

**HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ**  
**AGENDA OF THE REGULAR BOARD MEETING**  
**October 28, 2026 at 11:00 a.m.**  
**HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ**  
2160 41<sup>st</sup> Avenue, Capitola, CA 95010

1. Roll Call

**HOUSING AUTHORITY BOARD OF COMMISSIONERS:**

|                                         |                                         |
|-----------------------------------------|-----------------------------------------|
| Chairperson Annette Melendrez           | 4 year term expires, September 29, 2027 |
| Vice-Chairperson Silvia Morales         | 4 year term expires, September 1, 2027  |
| Commissioner Carol Berg                 | 4 year term expires, May 21, 2029       |
| Commissioner Ligaya Eligio              | 2 year term expires, October 20, 2028   |
| Commissioner Providence Martinez Alaniz | 4 year term expires, February 10, 2027  |
| Commissioner Andy Schifffrin            | 4 year term expires, March 17, 2027     |
| Commissioner Richard Schmale            | 2 year term expires, May 12, 2027       |

2. Consideration of Late Additions and Changes to the Agenda

3. Consent Agenda

A. Minutes of the Regular Meeting held September 23, 2026

Motion to Approve

B. Special December Meeting of Housing Authority Board of Commissioner

Motion to Approve Canceling the Regular Meeting of December 23, 2026 and  
Convening a Special Meeting on December 09, 2026 at 11:00 a.m.

C. Personnel Policies – Addition of Native American Day Holiday

Motion to Adopt Updated Personnel Policies

D. Housing Authority Project Based Voucher Program – FY 2027 Quarter 1 Report

Receive Report

E. Financing for the Acquisition of 2030 17<sup>th</sup> Avenue

Motion to Adopt Resolution 2026-07 to Allocate MTW Funds for an Acquisition Loan  
to New Horizons for Expenses up-to \$1,850,000 for 2030 17th Avenue

4. Oral Communications (All oral communications must be directed to an item not listed on this agenda and must be within the jurisdiction of the Board. Presentations must not exceed three minutes in length. The Board will not take action or respond immediately to any Oral Communication presented, but may choose to follow up at a later time or schedule item for a subsequent agenda. The Board may limit the total amount of time allowed for oral communication). Anyone addressing the Board of Commissioners is asked to complete a card and leave it with the Board secretary so that their names may be accurately recorded in the Minutes.

5. Unfinished Business

6. New Business
  - A. Housing Authority Annual Agency Goals – Quarter 1 Progress Report  
Receive Report
7. Written Correspondence
  - A. Commissioner Eligio's Re-Appointment Letter from the Board of Supervisors
8. Director's Report
9. Reports from Board Members  
(Board members may report on meetings attended, if any, or other items of interest.)
10. Closed Session
11. Report on Closed Session
12. Adjournment

The Housing Authority complies with the Americans with Disabilities Act. If you are a person with disabilities and you require special assistance in order to participate, please contact the Board secretary at 831-454-9455, ext. 201 at least 72 hours in advance of the meeting in order to make arrangements. Persons with disabilities may request a copy of the agenda in an alternative format.

Spanish language translation is available on an as needed basis. Please make arrangements 72 hours in advance by contacting the Housing Authority at 831-454-9455, ext. 280.

*Agendas can be obtained from the Housing Authority of the County of Santa Cruz Administration Department.*

HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ, MINUTES OF THE REGULAR MEETING HELD SEPTEMBER 23, 2026, AT THE HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ, 2160 41<sup>ST</sup> AVENUE, CAPITOLA, CA 95010

**AGENDA ITEM NO. 1** Roll Call

Chairperson Melendrez called the meeting to order at 11:02 a.m. Members present Chairperson Melendrez, Vice-Chairperson Morales, Commissioners Eligio, Martinez Alaniz, Schifffrin and Schmale (Commissioner Berg entered the meeting at 11:06 a.m.)

**Members Absent**

Commissioner Berg

**Staff Present**

Jennifer Panetta, Tom Graham and Courtney Byrd of the Housing Authority

**AGENDA ITEM NO. 2** Consideration of Late Additions or Changes to the Agenda  
None.

**AGENDA ITEM NO. 3** Consent Agenda

Chairperson Melendrez asked for a motion to approve the Consent Agenda unless any Board of Commissioners or members of the public would like to pull an item from the agenda or have comments/questions on an item.

Commissioner Schifffrin moved for the Approval of the Consent Agenda; Commissioner Martinez Alaniz seconded the motion and it was passed by the following vote:

AYES: Commissioners Eligio, Martinez Alaniz, Melendrez, Morales, Schifffrin and Schmale  
NOES: None  
ABSENT: Commissioner Berg  
ABSTAIN: None

Agenda Item 3A. Approved Minutes of the Annual Meeting of August 26, 2026

Agenda Item 3B. Authorized Year-End Interfund Loans from 41<sup>st</sup> Ave Office Fund

Agenda Item 3C. Delegated Authority to the Executive Director to Execute a Contract for Roofing Replacement Services with A-One Roof Management, Inc.

Agenda Item 3D. Approved the Executive Director Employment Agreement and authorized the Board Chair to execute the Agreement

**AGENDA ITEM NO. 4** Oral Communications  
None.

**AGENDA ITEM NO. 5** Unfinished Business  
None.

HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ, MINUTES OF THE REGULAR MEETING HELD SEPTEMBER 23, 2026, AT THE HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ, 2160 41<sup>ST</sup> AVENUE, CAPITOLA, CA 95010

**AGENDA ITEM NO. 6A** Public Hearing, Review Drafts of Significant Amendments to the Agency Annual Plan and 5-Year Plan for the Restore-Rebuild Program for the Housing Authority of the County of Santa Cruz

Secretary Panetta presented the proposed Significant Amendments to the Agency's Annual and 5-Year Plans to incorporate activities under the Restore-Rebuild Program. The program will support the development of affordable housing at 2021 Chanticleer Avenue and 2727 Mattison Lane in Santa Cruz, as well as the acquisition of an existing affordable housing development at 750 Bay Avenue in Capitola.

Secretary Panetta explained that the Significant Amendments update the definitions of "Significant Amendment" and "Substantial Deviation/Modification" to provide the Agency with greater flexibility in implementing Restore-Rebuild projects while streamlining the approval process for certain project-related changes. The amendments also include information regarding the proposed projects, anticipated funding sources, planned conversion to Project-Based Vouchers, and applicable tenant protections and regulatory requirements.

Secretary Panetta reported that the amendments were made available for public review, published for public comment, and discussed with the Resident Advisory Board (RAB). The applicable jurisdictions confirmed that the amendments were consistent with their Consolidated Plans. The RAB expressed support for the Agency's Restore-Rebuild goals and provided no comments on the amendments. No public comments were received during the review period. A discussion followed.

Chairperson Melendrez *Opened* the Public Hearing, Review Drafts of Significant Amendments to the Agency Annual Plan and 5-Year Plan for the Restore-Rebuild Program for the Housing Authority of the County of Santa Cruz at 11:12 a.m.

Public Hearing Comments:

No Public in attendance with comments.

Chairperson Melendrez *Closed* the Public Hearing, Review Drafts of Significant Amendments to the Agency Annual Plan and 5-Year Plan for the Restore-Rebuild Program for the Housing Authority of the County of Santa Cruz at 11:13 a.m.

End of Public Comments.

Commissioner Schiffrin made a Motion to Approve Submission to HUD the Significant Amendments of Agency Annual and 5-Year Plans. Adopt Resolution No. 2026-06 Authorizing Execution of the PHA Certification of Compliance with PHA Plan and Related Regulations; Board Resolution to Accompany the Significant Amendments for the Housing Authority of the County of Santa Cruz; Commissioner Berg seconded the motion and it was passed by the following vote:

AYES: Commissioners Berg, Eligio, Martinez Alaniz, Melendrez, Morales, Schiffrin and Schmale  
NOES: None

HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ, MINUTES OF THE REGULAR MEETING HELD SEPTEMBER 23, 2026, AT THE HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ, 2160 41<sup>ST</sup> AVENUE, CAPITOLA, CA 95010

ABSENT: None

ABSTAIN: None

**AGENDA ITEM NO. 7** Written Correspondence  
None.

**AGENDA ITEM NO. 8** Report of Executive Director

Deputy Executive Director Graham reported that a contract with California Housing Partnership was executed to support the 2021 Chanticleer project's pursuit of Low-Income Housing Tax Credits. Design coordination continues, and the County accepted Rock Solid Engineering's geotechnical investigation in early September.

Deputy Executive Director Graham informed the Board that staff are searching for a new mid-county agency headquarters that meets staff and client needs. A contract with CBRE, Inc. has been executed to provide real estate and relocation services. The Board will receive progress updates and participate in key decisions regarding site selection, office planning, and relocation.

Secretary Panetta informed the Board that on May 18, 2026, the Housing Authority submitted a local Fair Market Rent (FMR) study to HUD for Santa Cruz and San Benito Counties. Following HUD's review, FY 2027 two-bedroom FMRs increased by approximately 1% in Santa Cruz County and 3.5% in San Benito County. Staff are collecting supplemental rental data from underrepresented areas for HUD's consideration; however, preliminary results do not indicate a likely increase in FMRs. Current FMRs remain sufficient for voucher program administration, though limited increases may constrain additional HCV renewal funding.

Secretary Panetta announced the Housing Authority's "Stay Ready" emergency preparedness campaign for HCV families and participating landlords, including preparedness materials and a free October 14 workshop in partnership with the Santa Cruz County Office of Response, Recovery & Resilience. The workshop will cover El Niño, flooding, severe weather, and power outages, with live Spanish translation. Households in Housing Authority-owned properties will also receive emergency weather radios to support access to critical alerts during emergencies.

Secretary Panetta reported that all EHV families have been notified of continued rental assistance through the HCV program following EHV expiration. Staff continue prioritizing EHV households for PBV opportunities. Since October 2025, 80 households have exited the program, primarily through transfers to other rental assistance programs. Currently, 192 households remain, with eight interested in Harvey West Studios and one transferring to another PBV unit.

Secretary Panetta reported that FY 2027 federal appropriations remain pending. The House proposed

HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ, MINUTES OF THE REGULAR MEETING HELD SEPTEMBER 23, 2026, AT THE HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ, 2160 41<sup>ST</sup> AVENUE, CAPITOLA, CA 95010

approximately \$71.4 billion for HUD, an 8% reduction from FY 2026. A continuing resolution (CR) funds the federal government through December 11, 2026, and authorizes Tenant Protection Vouchers for eligible EHV households remaining under lease as of September 30. This provision may reduce the need to absorb remaining EHV households into the Housing Choice Voucher program, pending final appropriations and HUD guidance. Staff continue monitoring federal funding developments and planning for potential impacts on voucher assistance and utilization.

**AGENDA ITEM NO. 9**      Reports from Board Members

Chairperson Melendrez reported that the Pajaro Valley Shelter Services is having a ground-breaking ceremony tonight for a remodel to expand the shelter. The ceremony is at 5:00 p.m. located at 115 Brennan Street if any of the Commissioners would like to attend. Commissioners and staff congratulated Chairperson Melendrez and her staff on the ground-breaking.

**AGENDA ITEM NO. 10**      Closed Session  
None.

**AGENDA ITEM NO. 11**      Report on Closed Session  
None.

**AGENDA ITEM NO. 12**      Adjournment

The Board of Commissioners meeting was adjourned at 11:45 a.m.

I hereby certify that these minutes were approved by the Housing Authority of the County of Santa Cruz, on the Twenty Eighth Day of October 2026.

\_\_\_\_\_  
Chairperson of the Authority

ATTEST: \_\_\_\_\_

Secretary of the Authority

## AGENDA ITEM SUMMARY

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**MEETING DATE:** October 28, 2026

**ITEM NUMBER:** 3B

**FROM:** Executive Director

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**SUBJECT:** Special December Meeting of Housing Authority Board of Commissioners

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**RECOMMENDATION:** Approve Canceling the Regular Meeting of December 23, 2026 and  
Convening a Special Meeting on December 09, 2026 at 11:00 a.m.

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### **BACKGROUND SUMMARY:**

The Housing Authority Bylaws state that the Board of Commissioners does not hold a Regular Meeting in November. In consideration of the December holiday schedule, staff recommends canceling the Regular Meeting scheduled for December 23, 2026, and convening a Special Meeting of the Housing Authority Board of Commissioners on Wednesday, December 9, 2026, at 11:00 a.m.

**RECOMMENDATION:** Approve Canceling the Regular Meeting of December 23, 2026 and  
Convening a Special Meeting on December 09, 2026 at 11:00 a.m.

## AGENDA ITEM SUMMARY

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**MEETING DATE:** October 28, 2026

**ITEM NUMBER:** 3C

**FROM:** Administrative Services Director

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**SUBJECT:** Personnel Policies – Addition of Native American Day Holiday

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**RECOMMENDATION:** Adopt Updated Personnel Policies

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### **BACKGROUND SUMMARY:**

The Housing Authority's Personnel Policies state that employees "shall be granted days designated as legal holidays by the Governor of the State of California or the President of the United States, if granted as a paid holiday for federal or state employees."

On September 25, 2026, the Governor of the State of California established Native American Day as a paid state holiday. Native American Day will be observed annually on the fourth Friday of September and recognizes the history, culture, and contributions of California Native American peoples.

Consistent with the Authority's Personnel Policies, staff recommends adding Native American Day to the Housing Authority's paid holiday schedule beginning in 2027 and updating the Personnel Policies accordingly. The enclosed redlined version of the Personnel Policies reflects this proposed revision on page 40.

**RECOMMENDATION:** Adopt Updated Personnel Policies



**2160 41<sup>ST</sup> AVE, CAPITOLA CA 95010**

**PERSONNEL POLICIES AND PROCEDURES**

Revised  
~~June~~ October 2026

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**PERSONNEL POLICIES AND PROCEDURES**  
**HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ**

**I. STATEMENT OF AUTHORITY AND BASIC PRINCIPLES**

The Board of Commissioners of the Housing Authority of the County of Santa Cruz (the "Authority"), in adopting these Personnel Policies and Procedures (also referred to as the "Personnel Policies"), delegates the responsibility for its administration to the Executive Director, and charges the Executive Director to employ, assign and manage all personnel of the Authority on the basis of qualification and ability, in a manner that does not consider or rely upon any legally protected characteristics.

These personnel policies and procedures are designed to afford each employee a clear summary of employment rights, benefits, conditions and responsibilities. It is further the desire of the Authority to provide the staff with working conditions conducive to individual satisfaction and achievement of the Authority's goals.

Copies of the Personnel Policies and Procedures of the Authority will be distributed to all employees and be made available to them at each regular worksite. If an employee is unable to read and understand these Personnel Policies and Procedures in the English language, and upon their request, the Authority will provide a translated version. Upon request, the Authority will also make a good faith effort to provide such translation assistance with regard to job descriptions, assignments, and disciplinary and/or grievance procedures.

None of our personnel documents and benefit plans, including these Personnel Policies, constitute, or are intended to constitute, an express or implied contract guaranteeing continued employment for any employee.

The Personnel Policies and Procedures, while comprehensive, do not set forth all of the Authority's policies and procedures. Employees who have any questions or concerns about these Personnel Policies or any other policy or procedure contained in the intranet library accessible to staff, should contact their supervisor or Human Resources.

Nothing in these Personnel Policies or in any other document or policy is intended to violate or supersede any local, state or federal law. Nothing in these Personnel Policies or in any other document or policy is intended to limit any concerted activities by employees relating to their wages, hours or working conditions, or any other conduct protected by Section 7 of the National Labor Relations Act (NLRA). Furthermore, nothing in these Personnel Policies or in any other document or policy prohibits an employee from reporting concerns to, filing a charge or complaint with, making lawful disclosures to, providing documents or other information to, or participating in an investigation or hearing conducted by the Equal Employment Opportunity Commission (EEOC), National Labor Relations Board (NLRB) or any other federal, state or local agency charged with the enforcement of any laws.

**A. Applicability**

Unless indicated otherwise, these Personnel Policies and Procedures shall apply to all Authority employees, except the Executive Director.

**B. Merit Principles**

In order to ensure high quality public service, personnel administration shall be guided by these merit employment principles:

1. Recruiting, selecting, and advancing employees on the basis of their relative ability, knowledge, and skills;
2. Providing equitable compensation through a system of position classification;
3. Retaining employees on the basis of the adequacy of their performance, correcting inadequate performance, and separating employees who do not correct their inadequate performance;
4. Assuring ethical treatment of applicants and employees in all aspects of personnel administration in a manner that does not consider or rely upon any legally protected characteristics; and
5. Assuring that employees are protected against coercion for partisan political purposes and are prohibited from using their official authority for the purpose of interfering with or affecting the results of an election or a nomination for office.

### **C. Equal Employment Opportunity**

The Authority affords equal opportunity in all aspects of employment to all employees and applicants for employment without regard to race, religion (including religious dress or grooming), creed, sex (including pregnancy, childbirth, breastfeeding, or related medical conditions), reproductive health decision-making, gender, national origin, ethnicity, ancestry, citizenship, age, physical or mental disabilities, color, marital status, registered domestic partner status, sexual orientation, gender identity or expression, genetic information, medical condition, military or veteran status, or any other basis protected by applicable law. This policy applies to all employees and applicants for employment, and extends to all phases of employment, including but not limited to: recruitment, hiring, training, promotion, discharge or layoff, rehiring, compensation, and any benefits.

Our commitment to equal opportunity employment applies to all persons involved in our operations and prohibits unlawful discrimination and harassment by any employee, including supervisors and co-workers. This policy applies to all employees and applicants for employment, and extends to all phases of employment, including, but not limited to: recruitment, hiring, training, promotion, discharge or layoff, rehiring, compensation, and any benefits.

### **D. Discrimination and Harassment**

The Authority is committed to providing a work environment free of discrimination and harassment based on any legally protected characteristic.

Harassment and discrimination in employment on the basis of sex (including pregnancy, childbirth, breastfeeding, or related medical condition), reproductive health decision-making, gender, race, color, national origin, ethnicity, ancestry, citizenship, religion, creed, age, physical or mental disability, medical condition, sexual orientation, gender identity or gender expression, military or veteran status, marital status, registered domestic partner status, genetic information, or any other protected basis (collectively the "Legally Protected Characteristics") is unlawful under federal and state law. Every individual is entitled to work free of discrimination or harassment based on any Protected Characteristic. The law prohibits all employees (including coworkers, supervisors, and managers), as well as third parties with whom the employee comes into contact, from engaging in this impermissible conduct. Accordingly, the Authority does not tolerate discrimination or harassment in the workplace or in a work-related situation. Unlawful discrimination and harassment violates the Authority rules of conduct.

For purposes of this policy, discrimination on the basis of "national origin" also includes harassment against an individual because that person holds or presents the California driver's license issued to those

who cannot document their lawful presence in the United States and based on any of the following: an individual's or individual's ancestors' actual or perceived physical, cultural, or linguistic characteristics associated with a national origin group; marriage to or association with individuals of a national origin group; tribal affiliation; membership in or association with an organization identified with or seeking to promote the interests of a national origin group; attendance or participation in schools, churches, temples, mosques or other religious institutions generally used by persons of a national origin group; or a name that is associated with a national origin group. All such harassment is prohibited.

This policy applies to all persons involved in our operations, including coworkers, supervisors, managers, temporary or seasonal workers, agents, clients, vendors, customers, or any other third party interacting with the Authority ("third parties"), and prohibits proscribed harassing conduct by any employee or third party of the Authority, including nonsupervisory employees, supervisors, and managers. If such harassment occurs on the Authority's premises or is directed toward an employee or a third party interacting with the Authority, the procedures in this policy should be followed.

## **1. Sexual Harassment Defined**

Sexual Harassment includes unwanted sexual advances, requests for sexual favors, or visual, verbal, or physical conduct of a sexual nature when:

- Submission to such conduct is made a term or condition of employment; or
- Submission to or rejection of such conduct is used as a basis for employment decisions affecting the individual; or
- Such conduct has the purpose or effect of unreasonably interfering with an employee's work performance or creating an intimidating, hostile, or offensive working environment.

Sexual harassment includes various forms of offensive behavior based on sex and includes gender-based harassment of a person of the same sex as the harasser. The following is a partial list:

- Unwanted sexual advances or propositions.
- Offering employment benefits in exchange for sexual favors.
- Making or threatening reprisals after a negative response to sexual advances.
- Visual conduct: leering, making sexual gestures, displaying sexually suggestive objects or pictures, cartoons, posters, websites, emails, or text messages.
- Verbal conduct: making or using derogatory comments, epithets, slurs, sexually explicit jokes, comments about an employee's body or dress.
- .
- Verbal abuse of a sexual nature, graphic verbal commentary about an individual's body, sexually degrading words to describe an individual, suggestive or obscene letters, notes, or invitations.
- Physical conduct: touching, assault, impeding, or blocking movements.
- Retaliation for making harassment reports or threatening to report harassment.

This policy also protects employees from harassment by vendors or clients. If harassment occurs on the job by someone not employed by the Authority, the procedures in this policy should be followed.

## **2. Other Types of Harassment**

Prohibited harassment on the basis of legally protected characteristics includes behavior similar to sexual harassment such as:

- Verbal conduct, including threats, epithets, derogatory comments or slurs.
- Visual conduct, including derogatory posters, photography, cartoons, drawings, websites, emails, text messages, or gestures.
- Physical conduct, including assault, unwanted touching, or blocking normal movement.
- Retaliation for making harassment reports or threatening to report harassment.

## **3. Workplace Bullying**

It is expected by the Authority that persons in the workplace perform their jobs productively as assigned, in a manner that meets all of management's expectations, and that they refrain from any malicious, patently offensive or abusive conduct, including, but not limited to, conduct that a reasonable person would find offensive based on any of the protected characteristics described above. Examples of abusive conduct include repeated infliction of verbal abuse, such as the use of malicious, derogatory remarks, insults, and epithets, verbal or physical conduct that a reasonable person would find threatening, intimidating, or humiliating, or the gratuitous sabotage or undermining of a person's work performance.

## **4. Complaint Procedure**

Any employee who believes that he or she has been harassed or discriminated against by a coworker, supervisor, agent, client, vendor, or customer of the Authority, or any other third party interacting with the Authority, or any individual who is aware of the harassment, discrimination, retaliation, or abusive conduct directed toward others, should immediately provide a written or verbal report of the incident to their supervisor, any other member of management, or the Human Resources Director at 2160 41st Ave, Capitola, CA 95010. The Authority will endeavor to protect the privacy and confidentiality of all parties involved to the extent possible, consistent with a thorough investigation.

Supervisors and managers who receive complaints of misconduct must immediately report such complaints to the Human Resources Director who will evaluate the report to determine whether a resolution may be conducted internally.

After a report has been received, a fair, timely, thorough, and objective investigation by management will be undertaken that provides all parties applicable due process and reaches reasonable conclusions based on the evidence collected. The investigation will be completed and a determination will be made and communicated to the reporting employee as soon as practical upon completion of the investigation. The Authority expects all employees to fully cooperate with any investigation conducted by the Authority.

If the Authority determines that the Policy Prohibiting Harassment has been violated, remedial action will be taken, commensurate with the severity of the offense. Appropriate action will also be taken to deter any future harassment or discrimination. If a complaint of harassment or discrimination is substantiated, appropriate disciplinary action, up to and including discharge, will be taken.

## **5. Protection Against Retaliation**

Retaliation is prohibited against any person by another employee or by the Authority for using this complaint procedure, reporting harassment, or for filing, testifying, assisting, or participating in any manner in any investigation, proceeding, or hearing conducted by a governmental enforcement agency. Prohibited retaliation includes, but is not limited to, termination, demotion, suspension, failure to hire or consider for hire, failure to give equal consideration in making employment decisions, failure to make employment recommendations impartially, adversely affecting working conditions, or otherwise denying any employment benefit.

Report any retaliation to your department head, the Executive Director, or Human Resources. Any report of retaliatory conduct will be investigated in a thorough and objective manner. If a report of retaliation is substantiated, appropriate disciplinary action, up to and including discharge, will be taken.

## **6. Liability for Unlawful Harassment**

Any person who is found to have engaged in unlawful harassment is subject to disciplinary action up to and including discharge from employment. A person who engages in harassment may be held personally liable for monetary damages.

The Authority does not consider conduct in violation of this policy to be within the course and scope of employment or the direct consequence of the discharge of one's duties. Accordingly, to the extent permitted by law, the Authority reserves the right not to provide a defense to an employee alleged to have committed misconduct in violation of this policy, which may impact whether the Authority is required to pay damages assessed against said employee for such violation(s).

## **7. Additional Enforcement Information**

In addition to the Authority's internal complaint procedure, employees should also be aware that the California Civil Rights Department (CRD) and the federal Equal Employment Opportunity Commission (EEOC) investigate and prosecute complaints of harassment, discrimination, and retaliation in employment. Employees who believe that they have suffered unlawful discrimination, harassment, or retaliation may file a complaint with either of these agencies. The EEOC and CRD serve as neutral fact finders and attempt to help the parties to resolve disputes voluntarily. For more information, contact the Human Resources Director or the nearest office of the CRD or EEOC, as listed online or in the telephone directory.

## **E. Reasonable Accommodation**

To comply with applicable laws ensuring equal employment opportunities to individuals with disabilities or who otherwise require a reasonable accommodation to perform the essential functions of their job, the Authority will make reasonable accommodations for the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or an employee, unless it would create an undue hardship or a direct threat to the health or safety of the individual or others. Any applicant or employee who requires an accommodation in order to perform the essential functions of their job, enjoy equal employment opportunities, and/or obtain equal job benefits, should contact Human Resources to request an accommodation. The individual requesting an accommodation should specify, in writing, what barriers or limitations establish the basis for their accommodation request. The Authority will then engage in the interactive process to determine (a) the job-related functions at issue; (b) the nature of the work limitation(s); and (c) the desired accommodations.

In some cases, this interactive process may be triggered without a request from the employee, such as when the Authority receives notice by its own observations or another source that a work-related impairment may be impacting the employee's ability to perform their essential job functions.

Employees who believe they need an accommodation must specify, preferably in writing, what barriers or limitations prompted the request. The Authority will evaluate information obtained from the employee, and possibly from their health care provider or another appropriate health care provider, regarding any reported or apparent barriers or limitations, and will then work with the employee to identify possible accommodations, if any, that will help to eliminate or otherwise address the barrier(s) or limitation(s).

If the accommodation is reasonable and does not impose an undue hardship on the Authority or create a direct threat to the health or safety of the individual or others, the Authority will provide a reasonable accommodation. The Authority may also propose an alternative accommodation. The individual requesting an accommodation is required to fully cooperate with the Authority in determining accommodations, which may include providing the Authority with medical verification of both the disability and the need for accommodation.

Employees who wish to request an unpaid leave of absence or who wish to extend a current leave of absence because of a qualifying disability should contact the Human Resources Department.

The Authority will not retaliate or otherwise discriminate against an employee or applicant who requests an accommodation in accordance with this policy.

#### **F. Religious Accommodation**

The Authority will provide reasonable accommodation for employees' religious beliefs, observances, and practices when a need for such accommodation is identified and reasonable accommodation is possible. A reasonable accommodation is one that eliminates the conflict between an employee's religious beliefs, observances, or practices and the employee's job requirements, without causing undue hardship to the Authority.

The Authority has developed an accommodation process to assist employees, management, and Human Resources. Through this process, the Authority establishes a system of open communication between employees and the Authority to discuss conflicts between religious beliefs and work and to take action to provide reasonable accommodation for employees' needs. The intent of this process is to ensure a consistent approach when addressing religious accommodation requests. Any employee who perceives a conflict between job requirements and religious belief, observance, or practice should bring the conflict and their request for accommodation to the attention of Human Resources. Accommodation requests should be made in writing, and in the case of schedule adjustments, as far in advance as possible.

The Authority will not tolerate retaliation or discrimination against an employee or applicant who requests an accommodation in accordance with this policy.

#### **G. Accommodation for Adult Literacy Programs**

The Authority provides reasonable accommodation and assistance to an employee who reveals a literacy problem and requests assistance to enroll in an adult literacy education program unless doing so will result in an undue hardship to the Authority's business operations. Examples of assistance include providing employees with the location of local literacy programs and arranging for jobsite visits by literacy education providers.

Employees who wish to self-identify as an individual with a literacy problem and request an accommodation should contact Human Resources. The Authority will take reasonable steps to safeguard

the privacy of any employee who self-identifies. Employees who are performing satisfactorily will not be subject to termination of employment on the basis of having identified as an individual with literacy problems.

While the Authority encourages employees to improve their literacy skills, the Authority will not reimburse employees for the costs incurred in attending a literacy program. Unpaid time off to attend literacy programs may be provided as a reasonable accommodation unless doing so will result in an undue hardship to the Authority. If time off is unpaid, employees wishing to take such leave may utilize their existing vacation time or other accrued paid time off.

