



SHA 2021 ADJUSTED BUDGET






SEATTLE HOUSING AUTHORITY

2021 ADJUSTED BUDGET

Presented to
SEATTLE HOUSING AUTHORITY BOARD OF COMMISSIONERS

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INTRODUCTION

The Calendar Year (CY) 2021 Adjusted Budget contains amendments to Seattle Housing Authority's (SHA) Operating and Capital Budget sources and uses, including federal as well as local housing programs and enterprise activities for CY 2021, as presented in the [2021 Carry-On Budget Book](#). Once approved by the SHA Board of Commissioners, the 2021 Adjusted Budget will be the complete and final 2021 Budget for the agency.

The Budget was prepared under the provisions and authorizations contained in the Authority's contractual agreement with the U.S. Department of Housing and Urban Development (HUD) and the Moving to Work (MTW) Program, which has been extended through 2028. The MTW program provides two critical sources of flexibility:

- In furtherance of the three MTW statutory objectives—to streamline operations for efficiency and cost effectiveness; to enhance housing choice; and to promote self-sufficiency—MTW provides a process to waive federal regulations pursuant to Section 8 and 9 of the 1937 Housing Act, thus enabling the agency to undertake demonstrations and innovations that would not otherwise be available.
- It allows the Housing Authority to treat federal resources under Sections 8 and 9 of the 1937 Housing Act—the public housing operating subsidy and capital grant, and housing choice vouchers—as a single fund, the “MTW Block Grant”, with flexibility to use funds across federal and local housing programs serving low-income people.”

The Housing Authority uses these tools to maximum strategic advantage to realize the purposes and the promise of the MTW demonstration and to most effectively serve low-income people in the Seattle community.

THE 2021 BUDGET PROCESSES

SHA's annual budget process traditionally begins in March of the current year for the ensuing year's budget. And, the process concludes in October with the SHA Board of Commissioners' adoption of the budget. This year, the impacts of the COVID-19 pandemic significantly affected what we could do, what our priorities had to be, and how our work was to be performed:

- Some core work functions and priorities were suspended in whole or in part because they conflicted with public health guidelines and government orders designed to stem the spread of the virus. Some of these included admissions, inspections of housing units, annual reviews of tenant status and income; and capital work invasive in residential buildings or units.
- Some new priorities and work activities were a direct result of the impacts of the pandemic – wellness calls to residents and voucher households; delivery of groceries, medications, and meals to tenants; designing and implementing new staff leave programs; bulk sourcing and procurement of Personal Protective Equipment (PPE) for staff and residents; to name a few.
- And, the workplace environment and work operations changed dramatically, with nearly two-thirds of the staff working remotely from home full-time or part-time; all communications moving to phone or e-mails and meetings to virtual platforms; and, with maintenance, custodial, and property management front-line staff working in full PPE when required to be in residential buildings or units for their work.

Exhibit 1, the COVID-19 Events and Decision Timeline, following this write-up, is a graphic depiction of 2020 with many of the milestone of SHA's pandemic year and external decisions by state and local jurisdictions regulating activities in response to the state of the pandemic.

For the Budget Office, the early days of the pandemic shifted SHA so rapidly that it was immediately apparent that the budget process as we knew it would need to change, and change radically, since its most intensive period for all of the departments runs from mid-to-late March through July, with follow on work for many of the departments through adoption of the budget in October.

In late March 2020, the Budget Office recommended changes in the 2021 budget process to be conducted in two phases:

- Preparation and adoption of a 2021 SHA Carry-On Budget with no or minimal participation by SHA Departments so they might focus solely on meeting the demands placed on the agency by the COVID-19 pandemic; and,
- Creation of a process for the latter part of 2020 that would engage departments in helping to define programmatic priority changes to the Carry-On Budget to create the 2021 SHA "Adjusted" Budget for adoption at the end of the year or early in the 1st quarter 2021.

The Cabinet endorsed the proposed changes and the Budget Office got to work designing and implementing Phase 1.

PHASE 1: THE CARRY-ON BUDGET PROCESS

The cornerstone of the ability to do the budget process without the departments was to make no or very few substantive changes to the 2020 Operating Budget. So, in most cases, the Budget Office rolled forward each department's 2020 budget into the proposed 2021 Carry-On Budget without changes. This included Tax Credit Partnerships, as well as SHA communities and departments.

For the 2021 Carry-on Capital Budget we avoided imposition on departments by relying on our two-budget-year capital planning horizon, which spanned 2021 and 2022. Asset Management anticipated not being able to complete several projects scheduled for 2020 because assignments of capital projects to both Construction Operations and Impact Property services (IPS) either had been displaced by higher priority COVID-19 related work or the projects were ones that had to be deferred if they entails work within units. So we were able to shift projects planned for 2020 that we thought we could do in 2021 into the 2021 Carry-On Budget. And, we could use the 2021 preliminary capital project plan that had already been vetted with departments to fill out the remainder of the 2021 Carry-on Capital Budget.

The Information Technology operating and capital projects budgets for 2020 were significantly affected by COVID, first in the requirements to support moving from office environments and controls to a substantially remote working environment in people's homes for both the electronic and phone communications. Secondly, the IT work was required to adapt some existing applications for remote use, to adjust SHA's computer infrastructure to support the amount of remote usage, and to augment security protections with the expanded network of computing equipment. Finally, planning and implementing a recovery plan for IT where we expect to continue to support a significant remote environment and a more normal in office environment is a full year effort, which began in in mid-2020 and spanning to mid-2021. The Carry-On Budget for IT contemplated no new IT projects, so it continues work on the adopted 2020 project for 2021 and the 2021 Adjusted Budget will incorporate the Recovery IT projects.

Finally, the Development Capital Budget is always a zero-based budget each year reflecting existing in progress projects at various stages and expected expenditures and projects for new projects expected to start in the coming year. This 2021 Carry-On Budget element was prepared by Development in collaboration with the Budget Office.

The 2021 Carry-On Budget was adopted by the SHA Board of Commissioners on October 12, 2020, to serve as the budget in 2021, until it is replace by the 2021 Adjusted Budget when adopted by the Board of Commissioners as the 2021 Final SHA Adopted Budget.

PHASE 2: THE 2021 ADJUSTED BUDGET PROCESS

This document represents the culmination of the second stage of SHA's 2021 budgeting process – the 2021 Adjusted Budget.

Designing the Phase 2 process was grounded in four considerations:

- The process should augment the Carry-On Budget with a variety of technical updates to the budget numbers, including inflationary adjustments and position changes from 2020 levels. These were not included in the 2021 Carry-On Budget, as the Budget Office just rolled over the 2020 numbers.
- The process should allow for consideration of changing or new programmatic needs. Again, these were not provided for in the 2021 Carry-On Budget.
- The process should incorporate adjustments based on the current and projected requirements and impacts of the COVID-19 virus continuing into 2021.
- The Budget Office should carry as much of the workload of the adjustment process as possible as departments continued to be very engaged in both recovery and ongoing COVID-19 related workload.

TECHNICAL ADJUSTMENTS

The Budget Office took on making all the technical adjustments to Department Carry-On Budgets and completed these prior to department engagement in their development of programmatic request. So, when the Carry-On Budget with Technical Changes went to the departments they represented budgets that had been updated for inflation, for salary adjustments approved during the year and as contained in collective bargaining contracts, for projections of selected expense items with use and/or rate changes affecting costs, for adjustment in staff positions as approved changes between 2020 and 2021 dictated and to extend temporary positions added for COVID duties through six months of 2021, and for unique circumstances affecting individual departments or divisions. Thus, when the Department received the Carry-On Budget with Technical Changes their 2021 Budget was fully updated to reflect costs to continue their existing service levels. Assuming their review of the Technical changes found them to be satisfactory, the department's only focus on the 2021 Adjusted Budget process was to respond to the opportunity to propose programmatic adjustments. The Department Budgets Section of this budget book covers technical adjustments made for individual departments.

For the Budget Office, the addition of the technical adjustments to the Carry-On Budget provided the basis for the Budget Manager to determine the big picture of the net level of resources available for programmatic additions.

There are also adjustments to the 2021 Carry-On Capital Budget necessitated by the continuing restrictions on the type of capital projects that can be undertaken in a residential facility under the State's COVID-19 allowable construction activities in different phases of the State's COVID-19 Recovery Plan. When we put the Carry-On Budget together in late spring, we did not foresee that in the fall we would still be in the same phase and under the same restriction. So, Asset Management had several large projects with funding from prior years scheduled to move to construction in 2021 that do not meet the current restrictions for what is allowed. Accordingly, Asset Management delayed those projects until 2022 and replaced them with projects from the preliminary 2022 roster that can proceed now under state guidelines. The net result of this swap is an increase in the 2021 Adjusted Capital Budget of \$437,000 over the 2021 Carry-On Budget.

PROGRAMMATIC SET-ASIDES

As the Budget staff was planning the 2021 Adjusted Budget process during late October 2020, the COVID-19 pandemic had gone through a second surge and was starting a third surge; COVID-19 testing still was not widely available and there seemed to be limited contact tracing; too many people were ignoring the pleas from Public Health officials to wear masks, comply with social distancing guidelines, wash hands frequently, and refrain from indoor large social gatherings; and the vaccines had not yet been approved. All signs pointed to a continuation of COVID-19 restrictions well into 2021. In that context, and in consultation with the Executive Director and Deputy Executive Director, the Budget Office decided that instead of making an open-ended call for departments to submit budget add requests, a list of programmatic set-asides would be created, against which department could submit requests.

In establishing the focus for the set-asides, the Budget Office drew on the conclusions of the Cabinet at the March Budget Retreat and on experiences of departments during the first eight months of the pandemic. When asked how the Budget Office should plan to use any available funds beyond a status quo budget for new needs in 2021, the Cabinet was unanimous in the view that SHA could probably expect to have continuing impacts from the virus into 2021, like employment needs for those who had

lost their job, or changes in the cost of our operations to maintain a different work environment for an extended period. There was a call to keep some funds in reserve for unanticipated needs associated with the changes in the status of the virus. There were also comments to spend on one-time uses that could turn over for a different use or cushion revenue impacts if SHA experienced reductions.

Drawing on the Cabinet’s earlier consensus, the Budget Office developed six “COVID-19 Impact” set-asides and one set-aside for non-COVID-19, department-defined key priorities, together totaling \$4.25M; a one-time Capital expenditure of \$8.5M to complete the financing for the Jefferson Terrace Rehabilitation Project; and, a \$1.0M 2021 COVID-19 Contingency Fund for unforeseen and unplanned COVID-19 costs. In total, these programmatic adjustments to the Carry-On Budget were funded in the 2021 Adjusted Budget at \$13.0M. They are described at a summary level in the Programmatic Set-Asides section of this budget book and in greater detail in applicable department budget sections.

Phase 2 of SHA 2021 Budget processes will conclude in February with the SHA Board of Commissioners’ approval of the Board Resolution adopting the 2021 SHA Adjusted Budget as the 2021 SHA Final Budget.

TREATMENT OF CARES ACT FUNDS AND PROJECTS

A final point of information in this overview on the budget process is included here on Coronavirus Aid, Relief, and Economic Security (CARES) Act funding. In 2020 SHA was awarded by HUD a total of \$10.6M in federal CARES Act funds “to assist in SHA’s costs to prevent, prepare for, and respond to the coronavirus.” Because the funds were distributed as supplemental awards to our Public Housing Operating Fund and our HCV MTW and Special Purpose Voucher programs, we were also authorized to spend the CARES on eligible uses of these programs, as well as on COVID related costs. The CARES funds were all committed in 2020—primarily to reimburse COVID-19-related costs already incurred—and must be fully expended by the end of 2021. An estimated \$3.7M remains to be spent in 2021. Because these funds were received in 2020 and nearly \$6.9M was spent in 2020, these funds have not been included in the 2021 Adjusted Budget figures within this budget book. However, the Grants section includes descriptions of CARES-funded projects that are continuing in 2021.

OVERVIEW OF THE 2021 SHA ADJUSTED BUDGET

The 2021 Seattle Housing Authority (SHA) Adjusted Budget has total expenditures of **\$407.6 million**, with the Program Operations, Administrative, and COVID-19 Tenant Rental Assistance and Contingencies budgeted at \$112.4 million; Housing Assistance Payments (HAP) at \$137.4 million; grants at \$1.4 million; the Capital Budget at \$21.8 million; Opportunity Investments at \$8.5 million; and the Redevelopment Budget at \$126.1 million. The total 2021 Adjusted Budget is greater than the total 2020 Revised Budget by \$81.6 million or 25.0 percent; the Development budget accounts for \$60.8 million or 74.5 percent of the overall budget increase. As compared to the 2021 Carry-On Budget, the 2021 Adjusted Budget is a net of \$1.9M greater or by less than one percent more.

The total **Operating Budget** of the 2021 SHA Adjusted Budget—includes program operations and administration of all SHA departments, Housing Assistance Payments (HAPs), and grant support—is **\$251.2 million**, which represents **62** percent of the total Budget, and reflects an increase of **9.0** percent over 2020—For the 2021 Budget Processes, SHA initially prepared a 2021 Carry-On Budget for Operating Expenses which rolled forward each department’s operating budget in order to minimize the workload required from each department during the COVID-19 pandemic. The Adjusted Budget reflects the second stage of the budget process which makes technical adjustments and programmatic set-aside changes to each department’s Carry-On budget.

The total Adjusted **Capital Program**—Asset Preservation, Non-Routine Expense, Opportunity Investments, and Redevelopment Expenditures—is **\$156.4 million**, or **38** percent, of the total budget and reflects an increase of **63.6** percent over 2020. The largest share of the Capital Program in 2021 is Redevelopment Expenditures at **\$126.1 million**, more than double the 2020 development budget, due to the number of major development projects that will be occurring at during 2021.

The Asset Preservation element of the Capital Program, with Non-Routine capital expenditures, is proposed at **\$21.8 million**, which is **7.6** percent more than 2020. The highest priorities in the Asset Preservation program in 2021 include: roof replacement and repairs at various properties; heating system replacement; exterior painting; fire safety with replacement of fire alarm panels; and exterior repair and replacement projects. The 7.6 percent increase in the Asset Preservation and Non-Routine budgets is due principally to increases in bond funded projects, mostly in Special Portfolio properties.

Opportunity Investment projects total \$8.5 million in 2021; this is lower than the 2020 level because funds are being used for COVID-19 programmatic set-asides. Opportunity Investments began in 2019 because of the incremental funding increase in the 2018-2019 Congressional Bipartisan Budget Act. Because our funds are flexible across capital and operating uses, we reviewed both capital and operating needs and decided to dedicate \$8.5M of Opportunity Investment funding towards closing the financing gap for the Jefferson Rehabilitation project.

The **Redevelopment Budget** for 2021 totals \$126.1 million, an increase of \$65.9 million or more than double the level in 2020. Yesler construction activities continue in 2021 as construction at Hinoki will be in full swing and Sawara will begin construction after a mixed finance close at mid-year. The final SHA Yesler building will be in design and predevelopment throughout 2021. In 2021, two other major projects will be underway: redevelopment of the Lam Bow Apartments and the rehabilitation of Jefferson Terrace.

	CY 2020 Revised Budget	CY 2021 Carry-On Budget	CY 2021 Adjusted Budget	Percent Change
Program Operations and Admin. Expenses	\$ 104,503,000	\$ 104,388,000	\$112,441,000	7.6 %
Housing Assistance Payments (HAP)	124,015,000	137,417,000	137,417,000	10.8 %
Grant-Funded Expenses	1,947,000	1,337,600	1,373,600	(29.5)%
Subtotal: Operating Budget	\$230,465,000	\$243,142,600	\$251,231,600	9.0 %
Capital Asset & Non-Routine Expenses	20,210,000	21,310,000	21,750,000	7.6 %
Opportunity Investments	15,100,000	15,100,000	8,500,000	(43.7)%
Redevelopment	60,290,000	126,142,000	126,142,000	109.2 %
Subtotal: Capital Program	95,600,000	162,552,000	156,392,000	63.6 %
Total Expenses	\$326,065,000	\$405,694,600	\$407,623,600	25.0 %

Table 1: Overview of 2021 SHA Budget

Total SHA staffing in the 2021 Adjusted Budget for both the Operations and Capital Programs Budgets is 623.8 Full-Time Equivalent positions or FTEs, a 13.9 FTE change from 2020. Please see the Department Budget section of this document for more detail on FTE changes.

Program Element	FTE's CY 2020	Adjusted FTE's CY 2021	Change 2020 to 2021
Housing Operations	376.1	385.1	9.0
Housing Finance and Asset Management	39.3	40.1	0.8
Housing Choice Voucher Program	69.0	70.0	1.0
Administrative Departments ¹	125.6	128.7	3.1
Total	609.9	623.8	13.9

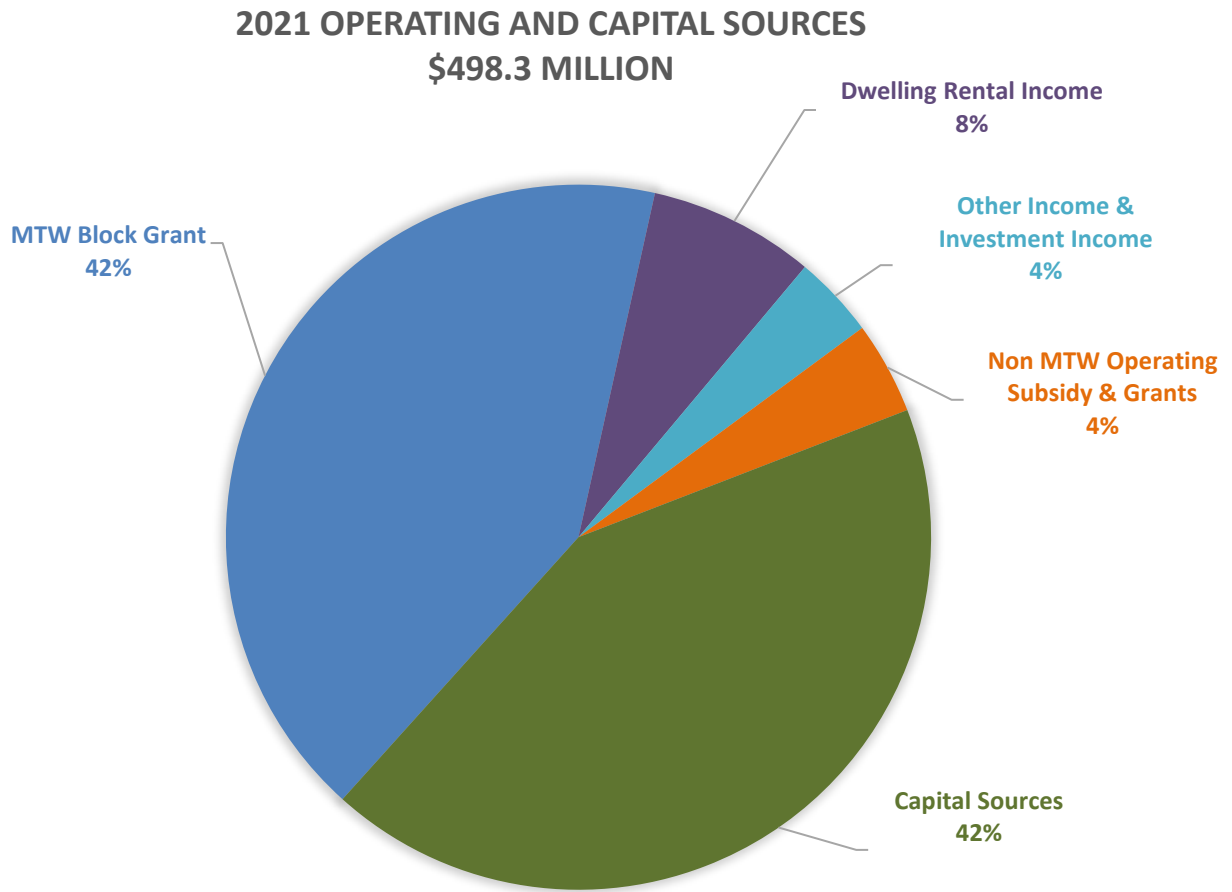
Table 2: Overview of 2021 SHA FTEs

¹ "Administrative Departments" are Human Resources, Finance and Administration, Information Technology, Development, Executive, and the Office of Policy and Strategic Initiatives (OPSI).

