

ED Black reminded the Board that THA staff have been going into the offices on some regular schedule, especially maintenance, inspectors and property management. Lobbies have been closed and staff that can work full time from home have been doing so. THA hopes to reopen lobbies and have more staff go to work once the first-floor remodel is complete. That decision happened before Omicron and ED Black has been talking with the health department on how to monitor a reopening and staff returning to the office. The advice is to look for three consecutive weeks of declined cases and inform staff to do a soft reopen schedule. ED Black has been hearing desire from the Board to open lobbies and she wants to make THA more accessible to customers. Chair Rumbaugh responded that THA will have to wait it out a bit longer. He added that the amount of work on ED Black's report is a massive undertaking by staff that is going extremely well.

7. ADMINISTRATIVE REPORTS

Finance

Finance Department (FD) Interim Director Rich Deitz directed the board to the finance report. Financials for year-end looks good according to Director Deitz. THA had a couple of staff turnover but finance on pace to get everything done. Cash Position is at \$27.6M, down from October. Moving to Work (MTW) Cash held by Housing and Urban Development (HUD) is down \$1.5M from prior month which is moving in the right direction. Unencumbered is down \$3M from prior month due to Saravida, insurance premium and a few more expenses for tax credit properties. THA will get cash back in December in excess of a million.

Commissioner Young moved to ratify the payment of cash disbursements totaling \$7,319,627 for the month of December 2021. Vice Chair Smith seconded.

Upon roll call, the vote was as follows:

AYES:	5
NAYS:	None
Abstain:	None
Absent:	None

Motion Approved.

Policy, Innovation and Evaluation

Policy, Innovation and Evaluation (PIE) representative Jess Thompson directed the board to the PIE report. PIE has two new staff members—Christine who is doing policy analysis and working on the MTW plan, and Daniel who is doing data analysis, OpenDoor and transition to Yardi. PIE submitted the MTW plan and had site visit with HUD. The visit went well, and staff received positive feedback. PIE is also working on the Housing Opportunity Program (HOP) report to look at how participants are with traditional vouchers. Staff are preparing for public comments and proposed changes. PIE is still working on opening doors which had a slight delay due to staff changes. Christine is working with Rental Assistance (RA) and Client Support and Empowerment (CSE) to pull everything together to do application review panel to implement policy changes.

Daniel is one of the co-chairs for the data governance committee. The group is working to bring together shared understanding to get everything ready for the transition to Yardi and standardizes the process in using data to get informed decision making. PIE staff are also working with the Foundation for Tacoma Students for an education assessment. This is providing THA an opportunity with anchor institutions to understand THA's work with education and aligning it with their priorities. THA received the first report from Temple University Hope Center evaluating College Housing Assistance Program (CHAP). The PIE team is working with RA to talk with Pioneer Human Services regarding vouchers for people in corrections and ironing out details. PIE plans on coming to the Board next month with a proposal.

Client Support and Empowerment

Client Support and Empowerment (CSE) Director Cacey Hanauer directed the board to her report. CSE's report represents a ton of work from the team while maintaining a sense of humor, willingness to do the hard conversations and showing up every day. Director Hanauer has learned a lot from her team. There have been a lot of attention on residents to be part of the program 2Gen Byron launched. Chair Rumbaugh asked how the outreach was handled. According to Director Hanauer, it is a testament to staff and how staff asked folks what they needed day in and day out. Stephanie, Gary and Rob built momentum to get folks out of their units. They started this at family properties and will slowly build out from there and launch it at Salishan in the spring/summer. Vice Chair Smith noted that she has not heard of any programs at Salishan where there are a lot of teenagers who can benefit from the program. Director Hanauer will chat with Vice Chair Smith offline to discuss the posted community builder position for Salishan with a focus on youth. The CSE team has made a lot of partnerships across the portfolio. Contracts are in good shape and the team found new funding to prevent pulling from HOP dollars.

Rental Assistance

Rental Assistance (RA) Interim Director Aley Thompson directed the board to their report. Utilization remains strong at 99%, and the dip is not a concern. They thanked the inspections team who have been keeping up with tenants. RA made it more flexible to do self-certifications and the team was able to conduct 400 inspections and self-certifications to keep THA compliant. Vice Chair Smith and CSE staff had a meeting regarding a shared model to improve response time to clients and help balance work amongst staff. THA partnered with Housing Connector this year to help voucher holders secure units and strengthen relationships with landlords. RA opened the waitlist to large families and saw great benefits. This month, THA showed five Emergency Housing Vouchers (EHV) housed and has increased to thirteen since the last report. Director Thompson thanked Program Manager Amber Prentice and her team prioritizing sixty (60) referrals, working closely with the families and collaborating with service partners. It is a lot of work, but exciting to see the results. THA will begin accepting referrals in February for youth 18-24 years old who left foster or is at risk of being homeless. The team will be working with community youth partners to operationalize the program. Vice Chair Smith appreciates Aley and Adam for taking the time to explain the process with housing specialist. She appreciates staff trying to find a remedy to make sure tenants are contacted in a timely manner. She is looking forward to seeing how the process is progressing.

Property Management

Property Management (PM) Interim Director Marquis Jenkins directed the board to her report. THA has remained at 98% occupancy and received \$340k in late rent funds and anticipate receiving additional funds. The team continue to connect with rental resources. PM is hiring an evictions specialist to hep households with rent and funds. THA will not serve notices until April, which will provide time for additional tenants to apply for late rent funds in February, as well as eviction prevention. There were 116 move outs in 2021.

Real Estate Development

Real Estate Development (RED) Interim Director Roberta Schur directed the board to her report. The RED team completed The Rise project and rehabilitation of the 902 building. The team did several acquisition activities, worked on James Center North, secured funding for Shilo and is working with HAC with echo district. THA recently received an award for Arlington Youth Campus for innovation.

8. NEW BUSINESS

8.1 RESOLUTION 2021-01-26 (1) Approving the Execution of a Contract with Yardi Systems, Inc.

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma relating to systems management; approving the terms of an agreement with Yardi Systems, Inc.; and, authorizing and directing the Executive Director of the Authority to enter into that agreement and carry out its terms.

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY THE CITY OF TACOMA, as follows:

. Recitals and Findings.

- 1.1 RCW 35.82.070 authorizes housing authorities to “make and execute contracts and other instruments” including, without limitation, to “arrange or contract for the furnishing by an person or agency, public or private, of services, privileges, works, or facilities for, or in connection with, a housing project or the occupants thereof.”
- 1.2 The Housing Authority of the City of Tacoma (“Tacoma Housing Authority” or “Authority”) has substantial needs for application software for real property and asset management, data and records management, and for financial systems, all to better serve its low and moderate-income housing community and other services through the various programs administered by the Authority. Older software systems are in need of redevelopment or replacement.
- 1.3 The Authority has engaged in a multi-year effort to identify and procure necessary system software, cloud services, support and training, including installation, maintenance and service of hardware and software. That effort

has included evaluation by Authority-wide personnel of many vendors, services and programs, and government service providers under federal and local programs.

- 1.4 The Federal Government, through its General Services Administration (“GSA”) has entered a contract with Yardi Systems, Inc. (“Yardi”), and consistent with its Procurement Policy, the Authority may contract with Yardi under governmental joint purchasing programs. In that regard, Pierce County has urged the Authority to collaborate with its neighbor housing authority, the Pierce County Housing Authority. And, the Pierce County Housing Authority has already procured comparable systems from Yardi.
- 1.5 Separately, under RCW 39.04.280, the Yardi package of services and programs is clearly a unique and sole source for the Authority’s current demands and needs, for eligibility under authority for a sole source procurement and for the special and unique market conditions for these services and products.
- 1.6 The Board of Commissioners hereby determines that it is in the best interest of the Authority to enter an agreement with Yardi Systems Inc., substantially in the form attached to this Resolution for the programs and services set out in that agreement.

Authorization of Agreement and Execution Thereof. The Board of Commissioners of the Authority approves the agreement with Yardi Systems, Inc. in substantially the form attached hereto as Exhibit A (the “Agreement”) and authorizes and directs the Executive Director of the Authority to execute and deliver the Agreement on behalf of the Authority and to delivery and carry out the terms of the Agreement on behalf of the Authority.

. Acting Officers Authorized. Any action required by this resolution to be taken by the Executive Director of the Authority may in her absence be taken by the duly authorized Deputy Executive Director or interim Deputy Executive Director of the Authority.

Ratification and Confirmation. Any actions of the Authority or its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.

. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

ADOPTED by the Board of Commissioners of [Name of Housing Authority] at an open public meeting thereof this 26th day of January 2022.

TACOMA HOUSING AUTHORITY

By _____
Stanley Rumbaugh, Chair,
Board of Commissioners

ATTEST:

Executive Director/Secretary

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

AYES: 5
NAYS: None
Abstain: None
Absent: None

Motion Approved: January 26, 2022

Stanley Rumbaugh, Chair

**8.2 RESOLUTION 2022-01-26 (2)
(Authorization for Acquisition of the North Highland Court
Apartments by Condemnation or Negotiated Purchase in Lieu
Thereof)**

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

Whereas, there is a critical shortage of modestly priced rental housing in the City of Tacoma; and

Whereas, the Housing Authority of the City of Tacoma (“THA” or “the Housing Authority”) is charged with addressing pursuant to its mission of providing quality affordable housing opportunities equitably distributed within the City of Tacoma; and

Whereas, it is a goal of local government and the Housing Authority to further fair housing in the region affirmatively, in part through preservation of existing affordable housing opportunities in areas with significantly appreciating housing costs; and

Whereas, North Highland Court Apartments (the “Property”) is a 35-unit apartment complex located at 3015 N Highland Street, Tacoma, Washington, in an area of Tacoma where rents are increasingly unaffordable to low-income households; and

Whereas, RESOLUTION 2021-6-23 (2) previously authorized THA to acquire this property at a lower price, but subsequent appraisals have estimated the value of the Property to be approximately \$6,200,000.00; and

Whereas, RCW 35.82.070(2) provides, in part, that a housing authority shall have the power to acquire housing projects within its area of operations, and RCW 35.82.070(5) authorizes a housing authority to acquire real property by exercise of the power of eminent domain or by purchase in lieu of exercise of the power of eminent domain; and

Whereas, acquisition of the Property by the Housing Authority will serve the mission of the Housing Authority and the housing goals of the region through an

approach that is considerably less expensive than constructing the same number of new housing units; now, therefore, be it

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

Section 1: Acquisition of the Property by the Housing Authority is necessary to preserve and provide housing for persons of low income that is equitably distributed in various areas of its operations.

Section 2: The Board of Commissioners hereby authorizes the Executive Director (i) to give notice to the current owner of the Property of the Housing Authority's intention to acquire the Property by eminent domain if it is unsuccessful in acquiring the Property on satisfactory terms through negotiation and purchase in lieu of condemnation; and (ii) subject to the terms below, to acquire the Property by condemnation through exercise of the Housing Authority's power of eminent domain, if it is unsuccessful in acquiring the Property on satisfactory terms through negotiation with and purchase from the owner in lieu of condemnation.

Section 3: The Executive Director is hereby vested with the authority, and with discretion in the exercise of such authority, to negotiate the terms of an agreement to purchase for the Property at a price of approximately Six Million Two Hundred Thousand Dollars (\$6,200,000) and to pay into the purchase escrow the earnest money deposit for the purchase of the Property.

Section 4: If the Executive Director is successful in negotiating the terms of an agreement for the purchase of the Property, then the Executive Director is authorized and directed to execute the same. Following reviewing the results of inspection of the Property and other due diligence, and prior to any earnest money becoming nonrefundable to the Housing Authority, the Executive Director shall make a recommendation to the Board of Commissions as to whether to proceed with closing the purchase of the Property. If the Executive Director recommend proceeding and the Board of Commissioners approves of the same, then the Executive Director shall be authorized to take any and all actions necessary to close on the purchase of the Property on the terms approved by the Board of Commissioners.

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

Upon roll call, the vote was as follows:

AYES: 5
NAYS: None
Abstain: None
Absent: None

Motion Approved: January 26, 2022

Stanley Rumbaugh, Chair

**8.3 RESOLUTION 2022-01-26 (3)
(Interlocal Agreement with Pierce County Housing Authority for Grievance and Hearing Officer)**

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

WHEREAS, Pierce County Housing Authority seeks to secure a consultant to assist with grievance and Hearing Officer services; and

WHEREAS, THA followed the Housing and Urban Development (HUD) procurement process 24 CFR 85.36 and THA's Procurement policy in procuring financial consultation services with Ballard Law Office, Gerri Kornblut, Esq, and Goodstein Law Group PLLC; and

WHEREAS, PCHA wishes to use the services of Ballard Law Office, Gerri Kornblut, Esq, and Goodstein Law Group PLLC to provide grievance and hearing officer services; 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:

The Executive Director is authorized to enter into an Intergovernmental Cooperative Purchasing Agreement with Pierce County Housing Authority so that housing authority may rely on THA's procurement of Ballard Law Office, Gerri Kornblut, Esq, and Goodstein Law Group PLLC for grievance and hearing officer services.

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

Upon roll call, the vote was as follows:

AYES: 5
NAYS: None

Abstain: None
Absent: None

Motion Approved: January 26, 2022

Stanley Rumbaugh, Chair

**8.4 RESOLUTION 2021-01-26 (4)
(Revising THA’s Administrative Plan: Foster Youth to Independence Program)**

WHEREAS, the Administrative Plan relates to the administration of THA’s voucher programs and is required by HUD; and

WHEREAS, the purpose of the Administrative Plan is to establish policies for carrying out programs in a manner consistent with HUD requirements and local goals and objectives contained in THA’s Moving to Work plan; and

WHEREAS, THA was awarded 75 Foster Youth to Independence Vouchers (FYI); and

WHEREAS, THA must update its Administrative Plan to administer the FYI program;

WHEREAS, Changes to the Administrative Plan must be approved by THA Board of Commissioners; now, therefore, be it

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

THA’s Executive Director is authorized to revise THA’s Administrative Plan adding the following chapter for the administration of the FYI program:

CHAPTER 21 – FOSTER YOUTH TO INDEPENDENCE (FYI)

INTRODUCTION

This document is meant to guide staff in administering the Foster Youth to Independence (FYI) program. The Foster Youth to Independence (FYI) initiative makes Housing Choice Voucher (HCV) assistance available to Public Housing Agencies (PHAs) in partnership with Public Child Welfare Agencies (PCWAs). Through this targeted allocation, HUD is investing in local, cross-system collaborative efforts to prevent and end homelessness among youth with a current or prior history of child welfare involvement. The success of this effort requires that community partners coordinate effectively to identify, target, and connect eligible youth

at-risk of or experiencing homelessness to housing and related supports. This notice calls for PHAs, PCWAs, and continuums of care (CoCs) to work together to determine the most appropriate intervention for each young person. Under FYI, PHAs provide housing assistance on behalf of:

- youth at least 18 years and not more than 24 years of age (have not reached their 25th birthday) who left foster care; or
- will leave foster care within 90 days, in accordance with a transition plan described in Section 475(5)(H) of the Social Security Act; and
- are homeless or are at risk of becoming homeless at age 16 or older.

As required by statute, an FYI voucher issued to such a youth may only be used to provide housing assistance for the youth for a maximum of 36 months.

In addition to providing up to 36 months of rental assistance, youth must be provided supportive services to assist the young person on their path to self-sufficiency.

All applicable nondiscrimination and equal opportunity requirements apply to the FYI program, including requirements that the PHA grant reasonable accommodations to persons with disabilities, effectively communicate with persons with disabilities, and ensure meaningful access for persons with limited English proficiency (LEP).

This chapter describes HUD regulations and THA policies for administering FYI's. The policies outlined in this chapter are organized into four sections, as follows:

Part I: Funding

Part II: Partnership Agreement

Part III: Waiting List Management

Part IV: Family Eligibility

Except as addressed by this chapter and as required under federal statute and HUD requirements, the general requirements of the HCV program apply to FYI's.

PART I: FUNDING

I.A. FUNDING OVERVIEW

HUD made available \$20 million under the Foster Youth to Independence Competitive NOFA (FR-6400-N-41), announced on January 19, 2021. Administrative fees and funding for the costs of administering FYIs and other eligible expenses defined in Notice 2020-28.

PART II: PARTNERSHIP AGREEMENT

II.A. WASHINGTON STATE DEPARTMENT OF CHILDREN, YOUTH AND FAMILIES (DCYF), PIERCE COUNTY ALLIANCE (PCA), COMPREHENSIVE LIFE RESOURCES (CLR), & TACOMA/LAKEWOOD/PIERCE COUNTY CONTINUUM OF CARE (CoC)

The PHA must enter into a partnership agreement with a PCWA. This partnership must assist the PHA in using assistance under this notice.

THA Policy

THA entered into an MOU with *Washington State Department of Children, Youth and Families (DCYF), Pierce County Alliance (PCA), Comprehensive Life Resources (CLR) and Tacoma/Lakewood/Pierce County Continuum of Care (CoC)*.

II.B. REFERRALS

DCYF Agency Referrals

The primary responsibility of DCYF under the MOU with the PHA is to make direct referrals of qualifying individuals and families to the PHA. DCYF must provide supporting documentation to the PHA of the referring agency's verification that the family meets the initial eligibility criteria for FYI assistance.

THA Policy

DCYF in partnership with PCA and CLR will establish and implement a system to identify FYI-eligible youth and provide written certification to THA the youth qualify as a FYI-eligible youth based upon the criteria established in Section 8(x) of the United States Housing Act of 1937, and the Foster Youth to Independence Competitive Program Notice of funding Availability.

PART III: WAITING LIST MANAGEMENT

III. A. HCV WAITING LIST

The PHA, upon receipt of a referral(s) from the DCYF, PCA or CLR of an eligible youth, must compare the name(s) with youth already on the PHA's HCV waiting list. Any youth on the PHA's HCV waiting list that matches with the DCYF, PCA or CLR referral must be assisted in order of their position on the waiting list in accordance with PHA admission policies. Any youth certified by DCYF, PCA or CLR as eligible and not on the HCV waiting list must be placed on the waiting list (pending HCV eligibility determination). If the PHA has a closed HCV waiting list, it must reopen the waiting list and place on the waiting list an FYI applicant youth who is not currently on the PHA's HCV waiting list. The PHA may reopen the waiting list to accept an FYI eligible youth without opening the waiting list for other applicants. The requirements at 24 CFR 982.206 for giving public notice when opening and closing the waiting list apply.

THA Policy

The PHA will ensure effective communication with persons with disabilities, including those with vision, hearing, and other communication-related disabilities in accordance with Chapter 2. The PHA will also take reasonable steps to ensure meaningful access for persons with limited English proficiency (LEP) in accordance with Chapter 2.

PART IV: FAMILY ELIGIBILITY

IV.A. OVERVIEW

DCYF, PCA or CLR determines whether the individual or family the eligibility criteria described in Notice PIH 2021-26 and then refers the family to the PHA. The PHA determines that the family meets other eligibility criteria for the HCV program.

IV.B. REFERRING AGENCY DETERMINATION OF ELIGIBILITY

In order to be eligible for an FYI voucher, an individual or family must meet eligibility criteria:

- Has attained at least 18 years and not more than 24 years of age;
- Left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act; and
- Is homeless or is at risk of becoming homeless at age 16 or older. Eligibility is not limited to single persons. PHAs may not exclude pregnant or parenting youth from service, because excluding families with children would violate the Fair Housing Act. Thus, any pregnant or parenting youth who otherwise meets the definition of youth must be served by the grantee.

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

Upon roll call, the vote was as follows:

AYES: 5
NAYS: None
Abstain: None
Absent: None

Motion Approved: January 26, 2022

Stanley Rumbaugh, Chair

9. COMMENTS FROM COMMISSIONERS

Vice Chair Smith thanked THA staff for their hard work, which was echoed by all Commissioners.

10. EXECUTIVE SESSION

The Board went into executive session at 6:24 pm for 15 minutes to discuss potential litigation against the agency. No action was taken. The Board came back into regular session at 6:31 pm.

11. ADJOURNMENT

There being no further business to conduct the meeting ended at 6:32 pm.

APPROVED AS CORRECT

Adopted: February 23, 2022

Stanley Rumbaugh, Chair



TACOMA HOUSING AUTHORITY

BOARD OF COMMISSIONERS MEETING MINUTES STUDY SESSION FRIDAY, FEBRUARY 4, 2022

The Commissioners of the Housing Authority of the City of Tacoma met in Study Session via Zoom at 12:00 PM on Friday, February 4, 2022.

1. CALL TO ORDER

Chair Rumbaugh called the meeting of the Board of Commissioners of the Housing Authority of the City of Tacoma (THA) to order at 12:01 pm.

2. ROLL CALL

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

PRESENT	ABSENT
Commissioners	
Chair Stanley Rumbaugh	
	Vice Chair Shennetta Smith
Commissioner Derek Young	
	Commissioner Dr. Minh-Anh Hodge
Commissioner Pastor Michael Purter	
Staff	
April Black, Executive Director	
Sha Peterson, Executive Administrator	
Julie LaRocque, Interim Deputy Executive Director	
Richard Deitz, Interim Finance Director	
	Sharrall Madden, Interim Human Resources Director
Marquis Jenkins, Interim Property Management Director	
Roberta Schur, Interim Real Estate Development Director	
Sandy Burgess, Administrative Services Director	
Aley Thompson, Interim Rental Assistance Director	
Cacey Hanauer, Client Support and Empowerment Director	
	Katie Escudero, Interim Policy, Innovation and Evaluation Director

Chair Rumbaugh declared there was a quorum present @ 12:02 pm and proceeded.

3. THE LINDSAY GROUP—DIVERISTY, EQUITY & INCLUSION (DEI) WORK

ED black introduced Dr. Preston Lindsay from The Lindsay Group (TLG). Dr. Lindsay provided introduction regarding TLG and their proposed work with Tacoma Housing Authority. TLG is committed to making organizations anti-oppressive.

Dr. Lindsay did a diagnostic, exploratory study session with the group asking THA and TLG staff to provide some personal background and fun facts about themselves.

4. COMMENTS FROM COMMISSIONERS

None.

10. ADJOURNMENT

There being no further business to conduct, the meeting ended at 1:03 pm.

APPROVED AS CORRECT

Adopted: February 23, 2022

Stanley Rumbaugh, Chair



TACOMA HOUSING AUTHORITY

Real Estate Development Committee

Chair Stanley Rumbaugh
Commissioner Derek Young

Finance Committee

Commissioner Derek Young
Commissioner Minh-Anh Hodge

Community Partnerships and Advocacy Committee

Vice Chair Shennetta Smith
Commissioner Pastor Michael Purter

Education, Housing, Services and Partnerships Committee

Vice Chair Shennetta Smith
Commissioner Minh-Anh Hodge

Diversity, Equity and Inclusion Committee

Vice Chair Shennetta Smith
Commissioner Minh-Anh Hodge



TACOMA HOUSING AUTHORITY

**COMMENTS FROM THE
EXECUTIVE DIRECTOR**



TACOMA HOUSING AUTHORITY

To: THA Board of Commissioners
From: April Black, Executive Director
Date: February 23, 2022
Re: Executive Director's Monthly Report

The format of the February Board report and meeting will be a little different this month. As I continue to move into this Executive Director role, I want to establish my accountability to the Board for the agency's performance. In doing so, I will take responsibility for any concerning data in our monthly analyses and field any critical feedback the Board would like to share related to the agency or me.

The THA staff work hard to support THA's customers and each other. They take pride in their work, as they should. The Department Directors will continue providing verbal reports to the Board and will focus on our teams' positive outcomes and efforts.

We have a pending discussion between the Board and staff related to expectations and metrics for the agency. The Lindsay Group has offered to help move us through that strategic planning. While we continue to operate under previously defined or presumed expectations, it can be unclear for staff to understand if we are meeting your expectations. When they are, please share that feedback.

To summarize, I ask that your criticism be shared with me and your positive feedback be directed to our staff. I am very open to feedback about what you want to see and how you'd like to see it presented. I hope the organization of the written and verbal reports will help organize the data to allow for this delineation.

1. **Anti-Oppression, Diversity, Equity, Inclusion, and Belonging**

Over the past month, we have begun working with The Lindsay Group (TLG) on our anti-oppression, diversity, equity, inclusion, and belonging work. Below are some highlights:

- **February 2nd:** Virtual THA-All Town Hall meeting with TLG. Over 100 THA staff attended.
- **February 4th:** Study session between the THA Board and TLG. Three Board members and some THA staff attended this meeting.
- **February 10th:** Survey of THA staff and Board launched. The survey is open until early March. As of the writing of this report, over 40% of those surveyed have responded.
- **February 10-12:** TLG staff visited Tacoma. They met with staff and board members, toured some THA properties, and walked around the Hilltop neighborhood. About 16 staff participated in an in-person activity, and many others interacted 1:1 or in small groups during these days.
- **February 16th:** Virtual THA-All Town Hall meeting with TLG. Over 100 THA staff attended.

What has been evident during this time is that our staff have experience harm and trauma during their time at THA. There are challenges and problems that THA needs to address. Solutions will not be easy and will take a commitment of time, resources, and mental space from all of us. There is also clear staff engagement and hope in this process. We all need to remain ready to make THA a better place for our staff, Board, customers, stakeholders, and community.

There is more work before us than I (naively) anticipated initially. Based on the positive engagement and clear need to attend to the staff and Board, TLG has proposed to make more regular onsite visits and engage with us both remotely and virtually. They are offering some additions to their scope of work, including:

- Coaching the Leadership Team as we move through the analysis and organizational change;
- Onsite facilitation with the staff;
- A Board retreat;
- Facilitated anti-oppressive learning and development program for all THA staff, using a cohort model;
- Issue-based strategic planning for sustainable DEI outcomes; and
- Conflict resolution to address conflicts that currently exist or may arise during this process.

This expansion of scope will increase the value of the contract.

Successfully moving through this work will take time from the Board. I am asking for the following from you:

- When possible, attend the virtual all-staff Town Hall meetings. I will include you on invitations.
- Monthly one-hour study session with the Board, beginning in March, preferably in person.

TLG is open to times of day that work for you. ***Please consult your calendars and let me know what can work with your schedules.*** I will ask Sha to coordinate with you all to find days that will work for everyone. Thank you in advance for your flexibility.

2. Fiscal year 2022 federal appropriations

On February 15th, we received the following update from Simon and Company, a Washington DC lobbying firm:

The U.S. House of Representatives passed another short-term Continuing Resolution (CR), the Further Additional Extending Government Funding Act ([H.R. 6617](#)), to fund the federal government through March 11, 2022 by a vote of 272-162 on Tuesday night, sending the measure to the Senate for consideration. The CR also includes: extensions of the authority of Secretary of Health and Human Services (HHS) to fill positions within the National Disaster Medical System

to respond to public health emergencies; a special assessment on certain individuals convicted of sexual abuse and trafficking; and a temporary emergency scheduling order on certain fentanyl-related substances.