#### **H. Accommodation for Victims of Domestic Violence, Sexual Assault or Stalking**

The Authority will make reasonable accommodations for any employee who reports that he or she is the victim of domestic violence, sexual assault, or stalking, and requests that the Authority accommodate their safety while at work, unless providing the accommodation will impose an undue hardship on the Authority's business operations or violates the Authority's duty to provide a safe and healthy working environment for all employees.

Reasonable accommodations may include, but are not limited to: a transfer; reassignment; modified work schedule; change in work telephone number; change in work station; installed lock; assistance in documenting domestic violence, sexual assault or stalking that occurs at the workplace; safety procedures; or other adjustment to a job structure, workplace facility or work requirement in response to a domestic violence, sexual assault or stalking or referral to a victim assistance organization.

Employees may also be entitled to a leave of absence under the Time Off for Domestic Violence Victims and Victims of Sexual Assault or Stalking policies, and should consult that policy and/or Human Resources for additional information.

The Authority may request that an employee provide a written statement signed by the employee (or an individual acting on behalf of the employee) certifying that the requested accommodation is for the employee's safety while at work. The Authority may also require an employee to provide a certification, such as police report, court order, or documentation from a medical professional, that the employee is the victim of domestic violence, sexual assault or stalking. The Authority may request recertification every six months.

Employees must notify the Authority if their needs change or if they no longer need an accommodation.

The Authority will keep all information submitted in connection with an employee's request for an accommodation confidential to the extent permissible by law. If the law requires disclosure of information, the Authority will notify the employee before any information is released.

The Authority will not discriminate, harass or retaliate against any employee because the individual is, or is perceived to be, a victim of domestic violence, sexual assault or stalking or requests a reasonable accommodation in accordance with this policy.

Employees who have questions about this policy or who wish to request a reasonable accommodation under this policy should contact Human Resources.

#### **I. Accommodation for Drug or Alcohol Treatment or Rehabilitation**

The Authority will attempt to reasonably accommodate employees with chemical dependencies (drugs or alcohol), if they voluntarily wish to seek treatment and/or rehabilitation, unless the accommodation imposes an undue hardship on the Authority's business operations. The Authority does not recognize

current unlawful use of controlled substances or other drugs as a means by which an employee may request a reasonable accommodation for seeking treatment. The Authority's support for treatment and rehabilitation does not obligate the Authority to hire or employ any person who violates the Authority's drug and alcohol abuse policy or who, because of current use of drugs or alcohol, is unable to perform their duties or cannot perform the duties in a manner that would not endanger their health or safety or the health or safety of others.

The Authority will keep all information submitted in connection with an employee's enrollment in a drug or alcohol rehabilitation program confidential to the extent permissible by law. Time off for these purposes is unpaid. However, employees wishing to take such leave may utilize their sick leave or accrued paid time off, if applicable.

Employees who have questions about this policy or who wish to request a reasonable accommodation under this policy should contact Human Resources.

## **J. Use of Employer Owned and Supplied Equipment**

Employees have no right to privacy when using Agency-provided equipment or supplies. Employees should be aware that the following guidelines limit their privacy in the workplace.

### **1. Management's Right to Access Information**

The electronic mail system and internet access have been installed by the Authority to facilitate business communications and work-related research. Although each employee has an individual password to access this system, it belongs to the Authority and the contents of e-mail communications are accessible at all times by Authority management. These systems may be subject to periodic unannounced inspections, and should be treated like other shared filing systems. All system passwords and encryption keys must be made available to management upon request. An employee may not install encryption programs without obtaining approval prior to doing so and must provide encryption keys to their supervisor.

All e-mail messages are Authority records. The contents of any e-mail may be reviewed by management within the Authority without employee permission. Employees should not assume that messages are private. Back-up copies of e-mail may be maintained and referenced for business and legal reasons.

### **2. Business Use**

Internet services are primarily for business use in the course of the employees' assigned duties. Incidental and occasional personal use of internet services is permitted during working time, though the Authority reserves the right to monitor and limit all internet access. Personal use should take place outside working time where possible and should be limited to the guest wifi network and personal devices. All materials, information and software created, transmitted, downloaded or stored on the Authority's computer system are the property of the Authority and may be accessed only by authorized personnel. Employees are prohibited from accessing third party email systems (Gmail, Yahoo mail, Hotmail, etc.) on Authority computers.

### **3. Personal Use of Email**

Because the Authority provides the electronic mail system to assist employees in the performance of the job, it is to be used for official Authority business. The Authority reserves the right to access and disclose as necessary all messages sent over its email system, without regard to content. As such, employees should be aware that all email messages may be subject to public records requests.

Since employees' personal messages can be accessed by Authority management without prior notice, they should not use e-mail to transmit any messages the employee would not want read by a third party. For example, staff should understand if they use the Authority's e-mail for gossip, or personal information about self or others, these messages are not private and could be disclosed or forwarded under circumstances likely to embarrass the sender. The Authority does conduct periodic audits of internal and external email use. If the Authority discovers a violation of this policy, the employee will be subject to disciplinary action up to and including dismissal.

#### **4. Viruses**

To protect the Authority system, under no circumstances is staff to download attachments and files from persons or sites unknown to them. If unrecognized attachments and files appear in staff e-mail, check with Administration before downloading or clicking on the attachment. Do not enter unfamiliar web sites through the Authority internet access without authorization from Administration. Employees are prohibited from accessing third party email systems (Gmail, Yahoo mail, Hotmail, etc.) on Authority computers.

#### **5. Prohibited Content of E-Mail and Internet Communications**

Employees may not use the Authority's e-mail system or Internet access in any way that is considered harassing, discriminatory, obscene, violent, or threatening in violation of the Authority's policies. Examples of prohibited use include sexually-explicit messages, cartoons, images or jokes; unwelcome propositions or love letters; ethnic or racial slurs; or any other messages, images, or jokes that can be construed to be harassment of or discrimination against others based on their sex, race, ancestry, sexual orientation, age, national origin, citizenship, disability, religious or political beliefs, or any category protected by federal, state, or local law. Accessing any site that is sexually or racially offensive or discriminatory; displaying, downloading, or distributing any sexually explicit material; or transmitting any of the Authority's confidential or proprietary information or materials is forbidden. Employees may not use the Authority's email system or Internet access to enter or participate in any "chat rooms" or establish personal relationships except as approved by the Authority for business use such as Microsoft Teams.

#### **6. Password and Encryption Key Security and Integrity**

Employees are prohibited from the unauthorized use of passwords and encryption keys of other employees to gain access to the other employee's email messages.

#### **7. Copyright restrictions, permission required**

Any software or other material downloaded into the Authority's computers may be used only in ways consistent with the licenses and copyrights of the vendors, authors or owners of the material. Prior written authorization from Administration is required before introducing any software into the Authority's computer system. Employees may not download entertainment software or games. If such software is detected on an employee's computer, it will be deleted and discipline may be imposed.

#### **8. Authority Representation**

Only authorized employees may communicate on behalf of the Authority. Employees should refer all media inquiries to the Executive Director or Deputy Executive Director.

#### **9. Use of Cell Phones**

Employees whose job responsibilities include regular or occasional driving and who are issued an Authority cell phone or use their personal cell phone for business-related work are expected to put safety first. Therefore, personal and Authority-supplied cell phones are not to be used while driving outside of

compliance with the relevant California Vehicle Code Sections. If you receive a call on a cell phone while driving and cannot take the call safely and in a hands-free manner, you must pull over safely, park, and then either answer the phone or return the call of the person who attempted to contact you. Moreover, you may not send or review text messages while driving. This policy is in effect for your safety and the safety of others, as well as the safety of the Authority's property.

Employees should also be aware that driving while holding and operating a handheld wireless telephone or electronic wireless communications device is a violation of California law unless the device is specifically designed and configured to allow hands-free operation and is only used in that manner while driving. Under California law (Vehicle Code § 23123.5), such handheld devices can only be operated while driving in a manner requiring use of the driver's hand if: the device is mounted on the vehicle's windshield or affixed to the dashboard or center console in a manner that does not hinder the driver's view of the road; and the driver uses their hand to activate or deactivate a feature of the device with a single swipe or tap of the driver's finger.

Employees whose job responsibilities do not specifically include driving as an essential function, but who are issued an Authority-provided cell phone for business use or who use their personal cell phone for business use, are also expected to abide by the provisions of this policy.

Employees who use a personal cell phone should be aware that any work-related text messages or other work-related communications either sent or received may be subject to the Authority's records retention policy and/or subject to a Public Records Act request. Employees who are required to use a cell phone for work purposes will be issued an agency device. If an employee believes they are entitled to an agency cell phone, they should contact their department director.

#### **K. Social Media**

Social media refers to blogs, chat rooms, forums and social networking sites such as Facebook, Twitter, LinkedIn, Pinterest, Instagram, Snapchat, Tumblr, and YouTube, among others. Employees have the right to engage in personal social media activities to express their thoughts or promote their ideas, as long as their activities are not performed on working time or by using the Authority's Communications System, and do not cause harm to others or conflict with the Authority's policies, business, goodwill or reputation.

If employees engage in social media activities on their own time, they must keep in mind the following rights and responsibilities:

- Do not disclose confidential, privileged, or proprietary information or trade secrets of the Authority or its employees.
- Avoid using statements, photographs, video, or audio that may reasonably be viewed as malicious, obscene, or threatening or that might constitute harassment or bullying.
- Do not post any information or rumors that you know to be false about the Authority, your co-workers, Authority clients, or Authority service personnel activities.
- Do not use or reproduce our logo, website link or other proprietary Authority information.
- When expressing your opinion or position, you must use your own name and Internet account, not the Authority's name or Internet account. Your comments or posts must not appear to be representative of or approved by the Authority. It is best to include a disclaimer such as "The postings on this site are my own and do not necessarily reflect the views of the Santa Cruz Housing Authority."

Remember that you are responsible for your comments or posts on social media sites.

If you want to use social media to promote the Authority's activities, products, or initiatives, you must obtain advanced approval of the Executive Director.

You are not required to disclose your personal social media passwords or to grant management access to your private social media postings or the postings of any third parties. Your postings may be subject to disclosure by law or in the context of a workplace investigation. You should be aware that any content posted or published on the Internet is, by its very nature, subject to disclosure in any number of ways (including by third parties who have received or viewed your posts), and you do not have secure privacy rights with regard to your social media activity.

Nothing in this policy is intended to interfere with employees' rights or other federal or state law to engage in concerted protected activity or to discuss the terms of their employment or working conditions with or on behalf of co-workers, or to bring such issues to the attention of management at any time. We will enforce this policy only to the extent necessary to protect our trade secrets, enforce our policies and protect the Authority's personnel and clients.

#### **L. Political Activities**

All members, officers, and employees of the Authority shall be subject to the provisions of the federal Hatch Act (Title 5, United States Code, Section 1501 et. seq.). No employee shall be a candidate for public office in a partisan election; use their official authority or influence for the purpose of interfering with or affecting the results of an election or a nomination for office; or directly or indirectly coerce contributions from subordinates in support of a political party or candidate. As private citizens, however, employees have the rights authorized under the Hatch Act, including the right to run for public office in a nonpartisan election and the right to contribute money to political organizations and attend political fundraising functions.

All members, officers, and employees of the Authority are also subject to the provisions of California Government Code Section 54964, which prohibits the use of Authority funds or resources to support or oppose the approval or rejection of a ballot measure or the election or defeat of a candidate by the voters.

All members, officers, and employees of the Authority are also subject to the provisions of California Government Code Sections 3204 et seq., which, among other things, prohibit the use of official positions to influence elections, solicitation of political contributions from other Authority employees, and the offer of additional employee compensation in exchange for political contributions.

#### **M. Ethics**

The successful operation and reputation of the Authority is built upon the principles of integrity and ethical conduct of our employees. Our reputation for integrity and excellence requires careful observance of the spirit and letter of all applicable laws and regulations, as well as scrupulous regard for the highest standards of conduct and personal integrity.

We will comply with all applicable laws and regulations and expect all directors, officers, and employees to conduct business in accordance with the letter, spirit, and intent of all relevant laws and to refrain from any illegal, dishonest, or unethical conduct.

In general, the use of good judgment, based on high ethical principles, will guide you with respect to lines of acceptable conduct. If a situation arises where it is difficult to determine the proper course of action, the matter should be discussed only with your department head, the Executive Director or Human Resources Director.

Compliance with this policy of business ethics and conduct is the responsibility of every employee. Disregarding or failing to comply with this standard of business ethics and conduct may lead to disciplinary action, up to and including termination of employment. Retaliation against any employee who raises any questions, concerns or complaints concerning the honesty and integrity of our operations is strictly prohibited. Similarly, retaliation is prohibited against any employee who provides accurate information to any law enforcement agency about the commission of any federal or state offense. Any employee who feels that he or she has been retaliated against or threatened with retaliation for these reasons should report the matter immediately to the Executive Director or Human Resources Director as a signed complaint or on an anonymous, confidential basis.

#### **N. No Solicitation/Distribution of Literature**

The Authority has established the following rules that govern solicitation, distribution of written material, and access to Authority property:

- Employees may engage in solicitation activities only during non-working times. No employee may engage in solicitation during their working time or during the working time of the employee or the employees at whom such activity is directed;
- Employees may distribute or circulate any written or printed material only in non-work areas, during non-working times. No employee may distribute or circulate any non-work related written or printed material in work areas at any time, or during their working time or during the working time of the employee or employees at whom such activity is directed;
- Non-employees are not permitted to solicit or to distribute written material for any purpose on Authority property; and

Strict compliance with these rules is required.

As used in this policy, "working time" includes all time for which an employee is paid and/or is scheduled to perform services for the Authority; it does not include break periods, meal periods, or periods in which an employee is not performing and is not scheduled to be performing services or work for the Authority.

#### **O. Conflict of Interest**

Authority employees shall abide by the laws and regulations of the State of California, including the Political Reform Act (California Government Code Sections 81000 et seq.) and California Government Code Section 1090 concerning activities that may create a conflict of interest, and those federal conflict of interest provisions that become applicable as a result of federally funded projects.

1. It is the policy of the Authority that an Authority employee shall not engage in any employment, activity, or enterprise for compensation which creates an actual, potential, or perceived conflict with, or is contrary to their duties, functions or responsibilities, of the Authority. Employees shall not be involved or participate in making Authority decisions that may result in (1) a material impact on their or their immediate family member's personal financial position; or (2) preferential treatment to their friends or immediate family members. "Immediate family members" includes a parent, sibling, child, uncle, aunt, first cousin, nephew, niece, spouse, domestic partner, in-laws, stepfather, stepmother, stepchild, half-brother or half-sister, grandparents, and grandchildren including step/half grandparents and step/half grandchildren.

An employee's outside employment activity (including but not limited to volunteer activity) and/or enterprise is prohibited if it (1) involves the use for private gain or advantage of Authority time, facilities, information, equipment, and/or supplies, or the prestige or influence of their Authority office

or employment; (2) involves receipt or acceptance of any money or other consideration from anyone other than the Authority for the performance of an act which is required or expected to be rendered in the regular duties or hours of employment as an Authority employee; (3) involves the performance of an act in other than their capacity as an Authority employee, which act may later be subject directly or indirectly to the control, inspection, review, audit, or enforcement of any other officer or employee of the Authority; or, (4) conflicts with the employee's work schedule or involves time or other demands that impair or have a detrimental effect on the employee's work performance with the Authority; (5) conflicts with the employee's duties and responsibilities or creates an actual conflict of interest; or (6) requires the employee to conduct work or related activities on Authority property, during Authority working time, or using Authority facilities and/or equipment. For purposes of this policy, self-employment is considered outside employment.

An employee and any of the employee's immediate family members may not be an owner of or have a financial interest in property under the Section 8 Housing Choice Voucher program (24 CFR 982.161) or Project-Based Voucher program (24 CFR 983.153(g)(2)).

To prevent actual, potential, or perceived conflicts of interest, an employee and any of the employee's immediate family members are prohibited from having a personal or financial interest or benefiting from any project or contract funded by the Authority during the period of that person's employment and up to one year thereafter. Without the concurrence of the Authority, an employee and any of the employee's immediate family members is prohibited from accepting a contract for personal services from any entity doing business with the Authority during that person's employment and up to one year thereafter.

If an employee finds that they, or their immediate family member has, or is considering the assumption of, a financial interest or the employee is considering an outside relationship or employment which might involve a conflict of interest, or if the employee is in doubt as to the proper application of this policy, he or she should promptly make all the facts known to the Executive Director or Administrative Services Director and refrain from any exercise of responsibility in any manner which might reasonably be considered to be affected by any adverse interest.

2. Statement of Economic Interests (Form 700) (California Government Code Section 87302).
  - a. The following positions in b. have been determined to be:
    - (i) Responsible for the making of a decision (i.e., voting on a matter, approving the budget, adopting policy, making purchasing decisions, entering into contracts) or participating in the making of a decision (i.e., negotiating the terms of a contract, writing the specification of a bid, advising or making recommendations to the decision-maker or governing body without significant intervening substantive review) which may foreseeably have a material effect on a financial interest;
    - (ii) The financial interest (i.e. investment, business position, interest in real property, or the income) held by the Authority may foreseeably be affected materially by any decision made or participated in by the designated employee by virtue of the designated employee's position; and
    - (iii) Have duties that are not clerical, secretarial, ministerial, or manual.
  - b. List of positions:
    - (i) Executive Director
    - (ii) Deputy Executive Director
    - (iii) Finance Director
  - c. Staff listed in 2.b.(iii) will be "designated employees" under California Government Code 87302.
3. Designated Employees.
  - a. Upon Employment.

- (i) A designated employee shall report any investment, business position, interest in real property, or source of income if the business entity in which the investment or business position is held, the interest in real property, or the income or source of income may foreseeably be affected materially by any decision made or participated in by the designated employee by virtue of the designated employee's position.
  - (ii) Each designated employee shall file disclosing reportable investments, business positions, interests in real property, and income. The information disclosed with respect to reportable investments, interests in real property, and income shall be the same as the information required by Sections 87206 and 87207 (see below).
    - A. The first statement shall disclose any reportable investments, business positions, interests in real property, and income within 30 days after the effective date of the conflict of interest code, disclosing investments, business positions, and interests in real property held on the effective date of the conflict of interest code and income received during the 12 months before the effective date of the conflict of interest code.
    - B. Thereafter, each new designated employee shall file a statement within 30 days after assuming office, disclosing investments, business positions, and interests in real property held on, and income received during the 12 months before, the date of assuming office.
    - C. Each designated employee shall file an annual statement, at the time specified in the conflict of interest code, disclosing reportable investments, business positions, interest in real property, and income held or received at any time during the previous calendar year or since the date the designated employee took office if during the calendar year.
- b. Separation.
- (i) Every designated employee who leaves office shall file, within 30 days of leaving office, a statement disclosing reportable investments, business positions, interests in real property, and income held or received at any time during the period between the closing date of the last statement required to be filed and the date of leaving office.
  - (ii) An individual who resigns the position within 12 months following initial appointment or within 30 days of the date of a notice mailed by the filing officer of the individual's filing obligation, whichever is earlier, is not deemed to assume or leave office, provided that during the period between appointment and resignation, the individual does not make, participate in making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position. Within 30 days of the date of a notice mailed by the filing officer, the individual shall do both of the following:
    - A. File a written resignation with the appointing power.
    - B. File a written statement with the filing officer on a form prescribed by the commission and signed under the penalty of perjury stating that the individual, during the period between appointment and resignation, did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

**P. Relatives in the Workplace**

Relatives within the first or second degree are spouses, life partners, parents, children, grandchildren, brothers, and sisters. To the extent possible, no person who is related within the first or second degree to a Department head may be appointed in a paid capacity within that Department. No person who is related within the first or second degree to a manager or supervisor may be appointed or assigned to a position that is in a direct reporting relationship or within the supervisory line of authority to such manager

or supervisor. In order to avoid the perception of favoritism or impropriety, Department heads are discouraged from appointing relatives within the first or second degree to volunteer assignments within that Department. Any such employment shall require prior approval by the Executive Director as necessary and shall be reported to the Board of Commissioners.

Employees who are in a dating or intimate relationship may not remain in a reporting relationship or in a position where one party to the relationship has supervisor authority or review authority over the other. The dating employees are required to inform Human Resources of their relationship if their professional relationship becomes a reporting relationship. The employees may be given the opportunity to make the decision as to who will transfer positions or leave the Authority.

**Q. Payments**

No salary, wages, expenses, or allowances shall be paid except upon the certification of the Executive Director and in accordance with the policies of the Board of Commissioners.

**R. Gifts**

An Authority employee shall not ask for, receive, or agree to receive any gift, gratuity, or reward for the performance of their duties. All offers of gifts should be declined. If unable to decline a gift, or gifts are received via delivery they shall be reported in writing to the Administrative Services Director. Incidental gifts of nominal monetary value (less than \$25), may be accepted and if possible shared by all employees. Gifts valued at greater than \$25 shall be returned if possible. If unable to return a gift the Administrative Services Director will determine best way to distribute or share the gift among all employees.

**S. Confidentiality**

Authority employees shall abide by the laws and regulations of the State and Federal governments concerning confidentiality of client information. Upon commencement of their employment, and annually thereafter employees shall sign and adhere to a Confidentiality of Client Information statement provided by the Authority. Each employee is responsible for safeguarding any confidential information they obtain during employment. In the course of their work, employees may have access to sensitive or confidential information regarding the Authority, its clients, or fellow employees. Except when permitted by applicable law, unauthorized release of or discussion about client information within or outside the Authority, is considered grounds for discipline, up to and including dismissal.

**T. Program Participant**

Authority employees may participate in programs provided by the Authority if otherwise eligible and no conflict of interest exists as determined by the Executive Director. Employee-participants shall adhere to all applicable program terms and agreements, including the timely payment of rent, and shall at all times be a participant in good standing.

**U. Personal Appearance**

The image we project to our clients is reflected in the appearance of our employees. Simply stated, employees should look well-groomed and should be dressed appropriately for their specific job duties. Employees are expected to use good judgment in their appearance and grooming, keeping in mind the nature of the work, their own safety and the safety of coworkers, and their need to interact with the public. We encourage employees to seek the advice of their department head if they have questions regarding appropriate dress or appearance at work.

Nothing in this policy is intended to prevent employees from wearing a hair or facial hair style that is consistent with their religious, cultural, ethnic or racial heritage or identity.

#### **1. Religious, Medical, and Disability Accommodations**

The Authority will reasonably accommodate exceptions to this policy if required due to an employee's religious beliefs, medical condition or disability. Employees who need such an accommodation should contact their supervisor or Human Resources.

#### **V. Fragrance & Odor Policy**

The Housing Authority strives to provide a safe and healthy work environment. Fragrances and odors may trigger allergic reactions or create health problems for some individuals. The Authority desires to minimize any difficulties experienced in the workplace and to ensure comfort and safety of employees, clients, and visitors who may experience health problems from fragrances/odors or who may have chemical or fragrance sensitivities.

Fragrance refers to a scent that is perceptible by others. Fragranced products are any product that contains fragrance or scent. This policy is meant to cover noticeable fragrance from any source, including foods, personal items, perfumes, and grooming. All employees must observe good habits of grooming and personal hygiene. Body odor, from any cause, should not create distractions.

Feedback from and to employees will help ensure compliance with this policy. Any person who feels that a fragrance or odor is harmful, or offensive is expected to promptly notify his/her supervisor or Human Resources. If a problem arises due to a disability, consistent with the Authority's legal obligations, the Authority will attempt to reasonably accommodate the individual unless it causes an undue hardship. The Authority may take steps, including, but not limited to, requesting or requiring that an employee not wear or use certain products while at work. Scents should not be detectable at more than an arm's length from the individual.

### **II. EMPLOYMENT PROCEDURES**

#### **A. Application**

1. Authority to appoint, promote, transfer, demote, and terminate personnel shall be vested in the Executive Director and in such other officials as may be formally designated by the Executive Director. The Executive Director shall have the final authority on all personnel decisions.
2. Whenever possible, vacated and/or newly established positions shall be filled, consistent with the highest quality operations, by the promotion of qualified employees.
3. Notice of all available job openings shall be distributed by email to all employees prior to or concurrently with scheduled advertising to the public.
4. Open public recruitment shall be done through appropriate media, for a reasonable time, to allow sufficient opportunity for the appropriate segment of the labor market to apply and be considered for employment based on qualifications. Except for continuous recruitment, public announcement of all vacancies shall be made at least seven (7) calendar days in advance of the closing date for receipt of applications.
5. All applicants for employment are required to submit an application in a format specified by the Executive Director.

## **B. Qualifications**

The Executive Director shall prepare or cause to be prepared a job description for each employment classification, including examples of duties, experience, education, and such other qualifications as deemed necessary for the position. The Executive Director may establish an examination procedure to qualify applicants for employment by one or more of the following means: application review, written examination, verbal interview, performance test including computer skills, business and personal references.

## **C. Investigations**

The Authority recognizes the importance of maintaining a safe, secure workplace with employees who are qualified, reliable, and nonviolent, and who do not present a risk of serious harm to their coworkers or others. To promote these concerns and interests, the Authority reserves the right to investigate an individual's prior employment history, personal references, and educational background, as well as other relevant information. Consistent with legal or contractual requirements, the Authority also reserves the right to obtain and to review an applicant's or an employee's criminal conviction record, and related information, and to use such information when making employment decisions, but only to the extent permissible under applicable law.

All background checks will be conducted in strict conformity with the federal Fair Credit Reporting Act (FCRA), applicable state fair credit reporting laws, and state and federal anti-discrimination and privacy laws. The Authority is an equal opportunity employer and will comply with applicable federal, state, and local laws relating to the use of background checks for employment purposes.

## **D. Investigations of Current Employees**

The Authority may occasionally find it necessary to conduct investigations regarding alleged employee misconduct, which may include alleged violations of the Authority's policies and/or applicable laws. Employees subject to an investigation or requested to participate in an investigation are required to cooperate with the Authority's lawful efforts to obtain relevant information.

An employee who is interviewed during the course of an investigation is prohibited from attempting to influence any potential witness while the investigation is ongoing. An employee may discuss his or her interview with a designated representative. The Authority will not disclose a completed investigation report except as it deems necessary to support a disciplinary action, to take remedial action, to defend itself in adversarial proceedings, or to otherwise comply with the law or a court order. The Authority requests that all information discussed during an investigation be kept confidential while the investigation is ongoing and not shared with other employees. Employees who disclose confidential information during an active investigation, which may or may not have the effect of influencing another witness, may be subject to disciplinary action, up to and including termination.

## **E. Protected Activity and Protection Against Retaliation for Engaging in Protected Activities.**

This Policy governs and protects all Authority officials, officers, employees, or applicants for employment.

Protected activity includes, but is not limited to, any of the following:

1. Filing a complaint with a local, state, or federal enforcement or administrative agency when the employee has reasonable cause to believe the reported conduct violates or is in noncompliance with local, state, or federal law rule or regulation.

2. Participating in or cooperating in good faith with a local, federal, or state enforcement agency that is conducting an investigation of alleged unlawful activity.
3. Testifying in good faith and with reasonable cause as a party, witness, or accused regarding alleged unlawful activity.
4. Associating with another individual who is engaged in any of the protected activities enumerated herein.
5. Making or filing in good faith and with reasonable cause an internal complaint with the Authority regarding alleged unlawful activity, or violation of the Authority's policies, or of unsafe working conditions.
6. Providing informal notice to the Authority regarding alleged unlawful activity or violation of the Authority's policies, or of unsafe working conditions.
7. Calling a governmental agency's "Whistleblower hotline" in good faith.
8. Filing a written complaint under penalty of perjury that the Authority has engaged in gross mismanagement, a significant waste of public funds, or a substantial and specific danger to public health or safety.
9. Refusing to participate in any activity that the employee reasonably believes would result in a violation of or noncompliance with a local, state, or federal law, rule, or regulation.

The Authority prohibits all of the following:

1. Taking any retaliatory adverse employment action against an employee because the employee has or is believed to have engaged in protected activity.
2. Preventing an employee from engaging in protected activity.
3. Retaliating against an employee for refusing to participate in any activity that would result in a violation of or noncompliance with a local, state, or federal law, rule, or regulation, or a violation of or noncompliance with the Authority's policies; and
4. Retaliating against an employee because the employee's family member has or is perceived to have engaged in any of the protected activities.

Prohibited retaliatory adverse action may include, but is not limited to, any of the following:

1. Real or implied threats of intimidation to attempt or prevent an individual from reporting alleged wrongdoing or because the individual participated in actual or potential protected activity.
2. Refusing to hire an individual because of participating in actual or potential protected activity.
3. Denying a promotion to an individual because of participating in actual or potential protected activity.
4. Taking any form of disciplinary action because of participating in actual or potential protected activity.
5. Extending a probationary period because of participating in actual or potential protected activity.
6. Altering work schedules or work assignments because of participating in actual or potential protected activity.
7. Condoning hostility and criticism of co-workers or third parties because of participating in actual or potential protected activity.

An applicant or employee who feels he or she has been retaliated against in violation of this Policy or has witnessed conduct in violation of this Policy should immediately report the conduct according to the

complaint procedure in the Authority's Policy Against Discrimination, Harassment or Retaliation. Supervisors and Managers have the same responsibilities as defined in the Policy Against Discrimination, Harassment or Retaliation.