SOURCES OF FUNDS

The chart below provides a breakdown of SHA’s main funding sources. Non-MTW capital and redevelopment sources total \$211.9 million, or slightly more than 42 percent of total sources, making it the largest single source of SHA funds. The HUD MTW Block Grant totals \$208.4 million, or just under 42% of total sources, while non-MTW operating subsidy and service grants create \$21.1 million, or 4% of total sources. Rental income generates \$38.0 million (8%) of sources, while all other income for 2021 is \$18.9 million, (4%). Compared to the total uses that appear in the section that follows, sources exceed uses by \$90.6 million in 2021 and will be used for budgeted multi-year finance redevelopment costs.

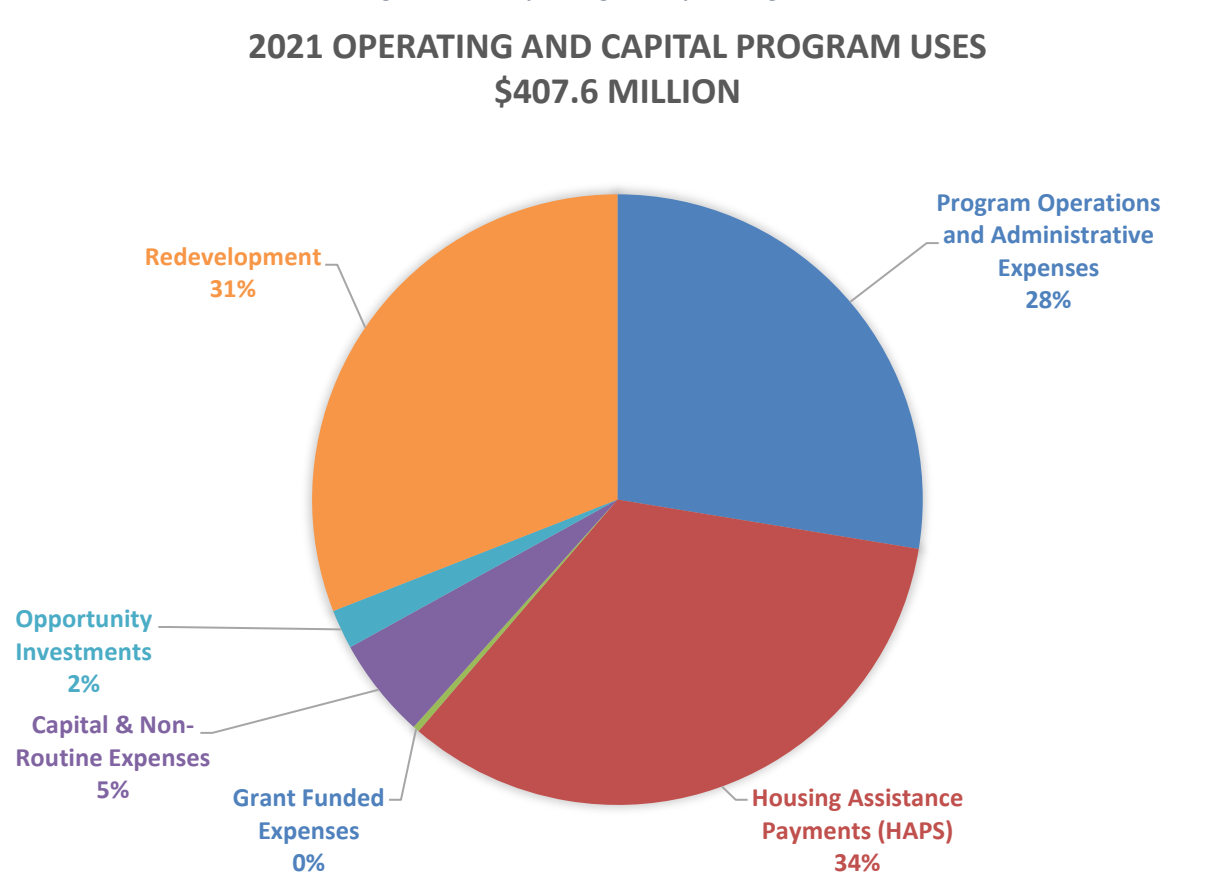
Figure 1: 2021 Operating and Capital Sources



USES OF FUNDS

The chart below displays SHA uses of funds by major category. Housing Assistance Payments are SHA's largest program expenditure at \$137.4 million, or 34% percent of total uses. When combined, capital, redevelopment projects, and Opportunity Investments total \$156.4 million or 38% percent. Program Operations and Administrative budget for Low Income Public Housing, the Seattle Senior Housing Program, Local Housing, which includes \$2M for COVID-19 Tenant Rental Assistance and contingencies and other operating and service grant programs totals \$113.8 million, or 28% percent of uses.

Figure 2: 2021 Operating and Capital Program Uses



PROGRAMMATIC SET-ASIDES

As a core part of the 2021 budget adjustment process, the Budget Office proposed targeted set-asides of \$12.75 million for supplemental programmatic requests from departments, primarily related to COVID-19 impacts. The Budget Office also proposed funding a \$1.0 million 2021 COVID-19 Contingency for unforeseen and unplanned costs to be administered in 2021 by the Budget Office. Departments then submitted program proposals for use of the set-asides and were free to propose other program changes within their Carry-On Budgets to augment the set-aside funds. The Budget Office reviewed the department proposals and final recommendations were presented to the Cabinet and finalized by the Executive Director. Within the initial \$12.75 million, \$3.5 million was budgeted to address several COVID-19-related impacts, \$8.5 million was set aside for capital financing, and \$750,000 was set aside for other requests. A total of \$12.0 million in requests was approved, in addition to the COVID-19 Contingency funds. Below are the set-aside categories and amounts included in the 2021 Adjusted Budget; the project details are found in the applicable department sections.

\$500,000 – COVID-19 Impact: Unsubsidized Tenant Rental Assistance

SHA set aside \$500,000 to assist tax credit properties that are experiencing enough rental income loss from unsubsidized tenants to endanger the property's ability to meet its required debt coverage ratio. To the extent that other federal, state, or local government funds are available for assistance to SHA tenants or voucher participants, they will be explored before these SHA rental assistance funds are tapped.

\$500,000 – COVID-19 Impact: Subsidized Tenant Rental Assistance

SHA set aside \$500,000 for Housing Operations, Housing Choice Vouchers, and the Office of Policy & Strategic Initiatives to assist tenants and voucher holders who have fallen behind on their rent due to COVID-19-related income loss. As above, to the extent feasible other rental assistance sources are available, they are the preferred funding choice.

\$510,000 – COVID-19 Impact: Employment Services

The economic impacts of the pandemic have been felt by many residents and voucher participants who either lost their job or experienced reductions in hours. While the employment picture has improved since the early days of the virus and stay at home shut-downs, a large number of SHA's previously employed tenants have not regained employment. JobLink has proposed staff additions to expand their capacity to address these added needs.

\$1.4M – COVID-19 Impact: Behavioral Health Needs

More than two years before the pandemic, SHA began exploring information to better understand and options to address tenant behaviors that were disruptive, combative, sometimes violent to themselves, other residents or staff, and which could lead to eviction if left unattended. This has led to staff trainings in understanding the effects of trauma and to development of a pilot program – Sound Housing Outreach Program (HOP) - to provide a team of behavioral health and substance abuse experts as a resource for SHA to assist residents in acute circumstances and provide services to the individual or referrals to service, and follow-up on treatment plans; this program began in early 2020.

In the meantime, the Policy Office and Housing Operations had undertaken a review and assessment of the many social and health services the Community Services Division provided residents through contracts with local agencies; the Policy Office had provided recommendations to place a greater focus on behavioral health and related services in light of the growing needs revealed by the pandemic. This category predominantly funds

several of the recommended services to tenants of SHAs residential communities in Housing Operations, including the addition of a second expert team to HOP. There are also two smaller allocations to Housing Choice Vouchers.

\$100,000 – COVID-19 Impact: Security Services

This change is part of the result of asking Housing Operations to reallocate existing funds in their Carry-On Budget, considering the fact the Seattle Police Department (SPD) ended the SHA Community Police Team (CPT) contract. Housing Operations' reallocation proposal increases existing funds by about 25 percent to augment private security contracts. An additional share of the CPT contract funds was allocated to support some of the behavioral health programming, as the CPT officers were sometimes called on to intervene with disruptive tenants when no other resources were available.

SHA continues discussions with the Police Department on the needs of SHA communities for police services and how best to assure those needs continue to be addressed by SPD in the future.

\$17,500 – COVID-19 Impact: Unassigned Funding Pool

In anticipation that departments might identify COVID impacts in addition to those designated, the Budget Office provided an opportunity for departments to make funding requests for these impacts. Only two departments—Finance and Human Resources—made small requests for funding in this category and both were aimed at enhancing the efficiency and effectiveness of telework.

\$8.5M – Capital Financing

SHA set aside \$8.5 million for Asset Management and Housing Operations to complete the financing to enable the rehabilitation of Jefferson Terrace, SHA's largest and last high rise that has not had a major rehabilitation. Pending completion of the Maximum Allowable Cost estimate of the contract, this \$8.5 million funding, plus the \$4.4 million included in the capital program in the Carry-On Budget, as well as prior year committed funds, is expected to be sufficient to proceed with the Jefferson Terrace Rehab and cover as many of the program elements as affordable with the proposed funding. If the funding is insufficient to complete all second priority elements, SHA will plan to incorporate the remaining elements in future capital grant fund allocations.

\$480,787 – Special Requests

The Budget Office provided a set-aside in anticipation that departments might have high priority or urgent requests for funding associated with their work plans to further SHA's strategic directions, address race and social justice goals, or otherwise advance SHA's organizational cornerstones. Five departments did make proposals and seven requests were funded.

\$1.0M – COVID-19 Contingency

Based on experience with the pandemic in 2020, SHA expects to encounter unforeseen spending needs that were not otherwise anticipated in the 2021 Adjusted Budget. The COVID-19 Contingency Funds will be available to departments and to the COVID-19 Recovery Coordinating Committee when they encounter an unfunded need and the Budget Office will have a simplified request, review, and decision process for addressing the identified need when no other sources are available.

DEPARTMENT BUDGETS

The table below shows total operating expenditures for departments as well as projected housing assistance payments. The CY 2021 operating expenditures (excluding service grants) of \$279.0 million represent an overall increase of 8.6 percent from 2020. Direct Operating expenses, before backing out internal service fees, are 5.1 percent higher; Housing Assistance Payments (HAPs) are expected to increase 10.8 percent over the 2020 level; and there is another \$2 million set-aside for COVID-19 tenant rental assistance and contingency. All departments will have inflationary increases, and many have programmatic set-asides. Notable changes in 2021 budget as compared to 2020 are explained in the department sections following this table.

SHA DEPARTMENT OPERATING BUDGET COMPARISONS OF 2019 – 2021

Departments and/or Divisions Expenditures	CY 2019 Actual (000)	CY 2020 Revised ² (000)	CY 2021 Carry-On (000)	CY 2021 Adjusted (000)	CY 2020 to CY 2021 % Change
Executive	\$3,220	\$3,533	\$3,533	\$3,639	3.0 %
Policy and Strategic Initiatives	1,131	1,791	1,756	1,867	4.2 %
Development	1,485	1,778	1,757	1,890	6.3 %
Housing Finance and Asset Mgmt					
Asset Management	1,245	1,130	1,130	1,281	13.4 %
AM Commercial Facilities	792	760	836	835	9.9 %
190 Queen Anne	2,023	1,985	1,985	2,035	2.5 %
Finance and Administrative	14,310	16,918	16,918	17,711	4.7 %
Information Technology	5,018	5,517	5,517	6,174	11.9 %
Housing Operations					
HOs Admin, and Housing Ops Support	3,788	4,037	4,105	4,279	6.0 %
LIPH No. So., Scattered Sites, homeWorks & LIPH Admin	25,892	28,550	28,468	28,970	1.5 %
Yesler, Baldwin, Ritz, and EOC	1,315	830	648	563	(32.2)%
Seattle Senior Housing Program	6,302	6,528	6,528	6,725	3.0 %
Special Portfolio	5,210	6,940	6,954	7,590	9.4 %
Impact Property Services Operations	16,222	16,352	16,352	16,936	3.6 %
Impact Property Services Facilities	326	356	356	353	(0.8)%
Solid Waste and Fleet	3,993	4,141	4,141	4,335	4.7 %
Community Services	4,287	5,528	5,528	6,559	18.7 %
JobLink	1,937	2,301	2,301	2,867	24.6 %
IPM, NH II & III, RV I, HPN, Parks & Campus of Learners	9,609	8,781	8,781	9,097	3.6 %
Human Resources	2,356	3,074	3,137	3,339	8.6 %
Housing Choice Vouchers	11,083	11,979	11,887	12,568	4.9 %
DIRECT OPERATING	\$121,544	\$132,808	\$132,618	\$139,615	5.1 %
Plus COVID-19 Rental Assistance and Contingency				\$2,000	N/A
Plus Housing Assistance Payments	\$114,786	\$124,015	\$137,417	\$137,417	10.8 %
Less Internal Agency Fees	(26,581)	(28,304)	(28,235)	(29,174)	3.1 %
TOTAL OPERATIONS	\$209,749	\$228,519	\$241,800	\$249,858	9.3 %

Table 3: 2021 Department Budgets

² To provide a better comparison from 2020 to 2021, CY 2020 Revised is the 2020 Adopted Budget plus Northgate Apartments.

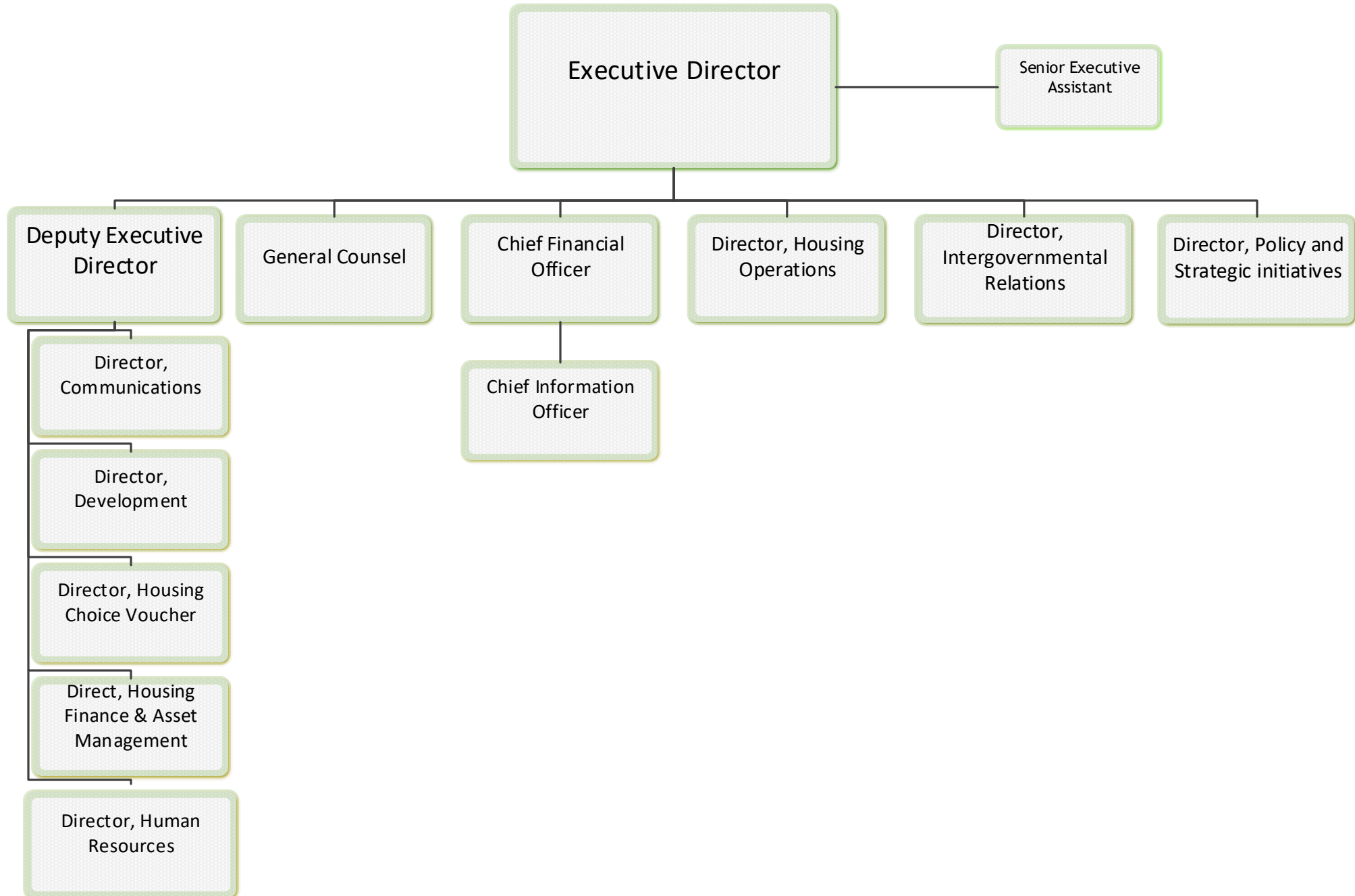
As noted previously, the Carry-On full-time equivalent staff positions (FTEs) for 2021 is 623.8, a 13.9 FTE increase from 2020. The comparison of FTEs in 2020 and 2021 by Department is presented in the table below. The change in the right-hand column represents position additions, reductions, and/or transfers from one Department to another. Please see Department write-ups that follow for more specific information on staffing changes.

