

SEATTLE HOUSING AUTHORITY ■ 2014 ANNUAL REPORT



19 39



20 14

Building Community for 75 Years



GROWING WITH OUR COMMUNITY



16,480
households served in 2014



868
in 1944



10,147
Housing Choice Vouchers
authorized in 2014

0

in 1944



34,186
individuals served
in 2014



2,671
in 1944



7,944
SHA owned/managed
units in service in 2014



868
in 1944



357
Locations
in 2014

1

in 1944

(1944 was the first year comparable statistics were available.)

OUR MISSION

The mission of the Seattle Housing Authority is to enhance the Seattle community by creating and sustaining decent, safe and affordable living environments that foster stability and self-sufficiency for people with low incomes.



FROM THE EXECUTIVE DIRECTOR...

THE SEATTLE HOUSING AUTHORITY was founded in 1939 with an initial challenge of developing low-income housing on 30 acres in the heart of Seattle. Yesler Terrace was our start. Over the years it has provided a home, a sense of community and many memories for thousands of individuals and families. This made it especially poignant to be in the initial phases of a complete redevelopment of Yesler Terrace as we celebrated our 75th anniversary in 2014. It also made it even more exciting, knowing that we are preserving the legacy and vision of our early community leaders. Current residents living in aging housing will have brand new homes, and we will be able to provide housing and services at Yesler Terrace for future generations.



After construction of the original Yesler Terrace, the Seattle Housing Authority marched on in its mission to provide housing to those in need. In 2014, we had the challenge of maintaining and improving almost 400 Seattle Housing Authority sites. We began a major remodel and doubling of apartments at Leschi House, a senior housing building in the Chinatown International District. Our maintenance and trade crews, often the unsung heroes of SHA, kept up with nearly 8,000 units, ensuring safe, decent homes for our residents.

In addition to housing in our own buildings, we administer approximately 10,000 Housing Choice Vouchers to help low-income people afford homes in the private rental market. In 2014 we launched a new online service to make it even easier for landlords of these residents to interact with us.

At Seattle Housing Authority we have a deeply held belief that our mandate is not only to provide housing, but opportunity for our residents as well. Some of the most exciting and promising advances in 2014 involved the formation of new partnerships to expand educational support for children and youth, provide vocational training and pathways to college for adults, help job seekers find positions with local employers, assist people with health issues and numerous other programs to help our residents and voucher participants envision and achieve personal goals. We are grateful to our partners who share in our commitment to make sure people of all income levels have access to the services they need to live healthy, productive lives.

We are making significant progress but are not without challenges, and 2014 was no exception. We still have unacceptably long waiting lists for housing and vouchers. The need for housing assistance and services is growing in Seattle, while resources are increasingly constrained. We spent much of 2014 reaching out to our residents and our community to hear their perspectives on potential changes to our programs and policies in order to serve more people, and we will continue that dialogue.

As I reflect on 2014 and the 75-year history of the Seattle Housing Authority, I'm so proud to be a part of it. The remarkable, dedicated staff that we have now and the impressive accomplishments of those who came before them are an inspiration to be even more innovative, bold in our thinking and unwavering in pursuing equal opportunity for all. We will honor our legacy by reaching even higher for the future.

Thank you for your support.

Sincerely,

Andrew J. Lofton
Executive Director

“At Seattle Housing Authority we have a deeply held belief that our mandate is not only to provide housing, but opportunity for our residents as well.”

Building
Community
for 75 Years



MEETING DIVERSE HOUSING NEEDS



Providing Affordable Homes

At more than 350 mid and high-rise buildings and scattered site locations throughout Seattle, SHA provides positive living environments that encourage stability and self-sufficiency for residents.

Enriching Community

In SHA's planned, mixed-income developments, people from all backgrounds have an opportunity to come together in communities that are vital, culturally rich and economically diverse.

In three model communities — NewHolly, Rainer Vista and High Point — low-income residents live together with owners of market-rate homes. These communities provide enhanced educational and economic opportunities for low-income families and encourage all neighbors to get to know one another through shared gardening, community celebrations and other activities.

Inspiring Independence

Throughout the city, SHA helps those who are particularly vulnerable— low-income seniors and disabled — find comfortable and accessible housing that encourages independent living. SHA serves 28% of Seattle's low-income seniors and people with disabilities. The community environment offers residents the opportunity to engage in social activities and stay active. On any given afternoon, a visitor might find residents playing cards, participating in a quilting club or enjoying an exercise class.