#### **F. Appointment**

The Executive Director shall clearly specify the conditions of employment, including position title, salary, vacation leave, sick leave, benefits, and the category of positions.

#### **G. Employee Eligibility and Work Authorization**

The Authority is committed to employing only United States citizens and non-citizens who are authorized to work in the United States and who comply with applicable immigration and employment law. As a condition of employment, every individual must provide satisfactory evidence of their identity and legal authority to work in the United States within three (3) business days of commencing employment. If the employee cannot verify their right to work in the United States within three (3) business days of the employment start date, the Authority will be required to terminate their employment immediately.

### **III. CATEGORIES OF EMPLOYEES**

There are five (5) categories of employee positions. The policies and procedures herein apply to all categories unless otherwise expressly stated.

#### **A. Temporary**

A temporary employee is one who is appointed for a special or temporary purpose on an hourly, per diem, or monthly basis that is expected to span less than 1,000 hours of paid service. Such employee shall not accumulate credit for sick leave (except if the employee is subject to the Healthy Workplaces, Health Families Act as further discussed in Section X.A(1) below), holidays, or vacations; shall not receive health insurance, life insurance, short-term or long-term disability, accidental death or dismemberment insurance, retirement plans or other benefits provided by the Authority, except as required for temporary employees by Federal, State, or local law.

The services of temporary employees may be terminated by the Authority with or without cause and such termination shall not entitle the employee to an appeal of the termination or other due process hearing.

#### **B. Long-Term Temporary**

A long-term temporary employee is one who is appointed for a special or temporary purpose that is expected to span from at least 1040 service hours to less than 2080 service hours. A long-term temporary employee may also be a temporary employee who has completed 1,000 paid service hours of continuous employment with the Authority and their continued work will exceed the 1,000 hours of paid service maximum for a temporary employee.

Commencing with the first day of employment in a long-term temporary position, the employee shall be entitled to begin accumulating credit for sick leave, holidays, and vacation, become eligible for health insurance coverage, and participate in the retirement plan. Earned vacation time shall not be granted before a six-month period of employment is completed. Long-term temporary employees shall not receive life insurance, long- or short-term disability, accidental death and dismemberment insurance, or other benefits provided by the Authority.

The services of long-term temporary employees may be terminated by the Authority with or without cause and such termination shall not entitle the employee to an appeal of the termination or other due process hearing.

### **C. Probationary**

A probationary employee is one who is appointed to a regular position, who shall serve a probationary period equivalent to twelve (12) months full-time employment from the date of such appointment (i.e., 2,080 hours of active paid service, excluding paid sick, holiday, or vacation time or similar paid non-service hours). The probationary period shall be utilized for closely observing the work of new employees and for securing their effective adjustment to their positions. All probationary employees shall be evaluated as to performance approximately six (6) months (1,040 hours) and twelve months (2,080 hours) after appointment.

Probationary employees shall accumulate credit for sick leave, holidays, and vacation and shall receive health insurance coverage and retirement benefits.

The services of probationary employees may be terminated by the Authority with or without cause, and such termination shall not entitle the employee to an appeal of the termination or other due process hearing.

Upon successful completion of the probationary period, an employee shall become a regular employee in that position.

The probationary period may be extended in writing prior to the completion of the required initial probationary period, at the discretion of the Executive Director and based on the employee's performance, for a period of three (3) months (520 hours) of active paid service beyond the required initial probationary period.

### **D. Regular**

A regular employee is one who has successfully completed the probationary period for a regular position. Such employees shall accumulate credit for sick leave, holidays, and vacation, and shall receive health insurance, life insurance, short-term and long-term disability, accidental death and dismemberment insurance, and retirement plans, as adopted by the Authority.

### **E. Part-time**

An employee may be appointed to a part-time position in any of the above categories at the discretion of the Executive Director. Accumulation of sick leave, vacation leave, and holidays will be pro-rated according to the approved number of hours in a work week. An employee serving in a part-time status who receives health insurance shall share the costs of the premiums pro-rata where the employee will contribute an additional portion in relation to hours worked.

## **F. Special Circumstances**

If required to accomplish specialized duties, or secure and retain candidates and staff the Executive Director may negotiate particular terms of employment including, but not limited to, salary step, starting vacation accrual rate, or other lawful employment terms, provided such terms are consistent with applicable law, the Authority's equal employment opportunity obligations, benefit plan requirements, internal policies, budgetary limitations, and any applicable resolutions, agreements, or conditions approved by the Authority.

## **IV. PERSONNEL FILES AND EMPLOYEE EVALUATIONS**

### **A. Personnel Files and Records**

Such records shall be kept by the Human Resources department as necessary for transactions and reference, and for making reports showing administrative actions, including name and address of each employee, employment history of each employee (which shall reflect positions held), employment status, classification, and rate of pay and benefits.

The information recorded in employees' personnel files represents vital record keeping. It is each employee's responsibility to ensure that their personal data in the file is accurate and up to date. Employees must report any change of address, phone number, and other contact methods to the Authority immediately.

Any personnel action affecting the position or status of any employee shall be recorded on a personnel form adopted for the Authority's use and a copy shall be given to the employee for their personal records.

The official personnel file of each employee shall be maintained in the Human Resources department at the principal office of the Authority. Copies of all material placed in an employee's official personnel file shall be given to such employee five (5) days prior to placement in the file, except for material obtained as part of the recruitment and selection process. The employee may submit a written response during such five (5) day period, which response shall be attached to said material and filed in the employee's official personnel file. Personnel records include documents signed by the employee related to obtaining or holding employment, performance or grievance-related items, and education or training records.

Only the Executive Director and persons authorized by the Executive Director will have access to an employee's personnel file. However, the Authority will cooperate with law enforcement officials or local, state, or federal agencies in accordance with applicable law if legally required to disclose an employee's personnel file or any of the contents therein.

Health/medical records are confidential and maintained in a file separate from the employee's personnel file. The Authority will safeguard these health/medical records from disclosure and will divulge such information only: 1) as allowed or required by law; 2) to the employee's personal physician upon written request or permission of the employee; or 3) as required for workers' compensation cases.

Employees may inspect their personnel file in the presence of an authorized representative of the Authority, and may also obtain copies of their personnel file. The employee may contact the Human Resources Director to submit their written request and to schedule a convenient time. The Authority will comply with inspection or copy requests within 30 days of receipt of the request. With the exception of routine and clerical access, a log shall be maintained to record such access indicating the date and the person obtaining access.

Employees may also inspect their payroll records upon request, and may obtain a copy of these records at their own expense. The Authority will comply with all inspection requests within 21 calendar days, unless it is impossible to do so.

## **B. Employees' Social Security Number Protection**

We have established the following procedures to protect the privacy and security of employees' social security numbers (SSNs) provided to us. This policy applies to SSNs received for any employment-related purpose, including, but not limited to, the evaluation of job applicants; payroll, benefits, and human resources administration; and employment-related investigations.

### **1. Access to, and Use of, Information or Documents That Contain SSNs**

Only authorized employees may access information and documents containing SSNs. Employees authorized to access such information or documents generally will be limited to Department Directors, the Human Resources Department, certain Finance Department staff, and the Executive Director. Authorized employees may access information or documents containing SSNs only on a need-to-know basis and may use such information and documents only for the purpose for which access is permitted.

### **2. Disclosures of Information or Documents That Contain SSNs**

When information or documents containing SSNs needs to be disclosed within the Authority to any person who is not authorized to access SSNs, the SSN should be redacted before the disclosure is made. We will disclose documents containing SSNs outside the Authority only as permitted or required by law or court order or required for business purposes such as benefit enrollment. Except when a SSN is disclosed in accordance with a contract that requires the recipient to provide adequate safeguards, SSNs may not be disclosed to a third-party without the prior approval of the Executive Director or the Human Resources Director. All other requests for the disclosure of information or documents containing SSNs must be forwarded promptly to the Executive Director or to the Director of Human Resources. Information or documents containing SSNs transmitted to a third party in electronic format should be encrypted before transmission whenever possible.

### **3. Proper Disposal of Documents That Contain SSNs**

Paper documents containing SSNs will be shredded before being discarded. SSNs stored on an electronic medium, such as hard drives, laptops, and compact disks, will be rendered irretrievable before being discarded or re-issued to an employee who is not authorized to access SSNs.

### **4. Penalties for Violation of this Policy**

Any employee who becomes aware of or suspects a violation of this policy should inform the Executive Director or the Director of Human Resources immediately. An investigation may be conducted if deemed appropriate to do so. Violation of this policy will result in disciplinary action up to and including termination of employment.

## **C. Employee Evaluation**

The primary purpose of written employee evaluations shall be to inform employees about how well they are performing their work and how they can improve their work and performance.

Each employee's Supervisor shall, with review and approval from the Department Head, be responsible for evaluating the employee's performance. No evaluation of any employee shall be placed in any personnel file without an opportunity for discussion between the employee and the evaluator.

When possible, no less than a "meets expectation" evaluation shall occur without prior counseling or notation to the employee concerning areas that need improvement. Any less than satisfactory overall evaluation shall have documentation or explanation and shall include specific recommendations for improvement and provisions for assisting the employee in implementing any recommendations made. The employee shall have the right to review and respond in writing within five (5) business days to any evaluation.

#### **D. Schedule for Employee Evaluation**

Employees may be evaluated at any time and shall generally be evaluated at least at the intervals indicated below. However, the Authority does not contract or guarantee to provide an evaluation at any specific interval and reserves the right to engage in performance improvement plans before or after an evaluation.

1. Probationary Employees shall usually have their performance evaluated prior to the end of 1,040 hours (6 months). The final probationary evaluation shall be performed by the direct Supervisor and reviewed by the Department Head prior to the end of the established probationary period, whether that be 2080 hours (one year) or longer as defined in Section III.D. For probationary employees, "service hours" means hours actually worked in the position, excluding overtime hours, and does not include hours on paid or unpaid leave, jury duty or other non-work activities.

2. Regular employees shall usually be evaluated according to the following schedules. Upon promotion or promotional reclassification, an employee shall serve a new probationary period in that classification and shall be evaluated within 1,040 hours (6 months) of the promotion or reclassification, and annually thereafter.

Merit salary increases shall be given to employees coincident with each accrual of 2,080 service hours of their appointment, promotion, or promotional reclassification as a regular employee, whichever is the most recent action, until the top of their salary range is reached, as provided in Section VI. An evaluation of less than "meets expectation" may result in a merit increase being denied.

3. All other employees shall be evaluated on a schedule established by the Executive Director, but no less frequently than once every twelve (12) calendar months whenever feasible unless individual circumstances warrant otherwise.

4. Additional performance evaluations for any employee may be undertaken by the Supervisor, Department Head, or Executive Director for sound and justifiable reasons at any time deemed necessary to assist the employee in the effective performance of required duties. Employees who do not maintain adequate performance standards shall be notified and placed on special evaluation. Such evaluations may not exceed one (1) per month nor continue longer than six (6) months.

Employees who are unsuccessful in attaining an overall performance rating of "meets expectation" or better during this continuous six-month special performance rating period shall be subject to a final performance improvement notice up to and including dismissal, subject to the appeal rights defined in Section XIV.G

#### **E. Disposition of Copies of Performance Evaluations**

Only two (2) official copies of an employee evaluation shall be made. Whenever an employee is evaluated, the Department Head shall discuss the evaluation with the employee and both parties shall

sign it at that time. The employee shall retain one (1) copy, and the second copy shall be included in the employee's official personnel file.

**F. Reviews.** An employee who has reason to question any aspect of their performance rating may request a review of the rating with the person making the evaluation. Should either the evaluator or the employee request, the Executive Director shall also review the rating(s) in question for the purpose of considering a change in any rating(s) on a performance evaluation. The determination of the Executive Director shall be final and not subject to appeal. The employee may alternatively or additionally attach a written response to their evaluation disputing any rating contained therein.

## **V. HOURS OF WORK AND OVERTIME**

### **A. Hours of Work**

#### **1. Work Week**

For purposes of calculating overtime, the work week is defined as the seven (7) work day period between 12:00 a.m., Sunday, through 11:59 p.m., the following Saturday.

For full-time employee work schedules, the normal work week shall be forty (40) hours and consist of five (5) consecutive working days. The normal weekly work schedules shall be Monday through Friday.

#### **2. Work Day**

For purposes of calculating overtime, the work day is defined as the twenty-four (24) hour period between 12:00 a.m., through 11:59 p.m.

For full-time employee work schedules, the normal work day shall be eight (8) hours. Normal full-time daily working schedules shall be from 8:00 am to 5:00 pm, with one unpaid hour for lunch.

Other alternate work schedules (AWS) may be assigned by the Authority or requested by the employee, as explained in further detail in the HR AWS policy and Section V(F) below.

#### **3. Lunch Periods**

During a shift of eight (8) hours, employees shall be entitled to one uninterrupted unpaid lunch period of no more than one (1) hour or less than one-half (1/2) hour. The time for such lunch periods shall be scheduled for full-time employees and start before the completion of the 5<sup>th</sup> hour of work in a work day.

#### **4. Rest Periods**

Each employee shall be entitled to rest periods at the rate of fifteen (15) minutes during each work period of four (4) hours or more. Rest periods are part of the regular workday and shall be compensated at the regular rate of pay for the employee. Rest periods shall not be accumulated or taken at the beginning or end of a work period, or combined with the lunch period. The Executive Director may assign such staggered rest periods as may be needed to serve the public.

### **B. Overtime**

#### **1. Definition**

Overtime is any authorized time worked in excess of forty (40) hours per work week for non-exempt employees. Designated exempt employees paid on a salary basis are exempt from overtime.

## **2. Authorization**

Overtime shall be worked only pursuant to the request or approval by a Department Head. Employees cannot work overtime without the advanced approval of a Department Head or the Executive Director or their designee. Unauthorized overtime is a violation of Authority policy.

## **3. Computation**

- a. Time Worked. Paid time off from work for any purpose other than holidays, as described in 3.b. below, such as sick leave, vacation, jury duty, any balance of compensatory time, and mandatory leave with pay, shall not count as time worked for purposes of overtime.
- b. Holidays.
  - i. When a holiday falls on an employee's regular work day, the hours of holiday leave shall be counted as time worked for purposes of computing overtime whether the holiday is worked or not, and hours worked on a holiday shall be counted as additional time worked for purposes of computing overtime.
  - ii. Holidays which occur on a day other than the employee's regularly scheduled work day shall not be counted as time worked for purposes of computing overtime. (For example, if Monday is not an employee's regular work day and Monday is a holiday, the employee would get paid for the holiday, but the hours would not be considered "time worked" for purposes of computing overtime.)

## **4. Rate**

Overtime is paid only for hours worked by non-exempt employees in excess of forty (40) hours in one work week. All time worked over forty (40) hours in a single work week is paid at one and one-half (1.5) times the employee's regular hourly rate of pay.

Upon request of an employee in advance and in writing of the time worked, and with approval of the Executive Director or the Executive Director's designee, non-exempt employees may receive compensatory time off for overtime worked in lieu of overtime pay. Compensatory time off shall be provided at the rate of one and one-half (1.5) times each hour of overtime worked in lieu of overtime compensation in cash, up to a maximum of 40.5 hours of compensatory time (27 hours of overtime worked). Once the employee reaches the compensatory time off cap, any overtime worked will be paid out to the employee in cash.

## **5. Compensatory Time Implementation**

If an employee makes a request in writing to the Executive Director or the Executive Director's designee to use compensatory time from the employee's balance, and gives reasonable advance notice so that coverage can be arranged, and is arranged, and said time off request does not unduly disrupt the operation of the Authority, the Executive Director shall grant the request.

The Authority will not require employees to take compensatory time off for the purpose of avoiding overtime pay.

## **C. Timekeeping**

### **1. Nonexempt Employees**

Nonexempt employees are employees who are eligible to receive overtime pay for any time worked in excess of 40 hours per work week. Employees who are classified as nonexempt must accurately record the time they work each day, including arrival, departure, and meal break times.

When employees receive their paychecks, they should verify immediately that their working time was recorded accurately and that they were paid correctly for all hours worked.

Nonexempt employees must report all time worked and must not work any time that is not authorized by their supervisors. This means nonexempt employees must not start work early, finish work late, work during a meal break or perform any other extra or overtime work unless directed to do so. Employees who have questions about when or how many hours they are expected to work should contact their supervisor.

It is a violation of the Authority's policy for anyone to instruct or encourage another employee to work "off the clock," to incorrectly report hours worked, or to alter another employee's time records. If any employee is directed or encouraged to incorrectly report hours worked or to alter another employee's time records, he or she should report the incident immediately to a supervisor.

### **2. Exempt Employees**

Employees who are classified as exempt must record absences from work for reasons such as leaves of absence, sick leave, or vacation.

Exempt employees are paid on a salary basis. This means the employee regularly receives a predetermined amount of compensation each pay period, which cannot be reduced because of variations in the quality or quantity of the employee's work. In general, an exempt employee will receive their salary for any week in which the employee performs any work, regardless of the number of days or hours worked.

However, an exempt employee will not receive their regularly paid salary for full days not worked in the following circumstances:

- When an exempt employee takes one or more full days off for personal reasons other than sickness, disability, or other protected leave, the employee will not be paid their regular salary for such day(s) of absence, but the employee may use available vacation (paid time off) to receive payment for that time off;
- When an exempt employee takes one or more full days off from work due to sickness or disability, the employee will not be paid for such day(s) of absence unless the employee uses available sick time to receive payment for that time off;
- When an exempt employee works only part of the week during their first and last week with the Authority, the employee will be paid only for the days actually worked; and
- When an exempt employee takes unpaid leave under the Family and Medical Leave Act, California Family Rights Act, or other unpaid protected leaves, the Authority will not pay for such days/hours of absence.

The Authority may require an exempt employee to use available vacation as a replacement for salary when the employee takes less than a full-day off from work, provided that the employee still receives payment equal to the employee's predetermined salary for that week even if the employee has no leave remaining.

An exempt employee's salary will not be reduced when the employee works part of a week and misses part of a week due to service as a juror, as a witness, or in the military, or for lack of work.

If an exempt employee believes that an improper deduction has been made to their salary, the employee should immediately report this information to Human Resources or a supervisor. Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, the employee will be promptly reimbursed for any improper deduction made.

#### **D. Call-Back Duty**

Certain employees are required to work on call. Compensation for being on call depends on the circumstances as described below.

Defined. Employees who are ordered to return to their work site or another specified work site by the Executive Director or the Department Head following the termination of their normal work shift on a given work day shall be considered to be on call-back duty.

Non-exempt employees will be paid for the time spent responding to phone calls or performing work after hours..

Travel time to and from the work site may be considered working time if the employee is on call-back duty.

Compensation. Non-exempt employees who are called back shall be compensated for the actual time worked at their regular rate of pay. If call backs result in the employee working more than 40 hours in the workweek, call back time will be paid at one and one-half (1.5) times their regular hourly rate for hours over and above the 40 hours worked. For purposes of call back pay above 40 hours worked, a minimum of two (2) hours shall be compensated even if the employee worked less than two (2) hours beyond the 40 hours worked in the week.

#### **E. Job Sharing**

Upon request for voluntary job sharing, and with the approval of the Executive Director, two (2) or more employees may share one (1) or more full-time positions; provided however that each such part-time job shall be at least a half-time position, and such job sharing shall not result in an increase in salary or benefit costs to the Authority. All such arrangements shall be made in accordance with operational needs of the Authority, shall be at the sole discretion of the Executive Director pursuant to those operational needs, and may be terminated by the Executive Director upon their discretion.

Each employee electing to share a full-time position pursuant to this Section may receive Authority contributions for health and welfare benefits on a pro-rated basis.

#### **F. Alternate Work Schedules**

Employees may request alternate schedules. Employees may reference the detailed Alternate Work Schedule (AWS) procedure as described in the HR AWS policy. Written requests shall be submitted to the Executive Director and shall state reasons for the schedule. The requests shall be considered and may be granted provided that workflow is not interrupted and public needs continue to be met, as

determined by the Executive Director. The Executive Director or their designee shall respond to requests in writing within fourteen (14) calendar days. A request that is not approved or responded to by the Executive Director within that time shall be deemed denied.

All AWS arrangements shall be made and continue for as long as mutually agreed to by the employee(s) and the Executive Director, subject to the HR AWS policy. Approval for creating and continuing alternate work schedules lies wholly within the discretion of the Executive Director.

#### **G. Lactation Accommodation**

Employees desiring to express breast milk for the employee's infant child while at work have the right to request lactation accommodation. Employees may request this accommodation by communicating with their department manager and/or Human Resources. The Authority will meet with the employee about the accommodation, will document the accommodation plan in writing, and will provide a written response to the employee's request. If possible, the lactation break time will run concurrently with any paid rest break time already provided to the employee.

The Authority will designate a lactation room/space near the employee's work location in response to an employee's request for such accommodation. This location may be the employee's private office, if applicable. This room/space shall not be a bathroom, and will be shielded from view and free from intrusion while the employee is lactating. Additionally, the room will be safe, clean, free of hazardous materials, and provide the following:

- A surface to place a breast pump and personal items;
- A place to sit;
- Access to electricity or alternative devices, including but not limited to, extension cords or charging stations needed to operate an electric or battery-powered breast pump;
- Access to a sink with running water;
- Access to a refrigerator or cooling device suitable for storing milk.

Where the room provided is used for lactation as well as other uses, the use of the room for lactation shall take precedence over the other uses, but only for the time it is being used for lactation purposes.

The Authority will comply with all applicable legal requirements when implementing this policy. If an employee has any concerns regarding the accommodations provided, the employee should contact management or Human Resources.

For any perceived violation of this policy, the employee has the right to file a complaint with the California Labor Commissioner.

### **VI. PAY, CLASSIFICATION, ASSIGNMENT, AND EMPLOYEE STATUS**

#### **A. Pay Periods**

Employees are paid by check or direct deposit on a bi-weekly basis on every other Friday. If the pay day falls on a holiday, whenever possible, employees will be paid on the immediately preceding regularly scheduled workday. The standard pay period commences at 12:00 a.m. on the Sunday immediately preceding pay day. Employees who select certain Alternate Work Schedules (AWS) will have a different pay period as described in the AWS procedure. Deadlines for submission of time sheets shall be

determined by the Finance Department consistent with efficient operations. Employees who fail to submit completed and accurate time sheets by the determined deadline may be subject to disciplinary action up to and including dismissal.

. If an employee believes an error has occurred or if there are any questions about an employee's paycheck or pay stub, the employee should promptly report the matter to the Human Resources Director.

## **B. Classification**

Classification is defined as a group of positions sufficiently similar as to duties performed, degree of supervision exercised or received, minimum requirements and such other qualifications that the same title, same test of fitness, and the same schedule of compensation may be applied to each position in the group.

1. Positions with similar responsibilities and duty requirements shall be grouped into the same class, with a designated salary range as approved by the Authority. Common standards of selection, assignment and salary are applied to the positions within the same class.
2. Job descriptions for each position shall be developed and approved by the Authority. An Authority manual of job descriptions shall be available to employees and the public at the Authority office.
3. Job assignments to specific positions in a class shall be made at the discretion of the Authority. Employees may be given any job assignments and tasks that are deemed by the Authority to be appropriate to their position, and employees have no expectation that they are entitled to a particular assignment.
4. Duties of employees shall include those outlined in the job classification and those which reasonably relate to the job description or classification, as determined by the Executive Director or the Department Head.
5. New classifications shall be created, abolished, or combined by the Authority as the needs of the Authority change.
6. As part of the employee's annual performance evaluation, and/or at the request of an employee, the Department Head shall review the employee's assignment to ensure that the employee's assigned duties are consistent with their classification.
7. The Authority endeavors to conduct a full compensation and classification study at least every five (5) years. Results of the study shall be available to all employees and presented to the Board of Commissioners. The studies shall be advisory to the Executive Director and the Commissioners. Any employee may present written and/or verbal comments concerning the study to the Executive Director or their designee. All job descriptions shall be updated to reflect actual duties assigned and authorized.

## **C. Compensation**

### **1. Salary Schedule**

The Salary Schedules for employees and the Salary Step/Range Chart shall be available for review through the Human Resources Department or on the Authority intranet. There shall be five (5) steps in a salary range with increments of approximately 5% between each step. Employees may be paid at the Authority's discretion within each range's steps. The Board of Commissioners shall have complete discretion in approving the salary schedule, and the Board's decision shall be final.

## **2. Salary Increases and Bonuses**

Salary increases for all employees are based on performance and length of service. There are three types of increases and bonuses, as follows.

- a. **Step Increases.** All new regular employees are eligible for the second salary step after completing 2,080 hours of service with the Authority, in active paid status and after successful completion of the probationary period. Each successive step thereafter, until step five (5) is reached, may be granted after completing increments of 2,080 hours of paid service, and with a satisfactory or better performance evaluation.
- b. **Longevity Service Incentive Bonus.** An employee employed by the Authority prior to July 1, 1997, shall receive a longevity service increase of approximately 5% on the date of the tenth anniversary (20,800 hours of paid service) of full-time continuous service as a regular employee of the Authority. All staff shall receive a \$1,000 longevity incentive bonus every 5 years of employment with the Authority on their applicable anniversary date.
- c. **Cost of Living Adjustment.** It is the policy of the Authority to consider cost of living adjustments annually. Public agencies consisting primarily of the municipal and county governments, and such other similar public bodies including similar Public Housing Authorities, may be contacted in making cost of living and compensation surveys to determine if a cost of living adjustment shall be made.

## **3. Hours of Service for Purposes of Salary Increases**

- a. **Defined.** Paid hours of work and paid leave hours accrued by an employee within the number of authorized hours for their position shall constitute hours of service for purpose of salary increases. Hours worked in excess of the number of regularly scheduled hours for the position, whether overtime or otherwise, shall not be included in hours of service. Exempt employees' hours of service are calculated based on the number of scheduled work hours.
- b. **Beginning Date.** Hours of service for purposes of step advancement accrue by position, beginning from the most recent date of appointment to that position.

## **4. Anniversary Date Defined**

The initial anniversary date of an employee is that date upon which an employee begins paid service in their initial probationary position.

### **D. Probationary Conditions**

No Authority employee shall attain regular status in any position without first having successfully completed the required probationary period. Authority employees shall serve in probationary status under the following conditions.

1. **New hires and rehires to regular positions** shall serve an initial probationary period equivalent to 2,080 service hours (approx. 12 months) from the date of appointment by the Executive Director. "Service hours" means hours actually worked in the position, excluding overtime hours, and does not include hours on paid or unpaid leave such as sick or vacation time, jury duty, or other non-work activities.

2. Employees reassigned to a different position through promotion, demotion, reclassification or transfer shall serve in probationary status equivalent to 2,080 service hours of employment in that new position.
3. Performance evaluations shall be conducted during the probationary period as provided in Section IV.C.

#### **E. Promotion**

Vacated or newly established positions shall be filled to the fullest extent, consistent with the highest quality operations and by the promotion of qualified employees. Promotion of individuals shall be based on consideration of the following factors: qualifications, the quality of service previously rendered (including but not limited to quality of work, compliance with work rules), seniority, and the recommendation of the Department Head.

All current staff shall be notified of such position openings in the manner mentioned above in Section II.A. Any employee may apply for a promotion to any advertised position. Any promotion may require qualifications subject to the criteria appropriate to the position, as determined by the Executive Director. Interviews shall be conducted as determined by the Executive Director.

1. Regular Employees. Upon promotion to a position of higher classification, a regular employee shall serve in a probationary status. During the probationary period, if the employee is released or seeks reinstatement to the previous position for reasons other than misconduct, the employee shall be entitled to reinstatement in the formerly held classification, if available; or in the alternative a lower class, if available, for which the employee qualifies and chooses to accept.
2. Probationary Employees. Upon reassignment to a position of higher classification (promotion), a probationary employee shall begin to serve a new probationary period. If a probationary employee is released from the new position, reinstatement to a lateral or lower classification may be considered; however, the decision to reinstate is a matter in the sole discretion of the Executive Director.
3. When an employee is promoted to a position of higher classification/higher range on the salary chart, such employee shall receive at least a 5% salary increase and be placed on the step that reflects that increase.
4. Promotions of individuals to vacant positions on a temporary acting basis may be made at the discretion of the Executive Director during the period of recruitment for said position, as indicated in Section VI.G. Employees will be compensated at the appropriate range/step on the salary chart for the temporary position so as to receive at least a 5% temporary salary increase.

#### **F. Demotion**

The demotion of an employee shall be limited to the following four conditions when the Authority deems it necessary: (1) in order to provide the best possible services for the Authority's program; (2) to assist the employee to make appropriate adjustments in the responsibility level or performance of their duties; (3) due to organizational priorities brought about by a change in the nature of services provided, lack of work or lack of funds; or (4) in situations when an employee has not improved performance to the level of satisfactory after completion of a performance improvement plan. Any such action taken with regard to a regular employee is subject to appeal by the affected employee, as set forth in Sections XIII or XIV.