Senate Majority Leader Chuck Schumer stated that he expects the upper chamber to approve this CR before funding for the federal government expires on February 18, 2022. However, Tennessee Senator Marsha Blackburn is opposing the measure in current form until it includes a provision to prohibit the use of funds made available from the Substance Abuse and Mental Health Services Administration (SAMHSA) Harm Reduction Programs to purchase "safe smoking kits." Her opposition stands despite assurances by Health and Human Services (HHS) Secretary Xavier Becerra and Office of National Drug Policy Director Rahul Gupta that "no federal funding [is being] used directly or through subsequent reimbursement of grantees to put pipes in safe smoking kits." The Senator declared her opposition would remain until the HHS reissues the grant program with clarifying language.

House and Senate Appropriations Committee Chairs Rosa DeLauro and Patrick Leahy yesterday [announced](#) that they had reached a bipartisan agreement with their Republican counterparts on a framework for an omnibus spending package to fund the federal government through the end of Fiscal Year (FY) 2022. Senate passage of the CR under consideration should provide appropriators sufficient time to draft the omnibus as committees begin filling out the details of the 12 spending bills. In a [statement](#) on the CR, Senate Appropriations Chairman Patrick Leahy indicated "[a] full year resolution is unacceptable" and the CR passed this week would "provide us with the time we need to finish our bipartisan work while removing the unnecessary threat of government shutdown."

In the meantime, we have received notice from HUD that our MTW funding will be increased based on inflation. The final amount of the increase is still dependent upon the final 2022 federal budget.

3. Housing Hilltop

On February 8th, we received confirmation today that the City of Tacoma has approved a \$1.9M contribution to Housing Hilltop. This contribution will allow us to proceed with design plans for Housing Hilltop that includes approximately 10,000 square feet of performing arts and community gathering space. It will also allow us to continue our conversations with the Tacoma Urban Performing Arts Center (TUPAC) and the Hilltop community to turn this space into a place that will host classes, performance and other gatherings.

We had a lot of support for this proposal in THA's Board, City of Tacoma staff, and the Tacoma City Council. Most importantly, it took the voices of the community to make this happen.

This money will flow through the Tacoma Community Redevelopment Authority (TCRA) Board. We have been asked to attend a meeting on February 24th to answer questions of this board and begin to finalize the details of how this funding will come to THA.

4. Encampment along L Street

I have been reporting the growing challenges with the encampment along S L Street between S 10th and 11th Streets. THA signed a no-trespass order on February 4th. This order does not mean that campers will be relocated. The order only applies to the areas inward from the sidewalk. The grassy area between the sidewalk and street where people are camping is considered public property.

A no-trespass order and our work in partnership with the City will allow four main things to happen:

- Social service outreach has been occurring regularly since people began camping on this property. That outreach will continue on an at least weekly basis.
- THA or THA's commercial or residential tenants can ask for City assistance in removing belongings from THA's property. This includes items that might be blocking access to Saravida or the parking lots on the property.
- City staff will regularly patrol the property and address issues they see.
- The City's litter and debris patrol team is coming to the site once per week to remove litter. That team does not remove anything that a person living in the encampment identifies as theirs.

The City is working hard to address the needs of our unhoused neighbors. Some encampments in the City have been relocated due to health and safety concerns. If this site is relocated, it would be based on a City Manager assessment and approval process and would only be done if there were adequate shelter beds available for all people camping on the property. As of February 4th, City staff did not think this encampment would be relocated any time soon.

5. Department Report Highlights

The great work of the departments and agency will be reported by the Department Directors.

Below you will see what I foresee as items that might raise questions by the Board. I attempt to provide more detail but will be ready to answer questions you might have.

5.1. Housing Hilltop

You will see a status update on the Housing Hilltop project in section 1.2.1 of the Administrative Services report. Some, but not all, of these deal points have been approved by the Board. I have shared a draft decision point document with the Board Development Subcommittee and we will discuss it in more detail in March. I am hopeful that we can all agree when the board would like to be informed, consulted, or make decisions about our development projects. Expect a recommendation and discussion at the March Board meeting.

5.2. Acquisitions

At the January Board meeting, the Board adopted a resolution allowing THA to enter a Purchase in Lieu of Condemnation for North Highland Court Apartments. This acquisition has fallen through. There are no other pending acquisition opportunities at this time.

5.3. Insurance Rate Increases

In section 2.2 of the Administrative Services Report you will note significant increases in our insurance rates. Sandy has been reporting about this for several months. The rate increases are being felt across the industry and we did budget for them in the 2022 budget.

5.4. Safety Incidents in the Portfolio

In section 2.3 of the Administrative Services Report you will see that incidents slightly increased by 4% in 2021. The top three incidents continue to be elevator, crime, and other property damage. There was also an increase in fire and water damage incidents. The leading cause for most fires and water damage in 2021 was due to overflowing sinks, tubs, toilets. While the fire stops above the stoves have been working as intended, the fire incidents usually also include water damage due to the sensitive sensors on the sprinkler system.

We are testing some sensors to try to decrease the water damage incidents.

The elevator incidents continue to be concerning and significantly impact our customers. We have budgeted to repair the elevators and the work is underway. Based on these experiences, we know that we need to be more critical in how we select elevators in our new developments, and we need to budget for robust service contracts and repairs.

5.5. Salishan Community Builder

In January we posted for the newly formed Community Builder position in Salishan. This position is the result of feedback we have received from Salishan residents, the Salishan Association and THA's Property Management department. The Community Builder will work closely with renters and homeowners in the Salishan community, working toward a "one Salishan" where all residents will have access to the same supports, resources and opportunities. This position will center clearer and more comprehensive communication, more community led events and opportunities, and especially focus on activities to engage the youth and young adults in Salishan.

We've heard your feedback about being more present in the Salishan community and hearing directly from the community about their needs. During the hiring process we included THA staff, a Salishan resident and the Salishan Association Manager. 20*

5.6. CSE Program Updates and Program Redesigns

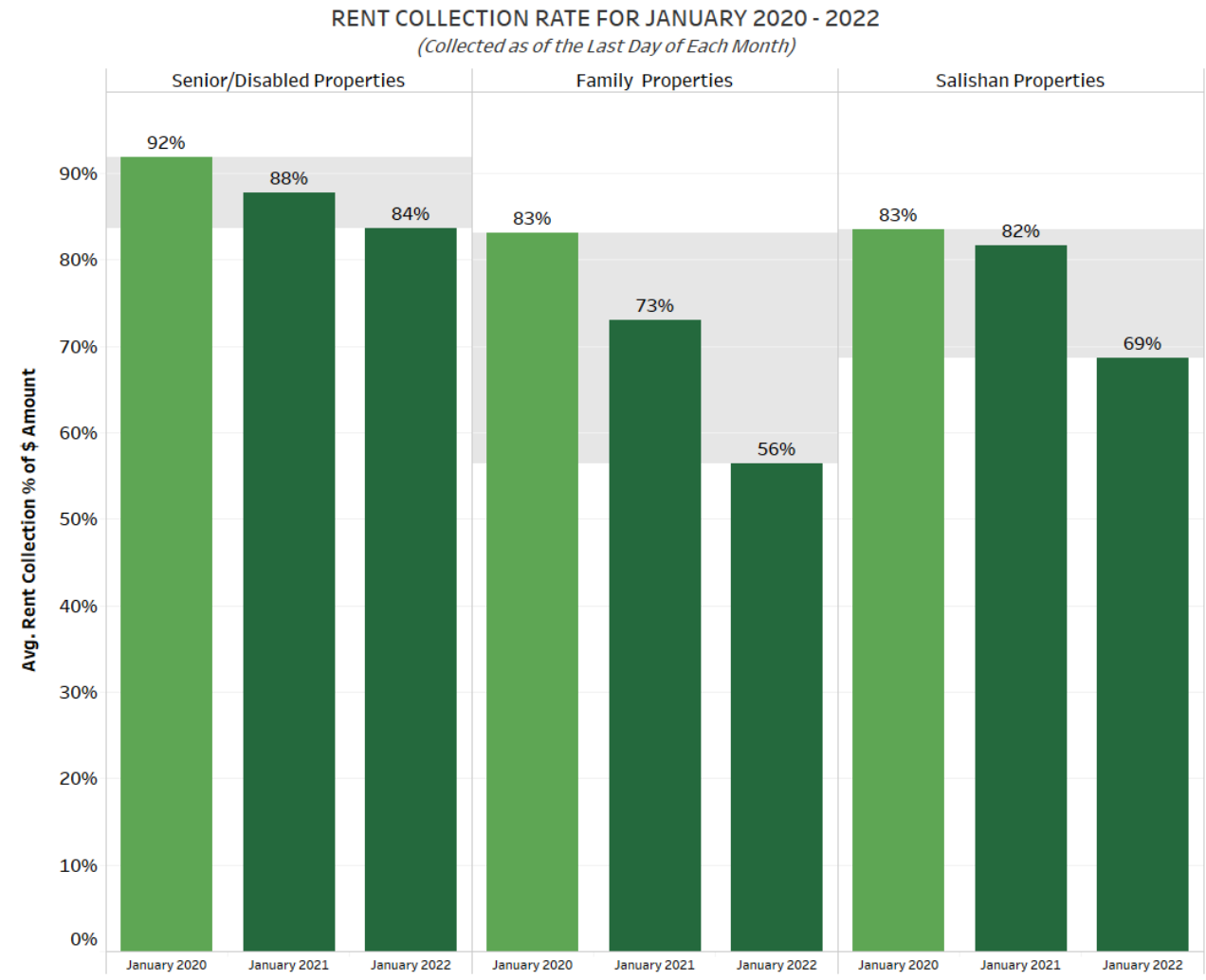
Program Manager Caroline Cabellon, along with the staff from City of Tacoma and WorkForce Central presented to the City Council's Economic Development Committee about our collective efforts to launch the Introduction to Healthcare Apprenticeship Pathways (IHAP) pilot program. This new program has also helped the city, THA and WorkForce Central reevaluate the way we bring new programs to community, allowing us to step back and begin a more intentional process to develop and provide resources with those that would access them. More to come as this process develops, but we are excited about taking a back seat position to community, and to find new ways to provide supports that are driven by the community.

The FSS program is being redesigned to better fit the expressed needs of residents and community. In January, the redesign identified the main areas of interest for program changes, including the contract of participation, the incentive earning menu, the escrow cap, and expanding eligibility beyond the head of household. Amy Van, who is project managing this redesign, is now working with PIE, Finance, Admin, and Rental Assistance to research policy and practice implications of the possible changes.

We will be consulting with the Education, Housing, Services and Partnership Committee about these programs at our March meeting.

5.7. Tenant Rent Payments

The following chart shows rent collection by property type over the last three years. The Rent Collection chart provides the average percent of rent collected through the last day of each reporting month by year and property group. If a unit is vacated and occupied by a new tenant within the same month, the chart will capture both the inactive (vacated tenant) and active ledger (new tenant) payments.



We see a significant decrease over the years in our Salishan and Family Properties. THA has decided to wait until at least April 1, 2022 before issuing COVID repayment agreements and legal notices for late rent. This will allow PM to hire an Eviction Prevention Specialist to assist more tenants in applying for late rent funds. This will also provide more time for the County to get caught up on rental assistance requests and for more tenants to apply and receive assistance. In 2021 the portfolio received over \$330,000 in late rent payments from the county and other resources. We anticipate receiving additional funds because we have tenants waiting for assistance and we continue to connect tenants with rental resources.

Last month we were asked to provide an idea of what rent collection might look like if the tenants that are waiting for assistance received the monies. We know that we have 400 families with rent arrears in the portfolio. Those unpaid rents equate to \$626,565. It is possible for a family to receive additional assistance even if they have received before. A family can receive up to 18 months’ worth of assistance during the covered period. Many of those that have received assistance still have months available as they have not reached the maximum assistance limit. An

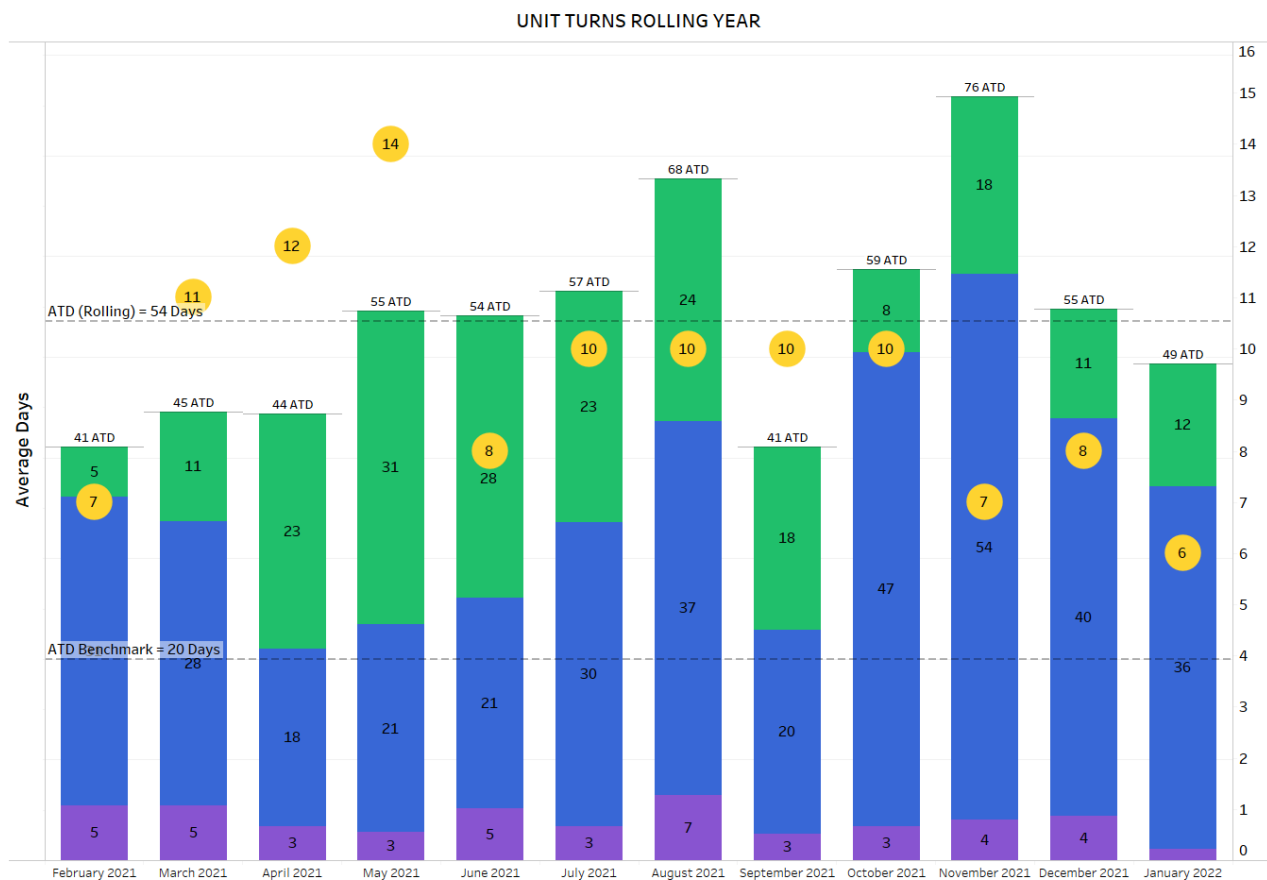
internal analysis conducted in January indicated that only 6 households at the time had reached the assistance limit with 5 of them still owing more rent after receiving maximum assistance.

We do not know all who have applied. Currently we have 400 households with late rent. 245 of them have received assistance at some point. We have another 155 households that have not received assistance. We do not know how many of these families have applied.

The county is changing the way in which it prioritizes assistance. It will soon start assisting based on households that have not received any rental assistance first before assisting those that have previously received assistance.

We will continue to track and report on this topic.

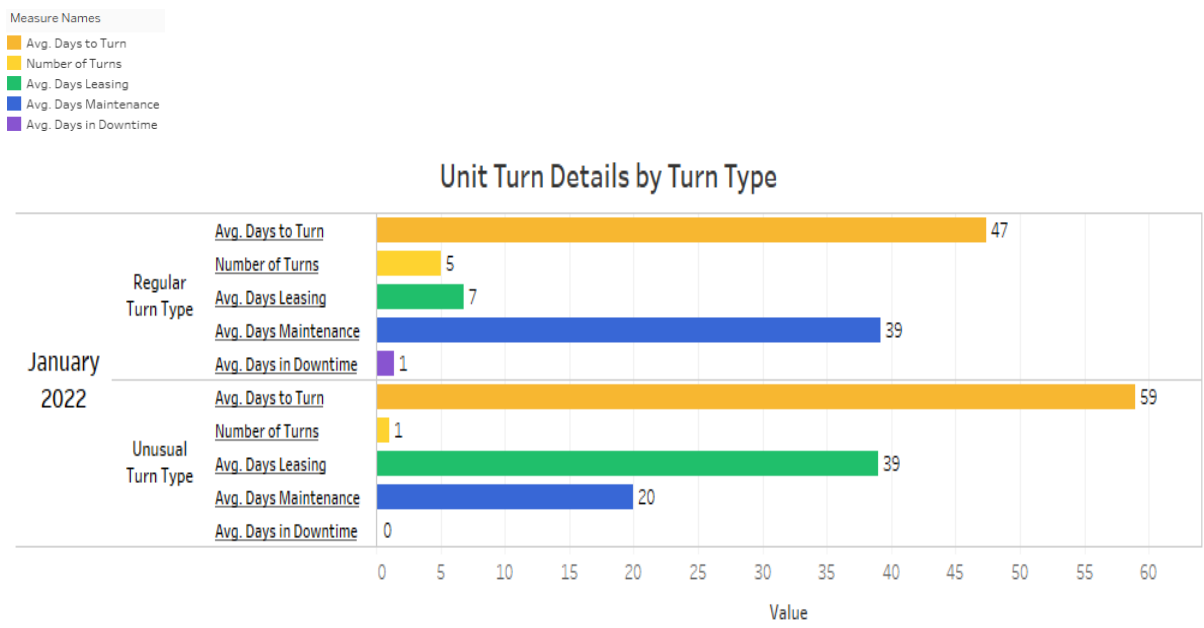
5.8. Vacant Unit Turn Status



This data reflects the collective forces of the Turn and Leasing teams efforts to maintain a monthly benchmark of 20 days or less. From December to January unit turn days have decreased but are not yet at the target. Leasing days have remained steady over the last couple months. Notwithstanding the challenges of closed offices, teleworking and social distancing,

the teams worked hard to quickly house families as soon as possible. Property Management accomplished a rolling average turn day (ATD) of 49 days.

The following chart breaks apart the turns based on the turn type. 5 turns were for regular reasons and averaged 47 key to key days, 1 turn was unusual which averaged 59 days. We are continuing to find ways to reduce these overall key-to-key times. Leasing will soon transition to Rental Assistance to provide an overall support and better collaboration for the leasing team members. Turn days and processes are being evaluated for additional improvements.



There are 3 main issues from what we can observe.

1. Transfers: In 2021 we had more transfers than before, overall 50 moves versus 32 the year before and 24 the year before that (2019 when we started the turn team). The new emphasis on transfers aligns with our Admin Plan, however transfers create a 2:1 with two turns for each transfer versus one when you move in someone from the waitlist. In addition to a lot of recent deaths (7 deaths in 2020 versus 19 in 2021), the turn team is tackling a higher amount of units at one time. Our turn team crew of 5 is not enough to handle the amount of units, unless we decide to look into the policy and better determine how we address transfers. Essentially, moving people around the portfolio as the top move in priority is not supported by the personnel. Reviewing policies to make change, adding to the turn team staff or contracting out more staff may help.
2. Unit Condition/Size: Many of the units being turned are larger sizes and they are not unit turns, they are remodels. Due to the age of the residency or the general condition due to lack of preventative maintenance and manager inspections. The turn team is having to spend more time on these units. Beginning preventative maintenance and manager inspections may help in this area.

3. Different priorities: Until recently the turn team worked in a different order than leasing. This would be causing leasing files to go stale as leasing worked oldest to newest and the turn team worked regular turns before an unusual turn. We are actively working on this. Marquis meets with the turn lead weekly, the turn team biweekly, leasing biweekly, and the turn team and leasing together monthly. Marquis is encouraging the turn team to drive the process by working on what's oldest first and letting leasing know units they are in and the next upcoming units. This will allow leasing to focus on units that will be ready soon instead of working on all vacants and having files go stale.



TACOMA HOUSING AUTHORITY

**ADMINISTRATION
REPORTS**



TACOMA HOUSING AUTHORITY

FINANCE



TACOMA HOUSING AUTHORITY

Motion

Adopt a consent motion ratifying the payment of cash disbursements totaling \$7,321,229 for the month of January 2022.

Approved: February 23, 2022

Stanley Rumbaugh, Chair

TACOMA HOUSING AUTHORITY
Cash Disbursements for the month of January 2022

		Check Numbers		Amount	Totals
		From	To		
A/P Checking Accounts					
Accounts Payable Checks	Check #'s	95,415	-	95,497	
Accounts Payable ACHs	ACHs	998	-	1,039	
Business Support Center				1,078,290	
Moving To Work Support Center				190,369	Program Support
Moving To Work Buildings (used by Support Center)				274,626	
Tax Credit Program Support Center				44,643	
Section 8 Programs				551,211	
Arlington Crisis Residential Center				132,856	Properties
Alberta J Canada Bldg				176	
KeyBank Building				416	
Salishan 7				8,790	
Hilltop Redevelopment - THDG				4,262	THDG
Saravida Building				10,133	Development
James Center				7,961	
Alberta J Canada-Development				52	
Court F (HT 1800 Block)				6	
Hilltop Redevelopment				161	
Hillsdale Heights				475	
Bus Development Activity				1,184	
CS General Business Activities				200	
CSA Program - Business Activities				3,191	Client Support
Department of Commerce Funding for Crisis Residential Center				214,189	
Community Services MTW Fund				2,612	
Education Private Grants (Gates, etc.)				81,728	
AMP 6 - Scattered Sites				1	Public Housing
AMP 9 - HT 1500 - Subsidy				671	
THA SUBTOTAL				2,608,202	
Hillside Terrace 2 & 1500				4,855	Tax Credit Projects - Reimbursable
Bay Terrace I & II & Community Facility				11,345	
Arlington Youth Campus				2,619	
Court F (The Rise)				2,842	
Renew Tacoma Housing				22,968	
Salishan 1 - Salishan 6				25,639	
TAX CREDIT SUBTOTAL (Operations & Development - billable)				70,267	2,678,469
Section 8 Checking Account (HAP Payments)					
SRO/HCV/VASH/FUP/NED	Check #'s	485,229	-	485,325	182,068
	ACHs	14,310	-	16,022	3,596,963
Payroll & Payroll Fees - ADP					\$ 863,728
TOTAL DISBURSEMENTS					\$ 7,321,229



TACOMA HOUSING AUTHORITY



Date: February 23, 2022

To: THA Board of Commissioners

From: Richard Deitz
Interim Director of Finance

Re: Finance Department Board Report

1. FINANCIAL STATEMENT

I present the January 2022 disbursement report for your approval.

The Finance Department is submitting the final financial statement for the year ending December 31, 2021.

The Agency closed the 2021 Fiscal year in good financial shape. Throughout the year the Agency's operating expenditures were consistently under budget. As the year progressed, expenditures slowly increased and became more in line with the 2021 budget, but a large gap still remained. As a significant portion of THA's revenue is tied to expenditures, the revenue was lower by a commensurate amount. This is evident when looking at the Surplus/Deficit Before Capital Expenditures (line 51 of the financials), where the variance is a fraction of a percent.

The 2021 financial results were significantly impacted by a number of large transactions, resulting in THA having a year-end surplus of \$11.65 million. The impact of these transactions can be seen in the large variances in lines 52 to 55 of the financials. The most impactful of these transactions was the sale of THA rights to the Trees properties. The Agency had budgeted \$2.75 million for the acquisition and initial rehab of the Trees, which became unnecessary when THA accepted a \$12 million buyout of the Trees. THA also set aside \$5 million for new acquisitions and the Hilltop redevelopment. THA was unable to find a suitable acquisition, and most of the planned Hilltop development costs have been pushed into future years. The Housing Authority had also anticipated receiving \$2.7 million in developer fee for the Rise at 19th and the Arlington Apartments, however these are now expected to be received in the first half of 2022.

The following section will address any significant variances or anomalies with the exception of capital expenditures which is addressed above.

- *Line 1, HAP reimbursements – Section 8 HAP Reimbursement* revenue is tied to THA's HAP and other MTW expenditures. As detailed on line 44, our HAP expenditures are significantly under budget, as is our Total Expenditures (line 46). We still have access to the difference, as these funds reside at HUD due to Cash Management rules. This gap was expected and plans to spend down these funds were included in the 2022 budget. We will need to monitor this area into 2022, as our HUD reserves are currently above the desired level.
- *Line 5 – Capital Fund Operating Revenue* – This is mainly a carryover of funds from 2019. We have until 2024 to expend these funds, so we will draw them when needed for our MTW program.

- *Line 6 – Other Government grants* – The primary cause of the variance relates to the Department of Commerce grant for the Arlington Youth Campus, which is on a reimbursement basis. The reduction in revenue is offset by a similar reduction in expenditures which is reflected in *Line 29 – Tenant Service – Other*.
- *Line 11 – Developer Fee Income* – The developer fee income relates to The Rise and Arlington Youth Campus Apartments. We currently anticipate receiving the full amount of the budgeted developer fee in the first half of 2022.
- *Lines 15 – 25 – Administrative Expenses* – We are under budget in nearly every category with the exception of *Legal and Audit Fees*. The overage in legal expenses is attributable to the Trees settlement and other ongoing potential litigation. The largest variance from a dollar perspective is in salaries and benefits. Many of the new positions budgeted for 2021 were not filled until later in the year and there were a number of vacant positions throughout the year. Management fees are lower than projected due to a delay in the lease-up of special purpose vouchers and a technical difference in how management fees are charged to Salishan 7.
- *Lines 26 – 30 – Tenant Service* – This area mirrors much of the trends seen in other areas of the Agency. At the end of the first quarter salaries were 28.3% under budget, but as the year went on and vacant positions were filled this variance slowly dropped to 14.7%. The most significant factor in the underspending in *Tenant Services – Other* relates to the Department of Youth Services grant for the Arlington Youth Campus.
- *Lines 32 – 36 – Ordinary Maintenance and Operations* – This category was in line with the budget for much of the year. Elevator work at 902 and a few other small items pushed the category variance to 10.3%. The maintenance salaries are over the budgeted amount primarily due to our third-party managed properties budgeting these expenses in Contract Maintenance. When the actual expenses are recorded, they show under Maintenance Salaries. We have realigned the budgets for 2022 so that the costs show in the same category as the expenditures.
- *Line 39 – Other General Expense* – This line includes \$116K of COVID-19 funding that was transferred to the tax credit properties to cover qualified COVID related expenses. These transfers/expenses were not included in THA’s budget. There was also \$79K paid in excise taxes for our commercial property that we had inadvertently left out of the budget. This is an annual expense that has been included in the 2022 budget.
- *Line 43 – Section 8 HAP Payments* – Due to the eviction moratorium the budgeted \$5 per month HAP increase did not fully materialize. Beginning in September, the average HAP began to rise rapidly as the restrictions were lifted. We also budgeted \$1.5 million for eviction prevention under Sec 8 HAP, which we did not utilize. The combination of these two factors has led to a significant reduction in HAP expense compared to budget.