Full-time Equivalent Positions	2020 Adopted	2021 Adjusted	Change
Executive	17.9	17.9	-
Policy and Strategic Initiatives	11.0	11.0	-
Asset Management	19.8	19.8	-
Asset Management Commercial	2.0	2.8	0.8
Construction	17.5	17.5	-
Development	14.3	14.1	(0.2)
Finance and Administration	46.9	47.4	0.5
Housing Operations	376.1	385.1	9.0
Human Resources	12.0	14.8	2.8
Information Technology	23.5	23.5	-
Housing Choice Vouchers	69.0	70.0	1.0
TOTAL	609.9	623.8	13.9

Table 4: 2021 Department FTEs

EXECUTIVE DEPARTMENT

EXECUTIVE DEPARTMENT



EXECUTIVE BUDGET

Executive Department Expenditures	2019 Actual	2020 Adopted	2021 Carry-On	2021 Adjusted	2020/2021 % Change
Admin Salaries & Temp Help	\$2,747,100	\$2,805,300	\$2,805,300	\$2,887,500	2.9 %
General & Admin Expense	383,500	454,700	454,700	478,200	5.2 %
Tenant Services	1,600	2,300	2,300	2,300	0.0 %
Maintenance & Contracts	88,400	270,800	270,800	270,800	0.0 %
Utilities	-	-	-	-	-
TOTAL OPERATING	\$3,220,600	\$3,533,100	\$3,533,100	\$3,638,700	3.0 %
Salaries & Benefits in Grants, Capital, and Limited Partnerships	-	-	-	-	-
TOTAL	\$3,220,600	\$3,533,100	\$3,533,100	\$3,638,700	3.0 %

Table 5: Executive Department Budget and FTEs

Full-time Equivalent Positions	2020 Approved	2021 Adjusted
Total FTEs	17.9	17.9

Budget Adjustments Notes:

Salaries and benefits for Executive's staff were adjusted per the agency-wide labor expense adjustment.

Department Purpose and Function

The Executive Department provides overall leadership and direction for Seattle Housing Authority under the guidance of the Board of Commissioners. The office of the Executive Director oversees the operations of the Authority; provides support to the SHA Board of Commissioners to ensure their work represents shared priorities; maintains SHA's intergovernmental, community, and business relations; and provides state and national leadership on behalf of low-income housing through advocacy organizations. The department also includes the Deputy Executive Director; the Intergovernmental Relations Director; the Office of the General Counsel—SHA's legal representatives and advisors; the Communications Office which oversees SHA's public affairs, media relations, internal and external communications; and the Office of Policy and Strategic Initiatives whose budget and work plan highlights are shown separately in the department section following this one. The Department provides communications, legal advice, and counsel to the Executive Director and to colleagues in other departments as needed.

Department Highlights and Significant Changes 2020-2021

The Executive Department staff will continue to provide executive leadership to coordinate the work of the agency across departments; provide oversight and direction on strategic policy initiatives; and advocate for the interests of low-income housing in local, regional, and national forums. The Executive Department's 2021 work plan highlights include:

Director's Office

- Provide leadership on and strategic guidance for the agency's priorities such as housing stability and mobility, rent policy, economic self-sufficiency, education initiatives, and asset repositioning.
- Participate in collective activities to shape federal low income and affordable housing policy through the MTW Collaborative; the Council of Large Public Housing Authorities (CLPHA); and the National Association of Housing and Redevelopment Officials (NAHRO). These efforts focus on federal resources available for developing and operating affordable housing; regulations affecting operations of low-income housing and eligibility for housing and rental programs; and promotion of innovative programs to expand housing opportunity and economic self-sufficiency.
- Work with other Moving to Work (MTW) agencies nationwide and with HUD to preserve the authority and flexibility of the MTW demonstration as reflected in our renewed 2028 contract with HUD. Demonstrate to HUD and Congress the effectiveness of MTW agencies in meeting statutory objectives and serving more low-income people.
- Provide overall direction and leadership to the agency to ensure accomplishment of strategic goals to serve low-income people. Ensure that commitments to advance the Strategic Plan are regularly monitored and that progress against performance indicators is reviewed with the Board at least annually.

Communications Department

- Further the Digital Communications Initiative in four key areas:
 - ✓ Data collection of email addresses and mobile phone numbers to enable electronic and text exchange of information;
 - ✓ Digital equity to assist tenants without internet access in getting the skills, equipment and service they need;
 - ✓ Developing an effective and affordable capacity for electronic translation of survey instruments in the principal languages of residents; and
 - ✓ Communications protocols to communicate quickly and effectively with tenants in a disaster.
- Assist with SHA's growing need for communications support for resident services and engagement, especially in programs such as JobLink, the education partnership with Seattle Public Schools, and health-related work.
- Support the Executive Director by providing communications leadership and strategic direction, coordinating across issues, programs, departments, stakeholders, customers, and the public.
- Maintain and update content and functionality of the website to ensure it continues to meet the emerging needs of the agency and those we serve.
- Develop opportunities to increase the use of participant stories to tell SHA's story.
- Provide oversight and branding guidance to ensure that reports, signage, fact sheets, and other external-facing materials represent SHA well.

Legal Department

- Advise all SHA departments on a variety of legal issues including personnel and labor relations, property management, landlord-tenant, compliance with HUD regulations, Housing Choice Voucher, contracting, and real estate finance and development.

- Provide legal analyses and advice on all matters related to SHA's programs and initiative.
- Provide representation in judicial and administrative proceedings.
- Prepare pleadings, contracts, leases, policies, and other legal documents as needed.
- Investigate resident, Housing Choice Voucher participant, and employee fraud.

Intergovernmental Relations

- Participate in local activities with the City of Seattle, King County, King County Housing Authority (KCHA), non-profit housing providers, and service providers in ongoing efforts to:
 - ✓ Streamline housing assistance for homeless individuals and families;
 - ✓ Adopt evidence-based priorities for policies and services to effectively address the housing and support needs of homeless people; and,
 - ✓ Ensure a cohesive, collaborative, and complementary approach to serving the homeless throughout the county.
- Identify and monitor legislative issues important to SHA priorities. Provide analysis of proposed state and federal legislation that affects SHA. Lead SHA advocacy efforts on priority policy issues that affect SHA.
- Assist Executive Director in providing leadership and strategic direction to create advocacy and strategic partnership opportunities (e.g. healthcare) to establish and meet goals necessary to achieve SHA's mission.
- Maintain and advance relationships with partners at the federal, state, and local levels. Educate, inform, and engage elected leaders and their staff on housing issues.

COVID-19 Continuing / New Priorities

The Executive Department has and continues to take a leadership role in overseeing SHA's response to the COVID-19 Pandemic:

- From the initial implementation of public health guidance to stem the spread of the virus, to planning for an essential work force and implementation of the State's Stay Home, Stay Health mandates: and,
- From modifying SHA's functions, work plans, and work environments, as required by the pandemic, to designing new measures to protect the safety and well-being of residents and voucher households, as well as staff; and,
- From allocating financial resources to assist residents and staff mitigate impacts of the virus and economic downturn, to forging new partnerships to assist tenants with access to COVID-19 testing and now to the vaccinations, to meals, medications, and grocery delivery, and to supportive healthcare and social services; and,
- From implementing an essential work plan with many staff on-site performing different duties from their norm and others in need of a full range of personal protective equipment, to changing the location of a majority of staff from their office to their home on a full or part-time basis and providing computing and phone infrastructure for conducting work from home; and,
- From planning new operating procedures for bringing functions that had been suspended because of the Pandemic to safely begin resuming, to shifting capital program work to comply with state restrictions on construction during the virus, and to implementing changes in the

physical environment and operation of SHA office buildings to support social distancing requirement; and,

- From expanding the frequency and scope of residents' electronic housing newspaper, the Voice, to be a critical source of information on COVID-19 information and resources, to creating a COVID-19 Newsletter to inform staff of news and SHA's organizational changes because of the pandemic.
- And much, much more. In 2021, the Executive Department to provide leadership to many current and ongoing aspects of working in this time of the Pandemic, and to changes in conditions of the Pandemic that bring new challenges and opportunities. Our future moves will continue to be guided by the scientists and their public health recommendations, by the federal, state, and local government agencies that change or issue new requirements affecting our operations, and, first and foremost, by the best interest and safety of residents, voucher holders, and SHA staff. Hopefully, that will mean returning sometime in 2021 to a new version of normalcy for residents, voucher holders, applicant, staff, and the public and resumption of all SHA services, however differently they may be delivered.

RSJI Focus Area(s)

- Develop an effective and affordable capacity for electronic translation of survey instruments in the principal languages of residents.
- Assist tenants without internet access in getting the skills, equipment, and service they need in order to advance digital equity for SHA tenants.
- Oversee completion in 2020 of a planning effort to define bold goals that will help guide SHA's commitment to actions on the road to achieving racial equity in SHA's operations and program. Implementing actions will be defined in this process which will engage many stakeholders in advising on the formulation of the goals and actions.

**OFFICE OF POLICY AND STRATEGIC
INITIATIVES DEPARTMENT**

OFFICE OF POLICY AND STRATEGIC INITIATIVES



OFFICE OF POLICY AND STRATEGIC INITIATIVES (OPSI) BUDGET

Policy and Strategic Initiatives Expenditures	2019 Actual	2020 Adopted	2021 Carry-On	2021 Adjusted	2020/2021 % Change
Admin Salaries & Temp Help	\$987,400	\$1,377,700	\$1,343,000	\$1,383,800	0.4 %
General & Admin. Expense	132,400	198,900	198,900	206,300	3.7 %
Tenant Services	900	24,000	24,000	24,000	0.0 %
Maintenance & Contracts	10,100	190,000	190,000	253,000	33.2 %
Utilities	-	-	-	-	-
TOTAL OPERATING	\$1,130,800	\$1,790,600	\$1,755,900	\$1,867,200	4.3 %
Salaries & Benefits in Grants, Capital, and Limited Partnerships	201,800	109,200	-	87,750	(19.6)%
TOTAL	\$1,332,600	\$1,899,800	\$1,755,900	\$1,954,950	2.9 %

Table 6: OPSI Budget and FTEs

Full-time Equivalent Positions	2020 Approved	2021 Adjusted
Total FTEs	11.0	11.0

Budget Adjustment Notes:

Salaries and benefits for OPSI's staff were adjusted per the agency-wide labor expense adjustment. In addition, a Creating Moves to Opportunities (CMTO) grant-funded position that was not going to be extended in the Carry-On Budget was extended in the Adjusted Budget.

In addition, OPSI received funding for the following Programmatic Set Asides: Provide financial supports and program evaluation (\$63,000): OPSI received funding to provide additional supports for existing clients and to leverage the remaining Gates funds.

Department Purpose and Function

OPSI supports SHA's mission by developing collaborative solutions, empowering strategic decision-making, and testing and evaluating strategies. Since the team's inception in 2015, OPSI has played a key role in:

- ❖ **Developing collaborative solutions** by partnering with a range of stakeholders including staff, residents/participants, and community stakeholders to identify challenges, opportunities, and solutions to issues impacting our mission.
- ❖ **Empowering strategic decision-making** by ensuring that SHA's strategic plan is a living guide for decisions and bringing best and promising practices and research to inform decision-making.
- ❖ **Testing and evaluating strategies** by serving as the evaluator for a variety of SHA policies and programs and establishing key metrics, success measures, and leading indicators.
- ❖ **Meeting the regulatory needs of HUD** and supporting SHA's role as a leader within the national MTW program.

Department Highlights and Significant Changes 2020-2021

ADVANCE AFFORDABLE HOUSING POLICY

Focus areas for 2021 include:

Assertively protect and promote SHA's MTW status and flexibilities:

- Increase focus on positioning SHA and MTW peers for contract extension.
- Enhance the level of engagement on MTW industry issues, especially in preparation for/through the new Executive Director's transition.
- Provide a key role in the national 50900 discussion to advocate for/design reporting that best supports our goal to preserve and promote full MTW flexibility.
- Monitor and address MTW issues stemming from legislation, regulatory changes, and HUD's administrative actions.
- Complete the 2020 MTW Report and 2021 and 2022 MTW Plans.
- Ensure HUD recognizes that SHA is meeting or exceeding MTW statutory requirements.

EXPAND HOUSING CHOICE FOR FAMILIES WITH CHILDREN

2021 is a critical year for Creating Moves to Opportunity (CMTO), as it is the last year of grant funding. The Policy Office will collaborate with HCV and leadership to focus on the future of mobility services in SHA's housing choice toolbox. Highlights include:

- Conduct and evaluate a pilot (Phase III) to test strategies to recruit and provide mobility services to existing voucher households.
- Refine and review results of Phase II which tested multiple strategies and services to identify which are most effective and efficient to support opportunity moves.
- Lead a strategic decision-making effort to determine the extent to which SHA will support opportunity moves beyond the grant.
- Revisit the opportunity maps with additional data; explore the use of a targeted universalism approach.
- Facilitate SHA's participation in robust evaluation and ensure SHA benefits from the new knowledge being generated. Actively support opportunities to leverage CMTO to expand mobility efforts and for systems-level changes (such as federal funding).

OPSI will continue to partner with Development and Housing Operations in the understanding and use of opportunity areas in location decision-making.

HEALTH INITIATIVE

SHA's Health Initiative continues to work towards improving the quality of life for its residents, particularly those with physical or behavioral health challenges that may lead to housing instability. SHA aims to achieve this through promoting better access to quality health care that is sustainably funded, primarily through health systems.

OPSI's priority in 2021 will be to lead, support and/or evaluate various aspects of implementation of OPSI's Phase 1 Behavioral Health recommendations for Housing Operations. These will include Housing Outreach Partners (HOP) extension, role modification/clarification among existing/new partners, and improving referral processes. Referral processes will be a further focus through piloting the Community Information Exchange (CIE) in collaboration with HealthierHere and a variety of community-based

providers.

The Policy Office will work towards our broader and longer-term health initiative goals.

- Work with HCV to conduct a behavioral health review like, although less intensive than, Housing Operations.
- Lead SHA's role in Washington State's Medicaid Transformation through active involvement with HealthierHere, stimulate retention/expansion of Foundational Community Supports and pilot the Community Information Exchange.
- Cultivate partnerships that lead to innovative approaches to increased housing stability through health and social services, particularly where there is optimism that other funding sources (such as Medicaid, UHC, City, County) will be available.
- Collaborate with health care providers and researchers to build and utilize shared knowledge to inform service planning and attract quality partners and resources. A focus in 2021 will be the HUD-funded grant to look at the indicators related to positive and negative exits from subsidized housing.
- Design and implement evaluation plans for selected programs and services.

STRATEGIC PLANNING & DECISION MAKING

Strategic Planning: The agency's current Strategic Plan will continue to guide SHA in 2021. Due to COVID-19 and the anticipated change in executive leadership, 2021 will likely be a year of establishing a firm foundation for future planning. The Policy Office will work closely with leadership to determine key information to gather and analyze for this purpose.

Enhance Innovation and Effectiveness: Continue to promote utilization of MTW and other regulatory flexibilities, provide accessible/timely analysis of emerging issues, facilitate cross-departmental conversations, and provide evaluation and analysis of policies and programs. 2021 highlights include:

- Support, build on, and refine 2020 strategies to maximize administrative efficiencies and strategies to support housing stability and COVID-19 recovery.
- Evaluate programs including: CMTO Phase III intervention (families Moving with Continued Assistance), Home from School, Housing Outreach Partner intervention, behavioral health recommendation implementation.
- Collaborate with departments to set up new and appropriate data collection for new MTW policies. This may include developing success measures, data collection plans, and fidelity monitoring.

COVID-19 Continuing / New Priorities

OPSI will continue to be vigilant about awareness and analyze the changing landscape of funding, legislation, regulation, and needs and opportunities.

- Continue to advocate externally for, and look for opportunities to develop, policies and resources that allow staff and residents to respond to and recover from COVID-19.
- Continue to help the staff COVID-19 recovery committee.
- Support forward-thinking approaches to addressing health challenges to our residents and participants brought about by COVID-19, including in the areas of behavioral health, social isolation, and telehealth.

RSJI Focus Area(s)

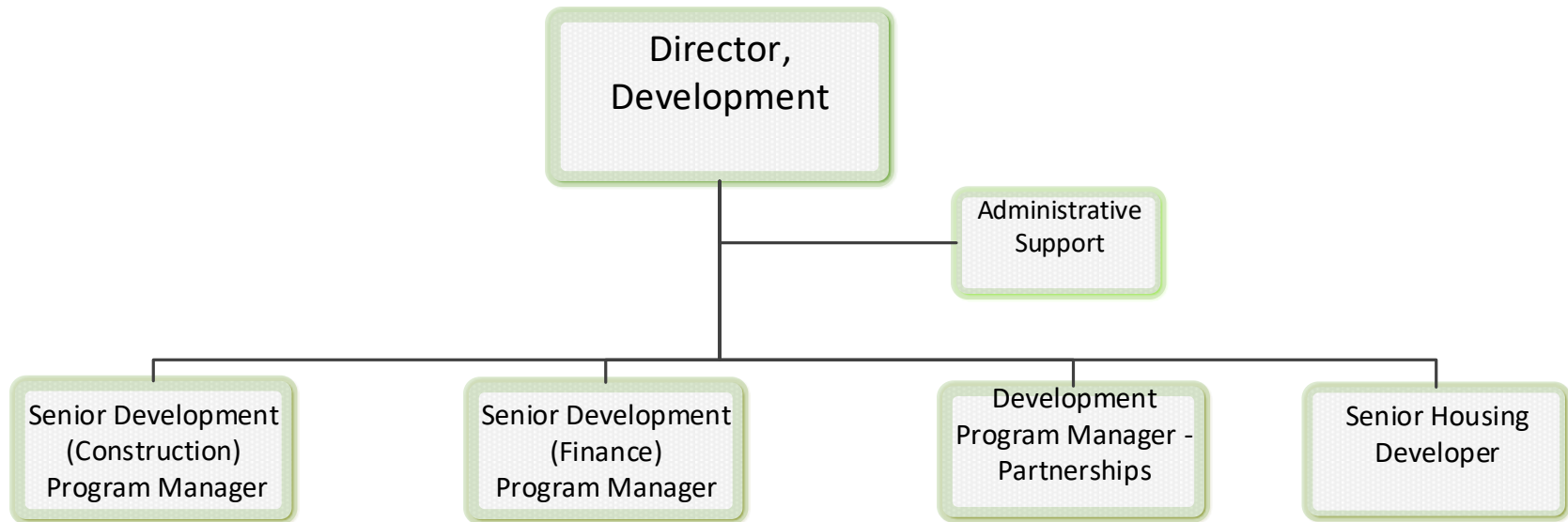
SHA will continue to be a leader in explicitly incorporating RSJI considerations into policy & evaluation analysis. OPSI will work with leadership to prioritize information and analysis that may influence long-term decision-making.

In 2021, OPSI will be leading strategic discussions about SHA's ongoing commitment to CMTO, as an important racial equity endeavor. In addition, in revisiting the Opportunity Maps, SHA may also want to apply the concept of Targeted Universalism. OPSI will continue to push for equitable and culturally competent service provisions for our tenant population.