1. Downward adjustments of any position or class of positions shall be considered demotions and shall take place only as a result of the conditions set forth herein. Such action may be

considered non-disciplinary or disciplinary, provided, however, that disciplinary demotions of regular employees shall comply with the disciplinary procedures set forth in Section XIV. A disciplinary demotion shall be supported by a less than satisfactory performance evaluation or other documentary evidence of cause for discipline. In both instances the Authority shall retain its right to "Y-Rate" classified employees into existing or proposed positions provided it does not displace another more senior regular classified employee.

2. Non-disciplinary demotions caused by organizational priorities, as determined by the Executive Director, may result in the reassignment of an employee to a class having a lower salary range. The Authority shall retain the right to "Y-Rate." In addition, the affected employee shall be given preferential consideration for openings in their former classification.
3. A reassignment to a regular position at a lower salary range due to non-disciplinary administrative demotion or voluntary demotion shall entitle the employee to a salary step in the lower range which corresponds to the step or dollar amount to that which was held in the higher range, provided that in no case shall the new pay level exceed the maximum salary for the lower classification.
4. "Y-Rating" adjustments are defined as follows: When an employee is reassigned to a lower classification having maximum rates which are less than the dollar amounts at the previous classification, the employee's salary shall remain at the previous level (Y-Rate) until such time as future salary increases bring the salary range of the employee's new class up to a point where the Y-Rate falls within such range. At that point, the employee is no longer Y-rated and assumes the salary step in the new class.

#### **G. Working Out of Classification**

"Working out of classification" shall mean an assignment of duties authorized in writing by the Executive Director on a temporary basis, where all or a significant portion of the duties performed are at a higher classification than the classification of the employee assigned the new duties. All "out of classification" assignments are temporary and shall not be made to fill regular position vacancies except during that period required to complete the recruitment/selection process, or for vacation and leave relief.

1. An employee, other than a management employee, shall perform such duties at their current rate of pay for a period of not more than ten (10) consecutive working days (80 hours) during sick leave and vacation relief. An employee performing such duties for more than 10 consecutive working days shall have their salary adjusted upward for the period the assignment is in effect, beginning with the eleventh (11th) consecutive working day (81 hours) of such work. Exception: if the employee was notified prior to the assignment that the period would extend for more than twenty (20) consecutive working days (160 hours), the employee shall have their salary adjusted upward for the entire period the assignment is in effect, beginning immediately.
2. Compensation for an employee required to work out of classification will be at the first step of the higher range or at a step within that range which will provide at least a five percent (5%) increase over their regular salary, whichever is greater.
3. Working out of classification is contingent upon the needs of the Authority. All such assignments shall be subject to the prior written approval of the Executive Director.
4. If an out of classification assignment has not been approved by the Executive Director in writing, no employee may expect or claim entitlement to out of classification pay.

## **VII. RETIREMENT BENEFITS AND AUTHORITY-PROVIDED INSURANCE**

### **A. Pension Plan**

The Authority shall contribute to a retirement pension plan at a rate established by the retirement plan administration. The employee shall contribute a set percentage based on the retirement plan contract. Participation in the retirement plan shall be limited to probationary and regular employees or long term temporary and seasonal employees who reach 1,000 hours in paid status.

### **B. Life Insurance**

The Authority shall provide, at no cost to the employee, group life insurance coverage.

### **C. Health Insurance**

The Authority shall provide group medical, dental, and vision insurance coverage to each eligible employee and their eligible enrolled dependents. Short term temporary employees are not provided such insurance unless otherwise required by applicable law. Premium costs shall be shared between the Authority and the employee through a cafeteria flex fund plan. See plan documents for details.

Health insurance premiums paid by the Authority for part-time employees shall be proportionate to the employee's approved work schedule, unless otherwise authorized by the Executive Director.

### **D. Short-Term and Long-Term Disability Insurance**

The Authority shall provide to regular employees, at no cost to the employee, short-term and long-term disability insurance coverage. See plan documents for details.

### **E. Accidental Death and Dismemberment Insurance**

The Authority shall provide to regular employees, at no cost to the employee, accidental death and dismemberment insurance coverage. See plan documents for details.

### **F. Unemployment Insurance**

The Authority shall provide, at no cost to the employee, unemployment insurance coverage. The cost and benefits shall be as mandated by the State of California.

### **G. State Disability Insurance**

Disability insurance coverage shall be provided through the Authority, with premium costs paid by the employee. The cost of coverage and benefits shall be as mandated by the State of California.

### **H. Worker's Compensation Insurance**

The Authority shall provide, at no cost to the employee, State of California mandated Workers' Compensation coverage. The level of benefits will be in accordance with the Workers' Compensation laws of the State of California.

## VIII. HOLIDAYS

### A. Scheduled Holidays

The Authority shall provide all eligible employees with the following paid holidays:

|                            |                                           |
|----------------------------|-------------------------------------------|
| New Year's Day             | January 1                                 |
| Martin L. King's Birthday  | Third Monday in January                   |
| President's Day            | Third Monday in February                  |
| Farmworkers Day            | March 31                                  |
| Memorial Day               | Last Monday in May                        |
| Juneteenth                 | June 19 <sup>th</sup> or Monday following |
| Independence Day           | July 4                                    |
| Labor Day                  | First Monday in September                 |
| <u>Native American Day</u> | <u>Fourth Friday in September</u>         |
| Veteran's Day              | November 11                               |
| Thanksgiving Day           | Fourth Thursday in November               |
| Friday after Thanksgiving  | Friday after Thanksgiving                 |
| Winter Holiday #1          | December 24                               |
| Winter Holiday #2          | December 25                               |
| New Year's Eve             | December 31                               |
| Floating Holiday           | Requested by Employee                     |

The Floating Holiday becomes available to benefit-eligible employees on January 1<sup>st</sup> of each year, and is intended to be used during that calendar year. The Floating Holiday is of eight (8) hours duration, must be pre-approved by the employee's manager, and must be used entirely in one day. Floating holidays that are not used during the year in which they are allotted will be paid out at the end of the year at the employee's then regular rate of pay. All allotted floating holidays that have not been taken before departure of employment will be paid out at the employee's then regular rate of pay.

At the discretion of the Executive Director, employees may be granted special Board-designated holidays and shall be granted days designated as legal holidays by the Governor of the State of California or the President of the United States, if granted as a paid holiday for federal or state employees. These special holidays shall be with eight (8) paid hours provided the employee is in paid status for eight (8) hours (or a full day) of the working day immediately before or after the holiday.

1. Holidays falling on Saturday or Sunday shall be celebrated on the preceding Friday or following Monday, respectively.

2. An employee who is paid overtime for working on a holiday or Board-granted day off shall not receive an additional day off in place of that holiday or Board-granted day off.
3. An employee on unpaid leave shall not receive holiday pay unless the employee is in paid status the full day before and the full day after the holiday. An employee receiving prorated pay during leave, for example integrating wages with SDI, will receive the same prorated holiday pay as s/he receives in prorated wages on adjacent work days.

**B. Holidays Falling During Other Paid Leave**

When a holiday occurs on a day an employee is absent from work because of sick leave, vacation or other paid leave, the employee shall be paid for the holiday and the day shall not be counted as a day of paid leave.

**C. Part-time Employees**

Holiday compensation for part-time employees shall be proportionate to the employee's approved work schedule (e.g. an employee working in a 20 hour week or half-time position would receive four (4) hours of holiday compensation for a holiday occurring during the work week.). Holidays that occur on a day other than the part-time employee's regularly scheduled work day shall be compensated either by salary at straight time or by allowing the part-time employee to take time off in the same pay period for the hours which are proportionate to the part-time position. The approved work schedule shall be established upon employment in a part-time status.

**IX. VACATIONS**

**A. Annual Vacations**

As annual vacations for the Authority personnel are in the best interests of both the Authority and its staff members, we encourage staff to utilize their vacation annually.

**B. Vacation Accumulation**

Vacation time for eligible staff shall be earned on an hourly basis and accrue at the following rates for full-time service:

- .0635 hour per hour of service for less than 10,400 hours of service in paid status.
- .0750 hour per hour of service for service in paid status of at least 10,401 hours of service but less than 20,800 hours of service.
- .0952 hour per hour of service for service in paid status of at least 20,801 hours of service but less than 31,200 hours of service.
- .1096 hour per hour of service for service in paid status of more than 31,201 hours of service.

Eligible employees with less than full-time service shall earn vacation hours proportionate to the authorized hours of their positions.

Years of service in paid status shall mean years since the employee's original anniversary date as defined in Section VI.C.4.

Vacation credit shall accrue for each employee beginning on the date of hire.

Vacation leave may be requested for personal reasons that do not fall under the sick leave policy (§ X.A), for example, personal appointments non-medical in nature, and time off to care for pets.

**C. Vacation Pay**

Pay for vacation days for all employees shall be at the same regular rate of pay as that which the employee would have received, exclusive of overtime payments, had the employee been in working status.

**D. Vacation Pay upon Departure from Employment**

When an employee is terminated for any reason or voluntarily resigns, the employee shall be entitled to all vacation pay earned and accrued while on paid status up to and including the effective date of the termination.

**E. Holidays**

Holidays falling during the scheduled paid vacation of any employee shall not be charged as a day of vacation.

**F. Vacation Scheduling**

Vacations shall be scheduled at times requested by employees within the Authority's work requirements as established by the Executive Director. The vacation schedule shall be subject to the approval of the Department Head and/or Executive Director. Conflicts between employees as to when vacation shall be taken shall be resolved by the Executive Director, who shall determine the order of leave. Seniority, the order in which requests are received, and operational needs shall be considerations in such determinations.

All vacations shall be requested and scheduled in advance. Use of vacation leave for unplanned absences is discouraged; unplanned is defined as less than 5 days' notice.

**G. Maximum Vacation Accrual Cap**

An employee can accumulate a vacation leave balance of no more than 1.75 times the number of vacation hours that the employee can accrue annually based on the employee's accrual rate and full-time/part-time status.

Once an employee reaches the maximum vacation accrual cap, no further vacation hours shall accrue until such time as the employee's accrual drops below the maximum accrual cap. It is each employee's responsibility to track their vacation accrual and to schedule vacations in such a manner as to remain under their cap. No employee will be reimbursed for vacation hours that are not accrued because the employee was at the maximum vacation accrual cap.

**H. Vacation Cash-Out**

If approved by the Executive Director an employee whose vacation accrual exceeds 200 hours as of November 1st can request in writing a cash-out up to 40 hours vacation on the first pay date in December.

## **X. LEAVES**

### **A. Sick Leave**

The Authority provides paid sick time to eligible employees. Temporary employees will only receive sick time as mandated by California's Healthy Workplaces Healthy Families Act (HWHFA). Probationary, full-time, part-time, and long-term temporary employees will receive additional sick time as outlined below.

#### **1. Eligibility**

Employees become eligible for HWHFA paid sick time once they have worked in California for the Authority for 30 days within a year from the start of employment. Probationary, full-time, part-time, and long-term temporary employees will accrue sick time as outlined below.

#### **2. Annual Accrual of Paid Sick Time**

Probationary, full-time, part-time, and long-term temporary employees begin to accrue paid sick time on the first day of employment.

Paid sick time accrues on an hourly basis. Employees shall accrue .0462 hours of sick leave for each hour of service in paid status (including holidays, paid leaves, and vacation). Sick leave may be accrued to a maximum of 480 hours.

Exempt employees are assumed to work 40 hours per workweek, unless their normal workweek is fewer than 40 hours per week, in which case accrued paid sick time is based upon that normal workweek.

Once the maximum accrual cap is reached, employees will not accrue additional paid sick time until their accrual balance falls below the cap.

Paid sick time may be used to cover all or just part of a work day.

Employees will not accrue paid sick time during unpaid leaves of absence.

Employees are not required to find an employee to cover their work when they take paid sick time.

#### **3. Reasons Sick Time May be Used**

Employees may use paid sick time for themselves and their eligible family members:

- For diagnosis, care or treatment of an existing medical condition; or
- For preventive care;
- Employees may also use paid sick time for safe time purposes if the employee is a victim of domestic violence, sexual assault or stalking and time off is needed to:
- Obtain or attempt to obtain any relief (e.g., a temporary restraining order, restraining order or other injunctive relief) to help ensure the health, safety or welfare of the victim or their child;
- Seek medical attention for injuries caused by domestic violence, sexual assault or stalking;
- Obtain services from a domestic violence shelter, program or rape crisis center as a result of domestic violence, sexual assault or stalking;

- Obtain psychological counseling related to an experience of domestic violence, sexual assault or stalking; or
- Participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault or stalking, including temporary or permanent relocation, or to attend related judicial proceedings.
- For purposes of this policy, "eligible family members" include a:
  - Spouse;
  - Biological, adopted or foster child, stepchild, legal ward or a child to whom the employee stands in loco parentis;
  - Biological, adoptive or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner or a person who stood in loco parentis when the employee was a minor child;
  - Sibling;
  - Grandparent or grandchild;
  - Registered domestic partner (as defined by state or local law), as well as the child or parent of a registered domestic partner; and
  - Designated person, who is a person identified by the employee at the time of the employee's request to use sick leave.

The definition of "child" applies irrespective of a child's age or dependency status. Employees are limited to one designated person per 12-month period.

#### **4. Requesting Paid Sick Time**

When the need for paid sick time use is foreseeable, employees must provide reasonable advance verbal or written notice to their supervisor for any absence from work. If the need for paid sick time is unforeseeable, employees must provide notice to their supervisor of the need to use the time as soon as practicable. In all circumstances, employees must specify that the requested time off is for sick or safe time reasons (as opposed to, for example, vacation time), so that the absence may be designated accordingly. Failure to obtain approval as soon as possible after determining the need to take such time may result in discipline.

#### **5. Rate of Pay for Sick Time**

For nonexempt employees, pay for sick time is calculated in the same manner as the employee's regular rate of pay for the workweek in which the employee uses sick time, regardless of whether the employee works overtime in that workweek. For exempt employees, payment for sick time is calculated in the same manner as wages are calculated for other forms of paid leave time.

#### **6. Carryover**

Accrued but unused paid sick time will carry over from year to year, subject to the maximum accrual cap.

## **7. Separation from Employment**

Compensation for accrued and unused sick time is provided upon separation from employment.

Alternatively, the separating employee may have the option to purchase CalPERS service credit with the accrued and unused sick time. See Human Resources for details.

## **8. Confidentiality**

The Authority will keep confidential the health information of the employee or employee's covered family member, as well as information related to domestic violence perpetrated against or sexual assault of the employee or employee's covered family member. Such information will not be disclosed except to the affected employee as permitted or required by law.

## **9. Effect on Other Rights and Policies**

The Authority may provide other forms of leave for employees to care for medical conditions or for issues related to domestic violence under certain federal, state and municipal laws. In certain situations, leave under this policy may run at the same time as leave available under another federal, state or municipal law, provided eligibility requirements for that law are met. The Authority is committed to complying with all applicable laws. Employees should contact Human Resources for information about other federal, state and municipal domestic violence, medical or family leave rights.

## **10. No Discrimination or Retaliation**

The Authority prohibits discrimination and/or retaliation against employees who request or use paid sick time for authorized circumstances or for making a complaint or informing a person about a suspected violation of this policy. Likewise, the Authority prohibits discrimination and/or retaliation for cooperating with city or state officials in investigating claimed violations of any paid sick leave law (including the HWHFA), cooperating or participating in any investigation, administrative hearing or judicial action regarding an alleged violation, opposing any policy or practice that is prohibited by any paid sick leave law, or informing any person of their potential rights under the law.

## **11. Sick Leave Cash-Out**

If the Executive Director deems it appropriate given operating and financial conditions, the Authority may from time to time provide the opportunity for eligible employees to cash out a portion of their accrued and unused sick leave.

## **B. Bereavement Leave**

Employees are entitled to up to five (5) days of Bereavement Leave to attend to the funeral and/or other obligations arising from the death of a covered family member. Covered family members are defined as an employee's spouse, child (biological, adopted, step, foster), parent (biological, adoptive, step, foster) sibling, grandparent, grandchild, domestic partner, or parent-in-law. Employees will be eligible to take up to a total of five (5) days of paid Bereavement Leave each calendar year. Bereavement Leave requests should be submitted through the timekeeping system with a comment noting the reason for requested leave. Employees may use accrued sick or vacation leave should they need to utilize more than five (5) days of leave for bereavement of a covered family member or for an individual who is not a covered family member.

### **C. Reproductive Loss Leave**

Employees are entitled to up to five (5) days of Reproductive Loss Leave following a reproductive loss event. Employees are eligible to use a maximum of five (5) days of paid time off total for Bereavement Leave and/or Reproductive Loss Leave. Except as provided above, Reproductive Loss Leave is unpaid and the employee may use their accrued sick and/or vacation time to be paid while on Reproductive Loss Leave. An employee who experiences more than one reproductive loss event within a 12-month period may take a total of 20 days of reproductive loss leave within a 12-month period. Reproductive Loss Leave requests should be submitted through the timekeeping system as sick or vacation leave with a comment noting the reason for requested leave.

For purposes of this Policy, a reproductive loss event is defined as the following:

- Failed adoption, meaning the dissolution or breach of an adoption agreement with the birth mother or legal guardian, or an adoption that is not finalized because it is contested by another party, where the employee would have been a parent of the adoptee if the adoption had been completed.
- Failed surrogacy, meaning the dissolution or breach of a surrogacy agreement, or a failed embryo transfer to the surrogate, where the employee would have been a parent of a child born as a result of the surrogacy.
- Miscarriage by the employee, the employee's current spouse or domestic partner, or another individual where the employee would have been a parent of a child born as a result of the pregnancy.
- Stillbirth resulting from the pregnancy of the employee, the employee's current spouse or domestic partner, or another individual where the employee would have been a parent of a child born as a result of the pregnancy.
- Unsuccessful assisted reproduction, which is defined as an unsuccessful round of intrauterine insemination or of an assisted reproductive technology procedure for the employee, the employee's current spouse or domestic partner, or another individual where the employee would have been a parent of a child born as a result of the pregnancy.

Reproductive Loss Leave days need not be taken consecutively but generally must be completed within three (3) months of the reproductive loss event. For a reproductive loss event that spans multiple days, the event is deemed to occur on the final day of the event. If an employee is on a leave of absence, or chooses to go on a leave of absence under state or federal law (including California Family Rights Act leave or pregnancy disability leave), either prior to or immediately following a reproductive loss event, the employee must complete the Reproductive Loss Leave within three (3) months of the end date of the other leave.

The Authority will maintain the confidentiality of any employee requesting Reproductive Loss Leave. Any information provided to the Authority regarding Reproductive Loss Leave will be maintained as confidential and will not be disclosed except to internal personnel or counsel, as necessary, or as required by law.

### **D. Workers' Compensation**

The Authority will grant eligible employees workers' compensation leave in accordance with state law if an employee sustains an occupational illness or injury that prevents the employee from working. As an

alternative, the Authority may offer the employee modified work. Leave taken due to a work-related injury or illness runs concurrently with family and medical leave under both federal and state law for eligible employees.

Employees must report all accidents, injuries, and illnesses, no matter how minor, to their immediate supervisor as soon as possible.

An employee who is eligible for workers' compensation temporary disability benefits may choose to use accumulated sick leave for the waiting period prior to receipt of temporary disability benefits.

Employees may not use sick leave to receive more than 100 percent of their compensation at any time (whether they are receiving worker's compensation or short-term disability).

#### **E. Jury Duty**

An employee shall be entitled to leave without loss of pay for time the employee is required to perform jury duty. The Authority shall pay the employee the difference, if any, between the amounts received for jury duty and the employee's regular pay. This requires the employee to provide documentation to the Authority of jury duty payments or, if applicable, a waiver from the employee waiving payment by the court of the jury duty fee. Any meal, mileage, and/or parking allowance provided the employee for jury duty shall not be included in the amount received for jury duty for purposes of calculating the difference in pay. Jury duty shall be paid for a period not to exceed 60 working days. Extended jury duty beyond that would be granted as leave without pay, pursuant to Section X.H.3. Exempt employees will not have their salary reduced for partial weeks of work due to jury duty or witness service.

#### **F. Catastrophic Closure**

In the event of a natural disaster or equivalent event for which the Board of Commissioners or the Executive Director deems it necessary to temporarily close an affected Authority facility, the Executive Director shall authorize pay for the time not worked by employees subject to the limitations of this section. Employees ordered to leave work or ordered not to report to work shall receive "other leave with pay" as follows:

- First Eight Hours: one (1) hour for each scheduled hour missed.
- Second Eight Hours: one-half (.5) hour for each scheduled work hour missed, which may be supplemented by vacation leave.
- Third Eight Hours: one-half (.5) hour for each scheduled work hour missed, which may be supplemented by vacation leave.

Additional Hours: No compensation; employees may use paid time off (i.e. administrative leave, or vacation, any compensatory time balance remaining).

#### **G. Administrative Leave**

Department Directors who are ineligible for premium overtime are entitled to 40 hours of administrative leave with pay each fiscal year. The requested leave shall be subject to prior approval by the Executive Director. Unused administrative leave will be paid out by check or direct deposit at the end of the fiscal year at the employee's then regular rate of pay.

## **H. Break in Service**

No absence under any paid leave provisions of this article shall be considered as a break in service for any employee who is in paid status, and all benefits accruing under the provisions of these policies shall continue to accrue under such absence.

## **I. Personal Leave of Absence Without Pay**

A regular employee who has used all accrued paid leave, including vacation, administrative, holiday, or other, and who requests to be absent from work, may be granted a leave of absence without pay at the discretion of the Executive Director or their designee. A personal leave may not exceed 2,080 hours of total leave time. If the employee needs to take unpaid medical leave or leave as a reasonable accommodation, the time off will be provided under the medical leave policy set forth below.

1. Request for Leave. The employee is required to submit a letter of request to the Executive Director which states specific reasons for the personal leave and includes any documentation required by the Executive Director.
2. Failure to Return. Any employee who fails to return upon the expiration of any leave of absence without pay and fails to report for their scheduled shift for three (3) consecutive days shall be regarded as having voluntarily resigned.
3. Effect of Leave of Absence Without Pay on Service Hours and Benefits. Periods of a leave of absence without pay shall not be included as hours in paid service for purposes of seniority, step advancement, probationary period, or vacation and sick leave credit, except as may be required by law. Periods of leave of absence without pay will result in a prorated (decreased) agency contribution toward Authority benefits, including health insurance, dental insurance, and vision insurance for employees and dependents, except where such proration is prohibited by law or other policies such as FMLA and PDL.
4. Reinstatement following a personal (unprotected) leave is not guaranteed.

## **J. Medical Leave of Absence**

Employees who believe they need a medical leave of absence should contact Human Resources and request one. Determinations regarding whether to grant the leave, the length of the leave, reinstatement following the leave and continuation of benefits will be made in accordance with applicable law. Medical certification of the need for a leave may be requested.

## **K. Family and Medical Leave Act (FMLA) and California Family Rights Act (CFRA) Leave**

The Authority will grant family and medical leave in accordance with the requirements of applicable federal and state law in effect at the time the leave is granted. Although the federal and state laws have different names, the Authority refers to the federal Family and Medical Leave Act (Fed-FMLA) and the California Family Rights Act (CFRA) collectively as "FMLA Leave." In any case, employees will be eligible for the most generous benefits available under applicable law.

### **1. Employee Eligibility**

To be eligible for FMLA Leave, employees must: (1) have been employed by the Authority for a total of at least 12 months (52 weeks) at any time prior to the commencement of FMLA leave and (2) have worked at least 1,250 hours over the previous 12 months as of the start of the leave. Eligibility

requirements may differ for employees who have been on a protected military leave of absence. If employees are unsure whether they qualify for FMLA Leave, they should contact Human Resources.

## **2. Reasons for Leave**

Federal and state laws allow FMLA Leave for various reasons. Because employees' legal rights and obligations may vary depending upon the reason for the FMLA Leave, it is important to identify the purpose or reason for the leave. Fed-FMLA leave and CFRA leave run concurrently except for the following reasons: to care for a registered domestic partner, a child of a registered domestic partner, an adult child, a grandparent, a grandchild, a sibling or a parent-in-law (CFRA only); incapacity due to pregnancy or prenatal care as a serious health condition, qualifying exigency leave, and military caregiver leave (Fed-FMLA only). Additionally, CFRA coverage for an employee's own serious health condition that also constitutes a disability under the California's Fair Employment and Housing Act (FEHA) is separate and distinct from FEHA protections. If the employee cannot return to work at the expiration of the CFRA leave, the Authority will engage the employee in the interactive process to determine whether an extension of the leave would be a reasonable accommodation under the FEHA.

FMLA Leave may be used for one of the following reasons:

- The birth, adoption or foster care of an employee's child within 12 months following birth or placement of the child (Bonding Leave);
- To care for an immediate family member (spouse, registered domestic partner, child, child of a registered domestic partner, parent, grandparent, grandchild, sibling or parent-in-law) with a serious health condition (Family Care Leave);
- An employee's inability to work because of a serious health condition (Serious Health Condition Leave);
- A "qualifying exigency," as defined under the Fed-FMLA, arising from a spouse's, child's or parent's "covered active duty" as a member of the military reserves, National Guard, or Armed Forces (Qualifying Exigency Leave); or
- To care for a spouse, child, parent or next of kin (nearest blood relative) who is a "Covered Servicemember" (Military Caregiver Leave).

## **3. Definitions**

"Child," for purposes of Bonding Leave and Family Care Leave, means a biological, adopted or foster child; a stepchild; a legal ward; or a child of a person standing in loco parentis, who is either under age 18, or age 18 or older and incapable of self-care because of a mental or physical disability at the time that Fed-FMLA Leave is to commence. For CFRA leave, a "child" may be any age and there is no requirement that a "child" aged 18 or older be incapable of self-care because of a mental or physical disability at the time the CFRA leave is to start. "Child," for purposes of Qualifying Exigency Leave and Military Caregiver Leave, means a biological, adopted or foster child; stepchild; legal ward; or a child for whom the person stood in loco parentis, and who is of any age.

"Parent," for purposes of this policy, means a biological, adoptive, step or foster father or mother, or any other individual who stood in loco parentis to the person. For Qualifying Exigency Leave taken to provide care to a parent of a deployed military member, the parent must be incapable of self-care as defined by the FMLA.

"Covered Active Duty" means (1) in the case of a member of a regular component of the Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country; and (2) in the case of a member of a reserve component of the Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country under a call or order to active duty (or notification of an impending call or order to active duty) in support of a contingency operation as defined by applicable law.

"Covered Servicemember" means (1) a member of the Armed Forces, including a member of a reserve component of the Armed Forces, who is undergoing medical treatment, recuperation or therapy; is otherwise in outpatient status; or is otherwise on the temporary disability retired list, for a serious injury or illness incurred or aggravated in the line of duty while on active duty that may render the individual medically unfit to perform their military duties; or (2) a person who, during the five years prior to the treatment necessitating the leave, served in the active military, Naval or Air Service, and who was discharged or released under conditions other than dishonorable (a "veteran" as defined by the Department of Veteran Affairs), and who has a qualifying injury or illness incurred or aggravated in the line of duty while on active duty that manifested itself before or after the member became a veteran. For purposes of determining the five-year period for covered veteran status, the period between October 28, 2009, and March 8, 2013, is excluded.

"Spouse" means a husband or wife. Husband or wife refers to the other person with whom an individual entered into marriage as defined or recognized under state law in the state in which the marriage was entered into or, in the case of a marriage entered into outside of any state, if the marriage is valid in the place where entered into and could have been entered into in at least one state. This definition includes an individual in a same-sex or common law marriage that either (1) was entered into in a state that recognizes such marriages; or (2) if entered into outside of any state, is valid in the place where entered into and could have been entered into in at least one state. For purposes of CFRA leave, a spouse includes a registered domestic partner or same-sex partners in marriage.

"Serious health condition" means an illness, injury, impairment or physical or mental condition that involves either:

- Inpatient care (including, but not limited to, substance abuse treatment) in a hospital, hospice or residential medical care facility, including any period of incapacity (that is, inability to work, attend school or perform other regular daily activities) or any subsequent treatment in connection with this inpatient care; or
- Continuing treatment (including, but not limited to, substance abuse treatment) by a health care provider that includes one or more of the following:
  - A period of incapacity (that is, inability to work, attend school or perform other regular daily activities due to a serious health condition, its treatment or the recovery that it requires) of more than three consecutive calendar days, and any subsequent treatment or period of incapacity relating to the same condition, that also involves treatment two or more times via an in-person visit to a health care provider, or at least one visit to a health care provider that results in a regimen of continuing treatment under the supervision of the health care provider. A regimen of treatment does not include self-regulated treatment such as over the counter medication or bed rest.
  - Any period of incapacity due to pregnancy or prenatal care (under the Fed-FMLA, but not the CFRA).