“We just got signed up with the new landlord portal and already love it!!! We access the portal almost daily. With the ease of access to resident information we have been able to increase productivity and effectiveness in the office!”

— McKenzie Tolliver, Property Manager

Working with the Private Sector

Housing Choice Vouchers (also known as Section 8) offer the chance for low-income individuals, families, elderly, veterans, and disabled to get subsidies toward housing in the private rental market. In 2014, SHA issued 1,828 new vouchers.

Partnering with Landlords

In 2014, SHA launched a new online portal for landlords to make it easier for them to review payment information, download copies of forms, view inspection results, look up tenant information and find the latest program updates.

Helping Veterans

The Veterans Affairs Supportive Housing (VASH) voucher program helps homeless veterans obtain safe, affordable housing and maintain healthy productive lives. SHA, in collaboration with caring landlords, served 393 veterans in 2014 through this special program that subsidizes a portion of rent and provides access to case management and clinical services provided by the Veterans Administration.



RENEWING YESLER'S PROMISE



YESLER TERRACE — 30 acres perched on a hill surrounded by downtown Seattle, Capitol Hill, the Central District, Little Saigon and Chinatown International District — was originally developed by SHA in the early 1940s as Seattle's first publicly subsidized housing. As it became evident in recent years that the aging housing needed to be replaced, SHA began a conversation with residents, surrounding neighbors, city officials, key partners and the citizens of Seattle. Out of this collaborative dialogue a vision of transformation began to take shape. What is blossoming is a dynamic, mixed-income community that honors the neighborhood's history and cultural richness while creating safe, healthy, sustainable and affordable housing, attractive new parks and open spaces, increased transportation options and enhanced economic opportunities.

To help those most directly impacted by the redevelopment, SHA is ensuring that all residents who have to relocate are provided with comparable housing, moving expenses and priority right to return when new buildings are opened. By phasing the reconstruction, many residents will be able to move straight from older housing at Yesler Terrace into brand new apartments.

The success of Yesler Terrace redevelopment relies not just on new buildings and walking paths but on building community and pathways to improved lives and livelihoods. SHA is collaborating with many different partners such as Seattle University, JPMorgan Chase, Neighborcare Health and the Workforce Development Council of Seattle-King County to offer residents at Yesler Terrace the opportunities to help them achieve their life goals.



Historic Steam Plant Opens as Epstein Opportunity Center

In April of 2014, the former Yesler Steam Plant was reborn as the Epstein Opportunity Center. The careful renovation of the old coal-fired steam plant preserved the original character while creating a modern interior now housing a Head Start early childhood learning program, an Economic Opportunity Program and two new community rooms that serve as meeting space for neighborhood activities. The total cost of this adaptive reuse project was \$5.7 million, which included a \$3.1 million HUD Capital Fund Community Facilities grant.



Baldwin Apartments Reopen

In August of 2014, transformation of the Baldwin Apartments, the first residential project of the Yesler Terrace redevelopment, was completed. Originally built in 1918, the classic brick exterior building now houses 15 newly remodeled living spaces, all occupied by residents moving from older Yesler Terrace housing.



“This is as innovative, as comprehensive, as collaborative an effort as I have seen. Not just anywhere in the country, but anywhere in the world.”

– HUD Secretary Shaun Donovan

Yesler Gains National Attention

In January of 2014, then-U.S. Housing and Urban Development Secretary Shaun Donovan, Senator Patty Murray and Congressman Adam Smith toured the Yesler neighborhood.

During the tour, Senator Murray met Fitsum Abraha, SHA's senior property manager for Yesler Terrace. In May, the Senator presented him with her Golden Tennis Shoe award, given annually “to honor ordinary citizens who do extraordinary things to improve their communities.” Abraha came to the U.S. at age 10, from Sudan and grew up at Yesler Terrace. In his youth he tutored elementary school students in his neighborhood, was a lifeguard, a leader in a local parks program, and served as a work-study student at the Yesler Terrace computer lab while earning a degree in Business from the University of Washington. Senator Murray was touched by Abraha's choice to return to his community after college graduation when he had many other options.

“While so many people are focused on the next rung on their career ladder, Fitsum wanted to offer a hand to those coming up behind him. So he went back to Yesler Terrace... and has become an incredible role model and an example for everyone who lives there,” Senator Murray said.