2. INVESTMENTS

Surplus funds are invested in Heritage checking and the Washington State Investment Pool. Rates with Heritage Bank are at .27%. The Washington State Local Government Investment Pool currently provides a return rate of .09%.

3. AUDIT

There is no update at this time.

4. BUDGETS

The THA 2022 Budget was approved at the December board meeting. All of the Tax Credit property budgets that need to be approved by Investors have been approved.

5. YEAR END UPDATE

Finance is in the final stages of closing out the reporting needs for 2021. The financial reports for the Tax Credit properties were completed in time for our auditors to complete Tax returns for each of the entities and to start that audit process. Duane and the Finance team are on schedule for completing the HUD REAC submission by March 15th, which includes a 15-day grace period from the February 28th submission date.

**TACOMA HOUSING AUTHORITY
AGENCY WIDE**

	December-21				Thru 12/31/2021			
	CURRENT QTR ACTUAL	YEAR TO DATE ACTUAL	BUDGETED YTD	VARIANCE	PROJECTED ACTUAL	BUDGETED	VARIANCE	
OPERATING RECEIPTS								
1	HUD grant - Section 8 HAP reimbursement	12,900,992	51,887,765	56,818,406	-8.68%	51,887,765	56,818,406	-8.68%
2	HUD grant - Section 8 Admin fee earned	1,146,982	5,014,544	4,690,970	6.90%	5,014,544	4,690,970	6.90%
3	HUD grant - Community Services	64,819	238,418	244,662	-2.55%	238,418	244,662	-2.55%
4	HUD grant - Public Housing subsidy	5,062	31,976	40,000	-20.06%	31,976	40,000	-20.06%
5	HUD grant - Capital Fund Operating Revenue	0	0	500,100	-100.00%	0	500,100	-100.00%
6	Other Government grants	430,116	1,502,380	2,160,956	-30.48%	1,502,380	2,160,956	-30.48%
7	Tenant Revenue - Dwelling rent	689,442	2,749,531	2,698,061	1.91%	2,749,531	2,698,061	1.91%
8	Tenant Revenue - Other	33,794	134,267	151,500	-11.37%	134,267	151,500	-11.37%
9	Management Fee Income	842,305	2,949,075	2,945,674	0.12%	2,949,075	2,945,674	0.12%
10	Other Revenue	1,622,823	4,359,859	3,494,166	24.78%	4,359,859	3,494,166	24.78%
11	Other Revenue - Developer Fee Income	0	0	2,682,600	-100.00%	0	2,682,600	-100.00%
12	Other Revenue - T/C Waterfall Payments	0	1,836,971	1,924,000	-4.52%	1,836,971	1,924,000	-4.52%
13	Investment income	20,672	71,647	56,150	27.60%	71,647	56,150	27.60%
14	TOTAL OPERATING RECEIPTS	17,757,008	70,776,434	78,407,245	-9.73%	70,776,434	78,407,245	-9.73%
OPERATING EXPENDITURES								
Administrative Expenses								
15	Administrative Salaries	2,432,563	8,100,610	9,085,093	-10.84%	8,100,610	9,085,093	-10.84%
16	Administrative Personnel - Benefits	724,389	2,650,615	3,533,544	-24.99%	2,650,615	3,533,544	-24.99%
17	Audit Fees	51,811	82,043	72,370	13.37%	82,043	72,370	13.37%
18	Management Fees	102,770	425,930	524,158	-18.74%	425,930	524,158	-18.74%
19	Office Expense	429,498	1,547,186	1,773,187	-12.75%	1,547,186	1,773,187	-12.75%
20	Legal	65,605	343,106	259,650	32.14%	343,106	259,650	32.14%
21	Travel/Training	14,824	56,683	274,095	-79.32%	56,683	274,095	-79.32%
22	Other administrative expenses	664,862	2,125,260	2,323,184	-8.52%	2,125,260	2,323,184	-8.52%
23	Due diligence - Prospective Development	48,829	235,675	1,000,000	-76.43%	235,675	1,000,000	-76.43%
24	Contingency	0	0	175,000	-100.00%	0	175,000	-100.00%
25	Total Administrative Expenses	4,535,151	15,567,109	19,020,281	-18.16%	15,567,109	19,020,281	-18.16%

**TACOMA HOUSING AUTHORITY
AGENCY WIDE**

	December-21				Thru 12/31/2021			
	CURRENT MTH ACTUAL	YEAR TO DATE ACTUAL	BUDGETED	VARIANCE	PROJECTED ACTUAL	BUDGETED	VARIANCE	
Tenant Service								
26	Tenant Service - Salaries	409,152	1,346,866	1,578,453	-14.67%	1,346,866	1,578,453	-14.67%
27	Tenant Service Personnel - Benefits	131,589	479,120	656,752	-27.05%	479,120	656,752	-27.05%
28	Relocation Costs	0	35,712	2,660	1242.56%	35,712	2,660	1242.56%
29	Tenant Service - Other	630,883	1,853,420	2,788,832	-33.54%	1,853,420	2,788,832	-33.54%
30	Total Tenant Services	1,171,624	3,715,118	5,026,697	-26.09%	3,715,118	5,026,697	-26.09%
Utilities								
31	Total Project Utilities	116,071	426,174	411,453	3.58%	426,174	411,453	3.58%
Ordinary Maintenance & Operations								
32	Maintenance Salaries	95,124	353,225	215,378	64.00%	353,225	215,378	64.00%
33	Maintenance Personnel - Benefits	29,893	114,756	96,868	18.47%	114,756	96,868	18.47%
34	Maintenance Materials	24,060	112,468	147,070	-23.53%	112,468	147,070	-23.53%
35	Contract Maintenance	176,055	540,711	557,522	-3.02%	540,711	557,522	-3.02%
36	Total Routine Maintenance	325,131	1,121,160	1,016,838	10.26%	1,121,160	1,016,838	10.26%
General Expenses								
37	Protective Services	17,467	53,927	82,400	-34.55%	53,927	82,400	-34.55%
38	Insurance	76,021	267,260	282,701	-5.46%	267,260	282,701	-5.46%
39	Other General Expense	148,772	717,992	382,990	87.47%	717,992	382,990	87.47%
40	Interest Expense	143,579	547,247	519,800	5.28%	547,247	519,800	5.28%
41	Total General Expenses	385,839	1,586,426	1,267,891	25.12%	1,586,426	1,267,891	25.12%
42	TOTAL OPERATING EXPENSES	\$ 6,533,817	\$ 22,415,987	\$ 26,743,160		\$ 22,415,987	\$ 26,743,160	
Nonroutine Expenditures								
43	Ext. Maint/Fac Imp/Casualty Loss	0	0	51,100	-100.00%	0	51,100	-100.00%
44	Sec 8 HAP Payments	11,992,846	45,702,017	48,888,773	-6.52%	45,702,017	48,888,773	-6.52%
45	Total Nonroutine Expenditures	11,992,846	45,702,017	48,939,873	-6.62%	45,702,017	48,939,873	-6.62%
46	TOTAL EXPENDITURES	18,526,663	68,118,004	75,683,033	-10.00%	68,118,004	75,683,033	-10.00%
47	OPERATING SURPLUS/(DEFICIT)	(769,655)	2,658,430	2,724,212	-2.41%	2,658,430	2,724,212	-2.41%
48	Debt Service Principal Pymt/Loan Payoffs	(1,016,336)	(1,791,917)	(1,852,488)	-3.27%	(1,791,917)	(1,852,488)	-3.27%
49	Surplus/Deficit Before Reserve Appropriations	(1,785,991)	866,513	871,724	-0.60%	866,513	871,724	-0.60%
50	Reserve Appropriations - Operations	0	0	0		0	0	
51	Surplus/Deficit Before Capital Expenditures	(1,785,991)	866,513	871,724		866,513	871,724	
52	Capitalized Items/Development Projects	(625,926)	(1,666,681)	(9,825,000)	-83.04%	(1,666,681)	(9,825,000)	-83.04%
53	Reserve for Replacement	(43,163)	(172,653)	(172,653)	0.00%	(172,653)	(172,653)	0.00%
54	Revenue - Capital Grants/Sale of Property	12,000,000	12,625,000	1,625,000	676.92%	12,625,000	1,625,000	676.92%
55	Reserve Appropriations - Capital	0	0	7,750,000	-100.00%	0	7,750,000	-100.00%
56	THA SURPLUS/(DEFICIT)	9,588,083	11,652,179	249,071		11,652,179	249,071	

TACOMA HOUSING AUTHORITY

CASH POSITION - December 2021

Account Name	Current Balance	Interest
HERITAGE BANK		
Accounts Payable	16,965,951	0.27%
Section 8 Checking	4,104,627	0.27%
THA Affordable Housing Proceeds-Salishan	1,973,879	0.27%
THA Scattered Sites Proceeds	5,892,398	0.27%
FSS Escrows	255,402	0.27%
CSA Escrows	123,476	0.27%
Note Fund Account	103	0.27%
Key Bank Security Deposits	1,053	0.27%
THA Investment Pool	338	0.27%
THDG - Tacoma Housing Development Group	831,378	0.27%
Salishan 7 Operations	1,591,036	0.27%
Salishan 7 Security Deposit	30,782	0.27%
Salishan 7 Replacement Reserve	496,431	0.27%
Salishan 7 Operating Reserve	203,860	0.27%
Highland Crest Operations	1,553,278	0.27%
Highland Crest Replacement Reserve	315,904	0.27%
Highland Crest Security Deposit	40,071	0.27%
Outrigger Operations	645,971	0.27%
Outrigger Replacement Reserve	251,937	0.27%
Outrigger Security Deposit	23,960	0.27%
Prairie Oaks Operations	259,803	0.27%
Prairie Oaks Replacement Reserve	39,111	0.27%
Prairie Oaks Security Deposit	6,658	0.27%
Payroll Account	10,265	0.27%
HOME STREET BANK		
James Center North Operations	1,099,788	0.00%
James Center North Security Deposit	63,049	0.00%
WASHINGTON STATE		
Investment Pool	\$ 1,526,321	0.09%
1. TOTAL THA CASH BALANCE	\$ 38,306,829	
Less:		
2. Total MTW Cash Balance	\$ 1,101,236	
<i>Less Minimum Operating Reserves</i>		
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)	\$ 375,236	
3. MTW Cash Held By HUD	\$ 9,231,487	
4. Non MTW Cash Restrictions/Obligations		
<i>4.1 Non MTW Operational Restrictions</i>		
4.10 HUD Restricted - Lot and Property Sales	\$ 7,866,277	
4.101 Area 2B Sales Proceeds (Afford Hsg)	1,973,879	
4.102 Scattered Sites Proceeds (Afford Hsg)	5,892,398	
4.20 THA Property Accounts Reserved	\$ 2,723,291	
4.201 Security Deposit Accounts	165,573	
4.202 Highland Crest Operations Reserves	320,000	
4.203 Highland Crest Replacement Reserves	315,904	
4.204 James Center North Operations Reserves	230,000	
4.205 James Center North Capital	262,935	

TACOMA HOUSING AUTHORITY

CASH POSITION - December 2021

4.206 Outrigger Operations Reserve	150,000		
4.207 Outrigger Replacement Reserves	251,937		
4.208 Prairie Oaks Operations Reserves	77,000		
4.209 Prairie Oaks Replacement Reserves	79,111		
4.210 Salishan 7 Operations Reserves	374,400		
4.211 Salishan 7 Replacement Reserves	496,431		
4.30 Rental Assistance Reserves		\$ 1,427,903	
4.301 Mod Rehab Operating Reserves	127,463		
4.302 VASH, FUP, NED, EHV & MAIN HAP Reserves	1,035,614		
4.303 FSS Escrows	264,826		
4.40 Prepaid Grants		\$ 2,029,938	
4.401 TPS Interlocal (CS-2017-011)	238,539		
4.402 Balmer Foundation - Education Prog (CS-2020-005)	426,442		
4.403 College Spark (PI-2018-005)	62,311		
4.404 GTCF Grant (PI-2019-005)	240,953		
4.405 Gates - THA Education Program (PI-2020-006)	23,706		
4.406 Kresge Foundation - CHAP Program (RA-2019-009)	156,608		
4.407 Ballmer Foundation - COVID Rent Assist (RA-2020-003)	50,000		
4.408 THDG	831,378		
4.60 Total - Non MTW Cash Restrictions (4.10+4.20+4.30+4.40+4.50)		\$ 14,047,409	
4.70 Agency Contracted or Budgeted Commitments Remaining		\$ -	
	-		
	-		
4.99 Total Non MTW Cash Restrictions/Obligations (Lines 4.60+4.70)		\$ 14,047,409	
5. THA UNENCUMBERED (Non-MTW) CASH (Lines 1-2-4.99)		\$ 23,158,184	
6. Development Advances - Project Reimbursement upon closing/draw		\$ -	
6.01 Arlington Youth Housing	-		
6.02 Court F LLLP (1800 Block)	-		



TACOMA HOUSING AUTHORITY

ADMINISTRATIVE SERVICES



TACOMA HOUSING AUTHORITY

DATE: February 23, 2022
TO: THA Board of Commissioners
FROM: Sandy Burgess
Director of Administrative Services
RE: Administrative Services Department Bi-Monthly Board Report

The Administrative Services Department continues to be busy with contracts, safety, security, insurance, asset management, civil rights, compliance, grants, business process improvement, Open Door, and supporting Tacoma Housing Authority's (THA) Information Technology (IT) needs. Administrative Services welcomes the addition of the Real Estate Development (RED) team to our department this month. The RED report is incorporated herein.

1. REAL ESTATE DEVELOPMENT

1.1 ACTIVE PROJECTS

1.1.1 James Center North/Aviva Crossing

Background

THA purchased James Center North (JCN) in October 2017 because it offered a unique opportunity to acquire a property that is attractive to public and private developers and produce income until the property is redeveloped.

Capital Improvements

Minor capital repairs have been done on an as needed basis to keep the property functioning. Staff is obtaining scoping estimates for minor sidewalk repairs associated with the larger commercial building (western portion of site).

Leasing

CB Danforth continues to market the available commercial spaces, but COVID has affected leasing prospects. CB Danforth is surveying current tenants at the property to determine if they will have challenges paying rent, plan to seek a loan or funding through various sources and if not, why not. An LOI was received from a medical practice and ATM repair company for two respective spaces. Leases are expected to begin March 1.

Predevelopment

THA listed the Phase IA and Phase IB parcels for sale in August. THA selected the offers from Koz and Mercy Housing. Staff is negotiating purchase and sale agreements with both organizations.

JCN has adequate revenue to continue paying the quarterly payments on the acquisition loan. THA funds were used to pay the first loan balloon installment due in October 2021. THA will be reimbursed from land sale proceeds.

Staff is preparing to develop up to 150 units of affordable housing that THA will own. Currently, we are planning on financing that would include 9% LIHTC and a 4% bond/tax credit transaction (also described as a 4%/9% combo). This combination of equity sources will allow the site to be developed all at once and offer a mix of deeply affordable units as well as rents that are affordable to households earning 60% of the AMI. We will begin applying for funding in 2022. A Design Build RFP was issued in December to procure a design build team including but not limited to a general contractor and architect. RFP responses were due in January and staff are formulating their recommendation, which we anticipate bringing to the Board in March.

1.1.2 New Look (aka Alberta J. Canada)

Staff has begun the process of decoupling the parking lot from the Alberta J. Canada (AJC) partnership. This action is to provide land for the Housing Hilltop project that has been planned. AJC has approximately 15 residents that require parking and they will be allocated spaces at a nearby location. THA has negotiated replacement parking space at the former Rite Aid site with Forterra for the AJC residents to use during construction of the Hilltop project.

1.1.3 Arlington Drive Youth Campus

Arlington Apartments

Options for using the construction cost savings are being evaluated to ensure that these will not create any issues with the limited partner at exit. Conversations with BFIM have begun and focused on using the savings to fund changing the current security system (Kaba Locks) and to fund a services endowment with any remaining funds. We are in the process of finalizing the cost certification work working to convert to the permanent loan.

1.1.4 Hillsdale Heights

Intergenerational Community

Staff originally partnered with Bridge Meadows of Portland, OR to conduct a Feasibility Study to evaluate the development of two independent housing developments at the Hillsdale Heights property. The study began focusing on THA developing on approximately half of the 7-acre parcel to produce 60-70 family oriented affordable housing units. It also focused on the sale of the remaining half of the parcel to Bridge Meadows for their proposed development of an Intergenerational Community serving families with foster children and seniors.

After the study team conducted a half dozen design charrettes it became apparent that most of the property would be needed for the Bridge Meadows program. The land ownership ratio would be Bridge Meadows, 72% of land area, and THA 23% of land area. This division would place all THA families programmed into a single mid-rise building which would be undesirable. In addition, most of the shared amenities would be placed on the Bridge Meadows side of the property and they would acquire the shared amenity cost burden. This would create challenges for shared cost and timing since Bridge Meadows development is scheduled for development first.

Staff consulted the THA Staff Development Subcommittee and discussed the option of changing the Study direction to a co-general partnership. After a meeting between THA and Bridge Meadows leadership, Bridge Meadows is exploring the feasibility of developing the site on their own. A decision is expected by the end of Q1 2022.

1.2 DEVELOPMENT PIPELINE PROJECTS

1.2.1 Hilltop Master Development Plan

THA conducted its community engagement for the Hilltop in 2019. This resulted in the Hilltop Community Framework Plan. The Plan have been the guiding principle as we finalize the site layout and programming for the buildings. concept and building design. The current design calls for 231 units of housing, approximately 100 parking spaces and 13,300 sq. ft of commercial space.

The performing arts space has been returned to the north building. Conversations between the THA and TUPAC design teams will resume and THA and TUPAC will recommence negotiations on the MOU with their respective attorneys. Financial closing on the site is anticipated in September 2022.

Housing Hilltop

- The Design Build contract with Walsh was signed in early October. Walsh has selected SMR Architects to the design partner.
- This project will have 1-, 2- and 3-bedroom apartments.
- This will be a 4% bond transaction; all units are projected to be at 60% of AMI. We expect to submit an application to the WA State Housing Finance Commission in June/July 2022.
- Funding has also been secured from the Amazon Housing Equity Fund. An LOI has been executed for these funds.
- There will be two large buildings on either side of S 11th, with parking below. Both buildings will have resident amenities and commercial space. There will be approximately 100 parking spaces. Staff is working toward an end of Q3 2022 financial closing.
- Staff, Walsh & SMR had a design charette with internal staff at the end of September and had a pre-application meeting with City staff in October.
- An interdepartmental team has been formed to review design and program details.

Hilltop Lofts

The project closed on the financing for the project in July 2021. The former site has been abated and the building has been demolished. Construction is underway and completion is expected in August 2022.

Artists

THA, in collaboration with the other developers along the MLK corridor will be working with local artists to help design the exterior facades and public art at the buildings. THA selected two local artists, Jeremy Gregory and Lordes Jackson, to work with SMR on the exterior facades of the Hilltop buildings. Initial concepts have been presented by both artists

1.2.2 City of Tacoma 311 and Community Mobilization

THA staff are planning this year's community mobilization activities with community partners including the Hilltop Action Coalition, Hilltop Business Association and The Community Market. These activities will focus on community activation and engagement around business support, civic engagement, and neighborhood presentations.

1.2.3 Hilltop Eco District

Staff worked with the Eco District's staff through the latter half of 2020 to do a set of workshops for community leaders on forming an Eco District. We held those workshops in October (virtually) and for those sessions, nine people have volunteered to be on the Leadership Team for the Eco District. They initially committed to meeting monthly for the first half of 2021 to set the foundation, establish governance and identify the priority issues for the organization. All members have re-committed to this effort for the next six months. THA is working closely with Hilltop Action Coalition (HAC) on this effort. The Leadership Team currently has 14 participants. The purpose statement has been crafted, a name selected, and we are now identifying action items for the next 6-12 months. The group is focusing on Governance, Business Support and Wealth Generation.

1.2.4 Shiloh Baptist Church

RED staff have been meeting with Pastor Christopher since early 2019 to discuss the possibility of helping Shiloh redevelop their non-church land. They have 5 single family homes. Two of the homes have been subdivided to assist 12 individuals with housing. Predevelopment funding from Impact Capital and One Pierce to support the work. To date, funding has been secured from the City of Tacoma, Pierce County, 9% tax credits from the WA State Housing Finance Commission and a legislative earmark. The only funding needed is \$2MM from the Housing Trust Fund. We will work closely with the Trust Fund to secure these funds; the project is currently on the waiting list. In total they plan to develop 60 units of new housing in two buildings, one on S I and one on S. 13th Street.

1.2.5 Greater Christ Temple Church

RED staff is working with the leadership at Greater Christ Temple Church (1926 S G Street) to assist them with a feasibility assessment and values clarification for property they own west of the church. This will include identifying target population(s), ownership options and identifying partners to help them develop the site.

1.3 TENANT IMPROVEMENT

902 First Floor TI

Construction at the 902 1st Floor Administration Building is 99% complete. Furniture installation is 99% complete. Final touch ups and punch will take place in January 2022. Occupancy of the space is expected in early 2022 upon approval of the Emergency Operations Committee.

1.4 ACQUISITIONS

At the January Board meeting, the Board adopted a resolution allowing THA to enter into a Purchase in Lieu of Condemnation for North Highland Court Apartments. This acquisition has fallen through. There are no other pending acquisition opportunities at this time.

2. RISK MANAGEMENT REPORT

2.1 2021 Wrap Up

THA received a \$10,000 grant from State Farm Insurance for providing households at family properties emergency preparedness starter kits. Risk Management and CSE worked together to build over 1100 preparedness kits. The kits were distributed to all current family households and extra kits have been made to pass out to new family households.

THA's Risk Manager, Karessa Bowman, updated Emergency Preparedness signs at the properties. The signs provide basic instructions and THA on-call contact information for residents in case of an emergency.

Security improvements have been identified across THA properties. These improvements include lighting, security cameras, and areas for easy access to THA equipment and supplies. Additional cameras are being added at Bay Terrace, Arlington, Bergerson, and the Outrigger. Additional lighting is also being added to many THA properties. Bergerson maintenance area was being targeted for theft earlier in the year. Risk and Facilities identified easy access areas and improved the fencing to prevent further theft.

Employee training was completed across the organization in areas such as safety, reasonable accommodation, fair housing, and cyber awareness. The training for 2021

concentrated on mandatory compliance training. The Risk Manager continues to build the training portal with updated and relevant trainings.

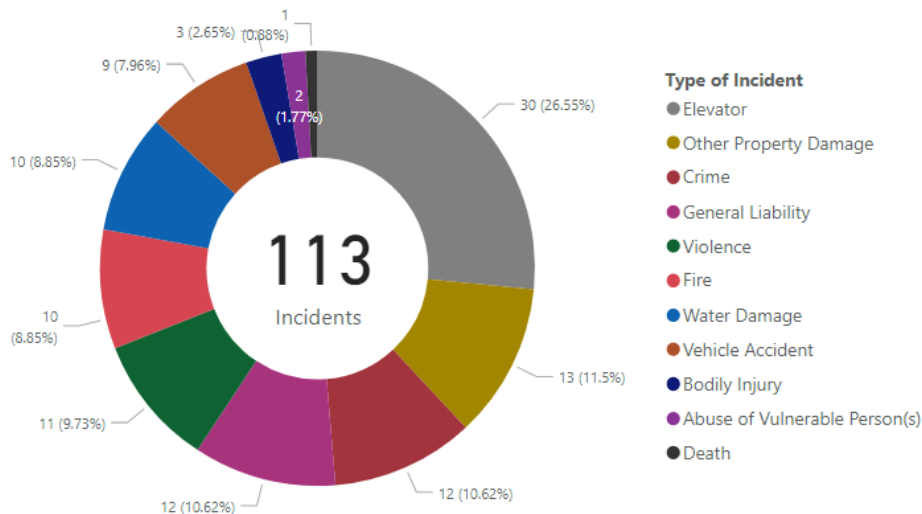
2.2 Insurance Update

THA’s Risk Manager worked with Alliant to renew all of THA’s insurance policies. Insurance premiums increased this year based on the insurance market and increased property values. Market rate increases have affected organizations across the industry. THA saw an average market increase of 15% for the general/liability/POL package. The largest increase was in the James Center North Earthquake insurance. The market increase was 30%. The market value for James Center North also increased by 30%.

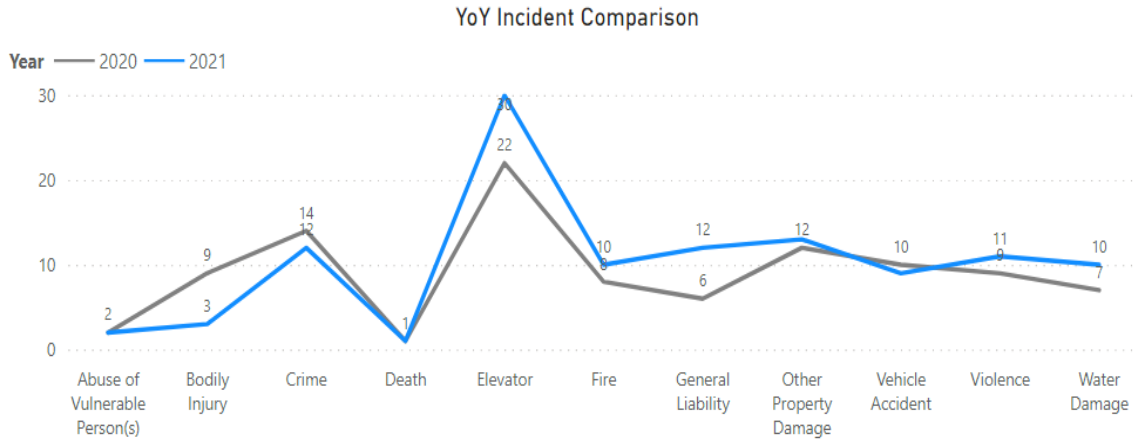
THA’s cyber security policy was also affected by market increases. Cyber security insurance is difficult to bind, and many insurance companies have decided to not offer this coverage. THA was able to bind coverage due to all the hard work from the IT team. THA was given certain criteria to meet before an insurance company would offer coverage. The THA IT team delivered on every requirement and also provided the future plan for cyber security improvements. This effort was recognized by the insurance industry, so THA was offered a renewal. Due to recent worldwide cyber-attacks such as SolarWinds and Log4j, insurance premiums have doubled. This increase was felt across every industry.