- Any period of incapacity or treatment for incapacity due to a chronic serious health condition that requires periodic visits to a health care provider, continues over an extended period of time and may cause episodic incapacity.
- A period of incapacity that is permanent or long-term due to a condition for which treatment may not be effective, such as Alzheimer's, a severe stroke, and the terminal stages of a disease.
- Any period of absence to receive multiple treatments (including any period of recovery) by a health care provider either for (a) restorative surgery after an accident or other injury; or (b) a condition that would likely result in a period of incapacity of more than three consecutive calendar days in the absence of medical intervention or treatment.

"Serious injury or illness" in the case of a current member of the Armed Forces, National Guard or Reserves is an injury or illness incurred by a covered servicemember in the line of duty on active duty (or that preexisted the member's active duty and was aggravated by service in the line of duty on active duty) in the Armed Forces that may render that individual medically unfit to perform the duties of their office, grade, rank or rating. In the case of a covered veteran, "serious injury or illness" means an injury or illness that was incurred in the line of duty on active duty (or existed before the beginning of the member's active duty and was aggravated by service in line of duty on active duty) and that manifested itself before or after the member became a veteran.

"Qualifying exigency" is defined by the Department of Labor and generally includes events related to short-notice deployment, military ceremonies, support and assistance programs, changes in childcare, school activities, financial and legal arrangements, counseling and post-deployment activities. Qualifying Exigency Leave may also be used to spend up to 15 days with military members who are on short-term, temporary, rest and recuperation leave during their period of deployment.

#### **4. Length of Leave**

If the reason for leave is common to both Fed-FMLA and CFRA and, therefore, running concurrently, the maximum amount of FMLA Leave will be 12 workweeks in any 12-month period when the leave is taken for: (1) Bonding Leave; (2) Family Care Leave; and (3) Serious Health Condition Leave. If the reason for leave is not common to both Fed-FMLA and CFRA and, therefore, not running concurrently, then an eligible employee may be entitled to additional leave under applicable law.

The applicable "12-month period" utilized by the Authority is the 12-month period measured forward from the start date of the employee's first FMLA leave. Under this method the 12-month period is measured forward from the day the employee uses any FMLA leave.

The maximum amount of Fed-FMLA Leave for an employee wishing to take Military Caregiver Leave will be a combined leave total of 26 workweeks in a single 12-month period. A "single 12-month period" begins on the date of the employee's first use of such leave and ends 12 months after that date.

If both spouses work for the Authority and are eligible for leave under this policy, under the Fed-FMLA, the spouses will be limited to a total of 26 workweeks off between the two when the leave is for Military Caregiver Leave only or is for a combination of Military Caregiver Leave, Bonding Leave and/or Family Care Leave taken to care for a parent. Spouses who both work for the Authority share 12 workweeks of FMLA per year for Bonding Leave as defined in X.K(2).

To the extent required by law, leave beyond an employee's FMLA Leave entitlement will be granted when the leave is necessitated by an employee's work-related injury or illness, a pregnancy-related disability or a "disability" as defined under the Americans with Disabilities Act (ADA) and/or the Fair Employment

and Housing Act (FEHA). When the reason for CFRA leave was the employee's serious health condition, which also constitutes a "disability" under FEHA, and the employee cannot return to work at the conclusion of the CFRA leave, the Authority will engage in an interactive process to determine whether an extension of leave would constitute a reasonable accommodation under FEHA.

## **5. Intermittent or Reduced Schedule Leave**

Under some circumstances, employees may take FMLA Leave intermittently, which means taking leave in blocks of time or reducing the employee's normal weekly or daily work schedule. An employee may take leave intermittently or on a reduced schedule whenever it is medically necessary to care for the employee's covered family member with a serious health condition or because the employee has a serious health condition. The medical necessity of the leave must be determined by the health care provider of the person with the serious health condition.

Intermittent or reduced schedule leave may also be taken for absences where the employee is incapacitated or unable to perform the essential functions of the job because of a chronic serious health condition, even if the person does not receive treatment by a health care provider.

Leave due to military exigencies may also be taken on an intermittent basis.

Leave taken intermittently may be taken in increments of no less than 15 minutes. Employees who take leave intermittently or on a reduced work schedule basis for planned medical treatment must make a reasonable effort to schedule the leave so as not to unduly disrupt the Authority's operations. Employees should contact Human Resources prior to scheduling medical treatment as it pertains to taking leave intermittently or engaging in a reduced work schedule. If FMLA Leave is taken intermittently or on a reduced schedule basis due to planned medical treatment, we may require employees to transfer temporarily to an available alternative position with an equivalent pay rate and benefits, including a part-time position, to better accommodate recurring periods of leave.

If an employee using intermittent leave or working a reduced schedule finds it physically impossible to start or stop work mid-way through a shift in order to take CFRA leave and is therefore forced to be absent for the entire shift, the entire period will be counted against the employee's CFRA entitlement. However, if there are other aspects of work that the employee is able to perform that are not physically impossible, then the employee will be permitted to return to work, thereby reducing the amount of time to be charged to the employee's CFRA entitlement. The details of such intermittent leave and physical capabilities will be determined by the interactive process for each employee on an individual basis.

### **Bonding, Family Care, Serious Health Condition and Military Caregiver Leave Requirements**

Employees are required to provide:

- When the need for the leave is foreseeable, 30 days' advance notice or such notice as is both possible and practical if the leave must begin in fewer than 30 days (normally this would be the same day the employee becomes aware of the need for leave or the next business day);
- When the need for leave is not foreseeable, notice within the time prescribed by the Authority's normal absence reporting policy, unless unusual circumstances prevent compliance, in which case notice is required as soon as is otherwise possible and practical;
- When the leave relates to medical issues, a completed Certification of Health Care Provider form within 15 calendar days (for Military Caregiver Leave, an invitational travel order or invitational travel authorization may be submitted in lieu of a Certification of Health Care Provider form);

- Periodic recertification (as allowed by law); and
- Periodic reports during the leave.

In addition to other notice provisions, employees requesting leave for CFRA qualifying reasons must respond to any questions designed to determine whether an absence qualifies for leave under this policy. Failure to provide necessary information in response to permissible inquiries regarding the leave request may result in denial of CFRA leave protections. Similarly, an employee or the employee's spokesperson may be required to provide additional information needed to determine whether a requested leave qualifies for Fed-FMLA protections. An employee's failure to adequately explain the reason for the leave may result in the denial of Fed-FMLA protections.

Certification forms are available from Human Resources. At the Authority's expense, we may require a second or third medical opinion regarding the employee's own serious health condition for Fed-FMLA purposes and, for CFRA purposes, regarding the employee's own serious health condition or the serious health condition of an employee's family member. In limited cases, we may require a second or third opinion regarding the injury or illness of a Covered Servicemember, which would similarly be conducted at the Authority's expense. Employees are expected to cooperate with the Authority in obtaining additional medical opinions that we may require.

## **6. Recertification After Grant of Leave**

In addition to the requirements listed above, if an employee's Fed-FMLA leave is certified, the Authority may later require medical recertification in connection with an absence that the employee reports as qualifying for Fed-FMLA leave. For example, the Authority may request recertification if (1) the employee requests an extension of leave; (2) the circumstances of the employee's condition as described by the previous certification change significantly (e.g., employee absences deviate from the duration or frequency set forth in the previous certification; employee's condition becomes more severe than indicated in the original certification; employee encounters complications); or (3) the Authority receives information that casts doubt upon the employee's stated reason for the absence. In addition, the Authority may request recertification in connection with an absence that extends over six (6) months past the employee's original certification, regardless of the estimated duration of the serious health condition necessitating the need for leave.

In addition to the requirement listed above, a recertification under the CFRA may only be requested at the expiration of the time period in the original certification for time off for the employee's own serious health condition.

If an employee does not produce the recertification as requested, the leave may not be CFRA protected.

## **7. Qualifying Exigency Leave Requirements**

Employees are required to provide:

- As much advance notice as is reasonable and practicable under the circumstances;
- A copy of the covered servicemember's active duty orders when the employee requests leave and/or documentation (such as Rest and Recuperation leave orders) issued by the military setting forth the dates of the servicemember's leave; and
- A completed Certification of Qualifying Exigency form within 15 calendar days, unless unusual circumstances exist to justify providing the form at a later date.

Certification forms are available from Human Resources.

## **8. Failure to Provide Notice or Certification and to Return From Leave**

Absent unusual circumstances, failure to comply with these notice and certification requirements may result in a delay or denial of the leave. If an employee fails to return to work at the leave's expiration and has not obtained an extension of the leave, and does not report to a scheduled shift for three (3) consecutive days, the Authority may presume that the employee does not plan to return to work and has voluntarily terminated their employment.

## **9. Compensation During Leave**

Generally, FMLA Leave is unpaid. However, employees may be eligible to receive benefits through state-sponsored programs or the Authority's sponsored wage-replacement benefit programs. Employees may also choose to use accrued vacation and sick leave, to the extent permitted by law and the Authority's policy. If employees elect to have wage-replacement benefits and accrued paid leave integrated, the integration will be arranged such that employees will receive no greater compensation than their regular compensation during this period. The use of paid benefits will not extend the length of FMLA Leave.

## **10. Benefits During Leave**

The Authority will continue making contributions to employees' group health benefits during their leave on the same terms as if the employees had continued to actively work. This means that if employees want their benefits coverage to continue during their leave, they must also continue to make the same premium payments that they are now required to make for themselves or their dependents. Employees taking Bonding Leave, Family Care Leave, Serious Health Condition Leave and Qualifying Exigency Leave will generally be provided with group health benefits for a 12-workweek period. When the reason for leave is a pregnancy-related disability, which is a serious health condition under the Fed-FMLA but not the CFRA, and the employee takes additional time off that qualifies as CFRA leave, the Authority will continue the employee's health insurance benefits for up to a maximum of 12 workweeks in a 12-month period. Employees taking Military Caregiver Leave may be eligible to receive group health benefits coverage for up to a maximum of 26 workweeks. In some instances, the Authority may recover premiums it paid on an employee's behalf to maintain health coverage if the employee fails to return to work following FMLA Leave.

An employee's length of service will remain intact, but benefits such as vacation and sick leave may not accrue while on unpaid FMLA Leave.

## **11. Job Reinstatement**

Under most circumstances, employees will be reinstated to the same position they held at the time of the leave or to an equivalent position with equivalent pay, benefits and other terms and conditions of employment. If an employee becomes unqualified during CFRA leave as a result of not attending a necessary course, or renewing a license, the employee will be given a reasonable opportunity to fulfill those conditions upon returning to work. Further, the Authority may grant an employee's request to work a different shift, in a different or better position, or in a different location, that is better suited to the employee's personal needs upon returning from CFRA leave. The Authority will also consider a reasonable accommodation under FEHA if the employee is returning from CFRA leave for their own serious health condition. However, employees have no greater right to reinstatement than if they had been continuously employed rather than taken leave. For example, if an employee would have been laid off or their position would have been eliminated separately and apart from going on leave, then the employee will not be entitled to reinstatement. However, if an employee has been replaced or the

employee's position was restructured to accommodate the employee's absence, the employee is entitled to reinstatement.

Prior to being allowed to return to work, an employee wishing to return from a Serious Health Condition Leave must submit an acceptable release from a health care provider that certifies the employee is able to resume work. For an employee on intermittent or reduced schedule FMLA Leave, such a release may be required up to once every 30 days if reasonable safety concerns exist regarding the employee's ability to perform their duties, based on the serious health condition for which the employee took the intermittent or reduced schedule leave.

## **12. Confidentiality**

Documents relating to medical certifications, recertifications or medical histories of employees or employees' family members will be maintained separately and treated as confidential medical records, except that in some legally recognized circumstances, the records (or information in them) may be disclosed to supervisors and managers, first aid and safety personnel or government officials.

## **13. Fraudulent Use of FMLA Leave Prohibited**

An employee who fraudulently obtains FMLA Leave from the Authority is not protected by the Fed-FMLA's or the CFRA's job restoration or maintenance of health benefits provisions. In addition, the Authority will take all available appropriate disciplinary action against an employee due to such fraud.

## **14. Nondiscrimination**

The Authority takes its FMLA Leave obligations very seriously and will not interfere with, restrain or deny the exercise of any rights provided by the Fed-FMLA or the CFRA. We will not terminate or discriminate against any individual for opposing any practice or because of involvement in any proceeding related to the Fed-FMLA or CFRA. If an employee believes that their Fed-FMLA or CFRA rights have been violated in any way, he or she should immediately report the matter to Human Resources.

Employees should contact Human Resources as to any Fed-FMLA or CFRA questions they may have.

## **15. Additional Information About Federal FMLA Leave**

A "Notice to Employees of Rights Under FMLA" (WHD Publication 1420) is available at [www.dol.gov](http://www.dol.gov) or from Human Resources and is attached the handbook.

### **L. Pregnancy and Pregnancy Related Disabilities Leave and Accommodation**

#### **1. Pregnancy Disability Leave**

Any employee who is disabled by pregnancy, childbirth, or a related medical condition (including medical conditions related to lactation) is eligible for up to four months of pregnancy disability leave. There is no length of service requirement.

For purposes of this policy, an employee is "disabled by pregnancy" when, in the opinion of the employee's healthcare provider, the employee cannot work at all or is unable to perform any one or more of the essential functions of their job, or to perform them without undue risk to themselves, the successful completion of their pregnancy, or to other persons as determined by a health care provider. The term "disabled" also applies to certain pregnancy-related conditions, such as severe morning sickness, prenatal or postnatal care, bed rest, post-partum depression, and the loss or end of pregnancy (among other pregnancy-related conditions that are considered to be disabling).

## **2. Reasonable Accommodation for Pregnancy-Related Disabilities**

Any employee who is affected by pregnancy may also be eligible for a temporary transfer or another accommodation. There is no length of service requirement. An employee is affected by pregnancy if the employee is pregnant or has a related medical condition, and because of pregnancy, their health care provider has certified that it is medically advisable to temporarily transfer or to receive some other accommodation.

The Authority will provide a temporary transfer to a less strenuous or hazardous position or duties or other accommodation for an employee affected by pregnancy if:

- She requests a transfer or other accommodation;
- The request is based upon the certification of her health care provider as "medically advisable"; and
- The transfer or other requested accommodation can be reasonably accommodated pursuant to applicable law.

No additional position will be created, and the Authority will not discharge another employee, transfer another employee with more seniority, or promote or transfer any employee who is not qualified to perform the new job as a part of the accommodation process.

Examples of reasonable accommodations include: (1) modifying work schedules to provide earlier or later hours; (2) modifying work duties, practices, or policies; (3) providing time off; (4) providing furniture (such as stools) and modifying equipment and devices; and (5) providing additional break time for lactation or trips to the restroom. If time off or a reduction in hours is granted as a reasonable accommodation, the Authority is permitted to treat this time as Pregnancy Disability Leave and will consider the reduced hours/time off as pregnancy disability leave and deduct those hours from an employee's four-month leave entitlement.

## **3. Advance Notice and Medical Certification**

To be approved for a pregnancy disability leave of absence, a temporary transfer or other reasonable accommodation, you must:

- Provide 30 days' advance notice before the leave of absence, transfer or reasonable accommodation is to begin, if the need is foreseeable;
- Provide as much notice as is practicable before the leave, transfer or reasonable accommodation when 30 days' notice is not foreseeable; and
- Provide a signed medical certification from your health care provider that states that you are disabled due to pregnancy or that it is medically advisable for you to be temporarily transferred or to receive some other requested accommodation.

The Authority may require you to provide a new certification if you request an extension of time for your leave, transfer or other requested accommodation.

Failure to provide the Authority with reasonable advance notice may result in the delay of leave, transfer or other requested accommodation.

#### **4. Duration**

The Authority will provide you with a Pregnancy Disability Leave of Absence for the duration of your pregnancy-related disability for up to four (4) months. This leave may be taken intermittently or on a continuous basis, as certified by your health care provider. The four months of leave available to an employee due to her pregnancy related disability is defined as the number of days (and hours) the employee would normally work within four calendar months (17.33 workweeks).

The Authority may require an employee to temporarily transfer to an available alternative position to meet the employee's medical need to take intermittent leave or work on a reduced schedule as certified by the employee's health care provider. The employee must be qualified for the alternative position, which will have an equivalent rate of pay and benefits, but not necessarily equivalent job duties.

Any temporary transfer or other reasonable accommodation provided to an employee affected by pregnancy will not reduce the amount of Pregnancy Disability Leave time the employee has available to her unless the temporary transfer or other reasonable accommodation involves a reduced work schedule or intermittent absences from work.

The length of the transfer will depend upon the employee's physical condition before and after childbirth.

#### **5. Reinstatement**

If the employee and the Authority have agreed upon a definite date of return from the employee's leave of absence or transfer, the employee will be reinstated on the date the employee notifies the Authority of her return. If the length of the leave of absence or transfer has not been established, or if it differs from the original agreement, the employee will be returned to work within two (2) business days, where feasible, after the employee notifies the Authority of the employee's readiness to return.

Before the employee will be allowed to return to work in their regular job following a leave of absence or transfer, the employee must provide the Human Resources Department with a certification from the employee's health care provider confirming that she can safely perform all of the essential duties of her position, with or without reasonable accommodation. If the employee does not provide such a release prior to or upon reporting for work, the employee will be sent home until a release is provided. The interim time before said release is provided will be unpaid.

Employees will be returned to the same position upon the conclusion of their leave of absence or transfer unless the position ceases to exist. In cases where the employee's position no longer exists, the Authority will provide a comparable position on the scheduled return date or within 60 calendar days of that return date. However, employees will not be entitled to any greater right to reinstatement than if they had not taken the leave.

To the extent required by law, some extensions beyond an employee's pregnancy disability leave entitlement may be granted when the leave is necessitated by an employee's injury, illness or "disability" as defined under the Americans with Disabilities Act and/or applicable state or local law.

The Authority will not discriminate or retaliate against employees because they request or make use of leave, a transfer or other accommodations in accordance with this policy or the law. This policy does not limit a pregnant employee's rights under any other policy or laws protecting gender, pregnancy and childbirth, or health conditions related to pregnancy or childbirth.

## **6. Integration with Other Benefits**

Pregnancy Disability Leaves of Absence and accommodations that require you to work a reduced work schedule or to take time off from work intermittently are unpaid. You may elect to use accrued sick leave or vacation leave during the leave of absence. However, use of such time off will not extend the available leave of absence time. Vacation and sick leave hours will not accrue during any unpaid portion of the leave of absence, and you will not receive pay for official holidays that are observed during your leave of absence except during those periods when you are substituting vacation or sick leave for unpaid leave.

Employees should apply for California State Disability insurance ("SDI") benefits. SDI forms are available from the Authority or your health care provider. Any SDI for which you are eligible will be integrated with accrued vacation, sick leave, or other paid time off benefits so that you do not receive more than 100% of your regular pay.

## **7. Benefits**

The Authority will maintain an employee's health insurance benefits during an employee's Pregnancy Disability Leave for a period of up to four months (as defined above) on the same terms as they were provided prior to the leave time. If an employee takes additional time off following a Pregnancy Disability Leave that qualifies as California Family Rights Act leave, the Authority will continue the employee's health insurance benefits for up to a maximum of 12 workweeks in a 12-month period.

In some instances, the Authority may recover premiums it paid to maintain health insurance benefits if the employee fails to return to work following pregnancy disability leave for reasons other than taking additional leave afforded by law or Authority.

## **M. Absence Without Leave**

An employee who is absent from duty for a period that exceeds three (3) consecutive working days without authorized leave or approved absence shall be considered to have abandoned their position and to have automatically resigned.

Such resignation shall be rescinded by the Executive Director if the employee can show to the satisfaction of the Executive Director that they were incapacitated and unable to contact Human Resources or the employee's Department head, provided the employee contacts the Authority at the first opportunity.

The employee may appeal the Executive Director's determination in writing. The appeal is solely limited to the question of whether it was impossible for the employee to contact the Authority and whether the employee did contact the Authority at the first opportunity, and only serves as a mechanism by which to request that the Executive Director rescind their resignation decision.

## **N. Suspension**

Employees on disciplinary suspension shall not receive any paid leave or holiday pay for the period of suspension, nor accrue hours of service for purposes of step advancement or completion of probation.

## **O. Mandatory Leave With Pay**

The Executive Director may require that an employee be absent from work with pay when the Executive Director deems it necessary for the protection or well-being of the employee, fellow employees, the public and/or the Authority, provided that such leave with pay until an investigation is completed

**P. Crime Victim Leave for Certain Felonies**

The Authority prohibits discrimination against an employee who wishes to take time off from work to attend judicial proceedings related to certain violent, serious or theft/embezzlement related felonies committed against the employee, the employee's immediate family member, the employee's registered domestic partner or a child of the employee's registered domestic partner.

"Immediate family member" is defined as an employee's spouse, child, stepchild, brother, stepbrother, sister, stepsister, mother, stepmother, father or stepfather.

Before an employee may be absent from work to attend a judicial proceeding, the employee must give the employer a copy of the notice of each scheduled proceeding that is provided to the victim by the agency responsible for providing notice, unless advance notice is not feasible. When advance notice is not feasible or an unscheduled absence occurs, the employee must provide, within reasonable time, documentation evidencing the judicial proceeding from (1) the court or government agency setting the hearing; (2) the district attorney or prosecuting attorney's office; or (3) the victim/witness office that is advocating on behalf of the victim.

Confidentiality of the situation, including an employee's request for the time off, will be maintained to the greatest extent possible.

Employees may use accrued benefits, such as vacation time or sick leave, to receive compensation during the time taken off from work pursuant to this section.

**Q. Leave To Attend Court Proceedings for Serious Crimes**

The Authority prohibits discrimination against an employee who is a victim of certain serious criminal offenses and wishes to take time off to appear in court to be heard at any proceeding, including any delinquency proceeding, involving a post-arrest release decision, plea, sentencing, or post-conviction release decision or any proceeding in which a right of the victim is at issue.

A "victim" means any employee who suffers direct or threatened physical, psychological or financial harm as a result of the commission or attempted commission of a serious criminal offense. The term "victim" also includes the employee's spouse, registered domestic partner, parent, child, sibling or guardian.

Before employees may take time off under this policy, they must provide the Authority with reasonable advance notice of their intention to take time off, unless the advance notice is not feasible. If an employee must take an unscheduled absence due to victimization from a serious criminal offense, the employee must provide the Authority with a certification within a reasonable time. The types of certification to account for an unscheduled absence include: a police report indicating the employee was a victim of one of the specified serious criminal offenses; a court order protecting or separating the employee from the perpetrator of one or more of the specified offenses, or other evidence from the court or prosecuting attorney that the employee has appeared in court; or documentation from a medical professional, domestic violence counselor or advocate for victims of sexual assault, health care provider or counselor that the employee was undergoing treatment for physical or mental injuries resulting in victimization from one of the specific serious criminal offenses.

Confidentiality of the situation, including an employee's request for the time off, will be maintained to the greatest extent possible.

Employees may use accrued benefits, such as vacation time or sick leave, to receive compensation during the time taken off from work pursuant to this section.

**R. Time Off for Domestic Violence Victims And Victims Of Sexual Assault Or Stalking**

The Authority will provide time off to any employee who is a victim of domestic violence, sexual assault, and/or stalking so that the employee may obtain or attempt to obtain relief and to help ensure the health, safety, or welfare of the employee or the employee's child. The relief that may be sought includes, but is not limited to, a temporary restraining order, restraining order, or other injunctive relief. When taking such leave, the employee should give the Authority reasonable notice of the leave, unless advance notice is not feasible. The Authority also may require the employee to provide written verification of the need for the time off, such as a police report, court order or documentation from a medical professional, etc. The Authority will make reasonable accommodations for any employee who reports that he or she is the victim of domestic violence, sexual assault, or stalking and requests that the Authority accommodate their safety while at work, unless undue hardship to the Authority would result. Additionally, an employee who is a victim of domestic violence and/or a victim of sexual assault may take time off to attend to any of the following: (1) to seek medical attention for injuries caused by domestic violence; (2) to obtain service from a domestic violence shelter, program, or rape crisis center; (3) to obtain psychological counseling; and (4) to participate in safety planning and to take other actions to increase safety from future domestic violence or sexual assault, including temporary or permanent relocation.

If the reason for the leave is also covered by the federal Family and Medical Leave Act (FMLA) and/or the California Family Rights Act (CFRA), the leave pursuant to this policy and FMLA/CFRA will run concurrently. Therefore, the length of leave is limited to that provided under the FMLA and CFRA. For example, an employee is not entitled to time off due to reasons in this policy if he or she has already exhausted the maximum 12 weeks of leave under the FMLA/CFRA, but the employee may still request an unpaid leave of absence due to reasons in this policy.

Confidentiality of the situation, including the employee's request for the time off, will be maintained to the greatest extent possible. Employees may use accrued benefits, such as existing vacation time or other accrued paid time off, in order to receive compensation during the time taken off from work.

**S. Time Off To Vote**

The Authority encourages all employees to fulfill their civic responsibilities and to vote in all public elections. Most employees' schedules provide sufficient time to vote either before or after working hours. If an employee does not have sufficient time outside of working hours to vote, the employee may receive up to two hours of paid time off to vote. Any additional time off will be without pay. Employees must request time off from their Department head at least two (2) working days before election day so that the necessary time off can be scheduled at the beginning or end of the work shift, whichever provides the least disruption to normal work schedules. If approved for time off, employees will not incur any attendance infractions for missing work to vote.

**T. Emergency Responder Leave**

If an employee is a registered volunteer firefighter, reserve peace officer, or emergency rescue personnel who intends to perform emergency duty during work hours, the employee must alert their Department head of this information. This alert to the Department head allows for planning if or when the employee may have to take time off to perform emergency duties. In the event the employee must take time off for this type of emergency duty, the employee should alert their supervisor or Department head before leaving work. Employees will also be allowed up to 14 calendar days of leave per year to engage in fire, law enforcement or emergency rescue training. All time off for these purposes is unpaid.

#### **U. School or Child Care Activities Leave**

An employee who is a parent to one or more children who are of the age to attend a licensed child care provider, kindergarten or grades 1 through 12, may take up to 40 hours of leave per school year to participate in any of the following:

- Finding, enrolling or reenrolling the child in a school or with a licensed child care provider;
- Participating in school or child care-related activities; or
- Addressing a child care provider or school emergency.

"Parent" includes parent, guardian, stepparent, foster parent, grandparent, and persons who stand in loco parentis (in place of a parent) to a child.

Time off for reasons other than a child care provider or school emergency is limited to 8 hours per calendar month. Child care provider or school emergencies occur when the child cannot remain in school or with a child care provider due to one of the following:

- The school or child care provider has requested that the child be picked up or has an attendance policy (excluding planned holidays) that prohibits the child from attending or requires that the child be picked up from school or child care;
- Behavioral or discipline problems;
- Closure or unexpected unavailability of the school or child care provider (excluding planned holidays);
- A natural disaster (e.g., fire, earthquake or flood).

Employees wishing to take time off for a planned absence (e.g., to participate in scheduled school or child care provider activities or enroll a child in school or with a child care provider), must provide reasonable advance notice to their supervisor. Employees needing time off to address a child care provider or school emergency must provide notice to their supervisor as soon as practicable.

The Authority may require employees to provide documentation from the school or child care provider verifying that the employee participated in the school or childcare activity, including the date and time of the activity.

If both parents of a child work for the Authority, only one parent - the first to provide notice - may take the time off, unless the Authority approves both parents taking time off simultaneously.

Employees must substitute any existing vacation time or other accrued paid time off (PTO) for any part of this leave. Employees who do not have vacation time or PTO available will be allowed time off without pay.

#### **V. School Conference Leave**

Employees who are the parent or custodial guardian of a child in kindergarten or grades 1 through 12 may take time off to attend a school conference involving their child.

Employees wishing to take such leave may utilize their existing vacation time or other accrued paid time off.

School visits for other purposes may be covered under the Authority's School or Day Care Activities Leave policy.

**W. Time Off for Bone Marrow Donation**

Employees will be provided a leave of absence to undergo a medical procedure to donate bone marrow to another person. The combined length of bone marrow leave may not exceed five (5) workdays in any one-year period. To qualify for this leave, the employee must submit verification by a physician detailing that there is a medical necessity for the donation, as well as the length of each leave requested. Employees must use earned sick/vacation concurrently with this time off. If an employee does not have enough earned sick/vacation time to cover the leave, the remaining days of leave will be paid by the Authority. Use of this leave will not be counted against any available FMLA/CFRA time. This is also not considered a break in service for purposes of benefits or seniority. While on leave for bone marrow donation, the Authority will maintain all group health insurance benefits as if the employee was still at work.

In most circumstances, upon return from this leave, an employee will be reinstated to their original job or to an equivalent job with equivalent pay, benefits, and other employment terms and conditions. However, an employee has no greater right to reinstatement than if the employee did not take a leave. For example, if an employee on leave for bone marrow donation would have been laid off had the employee not taken a leave, or if the employee's job is eliminated during the leave and no equivalent or comparable job is available, then the employee would not be entitled to reinstatement.