COMMUNITY BUILDING

SHA's commitment to low-income individuals and families doesn't stop with housing. SHA employs location-based Community Builder staff, hosts economic opportunity programs and partners with many other organizations to encourage people to imagine and create a bright future in healthy, vibrant and diverse communities. Programs provide social and economic opportunities that help residents set and achieve personal goals. SHA works with residents to help them stay healthy, increase self-sufficiency and improve quality of life.

Many programs and partnerships focus on support systems to help children and youth succeed in school and in life.



"I've enjoyed working with such positive people, they've helped me improve my communications skills."

— Abdulwahab Haji-Eda, 2014 intern

Summer Intern Program

The Yesler Terrace Summer Youth Engagement Program is a paid internship opportunity sponsored by SHA. The program matches youth interns with employers engaged in the Yesler Terrace redevelopment. Interns gain job skills and explore different careers while employers benefit from the unique perspectives of the young residents. The five employers for the 2014 program were SMR Architects, Retail Lockbox, Andersen Construction, Historic Seattle and the Seattle Housing Authority's Development Department.

Scholarships Help Residents Dream Big!

Dream Big!, Housing Authority Insurance Group (HAIG) and National Affordable Housing Management Association (NAHMA) are three scholarships that SHA is proud to offer to young residents whose families are receiving housing assistance. These scholarship funds may be used for vocational and technical schools, two-year colleges, or four-year colleges and universities. In 2014, Seattle Housing Authority awarded eight Dream Big! Scholarships of \$1,000 each to Abdirisak Mohamed, Sucdi Mohamed, Hermela Alebachew, Jamal Nurdin, Shu Ying Liang, Nhi Nguyen, Luwam Gabreselassie, Mekiala Flight-Knowles and Brittani Saepanh. SHA also helps 7th and 8th graders apply for a College Bound Scholarship, which provides college tuition for low-income students who commit early to graduate from high school, demonstrate good citizenship and seek admission to a college or university upon graduating from high school.

Other 2014 highlights...

Brighter Financial Prospects

SHA's Economic Opportunity and Jobs Programs, offering a path to greater stability and financial independence for residents who want to find jobs and advance in their careers, served 510 people in 2014 through six Economic Opportunity offices located throughout Seattle. Staff members help individuals navigate a path of education, training and employment that is tailored to their unique goals.

First Green Fair at Rainier Vista

More than 200 neighbors and friends came together June 14, 2014 to share delicious food, teach new recipes, have good conversation and get connected to each other at Rainier Vista's inaugural Green Fair.

"Our goal was to make the park into a farm for a day, what better way to do that than with livestock? One of the most exciting moments happened when a goat jumped over the fence and wandered around the park. Thankfully, one neighbor who grew up raising goats grabbed the beast by the horns and helped get it back inside the fence." — Lisa Uemoto, Rainier Vista community builder and event organizer.



Industrial Sewing

In December 2014, SHA celebrated the successful graduation of its first Industrial Sewing Program class. The students in this highly popular program, mainly residents of Yesler Terrace, hope to gain employment as sewing machine operators with local manufacturers or start their own home-based or cooperative clothing businesses.

Soccer at NewHolly

Salah Aboker believes from the bottom of his heart that children need to be involved in their communities. In 2014, he rallied youth and parents in his neighborhood to join him in designing a NewHolly Kids Soccer program that, by a unanimous vote, was awarded a NewHolly Community Building Mini-Grant.

"What is a good way for children to get physical exercise, gain conflict resolution skills and multicultural socializing, learn appropriate competitive skills and help build the community around them? Why not create a kids soccer program? I can do this!"

— Salah Aboker



Buzzing Hives

In 2014, the community-managed Bee Garden at SHA's High Point community in West Seattle celebrated its first anniversary with a Bee Festival and the addition of two new hives.

LEADERSHIP

The Seattle Housing Authority is governed by a seven-member Board of Commissioners, two of whom are housing authority residents. The Mayor of Seattle appoints the board members, subject to confirmation by the Seattle City Council.

OVER ITS 75-YEAR HISTORY, the Seattle Housing Authority has been guided by many great leaders. I'm proud to serve alongside my current colleagues on the Board of Commissioners and to follow in the footsteps of others who provided visionary volunteer leadership that has helped grow SHA into an organization that today serves nearly 30,000 low-income people in our community.