All OPSI staff members will complete the Undoing Racism training by the People's Institute.

DEVELOPMENT DEPARTMENT

DEVELOPMENT DEPARTMENT



DEVELOPMENT BUDGET

Development Department Expenditures	2019 Actual	2020 Adopted	2021 Carry-On	2021 Adjusted	2020/2021 % Change
Admin Salaries & Temp Help	\$1,324,800	\$1,580,300	\$1,559,900	\$1,685,400	6.7 %
General & Admin. Expense	137,900	169,400	169,400	184,200	8.7 %
Tenant Services	-	-	-	-	-
Maintenance & Contracts	21,300	20,100	20,100	20,100	0.0 %
Utilities	500	8,000	8,000	-	(100.0)%
TOTAL OPERATING	\$1,484,500	\$1,777,800	\$1,757,400	1,889,700	6.3 %
Salaries & Benefits in Grants, Capital, and Limited Partnerships	590,400	451,600	401,300	423,000	(6.3)%
TOTAL	\$2,074,900	\$2,229,400	\$2,158,700	2,312,700	3.7 %

Table 7: Development Department Budget and FTEs

Full-time Equivalent Positions	2020 Approved	2021 Adjusted
Total FTEs	14.3	14.1

Budget Adjustment Notes:

Total operating expenditures for Development Department of this Adjusted Budget will increase by 6.3 percent in CY 2021 and when both operating and capital sources are considered, the overall increase is 3.7 percent due to addition of community arts Coordinator III position.

The 0.2 FTE Development Department decrease includes a reduction of 0.3 FTE for a Senior Development Program Manager position due to retirement and an addition of 0.1 FTE to continue the Coordinator III position managing the Yesler Arts Program through December 2021.

In 2021, Development received funding for the following Programmatic Set Asides Special Request:

Extend Coordinator III position to December 2021 (\$71,000) to continue managing the Yesler Arts Program using operating funds in place of grant funding.

Department Purpose and Function

The Development Department reports to the Deputy Executive Director. The Development Department is responsible for redevelopment that includes:

- ❖ Planning new affordable housing and redevelopment;
- ❖ Managing community processes surrounding development visions;
- ❖ Estimating cost of all aspects of development projects; identifying and modeling financing sources and costs; and managing projects within adopted budgets;
- ❖ Implementing development projects;
- ❖ Overseeing the sale of land to private developers and the subsequent development of market-rate or workforce housing;

- ❖ Managing and supporting neighborhood associations until property owners in the communities assume management and financial responsibility; and
- ❖ Participating in local and regional planning meetings that may involve potential new low-income and affordable housing development opportunities.

Development is accountable for advancing the Strategic Plan goal of increasing SHA’s low-income, work force, and affordable housing. It serves the Seattle Housing Authority’s Mission by developing safe and affordable housing in thriving communities. The Department also seeks to increase the number of affordable housing units, both rental units and home ownership, through a variety of programs and partnerships. For example, revitalizing the 78-year-old low-income housing in the Yesler community with a new vibrant mixed income and mixed-use community connected to nearby neighborhoods and providing a variety of rental housing choices, plus community facilities and other amenities. Another important responsibility of the Development staff is marketing properties successfully to private developers for homeownership opportunities, including affordable ownership opportunities.

The department looks toward the future to identify new housing development opportunities primarily to serve people earning less than 80 percent of Area Median Income (AMI) is another responsibility of the Development department. In this role, the Department evaluates opportunities for future developments with both public and private partners, looking especially for opportunities that have minimal financial risk to SHA and hold good promise for desirable affordable housing.

Department Highlights and Significant Changes 2020-2021

The major focus of the department will be the continued development of Yesler Terrace, including:

- Complete all infrastructure work at the end of March 2021.
- Continue construction of Hinoki, SHA’s fifth new Yesler mixed use community affordable housing building, located at East Yesler Way and 10th Avenue South. When completed in the second quarter of 2022, the building will provide 136 replacement and 60 – 80 percent AMI housing units.
- Start construction of Sawara, the sixth new 114-unit affordable housing Yesler building, located at Yesler Way and 8th Avenue in the third quarter of 2021.
- Engage the community with various art programs with the Yesler Arts program continuing through the end of 2021.
- Close the sale of the site located at 9th Avenue and Alder Street with Kaiser Permanente in first quarter 2021 and continue to work on temporary use for the site during design and permitting.
- Close the sale with Vulcan on two sites located at Alder Street and Broadway in second quarter 2021.
- Close the sale with Sustainable Living Innovations on site located at South Washington Street in fourth quarter 2021.
- Negotiate and sign a purchase and sale agreement with a buyer for a site located at Alder Street and the Washington Department of Transportation right-of-way in 2021.
- Oversee the marketing for hospitality and multi-family development on one site, planned for 2021.
- Close the Yesler Family Housing (formerly Yesler Records Site) site in first quarter 2021 with Seattle Chinatown International District Preservation and Development Authority (SCIDpda) and Community Roots Housing, who will develop, own and manage 156 units of affordable housing.

- Monitor Market Rate/Workforce Housing Production by Yesler’s private partners:
 - ✓ Modera First Hill was sold by Mill Creek Residential (MCR) and renamed Emerson Seattle. The 288-unit housing development with 86 workforce housing apartments was completed in October 2020 with continued leasing in 2021.
 - ✓ Lowe Enterprise Phase 1 development at 12th Avenue South and South Main Street with 335 market rate/workforce housing units is under construction. Building permits for the 215-unit Phase 2 development at 10th Avenue South and South Main Street are expected to be issued in 2021. Completion of Phase 1 is scheduled for spring 2022 followed by Phase 2 in 2023. When both phases are completed, it will provide 133 workforce housing apartments.
 - ✓ Vulcan Real Estate’s third development with 261 units including 52 units of workforce housing, located at East Yesler Way and 10th Avenue will start construction in 2021.
 - ✓ The Su Development project located at Yesler Way and South Washington Street is a two phase 352-unit development that will include 93 workforce housing apartments. Construction on Phase 1 (187 units) is expected to start in April 2021 with Phase 2 (165 units) starting after Phase 1 is completed.

In addition to the Yesler activities, Lam Bow, an 82 unit replacement and 60 percent AMI housing building in West Seattle, will start construction in the second quarter of 2021 with scheduled completion for August 2022.

For Sale Program (non-Yesler Terrace) includes the four sites on the corner of Othello and Martin Luther King Jr. Way South that are under contract to three separate groups as part of Othello Station development.

- Spectrum Development Solutions is currently constructing a mixed-use building that includes the Odessa Brown Children’s Clinic and 176 market and affordable rental units with scheduled completion in late 2021.
- Washington Charter School Development is currently constructing a new charter high school with completion in 2022.
- HomeSight will begin construction on 68 affordable for sale units in mid-2021. They continue to assemble financing for the second site of a planned mixed-use building consisting of market and affordable rental units and commercial space.

SHA’s Buy-Up program incentivizes developers to create more family-sized (≥ 3 bedrooms) affordable units within upcoming affordable developments in high opportunity neighborhoods by offering capital to help offset the incremental cost of building family housing. The first project, Cedar Crossing (formerly Roosevelt Station) is under construction and will be completed in March 2022. SHA will be seeking program opportunities for a second development in 2021.

New Priorities for the department in 2021 include focusing on the project pipeline into the future for new projects as well as other new activities.

- Jackson Park Village planning and design work to replace existing aging housing with a new larger building may begin in June 2021.
- Evaluate other opportunities for development and redevelopment this year to fill pipeline into the future such as Blue Topaz or other under-developed SHA sites as well as emerging opportunities.
- Launch our partnership with the University of Washington (UW) on their “Filer Site” project. Participation will include preparing development feasibility study and managing the developer

selection process in partnership with the UW to build at least 150 affordable units and a daycare facility.

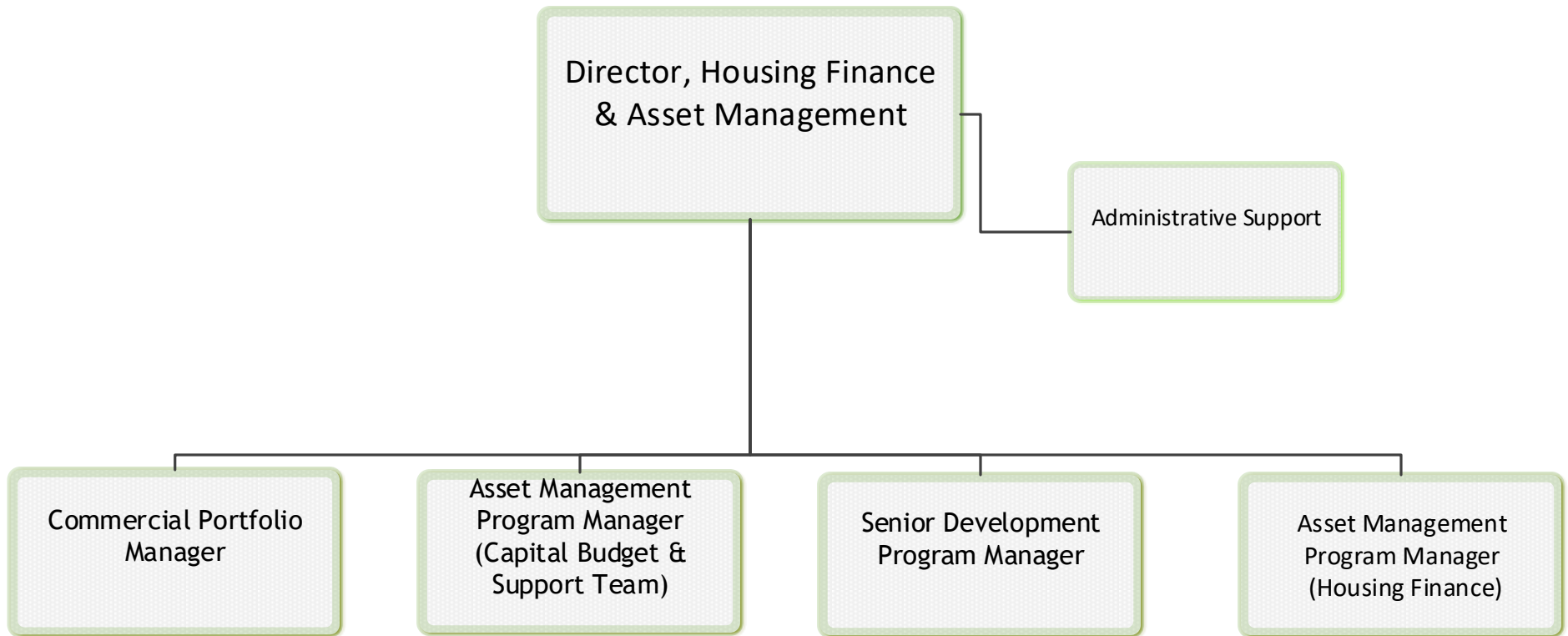
- Negotiate key terms of a Cooperative Agreement with the City of Seattle for the Northgate Commons apartment community redevelopment planning, with the aim of concluding an Agreement by the end of the 2nd Quarter.
- Redevelopment master planning for Holly Court which involves finding a suitable new home for the YWCA and replacement housing for the existing Holly Court units.

RSJI Focus Area(s)

- When recruiting for position openings, make strategic outreach to black, indigenous, and people of color (BIPOC) focused industry groups to increase visibility and opportunity within those communities.
- Encourage and support staff to participate in caucus, affinity groups, and other RSJ-focused events and trainings.
- Identify internship opportunities within the department and work with the UW Urban Planning program to select interns.
- Seek ways to integrate RSJ issues within the daily course of business through discussions during staff meetings and as part of our daily work activities.

HOUSING FINANCE AND ASSET MANAGEMENT DEPARTMENT

HOUSING FINANCE AND ASSET MANAGEMENT



HOUSING FINANCE AND ASSET MANAGEMENT BUDGET

Housing Finance & Asset Mgmt Dept Expenditures	2019 Actual	2020 Adopted	2021 Carry-On	2021 Adjusted	2020/2021 % Change
Admin Salaries & Temp Help	\$1,104,100	\$934,700	\$934,700	\$1,074,200	14.9 %
General and Admin. Expense	112,800	164,200	164,200	175,900	7.1 %
Tenant Services	-	-	-	-	-
Maintenance & Contracts	28,600	30,800	30,800	30,800	0.0 %
Utilities	-	-	-	-	-
TOTAL OPERATING	\$1,245,500	\$1,129,700	\$1,129,700	\$1,280,900	13.4 %
Salaries & Benefits in Grants, Capital, and Limited Partnerships	1,337,677	3,820,700	3,820,700	3,406,555	(10.8)%
TOTAL	\$2,583,177	\$4,950,400	\$4,950,400	\$4,687,450	(5.3)%

Table 8: Housing Finance & Asset Management Budget and FTEs

Full-time Equivalent positions	2020 Approved	2021 Adjusted
Asset Management FTEs	19.8	19.8
Construction Operations FTEs	17.5	17.5
Total Asset Management & Construction Ops FTEs	37.3	37.3

Budget Adjustment Notes:

Salaries and benefits for Asset Management Commercial’s staff were adjusted per the agency-wide labor expense adjustment. Additional increase is due to the extension of a project-based FTE that had previously funded by one-time 2020 Opportunity Fund funds, as well as a reassessment of work plans and subsequent reallocation of capital and operating funding.

Department Purpose and Function

The Department of Housing Finance and Asset Management focuses on the preservation of the agency’s real estate assets and maximizing the use of these assets to further the mission of the agency to create and sustain decent, safe, and affordable housing that fosters stability and self-sufficiency for people with low incomes. Working in partnership with other agency departments, the department assists in the financing of new and existing housing; develops and implements the agency’s capital program to ensure the physical and financial viability of its assets; and provides support and assistance to the Housing Operations department in their management of agency assets that furthers the agency’s financial and social goals. In addition, the department works with various investors and financial partners to make strategic recommendations regarding the assets, financial stability, resident services, and other factors impacting the agency’s real estate portfolio and residents.

The department leads the Asset Management Team, an inter-agency committee that partners with the Housing Operations, Finance and Administration, Housing Choice Voucher (HCV), the Office of Policy and Strategic Initiatives (OPSI), and Development departments, and serves as a focal point for discussions of issues and decision-making related to the agency’s assets.

The Department of Housing Finance and Asset Management's three main areas of strategic focus are:

- ❖ Promote quality communities through the preservation of the agency's real estate assets by making strategic improvements to the capital program that focus on increased efficiency in the implementation and management of capital projects that address the capital needs of the agency's assets;
- ❖ Increase overall Department efficiency through the development of procedures and planning efforts that focus on the assessment and evaluation of current business practices; and
- ❖ Expand housing opportunities by developing a strategy to serve more people through acquisition of new real estate assets and the redevelopment of existing real estate assets in partnership with the Development and Housing Operations departments.

Department Highlights and Significant Changes 2020-2021

Capital Program

- **2020 Pooled Refunding:** In April 2020, the Department completed a pooled refinancing of the existing debt at High Point Phase I, a group of properties financed in 2013 (Wedbush Pool), a group of properties financed in 2014 (RBC Pool) and the four properties acquired in late 2018 and 2019. This financing secured historically low interest rates and provided proceeds to complete the projected 10-year capital needs for the pooled properties. Several of these projects are included for implementation in the 2021 Adjusted Budget (see the Capital Program section for details).
- **Single Family Rehab and Conversion Program:** Due to COVID-19, the Scattered Site Repositioning program has been significantly delayed. This was primarily due to the pause on relocation and leasing instituted by the agency. The agency was not able to complete the conversion of any scattered site units in 2020 but did complete the rehab of five scattered site single family homes.

Capital Planning

- **2022-2023 Budget:** The Department will prepare the recommended 2022 Capital Program Budget in collaboration with the Finance and Administration and the operating departments, based on projection of capital revenues available for 2022 and 2023 and on capital needs reflected in the preliminary 2022 Capital program and future project priorities represented in Community Need Assessments. The 2022 program will also be governed by any applicable COVID-19 restriction on construction in place mid-year 2021 or projected for change in 2021.
- **Meeting HUD Capital Program Requirements:** During 2020 HUD issued COVID-19 waivers extending the dates for Commitment and Expenditure of Capital Grant funds based on capital funding years. Asset Management will carefully track project delays due to the state's construction COVID construction restrictions to ensure we can continue to meet the HUD requirements or request a further extension of the HUD waiver.

Multi-Family Conversions: The first phase of conversions from multi-family voucher contracts to the HCV program occurred for the Weller and MLK apartments in the fall of 2020. To initiate the second phase, Asset Management has sent notifications to residents informing them of SHA's intent to convert the multi-family voucher contracts at Bayview Tower, Market Terrace and Golden Sunset Apartments. The conversion of these three properties to the HCV program will occur in 2021.

Scattered Site Section 18 Conversion: The Department received approval from HUD in 2020 to authorize the disposition of 228 scattered site units from the Public Housing program. In 2021, the Department will complete the conversion process through replacing the public housing subsidy on these 228 units with Section 8 project-based vouchers through the application for tenant protection vouchers. In addition, the Department will transfer ownership of the units from SHA into the Special Projects and Creative Energies Foundation (S.P.A.C.E.) a wholly owned subsidiary of SHA. This conversion will result in additional funding and flexibility in managing and maintaining these scattered site units.

Jefferson Terrace Rehabilitation: Select a General Contractor in Q1 2021; the financing plan will be completed by Q2 2021. Temporary relocation of residents is expected in the first half of 2021 and construction should be ready to commence in Q4 2021. This project will require a plan of construction compliant with the then current state COVID guidelines for construction in a residential building.

West Seattle Maintenance Offices: Plans for the rehabilitation of this facility are underway to enable maintenance staff to serve communities more efficiently in West Seattle. The design process is in progress with construction expected to commence in the 2nd or 3rd quarter of 2021. (Funding for this project was committed in 2020 from CARES Act funds and planning work began in 2020, so the project is not included in new funding in the Adjusted Budget.)

Tax Credit Exits: Complete the exit and dissolution of Aldercrest Apartments in the first quarter. In 2021, SHA will work with Enterprise on the exit and dissolution of High Point South, as 2020 was the last year of credit delivery. SHA will also engage with Boston Financial (formerly Boston Capital) to exit Phase I and Phase II in the homeWorks portfolio.

Replacement Reserve Tracking: Resume an interdepartmental project (paused due to the Pandemic) to better track and forecast the use of replacement reserves associated with various agency properties.

COVID-19 Continuing / New Priorities

Capital Program Adjustments: The adjustments made to the 2020 and 2021 Capital Program priorities are a direct result of COVID-19 to restrict most construction work in units or buildings that involve interaction with or disruption of residents to help reduce risks of spreading the virus. Monitoring and adjusting to conform to any changes in state regulations will continue in 2021.

Commercial Portfolio: The Department will continue to refine and implement the Rent Relief Payment Plan program started in 2020 for commercial tenants in SHA communities.