**X. Time Off for Organ Donation**

Employees will be provided a leave of absence to undergo a medical procedure to donate an organ to another person. The combined length of the leaves may not exceed 60 business days, 30 workdays with pay and 30 workdays without pay, in any one-year period. To qualify for this leave, the employee must submit verification by a physician detailing that there is a medical necessity for the donation, as well as the length of each leave requested. Employees must use their available sick/vacation during the first two weeks of leave, and the remaining first 30 workdays of leave, if any, will be with pay by the Authority. If the employee cannot return to work following the first 30 workdays of leave, the employee can take an additional 30 workdays of leave without pay. Use of this leave will be not be counted against any available FMLA/CFRA time. This is also not considered a break in continuous service for purposes of benefits or seniority. While on leave for organ donation, the Authority will maintain all group health insurance benefits as if the employee was still at work.

In most circumstances, upon return from this leave, an employee will be reinstated to their original job or to an equivalent job with equivalent pay, benefits, and other employment terms and conditions. However, an employee has no greater right to reinstatement than if the employee did not take a leave. For example, if an employee on leave for organ donation would have been laid off had the employee not taken a leave, or if the employee's job is eliminated during the leave and no equivalent or comparable job is available, then the employee would not be entitled to reinstatement.

**Y. Other Leaves**

The leaves of absence described above are intended to provide an overview of the leaves that may be available to employees. Employees may also be entitled to the following additional leaves of absence: Witness Service Leave, Military Leave, Family Military Leave, Civil Air Patrol Leave and Election Officer Leave. If an employee requires time off for any reason, please check with the Human Resources department to determine whether a leave of absence is available.

## **XI. LAYOFFS, REORGANIZATIONS, REDUCTIONS IN SCHEDULED HOURS, AND FURLOUNDS**

### **A. Reorganizations and Reductions in Employee Staffing**

When required, a reorganization or reduction in employee staffing may be accomplished by layoffs, mandatory involuntary reduction in hours, voluntary part time schedules, or short-term furlounds without pay. The Executive Director will determine the method to be used for reorganizations and to reduce employee staffing.

### **B. Definitions**

1. Layoff. A layoff is the involuntary permanent separation of an employee from the Authority because of lack of work, lack of funds, reorganization of positions or duties, or other reasons determined by the Executive Director to be in the best interest of the Authority.

2. Furlough. A furlough is the involuntary temporary separation of an employee from the Authority because of lack of work, lack of funds, or other reasons determined by the Executive Director to be in the best interest of the Authority. A furlough may be implemented to cover several non-continuous periods during the fiscal year. With the exception of the 2-week written notice requirement specified below, the terms of this policy shall not apply to a furlough.

3. Reduction of Hours. A reduction of hours is a mandatory or voluntary reduction in the number of scheduled hours for a position during a work week either on a temporary or permanent basis. Depending upon the amount of hours worked by the employee, the employee may fall below the requisite full-time hours and into the category of part-time employee. With the exception of the 2-week written notice requirement specified below, the terms of this policy shall not apply to the reduction of hours.

### **C. Decision Process**

The Executive Director shall have full discretion to determine the department in which the reorganization or reduction is to be made and the number and classes of positions to be impacted and the employees to be impacted.

### **D. Notice of Action**

The Authority shall provide affected employees with two (2) weeks written notice of the effective date of any action taken pursuant to this policy.

### **E. Order of Layoff**

When it is necessary to lay off employees, the Executive Director shall prepare or cause to be prepared a list of the order of layoff based on the reasons for the layoff and the needs of the Authority.

### **F. Seniority for Purpose of Layoff, Displacement and Involuntary Reduction in Hours**

Seniority rights for purposes of this policy shall be available only to Authority employees who have attained regular employment status. Seniority may be one factor that the Authority considers when determining the order of layoff, displacement, or involuntary reduction in hours.

For purposes of seniority under this policy only, an employee who is laid off by the Authority and rehired to a regular position within two (2) years of the date of the layoff shall be deemed to be continuously

employed by the Authority only as a measure by which to calculate their seniority. However, no seniority credit shall accrue while an employee has been laid off and is not working for the Authority.

## **XII. RESIGNATION AND RETIREMENT**

### **A. Resignation**

An employee who desires to terminate their employment shall submit a signed letter of resignation or retirement to the Executive Director or their designee. The Authority would appreciate notice at least two (2) weeks prior to the effective date of such resignation or retirement. The Executive Director, or their designee, shall have the authority to accept letters of resignation or retirement, and such letters shall be deemed accepted upon receipt by the Executive Director or their designee, or the employee's supervisor.

## **XIII. GRIEVANCES**

### **A. Grievance Procedure**

The Authority recognizes that rapid grievance settlement is desirable and herein establishes a method for such settlement of employee grievances.

A grievant is an employee with an alleged grievance. A grievance is an alleged misinterpretation, violation, or misapplication of these policies and procedures which affect the wages, hours or working conditions of the employee. Specifically excluded from the grievance procedure are dismissals, suspensions or other disciplinary actions.

This grievance procedure is intended to provide a progressive series of steps through which employees may present grievances, with the aim of resolving grievances at the lowest administrative level consistent with the relative management representatives' authority.

Each employee and/or their representative shall be free from restraint, interference, coercion, discrimination or reprisal in utilizing this procedure.

1. Informal Resolution. Within ten (10) calendar days of the occurrence or discovery of an alleged grievance, the grievant may informally discuss the grievance with the immediate supervisor.

2. Formal Grievances. If the grievance is not settled through informal discussion, the grievant may file a formal grievance within twenty (20) calendar days of the informal discussion of the alleged grievance. The formal grievance shall be presented by the grievant in writing to their Department Head. The grievance shall contain information which:

- a. Identifies the aggrieved.
- b. Contains the specific nature of the grievance.
- c. Indicates the date, time and place of its occurrence.
- d. States the provision of the policies alleged to have been violated, improperly interpreted, applied or misapplied.
- e. Indicates the consideration given or steps taken to secure informal resolution including the date of informal discussion.

- f. States the corrective action desired.

A decision by the Department Head shall be made in writing within ten (10) business days of receipt of the grievance.

3. If the grievant is not satisfied by the Department Head's decision, the grievant may appeal the decision by filing a written request to the Human Resources Director within seven (7) business days of receipt of the decision of the Department Head.

A decision by the Human Resources Director shall be made in writing within ten (10) business days of receipt of the grievance.

4. If the grievant is not satisfied by the Human Resources Director's decision, the grievant may appeal the decision to the Executive Director by filing a written request with the Executive Director within seven (7) business days of receipt of the decision of the Human Resources Director.

The Executive Director shall render a written decision to the employee within ten (10) business days of receipt of the written appeal. Copies of the decision shall be provided to the employee, the employee's representative, if any, the Department Head, and the Human Resources Director. The decision of the Executive Director shall be final.

## **B. General Provision**

1. Time limits specified in the processing of grievances may be waived by mutual written agreement of the grievant and the decision maker at the specific grievance step within which the grievance rests.
2. If an employee does not present their grievance or does not appeal the decision rendered regarding their grievance within the time limits, the grievance shall be considered resolved.
3. If the Department Head does not respond within the time limits provided, the aggrieved may proceed to the next step of this grievance procedure.
4. In the event either the responding employee and/or designated representative, their supervisor/department head, and/or Executive Director is on paid leave, approved leave of absence without pay, or on assignment out of the jurisdiction for one day or more, the period of response for that party shall be extended for the period of such absence following notification to the other party within the running time limit. This provision shall not extend the time in which an employee must file the initial formal grievance.
5. A copy of the grievance shall be forwarded to the Executive Director when the formal grievance is filed.
- 6.

## **XIV. DISCIPLINARY ACTIONS AND PERFORMANCE IMPROVEMENT**

### **A. Disciplinary Actions and Performance Improvement Notices and Plans**

This policy relates to the implementation of disciplinary actions and the process of documenting the need for Performance Improvement for regular employees whose job performance, actions, or behavior fall below acceptable standards. The Authority is not obligated to issue discipline in a progressive manner, but rather reserves the right to issue a disciplinary notice up to and including termination of employment

in response to poor conduct or performance, including but not limited to conduct that violates the policies contained herein. The Executive Director has the authority to issue a disciplinary notice in response to the conduct or performance concerns as described above.

Employees may be reprimanded, dismissed, suspended, reduced in compensation, demoted or otherwise disciplined by the Authority for policy violations or performance issues.

## **B. Causes for Disciplinary Actions and Performance Improvement Notice**

The following may be considered as causes for discipline or reasons for a performance improvement notice, or performance improvement plan, although there may be other causes creating a need for performance improvement notice and further action up to and including termination. It is not possible to list all forms of behavior that are considered unacceptable in the workplace, but the following are examples of conduct that may result in performance improvement expectations or additional action such as suspension, demotion or termination of employment:

1. Fraud in securing appointment.
2. Incompetence or inefficiency.
3. Inexcusable neglect of duty.
4. Failure to comply with management's directions regarding job duties.
5. Unauthorized or wasteful use of public funds, supplies, and equipment.
6. Consumption and/or use of alcoholic beverages, narcotics, drugs, or other intoxicants during working time, on Authority premises or in a manner that interferes with job performance, or reporting for work under the influence of any of the same.
7. Current unlawful use or possession of controlled substances.
8. Violation of the attendance policy.
9. Engaging in any unlawful conduct during working time or on Authority premises.
10. Unethical treatment of the public or other employees.
11. Willful violation of Authority policy or regulations.
12. Negligent or willful damage or risk of damage, or use of Authority property in violation of Authority rules or applicable law.
13. Lack of integrity in completing job duties.
14. Dishonesty or fraud in completion of job duties.
15. Failure to maintain satisfactory working relationships with the public, other public agencies, and other employees.
16. Failure to report to duty at the assigned time and place, unless the reason is legally protected.
17. Violation of the confidentiality policy.

18. Falsification of employment records, employment information, or other records.
19. Failing to observe working schedules, including rest and lunch periods.
20. Working overtime without authorization..
21. Provoking a physical fight or physical fighting during working hours and/or on premises owned or occupied by the Authority.
22. Carrying firearms at any time on premises owned or occupied by the Authority.
23. Violation of the Authority's harassment, discrimination or retaliation policies.
24. Any conflict of interest in carrying out job duties.

**C. Types of Disciplinary Action**

The below represents a scaled list of disciplinary actions, from lowest to highest form of discipline. However, the Authority is not bound by the progressive nature of this list and may issue discipline at any level that fits the conduct being disciplined.

1. Verbal notice. A formal discussion with an employee about performance or conduct concerns. This verbal discussion may be documented by the supervisor or Department Head in memorandum form with a copy given to the employee.
2. Written performance improvement plan. A written performance improvement plan presented to an employee by the Department Head regarding performance or conduct concerns. The plan will identify areas of concern and expected improvement in addition to review and timeline for improvement. Copies of the performance improvement plan will be kept in the employee personnel file and provided to the employee.
3. Salary Reduction. A reduction in pay from the employee's current step within a pay range to any lower step within the same range.
4. Demotion. Reduction from a position in one class to a position in another class having a lower salary range allocation, which may result in a salary reduction.
5. Suspension. An involuntary suspension from work without pay for a period not to exceed six (6) months.
6. Dismissal. Discharge or removal from employment with the Authority.

**D. Service of Notice of Intended Disciplinary Action ("Notice of Intent") and Notice of Disciplinary Action**

Except in cases of verbal or written improvement notice, written notice of Salary Reduction, Demotion, Suspension, or Dismissal shall be served as set forth below. The date of such delivery shall initiate the period in which an appeal may be filed.

1. When possible, notice shall be served by personal delivery to the employee at the worksite.
2. If personal delivery to the employee at the worksite cannot be accomplished, notice of the intended disciplinary action shall be served by emailing a copy by secure email service or mailing a copy of

the notice by regular first class United States mail, postage prepaid, to the employee at the last known address that the employee provided to the Authority. Such mailed notice shall be deemed to have been received by the employee five calendar days after dispatch by the Authority for purposes of computing the time limit for filing an appeal. If notice is mailed pursuant to this paragraph, and if the employee resides within the County of Santa Cruz, the Authority shall also deliver a copy of the notice to the employee's residence. The Authority may leave such copy in a mailbox or on the door of the residence.

**E. Notice of Intent and Notice of Disciplinary Action**

1. Except in cases of verbal and written notice of performance improvement, a written Notice of Intent shall be served on the employee at least five (5) business days prior to issuance of the Notice of Disciplinary Action for Salary Reduction, Demotion, Suspension, or Dismissal.
  - a. Prior to the effective date of the disciplinary action provided in the Notice of Intent, the employee and/or their representative shall have the right and opportunity to respond either verbally or in writing at a *Skelly* meeting, which shall be conducted within five (5) business days of request by employee or within a reasonable time as agreed upon between the Authority and the employee and his or her representative. The *Skelly* review officer shall be appointed by the Authority, and shall provide a brief written summary of the meeting to the Executive Director and a conclusion as to whether there are reasonable grounds for believing that the employee engaged in the alleged performance issue or misconduct, and whether the performance issue or misconduct supports the proposed sanction.
  - b. At the expiration of the period of time to respond to the Notice of Intent or upon receipt of the *Skelly* officer's report, if the Authority determines that discipline should be imposed, a written Notice of Disciplinary Action shall be served on the employee. The Notice of Disciplinary Action shall advise the employee of the disciplinary determination arising out of the *Skelly* meeting and of the employee's right to appeal the Notice of Disciplinary Action through the appeal process set forth in Section G below. If the employee elects to appeal, the employee must provide written notice to the Executive Director within seven (7) business days of receiving the Notice of Disciplinary Action.
2. The Notice of Intent and the Notice of Disciplinary Action shall both be filed in the employee's personnel file. The Notice of Intent shall state, at minimum, the following:
  - a. The nature of the disciplinary action and the effective date of the action.
  - b. The charges upon which the disciplinary action is based.
  - c. In ordinary and concise language, the act or omissions, or other reason(s) upon which the charges are based.
  - d. A list of the documents and/or records relied upon to support such charges, without disclosing any privileged or confidential information.
  - e. A statement advising the employee of their right to representation.
  - f. A statement advising the employee of their right to respond to the Notice of Intent, either verbally or in writing, within five (5) business days of issuance of the notice.
3. If necessary for the safe and efficient operation of the Authority or the safeguard of public property, as determined by the Executive Director, suspension may be made effective immediately.

## **F. Appeal of Dismissals, Major Suspensions, Reductions and Demotions**

Any regular employee subject to these policies and procedures shall have the right to appeal their dismissal, major suspension (more than five days), salary reduction, or demotion as follows:

1. Within seven (7) business days after service of the Notice of Disciplinary Action, the employee may appeal the decision to the Executive Director by filing a written notice requesting an appeal meeting with the Executive Director. The filing of an appeal shall not stay or delay the disciplinary action.

Upon receipt of the request for the appeal, the Authority, through its counsel or representative, will coordinate with the employee, through their counsel or representative, to select a neutral hearing officer to hear the appeal. The parties may mutually agree upon the selection of a hearing officer, or if they are unable to agree, the parties shall request a list of seven labor hearing officers provided by the State Mediation and Conciliation Service (SMCS). The parties will specify, in their request to SMCS, that the hearing officers on the list must be members of the National Academy of Arbitrators. The hearing officer shall then be selected by the parties using the alternate strike method. The last remaining name shall serve as the hearing officer. If the parties are unable to agree on who should strike first, the first name shall be struck by the party winning the toss of a coin.

2. Within 30 calendar days from the filing of the appeal, or later if the parties agree to a later date, the hearing officer shall commence a hearing on the matter. If either party wishes to have a transcript of the hearing, the requesting party will be solely responsible for all costs associated with the transcript. If both parties request a transcript, the cost will be shared equally. The expenses of the hearing officer shall be borne by the Authority.
3. The hearing need not be conducted according to technical rules of evidence. Any non-privileged relevant evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of the evidence over objection under the technical rules of evidence. All appropriate actions will be taken to protect confidential information from disclosure outside of the Authority or to people who do not have a legitimate reason to know of the confidential information. Hearsay evidence may be used for the purpose of supplementing or explaining other evidence but over timely objection shall not be sufficient in and of itself to support a finding, unless it would be admissible over objection under the technical rules of evidence. The employee appellant may appear personally, produce evidence, present and cross-examine witnesses, and be represented by counsel if the employee appellant so chooses to retain counsel. If the appellant requests a later hearing date or a continuance, the appellant shall be deemed to have waived any claim for additional compensation as a result of the delay in the event the appellant is ordered reinstated or the discipline is reduced.
4. Within five (5) business days of completion of the hearing, or later if the parties agree to a later date, the hearing officer shall render an advisory opinion on the appeal to the Executive Director to either affirm, modify, or revoke the order of discipline. The Executive Director shall review the advisory opinion by the hearing officer and render a written decision on the appeal of the disciplinary action to the employee appellant within ten (10) business days of the receipt of the hearing officer's advisory opinion. Copies of the decision shall be provided to the employee and the employee's representative. The decision of the Executive Director on the disciplinary action shall be final.

## **G. Procedure Relating to Criminal Action**

The Authority may take disciplinary action when criminal charges are pending against an employee. However, where the facts alleged in the Notice of Disciplinary Action regarding dismissal, demotion, suspension or salary reduction constitute a crime, or where the employee has been charged with a crime arising out of the same transaction, and the employee has appealed the disciplinary action as provided herein, the employee may, at any time at least three (3) business days before the date of the hearing before the hearing officer, request a continuance of their hearing for a reasonable period to determine whether a criminal charge will be filed or until after termination of the criminal case. Such a request must be accompanied by the employee's written waiver of salary and other employment benefits for the period of that continuance in case the discipline is overturned or reduced.

## **XV. MISCELLANEOUS**

### **A. Continuing Education**

The Authority recognizes the benefits of education and encourages employees to take their own initiative to pursue education, which will improve skills related to their current positions or provide skills for career advancement. Employees should check with their department Director when taking any job-related training or classes that may qualify to be paid for by the Authority if directly related to their current or future role with the Authority. The Authority may allow the use of paid vacation leave hours for educational pursuits approved by the Executive Director. This may be in addition to training courses or conferences required and paid for by the Authority.

### **B. Professional Growth Program**

Employees are encouraged to take part in Authority workshops and seminars insofar as practical. Employees will also be provided with travel allowances when attending out-of-jurisdiction conferences with the advance approval of the Authority.

### **C. Employee Educational Assistance & Tuition Reimbursement**

If sufficient funds are available, Housing Authority staff are eligible to participate in the tuition reimbursement program for a total or partial reimbursement, up to \$3,000 reimbursed per employee per calendar year, provided the Executive Director or designee determines that the education and/or training is:

1. Aligned with the employee's occupational area or has otherwise demonstrated value to the Housing Authority; AND
2. Obtained through an accredited education institution or certificate program.

#### **Application for Educational Assistance/Tuition Reimbursement Procedure**

Employees interested in participating in the program must submit a completed application for Educational Assistance/Tuition Reimbursement to the Administrative Services Director at the time of enrollment into a course or program.

#### **Reimbursement and Restrictions**

Reimbursement, if approved, shall be made when the employee completes the course or training and receives a passing grade of C or better or passing certification, as appropriate. Reimbursement will be restricted to registration fees for tuition costs and books listed in the course description as required to complete the class or course.

#### **D. Travel Policy**

1. **Travel Authorization.** Employees are required to submit receipts for travel-related expenses. All travel expenses shall be subject to prior authorization by the Executive Director.
2. **Overnight Travel.** Employees of the Authority shall be reimbursed for travel expenses in accordance with the Authority's "Travel Procedure" (#4010) found on the employee intranet.
3. **Private Vehicle Mileage.** An employee shall be reimbursed for use of a privately owned vehicle for official Authority business based on the current mileage rate established under IRS regulations. An employee's commute to and from work is not reimbursable.

Reimbursement to the employee shall be made by the Authority monthly, upon submission of a Mileage Expense Voucher located on the employee intranet by the employee.

Reimbursement at the IRS rate shall be deemed to be full compensation for the costs of using private vehicles, including insurance, insurance deductibles, repairs, gas, and depreciation. Employees shall be entitled to no additional compensation for the use of their vehicles.

4. **Vehicle Use Requirements: Liability Insurance.** Employees who drive private vehicles shall be required to have general automobile liability and property damage insurance, with limits not less than those required by State law, for any vehicle used on Authority property or for Authority business.

Employees who use privately owned vehicles for Authority business are fully and directly responsible for bodily injury and/or property damage to others resulting from such privately owned vehicle use.

Employees who drive any vehicle on Authority property or for Authority business (whether private or Authority-owned) must have a current valid Driver's License and state-required insurance. Employees shall show proof of a current valid Driver's License and insurance upon request of the Authority. Employees who drive on Authority property or for Authority business without a current valid Driver's License and required insurance, in addition to being subject to disciplinary action, shall not be entitled to mileage reimbursement. By using any vehicle on Authority property or for Authority business, each employee consents to being entered by the Authority into the California DMV's pull-notice program, and the Authority will maintain a fully executed DMV Form INF 1101 on file

#### **E. Official Recommendations and References**

All official requests for employment recommendations and references on behalf of the Authority shall be answered by the Executive Director or their designee and shall include the following information only: Title of each position held, beginning and ending dates of service in each such position. If you authorize disclosure in writing, the Authority will also provide rates of pay received for each position held. Narrative references, written or verbal, shall not be provided in response to an official request for a recommendation or reference on behalf of the Authority. Employees may retain and provide copies of their performance evaluations for reference purposes. Employees are prohibited from responding to official requests for reference on behalf of the Authority for other employees. Responding to an official request on behalf of the Authority can result in disciplinary action.

#### **F. Return of Property**

Employees are required to return all Authority property that is in their possession or control in the event of termination of employment, resignation or layoff, or immediately upon request. No information

belonging to the Authority may be copied for the employee's use. The Authority may also take all action deemed appropriate to recover or protect Authority property.

## **G. Workplace Violence**

The safety and security of employees is of vital importance to the Authority. Therefore, the Authority has adopted a zero-tolerance policy concerning workplace violence. Threats or acts of violence—including intimidation, bullying, physical or mental abuse and/or coercion—that involve or affect Authority employees or that occur on the Authority's premises will not be tolerated.

The prohibition against threats and acts of violence applies to all persons involved in the operation of the Authority, including, but not limited to, Authority employees and other personnel, contract and temporary workers, consultants, contractors, customers, vendors, visitors and anyone else on the Authority's premises.

Violations of this policy by an employee will result in disciplinary action, up to and including termination from employment.

It is our goal to have a workplace free from acts or threats of violence and to respond effectively in the event that such acts or threats of violence do occur.

Workplace violence is any intentional conduct that is sufficiently severe, abusive or intimidating to cause an individual to reasonably fear for their personal safety or the safety of their family, friends and/or property such that employment conditions are altered or a hostile, abusive or intimidating work environment is created for one or several employees.

Examples of workplace violence include, but are not limited to:

- Threats or acts of violence occurring on Authority premises, regardless of the relationship between the parties involved in the incident;
- Threats or acts of violence occurring off Authority premises involving someone who is acting in the capacity of a representative of the Authority;
- Threats or acts of violence occurring off Authority premises involving an employee; and
- Threats or acts of violence resulting in the conviction of an employee or agent of the Authority, or an individual performing services for the Authority on a contract or temporary basis, under any criminal code provision relating to violence or threats of violence.

Examples of conduct that may be considered threats or acts of violence under this policy include, but are not limited to:

- Threatening physical contact directed toward another individual;
- Threatening an individual or their family, friends, associates or property with harm;
- The intentional destruction or threat of destruction of the Authority or another's property;
- Menacing or threatening phone calls;
- Stalking;

- Veiled threats of physical harm or similar intimidation; and/or
- Communicating an endorsement of the inappropriate use of firearms or weapons.

Workplace violence does not refer to workplace arguments or debates that are zealous or impassioned, provided there is no resort to any form of coercion. Discussions about sporting activities, popular entertainment or current events are not considered workplace violence when there is no threat of violence being directed to the workplace or any individual connected with it. Rather, workplace violence refers to behavior that demonstrates an intention to engage in violence, condones violence in our workplace, or targets any individual with acts or threats of violence.

Employees should help maintain a violence-free workplace. Employees are encouraged to immediately report any incident that violates this policy to a supervisor or manager.

#### **H. Injury and Illness Prevention Program**

The health and safety of employees and others on Authority property are a critical priority to the Authority. We strive to attain the highest possible level of safety in all activities and operations. This includes compliance with all health and safety laws applicable to our business.

The Authority must also rely upon employees to help keep work areas safe and free of hazardous conditions. Employees should be conscientious about workplace safety, including proper operating methods and known dangerous conditions or hazards. Employees should report any unsafe conditions or potential hazards to their supervisor immediately; even if the employee believes to have corrected the problem. If an employee suspects that a concealed danger is present on the Authority's premises, or in a product, facility, piece of equipment, process, or business practice for which the Authority is responsible, the employee must immediately bring the concern to the attention of their supervisor.

Additionally, the Authority has developed a written Injury and Illness Prevention Program (IIPP) as required by law. A copy of the IIPP is available for employee review in the Human Resources Department. In addition to attending any training required by the Authority, it is the employee's responsibility to read, understand and observe the IIPP provisions applicable to their respective job.

#### **XVI. SEVERABILITY**

If any section, subsection, or other part of this policy is for any reason held to be invalid by a court of competent jurisdiction, such invalidity shall not affect the remaining provisions of this policy.

#### **XVII. REVISION OF POLICY AND PROCEDURES**

These policies and procedures may be revised or amended at any regular meeting of the Board of Commissioners by a majority vote of the Board of Commissioners.

## **XVIII. ACKNOWLEDGEMENT AND RECEIPT**

I acknowledge that I have received and read a copy of the Authority's Personnel Policies and Procedures (also called the "Personnel Policies") dated \_\_\_\_\_, 2026. I understand that these Personnel Policies sets forth the terms and conditions of my employment with the Authority as well as the duties, responsibilities and obligations of employment with the Authority. I understand that the Authority has provided me various alternative channels [including anonymous and confidential channels] to raise concerns of violations of these Personnel Policies and other Authority policies and procedures, and encourages me to do so promptly so that the Authority may effectively address such situations, and I understand that nothing herein interferes with any right to report concerns, make lawful disclosures, or communicate with any governmental authority regarding potential violations of laws or regulations. I agree to abide by and be bound by the rules, policies and standards set forth in these Personnel Policies.

I further acknowledge that the Authority reserves the right to revise, delete and add to the provisions of these Personnel Policies, but that all such revisions, deletions or additions must be in writing. No verbal statements or representations can change the provisions of these Personnel Policies. I understand and acknowledge that nothing in these Personnel Policies or in any other document or policy is intended to prohibit me from reporting concerns to, filing a charge or complaint with, making lawful disclosures to, providing documents or other information to or participating in an investigation or hearing conducted by the Equal Employment Opportunity Commission ("EEOC"), Civil Rights Department ("CRD"), or any other federal, state or local agency charged with the enforcement of any laws.

I also understand and acknowledge that nothing about the policies and procedures set forth in these Personnel Policies should be construed to interfere with any employee rights provided under state or federal law.

I have read and understand the above statements.

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Employee Signature

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Print Name

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Date

[TO BE PLACED IN EMPLOYEE'S PERSONNEL FILE]

## XIX. EMPLOYEE RIGHTS UNDER THE FAMILY AND MEDICAL LEAVE ACT

# EMPLOYEE RIGHTS UNDER THE FAMILY AND MEDICAL LEAVE ACT

THE UNITED STATES DEPARTMENT OF LABOR WAGE AND HOUR DIVISION

### LEAVE ENTITLEMENTS

Eligible employees who work for a covered employer can take up to 12 weeks of unpaid, job-protected leave in a 12-month period for the following reasons:

- The birth of a child or placement of a child for adoption or foster care;
- To bond with a child (leave must be taken within 1 year of the child's birth or placement);
- To care for the employee's spouse, child, or parent who has a qualifying serious health condition;
- For the employee's own qualifying serious health condition that makes the employee unable to perform the employee's job;
- For qualifying exigencies related to the foreign deployment of a military member who is the employee's spouse, child, or parent.

An eligible employee who is a covered servicemember's spouse, child, parent, or next of kin may also take up to 26 weeks of FMLA leave in a single 12-month period to care for the servicemember with a serious injury or illness.

An employee does not need to use leave in one block. When it is medically necessary or otherwise permitted, employees may take leave intermittently or on a reduced schedule.

Employees may choose, or an employer may require, use of accrued paid leave while taking FMLA leave. If an employee substitutes accrued paid leave for FMLA leave, the employee must comply with the employer's normal paid leave policies.

While employees are on FMLA leave, employers must continue health insurance coverage as if the employee were not on leave.

Upon return from FMLA leave, most employees must be restored to the same job or one nearly identical to it with equivalent pay, benefits, and other employment terms and conditions.

An employer may not interfere with an individual's FMLA rights or retaliate against someone for using or trying to use FMLA leave, opposing any practice made unlawful by the FMLA, or being involved in any proceeding under or related to the FMLA.