"It is important for an organization to be aware of its own history. I am delighted to see the Housing Authority take its past seriously as they move into the future."

— Marie McCaffrey,
Co-founder and Executive
Director, HistoryLink.org

In spite of that tremendous expansion, the need for low-income housing over the decades has consistently outstripped SHA's resources. In 1940, under a special act of Congress, SHA received federal funds to build High Point, New Holly and Rainier Vista as housing for defense workers. With the war well over, in 1953 SHA converted 2,700 units in those communities to low-income housing. Yet more was needed. In 1967, when SHA opened Jefferson Terrace, its first new construction as low-income housing since Yesler Terrace, demand was so great that all units were filled before the official opening.

In 2014, the SHA Board grappled with the same challenges as our predecessors — federal funding cuts looming and a growing number of families, seniors and other people at risk of homelessness without access to housing help. But, much

as with earlier SHA leaders, that dilemma serves as motivation, and inspiration to be even more innovative and determined. As we celebrated groundbreakings and program launches in 2014 that will lead to more housing and services in upcoming years, we were talking with residents and our community at large about policy changes and other opportunities to serve even more people well into the future.

I want to thank my fellow commissioners for their dedication, the SHA staff for their outstanding work and our community partners and stakeholders for their support in 2014. Working together, we are upholding the legacy of our first 75 years by preparing to serve for the next.

Nora Gibson
Chair, Board of Commissioners

In August 2014, the Seattle Housing Authority put forward for broader community discussion a proposal called Stepping Forward. The proposed changes to employment services support and rent policies for work-able adults other than elderly or disabled were designed to address three primary needs to:

- Provide more people and families access to safe, decent, affordable housing
- Encourage and better support economic self-sufficiency for work-able adults
- Create a rent policy that is simple, fair and equitable

During an extensive community outreach process, concerns were raised about the lack of availability of jobs for residents despite increased training and support, and the potential impact of Stepping Forward rent policy proposals on current residents as a result. In December 2014, SHA put the proposal on hold in order to review concerns that were raised and explore options for achieving the strategic objectives behind the proposal.



Nora Gibson
Chair



Doug Morrison
Vice Chair



Aser Askir



John Littel



Juan Martinez



Kollin Min



Debbie Thiele

2014 BOARD OF COMMISSIONERS

2014 LEADERSHIP STAFF

Andrew J. Lofton
Executive Director

Anne Fiske Zuniga
Deputy Executive Director

Dean Barnes
Director of Human Resources

Rod Brandon
Director of Housing Operations

James Fearn
General Counsel

John Forsyth
Community Services Administrator

Ann-Marie Lindboe
Director of Housing Finance
and Asset Management

Steve McDowell
Chief Information Officer

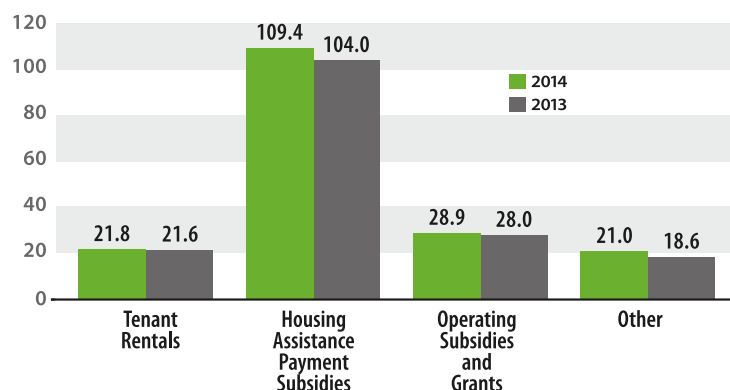
Stephanie Van Dyke
Director of Development

Lisa Wolters
Director of Rental Assistance
Programs and Advocacy

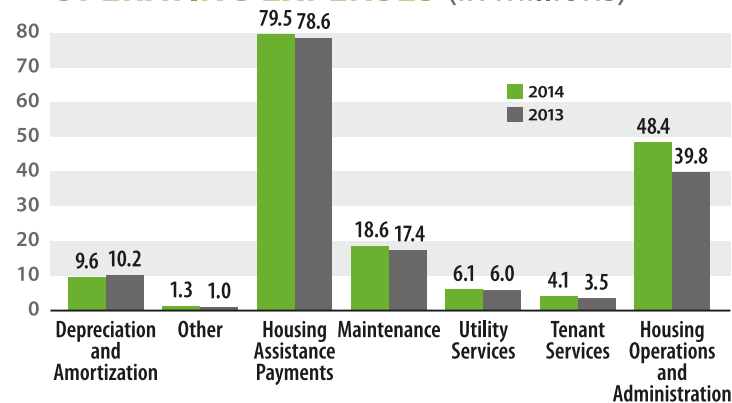
Shelly Yapp
Chief Financial Officer

FINANCIAL HIGHLIGHTS 2014

OPERATING REVENUES (in millions)