2.3 Incidents

2021 Incidents



Incidents slightly increased by 4% in 2021. The top three incidents continue to be elevator, crime, and other property damage. There was also an increase in fire and water damage incidents. The leading cause for most fires and water damage in 2021 was due to overflowing sinks, tubs, toilets. While the fire stops above the stoves have been working as intended, the fire incidents usually also include water damage due to the sensitive sensors on the sprinkler system.



The water damage incidents have primarily been from tenants forgetting to turn off sinks or bathtubs. THA is working with Philadelphia Insurance to implement a new program they are offering, PHLYSense. The PHLYSense program is an early warning sensor that can be placed near bathtubs and sinks. In 2022, THA plans to test up to fifteen identified high risk locations.

2.4 Incident Risk Level

		Impact →				
		Negligible	Minor	Moderate	Significant	Severe
Likelihood ↑	Very Likely	Low Med	Medium	Med Hi	High	High
	Likely	Low	Low Med	Medium	Med Hi	High
	Possible	Low	Low Med	Medium	Med Hi	Med Hi
	Unlikely	Low	Low Med	Low Med	Medium	Med Hi
	Very Unlikely	Low	Low	Low Med	Medium	Medium

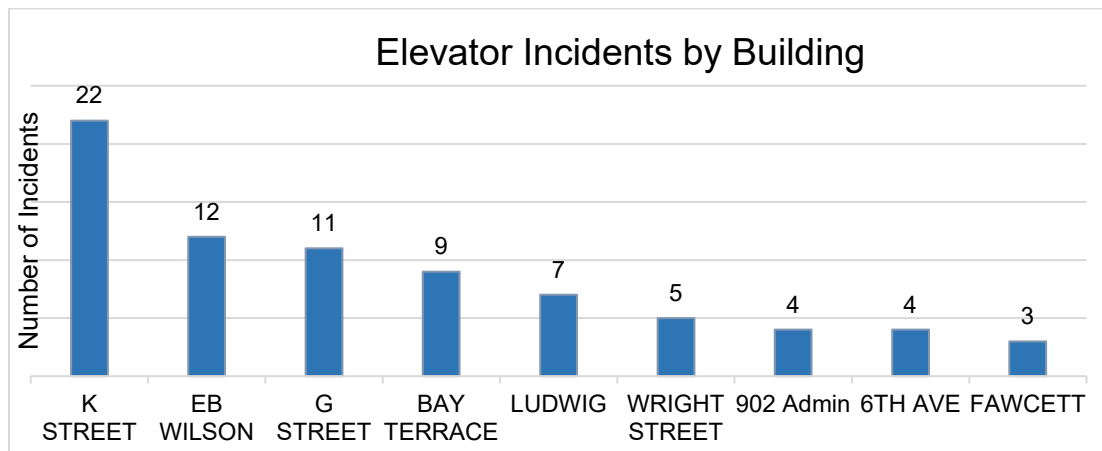
The risk for elevator incidents and crime incidents rate at Very Likely to Likely, but the impact is Moderate to Minor. The costs associated with these risks tend to be low. Fire and water damage incidents rate at Likely and Possible, but the impact is Severe and Significant.

This is demonstrated by looking at the insurance claims total payouts. Majority of THA’s incident costs are associated with fire and water damage.

Type	Auto		Bodily Injury		Fire		Property - Misc.		Water		Total	
Year	Sum	Total Incurred	Sum	Total Incurred	Sum	Total Incurred	Sum	Total Incurred	Sum	Total Incurred	Sum	Total Incurred
2018	3	\$2,567.58			6	\$79,388.44	7	\$1,976.21	10	\$245,072.49	26	\$329,004.72
2019	7	\$9,965.59	5	\$10,440.4	1	\$29,247.17	5	\$6,602.79	8	\$36,651.43	26	\$92,907.38
2020	6	\$26,048.41	4	\$3,888.65	2	\$14,686.09	3	\$926.71	4	\$71,369.99	19	\$116,919.85
2021	2	\$3,105.39	4	\$2,150.08	6	\$312,938.85	9	\$20,673.05	5	\$161,500	26	\$500,367.37
Total	18	\$41,686.97	13	\$16,479.13	15	\$436,260.55	24	\$30,178.76	27	\$514,593.91	97	\$1,039,199.32

2.5 Elevator Project

During 2021 and into 2022, THA is addressing elevator incidents through elevator door upgrades and hydraulic jack replacements. The elevator door upgrades were completed in 2021, and the hydraulic jack replacement project is expected to begin the first part of 2022. K Street apartments continue to have the highest number of elevator incidents. THA is working with ThyssenKrupp Elevator to help identify the reasons for the increased issues at K Street.



2.6 Safety Committee

THA’s Safety Committee revived in 2021. The committee worked to develop the Safety Committee Charter and Accident and Illness Prevention Program. The Committee’s purpose is to promote a culture of safety within THA.

The 2022 tasks that the Safety Committee are addressing are emergency preparedness, playground safety, and safety training.

- The Safety Committee will be working with Property Management to conduct fire drills this summer at THA properties. Training materials will be passed out to residents with

details on what to do in case of a fire or gas leak. The Safety Committee hopes to get the Tacoma Fire Department involved to talk to residents about being prepared.

- The Safety Committee will also be looking at THA playground safety. This includes access points to the playground to identify crossing hazards.
- Safety Training is going to be a big item for 2022. The Safety Committee will be concentrating on safety in the workplace. The training will include job specific training like ergonomics or ladder safety and all employees will go through training for violence and conflict and active shooter.

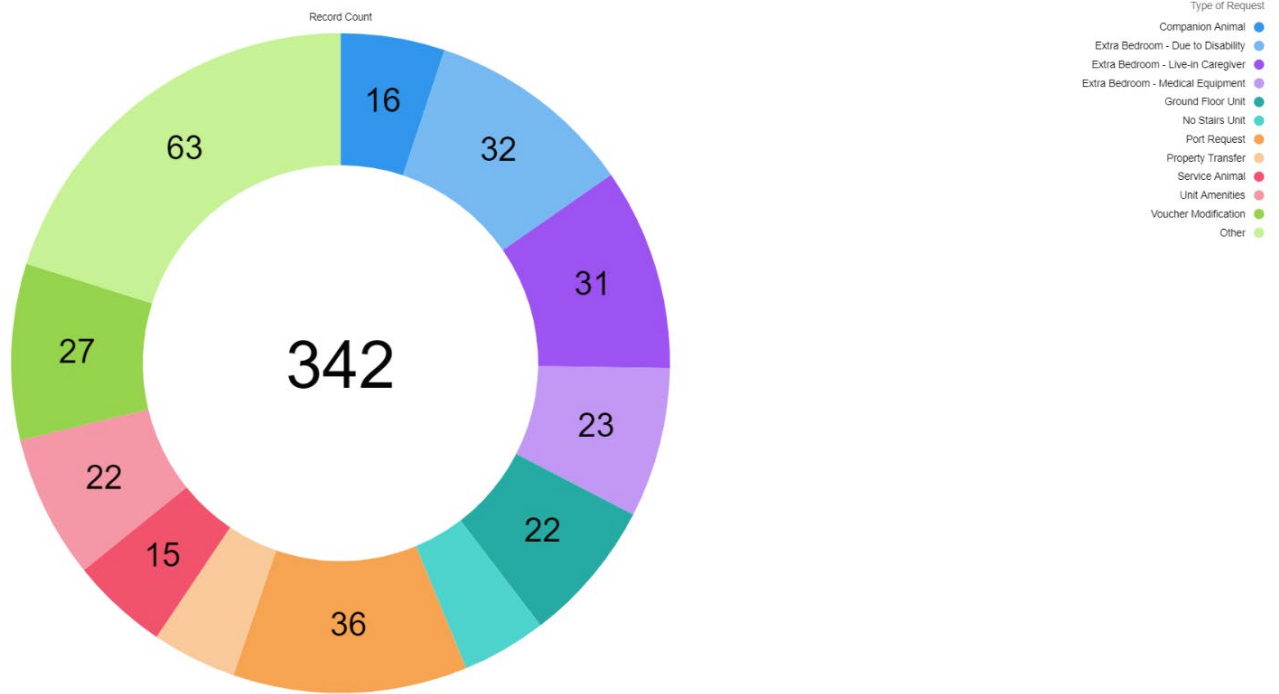
New safety software, Vector Solutions, has been identified for implementation in 2022. The software is provided by THA's learning management system. The safety software will be used to for safety inspections, chemical management, corrective actions, root cause analysis, and hazard reporting. The software is integrated into the learning management system for job safety. THA will also use the incident management module as we move away from Open Door to Yardi.

3. FAIR HOUSING AND CIVIL RIGHTS REPORT

3.1 Reasonable Accommodation Requests

In August 2021, THA welcomed our new Fair Housing and Compliance Specialist, Julie Nelson. Julie came to us from the Fair Housing Center of Washington. Julie has jumped right in to processing Reasonable Accommodation requests and working to improve THA's Reasonable Accommodation procedures. Julie formed a working group with staff from Compliance, Rental Assistance and Property Management to review the Reasonable Accommodation processes, address inconsistencies, and revise the forms to be more accessible and easier to complete. She has been routing the updated Reasonable Accommodation forms for peer review and consulting with the Northwest Justice Project for input. The new and improved forms will be available for our clients and staff soon.

In 2021, THA received 342 Reasonable Accommodation Requests with the highest percentage being requests for an extra bedroom due to a disability, equipment, or live-in caregiver. Similar to requests for 2020, we also received a higher number of requests to port a voucher which we believe continues to reflect the high-cost rental market in Tacoma, especially for those households living on a limited fixed income.



3.2 Civil Rights

We received two Fair Housing complaints from HUD in 2021 that were assigned to the Washington State Human Rights Commission for investigation. We are happy to report THA was cleared in both cases. We take all inquires and concerns seriously. Julie continues to coordinate Fair Housing training for staff and has been working with Karessa Bowman to monitor training certifications. Julie will be rolling out Reasonable Accommodation training for staff this spring. In the meantime, she is conducting Q and A sessions with staff to hear concerns and suggestions that will help with her training program.

4. RESOURCE DEVELOPMENT REPORT

We received \$1,683,242 in grants in 2021. This total does NOT include funds received for Real Estate acquisition and development, nor the \$22,000,000 loan from Amazon Equity Fund, or the \$100,000 personal donation April Black secured from Todd and Teresa Silver.

The decrease in grant funding as compared to the previous two years is attributed to the decrease in programming offered to our residents and clients, the rollover funding previously secured for the Education project, and decrease in funds needed for services due to the impact of COVID.

Some of the highlights from grant funding for 2021 were the continued commitment from community partners such as Multicare for Fall Prevention activities at our High Rise

Buildings, State Farm Philanthropy for Emergency Kits for our residents and tenants and Key Bank for a flexible fund to provide services for our Senior and Disabled residents. The Bill and Melinda Gates Foundation also provided \$250,000 to support capital improvements for the Arlington campus. We received a competitive-grant award for Foster Youth to Independence Vouchers which will be deployed in partnership with DCYF, Pierce County Alliance, and Comprehensive Life Services this month. We also implemented a unique partnership with the Housing Connector using grant funds that will assist special program voucher holders (CHAP, Mainstream) lease up in our highly competitive rental market. We received a grant from Tacoma Public Utilities to install THA's first Electric Vehicle Charging Station in Salishan. We hope to have it online by the Spring 2022.

We continue to interview and seek a new banking partner for Salishan to occupy the bank office space and install an ATM. The Salishan Banking Committee, which is comprised of THA staff, Sound Outreach, Salishan Association, a homeowner, and a renter are working to host a community listening session in February that will help inform the Salishan Banking Committee for a final decision. We have invited one of the finalists to join the listening session and field questions from the community. It is important that the next banking partner in Salishan understands the needs of the community.



TACOMA HOUSING AUTHORITY

**CLIENT SUPPORT
& EMPOWERMENT**



TACOMA HOUSING AUTHORITY

DATE: February 23, 2022

TO: THA Board of Commissioners

FROM: Cacey Hanauer
Director of Client Support & Empowerment

RE: Client Support & Empowerment Department Monthly Board Report

1. STRATEGIC OBJECTIVE: HOUSING AND SUPPORTIVE SERVICES

Tacoma Housing Authority (THA) will provide high quality housing, rental assistance and supportive services. Its supportive services will help people succeed as tenants, parents, students, wage earners and builders of assets who can live without assistance. It will focus this assistance to meet the greatest need.

2. DIRECTOR'S COMMENT

January was another busy month for the Client Support and Empowerment team! This team continues to show up for residents and voucher holders, supporting their aspirational goals, providing resources for immediate needs, mitigating and managing crisis, and working to embed in and help build community. General services are rarely called out in this report, but I especially want to thank the folks on this team who work with individuals and families who are not “enrolled in programs” but who are in crisis and need immediate support. The work of our general services staff is often laden with trauma and secondary trauma and can take a toll on those fielding referrals and providing that support.

In January we have already begun planning for the next Arlington Drive money hunt to ensure that THA and our partner providers can continue providing high quality services to the young people who live there. It costs approximately \$2,000,000 per year to operate Arlington on the service side alone, and while we are fully funded through June 2023, we will have a lot of work to do to prepare for the next legislative session and to seek and secure additional service dollars outside the legislature.

3. PROGRAM UPDATES

While it is early in the year, staff are busy planning for summer, adjusting programs and services to best meet expressed needs, and bringing in new resources to the properties and to voucher holders.

Program Supervisor Robert Lewis was also quite busy in January. Along with supporting his staff, Robert worked closely with the United Way of Pierce County and Associated Ministries to bring the Volunteer Income Tax Assistance (VITA) program to Salishan. This program provides free support to individuals and families who need support with the annual taxes. This program will kick off again in February and run through tax season. Robert also worked with a collaborative team within THA to identify a new banking partner to be housed at the FIC. Hopefully in the coming months, and only with the Community's support we will be able to bring in a new cashless bank branch to the FIC.

3.1 Family Self-Sufficiency Program (FSS)

Late in 2021 the FSS team held a series of orientations for the first time in a couple of years. The orientations proved to be useful, helping bring eight new families into the program in January alone!

3.2 Two Generational Opportunity (2Gen)

The 2Gen team continued their great work in the West Portfolio, supporting families with children as they move toward family-driven goals. January saw the restart of weekly tutoring at Bay Terrace, along with the Farmer's market. One of the tutors from our partner, Club Z Tutoring had this to say about a recent tutoring session:

This group of 4 young ladies worked so hard tonight on spelling and really began to understand how to identify vowels and what happens to a vowel in the middle of the word when an 'e' is on the end of the word. We practiced the short and long sounds for each vowel and then read words like "bake", "time" etc. to practice putting this rule into place. They were so proud of their ability to sound out any word with 'e' on the end from now on. What a fun session!

The 2Gen team successfully enrolled several new families in January. As an example of the work done by this team, Bay Terrace, Property Manager Tiffany Price referred a new tenant/family with two children to the 2Gen program. The reason for the referral was to help them access resources, however when staff meet with the mom, they noticed her enthusiasm about several THA programs, including FSS. Within a week of enrollment, the client's children had attended their first tutoring session with Club Z Tutoring, mom had signed up for Triple P Parenting support classes, scheduled her first financial coaching session with Sound Outreach, completed a referral to furniture resources, secured childcare, and completed an orientation for a WorkFirst activity at Goodwill. While this is just one example, it shows the depth of knowledge, adept relationship and trust building abilities of staff, and massive effort and engagement of a new family to THA.

In January, CSE Education Specialist and 2Gen team member Marty Higgins was very busy! Marty helped families with children navigate the uprise in Covid cases, particularly as it impacted children's schooling. Marty referred nine families to the Tacoma Public Schools Rapid Covid testing site and subsequently helped those same families get their kids back to school once testing was completed. Marty helped several families enroll in Tacoma Online for remote learning during the initial phase of enrollment for the 2022-2023 school year. Marty connected seven families to TPS' new paid mentorship/tutoring program, where students can earn funds for helping tutor other TPS students in grades 3-5. Marty also worked closely with Sound Outreach to provide family financial education classes, where 11 families joined in! Finally, CSE partnered with Tacoma Arts Live to offer 100 free tickets to performances at the Pantages Theater.

An important part of Marty's work, along with several other CSE staff, has been to find new and improved ways to work with TPS. Getting referrals, and even understanding which TPS kids are THA residents has been administratively cumbersome due to several database and confidentiality issues. Marty and team met with TPS to help identify THA students in the TPS database, allowing schools to easily identify THA students. Ultimately, this will help us all support kids and families by providing easier access to resources and wrap-around supports. TPS hopes to be able to finish this project in mid-February.

3.3 Child Savings Account Program

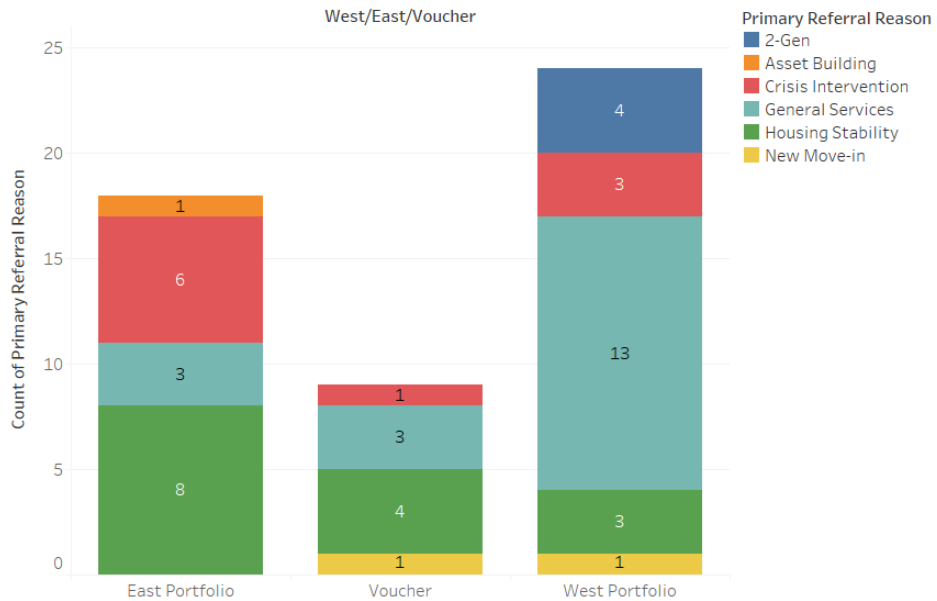
The CSA team has developed new near-term outreach strategies to help increase enrollment in the GET program at both Bay Terrace and Bergerson Terrace. Strategies include coupling enrollment with school-supply giveaway events, onsite programming and inviting tenants to talk with their neighbors about the program. We hope to increase awareness of the CSA by leveraging events with high attendance, simplifying communication and providing resources that are easier to understand and access.

3.4 By the Numbers

Kendra Peischel has continued her work with THA's IT department and a third-party support team to rework the Open Door database to better assist in capturing pertinent, accurate, and useful data. Kendra and Amy van have also worked to complete a fit-gap analysis, solidifying key functional requirements of an IT database that will meet the unique needs of the CSE department. While THA moves away from Salesforce, it has become clear that CSE will likely need our own database to meet our needs, and the fit-gap analysis is a first step in finding a good fit. Next, Kendra and Amy will identify five staff representatives to serve on the IT vendor interviews and demonstrations. Ultimately, and new database along with CSE's strategic plan, which is underway, will help the department better identify and show the hard work of staff by numbers and key performance indicators.

The charts below show how many resource connections staff made in the month of June, and the numbers and types of referrals received by CSE. Each referral received is assigned to a Case Worker who then works with residents/voucher holders to address the need expressed in the referral along with other needs the family may express. Some referrals result in limited support aimed at addressing the referral issue, and others turn into long-term support. The bottom chart shows the number of external resource connections staff made on behalf of residents and voucher holders. The length of engagement is determined largely by residents, with Case Workers offering support for a variety of needs.

All Referrals Received by CSE 2022
 January



Count of Primary Referral Reason for each West/East/Voucher. Color shows details about Primary Referral Reason. The view is filtered on West/East/Voucher, which keeps East Portfolio, Voucher and West Portfolio.

2022 Resource Connections Provided
 by CSE
 January

Referral Service Type	Referral Date	
	January	Grand Total
Asset Building	7	7
Behavioral Health	11	11
Community Building	1	1
Dependent and Child..	1	1
Education-Adult	1	1
Education-Youth	23	23
Employment Assista..	11	11
Financial Coaching (..	7	7
food Assistance Pro..	530	530
Furniture Bank	6	6
General Assistance ..	26	26
Healthcare Connecti..	1	1
Legal Assistance	11	11
Physical Well Being	3	3
Rental Assistance	7	7
Tax Assistance	2	2
Transportation Assi..	4	4
Utility Assistance	17	17
Grand Total	669	669

Count of Referral Service Type broken down by Referral Date Month vs. Referral Service Type.



TACOMA HOUSING AUTHORITY

RENTAL ASSISTANCE



TACOMA HOUSING AUTHORITY

DATE: February 23, 2022

TO: THA Board of Commissioners

FROM: Aley Thompson
Director of Rental Assistance

RE: Department Monthly Board Report

1. STRATEGIC OBJECTIVE: HOUSING AND SUPPORTIVE SERVICES

Tacoma Housing Authority (THA) will provide high-quality housing, rental assistance, and supportive services. Its supportive services will help people succeed as tenants, parents, students, wage earners and builders of assets who can live without assistance. It will focus this assistance to meet the greatest need.

2. DIRECTOR'S COMMENT

This month we bid farewell to Vernetta Johnson who most recently served as Rental Assistance's Compliance Auditor. Vernetta joined the agency in 1991 and committed over 31 years of excellent service to our clients and her colleagues. Vernetta is a wealth of knowledge who is committed to her team and has been unafraid of the changes and evolution of our programs over the years. We wish her the best in her retirement and are grateful for her service.

Utilization remains over 100% and was adjusted in previous months to reflect year end reporting. We are prepared and expect to receive referrals for the new FYI program prior to our effective date of March 1st. Lease-ups on the Emergency Housing Voucher program are progressing. We are 12% utilized with 16 families housed and another 40 searching for housing. This puts us on par with our regional PHA partners implementing this program.

This month and next, Rental Assistance is supporting PIE in the community consultation process to seek views about the proposed HOP changes. We had productive meetings with Northwest Justice Project and the Tacoma Lakewood Pierce County Continuum of Care.

The department is continuing to adjust to a new shared caseload model and it's not without its pain points. We are learning how small changes impact our response times and are tweaking our processes to improve. We will roll out a similar shared caseload model to our Special Programs team as we work out the kinks with our regular caseload. I appreciate the hard work of our team who have been open and willing to change, suggesting new ideas and supporting one another through this transition.

With Vernetta's retirement, one new position, and backfilling another, the department conducted a hiring process for three supervisor positions. I am thrilled to report that all three positions were filled by internal Rental Assistance candidates. Brenda Brinkley a Lead Housing Specialist, Bre'ann Birge a Compliance Auditor and Stacey Peterson-Wilson an Inspector will serve as department supervisors. All

three bring unique skillsets, experience, wit and compassion to their new roles. These changes will lead to vacancies and will result in significant department restructuring that we anticipate finalizing in late March.

Finally, Rental Assistance is working with PIE to recommend next steps for the use of the DOC-CHAP vouchers. Attached to this report is a memo from the PIE team that details both departments' recommendation to utilize the 25 vouchers allocated to serve folks exiting corrections. Ultimately, we recommend partnering with a service provider that has housing units that can be dedicated to the re-entry population. We do not recommend continuing to pursue a direct partnership with TCC and the DOC to develop a program that requires post-secondary enrollment.

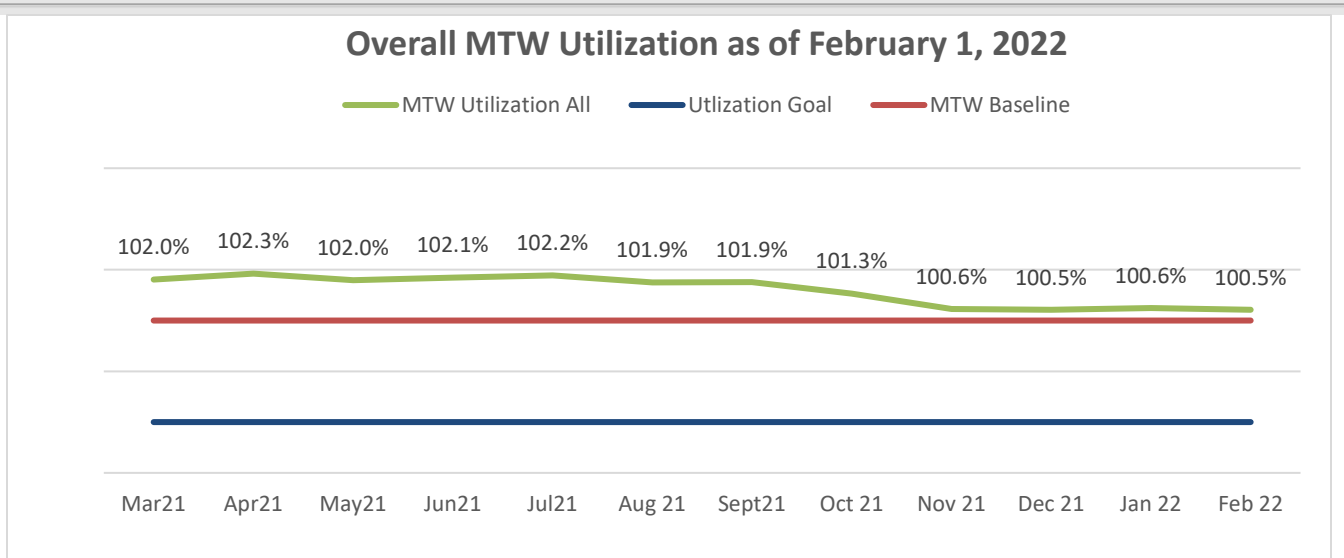
- We propose to project base units rather than utilize tenant-based vouchers guaranteeing readily available units that come with services and supports.
- The service provider we seek would take referrals from DOC, TCC and other agencies working with people exiting corrections.
- The service provider would provide supportive services and case management.
- Leases would be time limited to ensure unit turnover and tenants will be eligible for move-on vouchers.

Our next steps are to seek a strong service partner. We have an RFP out and know of at least one interested provider. After evaluating proposals, we hope to return to the Board with a final recommendation to award a PBV contract to serve people existing corrections. Proposals are due March 4th.