Property Inspections: Continue conducting weekly visual inspections of certain properties in the agency's portfolio in 2021 so long as staff presence at the buildings is limited due to COVID-19 precautions and until it is determined safe for staff to resume their typical schedules at the properties.

COVID-19 Workplace Protocols and Facility Modifications: Coordinate facility modifications and policies that help to ensure a safe workplace and monitor compliance with COVID-19 Workplace Protocols, as more employees begin to transition back to the office.

RSJI Focus Area(s)

Learning Curriculum: Continue Asset Management's RSJI initiatives and goals identified in collaboration with the HR Department to develop a facilitated learning curriculum that is incorporated into the monthly Department meetings.

In 2021, RSJI goals will be included all in staff annual performance plans and evaluations. The Department will continue to seek ways to further incorporate the goals and objectives into day to day work activities.

Asset Management Commercial Facilities

Asset Management Commercial Facilities	2019 Actual	2020 Adopted	2021 Carry-On	2021 Adjusted	2020/2021 % Change
Admin Salaries & Temp Help	\$253,500	\$239,900	\$316,900	\$300,000	25.1 %
General & Admin. Expense	109,700	98,500	98,500	107,700	9.3 %
Tenant Services	-	-	-	-	-
Maintenance & Contracts	295,200	272,200	272,200	275,200	1.1 %
Utilities	133,300	148,800	148,800	152,300	2.4 %
TOTAL OPERATING	\$791,700	\$759,400	\$836,400	\$835,300	10.0 %
Salaries & Benefits in Grants, Capital, and Ltd Partnerships	-	-	-	-	-
TOTAL	\$791,700	\$759,400	\$836,400	\$835,300	10.0 %

Table 9: AM Commercial Facilities Budget

Full-time Equivalent Positions	2020 Approved	2021 Adjusted
Total Asset Management Commercial FTEs	2.0	2.8

Budget Adjustment Notes:

The 2021 Adjusted operating budget for Asset Management Commercial Facilities was increased to reflect a 2020 mid-year addition of a 1.0 FTE position that will replace a condo association contract for external management that had been budgeted within Housing Operations

Salaries and benefits for Asset Management Commercial’s staff were first adjusted per the agency-wide labor expense adjustment. AM Commercial’s salaries and benefits budget were then reduced to reflect an FTE reduction. The maintenance and utility expense budgets were adjusted per the agency-side maintenance and utility adjustment methods.

Asset Management Commercial Facilities manages thirteen commercial properties across several portfolios. Commercial tenants include service providers and commercial businesses; some SHA departments are tenants as well. Seven properties are associated with HOPE VI communities; HOPE VI management offices and service providers are lessees at some of these properties.

The Asset Management’s program goal is to keep all commercial spaces leased and occupied at levels that allow SHA to cover expenses, debt requirements for the buildings, and to build capital reserves.

190 Queen Anne Central Office

190 Queen Anne Central Office Expenditures	2019 Actual	2020 Adopted	2021 Carry-On	2021 Adjusted	2020/2021 % Change
TOTAL OPERATING	\$2,023,200	\$1,984,600	\$1,984,600	\$2,035,050	2.5 %

Table 10: 190 Queen Anne Central Office Budget

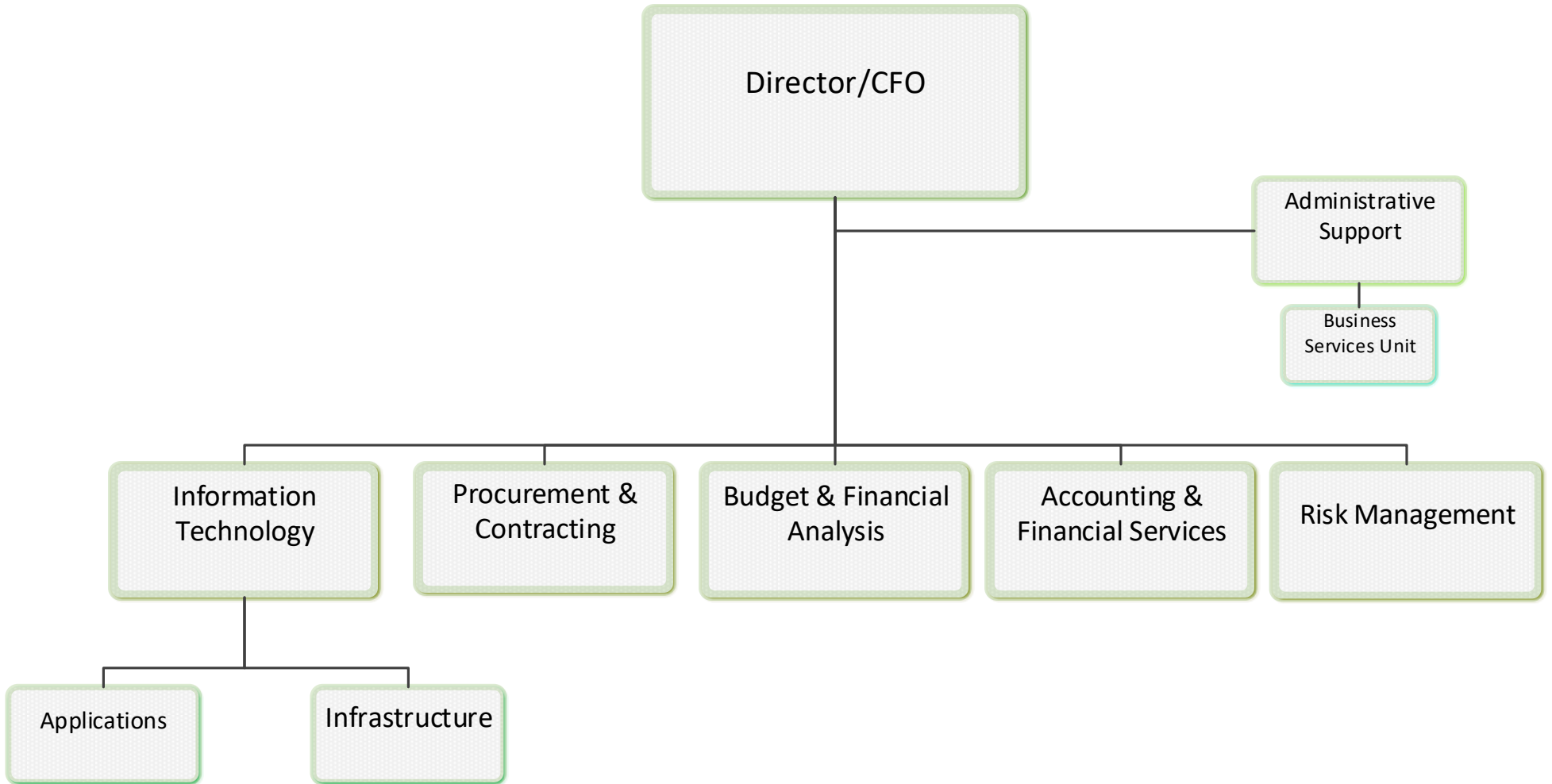
Budget Adjustment Notes:

Salaries and benefits for AM 190QA staff were adjusted per the agency-wide labor expense adjustment. Intercompany fees/rent will be finalized at the end of the budget process.

The Central Office, located in the lower Queen Anne neighborhood, houses SHA’s executive, administrative, voucher assistance, and many property management services staffs. The Housing Finance and Asset Management staff manages and administrates the offices at 190 Queen Anne. SHA has been at this address since 2012.

**FINANCE AND ADMINISTRATION
DEPARTMENT**

FINANCE AND ADMINISTRATION DEPARTMENT



FINANCE AND ADMINISTRATION BUDGET

Finance and Administrative Services Dept Expenditures	2019 Actual	2020 Revised *	2021 Carry-On	2021 Adjusted	2020/2021 % Change
Admin Salaries & Temp Help	\$5,012,600	\$5,444,100	\$5,444,100	\$5,676,400	4.3 %
General & Admin. Expense	9,157,900	11,240,500	11,240,500	11,743,400	4.5 %
Tenant Services	3,500	-	-		
Maintenance & Contracts	135,900	233,500	233,500	291,000	24.6 %
Utilities	-	-	-		
TOTAL OPERATING	\$14,309,900	\$16,918,200	\$16,918,200	\$17,710,800	4.7 %
COVID-19 Rental Asst & Contingency				2,000,000	N/A
Salaries & Benefits in Grants, Capital, and Ltd Partnerships	93,900	211,900	211,900	218,300	3.0 %
TOTAL	\$14,403,800	\$17,130,000	\$17,130,000	\$19,929,100	16.3 %

Table 11: Finance and Administration Budget and FTEs

Full-time Equivalent Positions	2020 Approved	2021 Adjusted
Total FTEs	46.9	47.4

Budget Adjustment Notes:

The overall 2021 Adjusted Budget for Finance and Administration (F&A) increased 16.3 percent over the 2020 Revised Budget. Agency wide inflationary adjustments were made to employee salary and benefits plus a full-time project position was added to provide front desk coverage during the pandemic for the first half of the year. The general and administrative budget shows an increase for higher insurance premiums due in part to COVID-19 and two pending set-aside requests for positions requested by Information Technology for managing the agency's document imaging and building security systems. The contracts line item includes a \$50,000 set-aside for the digital imaging of purchasing documents which will allow for the more efficient handling of contracts remotely. Finally, \$2M was added to F&A's budget for COVID-19 set-asides. Tenant Rental Assistance for both subsidized and unsubsidized residents totaling \$1 million is being held aside because job losses result in lower revenue to our proprietaries and this could negatively impact their ability to meet financial obligations. These funds are also available for voucher holder who have fallen behind on their rent payments and are not able to obtain another source of funds to help pay for their rent. An additional \$1M is being put aside for contingency to address unanticipated needs identified and encountered throughout the year. These funds will be able to benefit both residents and employees when no other source of funds are available.

*F&A's budget includes debt service payments and insurance premium coverages for the newly acquired properties. Northgate Apartments was added to SHA's portfolio in late 2019, and the 2020 Adopted Budget did not include Northgate. The 2020 Revised Budget shown above includes the revision made to add Northgate Apartments.

Department Purpose and Function

The Finance and Administration Department has six operating groups: Accounting and Treasury Management, Budgeting and Financial Analysis, Purchasing and Contract Administration, Business Services, Risk Management, and Information Technology, whose budget and work plan highlights are shown separately in the department section following this one.

The department oversees the financial stewardship of SHA. To this end, the department includes responsibilities for:

- ❖ **Financial Management:** Financial policies; accounting and reporting systems; banking relations; investments; treasury functions; overall debt management; internal controls, and annual financial statements and compliance with financial reporting requirements from investors, trustees, funders, lenders, and city, state, and federal agencies. Accounts receivable; accounts payable; payroll, and general ledger responsibilities for all funds and the agency as a whole.
- ❖ **Financial Accountability:** Annual audit reviews by the State Auditor, SHA's independent auditor, and auditor(s) for the tax credit limited partnerships, as well as periodic audits by federal and state agencies; monitoring and corrective actions as required to ensure SHA conformance with bond and contractual financial performance obligations and compliance with state and federal regulations.
- ❖ **Budgeting:** Management of SHA's budget processes and preparation of recommended annual and multi-year operating and capital budgets; reviewing Congressional funding proposals and monitoring economic trend analyses; monitoring and reporting performance of actual revenues and expenditures and program accomplishments against approved budgets and program goals; proposing budget revisions and/or corrective actions to maintain the integrity of the annual budget; and overseeing adherence by the authority and HUD to financial and funding provisions of the MTW Agreement.
- ❖ **Risk Management:** Obtaining insurance coverages for SHA and affiliates; auditing and reviewing insurance policies; processing and handling claims; recommending risk management and incident/accident reduction actions; and reviewing contracts, leases and other agreements to ensure SHA risks are appropriately addressed and controlled.
- ❖ **Procurement and Contracting:** Purchasing and contract administration for goods, services and construction contracts; administration of Section 3, Davis-Bacon, and social equity programs; development and administration of SHA procurement policies and procedures to ensure fair and competitive procurement practices and compliance with federal, state, and local laws and regulations; and continuous process improvement to ensure procurement practices support SHA's business interest in timely and efficient contracting.
- ❖ **Information Technology:** Providing efficient and creative technology solutions to business problems; supporting the application and operating system software in use at SHA and the computers, telephones and other ancillary equipment used by agency staff; ensuring a stable, reliable and secure computer infrastructure and software to support SHA's computing needs; maintaining, upgrading and supporting existing software systems; consolidating duplicative or redundant systems; addressing the highest priority needs of the agency for new software development or introduction of new applications; and providing training resources and expertise to support the computer literacy and competence of SHA staff; and performs the records storage function for the agency. (See separate budget section on Information Technology for 2020 work plan highlights.)

- ❖ **Business Support Services:** Operation of the agency’s central reception desk; travel policy and petty cash administration for SHA as a whole; administrative support to the accounting and budgeting groups; supply ordering and budget management; and CFO executive support.

The fundamental charges of Finance and Administration are:

- To strengthen the agency’s financial position and ability to respond to shifting financial conditions and needs; and
- To ensure that SHA’s assets and operations are managed in an efficient and cost-effective manner.

These core objectives will guide the priorities for the Department in 2021, as it looks to make changes in its operations, policies, and programs in order to meet the challenges of a new federal fiscal and political reality where public funding for low-income housing development, operations, and maintenance is likely to become severely constrained over the decade.

Department Highlights and Significant Changes 2020-2021

Serve More People Thru traditional and innovative ways that result in capacity to provide more housing and housing assistance to low income people in Seattle

- Assess opportunities to convert Tenant-Protection vouchers MTW vouchers after one year, when doing so is cost-beneficial and provides a vacant voucher for the MTW voucher pool.
- Work with the Housing Choice Voucher (HCV) department, Intergovernmental Relations, and the Policy Office to track, prepare for, and be positioned to compete for new HCV vouchers that may come available through federal COVID-19 relief efforts.
- Work with HCV to review changes to the housing rental market and the financial implications of any anticipated changes to voucher payment standards
- Work with an interdepartmental SHA team, to assess opportunities to increase use of Special Purpose Vouchers for SHA and Private Non-Profit agency project-based vouchers for both new vouchers and at turnover.
- Team with Asset Management and Development to secure financing for the final two replacement housing buildings in the Yesler Redevelopment – Sawara and Juniper.

Promote Quality Communities

- Work with Asset Management to finalize the Jefferson Rehabilitation project scope and financing package and begin implementation in 2021.
- Work with the interdepartmental team to ensure a smooth transfer of 264 scattered site units from the low-income public housing program to units held under the S.P.A.C.E. Foundation, using tenant and project-based voucher. Ensure seamless migration for residents. This conversion will provide more resources and stability to these units over time.
- Work with Development and the Financial Policy Oversight (FPO) Committee to finalize an agreement with the City of Seattle for planning, financing, and developing the Northgate Commons and ensures SHA is made whole financially.

Improve Quality and Stability of Life for SHA Tenants

- Review Housing Operations’ plan and evaluation approach for addressing safety, health, and best practices associated with hoarding disorders.

- Monitor the impact of the safety and wellness of our communities from funding two teams who will respond to acute behavioral health issues experienced by residents.
- Join the Policy Office and Housing Operations in their evaluation of existing case management service contracts to better understand the delineation and distinction of their roles, responsibility, and expertise.
- Assess the effectiveness of funding 3rd party medication efforts used by Housing Operations as a method to resolve and behavioral health and housing stability issues.
- Participate in SHA’s internal Rental Assistance Steering Committee to identify programs and external funders to aide resident and voucher households to gain assistance with paying outstanding rent balances as a result of the pandemic, and also to consider and direct role SHA can play in assisting subsidized and unsubsidized tenant to maintain housing stability.

Enhance Efficiency and Streamline F&A Services to Internal Clients

- Streamline and Leverage Existing Software Systems
 - ✓ Improve automation of workflow steps in Inspyrus and reduce the need for human intervention.
 - ✓ In coordination with IT, complete the Kronos upgrade started in 2020.
 - ✓ With IT, HCV staff begin configuring, testing and other pre-conversion activities in preparation for the migration from Elite to Yardi expected to be completed in early 2022.
 - ✓ Apply a Lean process to core accounting functions to most effectively achieve recommendations in our internal controls assessment to make these functions more standardized across the accountants.
 - ✓ Increase the efficiency of the Contracting Process by deploying new tools for electronic signatures, modifying E-1 procedures, digitizing the contract files, and enhancing customer experience with PMWeb.
- Procurement Streamlining and Support
 - ✓ Develop and implement a new Job Order Contract Program which eliminates redundancy and decreases the cost of utilization.
 - ✓ Update SHA Procurement Policies maintaining adherence to Federal and State regulations for procurement and contracting with a focus on streamlining and standardizing all contracting activities, while achieving greater social equity.

Champion Prudent Actions to Reduce SHA Costs, Enhance Efficiency, Increase Revenues, and/or Improve Services Across the Agency

- With Housing Ops, assess the status of SHA’s “right-sizing” efforts prior to its suspension due to COVID, and determine conditions required for restart of the program and planning efforts needed to be ready to restart.
- Prepare for the New Lease Standards of GASB 87 and work closely with the staff from Asset Management that handle commercial leases, which must be included in SHA’s Financial Statements in 2022.
- Manage the HUD required bi-annual inventory in 2021 and combine with an inventory of small and attractive assets. This will require coordination and cooperation with departments across the agency.

- Refine the electronic approval signature process for transfers and wires that was established in 2020 with the aim of reducing paper and allowing efficient approvals for transactions as staff are primarily working remotely.
- Conduct a review of selected insurance language and requirements in SHA contracts, pertaining to indemnification clauses in contracts and levels of insurance coverage required of small contractors, particularly those in consulting or service fields that pose more limited liability concerns to SHA.
- Prepare a dashboard of key risk management performance indicators tracking such measures as risk control, claims and claim settlements, premium costs, and items affecting insurance costs.

Strengthen SHA's Financial Position and Creditworthiness

- Work with an interdepartmental staff team to maintain current assessments of potential long-term exit tax liabilities across SHA's portfolio of low-income housing tax credit partnerships. Work with Asset Management to negotiate terms and complete up to four successful tax credit exits in 2021: Aldercrest; High Point South; and homeWorks I and II.
- Identify and monitor partnerships with capital balance issues and take actions to mitigate and minimize potential tax liabilities; determine desirable timing for exiting partnerships; and assist in negotiating terms of exits with partnerships.
- Tenant Accounting
 - ✓ Respond to ad hoc reporting requests for Cabinet related to rental income trends related to changing conditions for residents because of the pandemic.
 - ✓ Coordinate with Housing Operations to refine procedures for and report on tracking of funds received and write-offs required in relation to the Emergency Rental Assistance program.
- Manage the annual audit process and preparation of the Comprehensive Annual Financial Report (CAFR). Strive for no financial related findings and to earn the GFOA Certificate of Achievement for Excellence in Financial Reporting for the CAFR.
- Tracking SHA's Financial Position through Financial Ratios and policies
 - ✓ Monitor and evaluate the balance and use of the Lines of Credit on an ongoing basis. If draws are needed, consult with the CFO and/or FPO to determine prudent borrowing strategies.
 - ✓ Maintain ongoing standby credit instruments by timely negotiation of extensions of current credit instruments as they mature.
 - ✓ With Development, track land sales proceeds, deposit and account for proceeds in accordance with rules applicable in each specific situation, and ensure use of proceeds comply with any formal restrictions on their use.
 - ✓ Actively monitor the debt coverage ratio (DCR) requirements for all SHA and LP managed properties. Implement required actions to ensure these properties are meeting DCRs and reserve requirements; if not, pursue corrective measures.
 - ✓ Conduct an annual review with the Financial Policy Oversight Committee (FPO) of S&P's Rating Report and key liquidity and leverage financial ratios for Seattle vs industry standards.