OPERATING EXPENSES (in millions)



REVENUES, CONTRIBUTIONS, EXPENSES AND CHANGE IN NET POSITION for the year ended December 31, 2014

	Seattle Housing Authority	Tax credit partnerships
Revenues & contributions		
Tenant rentals and sales	\$ 21,831,866	\$ 28,684,110
Housing assistance payment subsidies	109,438,967	—
Operating subsidies and grants	28,898,006	—
Interest income	3,449,454	57,356
Capital contributions	21,282,443	1,423,060
Other	20,986,715	1,242,857
Total revenue & contributions	\$205,887,451	\$ 31,407,383
Expenses		
Housing operations and administration	\$ 48,397,764	\$ 8,914,888
Tenant services	4,096,481	—
Utility services	6,111,734	4,714,923
Maintenance	18,570,599	6,434,954
Housing assistance payments	79,543,161	—
Interest expense	4,857,185	6,870,001
Change in fair value of investments	40,763	525,761
Disposition of assets	2,540,988	—
Depreciation and amortization	9,647,672	11,677,835
Other	3,600,742	2,887,008
Total expenses	\$ 177,407,089	\$ 42,025,370
Change in net position	\$ 28,480,362	\$ (10,617,987)
Total net position at beginning of year	\$448,883,558	\$ 59,316,427
Total net position at end of year	\$477,363,920	\$ 48,698,440

DURING 2014, Seattle Housing Authority continued the trend from the last four years, of reducing debt and improving its current ratio.

Total debt decreased by approximately \$11.0 million, primarily because of payoffs of short-term borrowings. This action resulted in an improvement in the agency's ratio of total debt to net capital assets from 43.1 to 39.2 percent at December 31, 2014.

The current ratio measures the ability of an organization to meet its financial obligations for the upcoming year and compares current assets to current liabilities. During 2014, Seattle Housing increased its current assets by approximately \$10.5 million and decreased current liabilities by \$12.8 million, which resulted in a significant improvement in the agency's current ratio from 2.41 percent to 4.25 percent. The increase in current assets was a result of higher cash and investments and current liabilities decreased due to a \$9.1 million reduction in short term borrowing.

Total net position increased by \$28.5 million or 3.1 percent which was mainly a result of increased operating subsidies from HUD in the Housing Choice Voucher program and an increase capital contribution from HUD under the Choice Neighborhoods grants.

STATEMENT OF NET POSITION

as of December 31, 2014

	Seattle Housing Authority	Tax credit partnerships
Assets		
Cash equivalents and investments	\$ 94,341,348	\$ 21,556,553
Accounts receivable	27,322,683	717,090
Inventory and prepaid items	378,842	4,299,935
Restricted investments	7,666,178	903,199
Unamortized charges	245,765	5,108,576
Other	13,647,535	9,426
Capital assets, net of depreciation	289,087,224	367,244,584
Notes receivable	221,764,170	—
Total Assets	\$654,453,745	\$399,839,363
Liabilities and Net Position		
Accounts payable	\$ 6,343,674	\$ 45,479,197
Accrued liabilities	5,266,695	6,479,455
Short-term borrowings	3,592,159	30,000
Security deposits	1,326,526	1,251,710
Unearned revenue	48,153,736	34,607
Long-term debt	109,688,705	297,865,954
Accrued compensated absences	2,718,330	—
Total liabilities	\$177,089,825	\$ 351,140,923
Net Position		
Investment in capital assets, net of related debt	\$ 218,260,173	\$ 69,348,630
Restricted for debt service & other purposes	10,715,889	18,264,185
Unrestricted	248,387,858	(38,914,375)
Total Net Position	\$477,363,920	\$ 48,698,440
Total Liabilities & Net Position	\$654,453,745	\$399,839,363

seattlehousing.org

190 Queen Anne Ave North
Seattle, WA 98109-1028

206-615-3300