3. RENTAL ASSISTANCE DEPARTMENT REPORTS

3.1 Overall Utilization

The overall Housing Choice Voucher utilization is reported at 100.53% as of February 1, 2022. THA receives a report on utilization quarterly for Rapid Rehousing (RRH) and Property Based Subsidies (PBS). Therefore, averages are used to forecast utilization to the current date for these specific programs. As new information is reported for both RRH and PBS, this utilization report is updated accordingly (historical numbers may change slightly).



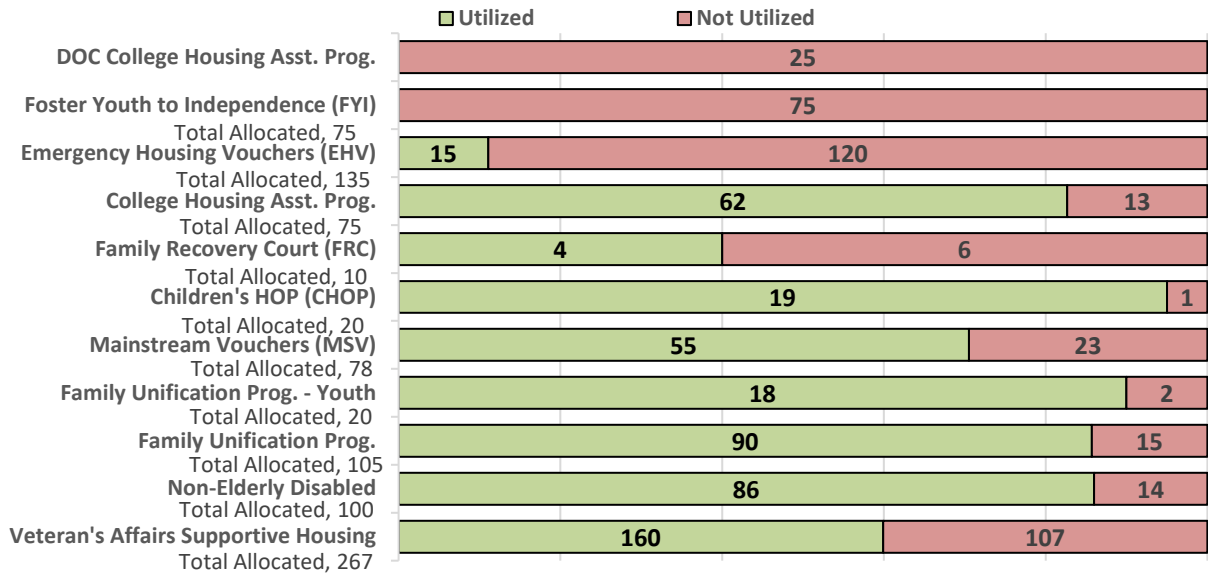
3.2 Project Based Vouchers (PBVs)

Project Based utilization remains 97% utilized. Our partners still struggle with supply chain issues to turn units. Overall, incoming referrals are being submitted to THA much quicker than in the past year. Having a fully staffed Special Programs Team has resulted in staff’s ability to communicate early and often with our partners reminding them of the urgent nature to fill vacant units.

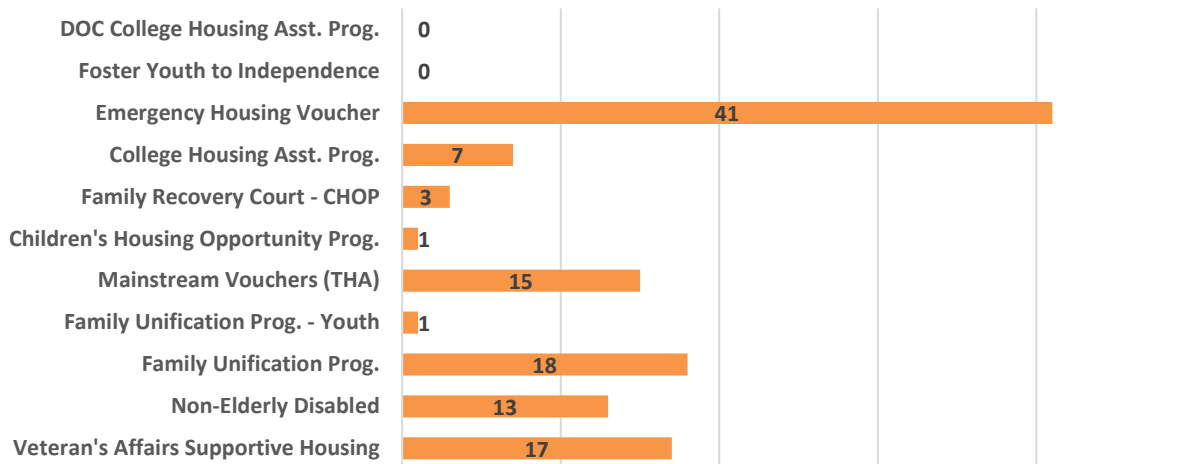
3.3 Special Programs & Property Based Subsidies

Below is a breakdown of the utilization of THA’s special programs. The charts below include utilization & shoppers for each program. The DOC program is currently under review to determine next steps for implementation that may include project basing vouchers for that program. THA will begin issuing vouchers for the Foster Youth to Independence program on March 1, 2022. The EHV program continues to provide adequate referrals and utilization is slowing increasing. Staff are currently working on several MSV referrals that will be issued soon. The VA are now fully staffed so we hope to see an increase in VASH referrals. THA will also begin referring VASH shoppers to the Housing Connector program to increase utilization for this program.

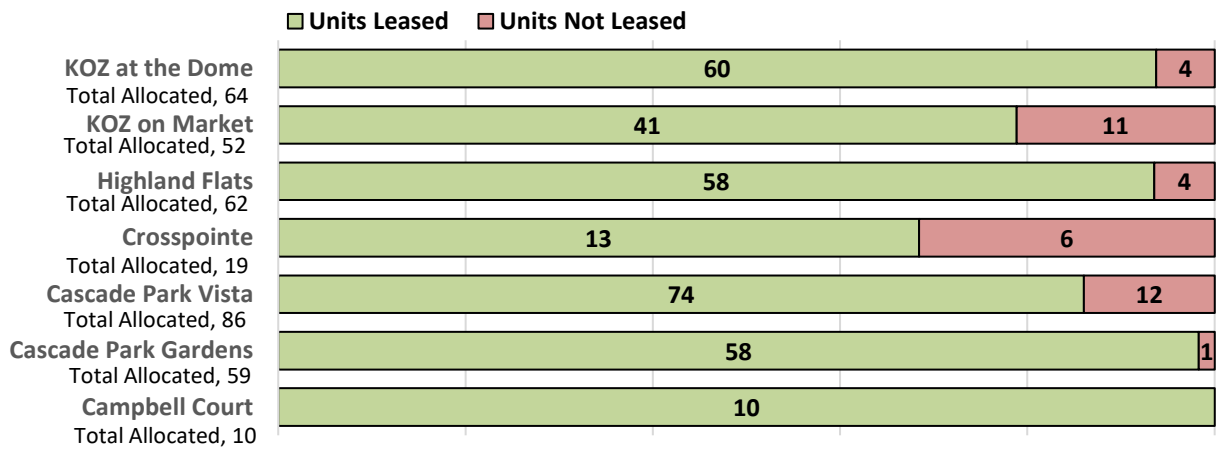
Special Program Utilization as of February 1, 2022



Special Program Shoppers as of February 1, 2022



Property Based Subsidy Utilization as of Q4 Report: January 2022



THA has partnerships with four Property Based Subsidy owners representing more than 350 units across seven properties. The contracts require the properties to maintain a 95% occupancy rate each quarter.

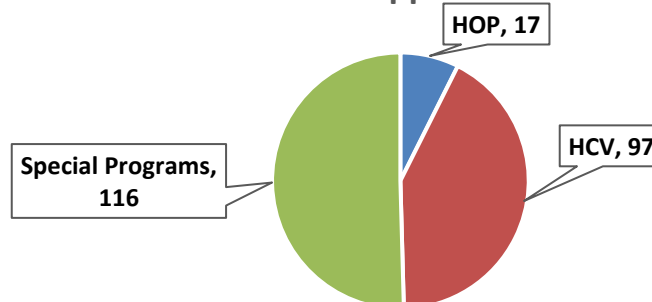
- Koz at the Dome, Cascade Park Gardens and Campbell Court maintain a 95% occupancy rate.
- Cascade Park Gardens is out of compliance, but we are working on a plan to adjust their unit counts across properties to ensure compliance, this will be reflected in the April board report (reflecting Q1 numbers).
- Koz on Market, Highland Flats and Crosspointe are meeting the 95% occupancy requirement, but we are temporarily not subsidizing 20 units across these properties due to compliance findings. We expect the units will be in compliance at unit turn.

3.4 Shoppers Report

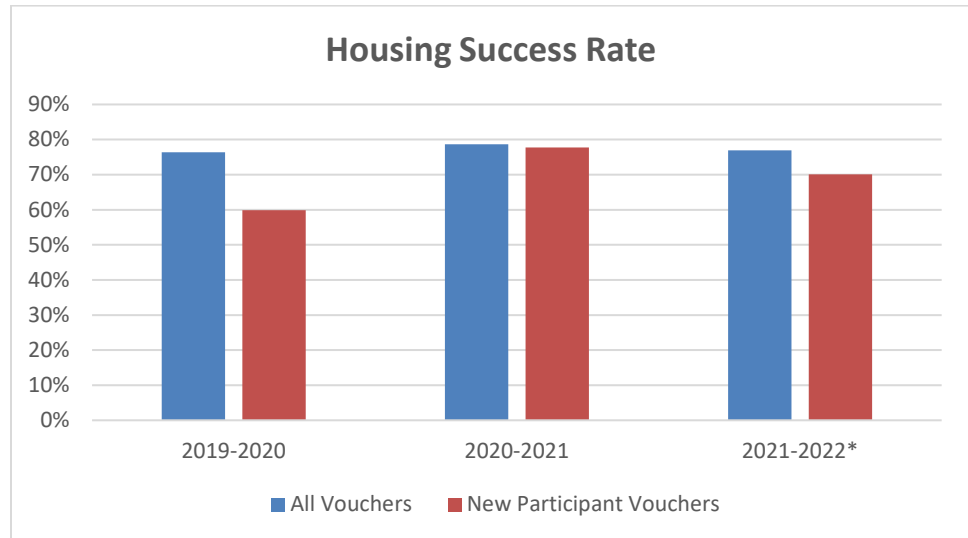
The chart provided below shows a breakdown of the number of current shoppers by program. A shopper is a client who has a voucher and is looking for a unit. The shoppers in the chart below include clients new to the program and clients moving from one unit to another.

- As of February 2022, there are 230 total clients shopping (new shoppers & movers).

Number of Active Shoppers as of February 1, 2022



- Over the past year (February 1, 2021 – January 31, 2022), 584 vouchers were issued and 202 were to new families.
- The overall housing success rate is 77% and 70% for new families.



*The Housing Success Rate for 2021-2022 discounts those actively searching for housing

3.5 Leasing & Waitlist Management

Rental and Assistance and Property Management are working together to determine the feasibility of partnering with Pierce County to accept Coordinated Entry (CE) referrals to fill units set aside for homeless families. This proposal would streamline operations and strengthen our investment in the CE system.

There are about 1,550 households on THA’s Consolidated Waitlist. THA is not currently offering HOP vouchers to households on the waitlist (see our utilization numbers in section 3.1). Leasing continues to pull households to fill vacancies within THA’s portfolio. We anticipate continuing to serve new households through special programs (particularly EHV and FYI) over the next several months.



To: April Black, Executive Director
From: Katie Escudero, Interim Director of PIE
Jess Thompson, Project Manager II
Date: February 8, 2022
Re: Re-entry Housing Proposal (DOC-CHAP voucher set-aside)

Background

Over the past few years Tacoma Community College (TCC) and Tacoma Housing Authority (THA) have held discussions around expanding the College Housing Assistance Program (CHAP) to serve students who began their post-secondary studies in prison and intended to continue their education at TCC upon release. This expansion was proposed because TCC was one of three schools in the state to administer the Second Chance Pell Grant Pilot Program at the Mission Creek Corrections Center for Women (MCCCW) and the Washington Corrections Center for Women (WCCW). This provided a unique opportunity to serve justice-involved students interested in pursuing an Associate's or Bachelor's degree.

However, as CHAP ramped up and went from serving 75 households with tenant-based subsidies to serving nearly 300 with the addition of property-based subsidies, the expansion to serve students exiting the Department of Corrections (DOC) was delayed. As TCC worked in collaboration with Corrections Education and Re-entry staff to develop program plans and proposals, a couple of external evaluations were being conducted which raised a few red flags about participants' experiences and outcomes on CHAP. Specifically, we were learning that the majority of students who applied and were accepted to CHAP were never successful at leasing up. Additionally, many of the participants were being exited from the program for being unable to meet program requirements. Expanding the program to students releasing from prison would require that the program would be designed in a way that required robust supports and supportive landlords.

Though TCC, DOC, and THA continued to explore DOC-CHAP, the COVID pandemic brought about a major disruption. The potential challenges and barriers that were already coming up in conversations around DOC-CHAP were only magnified as staff had to begin to take into consideration what program administration would look like if solely online and what would the student experience be like if it allows for only virtual participation (from a population that might not have the equipment or technical literacy required). THA was left questioning if we wanted to be a position to terminate assistance in cases where someone was a good tenant, abiding by the conditions of their community supervision (if they were under supervision to begin with), but are unsuccessful on the academic front despite their best efforts.

In the end, the PIE team assessed this approach and determined it inadvisable to move forward with DOC-CHAP for the following reasons:

- Corrections Education programs are intended to graduate a person prior to release. We have not been able to get figures on how many people exit midway through their post-secondary career.
- This population is already eligible to participate in the CHAP program. The definition of homelessness includes students exiting a correctional facility without a housing plan. We have not been able to determine the value of offering these vouchers in a separate, standalone program.
- The re-entry navigators at the college serve all two-year schools in the county. We do not believe it is wise to limit eligibility to only students attending TCC. Additionally, we were advised by subject matter experts at the Vera Institute that a partnership with a technical college might be more appealing to participants.
- More generally, CHAP is not demonstrating positive outcomes for the general student population. We do not advise expanding a program that has not proven successful, especially with a population that faces even greater systemic barriers.
- As a result of COVID, college coursework and processes have largely moved online. This presents an additional barrier as it requires the technical know-how and experience to navigate a predominately online educational experience. People exiting prison may not have the necessary skills to participate in online education effectively and successfully without supplemental support and resources.

Partnership Exploration

Once PIE determined that DOC-CHAP, as originally envisioned, might not be the best approach, staff consulted with the housing department of DOC. PIE staff were interested in learning about other potential referral pathways and more immediate ways to utilize these subsidies while getting clearer on the needs and barriers of the diverse populations exiting the criminal justice system. Despite a shared interest in serving this population, PIE staff did not feel the partnership was a strong fit for the following reasons:

- DOC was primarily interested in housing support for the time in which the individual is under their case management or supervision. Whereas THA aims to provide longer term housing support that stabilizes households and provides opportunities to strive towards long-term goals, such as education and good wage-earning jobs.
- Re-entry navigators only provide case management for 12-18 months. After that period, the participant does not receive access to case management.
- Given the lessons learned from CHAP and other “boutique” programs, it was important to THA staff that a program and partnership in this arena be led by the service provider with THA doing what we do best – providing the housing dollar. We sought to quickly get something stood up, but it became clear that THA would need to lean in heavily to design something new for a relatively small population.

PBV Proposal

PIE and Rental Assistance (RA) staff have been discussing alternative approaches to serving people exiting or having recently exited corrections.

Our proposal is to partner with a service provider that has housing units that can be dedicated to the re-entry population. Leases at the property will be time limited to ensure unit turnover. However, residents who have been successful in the program but unable to compete on the rental market without housing assistance, will be offered a move-on voucher to rent on the private rental market. If the changes to HOP are approved, staff anticipate that an HCV move-on voucher will help minimize the financial burden associated with renting in Tacoma. Additionally, we are seeking a service provider that will continue to provide some support and limited case management to participants who have moved out.

PIE and RA staff recommend using the set-aside subsidies in this way for the following reasons:

- The proposal addresses immediate and long-term housing options.
- Supportive services and case management is already available and not time limited.
- Income-based subsidies help ensure people recently exiting jail or prison who are not yet employed can afford rent. It also provides some cushion should they want to pursue post-secondary pathways or job training.
- With a move-on voucher, households should be able to transition to the private market without experiencing a significant increase in rent.
- Participants can build rental history, reducing a barrier to renting on the private market.
- The interested service provider has an established referral source and currently takes referrals from DOC, TCC, and other agencies working with people exiting corrections.

We have released an RFP for up to 25 project-based vouchers set to close March 4, 2022. We have at least one interested party that we expect to respond to the RFP.



TACOMA HOUSING AUTHORITY

PROPERTY MANAGEMENT



TACOMA HOUSING AUTHORITY

Date: February 23, 2022

To: THA Board of Commissioners

From: Marquis Jenkins
Interim Director of Property Management

Re: Property Management Monthly Board Report

1. STRATEGIC OBJECTIVE

Tacoma Housing Authority (THA) will manage its properties, so they are safe, efficient to operate, good neighbors, attractive assets to their neighborhoods and places where people are happy to live.

2. DIRECTOR'S COMMENTS

January was a busy month for Property Management, the team continues to work hard to support our properties and tenants. The team has focused a great amount of energy reviewing and posting positions to fully staff the department. Hiring and adding all the missing elements will allow for additional support in many key areas. We look forward to announcing new hires in upcoming months. In the meantime, we have shifted when needed and adjusted with great flexibility to make sure the top needs are being addressed. It has been amazing to see so many members of the team step up, provide support, and go the extra mile during these transition times.

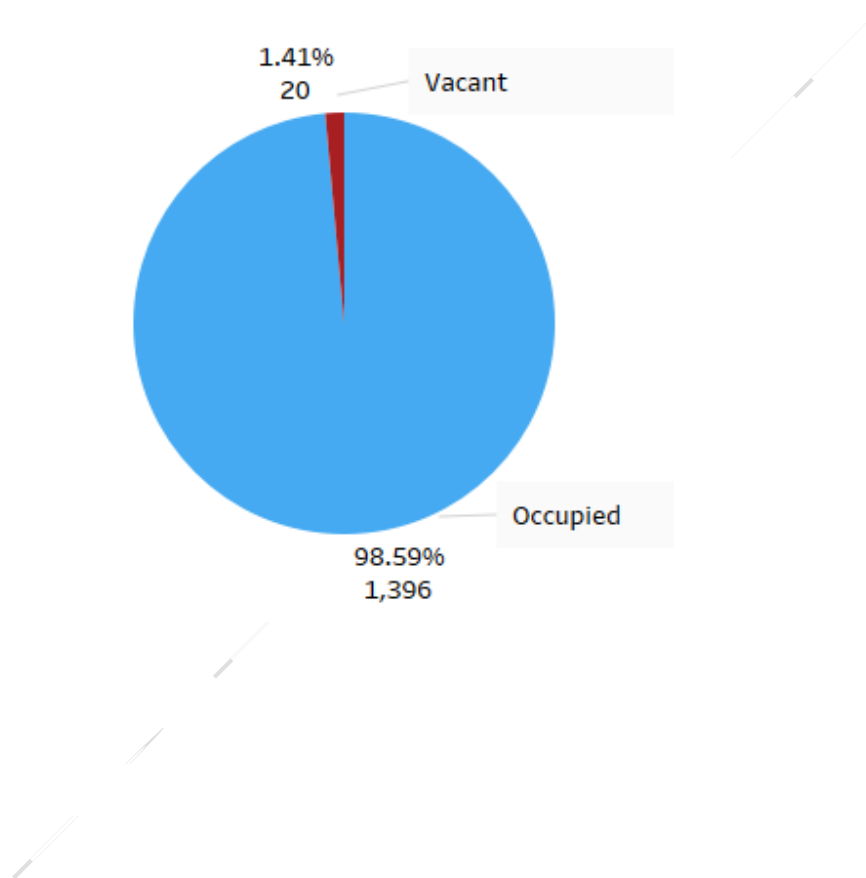
In January Salishan launched the Washer and Dryer Asset Distribution project. The team is working hard to transition current W/D to tenant ownership in conjunction with a lease addendum. The project has been going smooth thus far and when complete will provide many benefits to the department. Not only will it allow our portfolio to become more aligned by providing hook ups only, it will also free up maintenance time and monies associated with the costly repairs and replacements of these units. We look forward to providing additional updates on the progress.

Property Managers continue to find creative ways to introduce fun in the community. For months now we have been creating monthly "Fun Facts." These are placed in the elevators and common areas of our midrise properties. Attached you will find an example for January. We will also reprise our pet of the month next month, attached you will find the flyer. We continue to think creatively to find small, yet meaningful ways to engage our tenants during this time.

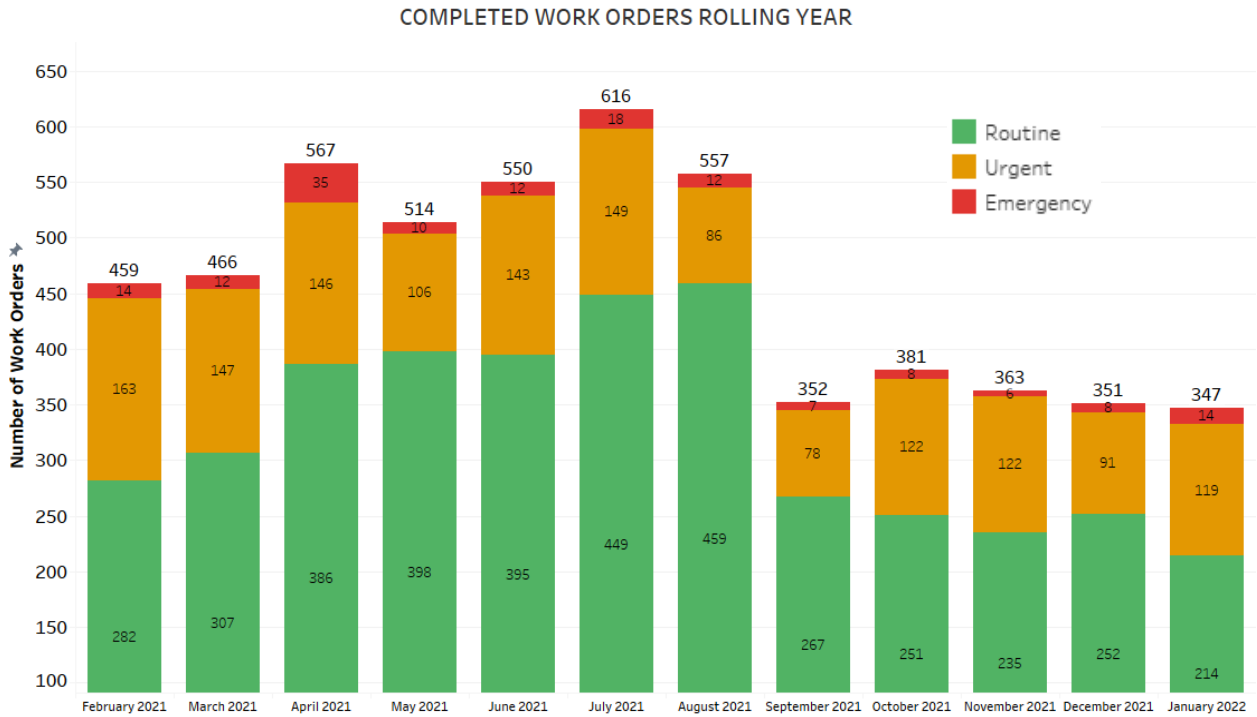
3. KEY MEASURES OVERVIEW

3.1 Occupancy Overview

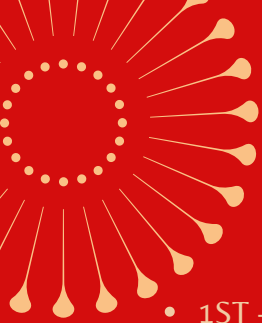
The portfolio has maintained an average occupancy rate of 98.59% (or 99%) for the month of January. Unit Occupancy is reported as of the first day of the month. THA has a total of 23 properties in its portfolio, with a total of 1,416 units to provide safe, affordable housing to many Tacoma residents that would otherwise be unable to afford the areas increasing prices. These numbers reflect the dedication by the PM staff to their work and to our mission to house our clients, even under extreme circumstances.



3.3 Work Orders



This chart summarizes the completed work orders by month. In January, 100% of the emergency work orders were completed within 24 hours and all urgent work orders completed within 72 hours. We are still holding on routine workorders however, some of these are addressed as items upgrade to urgent status. With the mandate in place, we are working on a plan for addressing routine work orders and unit inspections. The goal is to move forward with both before the second quarter of 2022. A plan for how we will tackle both, in a safe way for tenants and staff, is still being developed.



JANUARY FUN FACTS



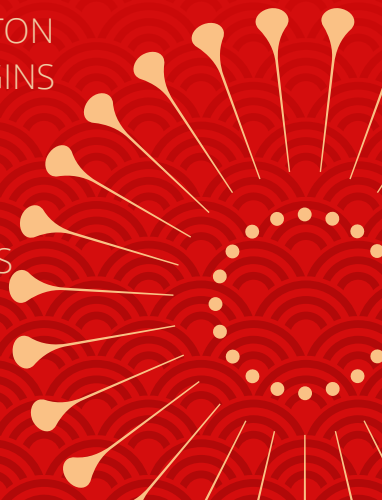
DATES TO REMEMBER

- 1ST - PET SAFETY TRAVEL DAY
- 5TH - WHIPPED CREAM DAY
- 6TH - CUDDLE UP DAY
- 9TH - STATIC ELECTRICITY DAY
- 10TH - PECULIAR PEOPLE DAY
- 13TH - SKEPTICS DAY
- 14TH - DRESS UP YOUR PET DAY
- 15TH - HAT DAY
- 17TH - DITCH NEW YEAR'S RESOLUTION DAY
- 19TH - POPCORN DAY
- 21ST - HUGGING DAY
- 25TH - OPPOSITE DAY
- 29TH - FREETHINKERS DAY
- 31ST - BACKWARD DAY



CELEBRITY BIRTHDAY'S

- 1ST - MORRIS CHESTNUT
- 2ND - TAYE DIGGS; KATE BOSWORTH
- 3RD - MEL GIBSON
- 5TH - BRADLEY COOPER, DIANE KEATON
- 7TH - NICHOLAS CAGE; KENNY LOGGINS
- 10TH - ROD STEWART; PAT BENETAR
- 11TH - MARY J BLIGE; NAOMI JUDD
- 14TH - L.L. COOL J; JASON BATEMAN
- 16TH - JOHN CARPENTER; KATE MOSS
- 17TH - JIM CARREY; BETTY WHITE
- 21ST - GEENA DAVIS
- 25TH - ALICIA KEYS; ETTA JAMES



WHAT'S BETTER THAN
LOOKING AT PICTURES
OF CUTE DOGS &
CATS?