An employee who works for a covered employer must meet three criteria in order to be eligible for FMLA leave. The employee must:

- Have worked for the employer for at least 12 months;
- Have at least 1,250 hours of service in the 12 months before taking leave;\* and
- Work at a location where the employer has at least 50 employees within 75 miles of the employee's worksite.

\*Special "hours of service" requirements apply to airline flight crew employees.

Generally, employees must give 30-days' advance notice of the need for FMLA leave. If it is not possible to give 30-days' notice, an employee must notify the employer as soon as possible and, generally, follow the employer's usual procedures.

Employees do not have to share a medical diagnosis, but must provide enough information to the employer so it can determine if the leave qualifies for FMLA protection. Sufficient information could include informing an employer that the employee is or will be unable to perform his or her job functions, that a family member cannot perform daily activities, or that hospitalization or continuing medical treatment is necessary. Employees must inform the employer if the need for leave is for a reason for which FMLA leave was previously taken or certified.

Employers can require a certification or periodic recertification supporting the need for leave. If the employer determines that the certification is incomplete, it must provide a written notice indicating what additional information is required.

### EMPLOYER RESPONSIBILITIES

Once an employer becomes aware that an employee's need for leave is for a reason that may qualify under the FMLA, the employer must notify the employee if he or she is eligible for FMLA leave and, if eligible, must also provide a notice of rights and responsibilities under the FMLA. If the employee is not eligible, the employer must provide a reason for ineligibility.

Employers must notify its employees if leave will be designated as FMLA leave, and if so, how much leave will be designated as FMLA leave.

### ENFORCEMENT

Employees may file a complaint with the U.S. Department of Labor, Wage and Hour Division, or may bring a private lawsuit against an employer.

The FMLA does not effect any federal or state law prohibiting discrimination or supersede any state or local law or collective bargaining agreement that provides greater family or medical leave rights.



For additional information or to file a complaint:

**1-866-4-USWAGE**

(1-866-487-9243) TTY: 1-877-889-5627

**www.dol.gov/whd**

U.S. Department of Labor Wage and Hour Division



WH-00 10/01/16

## AGENDA ITEM SUMMARY

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**MEETING DATE:** October 28, 2026

**ITEM NUMBER:** 3D

**FROM:** Executive Director

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**SUBJECT:** Housing Authority Project Based Voucher Program – FY 2027 Quarter 1 Report

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**RECOMMENDATION:** Receive Report

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### **BACKGROUND SUMMARY:**

The Board of Commissioners directed staff to provide quarterly reports on the Project-Based Voucher (PBV) Program, including information about the number of projects in various stages of the PBV pipeline, as well as projects that are completed and under a Housing Assistance Payments (HAP) Contract. The FY2027 first quarter report is attached. The report includes key milestones, deadlines, and details about each project.

The report on PBV projects is separated into three key phases, with a separate table for each phase.

1. **Conditional Award of Vouchers:** The first table includes a list of projects that have been conditionally awarded vouchers. This includes new construction projects that have not yet executed an Agreement to Enter into a HAP Contract (AHAP) or existing housing projects that have not yet executed a HAP Contract. This section includes the original date of conditional award, the deadline for execution of the AHAP, and any extensions to the AHAP deadline that the project has requested or received pursuant to the Housing Authority's PBV rescission policy. The report will also include the status of the environmental review (ER) and subsidy layering review (SLR), which must be completed prior to execution of the AHAP. Existing housing projects do not need to complete ER or SLR requirements.
2. **Projects under an AHAP:** The second table lists projects for which an AHAP has been executed. This table includes the AHAP effective date, the expected construction completion date, and the required construction completion date based on deadline provided in the AHAP. This table also notes whether construction is active or on hold. The required construction completion date will account for any amendments to the AHAP that extended this date.
3. **Projects Under a HAP Contract:** The final table lists completed projects, for which a HAP Contract is in place. These projects are either stably occupied or in the process

of initial lease-up. The report on projects under HAP includes the HAP Contract effective date and expiration date.

**RECOMMENDATION:** Receive Report

HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ

**1. Projects with Conditional Awards (Not Under an AHAP)**

| <b>Project Number</b> | <b>Project Name</b> | <b>Address</b>                          | <b>Original Conditional Award Date</b> | <b>Total Number of Units</b> | <b>Number of PBVs</b> | <b>Deadline to Execute AHAP</b> | <b>AHAP Deadline Extension Request #1</b> | <b>AHAP Deadline Extension Request #2</b> | <b>Environmental Review Status</b> | <b>Subsidy Layering Review (SLR) Status</b>      | <b>Building Permit Status</b> |
|-----------------------|---------------------|-----------------------------------------|----------------------------------------|------------------------------|-----------------------|---------------------------------|-------------------------------------------|-------------------------------------------|------------------------------------|--------------------------------------------------|-------------------------------|
| 1                     | Baler Place         | 340 Bridgevale Dr, Hollister, CA 92117  | 2/7/2024                               | 54                           | 25                    | 2/6/2026                        | Approved through 08/06/2026               | Approved through 02/06/2027               | Clearance received – 12/29/2025    | SLR certification received 05/26/2026            | Anticipated October 2026      |
| 2                     | 150 Felker Street   | 150 Felker St, Santa Cruz, CA 95060     | 8/14/2024                              | 44                           | 24                    | 8/14/2026                       | Approved through 02/14/2027               | N/A                                       | Clearance received - 05/06/2025    | SLR certification received 10/14/2026            | Pending receipt               |
| 3                     | Watsonville Metro   | 475 Rodriguez St, Watsonville, CA 95076 | 8/14/2024                              | 79                           | 20                    | 8/14/2026                       | Approved through 02/14/2027               | N/A                                       | Clearance received – 05/13/2026    | Under review - Submitted for approval 10/14/2026 | Pending receipt               |
| <b>TOTAL</b>          |                     |                                         |                                        | 177                          | 69                    |                                 |                                           |                                           |                                    |                                                  |                               |

## 2. Projects Under an AHAP

| Project Number | Project Name                | Address                                                  | Total Number of Units | Number of PBVs                   | AHAP Effective Date | Expected Completion Date | Construction Completion Requirement | Construction Status |
|----------------|-----------------------------|----------------------------------------------------------|-----------------------|----------------------------------|---------------------|--------------------------|-------------------------------------|---------------------|
| 1              | Park Haven Plaza            | 2840 Park Avenue, Soquel CA 95073                        | 36                    | 35                               | 10/18/2022          | 09/30/2027               | 06/01/2027                          | Active              |
| 2              | Veterans Village            | 8705 Hwy 9, Ben Lomond, CA 95005 CA                      | 20                    | 15                               | 12/21/2022          | 12/31/2027               | 12/31/2027                          | Active              |
| 4              | Harvey West Studios         | 119 Coral Street, Santa Cruz, CA 95060                   | 121                   | 60<br>(and 20 Shelter Plus Care) | 05/15/2024          | 10/15/2026               | 11/01/2026                          | Active              |
| 5              | Downtown Library            | 119 Lincoln St, Santa Cruz, CA 95060                     | 124                   | 31                               | 04/23/2025          | 02/17/2028               | 03/03/2029                          | Active              |
| 6              | Westside Village            | 850 Almar Ave, Santa Cruz, CA 95060                      | 38                    | 25                               | 06/17/2025          | 11/01/2026               | 06/16/2028                          | Active              |
| 7              | 4575 Scotts Valley Drive    | 4575 Scotts Valley Drive, Scotts Valley, CA 95066        | 100                   | 40                               | 07/24/2025          | 07/01/2027               | 07/23/2028                          | Active              |
| 8              | 831 Water Street            | 831 Water Street, Santa Cruz CA 95060                    | 140                   | 64                               | 10/30/2025          | 06/22/2028               | 10/29/2028                          | Active              |
| 9              | Beverly Gardens             | 4408 & 4444 Scotts Valley Drive, Scotts Valley, CA 95066 | 25                    | 24                               | 12/15/2025          | 05/01/2027               | 12/14/2028                          | Active              |
| 10             | 136 River Street            | 136 River Street, Santa Cruz, CA 95060                   | 51                    | 20                               | 02/27/2026          | 02/01/2028               | 02/26/2029                          | Active              |
| 11             | Banana Belt                 | 917, 919, 923 Water Street, Santa Cruz, CA 95062         | 83                    | 25                               | 04/09/2026          | 04/01/2028               | 04/08/2029                          | Active              |
| 12             | 41 <sup>st</sup> and Soquel | 2755 & 1831 41st Ave, Soquel, CA 95073                   | 256                   | 91                               | 05/12/2026          | 02/01/2029               | 05/11/2029                          | Active              |

|              |                  |                                               |       |                                |            |            |            |        |
|--------------|------------------|-----------------------------------------------|-------|--------------------------------|------------|------------|------------|--------|
| 13           | Pinnacle Pass    | 75 Mount Hermon Rd, Scotts Valley, CA 95066   | 40    | 25                             | 05/14/2026 | 11/01/2027 | 05/13/2029 | Active |
| 14           | 525 Water Street | 525 Water Street, Santa Cruz, CA 95060        | 90    | 33                             | 05/22/2026 | 08/01/2028 | 05/21/2029 | Active |
| 15           | Capitola Manor   | 1098 38 <sup>th</sup> Ave, Capitola, CA 95010 | 52    | 25                             | 10/01/2026 | 05/01/2028 | 09/30/2029 | Active |
| <b>TOTAL</b> |                  |                                               | 1,176 | 513 (and 20 Shelter Plus Care) |            |            |            |        |

### 3. Projects Under a HAP Contract

| Project Number | Project Name                   | Address                                                                                             | Total Number of Units | Number of PBVs | HAP Contract Effective Date | HAP Contract Expiration Date |
|----------------|--------------------------------|-----------------------------------------------------------------------------------------------------|-----------------------|----------------|-----------------------------|------------------------------|
| 1              | El Centro                      | 1110 Pacific Ave, Santa Cruz, CA 95060                                                              | 45                    | 44             | 11/1/2014                   | 10/31/2029                   |
| 2              | Emerald Hill Apartments        | 101 & 102 Civic Center Drive, Scotts Valley, CA 95066                                               | 46                    | 7              | 12/1/2014                   | 11/30/2029                   |
| 3              | San Andreas                    | 295 San Andreas Road, Watsonville, CA 95076                                                         | 43                    | 5              | 1/1/2015                    | 12/31/2029                   |
| 4              | Resetar Residential Hotel      | 15 W. Lake Ave, Watsonville, CA 95076                                                               | 78                    | 52             | 6/23/2015                   | 5/31/2030                    |
| 5              | St. Stephens Senior Housing    | 2510 Soquel Avenue, Santa Cruz, CA 95062                                                            | 40                    | 39             | 5/24/2017                   | 4/30/2032                    |
| 6              | Pippin Orchards Apartments     | 56 Atkinson Lane, Watsonville, CA 95076                                                             | 41                    | 31             | 11/15/2018                  | 10/31/2033                   |
| 7              | Water Street Apartments        | 708 Water St, Santa Cruz, CA 95060                                                                  | 41                    | 33             | 9/19/2019                   | 8/31/2034                    |
| 8              | Sunrise Senior Apartments      | 580 Westside Blvd, Hollister, CA 95023                                                              | 49                    | 48             | 12/11/2019                  | 12/11/2034                   |
| 9              | Pajaro Valley Shelter Services | 110 Kearney Street, 112 Kearney Street, 561 Rodriguez Street, 62 Arista Lane, Watsonville, CA 95076 | 4                     | 4              | 6/17/2020                   | 5/31/2035                    |
| 10             | La Playa                       | 216 Leibrandt Ave, Santa Cruz, CA 95060                                                             | 8                     | 2              | 5/1/2018                    | 4/30/2038                    |
| 11             | Sycamore Commons               | 125 Sycamore St, Santa Cruz, CA 95060                                                               | 60                    | 13             | 5/1/2018                    | 4/30/2038                    |
| 12             | Woodland Senior Apartments     | 3050 Dover Dr, Santa Cruz, CA 95065                                                                 | 68                    | 27             | 3/16/2020                   | 2/29/2040                    |
| 13             | Jardines Del Valle             | 76 Murphy's Crossing Rd, Watsonville, CA 95076                                                      | 18                    | 5              | 3/18/2020                   | 2/29/2040                    |
| 14             | Villas Del Paraiso             | 340A Pariso Drive, Watsonville, CA 95076                                                            | 51                    | 15             | 3/18/2020                   | 2/29/2040                    |
| 15             | Merrill Road Apartments        | 3201 Merrill Rd, Aptos, CA 95003                                                                    | 15                    | 15             | 7/1/2023                    | 6/30/2043                    |
| 16             | Bienestar Plaza                | 1520 - 1550 Capitola Rd, Santa Cruz, CA 95062                                                       | 65                    | 40             | 11/13/2023                  | 10/31/2043                   |
| 17             | Tabasa Gardens                 | 1482 Freedom Blvd, Watsonville, CA 95076                                                            | 53                    | 37             | 3/26/2024                   | 2/29/2044                    |

|              |                                |                                                                             |       |     |            |            |
|--------------|--------------------------------|-----------------------------------------------------------------------------|-------|-----|------------|------------|
| 18           | Cedar Street Family Apartments | 538 Cedar Street, Santa Cruz CA 95060                                       | 65    | 8   | 4/22/2024  | 3/31/2044  |
| 19           | LIPH PBVs                      | Various                                                                     | 234   | 223 | 5/1/2024   | 4/30/2044  |
| 20           | Pacific Station South          | 818 Pacific Ave, Santa Cruz, CA 95060                                       | 70    | 47  | 11/13/2024 | 10/31/2044 |
| 21           | Cienega Heights                | 1515, 1615, 1715 Brewington Ave, Watsonville, CA 95076                      | 80    | 37  | 11/18/2024 | 10/31/2044 |
| 22           | Sparrow Terrace                | 139 and 141 Miles Lane, Watsonville CA 95076                                | 72    | 43  | 12/20/2024 | 11/30/2044 |
| 23           | Natural Bridges Apartments     | 415 Natural Bridges Drive, Santa Cruz CA 95060                              | 20    | 20  | 1/7/2025   | 12/31/2044 |
| 24           | Tierra Alta                    | 101 - 114 Tierra Alta Drive, Watsonville, CA 95076                          | 36    | 33  | 2/1/2025   | 1/31/2045  |
| 25           | Jessie Street                  | 316 Jessie Street, Santa Cruz CA 95060                                      | 50    | 48  | 3/28/2025  | 2/28/2045  |
| 26           | Bluffs at 44 <sup>th</sup>     | 4401 Capitola Rd, Capitola, CA 95010                                        | 36    | 25  | 11/24/2025 | 10/31/2045 |
| 27           | Casa Pajaro                    | 127 - 193 East Front St, Watsonville, CA 95076                              | 34    | 32  | 02/01/2026 | 1/31/2046  |
| 28           | Pacific Station North          | 902, 912, and 920 Pacific Avenue and 423 Front Street, Santa Cruz, CA 95060 | 128   | 51  | 07/23/2026 | 6/30/2046  |
| <b>TOTAL</b> |                                |                                                                             | 1,550 | 984 |            |            |

## AGENDA ITEM SUMMARY

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**MEETING DATE:** October 28, 2026

**ITEM NUMBER:** 3E

**FROM:** Deputy Executive Director

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**SUBJECT:** Financing for the Acquisition of 2030 17<sup>th</sup> Avenue

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**RECOMMENDATION:** Adopt Resolution 2026-07 to Allocate MTW Funds for an Acquisition Loan to New Horizons for Expenses up-to \$1,850,000 for 2030 17th Avenue

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### **BACKGROUND SUMMARY:**

In August 2025, the Board of Directors for New Horizons adopted Resolution 2025-04, authorizing staff to purchase property located at 2030 17<sup>th</sup> Avenue for \$1,850,000. The acquisition was completed in late August 2026 and funded solely with New Horizons reserves.

2030 17<sup>th</sup> Avenue was acquired to support the larger new construction project at 2021 Chanticleer Avenue. Since acquiring 2030 17<sup>th</sup> Avenue, New Horizons has amended the NEPA to include this parcel and has incorporated the property into the site plans for 2021 Chanticleer. Staff plan to apply for 4% Low Income Housing Tax Credits in February 2027 to support the cost of the development project.

Staff are recommending the allocation of up-to \$1,850,000 in MTW funds in the form of a loan to support New Horizons in the acquisition of this property. This loan will achieve two important objectives. First, the use of MTW funds on an eligible activity during calendar year 2026 will fully maximize our baseline funding calculation for subsequent years. Second, these funds will be categorized as public funds on the application for Low Income Housing Tax Credits. An increase the amount of public funds effectively increases the tie breaker score which will make the application more competitive upon review.

This recommendation includes the Housing Authority providing these funds to New Horizons in the form of loan, and entering into all documents necessary to provide a loan including but not limited to a promissory note and deed of trust. The adoption of Resolution 2026-07 will be used to document the Board's decision to allocate these funds for acquisition expenses associated with development project at 2021 Chanticleer Avenue.

**RECOMMENDATION:** Adopt Resolution 2026-07 to Allocate MTW Funds for an Acquisition Loan to New Horizons for Expenses up-to \$1,850,000 for 2030 17th Avenue.

HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ

## HOUSING AUTHORITY RESOLUTION NO. 2026-07

### A RESOLUTION OF THE HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ AUTHORIZING

At a duly constituted meeting of the Board of Commissioners (the "Board") of the Housing Authority of the County of Santa Cruz (the "Authority") held on October 28, 2026, the following resolution was adopted:

WHEREAS, in this Resolution, when it states that the Authority shall act, the Board is authorizing such action on behalf of the Authority and deems such action to be in the best interests of the Authority; and

WHEREAS, the Authority is a duly formed housing authority of the State of California, and is vested with the responsibilities set forth in Division 24, Part 2, Article 4 (Sections 34310-34334) of the California Health and Safety Code (the "California Housing Authority Law"), which includes providing low and moderate income housing within its jurisdiction;

WHEREAS, the Authority formed New Horizons Affordable Housing and Development Inc. ("New Horizons"), a California nonprofit public benefit 501c3 exempt corporation to help support the Authority's mission of developing and operating affordable housing within its jurisdiction;

WHEREAS, New Horizons purchased a .236-acre real property located at 2030 17th Avenue in the County of Santa Cruz (the "Property");

WHEREAS, New Horizons intends to include the Property in the adjacent development located at 2020 – 2031 Chanticleer Avenue to provide units affordable for very-low, low and moderate income households (the "Project")

WHEREAS, to ensure the affordability of the Project, the Authority desires to enter into with New Horizons and Record against the Property, a long term-term regulatory agreement requiring units in the Project to be rented to low-income households in compliance with requirements for the use of HUD Moving To Work (MTW) funds; (the "Regulatory Agreement"), recorded in the Official Records in Santa Cruz County; and

WHEREAS, the Authority desires to provide a loan to New Horizons in an amount up to up to \$1,850,000 of U.S. Department of Housing and Urban Development (HUD) Moving To Work (MTW) funds to support the purchase of the property (the "Authority Loan"); and

WHEREAS, the Authority desires to enter into any and all documents necessary for the Authority to make the Authority Loan and for New Horizons to borrow the Authority Loan, including but not limited to a deed of trust and promissory note (collectively, the "Authority Loan Documents"); and

WHEREAS, by staff report (the "Staff Report") accompanying this Resolution the Authority has been provided with additional information upon which the actions set forth in this Resolution are based.

NOW, THEREFORE, THE BOARD OF THE HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ DOES RESOLVE AS FOLLOWS:

Section 1: The Board finds and determines that the above recitals are true and correct and have served, together with the Staff Report, as a basis in part, for the actions of the Board set forth below.

Section 2: The Board approves lending the Authority Funds to support the purchase.

Section 3: The Board authorizes the Executive Director of the Authority or, in the absence of the aforementioned, Chairman of the Board of Commissioners, or any other officer acting alone on behalf of the Authority (the "Authorized Officer"), to enter into and execute any and all necessary documents listed in and/or contemplated by this Resolution, including, without limitation, amendments to the Authority Loan Documents, all in such form as is recommended by Authority special legal counsel, and approved by the Authorized Officer, such approval to be conclusively evidenced by the execution by the Authorized Officer of such documents, and to take any other actions, necessary to enable the provision of the Additional Authority Funds and the amending of the Authority Loan, and to do any and all other activities contemplated in this Resolution.

Section 4: This Resolution shall take immediate effect upon adoption.

PASSED AND ADOPTED by the Board of Commissioners of the Housing Authority of the County of Santa Cruz, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Chairperson of the Authority

ATTEST:

\_\_\_\_\_  
Secretary of the Authority

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**MEETING DATE:** October 28, 2026

**ITEM NUMBER:** 6A

**FROM:** Executive Director

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**SUBJECT:** Housing Authority Annual Agency Goals – Quarter 1 Progress Report

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**RECOMMENDATION:** Receive Report

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**BACKGROUND SUMMARY:**

Each year, the Housing Authority Board of Commissioners establishes Annual Agency Goals for the upcoming fiscal year. A final report on progress towards FY 2026 - 2027 goals will be provided to the Board at the August 2027 meeting. Below is a summary of progress towards the Annual Agency Goals for Quarter 1: July 1, 2026 – September 30, 2026.

**Housing Authority Agency Goals for 2026 - 2027 Fiscal Year**

**1. Housing Choice Voucher Program:**

- a. Absorb all remaining EHV households into the Housing Choice Voucher (HCV) program.**

In August 2026, all remaining EHV households were informed that their rental assistance is no longer at risk and that the Housing Authority will transition them to other voucher assistance as their EHV assistance ends.

Since that time, there has been a significant development at the federal level. In September, Congress enacted a Continuing Resolution (CR) directing HUD to make Tenant Protection Vouchers (TPVs) available to households remaining in the EHV program as of September 30, 2026. HUD has since confirmed that the Housing Authority will receive TPVs for all of its EHV households that were leased as of that date. This is welcome news, as it will allow the Housing Authority to preserve rental assistance for these households without drawing on its existing HCV resources. TPVs will allow all EHV families to receive ongoing rental assistance.

**b. Maintain high program utilization and honor existing PBV commitments while ensuring long-term financial sustainability of the Housing Choice Voucher Program and preventing HCV funding shortfall in 2027.**

The Agency's voucher utilization rate is currently 98.17%. Staff continue to carefully monitor program attrition, per-unit costs, upcoming Project-Based Voucher (PBV) lease-ups, existing PBV commitments, and projected federal funding to maintain high utilization while ensuring sufficient resources to meet the Agency's long-term obligations. Over the coming months, voucher utilization is expected to remain relatively stable, as new PBV lease-ups offset program attrition. The Agency anticipates maintaining a high utilization rate, well above the 95% threshold required by HUD for a "High Performer" designation.

Federal Housing Choice Voucher (HCV) funding for calendar year 2027 remains uncertain. Although final funding levels have not yet been established, current projections indicate that federal funding increases may not keep pace with increases in the Agency's actual Housing Assistance Payment (HAP) costs. Of particular concern is HUD's Renewal Funding Inflation Factor (RFIF), which is used to adjust HCV renewal funding for anticipated increases in rental assistance costs. The preliminary RFIF for the Santa Cruz area is approximately 0%, despite continued increases in local housing costs. This is particularly significant given the Agency's high utilization rate and upcoming Project-Based Voucher (PBV) commitments, which leave limited flexibility to absorb funding shortfalls. The availability of Tenant Protection Vouchers (TPVs) for households transitioning from the Emergency Housing Voucher (EHV) program substantially reduces one anticipated funding pressure by eliminating the need to absorb those households into the Agency's existing HCV funding. Nevertheless, current projections indicate that the Agency could face a funding shortfall in 2027 if federal funding does not adequately account for increases in actual program costs. Staff will continue to refine financial projections as additional federal funding information becomes available and will keep the Board informed of significant developments.

**2. Affordable Housing Supply:**

**a. Optimize financial resources and funding sources, including MTW and New Horizons funds, to acquire property and develop new affordable housing projects.**

The Housing Authority is planning to provide New Horizons with a loan of approximately \$1M in MTW funds to support the acquisition of 2030 17<sup>th</sup> Avenue.

The recommendation to authorize the loan is included in the October 2026 Board meeting. This loan will optimize the use of MTW funds to increase subsequent HAP funding for 2027, and will provide additional public funds to the project which will increase the competitiveness of our Low-Income Housing Tax Credit application.

- b. Establish a total of two partnerships on LIHTC projects, to acquire the LIHTC experience points that are required in order to apply for tax credits for our own future projects.**

New Horizons selected MidPen Housing as its development partner for the 2021 Chanticleer project. The partnership is expected to submit a 4% Low Income Housing Tax Credit application in February 2027. Staff are also in discussions with MidPen regarding a potential partnership on the Good Shepherd development at 2727 Mattison Lane in Live Oak. The Co-Development RFQ remains open, and staff will continue to engage with potential development partners to identify additional opportunities that will provide New Horizons with the LIHTC experience necessary to independently pursue tax credit financing for future projects.

- c. Complete pre-development activities for 2021 Chanticleer, which include entering a co-development agreement with a development partner, submitting an LIHTC application early in 2027, and securing entitlements from the county Planning Department.**

Staff have made significant progress toward completing key predevelopment milestones for the project. Entitlements have been secured from the County Planning Department, and staff have worked with MidPen to formalize the partnership through a Joint Development Agreement, which is coming before the Board for approval at the October meeting. The project team is now advancing design, financing, and other predevelopment activities in preparation for submitting an application for 4% Low Income Housing Tax Credits in February 2027.

- d. Submit a Multi-Family Development Package to HUD by August 2026 and execute a Purchase and Sales Agreement to acquire 750 Bay Avenue to initiate the process to reposition the property through the Restore Rebuild Initiative to secure 69 Rental Assistance Demonstration Project Based Vouchers.**

Staff successfully submitted the Mixed-Finance Development Proposal to HUD on August 13, 2026. Staff also submitted a letter of interest to First Community Housing on August 11, 2026, outlining New Horizons' interest in acquiring the property. First Community Housing has not formally responded to the proposal. Staff will continue

to pursue the acquisition and, if an agreement can be reached, advance the necessary HUD approvals and other steps required to reposition the property.

### **3. Expand Programs and Services:**

#### **a. Expand utilization of existing New Horizons Programs and Services.**

Staff have developed a coordinated outreach strategy to increase awareness and utilization of New Horizons programs and services. The goal is to ensure that Housing Authority participants are aware of available resources, understand how to access them, and have opportunities to participate. The strategy establishes a more consistent approach to outreach across programs, while allowing flexibility based on the populations served and the nature of each program.

Outreach efforts will use a combination of direct mail, email, social media, website updates, community events, webinars, and informational materials displayed in the Agency lobby and resident community areas. Communications will be provided in English and Spanish, with both online and paper options available to ensure accessibility. Staff will also use routine interactions with participants as opportunities to share information about available services, with the Client Services Coordinator serving as the primary point of contact for participants seeking additional information or assistance. Outreach activities will be coordinated among Agency staff and community partners to ensure consistent messaging and effective use of resources.

To evaluate the effectiveness of these efforts, staff will implement an Outreach Activity Tracker to document outreach activities, households reached, responses received, and resulting program enrollment, where applicable. Participant and staff feedback will help identify barriers to participation and opportunities for improvement. Staff will review outreach results quarterly and adjust strategies based on what is most effective. Ultimately, the objective is not simply to increase the amount of outreach conducted, but to ensure that outreach translates into greater awareness, access, and participation in New Horizons programs and services.

#### **b. Develop output and outcome related measures to evaluate utilization and impact of New Horizons Programs and Services.**

The following proposed framework identifies key metrics for evaluating the reach, effectiveness, and impact of New Horizons programs and services. For each program, the proposed measures are organized into two categories:

1. Utilization and Outputs: Measures intended to assess how many people are participating, the number and types of services delivered, and how program funding is being utilized.
2. Outcomes and Impact: Measures intended to assess what difference the programs and services are making in participants' lives, including improvements in access, opportunity, stability, and well-being.

Where possible, these metrics will be measured using existing Housing Authority data, supplemented by information from service providers and participant surveys.