- Financial Management
 - ✓ Prepare an annual SHA Budget with a planned positive net income and with the Department Directors, manage the budget to achieve an ending positive net position.
 - ✓ Provide Standard and Poor's (S&P) a rolling 5 years of Financial Statements, and participate with the Executive, CFO, and Directors of Asset Management and Development in S&P's annual review of SHA's Credit rating and in periodic reviews of bond issue ratings.
 - ✓ Prepare quarterly reports to FPO and annually for the Board of Commissioners on the status of SHA Committed Funds, any proposed changes to Committed Funds for Board action (annually), and on the balance of SHA Operating Reserves and conformance to Board Policy on the months of such coverage.
 - ✓ Perform an annual and as needed reviews with the FPO of SHA leverage position related to debt ratios and with FPO to consider the impact of new debt proposals on SHA's leverage position.
 - ✓ Improve F&A's ability to forecast cash flow needs, the agency's undesignated unrestricted cash position, and the strategy for meeting HUD's cash management requirements.

COVID-19 Continuing / New Priorities

- Manage the Budgetary Impact of COVID
 - ✓ Work with Housing Operations to measure the success of hiring Triage Coordinators who assist formerly employed residents search and secure new jobs.
 - ✓ Continue to track the use of Coronavirus Aid, Relief, and Economic Security (CARES) funding made available to SHA in 2020 for Information Technology recovery and planned capital projects.
 - ✓ Monitor the potential availability of 2021 CARES type funding to SHA at the federal, state, and local level and strategize to capture additional resources.
 - ✓ Support the efforts of CLPHA, the MTW Collaborative, and NAHRO to succeed in efforts to secure additional funding of new HCV rental assistance vouchers by providing supportive data and materials from the local perspective.
 - ✓ Review and monitor the financial impact of the pandemic on residents and the agency due to job loss and the continuation of the rent eviction moratorium.
 - ✓ Continue working with departments on rent support plans for residents struggling to make rent payments due to COVID-19.
 - ✓ Through the Budget Office, assess with departments where there are areas of significant backlog of work activities and services as a result of COVID-19 impacts; identify which areas are the most critical; and formulate plans for addressing these.
- HUD Reporting for CARES and COVID
 - ✓ Implement Quarterly reporting for CARES on the yet to be developed portal.
 - ✓ Continue to track ongoing expenses incurred as a result of the pandemic.
 - ✓ Adopt new reporting rules for FDS to include details on CARES and COVID expenses.
 - ✓ Implement administration of new COVID Pay Emergency Leave Program which involve coordination with HR to develop procedures as well as setting up and testing new system codes to track CPEL.
- Establish simple procedures for department requests to the Budget Office for COVID-19 Contingency Funds when they experience unanticipated and unplanned COVID impacts where other funds are not available.

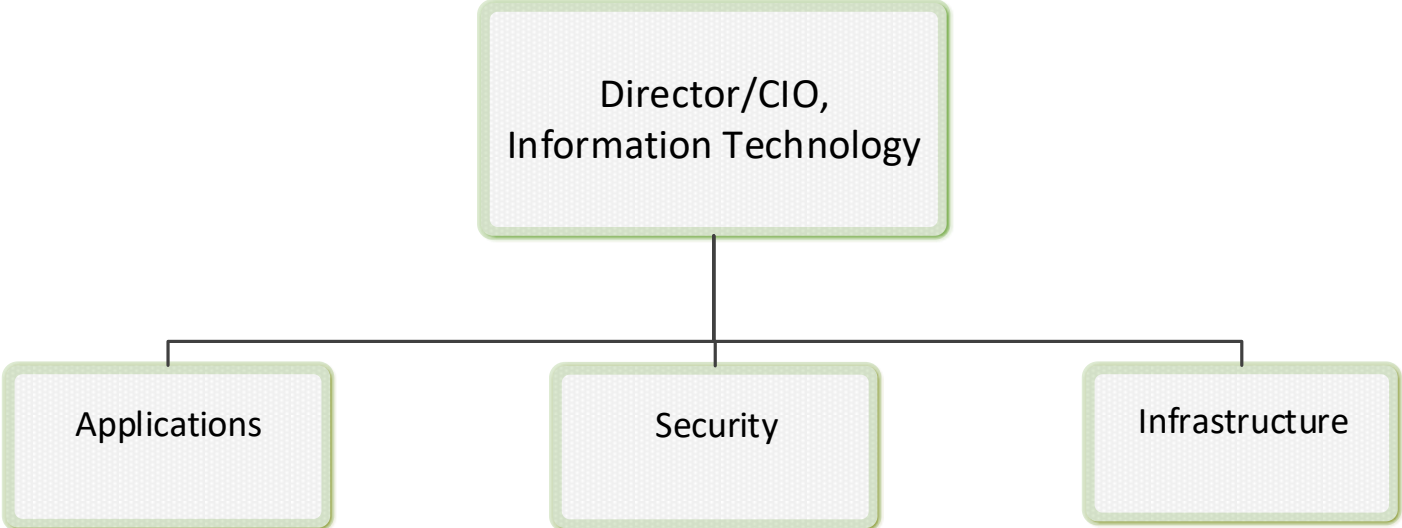
- Continue to source emergent needs for personal protective equipment, cleaning supplies and COVID response efforts.
- Support staff as we transition to a time when coronavirus restrictions are reduced or lifted, more staff return to work, and we still have many staff working remotely. Recognize the recovery transition is likely to be a staggered and may impose costs we haven't budgeted.
- Implement Phase II of the Information Technology Recovery Plan to modernize, enhance the security of and stabilize the remote work environment: purchase and rollout of laptops and peripherals to staff who will continue to telework full or part time; update SHA's virus software; work with HR to facilitate access for remote work training; and, undertake small projects to automate internal processes and improve the efficiency of working at home.

RSJI Focus Area(s)

- Staff will continue to participate in RSJI trainings and affinity groups recommended by or made available through the agency.
- Continue to encourage staff to address issues during regular staff meetings, attend discussion groups, attend learning sessions, and practice RSJ values in daily activities.
- Eliminate Barriers of Accessibility
 - ✓ Improve the 2022 budget survey by making it more accessible and equitable to residents such as collaborating with Communications to create a survey that is available in the multiple languages.
 - ✓ Make risk management claim forms available on the SHA external website and utilize a translation service for residents and external clients to view content and instructions in their principal language.
 - ✓ Work with Human Resources to incorporate RSJ concepts into Defensive Driving and New Employee Orientations. Translate how these concepts help promote safety for SHA employees and support SHA's commitment to inclusivity.
- Social Equity Programs
 - ✓ Analyze WMBE outreach response efforts in order to Increase WMBE participation in SHA solicitations.
 - ✓ Participate in National Association of Minority Contractors (NAMC) meetings to facilitate growth of the WMBE participation in SHA contracting.
 - ✓ Collaborate with SHA's JobLink program and SHA contractors to establish a robust list of Section 3 businesses and employees to hire, especially focused on Section 3 qualified residents and resident businesses.
 - ✓ Work with HR, Joblink, and Legal to design and recommend to Cabinet an agency-wide program to hire Section 3 qualified resident and voucher participants.
 - ✓ Continue building relationships with regional HUD, regional Department of Labor, and State Labor and Industries to coordinate labor compliance responsibilities and achieve greater efficiency among the processes and more expeditious resolution of labor standard violations and restitution to workers.

**INFORMATION TECHNOLOGY
DEPARTMENT**

INFORMATION TECHNOLOGY



INFORMATION TECHNOLOGY BUDGET

Information Technology Department Expenditures	2019 Actual	2020 Adopted	2021 Carry-On	2021 Adjusted	2020/2021 % Change
Admin Salaries & Temp Help	\$3,069,300	\$3,241,000	\$3,241,000	\$3,338,500	3.0 %
General & Admin. Expense	1,657,900	1,909,800	1,909,800	2,469,400	29.3 %
Tenant Services	-	-	-	-	
Maintenance & Contracts	290,500	366,100	366,100	366,100	0.0 %
Utilities	-	-	-	-	
TOTAL OPERATING	\$5,017,700	\$5,516,900	\$5,516,900	\$6,174,000	11.9 %
Salaries & Benefits in Grants, Capital, and Ltd Partnerships	-	-	-	-	-
TOTAL	\$5,017,700	\$5,516,900	\$5,516,900	\$6,174,000	11.9 %

Table 12: Information Technology Budget and FTEs

Full-time Equivalent Positions	2020 Approved	2021 Adjusted
Total FTEs	23.5	23.5 *

Budget Adjustment Notes

Information Technology's 2021 Adjusted Budget is proposed to be \$6.17 million for 2021, an increase of 11.9% from 2020. Agency-wide inflationary adjustments were applied to IT salaries and benefits. Software contract expenses were adjusted to include increased expenses for existing contracts and to add new contracts for 2021.

*The final IT budget is pending decisions on the addition of two fulltime position requested in the set-aside process. One position is to support staff usage of the OnBase document imaging software and one position is to manage the building security software system. The funding for the pending projects is included in the F&A Budget and final decisions are expected in late February.

SHA continues to invest in technological upgrades to improve process efficiency and promote cost savings, setting aside a portion of its MTW Block Grant each year to do so. IT Capital Projects in 2021 total \$570,000, an 18.5 percent increase from 2020, but a return to historic funding levels. These funds will be spent on infrastructure upgrades and the Elite to Yardi conversion project. The IT Department also expects to spend the first half of 2021 working on a number of IT projects related to SHA's COVID-19 Recovery Plan.

Department Purpose and Function

The IT division supports SHA's mission by providing efficient and creative technological solutions to business problems. The division supports the application and operating system software in use at SHA and the computers, telephones, and other ancillary equipment used by agency staff. IT runs scheduled computer jobs to produce pay advices, invoices, vendor checks, and other documents and also oversees records storage functions for the agency. The division consists of two operating groups, Infrastructure or Network Systems and Applications Development.

Agency staff rely on IT to perform their jobs effectively and efficiently; to meet legal and regulatory requirements; to provide a consistent, secure operating environment with uninterrupted access; to ensure SHA data is secure and individual privacy protected; to provide financial and property management records; and to communicate with the public, applicants for housing, residents, landlords, vendors, contractors, as well as each other. Automated systems reduce paper storage costs and reduce the need for manual data entry, asset tracking, and other administrative work.

Working with the guidance of the IT Steering Committee, which is composed of senior business department representatives, Information Technology is dedicated to ensuring stable, reliable, and secure infrastructure and software to support SHA's computing needs. IT will work to maintain, upgrade, and support existing software systems; consolidate in a cost-effective manner duplicative or redundant systems; address the highest priority needs of the agency for new software development or new applications; and provide training resources and expertise to support the computer literacy and competence of SHA staff.

Department Highlights and Significant Changes 2020-2021

- **COVID-19 Recovery Information Technology Plan** Phase I projects will be completed early 2021 and Phase II will run into the 3rd quarter of the year.
- **HCV Elite to Yardi will be a main priority** throughout the year and a key part of business recovery planning for greater electronic communications and business transactions between SHA and tenants and applicants, rather than in-person and paper transactions.
- Part of **modernizing remote technology** will require acquisition, installation of software, and eventual deployment for up to 300 business-quality laptops to support what SHA anticipates will be an ongoing computing environment with both in-office and remote work a continuing reality. Part of the software applications development in Phase I was to enable SHA's infrastructure to better support this dual work and computing environment.
- A significant goal in conjunction with Phase I and II is to modernize the **remote accessibility of the SHA network** utilizing new equipment and bypassing Citrix. Replacing core router and switches will begin in 2021.
- **Routeware** supporting SHA's Solid Waste services requires an upgrade in 2021 – a decision will be made to utilize the Cloud or continue to host the application in SHA's data center.
- **Other infrastructure upgrades** will include replacing SHA's current internet firewall, replacing some host hardware in the server architecture, and continuing work with Asset Management to implement the Genetec ACAM and Security system in SHA owned buildings. This will most likely be a multi-year project.
- IT is in the process of creating an **IT strategic plan**. This strategic plan will be comprehensive and may influence how the department operates and how the department approaches certain projects. The process will be complete by the end of 2021 and will have impact for IT's 2022 initiatives.

COVID-19 Continuing / New Priorities

IT will complete Phase I and Phase II of its year-long COVID-19 Recovery Plan in 2021. As reflected above, Phase I projects include remote work support, online rent payment capacity for clients, and system security projects. Phase II projects include laptop distribution to staff, remote work training, and automating internal processes now done by paper.

RSJI Focus Area(s)

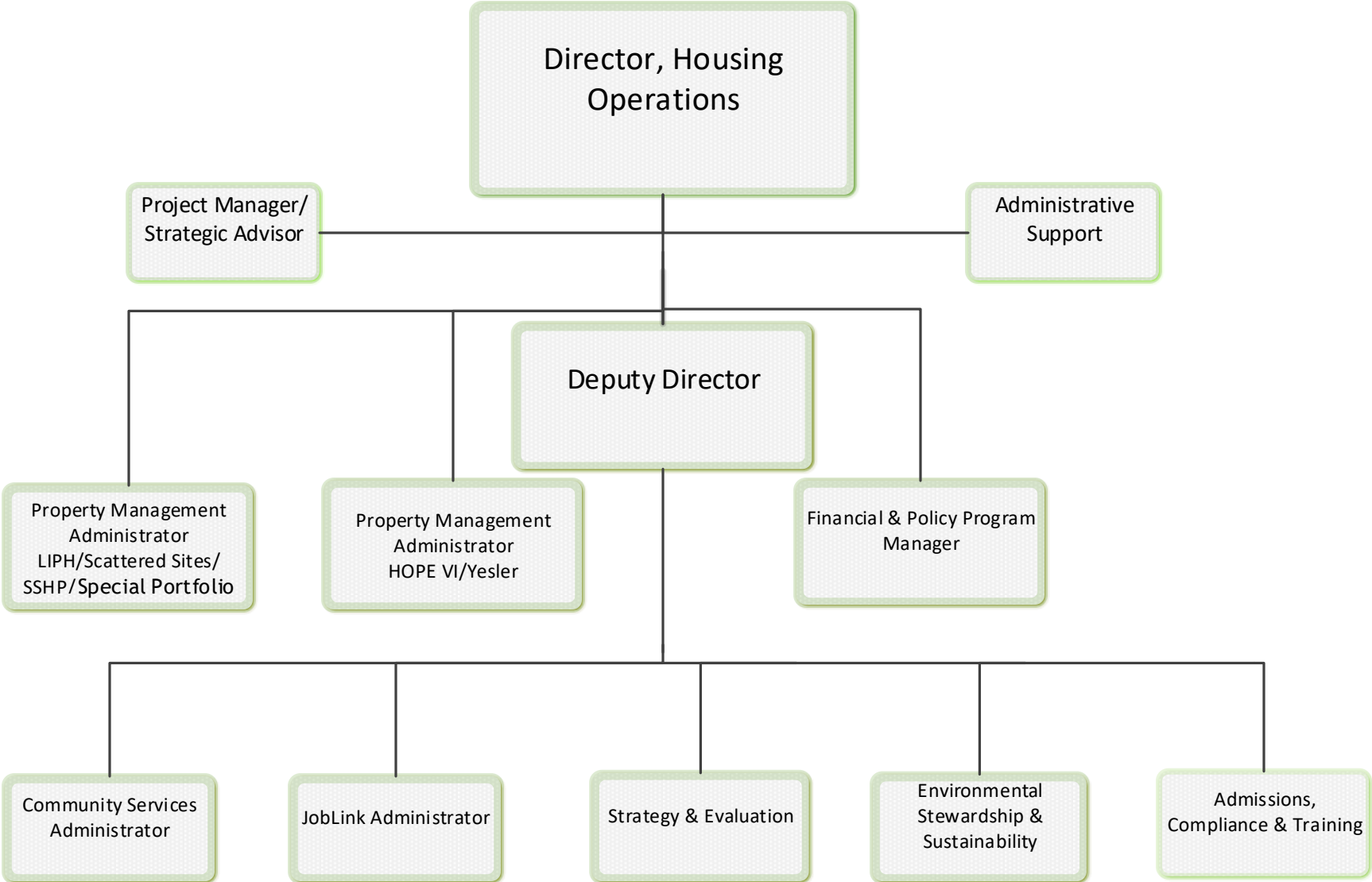
In 2019 and 2020, IT identified six areas where the department could improve its RSJ efforts. IT plans to create the following six teams to address these issues:

- Hiring Team: increase diversity in the hiring pool and results
- Hiring Research Team: analyze statistics of applicants, interviewees, and new hires
- Multicultural Team: create time and space for celebrations of the cultures of staff members
- Internship Team: create opportunities for more diverse interns on the IT team as a means of creating future IT opportunities for them
- Customer Access Team: improve customer service to residents and volunteer to assist residents with technical issues
- Metrics Team: analyze the usage of the community Wi-Fi program in SHA properties and find ways to improve usage if necessary

Many of these areas for improvement require significant on-site participation, which is not possible while staff are largely working from home. The department will continue its previous RSJ plans into 2021

HOUSING OPERATIONS DEPARTMENT

HOUSING OPERATIONS DEPARTMENT



HOUSING OPERATIONS BUDGET

Housing Operations Expenditures	2019 Actual	2020 Revised	2021 Carry-on	2021 Adjusted	2020/2021 % Change
Admin Salaries & Temp Help	\$16,470,500	\$18,521,800	\$18,586,500	\$20,135,800	8.7 %
General & Admin Expense	11,855,400	11,841,500	11,832,500	12,490,700	5.4 %
Tenant Services	2,955,800	3,681,600	3,681,600	4,562,600	23.9 %
Maintenance & Contracts	35,408,800	36,853,300	36,765,100	37,012,800	(0.1)%
Utilities	12,190,900	13,444,900	13,295,200	14,073,500	3.9 %
TOTAL OPERATING	\$78,881,400	\$84,343,100	\$84,160,900	\$88,275,300	4.3 %
Salaries & Benefits in Grants, Capital, and Ltd Partnerships	5,278,200	6,322,200	6,109,300	6,364,800	0.7 %
TOTAL	\$84,159,600	\$90,665,300	\$90,270,200	\$94,640,100	4.0 %

Table 13: Housing Operations Budget and FTEs

Full-time Equivalent Positions	2020 Approved	2021 Adjusted
Total FTEs	376.1	385.1

Budget Adjustment Notes

The 2021 Housing Operations (HOPs) Department Adjusted Budget of \$88.3 million for 2021 and it reflects an increase of 4.3 percent over the 2020 Revised Budget. The change results from the addition of set-aside funds in response to COVID-19 pandemic, increase in utility rates and other changes for inflation. These increases are offset by decreases in the budget at Yesler Terrace and Lam Bow Apartments due to the redevelopment efforts. Residents were relocated from both properties and the buildings were transferred to the Development department. Operating expenses for those units are excluded from the 2021 Adjusted Budget. SHA acquired Northgate Apartments in late 2020, too late to be included in the 2020 Adopted Budget. The Northgate Apartments property generates enough revenue to cover these expenses.