LOOKING AT PICTURES
OF **YOUR** DOGS & CATS OF
COURSE!!

SEND US A PHOTO OF YOUR
FUR BABY AND EACH MONTH
WE WILL FEATURE A NEW PET
OF THE MONTH ON OUR
FACEBOOK PAGE & AROUND
OUR THA PROPERTIES.

CONTACT YOUR PROPERTY MANAGER
FOR MORE DETAILS!

PET OF THE MONTH





TACOMA HOUSING AUTHORITY

NEW BUSINESS

Resolution 1



TACOMA HOUSING AUTHORITY

RESOLUTION 2022-02-23 (1)

Date: February 23, 2022
To: THA Board of Commissioners
From: April Black
Executive Director
Re: Laserfiche Document Management System and CDI Hosting Services Contracts

This resolution would authorize the Executive Director to enter into a contract with Compulink Management Center, dba Laserfiche for a document management system, and a contract with Cities Digital Inc., dba CDI for cloud hosting services for the Laserfiche document management system. Both contracts to be executed in the form and substance of the attached contracts.

Background

In 2018, THA began researching document management systems to improve our structure and retrieval of documents used and generated in the daily work of the agency. Progress on this effort was delayed due to staffing capacity and other demands on the agency. In 2020, IT rebooted this effort and conducted deeper research and demonstration of three different document management/electronic management systems. These included Hyland/On Base, MFiles, and Laserfiche. In 2020, the Cabinet/Leadership Team approved moving forward with Laserfiche. Again, staffing capacity and other demands delayed our implementation, but, in conjunction with the Yardi implementation, with Laserfiche serving as Yardi's document store, we are now prepared to enter into a contract with Compulink Management Center, dba Laserfiche for the software licenses and Cities Digital, Inc., dba CDI for hosting the system in the cloud.

The term for this Laserfiche Contract will be three (3) years. The year 1 software, maintenance and implementation services fee will be not to exceed \$203,272.00. For years 2 and 3, the annual maintenance fees will be \$31,212. The CDI contract will be a one-year contract, renewed annually, and the amount will be \$47,220.

Recommendation

Approve the Executive Director entering into a contract with Compulink Management Center dba Laserfiche and Cities Digital Inc., dba CDI.



TACOMA HOUSING AUTHORITY

RESOLUTION 2022-02-23 (1) (Laserfiche Document Management System and CDI Hosting Services Contracts)

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 (“Tacoma Housing Authority” or “Authority”) has substantial needs for application software for document management, all to better serve its low and moderate-income housing community and other services through the various programs administered by the Authority; and

WHEREAS, The Authority has engaged in a multi-year effort to identify and procure necessary system software, cloud services, support and training, including installation, maintenance and service of hardware and software. That effort has included evaluation by Authority-wide personnel of many vendors, services and programs, and government service providers under federal and local programs; and

WHEREAS, The Authority may contract under governmental joint purchasing programs; and

WHEREAS, The Authority is using the Washington State Department of Enterprise Services Master Contract No. 07814-001 and subsequent amendment(s) for this procurement; and

WHEREAS, Additional terms have been negotiated using the services of our legal team at Foster Garvey, including counsel specializing in SaaS contracts; and

WHEREAS, The costs associated with both of these contracts are budgeted for 2022; now, therefore, be it

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

Approve the Executive Director entering into a contract with Compulink Management Center, dba Laserfiche and Cities Digital Inc., dba CDI.

Approved: February 23, 2022

Stanley Rumbaugh, Chair

**TECHNOLOGY SOLUTION CONTRACT
BETWEEN THE
TACOMA HOUSING AUTHORITY
AND
COMPULINK MANAGEMENT CENTER, INC. D/B/A LASERFICHE
CONTRACT NUMBER 2020-028-WA053**

This agreement, hereinafter referred to as "Technology Solution Contract", is made and entered into by and between Tacoma Housing Authority, located at 902 South L Street, Tacoma, WA 98405-4037 hereinafter referred to as "Agency" and the below named firm, hereinafter referred to as "Contractor."

Contractor Name: Compulink Management Center, Inc., a California corporation
d/b/a Laserfiche

Address: 3443 Long Beach Blvd.

City, State ZIP: Long Beach, CA 90405

Phone: (800) 985.8533

Email: notices@laserfiche.com

WHEREAS, Agency and Contractor desire to enter into a Technology Solution Contract for an Enterprise Content Management (ECM) solution; and

WHEREAS, Agency has determined that entering into this Technology Solution Contract with Contractor shall meet Agency's needs; now, therefore,

IN CONSIDERATION of mutual promises as hereinafter set forth and incorporated herein, subject to Washington State Department of Enterprise Services Master Contract No. 07814-001 and subsequent amendment(s) hereinafter referred to as "Master Contract" which shall be incorporated herein by this reference, Agency and Contractor agree as follows:

1. Term

The term for this Technology Solution Contract shall be three (3) years from the execution date of this Technology Solution Contract. Agency shall have the sole discretion and option to extend this Technology Solution Contract.

Agency reserves the right to purchase additional products within the scope of this Technology Solution Contract which will be appropriately documented by amendment, signed by authorized representatives of the parties and attached and incorporated into this Technology Solution Contract.

2. Price Schedule and Fees

Total compensation payable to Contractor for products purchased shall not exceed \$203,272.00 as shown in schedule A.

The Contractor's Quote No. 937914v.1 dated 1/6/2022 shall be attached and incorporated herein as Schedule A. A mutually agreed upon Statement of Work for services shall be created specifying tasks, acceptance criteria, timelines, and all other associated costs and shall be attached and incorporated herein as Schedule B.

(note: the total cost of product/software/maintenance, implementation services, and applicable taxes will not be greater than the total "not to exceed" amount. Additional products, software, maintenance,

and services should be purchased with an amendment to this Technology Solution Contract and increase the total “not to exceed” amount of this contract.)

3. Contract Management

The Contract Manager for each of the parties shall be the contact person for all communications and billings regarding the performance of this Technology Solution Contract.

Contractor Contract Manager Information	Agency Contract Manager
Compulink Management Center, Inc. d/b/a Laserfiche 3443 Long Beach Blvd., Long Beach, CA 90807 Phone : 800-985-8533 Email Address: sales@laserfiche.com	Aaron Tripp Tacoma Housing Authority 902 South L Street, Tacoma, WA 98405-4037 Phone: (253) 207-4400 Email Address: atripp@tacomahousing.org

4. Billing

The Contractor shall submit properly itemized invoices to the Agency accounts payable:

Tacoma Housing Authority

Attn: Accounts Payable

902 South L Street, Tacoma, WA 98405-4037

or

via email: atripp@tacomahousing.org

Invoices shall contain at a minimum the information listed below:

1. Technology Solution Contract Number
2. Contractor Name, address and telephone number
3. Contractor Federal Identification Number (FIN)
4. Dates
5. Description of Deliverable (If hourly, include the number of hours worked, hourly rate, total amount per line item.)
6. Total Milestone Payment Amount
7. Total dollar amount per line item
9. Net Invoice
10. Applicable taxes
11. Payment terms including any available discounts

Incorrect or incomplete invoices will be returned to Contractor for correction and reissuance.

The Contractor shall submit a monthly invoice to the Agency for services performed in the previous calendar month in a format acceptable to the Agency. The Contractor shall maintain time and expense records and provide them to the Agency upon request. Invoices for Fixed-Fee Engagement Based on Completion of Milestones shall be submitted as provided for in the payment plan described in Schedule B.

The Agency will pay timely submitted and approved invoice received before the 20th of each month within thirty (30) days of receipt.

5. Assurances

Agency and Contractor agree that all activity pursuant to this Technology Solution Contract will be in accordance with all the applicable current federal, state and local laws, rules, and regulations.

6. Modifications

Agency and Contractor agree that all activity pursuant to this Technology Solution Contract will be in accordance with all the applicable current federal, state and local laws, rules, and regulations.

7. Section 9.2 of the Master Contract with respect to public record requests will not apply to the Agency.

ORDER OF PRECEDENCE

In the event of an inconsistency within or between this Technology Solution Contract and any amendment, exhibit, schedule, appendix, SOW, or other document, such inconsistency shall be resolved by giving precedence in the following order:

1. Applicable federal and state of Washington statutes and regulations
2. Mutually agreed written amendments to the Master Contract terms, including this Technology Solution Contract
3. The Master Contract and all exhibits thereto
4. Schedule A – Contractor Quotes
5. Schedule B – Statement of Work No. 1
6. Exhibit A – Software License Agreements (all current applicable software license/use agreements – it is the responsibility of Contractor to ensure these agreements are substantially the same as the initial agreements attached in the Master Contract.)
7. Any other provision, term or material incorporated herein by reference or otherwise incorporated

ENTIRE AGREEMENT

This Technology Solution Contract, including referenced Exhibits and Schedules, together with the Master Contract, all of which are hereby incorporated into this Technology Solution Contract as though fully set forth herein, represent all the terms and conditions agreed upon by the parties. No other statements or representations, written or oral, shall be deemed a part hereof. Except as provided herein, no alteration of any of the terms, conditions, delivery, price, quality, or Specifications of this Technology Solution Contract will be effective without the written consent of both parties.

CONFORMANCE

If any provision of this Technology Solution Contract violates any statute or rule of law of the state of Washington, it is considered modified to conform to that statute or rule of law.

VENUE

The venue for any action to enforce or interpret this Agreement shall lie in the Superior Court of Washington for Pierce County, Washington.

APPROVAL

This Technology Solution Contract shall be subject to the written approval of Agency's authorized representative and shall not be binding until so approved. The Technology Solution Contract may be altered, amended, or waived only by a written amendment executed by both parties.

ALL OTHER TERMS AND CONDITIONS OF THE MASTER CONTRACT AND ITS SUBSEQUENT AMENDMENTS SHALL REMAIN IN FULL FORCE AND EFFECT.

IN WITNESSS WHEREOF, THIS TECHNOLOGY SOLUTION CONTRACT is executed by the persons signing below, who warrant they have the authority to execute the Technology Solution Contract.

Tacoma Housing Authority

**Compulink Management Center, Inc. d/b/a
Laserfiche**

Signature

Signature

Peter Wayman

Name

Name

Vice President

Title

Date

Title

Date

SCHEDULE A

CONTRACTOR QUOTES

Annual Breakdown

	Year 1	Year 2	Year 3	Year 4
Total Software	\$156,060.00	-	-	-
Total Maintenance	\$31,212.00	\$31,212.00	\$31,212.00	\$31,212.00
Total Services	\$16,000.00	\$0.00	\$0.00	\$0.00
*TOTAL *Tax not included	\$203,272.00	\$31,212.00	\$31,212.00	\$31,212.00

Software & Annual Maintenance

Product	Software Quantity	Soft. Unit Cost	Maint. Unit Cost	Total
Laserfiche Rio Named Full User 100-199 (ENF)	160.00	\$805.00	\$161.00	\$154,560.00
Laserfiche Forms Professional 100-199 (EFRM)	160.00	\$80.50	\$16.10	\$15,456.00
Laserfiche RME (Named Full Users 100-199) (ERM)	160.00	\$80.50	\$16.10	\$15,456.00
Laserfiche Import Agent (IA)	1.00	\$1,500.00	\$300.00	\$1,800.00
			Software:	\$156,060.00
			Maintenance:	\$31,212.00
			Tax:	\$.00
			Total:	\$187,272.00

Services

Service	Service Quantity	Service Unit Cost	Total
Consulting Service Hours (CD2990) <i>Initial implementation with priority of network drive ingestion and training.</i>	160.00	\$200.00	\$16,000.00
		Service:	\$16,000.00
		Tax:	\$.00
		Total:	\$16,000.00

**SCHEDULE B
STATEMENT OF WORK**

STATEMENT OF WORK NO. 1
TO
TACOMA HOUSING AUTHORITY
TECHNOLOGY SOLUTION CONTRACT NUMBER **2020-028-WA053**

This Statement of Work No. 1 (SOW) to Technology Solution Contract No. 2020-028-WA053 (Contract) is entered into by and between Tacoma Housing Authority (Agency) and Compulink Management Center, Inc. d/b/a Laserfiche (Contractor).

Contractor agrees to provide to Agency the services set forth in this SOW, in accordance with the terms of this SOW and the Technology Solution Contract, for the fees set forth in this SOW and the Contract. Specific resources to be provided and deliverables will be mutually agreed upon and documented in writing as set forth herein.

1 LOCATION AND PERIOD OF PERFORMANCE

1.1 Per a mutually agreed upon schedule, Contractor staff shall perform all work at the following location (or online via GoToMeeting):

Tacoma Housing Authority
902 South L Street
Tacoma, WA 98405-4037

1.2 The period of performance for work identified in this SOW shall begin on _____ through _____.

1.3 The Agency reserves the right to amend or extend this SOW by mutual agreement.

PROJECT SCOPE AND OBJECTIVES

Agency seeks to implement a Laserfiche software solution in order to implement a paperless records management system with automation.

The following workstreams are included in the Services.

Workstream	Major Activities
1. Installation	1.1 Install Laserfiche Rio 11.x and the following software components: <ul style="list-style-type: none">• Laserfiche Records Management Edition• Laserfiche Workflow• Laserfiche Forms• Laserfiche Import Agent

2. Installation / Implementation Documents	2.1 Design and implement four business processes <ul style="list-style-type: none"> • Network Drive Ingestion 2.3 Design and implement WA State records management and retention 2.4 Implement integrations with four selected applications

PROJECT APPROACH: MAJOR ACTIVITIES AND TASKS

To complete this project, Laserfiche will employ a five-Phase implementation approach, as shown in the diagram below. Each Phase includes ongoing project governance, project management, and weekly status reporting. As part of project governance activities, Agency’s acceptance of deliverables for each Phase is required before starting the next Phase.



The remainder of this document includes the major activities and deliverables for each Phase.

Phase 1. Requirements and Design



Major Activities

This Phase consists of the establishment of project practices and templates, as well as the creation, review, and approval of a Requirements and Design document. Specific major activities/tasks for this Phase include:

1. Conduct a project kick-off meeting with Agency and its key personnel.
2. Develop a project plan for the engagement.
3. Conduct three to five workshops and interviews over a one to two-week period with the project executive sponsor, IT administrators, and subject matter experts (e.g., Department Record Coordinators) to confirm requirements. As part of this task, Laserfiche will leverage the demo provided to Agency.
4. Draft a Requirements and Design document by using information gathered in the workshops and interviews. The document will include:
 - A plan to install Laserfiche Rio and the following software components in the Agency’s network:
 - Laserfiche Records Management Edition
 - Laserfiche Workflow

- Laserfiche Forms
 - Laserfiche Import Agent
 - A repository file plan that includes:
 - Folder structure to support the routing and storage of up to 30 document types.
 - Metadata to appropriately index up to 30 document types.
 - High-level security to help control access and rights for up to 30 document types.
 - A capture plan that includes:
 - Capturing documents from scanners & copiers
 - Capturing content on network drive for importation
 - Electronic workflows that include:
 - **Network Drive Ingestion**
5. Review the Requirements and Design document and make updates based on Agency feedback.

Major Deliverables

Deliverables for Requirements and Design will include:

- Requirements and Design Document: An Agency Requirements and Design document for the installation and configuration of the system. This will include the Hardware specifications; Interface specifications; Installation Architecture specifications and Site Customization documents.
- Project Plan: A project plan that contains tasks and the estimated hours and duration for each task.
- Status Report Template: A template that summarizes completed activities for the period; planned activities; project-related issues that could impact scope, budget and timing; and other information. This template captures key decisions with Agency on scope areas. Project Status reports to be provided to the city on mutually agreed milestones and time frames.

Phase 2. Development



Major Activities

This Phase consists of implementing the solution in accordance with the Requirements and Design document created in Phase 1. Specific major activities/tasks for this Phase include:

1. Coordinate with Agency to obtain VPN access to the network.
2. Install all licensed Laserfiche software required by the Services.
3. Develop and configure the solution per the specifications set forth in the Requirements and Design document.

4. Provide at minimum monthly solution demonstrations to Agency to obtain feedback.
5. Develop a Test Plan to conduct testing in the next Phase.

Major Deliverables

Deliverables for Development will include:

- Deployed System: Laserfiche system is deployed in Agency’s Test environment per the Requirements and Design document and solution demonstrations.
- Data Conversion Plans: Document the data conversion plans for legacy network drive records into the new Laserfiche product.
- Test Plan: Test scripts to be used by Laserfiche and Agency to test system functionality. Test as needed for interfaces identified and implemented per Requirements and Design phase.
- Configuration and Certification: Complete work as needed in order to be able to run System Configuration Reports and get completed Installation Certificates.

Phase 3. Testing



Major Activities

This Phase consists of a coordinated effort between Laserfiche and Agency to test the system. Specific major activities/tasks for this Phase include:

1. Test the system using the Test Plan and remediate issues as necessary.
2. Coordinate with Agency to onboard users.
3. Provide guidance to Agency personnel who will perform User Acceptance Testing (“UAT”).
 - Address issues identified during UAT that are in scope for the Services.
 - New or modified requirements will be addressed in a separate SOW to minimize impacting the project timelines for the Services.
4. Create Deployment and Data Validation Plan.
5. Prepare for training and go-live.

Major Deliverables

Deliverables for Testing will include:

- Deployment-Ready Solution: Laserfiche solution that is tested for functionality by both Laserfiche and Agency, which will be ready for promotion to the Production environment.
- Deployment and Data Validation Plans: The Deployment Plan details how the developed solution will be promoted from the Test to Production environment. The companion Data Validation Plan is specific to solutions that require such a procedure (e.g., database migrations from legacy systems to Laserfiche). The Data

Validation Plan contains a list of user inputs for the actions, steps on how to perform the actions, and expected results. The Agency will carry out the plan and verify the outputs. *Agency's acceptance of the Deployment and Data Validation Plans will constitute approval to close out the project 20 business days after the plan has been executed and the data has been validated.*

Phase 4. Deployment



Major Activities

This Phase consists of deploying the upgraded and updated system to the Production environment. Specific major activities/tasks for this Phase include:

1. Provide a train-the-trainer approach to train end-users and administrators on the developed solution.
2. Promote the solution to Agency's Production environment. Specifically:
 - Promote Laserfiche environment from Test to Production.
 - Promote the form, workflows, and Quick Fields sessions to the Production environment.
 - Promote folder structure, security, and metadata to the Production environment.
3. Address production-specific issues that occur.
4. Inform Agency that the system is available and in a production state for end-users to use the system.

Major Deliverables

Deliverables for Deployment will include:

- User Training: A User Training Plan that Agency can use to train end-users and administrators. Assist the city as needed with staff training.
- Deployed System: Laserfiche system deployed to the Production environment per the Go-Live and Stabilization Plan documents.
- System Documentation: Project documentation on the administrative aspects of the system.

Phase 5. Transition to Agency



Major Activities

This Phase consists of transitioning the system to Agency system administrators and providing knowledge transfer. Specific major activities/tasks for this Phase include:

1. Perform post-deployment support activities.
 - Provide guidance to Agency on monitoring and documenting issues that may arise.
 - Coordinate with Agency administrators for up to 10 business days to help diagnose and resolve identified issues.
2. Transfer day-to-day system maintenance to Agency.
3. Walk Agency through the System documentation created in the Deployment Phase.
4. Introduce methods for accessing Support services for Laserfiche from VAR to Agency’s post-project support team via an email.

Major Deliverables

Deliverables for Transition to Support will include:

- Closeout Notification: An email that contains a high-level summary of deliverables provided by Laserfiche to Agency. After “closeout,” all new Services work not expressly covered by the LSAP will be considered a new billable project.
- Operations Manual: System Operations manual to be provided to the city per the system requirements and implementation along with Template Tools for Documenting Business Processes.

PRICING AND PAYMENT TERMS

Professional Services Pricing

The table below sets forth the estimated level of effort required for this project, including both onsite and offsite Professional Services work. This project will be billed on a fixed-price. Project management will be billed as part of the Services.

Reasonable out-of-pocket expenses (e.g., airfare, lodging, meals, and ground transportation) will be billed as incurred, and will be consistent with Washington state requirements.

Phase	Description	Rate	Est. Hours	Estimated Cost
1	Project Management	200.00	20	\$4,000.00
3	Testing	200.00	3	\$600.00
4	Deployment	200.00	34	\$6,800.00
5	Transition to Support	200.00	3	\$600.00
6	Training	200.00	20	\$4,000.00
Total				\$16,000.00
SALES TAX				\$0.00
TOTAL				\$16,000.00

Payment Plan for Fixed-Fee Engagement Based on Completion of Milestones

All Services will be performed in accordance with this mutually accepted SOW. To provide initial funding for the project and simplify billing, an initial payment of 20% of the cost of the SOW will be billed upon execution of the document. 55% of the cost of the SOW will be billed upon acceptance and completion of the Requirements and Design (Phase 1). 15% of the cost will be billed upon acceptance and completion of the Deployment-ready Solution deliverable of Phase 3. 10% of the cost of the SOW will be billed upon closeout.

Invoices are due 30-days upon receipt. If and when changes to project scope or effort required to complete specific work items occur due to unforeseen complications or issues outside of Laserfiche’s control, Laserfiche will prepare a change order for approval by Agency.

ADDITIONAL TERMS AND CONDITIONS

Subcontractors

Contractor has advised Agency that Contractor intends to subcontract a portion of the Services to Cities Digital located at 2000 O’Neil Road Suite 150, Hudson, WI 54016. (“Subcontractor”). Agency hereby approves Contractor’s delegation of the responsibility to Subcontractor to perform a portion of the Services required by this SOW.

Agency Responsibilities

Agency will be responsible for the following:

1. Agency will make available, and provide timely access to (e.g. within two to three business days), necessary personnel to ensure project success, including:
 - a. A designated project manager to help schedule meetings, facilitate project governance, coordinate document requests, and other tasks.
 - b. IT personnel such as system administrators, database administrators, and help desk.
 - c. Subject matter specialists to provide information on Agency’s system and file plan.
 - d. Personnel to execute the test scripts and document results for User Acceptance Testing (“UAT”). Personnel will be made available per the project schedule and plan. Any delays in UAT may involve additional hours or fees.

Resource List

Project Team	Purchaser Team
Patrick Welsch	Aaron Tripp
Micheal Mathys	Amber Terrasas
Mike Richardson	
Kyle Knebel	

2. Agency will work with Laserfiche to provide any necessary technical resources and support. This includes:
 - a. Providing timely access and user credential to Agency network, applications, database and related resources, including remote access.
 - b. Providing configured Test environment that closely mirrors the Production environment.
 - c. Providing only test data and not production data to Laserfiche.
 - d. Configuring Kerberos, Active Directory and security policies as required for the implementation.
 - e. Performing and testing backups of the Laserfiche configuration, database and other systems as needed.
 - f. Completing any testing (e.g., system, integration, user acceptance testing) as needed.
3. Agency will provide requested documentation and acceptance of key deliverables within two to three business days. If Agency does not respond in writing to Laserfiche's request for acceptance within **ten** business days of Laserfiche's request, or Agency does not reasonably refuse such approval within the five-day period, Agency will be deemed to have accepted. If Agency decides not to deploy after acceptance of the Deployment-ready Solution deliverable of Phase 3 (Testing), Laserfiche may close out this project. After "closeout," all new Services work not expressly covered by the LSAP will be considered a new billable project.
4. Agency will be responsible for licensing all software components necessary for completing Services.

Key Assumptions

The following are key assumptions for delivery of the Services:

1. The scope of the engagement will include the Services specifically described in this SOW. Any additional scope requests will be provided in a separate SOW or change order.
 - a. Other than basic installation activities, the scope does not include configuring WorkFlow, Forms and other Laserfiche software components except for those components when tied to the deliverables identified in this and subsequent SOW documents.
 - b. Any onsite work will be performed as needed at Agency's offices in Tacoma, Washington. All other work will be performed remotely. Currently, **0** trips are contemplated for the Services.
2. The project is estimated at **80** hours over a **12** week period. Any delays and additional hours incurred because of Agency's failure to fulfill its responsibilities will be billed to Agency.
3. If Agency does not either reasonably refuse or contest Laserfiche's request that Agency accept the hours incurred and billed within ten business days of Laserfiche's request, Agency will be deemed to have accepted it.

4. All Laserfiche Software Products, Professional Services and Support are sold subject to the terms and conditions of Laserfiche's Software License Agreement (EULA), which accompanies the software.
5. By signing this SOW, Agency accepts all of these terms and conditions, which will not be varied except in writing signed by both parties.

Approval

This SOW is subject to the written approval of Agency’s authorized representative and will not be binding until so approved.

ALL OTHER TERMS AND CONDITIONS OF THE TECHNOLOGY SOLUTION CONTRACT, ITS AMENDMENTS, RELATED STATEMENT OF WORKS, AND THE MASTER CONTRACT REMAIN IN FULL FORCE AND EFFECT.

In Witness Whereof, this Statement of Work is executed by the persons below, who warrant that they are authorized by their respective parties to execute this Statement of Work.

Tacoma Housing Authority (Agency)	
Signature	
Print or Type Name	Date
Title	

Compulink Management Center, Inc. d/b/a Laserfiche (Contractor)	
Signature	
Print or Type Name	Date
Title	

VAR Cities Digital, Inc. DBA CDI (Subcontractor)	
Signature	
Print or Type Name	Date
Title	

Exhibit A
LASERFICHE SOFTWARE LICENSE AGREEMENT or "EULA"

LASERFICHE END USER LICENSE AGREEMENT

This Laserfiche End User License Agreement ("**EULA**") is between you and Compulink Management Center, Inc. dba Laserfiche or its affiliates ("**Laserfiche**," "**Licensor**," "**we**," "**our**," and "**us**") and governs your use of the accompanying Laserfiche software, which includes updates or upgrades, if any, provided by us for such software (collectively, "**Laserfiche Software**" or "**Software**"), and associated Documentation (as defined below) (the Software and Documentation together, the "**Laserfiche Product**"). "**You**" and "**your**" and "**Licensee**" means the individual, company or other legal entity licensing the Laserfiche Product under this EULA.

1. Acceptance of Terms. THIS IS A LEGAL AGREEMENT THAT APPLIES TO ALL LASERFICHE PRODUCTS LICENSED ON AN ON-PREMISES BASIS. THIS AGREEMENT ALSO CONTAINS AN AGREEMENT TO ARBITRATE AND A CLASS ACTION WAIVER IN SECTION 18.8. BY DOWNLOADING, INSTALLING, COPYING, ACCESSING OR UTILIZING THE LASERFICHE SOFTWARE ("USE"), YOU ACKNOWLEDGE THAT YOU HAVE READ, UNDERSTOOD, AND AGREE TO BE BOUND BY THE TERMS AND CONDITIONS OF THIS EULA. IF YOU ARE ACCEPTING THIS EULA ON BEHALF OF ANOTHER PERSON OR COMPANY OR OTHER LEGAL ENTITY, YOU REPRESENT AND WARRANT THAT YOU HAVE FULL AUTHORITY TO BIND THAT PERSON, COMPANY OR LEGAL ENTITY TO THIS EULA.

