



**TO:** Elizabeth Pauli, City Manager  
**FROM:** Anita Gallagher, Chief Policy Analyst to the Mayor, City Manager’s Office  
**COPY:** City Council and City Clerk  
**SUBJECT:** Resolution – City of Tacoma Sponsorship of Tacoma Housing Authority Enrollment in Association of Washington Cities Employee Benefit Trust  
**DATE:** September 26, 2017

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**SUMMARY:**

The purpose of this memo is to inform the City Manager of a request made by Mayor Strickland that the City of Tacoma sponsor the Tacoma Housing Authority for enrollment in the Association of Washington Cities Employee Benefit Trust. The AWC allows non-city entities to participate in their Employee Benefit Trust programs if they are sponsored by a member city.

**COUNCIL SPONSORS:**

Mayor Marilyn Strickland  
Council Member Lauren Walker Lee

**BACKGROUND:**

The City of Tacoma authorized the establishment of the Housing Authority of the City of Tacoma by Resolution on August 16, 1940. This Resolution established that the Tacoma Housing Authority would provide affordable housing to low income individuals and families for the City of Tacoma.

Tacoma Housing Authority’s executive leadership has evaluated options for employee healthcare coverage and determined that THA would like to apply to the programs offered by the Association of Washington Cities Employee Benefit Trust. The AWC Employee Benefit Trust provides benefit insurance options and health management programs for local governments in a cost-efficient manner by leveraging its large purchasing collective. It allows for non-city membership under certain criteria, including sponsorship by a current city member of the AWC. The sponsoring city must pass a Resolution within six months of the non-city entity’s membership application. The sponsorship would not obligate the City in any way.

**ISSUE:**

Tacoma Housing Authority seeks to apply for health insurance coverage provided by the Association of Washington Cities Employee Benefit Trust to its employees, but, as a non-city entity, they need sponsorship from a member city in order to have their application considered.

**ALTERNATIVES:**

The Council could choose to not sponsor Tacoma Housing Authority for enrollment in the Association of Washington Cities Employee Benefit Trust. If the Council chooses this course of action, Tacoma Housing Authority will need to either continue to offer health insurance through its current provider, or choose another provider. Both alternatives could result in a higher expenditure by Tacoma Housing Authority than the recommended course of action.



**RECOMMENDATION:**

It is recommended that the Tacoma City Council offer its sponsorship for Tacoma Housing Authority to join the Association of Washington Cities Employee Benefit Trust so that the agency can purchase employee healthcare coverage through the program best suited for its needs.

**FISCAL IMPACT:**

There is no fiscal impact.