In 2021, Housing Operations received funding for the following Programmatic Set Asides:

COVID-19 Impact: Behavioral Health Needs

- Expand and extend contract with Sound Mental Health.
- Contract a hoarding disorder specialist.
- Provide mental health and trauma informed practice training for staff.
- Hire three additional case managers/social workers at high rises.
- Contract third party mediation support.
- Hire an additional pest control trainee to help with bedbug treatment support.

COVID-19 Impact: Employment Services

- Hire four additional staff in JobLink.

COVID-19: Security Services

- Provide additional funding for private security services.

COVID-19 Impact: Unsubsidized Tenant Rental Assistance

- Support properties' loss of rental income in unsubsidized units.

COVID-19 Impact: Subsidized Tenant Rental Assistance

- Support tenants struggling with rental payments in subsidized units.

Each of these programmatic set-asides are described in more detail in the division sections below.

Department Purpose and Function

Housing Operations manages and maintains a diverse portfolio of over 8,530 units comprised of approximately: 5,800 units of Low Income Public Housing, which includes 894 Seattle Senior Housing Program (SSHP) units; 135 SSHP tax credit and locally funded units; about 1,400 units (excludes 63 public housing units) in Special Portfolio locally acquired units; and approximately 740 HOPE VI tax credit units (excludes HOPE VI public housing tax credit units). The HOPE VI tax credit units are in the mixed income communities of NewHolly, Rainier Vista, High Point, and Lake City Court. In addition, the redeveloped Yesler Terrace site (including the Baldwin Apartments, Ritz Apartments, Kebero Court, Raven Terrace, Hoa Mai Gardens, and Red Cedar) has a total of 530 units. The new properties at Yesler started operation in 2014 and the remaining old Yesler units were transferred to Development for demolition and redevelopment in 2020.

The department is the core of SHA's housing operations, maintenance, and tenant services programs, and it plays a major role in the successful implementation of the agency's mission and strategic plan. Essential functions performed by Housing Operations include property management, maintenance and repair, and community services. These functions are carried out through the following groups: Housing Operations Central Administration and Admissions, Low Income Public Housing, Yesler Terrace, Seattle Senior Housing Program, Special Portfolio, Impact Property Services, Community Services, JobLink, and Impact Property Management.

The department continues to be committed to implementing a work plan that supports and enhances SHA's mission to provide decent, safe, and affordable housing to low-income households. Housing Operations staff executes the overall mission by operating, managing, and maintaining SHA's housing portfolio units throughout Seattle. As part of its continuing effort, the department will focus on initiatives to improve efficiency and workflow. The goals and values of the agency are represented in the hard work of each SHA employee, many of whom work in Housing Operations. The work plan highlights are provided in greater detail for each of the portfolios and department work groups in the sections that follow.

COVID-19 priorities and Race and Social Justice Initiative (RSJI) focus areas are the same or very similar for all of the Housing Operations housing programs (Low Income Public Housing, Seattle Senior Housing Program, Yesler Terrace, Special Portfolio, and HOPE VI). These priorities and focus areas for these housing programs are listed below.

COVID-19 Continuing / New Priorities

- Support the opening of the property management offices with protocols that allow for in-person interactions with residents for certifications and tenant conferences while maintaining COVID-19 safety protocols.
- Continue to look for improved ways to perform day to day work within the new world of teleworking for staff including improved ways to interact with residents virtually as SHA resumes conducting full tax credit and public housing certifications.
- Find sustainable resources to continue to support the resident wellness calls and property sanitation activities and maintain the help line until the property management offices are open.

- Provide and maintain Personal Protection Equipment (PPE) and sanitation supplies to support staff and resident safety.
- Expand COVID-19 recovery planning to address the extreme backlog of routine work orders and opening up to in-unit inspections with a safety and health focus.
- Find additional resources and partners to better help residents address their most pressing challenges, even for residents in “un-subsidized” units.
- Continue to find ways to provide security and safety to residents and building properties.
- Continue with leasing efforts.

RSJI Focus Area(s)

- Continue to encourage staff participation in the RSJI trainings and discussions.
- Develop ways to integrate an RSJ lens into all aspects of work for all employees.
- Evaluate the department’s tenant stability efforts through an RSJI lens such as security deposits and rent structures, as well as COVID-19 rent relief initiatives.
- Create opportunities for residents to participate in RSJI discussions.

Housing Operations Central Administration and Support

HOps Central Admin. & Support Expenditures	2019 Actual	2020 Revised	2021 Carry-On	2021 Adjusted	2020/2021 % Change
Housing Operations Central Admin. & Support	\$3,789,000	\$4,037,000	\$4,105,000	\$4,279,000	6.0 %
TOTAL OPERATING	\$3,789,000	\$4,037,000	\$4,105,000	\$4,279,000	6.0 %

Table 14: Housing Operations Central Admin Budget and FTEs

Full-time Equivalent Positions	2020 Approved	2021 Adjusted
Total FTEs	31.4	32.9

Budget Adjustment Notes

The combined Housing Operations Central Administration (HOps Central) and Support, 2021 Adjusted Budget is proposed to be \$4.28 million for 2021, an increase of 6.0 percent from 2020. The FTE count increased due to the group adding a 0.5 project-based FTE which will expire in 2022 and a reorganization of positions within Housing Operations. This added position supports the recovery planning efforts related to COVID-19, assists with the tax credit certification process mapping for Lean process improvement, and coordinates the writing of and updates to the documentation for Housing Operations policies and procedures. Agency-wide inflationary and union contract adjustments were applied to HOps Central, Admissions, and Environmental Support Services Inspections salaries and benefits. \$12,600 was added to Admissions’ budget for a new background check contract.

About Housing Operations Central Administration and Support

Central Administration supports the entire Housing Operations Department and working divisions. In late 2018, Central Admin restructured its support team into functional groups. In its old incarnation, the Housing Operations Support Team (HOST) was charged with oversight of such diverse functions as admissions and environmental stewardship centralized under one administrator. Now, there are four

new teams organized by functional categories: the Housing Programs team, the Environmental Stewardship and Sustainability (ESS) team, the Strategy and Evaluation team, and the Finance and Business Infrastructure team.

The Administrator for the Housing Programs and Occupancy team oversees Admissions, Compliance, Policy, Training, and the Occupancy Team. Groups under the leadership of the Administrator for the Environmental Stewardship and Sustainability team are Contract Management, Environmental Stewardship, Inspections, Solid Waste and Fleet, and maintenance and capital improvement support. The Strategy and Evaluation team focuses its efforts in the areas of program analysis and design, research and evaluation, process improvement, and strategic development and management. The Finance and Business Infrastructure team leads efforts in the areas of finance and budget, infrastructure project and program management, as well as data and performance improvement.

Department Highlights and Significant Changes 2020-2021

Finance and Data:

- Provide consistent and accurate budget and finance support to all Housing Operations departments.
- Develop dashboards and reports that help meet the needs of the operations teams through automation and ease of access.
- Pursue and provide process efficiency, improvement, and workflow automation through use of OnBase data base system.
- Provide central support services to the operations team including unplanned or unforeseen projects related to COVID-19.

Policy and Training:

- Continue with the many policies and procedures implemented at the beginning of the pandemic under HUD-approved waivers while maintaining compliance to funder's requirements with minimal changes.
- Work on standard operating procedures, including developing with leadership and legal an approval process for changes, from the implementation of Admissions and Continued Occupancy Policy (ACOP).
- Respond to emergent issues as needed and work through development of policy and procedure for same, which may include changes to funder regulations and/or new initiatives within SHA.
- Identify and close gaps in SSHP Rent Policies.
- Advance staff training including developing staff trainings for Yardi, developing and monitoring a delivery system for Onboarding and Housing 101 training, organizing and administering eLearning training course catalogs and training plans, and coordinating outside trainings and professional development opportunities.

Strategy and Evaluation:

- Support the implementation of the department's COVID-19 recovery plan which helps keep residents stably housed, improve residents' behavioral health, increase staff's skills to support struggling residents, and improve operational efficiencies across work streams.

Admissions:

- Manage the heightened interest level in SHA housing due to the economic impacts of COVID-19 and the backlog of applicants due to SHA pausing leasing in 2020.
- Prepare for the predicted large number of move outs in 2021.
- Evaluate existing processes and identifying areas that can be improved for increased efficiency, consistency, and effectiveness.
- Create a long-term strategy for division excellence that seeks to improve the experience and outcomes for applicants.

Compliance:

- Identify ways to use existing tools such as OnBase to streamline and simplify processes, including Web-Based Annual Reporting System (WBARS) reporting procedures.
- Continue to evaluate and monitor federal, state, and/or local regulatory changes and the COVID-19 context to determine their impact on SHA policies and procedures; revise policies and procedures as needed.
- Analyze compliance trends to help SHA address any issues of potential noncompliance before they become issues.
- Audit all pre-lease files, as well as all initial and first year certifications for properties reported in WBARS by the end of 2021.
- Audit submissions to WBARS to ensure compliance with funder requirements and household eligibility; work with site staff to review the requirements and timelines for year-end reporting, and proactively address issues throughout the year to enable smooth year-end reporting.
- Review training plans and materials for accuracy and compliance with applicable rules, regulations, policies, and procedures.

COVID-19 Continuing / New Priorities

Finance and Data:

- Continue to provide central coordination around COVID-19 related projects.
- Develop department-wide KPIs (Key Performance Indicators) and adjust goals as necessary for various workgroups due to changes in operations such as leasing, work order response, and rent collection due to COVID-19.
- Adjust OnBase goals as demand for paperless processes increase due to virtual work environment.

Policy and Training:

- Identify an alternative method of completing certifications without in-person meetings with families.
- Collaborate to update policies and create tools necessitated by COVID-19 waivers and process modifications.
- Modify leasing policies to incorporate COVID-19 safety protocols.

Strategy and Evaluation:

- Support the development, implementation, and evaluation of behavior health strategies, rent relief, and other housing stability efforts.
- Coordinate wellness calls and develop other strategies to support the department's communications with residents.
- Organize professional development and develop staff and resident tools that focus on trauma-informed practices.
- Provide coaching, training, and direct support to departments across the agency in creating a Lean culture.
- Support the fleet replacement project.
- Support right-sizing efforts, where households are efficiently matched to number of bedrooms.
- Launch a department newsletter for staff.

Admissions:

- Continue the new two-phone interview admissions process- one to assist the family in completing paperwork and submitted appropriate documentations and the second to educate the family about SHA's eligibility and suitability requirements and explain the steps of the applications process.
- Support the Yardi Rent Café (resident and applicant portals) implementation project.

Compliance:

- Continue monitoring Public Housing Information Center (PIC) & Enterprise Income Verification (EIV) systems monthly and the Web-Based Annual Reporting System (WBARS) system for errors and in preparation for annual reporting.
- Ensure reporting flexibilities are clearly documented in WBARS so that funder requirements are met.

RSJI Focus Area(s)

Finance and Data:

- Continue to actively engage in RSJ trainings and caucuses.
- Brainstorm how to translate participation and tangible work completed around RSJ activities and practices into data for transparency, understanding, and reporting.
- Analyze how to internally address the digital and technology equity issue.

Policy and Training:

- Evaluate policies, procedures, and practices continuously.
- Engage in process mapping and process improvement.
- Use RSJI as a driver of work and progress evaluation.
- Create data dashboards to help identify disparate impacts and monitor steps taken to address them.
- Support staff engagement in RSJI trainings and caucuses.
- Incorporate RSJ work into existing structures and meetings.

Strategy and Evaluation:

- Examine how policies and practices around security deposits and lease enforcement affect different groups.
- Lead efforts to improve how HOps collects household language data.
- Examine and revise property management practices to include a trauma-informed lens.
- Collaborate with Human Resources on unconscious bias training.

Admissions:

- Review and evaluate current reinstatement policies and procedures.
- Evaluate barriers to entry and administrative efficiencies.
- Develop dashboards that allow the division to identify possible disparate impacts and monitor improvements.
- Encourage team members to attend RSJI training.
- Incorporate RSJ work into existing structures and meetings.

Compliance:

- Ensure each staff member has completed SHA foundational RSJI training.
- Encourage staff to participate in additional training and learning opportunities.
- Use RSJI as a driver of work and progress evaluation.
- Incorporate RSJ work into existing structures and meetings.
- Develop dashboards to help the team identify process inequities and unintended disparate impacts.

Low Income Public Housing

LIPH High-rises, Scattered Sites, homeWorks and LIPH Admin Expenditures	2019 Actual	2020 Adopted	2021 Carry-On	2021 Adjusted	2020/2021 % Change
LIPH High-rises, Scattered Sites, homeWorks, and LIPH Admin	\$25,891,600	\$28,550,100	\$28,468,200	\$28,969,900	1.5 %
TOTAL OPERATING	\$25,891,600	\$28,550,100	\$28,468,200	\$28,969,900	1.5 %

Table 15: Low Income Public Housing Budget and FTEs

Full-time Equivalent Positions	2020 Approved	2021 Adjusted
Total FTEs	56.1	56.1

Budget Adjustment Notes

For 2021, the Low Income Public Housing (LIPH) group proposes a total Adjusted Budget of \$28.97 million, for an increase of 1.5 percent from 2020. The group’s FTE count remains at 56.1 due to the transfer of 1.0 FTE Assistant Property Manager from LIPH to the Special Portfolio group, and the transfer of 1.0 FTE from IPM to LIPH. Agency-wide inflationary and union contract adjustments were applied to LIPH’s administrative salaries and benefits for 2021. Agency-wide inflationary and union contract adjustments were also applied to maintenance salaries and benefits which increased LIPH’s IPS budget items. LIPH’s utility budgets were estimated using a combination of January-August 2020 actuals,

September-December 2019 actuals, 2021 utility rates, and 2016-2019 actuals to ensure utility budgets were in line with current rates and historical trends for each property. LIPH's 2021 Adjusted Budget also includes \$152,000 for three temporary assistant property managers who will work in LIPH properties for six months due to a shortage of staff with the ability to safely work on-site at these properties during the COVID-19 pandemic. A programmatic set-aside of \$49,000 in private security services was added to the LIPH portfolio as part of the Community Police Team contract budget reduction and reallocation.

About LIPH

The LIPH program consists of approximately 5,900 units of low-income housing owned, maintained, or managed by SHA. The homeWorks tax credit partnerships, with 1,977 units, are included here as part of the LIPH program. The program is also managed and served by other portfolios including approximately 950 LIPH units in the HOPE VI communities; 63 LIPH units at Special Portfolio; 894 units in the Seattle Senior Housing Program (SSHP) brought into the Low Income Public Housing Program in 2011; and 160 units in Yesler Terrace (currently undergoing redevelopment). The budgets for these units are accounted for in the Limited Partnerships, NewHolly, Special Portfolio, Seattle Senior Housing Program, and Yesler Terrace sections. Low Income Public Housing serves low-income residents, with most residents at or below 30 percent of Area Median Income.

Department Highlights and Significant Changes 2020-2021

In both the Scattered Sites and the high-rise programs, the focus in 2021 will be on tenant stability. As the pandemic continued through the 2020 calendar year, so have the issues for LIPH tenants. These issues have included limited property and case management staff available on site, large proportions of households being behind on rent, security issues, behavior health issues, homeless-nuisance issues, unit condition issues, and the need for increased onsite support services.

LIPH's priorities in 2021 will be to:

- Provide safety and stability to communities in the absence of the Community Police Team contract.
- Continue performing high touch area cleaning at the properties.
- Continue to increase property and case management's on-site presence in the properties.
- Search for answers to security issues, from both a staffing and an infrastructure perspective.
- Lease-up the large backlog of vacant units.
- Support flu shots and COVID-19 testing.
- Restart resident recertification work process.

LIPH will also be involved in communicating with and relocating residents due to the Jefferson Terrace rehabilitation, the Lam Bow Apartments construction project, and the restarting of HUD's Real Estate Assessment Center (REAC) inspections in 2021.

2020 was a challenging year for property management staff. Priorities shifted to high touch area cleaning, making calls to check on residents, and minimal site inspection work. Before COVID-19, the LIPH Division was implementing plans to increase building presence and become better at serving residents at the properties and the pandemic exposed how much more can and should be done for residents in the future with increased training and support.

Seattle Senior Housing Program

Seattle Senior Housing, includes Ravenna and Leschi Tax Credits	2019 Actual	2020 Adopted	2021 Carry-On	2021 Adjusted	2020/2021 % Change
TOTAL OPERATING	\$6,302,000	\$6,527,700	\$6,527,700	\$6,724,800	3.0 %

Table 16: Seattle Senior Housing Program Budget and FTEs

Full-time Equivalent Positions	2020 Approved	2021 Adjusted
Total FTEs	20.5	20.9

Budget Adjustment Notes

For 2021, the Seattle Senior Housing Portfolio (SSHP) group proposes a total Adjusted Budget of \$6.72 million, for an increase of 3.0 percent from 2020. Agency-wide inflationary and union contract adjustments were applied to SSHP's administrative salaries and benefits. Agency-wide inflationary and union contract adjustments were also applied to maintenance salaries and benefits which increased SSHP's IPS budget items. SSHP's utility budgets were estimated using a combination of January-August 2020 actuals, September-December 2019 actuals, 2021 utility rates, and 2016-2019 actuals to ensure utility budgets were in line with current rates and historical trends for each property. SSHP's 2021 Adjusted Budget also includes \$191,000 for five temporary property assistants who will work in SSHP properties for six months providing extra cleaning services during the COVID-19 pandemic.

About SSHP

The SSHP community, along with the Leschi House LLLP, consists of 1,029 units serving elderly and disabled persons. The units were acquired and developed using funding from a 1981 Seattle Senior Housing bond issue. The program serves households with a maximum income of 80 percent of Area Median Income (AMI) with the head of household or spouse at least 62 years old or disabled. Residents pay affordable rent depending on their income. In 2011, 894 SSHP units were brought into the LIPH program to increase resources for capital rehabilitation and repairs. A portion of subsidy is used for SSHP operations, while the major share is dedicated to SSHP's Ten Year Rehabilitation Plan. These units, along with Ravenna School Apartments and South Park Manor, are managed by the LIPH property management team. Leschi House LLLP converted to a limited partnership in 2012 and is managed by the Yesler management team in Impact Property Management (IPM).