IF YOU DO NOT AGREE TO THE TERMS AND CONDITIONS OF THIS EULA OR DO NOT HAVE THE NECESSARY AUTHORITY, DO NOT USE THE LASERFICHE PRODUCT. PROMPTLY RETURN THE LASERFICHE PRODUCT TO THE PARTY FROM WHOM IT WAS OBTAINED. IF THE SOFTWARE OR ANY DOCUMENTATION WAS DOWNLOADED, DESTROY ALL COPIES OF THE SOFTWARE AND DOCUMENTATION.

2. License

2.1 Grant of License. For good and valuable consideration, Licensor grants you a limited, non-exclusive, non-transferable license to Use such Software, solely in executable code, in accordance with the Documentation, and Use a reasonable number of copies of the Documentation, in each case subject to the terms and conditions of this EULA and the License Requisition (the "License**"). The Laserfiche Product is owned by Laserfiche and is copyrighted and licensed, NOT SOLD.**

- "**License Requisition**" means our invoice, our written acceptance of an Order, or other written acceptance by us of an agreement, by which you acquire the License, which invoice, Order, or agreement, lists the specific Software product and component licenses that you purchase. The License Requisition may limit the scope of the License being granted or grant additional rights. For the avoidance of doubt, the reference hereinabove to, "Order, or other written acceptance by us of an agreement, by which you acquire the License, which invoice, Order, or agreement, lists the specific Software product and component licenses that you purchase", does not include, and our acceptance of any Order or any other agreement by which you acquire the License does not constitute our acceptance of, any agreement between you and Laserfiche's authorized reseller or distributor.

- “Documentation” means **getting started guides, user guides, product help, product sheets, quick reference guides, articles, white papers, and other technical and operations manuals and specifications published by Laserfiche for the Software.**
- “Order” means **an order, purchase order, or similar document that is submitted to us by you or a Laserfiche authorized reseller or distributor on your behalf, which specifies the particular Software products and components that you intend to license, and which shall not bind us unless (a) such document incorporates the terms and conditions of this EULA and (b) is accepted by us. Acceptance of any Order by us for licensing Software is made only on the express condition that the terms and conditions of this EULA shall govern. Our failure to object to provisions contained in any Order or communication from you will not be deemed a waiver of any provision herein. Any additional or different terms proposed by you in any Order or communication shall be deemed material, are objected to, and are hereby rejected unless specifically accepted in a signed writing by an authorized representative of Laserfiche. For the avoidance of doubt, your agreement, if any, with Laserfiche’s authorized reseller or distributor, shall not constitute an Order.**

2.2 License Scope. Laserfiche Software may include, without limitation: (a) "**Server Software**" that provides document management services to other programs; (b) "**Client Software**" that allows a computer or workstation to access or utilize the services functionality provided by the Server Software; (c) "**Stand-alone Software**" that operates on a single computer; (d) "**Demonstration Software**" that is provided only for demonstration, testing and feedback purposes; (e) "**Distributed Computing Cluster Software**" that allows distribution of processing work for certain Laserfiche application tasks onto other machines; and/or (f) "**Plug-in Software Modules**" that can be added to the previously mentioned types of software. Specific additional terms that accompany a software development kit or the Software designated for "**application service provider**" purposes will also apply to you. Your Use of the Laserfiche Product shall be subject to the Usage Limitations described in Section 6. In addition, you agree to the restrictions set forth in Section 5 below.

3. Evaluation License. If the Laserfiche Software is furnished to you for evaluation purposes or other limited, temporary use as authorized by us ("**Evaluation Product**"), your Use of the Evaluation Product is only permitted: (a) for the period limited by the license key or otherwise stated by us in writing ("**Evaluation Period**"), and (b) by your employees, contractors, and consultants for no purposes other than demonstration of the capabilities of the Software to prospective licensees or evaluation and testing of the Software for suitability. No Evaluation Product may be used in a production environment. An Evaluation Product is licensed "AS-IS" without support or warranty (including any warranty provided in Section 12.1) of any kind, expressed or implied. Laserfiche does not assume any liability arising from any use of the Evaluation Product. You may not publish any results of benchmark tests run on the Evaluation Product without first obtaining written approval from us. Your receipt of the Evaluation Product does not constitute a license to use (other than as permitted in this Section), sell, distribute, or commercialize the Evaluation Product. No compensation will be paid to you for any use of the Evaluation Product. You authorize Laserfiche and its affiliates and sublicensees to use, in any manner (including in any products or services) and without any duty of accounting or other obligation whatsoever, any feedback or ideas you provide to us in connection with your use of the Evaluation Product. In addition to the restrictions set forth in Section 5, you shall not attempt to circumvent, dismantle or otherwise interfere with any time-control disabling functionality in the Evaluation Product that causes the Evaluation Product to cease functioning upon the expiration of the Evaluation Period. With respect to Evaluation Products, except to the extent this Section modifies this EULA, all other provisions stand and remain unaltered. This Section shall apply only with respect to Evaluation Products.

4. Ownership. We retain all rights to ownership of all intellectual property rights in and to the Software and Documentation, including copies, improvements, enhancements, derivative works and modifications. No other rights with respect to the Laserfiche Product or any related intellectual property rights are granted except as explicitly stated in this EULA and the applicable License Requisition. No implied licenses are granted by us.

5. License Restrictions. Unless expressly authorized by Laserfiche in writing, you will not and you will not allow any third party to: (a) unbundle, transfer, sublicense, or assign your rights under this License to any other person or entity; (b) modify, adapt or create derivative works of the Software or Documentation; (c) reverse engineer, decompile, decrypt, disassemble or otherwise attempt to derive the source code for the Software, except as provided in Section 16 below; (d) make the functionality of the Software available to third parties, whether as an application service provider, or on a rental, service bureau, timeshare, cloud service, hosted service, or other similar basis unless expressly authorized by Laserfiche in writing, such as for read-only access by public users who utilize an authorized read-only Public Portal connection; (e) Multiplex (as defined herein below) the Software; (f) remove, modify, or conceal any product identification, copyright, proprietary, intellectual property notices or other marks on or within the Software or Documentation; (g) directly or indirectly attempt to challenge the validity of the copyrights, trademarks, and trade secrets in the Software claimed by Laserfiche or its suppliers; or (h) conduct any benchmark tests of the Software or disclose to a third party the results of any benchmark test of the Software. Neither Laserfiche nor any of its suppliers are obligated to provide any services (including any updates or upgrades to the Laserfiche Product) under this Agreement. To “Multiplex” the Software occurs when you utilize hardware, software, an automated process, or other technical means: (1) to pool connections, reroute information, or reduce the number of devices or users that directly access or use the Software; or (2) to permit access to more user connections than you have purchased; or (3) to automatically, routinely, or systematically reallocate named user connections for the purpose of either reducing the number of named user connections you require, or avoiding the purchase of additional named user connections.

6. Usage Limitations. Your Use of the Software is subject to the usage limitations described at <https://www.laserfiche.com/eula/usage6.6.2018> and set forth in the License Requisition (each, a “Usage Limitation”).

7. Subscription Software
 - 7.1 Subscription License. A subscription license to on-premises Laserfiche Software allows you to Use such Software on a subscription basis (a “**Subscription**”, and such license, a “**Subscription License**”). If you purchase a Subscription License, subject to your compliance with the terms and conditions of this EULA, you may Use the Software covered by the Subscription (the “**Subscription Software**”) for the term of the Subscription set forth in your License Requisition until the Subscription expires or is otherwise terminated. After the Subscription expires or is terminated, the Subscription Software will stop functioning entirely, and your rights to Use the Subscription Software will terminate.

- 7.2 Renewal of Subscription Term. Unless otherwise terminated according to the terms of this EULA, the Subscription will automatically renew for the term set forth in your invoice, unless (i) you fail to pay the renewal Subscription fee as invoiced to you by us or (ii) you give Laserfiche written notice of your intention not to renew the Subscription at least 45 days before the end of the then-current Subscription term. The renewal Subscription fee is due before the start of the renewal term. If you do not notify us at least 45 days before the end of the then-current Subscription term that you do not intend to renew the Subscription, you will owe Laserfiche the renewal Subscription fee.**
- 7.3 Modification of Fees upon Renewal. We may modify the Subscription fee by notifying you at least 90 days before the end of the then-current Subscription term. The Subscription fee increase will take effect upon the start of the next Subscription term.**
- 7.4 Consequences of Non-Payment. If you fail to make full payment of the Subscription fee and any outstanding balance remains unpaid 30 days after the due date, the Subscription Software will automatically stop functioning entirely. You must make full payment of the Subscription fee before the Subscription Software will resume functioning.**
- 7.5 Updates and Support. The Subscription includes Software updates, access to online support resources, and Basic or Premium support as described in the Laserfiche Software Assurance Plan (“LSAP”) during the term of the Subscription.**
- 8. Third Party Open Source Software. Certain items of independent, third-party code may be included in the Laserfiche Software that are subject to open source licenses (“Open Source Software”). Such Open Source Software is licensed under the terms of the license that accompanies such Open Source Software. Nothing in this EULA limits your rights under, or grants you rights that supersede, the terms and conditions of any applicable end user license for such Open Source Software.**
- 9. Confidentiality and Other Restrictions**
- 9.1 Confidentiality Restrictions. “Laserfiche Confidential Information” means: (a) the Laserfiche Software and Documentation; (b) Laserfiche’s source code, application programming interfaces, know-how, ideas, plans, designs, specifications, coding, programming, processes, production techniques, technology, methodology and trade secrets; (c) nonpublic information relating to Laserfiche’s business, customers, business plans, promotional and marketing activities, finances and other business affairs; (d) third-party information that we are obligated to keep confidential by agreement or by law; (e) the nature, content and existence of any agreements, discussions or negotiations between you and us, or our software resellers; (f) any information that is designated by Laserfiche as “confidential” or “proprietary” or with a similar legend; and (g) any other information that given the nature of the information or circumstances surrounding its disclosure by us to you, reasonably should be understood to be confidential. Laserfiche Confidential Information does not include any information that: (i) is or becomes publicly available without either a breach of this EULA or a breach of an obligation of confidentiality by someone else; (ii) can be shown by documentation to have been known by you when it received it from us; (iii) is received from a third party that lawfully acquired and disclosed it without any obligation of confidentiality; or (iv) can be shown by documentation to have been independently developed by you without reference to the Laserfiche Confidential Information.**

9.2 Additional Restrictions. You agree that, during the term of this EULA and after any termination or expiration of this EULA, you will not directly or indirectly, alone or in conjunction with any other person or company: (a) attempt to write or develop software in an effort to discover, copy or recreate the source code or any trade secrets contained or embodied in the source code of the Software; or (b) utilize the Software, Documentation, or Laserfiche Confidential Information, either directly or indirectly, to sell, market, develop or distribute any software product that competes with the Software; or (c) utilize the Software, Documentation, or Laserfiche Confidential Information, directly or indirectly, to assist, advise or consult with any other person or company in selling, marketing, developing or distributing any software product that competes with the Software; or (d) publish the Software for others to copy or use; or (e) utilize the Software, Documentation, or Laserfiche Confidential Information, directly or indirectly, to convert, or to assist, advise or consult with any other person or company to convert, any end user of the Software to a software product that competes with the Software; or (f) seek to discover or use our trade secrets or Laserfiche Confidential Information by reverse engineering, decompiling, disassembling, copying or any other technique, except as provided in Section 16 below.

(i) Term and Termination. **This EULA will remain effective until the expiration of the applicable license or Subscription term as set forth in your License Requisition, unless terminated earlier in accordance with this EULA. You may terminate the EULA at any time by returning or destroying all versions and copies of the Software and the Documentation in your possession or control. This EULA will immediately terminate if you breach any of its terms or conditions, or if you fail to pay any portion of the applicable license or Subscription fees and you fail to cure that payment breach within 30 days of receipt of a written notice from us. Upon termination of this EULA, you must immediately cease all use of the Software and the Documentation and return to Laserfiche or destroy all versions and copies of the Software and the Documentation in your possession or control. You must remove and uninstall all Software programs and Documentation from all hard drives and other devices on which the Software or the Documentation may be found. The termination or expiration of this EULA will not terminate your obligations under this EULA, nor will it (i) release you from the obligation to pay any monies that you may owe Laserfiche; (ii) operate to discharge any liability that you incur before such termination or expiration; or (iii) waive any obligation which is intended to survive such termination or expiration. The rights and obligations of a party which by their nature must survive termination or expiration of this Agreement in order to achieve its fundamental purposes shall survive any termination or expiration of this EULA including, without limitation, the following Sections: 1 (Acceptance of Terms), 4 (Ownership), 5 (License Restrictions), 8 (Third Party Software), 9 (Confidentiality and Other Restrictions), 10 (Term and Termination), 11 (Indemnification), 12.2 (Exclusions), 12.3 (Disclaimer), 13 (Limitation of Liability), 14 (Application of Limitations and Disclaimers to Consumers), 15 (Basis of Bargain), 17 (Audit Rights), and 18 (Miscellaneous).**

11. Indemnification.

11.1 YOU HAVE SOLE AND EXCLUSIVE RESPONSIBILITY FOR BACKING-UP YOUR DATA OR CONTENT OR THIRD-PARTY DATA OR CONTENT IN YOUR HARD DRIVE, SYSTEM, STORAGE OR DEVICE (collectively, "Your Data") WHETHER OR NOT THE SOFTWARE INTERACTS WITH YOUR DATA. LASERFICHE WILL NOT BE RESPONSIBLE FOR ANY LOSS OF DATA OR CONTENT. You hereby agree to indemnify, defend and hold harmless Laserfiche, its affiliates and authorized resellers, and each of Laserfiche's, its affiliates' and authorized resellers' employees, officers, directors, shareholders, and agents (each, an "Indemnified Party"), from and against all claims, losses, liabilities, damages, fines, penalties, costs and expenses (including attorney's fees) arising from or relating to: (i) Your Data, including any loss of Your Data for any reason whatsoever, (ii) your actions, misuse of the Software, non-compliance with this EULA, or failure to operate the Software in accordance with this EULA; (iii) your use of the Software including, without limitation, in violation of any applicable laws.

12. Limited Warranty; Exclusions; Disclaimer

12.1 Limited Warranty. THE SOFTWARE IS WARRANTED SOLELY TO YOU, THE ORIGINAL LICENSEE, THAT, FOR A PERIOD OF 3 MONTHS FROM THE DATE THE SOFTWARE IS MADE AVAILABLE TO YOU ("Warranty Period"), IT SHALL SUBSTANTIALLY CONFORM TO ITS DOCUMENTATION WHEN USED IN ACCORDANCE WITH THIS EULA. At its own expense and as its sole obligation and your exclusive remedy for any breach of this warranty, Laserfiche will: (a) at Laserfiche's option, correct any reproducible errors in such nonconforming Software so that it conforms to the foregoing warranty or replace such nonconforming Software with Software that conforms to the foregoing warranty; or (b) if the options in clause (a) hereof are not commercially reasonable, as determined in Laserfiche's sole discretion, Laserfiche will refund to you the fees paid to Laserfiche for such non-conforming Software, in which case your right to use such Software will terminate. Any error correction provided to you will not extend the original Warranty Period.

12.2 Exclusions. Notwithstanding anything in this EULA, Laserfiche will have no responsibility or liability of any kind, whether for breach of warranty or otherwise arising or resulting from: (a) combination of the Software with products, equipment, software, or data not supplied by Laserfiche; (b) any use based on unauthorized distribution or sale of the Laserfiche Product; (c) any use of the Laserfiche Product other than in accordance with this EULA; (d) any modification of the Laserfiche Product by anyone other than Laserfiche or contractors authorized in writing by Laserfiche; (e) any Laserfiche Product rendered defective or non-conforming, in whole or in part, due to: (i) abnormal physical or electrical stress, abnormal environmental conditions, neglect, misuse, accident, fire or other hazard, (ii) improper testing, handling, storage, transportation, operation, interconnection, or installation by anyone other than Laserfiche or contractors authorized in writing by

Laserfiche, (iii) failure to continually provide a suitable installation or operation environment, or (iv) any other cause beyond the range of normal use of such Laserfiche Product; or (v) any Evaluation Product.

- 12.3 **Disclaimer.** EXCEPT AS SET FORTH IN SECTION 12.1, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, LASERFICHE LICENSES THE SOFTWARE TO YOU "AS IS" AND WITH ALL FAULTS AND DEFECTS AND EXPRESSLY DISCLAIMS ALL EXPRESS AND IMPLIED WARRANTIES INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, SATISFACTORY PURPOSE, TITLE, NONINFRINGEMENT, INTEGRATION, ACCURACY, AND COMPLETENESS. LASERFICHE DOES NOT WARRANT OR GUARANTEE THAT (A) THE LASERFICHE PRODUCT WILL MEET YOUR REQUIREMENTS, ACHIEVE ANY INTENDED RESULTS, OR BE COMPATIBLE OR (B) THAT THE LASERFICHE PRODUCT WILL OPERATE FAIL SAFE, UNINTERRUPTED OR FREE FROM ERRORS OR DEFECTS OR THAT THE SOFTWARE WILL PROTECT AGAINST ALL POSSIBLE THREATS.

13. LIMITATION OF LIABILITY

- 13.1** **EXCLUSION OF CERTAIN TYPES OF DAMAGES.** TO THE FULLEST EXTENT PERMITTED UNDER APPLICABLE LAW, UNDER NO CIRCUMSTANCES WILL LASERFICHE OR ITS AFFILIATES, RESELLERS, DISTRIBUTORS, AGENTS, EMPLOYEES, OFFICERS, DIRECTORS, CONSULTANTS, OR SUPPLIERS (COLLECTIVELY, "REPRESENTATIVES") BE LIABLE TO YOU OR ANYONE ELSE FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OR FOR LOST PROFITS, LOSSES FROM BUSINESS INTERRUPTION, LOSS OF BUSINESS REVENUES, GOODWILL, INFORMATION OR DATA, COSTS OF RECREATING LOST OR CORRUPTED INFORMATION OR DATA, OR COSTS OF SUBSTITUTE SOFTWARE, PRODUCTS, OR SERVICES, REGARDLESS OF WHETHER LASERFICHE OR ITS REPRESENTATIVES HAVE BEEN NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES OR LOSSES, AND WHETHER BASED ON A BREACH OF CONTRACT OR WARRANTY, OR NEGLIGENCE, MISREPRESENTATION OR OTHER TORT, OR ON ANY OTHER LEGAL OR EQUITABLE THEORY, ARISING FROM OR RELATED TO THIS EULA, THE LASERFICHE PRODUCT, ANY SERVICES, DELIVERY OF SUPPORT, OR THE PERFORMANCE OR NON-PERFORMANCE OF THE LASERFICHE PRODUCT OR ANY SERVICES.

- 13.2** **LIMITATIONS ON DAMAGES.** TO THE FULLEST EXTENT PERMITTED UNDER APPLICABLE LAW, ANY AND ALL DAMAGES SUFFERED BY YOU, ANY USER, AND ANYONE ELSE, FOR WHICH LASERFICHE OR ITS REPRESENTATIVES ARE LIABLE, WHETHER ARISING FROM OR RELATING TO THIS EULA, THE LASERFICHE PRODUCT, ANY SERVICES, OR THE PERFORMANCE OR NON-PERFORMANCE OF THE LASERFICHE PRODUCT OR ANY SERVICES, WHETHER BASED ON A BREACH OF CONTRACT OR WARRANTY, OR NEGLIGENCE, MISREPRESENTATION OR OTHER TORT, OR ON ANY OTHER LEGAL OR EQUITABLE THEORY, WILL BE STRICTLY LIMITED TO THE DOLLAR AMOUNT THAT YOU ACTUALLY PAID FOR THE DEFECTIVE

SOFTWARE COMPONENT WITHIN THE 12 MONTH PERIOD IMMEDIATELY PRECEDING THE DATE THAT LASERFICHE RECEIVES NOTICE OF AN EXISTING OR POTENTIAL CLAIM OR SUIT AGAINST IT. NO CLAIM OR SUIT MAY BE BROUGHT AGAINST LASERFICHE OR ITS REPRESENTATIVES BASED ON A BREACH OF CONTRACT, BREACH OF WARRANTY, NEGLIGENCE, MISREPRESENTATION OR OTHER TORT, OR ON ANY OTHER LEGAL OR EQUITABLE THEORY, MORE THAN 1 YEAR AFTER YOU FIRST DISCOVERED OR SHOULD HAVE DISCOVERED ANY OF THE FACTS THAT GAVE RISE TO THE CLAIM OR SUIT. THIS LIMITATION OF LIABILITY IS CUMULATIVE AND NOT PER INCIDENT. THIS LIMITATION APPLIES EVEN IF THE DAMAGES AVAILABLE TO YOU OR ANY OTHER CLAIMANT DO NOT FULLY COMPENSATE THEM FOR ANY OR ALL OF THEIR LOSSES OR LASERFICHE WAS ADVISED, KNEW OR SHOULD HAVE KNOWN, ABOUT THE POSSIBILITY OF SUCH DAMAGES OR LOSSES.

14. Application of Limitations and Disclaimers to Consumers. Certain states and/or jurisdictions do not allow the exclusion of implied warranties or limitation of liability for incidental or consequential damages with respect to consumers (i.e., a person acquiring goods otherwise than in the course of a business), so the exclusions set forth in Sections 12.3 and 13 above may not apply to you if you are a consumer. The limitations or exclusions of warranties and liability contained in this EULA do not affect or prejudice the statutory rights of a consumer. If you are a consumer, the limitations or exclusions of warranties and remedies contained in this Agreement shall apply to you only to the extent such limitations or exclusions and remedies are permitted under the laws of the jurisdiction where you are located.
15. Basis of Bargain. The warranty disclaimer in Section 12.3 and limitation of liability set forth in Section 13 are fundamental elements of the basis of the agreement between Laserfiche and you. Laserfiche would not be able to provide the Laserfiche Product on an economic basis without such limitations. The warranty disclaimer and limitation of liability inure to the benefit of Laserfiche's Representatives.
16. Interoperability. To the extent required by applicable law, Laserfiche shall provide you with the interface information needed to achieve interoperability between the Software and another independently created program. Laserfiche will provide this interface information at your written requested after you pay Laserfiche's licensing fees. You will keep this information in strict confidence and strictly follow any applicable terms and conditions upon which Laserfiche makes such information available.
17. Audit Rights. During the term of this EULA and for 1 year thereafter, you agree that we or our designated agent may inspect and audit the use of the Laserfiche Product licensed by you, including inspecting and auditing your and your affiliates', and each of your and your affiliates' contractors', facilities, systems, and records, to verify compliance with this EULA. Any such inspection and audit will take place only during your and your affiliates' normal business hours and upon no less than 10 days prior written notice to you. Laserfiche will give you written notice of any non-compliance, including any

underpayment of fees, and you will have 15 days from the date of such notice to make payment to Laserfiche for such underpayment. If the shortfall in the amount payable by you exceeds 5% of the total amount that would otherwise be payable by you, you will also pay us for the cost of such inspection and audit. You will promptly pay us for any amounts shown by such audit to be due and owing to us plus interest at 1.5% per month, or the maximum amount permitted by applicable law, whichever is lower, from the due date until paid. You agree to take reasonable steps to maintain complete and accurate records of the use of the Laserfiche Product sufficient to verify compliance with this EULA.

18. Miscellaneous

18.1 **Waiver; Severability.** The failure of either party to exercise or enforce any right or provision of this Agreement will not constitute a waiver of such right or provision. All waivers by Laserfiche must be in writing to be effective. If any provision of this EULA is for any reason held unenforceable or invalid, then this EULA will be construed as if such provision were not contained in this EULA. No course of performance, course of dealing, or usage of trade will override the written terms of this EULA.

18.2 **Entire Agreement and Order of Precedence.** This EULA, as well as any master agreements, technology contract, SOWs, and amendments, schedules, appendices, or exhibits thereto agreed by the parties, comprise the entire agreement between the parties with respect to the matters dealt with herein and supersedes any previous agreement between the parties in relation to such matters. No other statements or representations, written or oral, shall be deemed a part of the EULA. In the event of any conflict or inconsistency among such documents, the order of precedence will be as stated in the State of Washington Technology Solution Contract between Licensee and Laserfiche.

Any agreement between you and Laserfiche's authorized reseller or distributor: (a) does not modify the terms and conditions of this Agreement, the License Requisition, or any document comprising the License Requisition, and (b) does not create obligations for, or otherwise bind, Laserfiche.

18.3 **Modifications to the EULA.** If you install a new version of the Software, or any update, modification, or upgrade of the Software, the EULA applicable to the new updated, modified or upgraded version of the Software will modify this EULA upon such installation, if or to the extent that the new EULA is different than this EULA. A revised version of the EULA will be available at www.laserfiche.com/eula/home. By continuing to use the Software after the effective date of any modifications to this EULA, you agree to be bound by the modified terms.

18.4 **Limitation on Actions.** Any suit, claim, action or proceeding based on or related to this EULA, its terms, provisions or warranties, or arising out of its performance or

breach, whether in contract or tort, must be instituted by you against us within 1 year after the occurrence of any 1 or more of the acts, omissions, facts, conduct, events, claims or allegations upon which the action, proceeding or claim is based. You waive the benefit of any statute of limitations which specifies a period longer than 1 year for filing an action or proceeding.