Staff welcome Board feedback on the proposed framework and metrics and will incorporate any recommended changes before beginning quarterly reporting of these measures with the Quarter 2 report, which will be presented at the January Board meeting. Please note that some of the proposed metrics are already being collected, while others will require new data collection methods, including participant surveys and additional reporting from service providers. As a result, not all metrics will be available in the initial quarterly reports. Staff will develop and implement the necessary data collection processes over the course of the first year, with the goal of reporting on all identified metrics by the end of the fiscal year in the final report presented in the August 2027 meeting. Once established, these measures will be included in quarterly reports to the Board, allowing us to track participation, evaluate outcomes, and better understand the impact of New Horizons programs and services over time.

| Program                    | Utilization and Outputs                                                                                                                                                                                                      | Outcomes and Impact                                                                                                                       |
|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| New Horizons Scholarship   | <ul style="list-style-type: none"> <li>▪ Applicants</li> <li>▪ Scholarship awards</li> <li>▪ First-generation college students</li> <li>▪ Funding utilization</li> <li>▪ Type of academic institution or program.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Distribution of recipients enrolled in two-year, four-year, and certificate programs.</li> </ul> |
| Summer Enrichment Programs | <ul style="list-style-type: none"> <li>▪ Applicants</li> <li>▪ Participants by age group</li> <li>▪ Participation by program type</li> <li>▪ Funding utilization</li> </ul>                                                  | <ul style="list-style-type: none"> <li>▪ Parent-reported satisfaction, increased outdoor activity, and social connectedness</li> </ul>    |
| HOMEwork Tutoring          | <ul style="list-style-type: none"> <li>▪ Applicants</li> <li>▪ Participating households</li> <li>▪ Participating students</li> <li>▪ Tutoring hours provided per student</li> </ul>                                          | <ul style="list-style-type: none"> <li>▪ Parent reported satisfaction</li> <li>▪ Parent reported academic improvement</li> </ul>          |
| Stuff the Bus Backpacks    | <ul style="list-style-type: none"> <li>▪ Applicants</li> <li>▪ Backpacks distributed by age group</li> <li>▪ Funding utilization</li> </ul>                                                                                  | No outcome data available                                                                                                                 |

|                                                          |                                                                                                                                                                                             |                                                                                                                                                                                   |
|----------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Housing Mediation Program                                | <ul style="list-style-type: none"> <li>▪ Referrals</li> <li>▪ Mediation hours provided</li> <li>▪ Funding utilization</li> </ul>                                                            | <ul style="list-style-type: none"> <li>▪ Cases successfully resolved</li> <li>▪ Participant and landlord reported satisfaction with the mediation process.</li> </ul>             |
| Santa Cruz METRO Passes                                  | <ul style="list-style-type: none"> <li>▪ Active passholders</li> <li>▪ Transit rides taken</li> <li>▪ Funding utilization</li> </ul>                                                        | <ul style="list-style-type: none"> <li>▪ Participant reported satisfaction and reduction in transportation barriers</li> </ul>                                                    |
| Opportunity Factory Economic Mobility Program            | <ul style="list-style-type: none"> <li>▪ Applicants</li> <li>▪ Participants</li> <li>▪ Service hours per participant</li> <li>▪ Funding utilization</li> </ul>                              | <ul style="list-style-type: none"> <li>▪ Number of Resumes completed, jobs applied for, employment secured</li> </ul>                                                             |
| Financial Literacy Workshops                             | <ul style="list-style-type: none"> <li>▪ Workshops delivered by topic</li> <li>▪ Workshop attendance</li> <li>▪ Funding utilization</li> </ul>                                              | <ul style="list-style-type: none"> <li>▪ Participant reported increased financial knowledge, improved understanding of subject matter, and overall satisfaction</li> </ul>        |
| Project: Silver Bells (Care Packages)                    | <ul style="list-style-type: none"> <li>▪ Care packages delivered</li> <li>▪ Donations received</li> <li>▪ NH cost per package</li> </ul>                                                    | No outcome data available                                                                                                                                                         |
| Senior Resource Fairs                                    | <ul style="list-style-type: none"> <li>▪ Fairs held</li> <li>▪ Participating partner agencies</li> <li>▪ Attendance</li> </ul>                                                              | <ul style="list-style-type: none"> <li>▪ Participant reported satisfaction, improved understanding of available services, and stronger community connections</li> </ul>           |
| Sunny Side Program – Senior Services and Case Management | <ul style="list-style-type: none"> <li>▪ Applicants</li> <li>▪ Participants</li> <li>▪ Services provided</li> <li>▪ Service hours per participant</li> <li>▪ Funding utilization</li> </ul> | <ul style="list-style-type: none"> <li>▪ Outcomes and Impact data provided by Senior Network</li> </ul>                                                                           |
| Security Deposit Assistance                              | <ul style="list-style-type: none"> <li>▪ Households assisted</li> <li>▪ Amount of financial assistance provided</li> <li>▪ Funding utilization</li> </ul>                                   | No outcome data available                                                                                                                                                         |
| Loss Mitigation Funds                                    | <ul style="list-style-type: none"> <li>▪ Claims received</li> <li>▪ Claims approved</li> <li>▪ Amounts paid by funding source or jurisdiction</li> <li>▪ Budget utilization</li> </ul>      | <ul style="list-style-type: none"> <li>▪ Landlord reported satisfaction with HCV program and loss mitigation program, landlord willingness to participate in HCV again</li> </ul> |
| High Speed Internet                                      | <ul style="list-style-type: none"> <li>▪ Properties connected</li> <li>▪ Participation rate at connected properties</li> <li>▪ Funding utilization.</li> </ul>                              | <ul style="list-style-type: none"> <li>▪ Stakeholder-reported improvement in internet access bi-annual survey</li> </ul>                                                          |

- c. **Use output and outcome data, along with information from Stakeholder Survey, to provide recommendations about potential changes in New Horizons Programs and Services programming.**

Recommendations to be provided in Quarter 4.

#### **4. Engage in Activities to Initiate Search for a New Agency Headquarters:**

- a. **Develop an acquisition and relocation strategy for the Agency to secure a new permanent mid-county agency headquarters. This includes conducting assessments to analyze location, commutes, and space planning. Work with the Board, staff, and consultants to ensure the building programming and floor plans meet the facility requirements to support efficient operations and provide long-term organizational sustainability.**

The Housing Authority has selected CBRE, Inc. to provide real estate services to assist with the search, acquisition and programming of a new office headquarters. Staff are in the early stages of working CBRE, Inc and have held meetings to establish search parameters and office needs which includes site location, office programming, and local amenities. This activity is expected to continue into next calendar year, and staff will provide updates at regular Board meetings.

#### **5. Improve Agency and Program Management:**

- a. **Initiate design and development of a new Housing Authority website that improves accessibility, multilingual access, navigation, and stakeholder engagement, along with an updated agency intranet to enhance internal communication, document management, collaboration, and staff access to agency resources.**

Work is underway to develop a new Housing Authority website and staff intranet. The Housing Authority selected Planetaria Media as the web-developer and held a project kickoff meeting in September. Weekly project meetings are underway, with accessibility, multilingual access, mobile usability, and clearer navigation identified as priorities. A staff stakeholder walkthrough is scheduled for late October to gather input on how the website and intranet can better serve participants, landlords, community partners, and employees. Staff feedback will guide the design and organization of both sites, with a focus on making Agency information and resources

easier to access and use. Development of the website is expected to take approximately six to eight months.

**b. Improve customer experience by providing customer service and interpersonal skills training to all staff agencywide.**

The Agency is offering a five-session, all-staff training series focused on strengthening communication, engagement, teamwork, productivity, and customer service. The first session, Everything DiSC® Workplace, was completed in September and established a foundation for understanding and adapting to different communication and work styles. The remaining sessions include Interpersonal Skills and Emotional Intelligence, Time Management and Organizational Skills, Managing Workplace Anxiety, Confidence and Assertiveness, Critical Thinking, and Generation Gaps.

**c. Develop a report to consider the potential for integration of artificial intelligence into agency operations and activities, including potential impacts on current staff.**

Research in progress. Report to be presented to the Board in the Quarter 4.

**RECOMMENDATION:** Receive Report

---

**MEETING DATE:** October 28, 2026

**ITEM NUMBER:** 6A

**FROM:** Executive Director

---

**SUBJECT:** Housing Authority Annual Agency Goals – Quarter 1 Progress Report

---

**RECOMMENDATION:** Receive Report

---

**BACKGROUND SUMMARY:**

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Staff have developed a coordinated outreach strategy to increase awareness and utilization of New Horizons programs and services. The goal is to ensure that Housing Authority participants are aware of available resources, understand how to access them, and have opportunities to participate. The strategy establishes a more consistent approach to outreach across programs, while allowing flexibility based on the populations served and the nature of each program.

Outreach efforts will use a combination of direct mail, email, social media, website updates, community events, webinars, and informational materials displayed in the Agency lobby and resident community areas. Communications will be provided in English and Spanish, with both online and paper options available to ensure accessibility. Staff will also use routine interactions with participants as opportunities to share information about available services, with the Client Services Coordinator serving as the primary point of contact for participants seeking additional information or assistance. Outreach activities will be coordinated among Agency staff and community partners to ensure consistent messaging and effective use of resources.

To evaluate the effectiveness of these efforts, staff will implement an Outreach Activity Tracker to document outreach activities, households reached, responses received, and resulting program enrollment, where applicable. Participant and staff feedback will help identify barriers to participation and opportunities for improvement. Staff will review outreach results quarterly and adjust strategies based on what is most effective. Ultimately, the objective is not simply to increase the amount of outreach conducted, but to ensure that outreach translates into greater awareness, access, and participation in New Horizons programs and services.

#### **b. Develop output and outcome related measures to evaluate utilization and impact of New Horizons Programs and Services.**

The following proposed framework identifies key metrics for evaluating the reach, effectiveness, and impact of New Horizons programs and services. For each program, the proposed measures are organized into two categories:

1. Utilization and Outputs: Measures intended to assess how many people are participating, the number and types of services delivered, and how program funding is being utilized.
2. Outcomes and Impact: Measures intended to assess what difference the programs and services are making in participants' lives, including improvements in access, opportunity, stability, and well-being.

Where possible, these metrics will be measured using existing Housing Authority data, supplemented by information from service providers and participant surveys.

Staff welcome Board feedback on the proposed framework and metrics and will incorporate any recommended changes before beginning quarterly reporting of these measures with the Quarter 2 report, which will be presented at the January Board meeting. Please note that some of the proposed metrics are already being collected, while others will require new data collection methods, including participant surveys and additional reporting from service providers. As a result, not all metrics will be available in the initial quarterly reports. Staff will develop and implement the necessary data collection processes over the course of the first year, with the goal of reporting on all identified metrics by the end of the fiscal year in the final report presented in the August 2027 meeting. Once established, these measures will be included in quarterly reports to the Board, allowing us to track participation, evaluate outcomes, and better understand the impact of New Horizons programs and services over time.

| Program                    | Utilization and Outputs                                                                                                                                                                                                      | Outcomes and Impact                                                                                                                       |
|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| New Horizons Scholarship   | <ul style="list-style-type: none"> <li>▪ Applicants</li> <li>▪ Scholarship awards</li> <li>▪ First-generation college students</li> <li>▪ Funding utilization</li> <li>▪ Type of academic institution or program.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Distribution of recipients enrolled in two-year, four-year, and certificate programs.</li> </ul> |
| Summer Enrichment Programs | <ul style="list-style-type: none"> <li>▪ Applicants</li> <li>▪ Participants by age group</li> <li>▪ Participation by program type</li> <li>▪ Funding utilization</li> </ul>                                                  | <ul style="list-style-type: none"> <li>▪ Parent-reported satisfaction, increased outdoor activity, and social connectedness</li> </ul>    |
| HOMEwork Tutoring          | <ul style="list-style-type: none"> <li>▪ Applicants</li> <li>▪ Participating households</li> <li>▪ Participating students</li> <li>▪ Tutoring hours provided per student</li> </ul>                                          | <ul style="list-style-type: none"> <li>▪ Parent reported satisfaction</li> <li>▪ Parent reported academic improvement</li> </ul>          |
| Stuff the Bus Backpacks    | <ul style="list-style-type: none"> <li>▪ Applicants</li> <li>▪ Backpacks distributed by age group</li> <li>▪ Funding utilization</li> </ul>                                                                                  | No outcome data available                                                                                                                 |

|                                                          |                                                                                                                                                                                             |                                                                                                                                                                                   |
|----------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Housing Mediation Program                                | <ul style="list-style-type: none"> <li>▪ Referrals</li> <li>▪ Mediation hours provided</li> <li>▪ Funding utilization</li> </ul>                                                            | <ul style="list-style-type: none"> <li>▪ Cases successfully resolved</li> <li>▪ Participant and landlord reported satisfaction with the mediation process.</li> </ul>             |
| Santa Cruz METRO Passes                                  | <ul style="list-style-type: none"> <li>▪ Active passholders</li> <li>▪ Transit rides taken</li> <li>▪ Funding utilization</li> </ul>                                                        | <ul style="list-style-type: none"> <li>▪ Participant reported satisfaction and reduction in transportation barriers</li> </ul>                                                    |
| Opportunity Factory Economic Mobility Program            | <ul style="list-style-type: none"> <li>▪ Applicants</li> <li>▪ Participants</li> <li>▪ Service hours per participant</li> <li>▪ Funding utilization</li> </ul>                              | <ul style="list-style-type: none"> <li>▪ Number of Resumes completed, jobs applied for, employment secured</li> </ul>                                                             |
| Financial Literacy Workshops                             | <ul style="list-style-type: none"> <li>▪ Workshops delivered by topic</li> <li>▪ Workshop attendance</li> <li>▪ Funding utilization</li> </ul>                                              | <ul style="list-style-type: none"> <li>▪ Participant reported increased financial knowledge, improved understanding of subject matter, and overall satisfaction</li> </ul>        |
| Project: Silver Bells (Care Packages)                    | <ul style="list-style-type: none"> <li>▪ Care packages delivered</li> <li>▪ Donations received</li> <li>▪ NH cost per package</li> </ul>                                                    | No outcome data available                                                                                                                                                         |
| Senior Resource Fairs                                    | <ul style="list-style-type: none"> <li>▪ Fairs held</li> <li>▪ Participating partner agencies</li> <li>▪ Attendance</li> </ul>                                                              | <ul style="list-style-type: none"> <li>▪ Participant reported satisfaction, improved understanding of available services, and stronger community connections</li> </ul>           |
| Sunny Side Program – Senior Services and Case Management | <ul style="list-style-type: none"> <li>▪ Applicants</li> <li>▪ Participants</li> <li>▪ Services provided</li> <li>▪ Service hours per participant</li> <li>▪ Funding utilization</li> </ul> | <ul style="list-style-type: none"> <li>▪ Outcomes and Impact data provided by Senior Network</li> </ul>                                                                           |
| Security Deposit Assistance                              | <ul style="list-style-type: none"> <li>▪ Households assisted</li> <li>▪ Amount of financial assistance provided</li> <li>▪ Funding utilization</li> </ul>                                   | No outcome data available                                                                                                                                                         |
| Loss Mitigation Funds                                    | <ul style="list-style-type: none"> <li>▪ Claims received</li> <li>▪ Claims approved</li> <li>▪ Amounts paid by funding source or jurisdiction</li> <li>▪ Budget utilization</li> </ul>      | <ul style="list-style-type: none"> <li>▪ Landlord reported satisfaction with HCV program and loss mitigation program, landlord willingness to participate in HCV again</li> </ul> |
| High Speed Internet                                      | <ul style="list-style-type: none"> <li>▪ Properties connected</li> <li>▪ Participation rate at connected properties</li> <li>▪ Funding utilization.</li> </ul>                              | <ul style="list-style-type: none"> <li>▪ Stakeholder-reported improvement in internet access bi-annual survey</li> </ul>                                                          |

- c. **Use output and outcome data, along with information from Stakeholder Survey, to provide recommendations about potential changes in New Horizons Programs and Services programming.**

Recommendations to be provided in Quarter 4.

#### **4. Engage in Activities to Initiate Search for a New Agency Headquarters:**

- a. **Develop an acquisition and relocation strategy for the Agency to secure a new permanent mid-county agency headquarters. This includes conducting assessments to analyze location, commutes, and space planning. Work with the Board, staff, and consultants to ensure the building programming and floor plans meet the facility requirements to support efficient operations and provide long-term organizational sustainability.**

The Housing Authority has selected CBRE, Inc. to provide real estate services to assist with the search, acquisition and programming of a new office headquarters. Staff are in the early stages of working CBRE, Inc and have held meetings to establish search parameters and office needs which includes site location, office programming, and local amenities. This activity is expected to continue into next calendar year, and staff will provide updates at regular Board meetings.

#### **5. Improve Agency and Program Management:**

- a. **Initiate design and development of a new Housing Authority website that improves accessibility, multilingual access, navigation, and stakeholder engagement, along with an updated agency intranet to enhance internal communication, document management, collaboration, and staff access to agency resources.**

Work is underway to develop a new Housing Authority website and staff intranet. The Housing Authority selected Planetaria Media as the web-developer and held a project kickoff meeting in September. Weekly project meetings are underway, with accessibility, multilingual access, mobile usability, and clearer navigation identified as priorities. A staff stakeholder walkthrough is scheduled for late October to gather input on how the website and intranet can better serve participants, landlords, community partners, and employees. Staff feedback will guide the design and organization of both sites, with a focus on making Agency information and resources

easier to access and use. Development of the website is expected to take approximately six to eight months.

**b. Improve customer experience by providing customer service and interpersonal skills training to all staff agencywide.**

The Agency is offering a five-session, all-staff training series focused on strengthening communication, engagement, teamwork, productivity, and customer service. The first session, Everything DiSC® Workplace, was completed in September and established a foundation for understanding and adapting to different communication and work styles. The remaining sessions include Interpersonal Skills and Emotional Intelligence, Time Management and Organizational Skills, Managing Workplace Anxiety, Confidence and Assertiveness, Critical Thinking, and Generation Gaps.

**c. Develop a report to consider the potential for integration of artificial intelligence into agency operations and activities, including potential impacts on current staff.**

Research in progress. Report to be presented to the Board in the Quarter 4.

**RECOMMENDATION:** Receive Report



**County of Santa Cruz Board of Supervisors**

**Agenda Item Submittal**

**From:** Clerk of the Board of Supervisors

**Subject:** Appointment to the Housing Authority Board of Commissioners

**Meeting Date:** October 6, 2026

**Item 32**  
**26-33826**

**Formal Title:** Approve final appointment of Ligaya Eligio to the Housing Authority Board of Commissioners, as an at-large tenant representative, for a term to expire October 20, 2028

**Recommended Actions**

Approve final appointment of Ligaya Eligio to the Housing Authority Board of Commissioners, as an at-large tenant representative, for a term to expire October 20, 2028.

(Nomination accepted October 6, 2026)

**Submitted By:**

Nicole D. Coburn, County Executive Office

**Recommended By:**

Nicole D. Coburn, County Executive Officer

**Artificial Intelligence Acknowledgment:**

Artificial Intelligence (AI) did not significantly contribute to the development of this agenda item.

 **completed**  
10/20/2026

## AGENDA ITEM SUMMARY

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**MEETING DATE:** October 28, 2026

**ITEM NUMBER:** 8

**FROM:** Exec. Director; Deputy Exec. Director

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**SUBJECT:** Director's Report – October 28, 2026

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**RECOMMENDATION:** Receive Report

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### **BACKGROUND SUMMARY:**

Please call or e-mail me with questions you might have on any of the Agenda Items for the October 28, 2026 meeting. My phone number is (831) 454-5931 and my email address is [jennyp@hacosantacruz.org](mailto:jennyp@hacosantacruz.org).

**2021 Chanticleer** – Staff continue to work with the design team which includes the architect, engineers, construction manager and MidPen Inc on refining the construction drawings. The JDA has been prepared and will be presented for approval during the New Horizons Board of Directors meeting in October. The procurement for the general contractor is scheduled to be initiated in late February 2027 with contract award expected in summer of 2027. Staff are planning to submit the project in the first round application for 4% Low Income Housing Tax Credit which is typically in February.

**Headquarter Search** – Staff are in the early stages of conducting a search for a new agency office headquarters. Staff have met with CBRE, Inc. to provide information on search parameters and office needs which includes site location, office programming, and local amenities. CBRE, Inc. is scheduled to conduct a tour of our current office space on October 27. CBRE, Inc. will use this information to further refine their search and present a short-list of properties for review.

**Data and Innovation Recognition** – The Housing Authority recently received recognition for two initiatives that demonstrate our commitment to using data to inform decisions, improve program performance, measure outcomes, and expand housing opportunities.

- **NAHRO Award of Merit for Data Innovation:** At the National Association of Housing and Redevelopment Officials (NAHRO) National Conference in Denver in October, the Housing Authority received an Award of Merit for Data Innovation, recognizing our use of Power BI dashboards to monitor and improve agency operations. These dashboards help staff evaluate the quality and accuracy of our work, identify disparities and promote equity in program outcomes, and measure the impact of our programs and services. The dashboards provide staff with tools to identify trends, monitor performance, and make data-informed decisions that improve services to our community.

- **Santa Cruz Sentinel Editorial Highlighting Local Rent Studies:** On October 20, the *Santa Cruz Sentinel* published an editorial highlighting the Housing Authority's innovative use of local rental market studies to increase federal housing funding. Through our longstanding partnership with Applied Survey Research (ASR), the Housing Authority has conducted local rent studies and successfully appealed HUD's Fair Market Rent (FMR) calculations when federal estimates have not accurately reflected local housing costs. Over the past decade, this strategy has helped secure tens of millions of dollars in additional federal funding, allowing hundreds more families to receive rental assistance while increasing the purchasing power of housing vouchers in our expensive rental market. Together, these initiatives demonstrate how strategic investments in data and research can improve program effectiveness, strengthen accountability, and help the Housing Authority serve more families and better meet their housing needs. A copy of the editorial is attached for your review.

**Potential Opening of a Three-Bedroom Project-Based Voucher Waiting List** – The Housing Authority is experiencing increasing difficulty filling three-bedroom Project-Based Voucher (PBV) units. Many affordable housing developments include a significant number of three-bedroom units due to State tax credit requirements. However, the average household size on our Housing Choice Voucher waiting list is approximately two people. As the size of our waiting list has diminished, we have a relatively small pool of remaining applicants that are eligible for three-bedroom units. As a result, staff often must conduct multiple rounds of outreach to identify eligible and interested families, delaying occupancy and creating challenges for both the Housing Authority and our development partners.

To address this issue, the Housing Authority has already begun limiting the proportion of three-bedroom units that may be project based in new developments. However, projects with previously awarded PBVs continue to come online with larger numbers of three-bedroom units, and additional developments are expected to begin leasing prior to our next Housing Choice Voucher (HCV) waiting list opening. Staff are exploring a limited waiting list opening specifically for larger families eligible for three-bedroom PBV units. This would expand the pool of eligible applicants, improve our ability to fill available units promptly, and help ensure that our limited voucher resources are fully utilized. Staff are evaluating available waiting list options and implementation considerations, with the goal of developing an approach that meets the needs of applicants, development partners, and the Housing Authority.

**Emergency Housing Voucher Program** – HUD has confirmed that Tenant Protection Vouchers (TPVs) will be provided for all households receiving Emergency Housing Voucher (EHV) assistance as of September 30, 2026. Housing Authorities are required to transition these households to TPV assistance in November, effective December 1, 2026. Families will experience no interruption or change in their rental assistance as a result of this transition.

Unlike the EHV program, which was established as a temporary program, TPVs will provide ongoing rental assistance with no time limit for participating households. However, these vouchers cannot be reissued when families leave the program, meaning the assistance will gradually phase out through attrition over many years. The federal Continuing Resolution (CR) provides funding for these vouchers through

December 2026, with ongoing renewal funding to be provided through the regular federal appropriations process.

The commitment of TPVs is excellent news for the families served by the EHV program and for the Housing Authority. Previously, the Housing Authority had committed to absorbing all remaining EHV households into its regular Housing Choice Voucher (HCV) program to ensure that no families would lose their rental assistance when EHV funding expired. The availability of TPVs eliminates the need to absorb these households into the regular HCV program, preserving HCV funding for other families in need of assistance.

**Legislative and Funding Updates** – The federal appropriations process for Fiscal Year 2027 remains unresolved. Congress enacted a Continuing Resolution (CR) that funds the federal government through December 11, 2026, generally current funding levels for the time being. This effectively postpones appropriations negotiations until after the November elections, when Congress will reconvene for a lame-duck session. Depending on the outcome of the elections and the progress of negotiations, Congress may enact additional short-term CRs, leaving final appropriations decisions to the incoming Congress in 2027 and prolonging funding uncertainty for Housing Authorities.

As discussed above, the CR also provides funding and authority for HUD to transition eligible Emergency Housing Voucher (EHV) households to Tenant Protection Vouchers (TPVs). HUD has confirmed that all EHV households receiving assistance as of September 30, 2026, will receive TPVs effective December 1, 2026. This eliminates the need for the Housing Authority to absorb these households into its regular Housing Choice Voucher (HCV) program, improving our projected financial position for 2027. Ongoing TPV renewal funding will be provided through the regular federal appropriations process.

However, significant funding challenges remain. HUD has provided a preliminary national Renewal Funding Inflation Factor (RFIF) estimate of approximately 2% for 2027. RFIFs are used to adjust HCV renewal funding to account for changes in rental assistance costs, and the factors vary by geographic area. Given that local Fair Market Rents (FMRs) remained essentially flat this year, we anticipate receiving little or no inflation adjustment for 2027. Without an inflation adjustment sufficient to cover rising program costs, our current projections indicate that the Housing Authority is likely to narrowly avoid a funding shortfall in 2027, even without the additional cost of absorbing EHV households.

As a result, the Housing Authority must continue to postpone issuing new tenant-based and project-based vouchers for the foreseeable future, beyond the PBV commitments already made. Once FY 2027 funding levels are established, staff will be better positioned to evaluate the program's financial outlook and determine whether additional vouchers can be issued. In the meantime, staff are analyzing potential cost-saving measures that would not adversely affect program participants.

Finally, the Housing Authority continues to advocate for improvements to the federal methodology used to calculate RFIFs. Staff are working with the Cambridge Housing Authority in Massachusetts to develop a series of legislative requests following discussions with staff from Senator Elizabeth Warren's office. The goal is to secure language in the FY 2027 appropriations legislation that would improve the accuracy,

transparency, and timing of RFIF calculations, helping ensure that renewal funding more closely reflects actual program costs. Once these requests are finalized, we plan to work through the California Association of Housing Authorities to seek support from California's congressional delegation.

## **Susan Brutschy | Santa Cruz County housing cost: Data drives dollars**

By [Santa Cruz Sentinel](#)

**PUBLISHED: October 19, 2026 at 4:30 PM PDT**

**By Susan Brutschy, Applied Survey Research**

Santa Cruz County has earned a distinction many of you reading this will not be surprised by. For the fourth consecutive year, we've been ranked the most expensive rental market in the country. According to the National Low Income Housing Coalition, a person working full-time would need to earn more than \$81 an hour to afford a modest two-bedroom rental. For many families, that puts stable housing financially out of reach. Housing vouchers can be a critical lifeline, helping to bridge a gap between what families can afford and the rental market rate.

In a market as expensive as ours, the need for rental assistance far exceeds the number of vouchers available, and even having a voucher doesn't guarantee finding a home.

But there's another challenge. What happens when the data used to determine that assistance doesn't reflect the cost of housing in our community? What happens when the numbers fall behind the true cost of living?

This is where data can make a difference. And right here in Santa Cruz County, we have a powerful example of how.

The Housing Authority of Santa Cruz County provides rental assistance to nearly 6,000 low-income households through programs like the Housing Choice Voucher program. The amount of assistance families can receive is tied to Fair Market Rents, which are established by the U.S. Department of Housing and Urban Development.

But in a housing market like ours, things change quickly. Federal data doesn't always keep pace with rising rents. And when that happens, the assistance intended to help people afford housing may not be enough.

Housing Authority Executive Director Jenny Panetta and her team recognized this gap and saw it as an opportunity. Rather than simply accept the federal estimates, they partnered with Applied Survey Research to conduct studies documenting what renters were actually paying in Santa Cruz County.

With this data, the Housing Authority was able to successfully appeal HUD's Fair Market Rent calculations and increase the Fair Market Rents to better reflect local market

conditions. Over the past decade, this strategy has helped secure tens of millions of dollars in additional federal funding, extending housing assistance to hundreds more Santa Cruz families.

“By making sure federal funding reflects the true cost of housing in our community, we’ve been able to help more people, and help people more,” said Panetta. “Better data means more families can receive assistance, and the vouchers they receive have greater purchasing power in our housing market. That’s a pretty extraordinary return on an investment in local research.”

Think about what that means. Data gathered from our own community helped change the numbers used to determine housing assistance. It helped make a federal program more responsive to the people it was designed to serve. And this wasn’t a one-time effort. The Housing Authority has continued conducting local rental studies, using research and data to help ensure federal funding keeps pace with our community’s real costs.

For me, this is what measuring what we treasure is all about. We don’t gather data simply to produce reports or describe problems we already know exist. We gather it to challenge assumptions, inform decisions and create opportunities for meaningful change.

There is something powerful about an agency refusing to let outdated numbers define what is possible. Jenny and the Housing Authority remind us that good data, paired with persistence and a commitment to people, can help change systems. And when systems change, lives can change too.

Santa Cruz, what other opportunities might we uncover if we looked more closely at what our community is telling us? Share with us at [asrwellbeing.org](https://asrwellbeing.org): How can we use local data to advocate for the resources our community needs?

*Resource: Housing Authority – <https://hacosantacruz.org/>*

*Susan Brutschy is president of Watsonville-based Applied Survey Research. ASR provides data to help public agencies and nonprofits measure and improve quality of life.*

*Data gathered from our own community helped change the numbers used to determine housing assistance.*