- 18.5 **U.S. Government End Users.** Laserfiche Software is commercial computer software, as such term is defined in 48 C.F.R. §2.101. Accordingly, if you are part of the US Government or are a contractor for the U.S. Government, you shall receive only those rights with respect to the Software and Documentation as are granted to all other end users under license, in accordance with (a) 48 C.F.R. §227.7201 through 48 C.F.R. §227.7204, with respect to the Department of Defense and their contractors, or (b) 48 C.F.R. §12.212, with respect to all other U.S. Government licensees and their contractors.
- 18.6 **Export Restrictions.** You acknowledge that Laserfiche Software and Documentation may be subject to applicable U.S. and international import and export restrictions, including restrictions imposed by the U.S. Export Administration Regulations as well as end-user, end-use and destination restrictions issued by the U.S. government and the governments of other nations. You agree to comply with all applicable national and international laws that apply to the transport of the Software across national borders or to its use in any such jurisdiction.
- 18.7 **Notices.** Should you have any questions concerning this EULA, or if you desire to contact Laserfiche for any reason, please write to either: Laserfiche, 3545 Long Beach Blvd., Long Beach, CA 90807, U.S.A. or notices@laserfiche.com.
- 18.8 **Governing Law, Arbitration, Jurisdiction and Venue.** If you acquired Laserfiche Software in a country or territory listed below, this table identifies your Laserfiche “Licensor,” the law that governs the EULA and the specific arbitration venue that have exclusive jurisdiction over any claim arising under this EULA. Except as otherwise specified below, you and your Licensor agree to arbitrate any and all disputes in any way related to this EULA by final and binding arbitration as set forth below. You further waive the right to bring a class action against Laserfiche, or to serve as a representative of a class in a class action against Laserfiche, whether in arbitration or in court. This EULA will not be governed by the following, the application of which is hereby expressly excluded: (x) the conflict of law rules of any jurisdiction, (y) the United Nations Convention on Contracts for the International Sale of Goods, and (z) the Uniform Computer Information Transactions Act, as enacted in any jurisdiction. All arbitration proceedings will be held and a transcribed record prepared in English. The number of arbitrators shall be 1. The seat, or legal place, of arbitration shall be as indicated below. The award rendered by the arbitrator shall include costs of arbitration, reasonable attorney’s fees and reasonable costs for expert and other witnesses, and judgment on such award may be entered in any court having jurisdiction thereof. Notwithstanding the foregoing nothing in this Addendum will be deemed to prevent Laserfiche/Licensor from seeking injunctive relief (or any other provisional remedy) from any court of competent jurisdiction as necessary to protect its rights pursuant to this EULA. The prevailing party in any suit will recover its reasonable attorney’s fees and costs, including expert costs, from the other party.

Country or Territory: United States and its territories, Latin America (except Mexico), or the Caribbean

Licensor: **Compulink Management Center, Inc.**, 3443 Long Beach Blvd., Long Beach, CA 90807 USA

Governing Law: State of California, United States of America

Arbitration: The arbitration will be heard at JAMS offices in Los Angeles County, California in accordance with JAMS' Streamlined Arbitration Rules and Procedures in effect at the time of the arbitration.

Country or Territory: Canada

Licensor: **Laserfiche Strategic Services Canada Corporation**, 306, 1 Valleybrook Drive, North York, Toronto, Ontario, M3B2S7 CANADA

Governing Law: State of California, United States of America

Arbitration: The arbitration will be heard at JAMS offices in Los Angeles County, California in accordance with JAMS' Streamlined Arbitration Rules and Procedures in effect at the time of the arbitration.

Country or Territory: Mexico

Licensor: **Laserfiche Solutions Mexico, S. de R.L. De C.V.**, Av. Patria 2085, Piso Mezzanine, Colonia Puerta de Hierro, Zapopan, Jalisco, 45116 MEXICO

Governing Law: State of California, United States of America

Arbitration: The arbitration will be heard at JAMS offices in Los Angeles County, California in accordance with JAMS' Streamlined Arbitration Rules and Procedures in effect at the time of the arbitration.

Country or Territory: Asia and Australia

Licensor: **Laserfiche International Limited**, 2307, Westlands Centre, 20 Westlands Road, Quarry Bay, HONG KONG

Governing Law: Hong Kong

Arbitration: The arbitration will be heard at the Hong Kong International Arbitration Centre in accordance with its Domestic Arbitration Rules in effect at the time of the arbitration.

Country or Territory: United Kingdom, European Union, and Eastern Europe

Licensor: **Laserfiche UK Services Ltd**, Unit 15B, Building 6, Croxley Green Business Park, Hatters Lane, Watford WD18 8YH UNITED KINGDOM

Governing Law: Laws of England and Wales

Arbitration: The arbitration will be heard in London, United Kingdom at the London International Arbitration Centre in accordance with its rules in effect at the time of the arbitration.

Country or Territory: All other countries or territories

TECHNOLOGY SOLUTION CONTRACT NO. 2019-023-WA053

Licensor: **Compulink Management Center, Inc.**, 3545 Long Beach Blvd., Long Beach, CA 90807 USA

Governing Law: State of California, United States of America

Arbitration: The arbitration will be heard at JAMS offices in Los Angeles County, California in accordance with JAMS' Streamlined Arbitration Rules and Procedures in effect at the time of the arbitration.

- 18.9 **Legal Effect.** This EULA describes certain legal rights. You may have other rights under the laws of your state or country. This EULA does not change your rights under the laws of your state or country if the laws of your state or country do not permit it to do so.
- 18.10 **Assignment.** Neither this EULA, nor the rights or obligations arising under this EULA, are assignable by you, and any such attempted assignment or transfer shall be void and without effect. We may assign or transfer this Agreement without your consent.
- 18.11 **Construction.** The headings of Sections of this EULA are for convenience and are not to be used in interpreting this EULA. As used in this EULA, the word "including" means "including but not limited to." You agree that this EULA will not be construed against Laserfiche by virtue of having drafted them. The official text of this EULA (and any License Requisition, Addendum, or notice submitted hereunder) will be in English. The parties acknowledge that they require that this Agreement be drawn up in the English language only. Les parties reconnaissent qu'elles ont exigé que la présente convention soit rédigée en langage anglaise seulement. In the event of any dispute concerning the construction or meaning of this Agreement, reference will be made only to this Agreement as written in English and not to any translation into another language.

* * *
* * *

October 2018.



Software & Services Purchase Agreement

This agreement is made and entered into on,

by and between:

Cities Digital, Inc. (D.B.A. "CDI")
2000 O'Neil Road
Suite 150
Hudson, WI 54016
herein referred to as "Seller";

And

Buyer: Tacoma Housing Authority
Buyer Address 1: 902 South L Street,
Buyer Address 2:
City, State, Zip: Tacoma, WA 98405
herein referred to as "Buyer."

WITNESSETH

WHEREFORE, in consideration of the mutual covenants herein contained, and other valuable consideration, the receipt of which is acknowledged, the parties agree as follows:

1. Agreement to Sell and Purchase: Seller hereby agrees to sell to Buyer, and Buyer agrees to purchase from Seller those software products, services, maintenance agreements, and upgrades set forth in Exhibit "A".

2. License Agreement: It is specifically agreed and acknowledged that the software products sold by Seller to Buyer as described in Section 1 hereinabove, are being sold subject to the restrictions, duties and obligations of Seller pursuant to License Agreements referenced in "Exhibit C." Buyer, by its execution of this agreement, agrees to fully abide by the terms and conditions of such License Agreements, and further agrees to fully indemnify, protect, and hold Seller harmless from any claims, suits, actions, liabilities, damages (including all legal costs incurred by Seller) resulting from any violation by Buyer under the terms thereof.

3. Term of Agreement: The term of this Agreement shall be for 1 year from the date first written above and shall renew for a one-year term, unless terminated by either party with or without cause.

4. Purchase Price, Payments & Renewals: The purchase price for the software products and services being purchased by Buyer from Seller are set forth in the quotation in Exhibit "A" and shall be due and payable from Buyer to Seller as follows:

- a. In consideration of the initial purchase of products and/or services, the Buyer shall pay Seller commensurate with payment schedule below. Initial invoices for software and services are due upon receipt. Future invoices will be paid within thirty (30) days of invoice date. Invoices not paid within thirty (30) days of invoice may be subject to a one and ½ percent (1.5%) monthly interest charge (eighteen percent (18%) per year).
- b. It is acknowledged that certain items set forth in "Exhibit A" if necessary are based on Seller's estimates, including fees from the "Fee Sheet" included in "Exhibit B." The sums payable by Buyer for maintenance and upgrades as described in "Exhibit A" are in addition to being payable as set forth above, payable annually on the anniversary of the purchase date. Such sums may be subject to a price increase after payment for the initial year, provided that, the price shall only be increased by Seller in the event that Seller's costs therefore are increased by CompuLink Management Center, Inc. or its successor in interest. Buyer shall have no legal obligation to continue paying for the maintenance (software updates) and technical support provided Buyer does not see value in said service.
- c. It is agreed that the estimates for those items set forth in "Exhibit A" will not be exceeded by Seller without prior written approval by Buyer. In the event that the estimates are exceeded with approval of Buyer, then Buyer shall pay the difference with the payment set forth in "Exhibit A" hereinabove. It is agreed that Seller may need to adjust billable rates periodically, as well as mileage and per-diem charges, as part of this Purchase Agreement. This change will happen not more frequently than once per year. The Buyer will be notified of this change at least 30 days in advance of this change.

Payment Schedule

Payment Date	Description / Percentage	Payment Amount
Monthly Invoice	Hosting Services	\$3,935.00

5. Limitation: It is specifically acknowledged and agreed that all techniques, procedures and methodologies used and implemented by Seller in the performance of its work under this agreement are not included in the sale, and all intellectual property rights to such techniques, procedures and methodologies shall be retained by Seller, or by such third parties with whom Seller may contract with or have licenses through.

6. Independent Contractor: It is specifically acknowledged that Seller is an independent contractor, and that no agent, employee, or subcontractor of Seller shall be deemed an employee of Buyer or be entitled to any compensation from Buyer except as specifically set forth in this agreement.

7. Confidentiality: Seller shall keep confidential all non-public aspects of the work performed under this contract, including but not limited to all communications regarding that work and all Buyer data and information to which Seller obtains access in the course of performing services under this agreement. Seller shall limit internal access to information regarding work under this contract to those members of Seller's own staff or subcontractors of Seller who are directly involved in the work or otherwise have a need for access to the information. Unless otherwise required by law, Seller shall not disclose any non-public information to anyone other than the Buyer's project manager and Seller's own staff and subcontractors without the Buyer's prior written consent. Seller shall ensure that all individuals and subcontractors engaged directly or indirectly by Seller to provide services under this agreement are advised of and required to comply with the forgoing confidentiality obligation.

8. Sharing Information: Upon the Buyer's written request and authorization, Seller shall share any project information designated by the Buyer and shall fully cooperate with all corporations, firms, contractors, governmental entities, and persons involved in or associated with the project and designated by the Buyer in the request. Seller shall not communicate with representatives of any of the news media regarding work under this contract; any communications with news media representatives regarding this contract shall be exclusively through the Buyer.

9. Commitment and Completion: It is agreed that Seller shall commence work within 14 days of receipt by Seller from Buyer of a written authorization to proceed and shall be completed pursuant to Exhibit "A." Notwithstanding such schedules, it is acknowledged that delays resulting from any acts or omissions of Buyer, or circumstances beyond the control of Seller, including, but not limited to acts of war or terror, natural disasters, material shortages, and acts of God, shall not be deemed a breach of this agreement.

10. Insurance: Seller shall maintain occurrence for commercial general liability and automobile liability insurance which shall include personal injury, bodily injury, including death, and broad form property damage including loss of use of property, occurring in the course of or in any way related to Seller's operations, in an amount not less than \$2,000,000 combined single limits per occurrence; Seller shall maintain Workers' Compensation and Employer's liability for all consultants' employees who are subject to Worker's Compensation statute either as a carrier-insured employer or as a self-insured employer. Seller shall maintain cyber breach, professional errors and omissions liability insurance for the protection of the Seller and its employees and subcontractors, insuring against losses arising out of or resulting from breach, their professional acts, omissions, activities or services, in an amount not less than \$2,000,000 per claim. At the request of Buyer, Seller shall furnish the Buyer with certificates evidencing the date, amount, and type of insurance required by this contract.

11. Warranty and Limitations: Except as otherwise set forth herein, Seller's warranty is specifically limited to successful completion of installation and operation of Laserfiche software program with respect to scanning and capturing documents of Buyer as provided in Exhibit "B", and that, except as may be available through CompuLink Management Center, Inc., Seller gives no other warranties, express or implied. In the event the software is unable to perform as warranted by Seller within 30 days of completion of installation, Buyer shall be entitled to a full refund of the purchase price. It is specifically acknowledged and agreed that Seller's warranty is limited and shall not apply to performance by the Seller under this agreement of specifications other than those specifically warranted above, such exclusions to include, but are not limited to: 1) the integration of the system to be installed by Seller with existing software of Buyer; and 2) the importation of documents into the system, due to the fact Seller currently has insufficient knowledge of the documentation. In addition, said warranties shall not apply: a) To the extent of any problems encountered with the integration of external databases with the software installation; b) To the extent of any problems encountered as a result of the failure of the Buyer to install and configure the hardware necessary to operate the software in accordance with the hardware specifications previously provided by the Seller; or c) To the extent of any problems encountered as a result of the failure of the Buyer's computing equipment, servers, networks or operating systems.

12. Limitation and Damages: BUYER AGREES THAT SELLER'S TOTAL AGGREGATE LIABILITY, IF ANY, SHALL NOT EXCEED FEES PAID TO SELLER BY BUYER FOR THE PRODUCTS AND/OR SERVICES INVOLVED. The Seller will endeavor to provide high quality services and a high-quality product. However, the Seller is not, and will not be responsible for any consequential or incidental damages resulting from any interruptions of service, or data loss (including lost transactions). With the exception of Buyer subscribing to Server Hosting, day-to-day data backup is the Buyer's

responsibility and Seller is not and cannot be liable for data loss due to poor or nonexistent or insufficient backup or any other issues associated and/or caused by Buyer's day-to-day server data backup.

13. Attorney's Fees: In case suit, action, or arbitration is instituted to enforce or rescind any of the rights or provisions expressed in this agreement, the party not prevailing agrees to pay the prevailing party's costs and disbursements related to said proceedings and such sums as the court or arbitrator, may adjudge reasonable for the attorney's fees at trial or appeal of said suit or action.

14. Governing Law: This agreement shall be governed and construed under the laws of Pierce County, Washington.

15. Severability: If any provision of this agreement shall be prohibited or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this agreement.

16. Complete Agreement: This represents the complete and final agreement of the parties regarding the purchase and sale of software products and other services to be rendered by Seller on behalf of Buyer and supersedes and replaces any oral or written agreements heretofore made. Any modification to this agreement shall only be valid if in writing and signed by the parties hereto.

17. Paperless Billing: By selecting "Accepted" below Buyer signifies preference for paperless billing and will receive a digital copy of invoices emailed to a designated email address for processing.

ACCEPTED DECLINED **Email Address:**

Seller: Cities Digital, Inc.
Name: Patrick Welsch
Title: President
Date:

Buyer: Tacoma Housing Authority
Name:
Title:
Date:

By: _____

By: _____



EXHIBIT A: Quotation

Hosting Services

Type	Name	Cores (GB)	Memory (GB)	Storage (GB)	Total
Server (Includes 100 GB Storage)	Laserfiche Server	2	16	1000	\$12,360.00
Web Server (Includes 30 GB Storage)	Web Server	2	8	0	\$4,800.00
MSSQL (Dual Core)	MSSQL Server Licensing	0	0	0	\$9,060.00
Server (Includes 100 GB Storage)	MSSQL Server Base	2	16	0	\$8,400.00
Server (Includes 100 GB Storage)	Laserfiche Workflow & Forms Server	2	16		\$8,400.00
Server (Includes 100 GB Storage)	Laserfiche LFDS Server	1	6		\$4,200.00
				Monthly Hosting Cost:	\$3,935.00
				Annual Hosting Cost:	\$47,220.00
				Tax:	\$.00
				Annual Hosting Total:	\$47,220.00

Cloud Hosting or Online Backup Options:

SERVER HOSTING: ACCEPTED **DECLINED**

- Windows 2019 Server
- Microsoft SQL 2019
- 1 public IP address
- Daily backup services with restoration up to 90 days
- Antivirus
- Unlimited internet bandwidth to/from server
- TERM 12 MONTHS

Client-Side Firewall Configuration

Many clients choose to have a secured tunnel to/from their hosted server to their network. This is called an IPsec VPN Tunnel.

What is a secured IPsec VPN Tunnel?

In computing, Internet Protocol Security (IPsec) is a secure network protocol suite that authenticates and encrypts the packets of data sent over an Internet Protocol network. It is used in virtual private networks (VPNs).

IPsec includes protocols for establishing mutual authentication between agents at the beginning of a session and negotiation of cryptographic keys to use during the session. IPsec can protect data flows between a pair of hosts (host-to-host), between a pair of security gateways (network-to-network), or between a security gateway and a host (network-to-host). Internet Protocol security (IPsec) uses cryptographic security services to protect communications over Internet Protocol (IP) networks. IPsec supports network-level peer authentication, data-origin authentication, data integrity, data confidentiality (encryption), and replay protection.

The initial IPv4 suite was developed with few security provisions. As a part of the IPv4 enhancement, IPsec is a layer 3 OSI model or internet layer end-to-end security scheme, while some other Internet security systems in widespread use operate above layer 3, such as Transport Layer Security (TLS) and Secure Shell (SSH), both of which operate at the Application layer. IPsec can automatically secure applications at the IP layer.

CDI IPSec VPN Config Planning:

Client endpoint IP: _____

Client Firewall Make: _____

Are you able to configure NAT for a VPN connection: Yes/No

Phase 1:

Authentication Method: Mutual PSK

PSK: ***** (sent out separately after form submittal)

Encryption Algorithm:

AES 256 bit (settings must match on each side)

Hash Algorithm:

SHA256 (settings must match on each side)

DH Group:

14 (2048 bit)

Phase 2:

What client IP or subnet requires access over the tunnel?

Encryption Algorithm:

AES 256 bit (settings must match on each side)

Hash Algorithm:

SHA256 (settings must match on each side)

EXHIBIT B: Software Support Policy, “LSAP” (Laserfiche Software Assurance Plan) or “Annual Maintenance”

The initial purchase of a software system also requires purchasing maintenance for each component. Annual Maintenance is a software assurance program initiated by Cities Digital and required by the manufacturer to ensure that buyers are able to receive regular product updates and basic software support through their value-added reseller. Cities Digital has developed this policy with regard to services that are included with the purchase of Annual Maintenance in order to serve all buyers with access to hotfixes and expert technical support.

Services included in base LSAP costs:

- Cities Digital technical support hotline:
 - 855-714-2800
 - Support@CDI.support
 - <https://www.cdi.support/support>

- Software updates including hotfixes and new feature releases
- LogMeIn remote support (allows support technicians to access buyer’s computer remotely)
- Customer portal access: Submit & track tickets, view contracts, access videos and documentation
- Annual consulting meeting & strategy session
- Annual software performance audit

Description of Support Services

Laserfiche Software Assurance Plan (LSAP)	<p>Fee is based upon software components that have been purchased. The support plan is renewable each year.</p> <p>Seller support is provided as a part of the Laserfiche annual support fee. Technical support is considered assistance with software malfunctions (break/fix) or “bugs.” Technical Support does include assisting buyer with how-to questions and assistance with configuration of the software.</p>
Response Time and Definition	<p>Responses provided within 24 hours of initial report. Most responses and technical troubleshooting will happen within an hour, if not immediately through chat / remote support. Responses consist of diagnosing the problem and if possible, resolving it immediately. If it is not possible to resolve immediately a time will be scheduled to attempt resolution of the problem at the buyer’s convenience.</p> <p>Seller provides a technical support hotline during weekday and non-holiday business hours 8:00 AM to 7:00 PM Central Time. The technical support staff processes assistance telephone calls, emails and remote connections as they arrive. The Support Director assesses difficulty of tasks and assigns cases to the tiered support staff. This process is in place to provide support to our customers based on the impact on their on-going operations.</p> <p>Non-emergency calls for support are typically responded to within one hours (or less). Critical calls (delay in work or loss of data due to system issues) may be responded to immediately. Support calls may be escalated internally to other technicians as needed.</p>
Options for Coverage During Non-Standard Business Hours or “After Hours Support”	<p>Appointments may be scheduled with the Director of Support at support@citiesdigital.com.</p> <p>After hours support requires a two-week prior notification, unless case of emergency. Upgrades, development, training & other services conducted after hours will be subject to billable rates and availability. Billable rates for buyers with current Laserfiche Software Assurance Plans are \$250/hr before 8:00am and after 7:00pm Central Time and weekends.</p>
Cities Digital Closed on Six Federal Holidays	<p>Cities Digital will be closed New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.</p>

Capability for Remote Diagnostics	A web-based tool for remote diagnostics and support called LogMeIn is utilized. With specific prior written authorization from Buyer an unattended access tool is available for use.
Maintenance Cost for Fixes, Major Releases and Platform Changes	Maintenance that is done over the phone or remote access is included in annual maintenance agreement at no additional cost. Software upgrade packages are available to Buyer at support.laserfiche.com or by request from Support@CitiesDigital.com. Major and infrequent upgrades referred to as “platform changes” may be subject to a fee. The fee is set by the manufacturer when the platform is released.
Support Escalation Procedures	<ol style="list-style-type: none"> 1. Problem is reported, a support case is opened and documented. The case is resolved over the phone or remotely. 2. If immediate resolution is not possible, problem is reported to second tier support. 3. If there is no existing solution, Cities Digital development will write a script, solution or “work around” to fix the problem. Cities Digital will then implement the solution. <p>Cities Digital creates technical support cases on behalf of the Buyer with the manufacturer upon diagnosis of the problem if the problem cannot be immediately resolved by Cities Digital.</p>
Tracking Database	All support cases are tracked in a ticketing system. The tracking software assigns incident numbers and the buyer may call and request the status on any support case at any time during work hours or by visiting the client portal.
Third-Party IT Contractors	Buyers that utilize a third-party IT contractor for management of servers and networking should expect their IT contractor to assign remote-access to Cities Digital for installation and configuration. Should unattended access not be permissible third-party IT consultants may need to be present during installation or configuration. Additional configuration pertaining to Buyer’s network IP addresses, network security and access may be necessary from time-to-time. Charges from third-party IT consultants may be assigned. Cities Digital is not responsible for such charges. It is the policy of Cities Digital to copy Buyer on all communication between third-party IT contractors unless explicitly instructed not to.

Services not included in base LSAP costs, Rates Sheet:

Technical services, design, configuration	Per hour	\$200
Project management (per hour)	Per hour	\$200
Development, integration and conversion (per hour)	Per hour	\$300
Cancelled Meeting within 24 Hours (1/2 hour/person)	Per hour	\$100 - \$150
Off-hours work, outside normal business hours excluding holidays (per hour)	Per hour	\$300
Encrypted drive shipment – Export/Import (per request)	Per export/import	\$500
Managed Services including configuration of domains, IP addresses, certificates, firewall or SQL	Per hour	\$300
Mileage reimbursement	Per mile	\$.585
Per diem minimum when providing onsite service	Per day	\$250

Exhibit C: End User License Agreements

EXHIBIT C: End User License Agreement or "EULA"

The licensing agreements listed below pertain to Microsoft and Laserfiche. The Microsoft licensing pertains to use of hosting services from Cities Digital. Should clients not be utilizing hosting services the following eight points should not be considered applicable.

MICROSOFT SOFTWARE LICENSING AGREEMENT or "EULA"

Buyer agrees to accept the following conditions related to Software Licensing:

1. This Agreement is binding in all applicable jurisdictions.
2. Buyer is prohibited from reverse engineering, decompiling, or disassembling the Products, except to the extent that such activity is expressly permitted by applicable law.
3. Microsoft or its suppliers are hereby indemnified for any damages, whether direct, indirect, or consequential, arising from the Software Services.
4. Seller or a third party on Buyer's behalf (and not Microsoft or its suppliers) will provide technical support for the Cloud Server.
5. The Products are licensed to Buyer from an affiliate of the Microsoft Corporation (collectively "Microsoft"). Microsoft Products are protected by copyright and other intellectual property rights. Products and other Product elements including but not limited to any images, photographs, animations, video, audio, music, text and "applets" incorporated into the Products are owned by Microsoft or its suppliers. You may not remove, modify or obscure any copyright trademark or other proprietary rights notices that are contained in or on the Products. The Products are protected by copyright laws and international copyright treaties, as well as other intellectual property laws and treaties. Your possession, access, or use of the Products does not transfer any ownership of the Products or any intellectual property rights to you.
6. Buyer agrees to permitting Seller to disclose Buyer's contact information where required to satisfy license registration with software manufacturers such as Laserfiche or Microsoft.
7. The Products are not fault-tolerant and are not guaranteed to be error free or to operate uninterrupted. You must not use the Products in any application or situation where the Product(s) failure could lead to death or serious bodily injury of any person, or to severe physical or environmental damage ("High Risk Use").
8. Microsoft will be an intended third-party beneficiary of this Agreement, with the right to enforce provisions of the End User Agreement and to verify the compliance of the End User.
9. The **Laserfiche End User License Agreement** is available for reference in entirety on our website at cdi.support/eula



TACOMA HOUSING AUTHORITY

WALK-ON RESOLUTION

**THA BOC Resolution 2022-02-23 (2)
Amendment #2 to The Lindsay Group
Contract**



TACOMA HOUSING AUTHORITY

RESOLUTION 2022-02-23 (2)

Date: February 23, 2022
To: THA Board of Commissioners
From: April Black
Executive Director
Re: Amendment # 2 to The Lindsay Group Contract for Organization Development and Diversity, Equity, Inclusion and Belonging

This resolution would authorize Tacoma Housing Authority's (THA) Executive Director to increase the amount of the contract with The Lindsay Group for Organizational Development and Diversity, Equity, Inclusion, and Belonging.

Background

On December 23, 2021, THA signed a contract with The Lindsay Group for Diversity, Equity, and Inclusion (DEI) services. The original contract maximum amount was \$47,250. The contract was executed using THA's procurement process. A first amendment to the contract was completed on January 18, 2022, to add a scope of services for a team building intervention related to department reorganizations occurring in February 2022. With the first amendment, the value of the contract was increased to \$65,750.

The second amendment to the contract will include:

- Coaching the Leadership Team as we move through the analysis and organizational change;
- Onsite facilitation with the staff;
- A Board retreat;
- Facilitated anti-oppressive learning and development program for all THA staff, using a cohort model;
- Issue-based strategic planning for sustainable DEI outcomes; and
- Conflict resolution to address conflicts that currently exist or may arise during this process.

This contract now needs to be increased to account for additional work to support THA's Organization Development and DEIB work. The contract maximum amount will be increased to \$165,000.

Recommendation

Authorize THA's Executive Director to increase the contract maximum amount with The Lindsay Group or a total contract maximum amount of \$165,000.



TACOMA HOUSING AUTHORITY

RESOLUTION 2022-02-23 (2)
(Amendment #2 to The Lindsay Group Contract for Organization Development and Diversity, Equity, Inclusion and Belonging)

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

WHEREAS, On December 23, 2021, THA used its procurement process and board approval to sign a contract with The Lindsay Group for Diversity, Equity and Inclusion services. The original contract maximum amount was \$47,250; and

WHEREAS, On January 18, 2022, THA and The Lindsay Group executed an amendment to the contract that was within the spending authority of the Executive Director. This amendment increased the value of the contract to \$65,750; and

WHEREAS, This contract requires an additional increase to account for the findings discovered through the analysis of THA under the original scope of work for this contract; and

WHEREAS, The contract maximum amount shall be increased to \$165,000. 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 increase the contract with The Lindsay Group for a contract maximum amount of \$165,000.

Approved: February 23, 2022

Stanley Rumbaugh, Chair