Department Highlights and Significant Changes 2020-2021

COVID-19 impacts in 2020 to the residents of SSHP and the SSHP portfolio are similar to other portfolios, but fewer residents are struggling with paying their rent and there appear to be fewer cases of behavioral health issues.

High touch area cleaning, frequent reminders of CDC recommended practices, frequent phone calls to check on residents, flu shot clinics, and COVID-19 testing were priorities in the second half of 2020 that continue as priorities into 2021, as there were a handful of COVID-19 cases and deaths at SSHP, and as the majority of SSHP residents are considered high-risk for the virus SHA will monitor vaccination efforts and be ready to help in that effort.

Security issues are often the largest concern of SSHP residents, and this has not changed during the COVID-19 pandemic. Most of the SSHP buildings reported security issues related to the homeless

problem in Seattle. With the end of SHA’s Community Police Team contract, a major focus will be on the stability and safety of SHA communities through behavioral help support. Increasing staff on-site presence in 2021 will help with community safety and with high-touch area cleaning.

SHA expects REAC inspections to start again in late 2021. The focus will be on sites having scored 60 or less, as they are likely to be inspected first. A solid plan was in place before the start of the pandemic, but SHA will likely be playing catch-up as not much in-unit work was completed in 2020.

Wellness calls to SSHP residents took place in 2020 and will continue into 2021.

Yesler Terrace

Yesler Terrace, Baldwin, Ritz and EOC Expenditures	2019 Actual	2020 Adopted	2021 Carry-On	2021 Adjusted	2020/2021 % Change
Yesler Terrace	\$1,041,900	\$514,900	\$332,200	\$215,500	(58.1)%
Baldwin Apartments	88,300	109,800	109,800	119,800	9.1 %
Ritz Apartments	107,500	134,200	134,200	156,400	16.5 %
Epstein Opportunity Center	77,400	71,300	71,300	71,400	0.1 %
TOTAL OPERATING	\$1,315,100	\$830,200	\$647,500	\$563,100	(32.2)%

Table 17: Yesler Terrace Budget and FTEs

Full-time Equivalent Positions	2020 Approved	2021 Adjusted
Total FTEs	19.5	17.6

The 2021 Adjusted Budget at Yesler Terrace (old Yesler, Baldwin, Ritz, and the EOC) is 32.2 percent below the 2020 Adopted Budget. The decrease is mainly due to the relocation of residents from old Yesler Terrace. The units are transferred to Development for demolition and redevelopment. The operating budgets for Kebero Court, Raven Terrace, Hoa Mai Gardens, and Red Cedar are included in the Capital Improvement, Grants, and Limited Partnership sections of the budget book and are not reflected in the table above. Hinoki partnership is expected to start operation early 2022 and leasing activity is expected to start in the fourth quarter of 2021. Staff will transition to Hinoki and Yesler campus projects to operate with 1.9 fewer FTE due to the removal of old Yesler Terrace units from operations and reassignment of staff time to Leschi House budget which is included in SSHP. Yesler will continue reviewing staffing needs as the new properties under construction are completed and start operation.

About Yesler Terrace

Originally, Yesler Terrace consisted of 561 Low Income Public Housing (LIPH) units built from 1941 to 1943 serving a diverse community in the neighborhood. Yesler Terrace is the city’s first publicly subsidized housing development. Many of the residents are families with children, seniors, and people with disabilities. Most of the households are at or below 30 percent of area median income. SHA began redeveloping Yesler Terrace and replacing aging housing with new units. The project is multi-year and has a vision to transform Yesler Terrace into a vibrant new community within a diverse, connected, safe, and sustainable neighborhood. The first relocation started in 2012 with relocation of the YWCA program.

The Baldwin Apartments and the Epstein Opportunity Center (EOC) both began operations in 2014. The Baldwin Apartments has 15 replacement housing units. The EOC provides space for Head Start, Youth Tutoring, and Community Services.

Kebero Court, Raven Terrace, Hoa Mai Gardens, and Red Cedar, the first four new residential properties, are complete and are operational. These projects are limited partnerships; as such, their budgets are not reflected in the table above. The construction of replacement and tax credit units at Hinoki is expected to be completed by 2022.

Department Highlights and Significant Changes 2020-2021

With the anticipation of the eviction moratorium being lifted in 2021, continued distance learning for our families, and slow economic recovery, a major focus will be on tenant stability efforts amidst the high aged receivables and continued stresses on the families due to the pandemic.

Activities will continue to ramp up for Yesler's staff through 2021 as the date for Hinoki coming online draws near. Staff will also be preparing for the lease up of Hinoki in mid-2022.

With the end of SHA's CPT contract, a major focus will be on the stability and safety of our communities and providing additional support to the field staff with increased mental health initiatives, staff training and security services.

Focus on assessing the pilot for the Hope VI/Choice site-based maintenance with a Maintenance Manager and needed adjustments.

Special Portfolio Housing Program

Special Portfolio	2019 Actual	2020 Revised	2021 Carry-On	2021 Adjusted	2020/2021 % Change
Operating Expenditures -- (SHA-Managed)	\$2,232,300	\$2,258,800	\$2,166,100	\$2,121,000	(6.1)%
Operating Expenditures -- (Outside-Managed)	1,984,400	2,190,800	2,297,400	2,403,000	9.7 %
Operating Expenditures -- New Acquisitions (Outside-Managed)	953,600	1,812,600	1,812,600	1,890,400	4.3 %
Operating Expenditures -- Northgate Apts (Outside-Managed)	40,100	677,800	677,800	1,176,000	73.5 %
TOTAL OPERATING	\$5,210,400	\$6,940,000	\$6,953,900	\$7,590,400	9.4 %

Table 18: Special Portfolio Budget and FTEs

Full-time Equivalent Positions	2020 Approved	2021 Adjusted
Total FTEs	11.4	13.4

Special Portfolio (SP) proposes an Adjusted Budget of \$7.59 million for 2021, an increase of 9.4 percent over the 2020 Revised Budget. This includes a 2.0 increase in FTE, from 11.4 in 2020 to 13.4 in 2021, for an assistant property manager for the SHA-managed group of properties and a property manager to assist with the outside-managed properties. The SP salary budget was further adjusted by applying agency-wide inflationary and union contract adjustments to SP's administrative salaries and benefits. The Bayview Tower salary budget was reduced by removing the 0.5 FTE Assistant Property Manager from the budget and removing salaries already included in Special Portfolio Outside-Managed overhead budget.

Agency-wide inflationary and union contract adjustments were also applied to maintenance salaries and benefits which increased SP's IPS budget. SP's utility budgets were adjusted using a combination of January-August 2020 actuals, September-December 2019 actuals, 2021 utility rates, and 2016-2019 actuals to ensure utility budgets were in line with current rates and historical trends for each property. Several budget omissions and placeholders were corrected.

Expense reductions are seen for the SHA-managed group of properties as all residents were moved out of Lam Bow Apartments and the building was fully demolished for redevelopment in 2020. Northgate Apartments was purchased by SHA and added to this portfolio in December 2019, and multiple adjustments have been made to that property's budget as SHA learns more about how the property functions and which expenses were omitted from the initial budget.

About Special Portfolio

In 2017, the Special Portfolio Program was divided into SHA-managed and outside-managed groups in an effort to improve management oversight of outside-managed properties and operational efficiency overall.

The SHA-managed group operates within the SHA Property Management team under the supervision of the Administrator of the LIPH portfolio. In 2021, it will carry 539 units which includes 100 units at Bayview Tower and excludes all Lam Bow Apartments units as the remaining building have been demolished for redevelopment. The mix of units within this group includes Local Housing Program facilities, Section 8 project-based buildings, and limited partnerships at Alder Crest and South Shore Court as well as the West Seattle Affordable Housing LLLP. The limited partnership budgets in this portfolio are included in the final section of the Budget Book and not in the table above.

In late 2018, oversight of the outside-managed group was transferred to the LIPH Administrator with day-to-day operations managed by a Senior Property Manager, like the LIPH staffing structure. The four newly acquired properties added 542 units to this group, bringing the total unit count to 927. The portfolio serves households with various income levels, and income limits vary by property. Depending on the property, limits can be 30, 50, 80, or 100 percent of Area Median Income (AMI). Most of these units were acquired using debt financing and therefore must generate sufficient income to cover debt payments in addition to meeting all other operating and capital expenses.

Department Highlights and Significant Changes 2020-2021

The outside-managed properties and their residents have experienced many of the same COVID-19 difficulties as the other portfolios. The portfolio's senior property manager remained in contact with the two property management teams throughout 2020 and outside property management staff check each property every week and provide feedback to the outside management companies. The senior property manager stays knowledgeable on SHA policies, procedures, and practices. She also closely monitors our COVID-19 efforts and compares them to the outside management companies' policies. She has also reviewed each companies' COVID-19 procedures to help maintain consistency with SHA as much as possible.

Opt-out opportunities to convert out of the Multifamily Program started in 2020 and will continue in 2021. HUD-required notice letters were mailed to the residents of Bayview Tower, Golden Sunset Apartments, and Market Terrace in late 2020 and these properties will hopefully complete this process in late 2021.

Bayview Tower continues to have many of the same behavior health and security issues as comparable high rises in downtown. SHA is evaluating security upgrades and including Bayview Tower in discussions about additional resident services.

One of the two outside property management companies struggled to meet expectations for most of the past 18 months. They appear to be on the path to improving but will be closely monitored in 2021.

Work started on development of the newly acquired Northgate View property.

Impact Property Management – HOPE VI Communities and Parks

Impact Property Management – HOPE VI Administration, NewHolly and Others Expenditures	2019 Actual	2020 Adopted	2021 Carry-On	2021 Adjusted	2020/2021 % Change
Impact Property Management	\$1,206,700	\$906,900	\$906,900	996,700	9.7 %
NewHolly Phase II & III (Othello & Desdemona)	2,465,000	2,413,200	2,413,200	2,438,600	1.1 %
Rainier Vista Phase I (Escallonia)	1,414,000	1,430,400	1,430,400	1,489,300	4.1 %
High Point North	3,485,400	2,978,200	2,978,200	3,110,500	4.4 %
Parks	372,800	397,600	397,600	405,200	1.9 %
Campus of Learners	664,800	655,000	655,000	657,000	0.3 %
TOTAL OPERATING	\$9,608,700	\$8,781,100	\$8,781,100	9,097,300	3.6 %

Table 19: Impact Property Management Budget and FTEs

Full-time Equivalent Positions	2020 Approved	2021 Adjusted
Total FTEs	55.5	56.5

The summary above accounts for budgets for Impact Property Management (IPM) administration for the HOPE VI sites, including the Campus of Learners at NewHolly, Parks maintenance for HOPE VI communities, and tax credit properties owned by SHA. Total operating expenses in 2021 will increase by 3.6 percent, primarily because of inflation. IPM included an additional programmatic set-aside budget of \$24K for private security services that will be used as needed by HOPE VI Yesler communities to help offset the cancellation of the Community Police Team contract. The increase in FTEs in the 2021 Adjusted Budget includes 1.0 FTE at New Holly Phase I, which was planned to support unit upgrades. This position has been funded from the property's reserve. In 2021, IPM transferred 1.0 FTE to LIPH as the position supports Jefferson Terrace's redevelopment. The position transferred to LIPH will be funded from the redevelopment budget, and it will not impact the Adjusted Budget. In addition, this FTE transfer is offset by the correction of FTE count error in 2020.

About Impact Property Management

Impact Property Management (IPM) oversees the management of HOPE VI housing units owned by five limited partnerships, for which SHA serves as the General Partner and Managing Agent—NewHolly Phase I, Rainier Vista NE, Tamarack, Lake City Village, and High Point South. IPM also manages four former tax credit partnership properties owned and operated by SHA. In 2021, IPM-HOPE VI will manage about 1,700 public housing, project based and tax credit units in these communities. IPM also oversees the management of approximately 530 Yesler Terrace campus housing units, including Yesler Terrace public housing, Ritz Apartments, and Baldwin Apartments. Also included in the 500 units are five tax

credit limited partnerships, Leschi House, Kebero Court, Raven Terrace, Hoa Mai Gardens, and Red Cedar, for which SHA serves as the General Partner and Managing Agent.

IPM also administers operation of the parks and common amenities in these communities. In addition, the NewHolly Campus of Learners is also managed by IPM. Budgets for the Limited Partnerships are included in the final section of the Budget Book, and Yesler’s budget appears in its own section.

Department Highlights and Significant Changes 2020-2021

HOPE VI will focus on tenant stability efforts to address continued stresses on the families due to the pandemic. With the end of SHA’s Community Police Team contract, a major focus will be on the stability and safety of the communities, and provide additional support to the field staff with increased mental health initiatives, staff training and private security services. The properties will focus on assessing the pilot for the Hope VI/Choice site-based maintenance with a Maintenance Manager and needed adjustments.

Impact Property Services

Impact Property Services Expenditures	2019 Actual	2020 Adopted	2021 Carry-On	2021 Adjusted	2020/2021 % Change
Impact Property Services Operations	\$16,222,200	\$16,351,600	\$16,351,600	\$16,936,000	3.6 %
Solid Waste & Fleet	3,993,400	4,141,200	4,141,200	4,335,500	4.7 %
Housing Operations Facilities	325,800	356,000	356,000	352,700	(0.9)%
TOTAL OPERATING	\$20,541,400	\$20,848,800	\$20,848,800	\$21,624,216	3.7 %

Table 20: Impact Property Services Budget and FTEs

	2020 Approved	2021 Adjusted
Full-time Equivalent Positions		
IPS Operating Budget FTEs	115.5	116.5
Solid Waste & Fleet Operating FTEs	17.6	17.6
IPS Capital Budget FTEs	12.7	12.7
Total FTEs	145.8	146.8

Salaries and benefits for IPS’ staff were adjusted per the agency-wide labor expense adjustment. IPS’ maintenance and utility expense budgets were adjusted per the agency-side maintenance and utility adjustment methods.

In 2021, IPS received funding for the following Programmatic Set Asides:

- Pest Control Trainee (\$70,000): IPS is hiring a pest control specialist to help provide additional support for residents facing bed bug outbreaks.

About Impact Property Services

Impact Property Services (IPS) advances the agency’s mission by promoting quality communities and improving residents’ quality of life at SHA properties and is a subset of Housing Operations; it is an internal service and enterprise fund specializing in maintenance, repair, and renovation services for SHA and other relevant entities in the affordable housing industry. Services include janitorial, landscaping, pest control, repairs and maintenance, and hazmat operations. IPS emphasizes efficiency, quality, reliability, convenience, customer service, intra-organizational networking, and one-stop shopping with

simplified procurement administration. IPS provides SHA's properties with in-house knowledge, unique skills, coordination, availability, stable service support, and accountability.

IPS has managed its maintenance facilities since 2014: MLK Maintenance site, South Operations Facility, and Operations Support Center.

Department Highlights and Significant Changes 2020-2021

In 2021, IPS will adjust the normal operations and programs to suit pandemic guidelines and ensure a safe environment for staff and residents. Due to COVID-19, there have been restrictions in accessing units unless there is a health or safety issue. Since normal operations are limited, our focus will be emergency/urgent work orders with an emphasis on daily sanitization of all LIPH and SSHP buildings.

With the added sanitization duties IPS has seen higher than expected expenses in Personal Protection Equipment (PPE), sanitization equipment, and labor hours. Following State guidelines and information from the CDC, IPS has been ordering and warehousing PPE and sanitization equipment, while developing efficient sanitization strategies.

While the pandemic created stress and added workload, IPS added flexible work hours and staggered shifts to accommodate staff with child-care and other needs that affect staff well-being.

IPS will continue to carry out its preventative maintenance programs as restrictions allow. IPS will also continue to work with Construction Operations in joint efforts on Capital projects and assisting where needed.

COVID-19 Continuing / New Priorities

IPS will continue to maintain Urgent and Emergency call outs and daily building sanitation while having procedures in place to address any changes as information becomes available. IPS will address the growing backlog of work orders once entry restrictions are lifted and normal work is resumed.

IPS will continue and expand the Specialized Maintenance and Repair Training (SMART) training program in 2021. Due to COVID-19 and social distancing guidelines, we are transitioning as much training as possible to be held in a virtual environment. Video calls and a video library will allow staff access to information that will increase self-sufficiency, improve time, and reduce call backs. The video library will allow for quick and easy updates on products/techniques for our staff. The SMART training program will now include training in how to work around COVID-19 and the precautions necessary to ensure a safe environment. The SMART program will allow IPS to analyze areas of improvement and efficiencies in our staff.

IPS will also grow and improve its Green Initiative. This includes improving the plumbing systems for less water waste, adding energy efficient lighting, green cleaning products and improving heating and ventilation systems. Some of these projects are included in collaboration with Construction Operations and Asset Management.

RSJI Focus Area(s)

IPS encourages and supports all staff wanting to participate in SHA's ongoing goal of advancing equity and eliminating institutional racism. IPS will continue to operate under an RSJI lens as normal operations and hiring practices. IPS has trade supervisors and multiple frontline staff involved in RSJI committees and staff involved with the Mentor and Mentee Pilot program designed to help the agency promote equity from within.

Community Services Division

Community Services Division Expenditures	2019 Actual	2020 Adopted	2021 Carry-On	2021 Adjusted	2020/2021 % Change
TOTAL OPERATING	\$4,287,200	\$5,527,600	\$5,527,600	\$6,558,800	18.7 %

Table 21: Community Services Budget and FTEs

Full-time Equivalent Positions	2020 Approved	2021 Adjusted
Total FTEs	16.0	17.0

Budget Adjustment Notes

Salaries and benefits for Community Services Division's (CSD) staff were adjusted per the agency-wide labor expense adjustment.

In 2021, CSD received funding for the following Programmatic Set Asides:

- Sound Mental Health contract extension and expansion (\$600,000): this funding will extend the Sound Mental Health contract through 2022 and provide an additional team of health care professionals to increase our capacity to serve SHA residents in need of additional mental health care services
- Hoarding Disorder Specialist (\$150,000): CSD will contract a hoarding disorder specialist through 2022 to provide support for over 400 SHA residents requiring additional help with this disorder as well as train SHA staff in best practices
- Additional sensitivity trainings for Housing Operations staff (\$30,000): Housing Operations will continue its work to provide staff with training in mental health, trauma-informed practice, and RSJI content such as unconscious bias
- Expansion of On Site Case Management and Social Work Services (\$300,000): CSD will contract three additional case managers or social workers to strengthen SHA's presence at high rises; these staff will help de-escalate conflicts and support residents in following a case management or other treatment plan
- Third Party Mediation Support (\$150,000): CSD will contract with a third party to provide mediation support for tenant-landlord conflicts and lease violations.

About Community Services

Housing Operations' Community Services Division oversees social services planning and coordination as well as community building for the housing authority. CSD is active in community building and support to youth and families with students to be academically successful. The division contracts out approximately \$4.63 million annually for social services from non-profits and government agencies. CSD also plays a key role in developing and maintaining external partnerships in terms of social services and plays a key role in raising funds through private and public grants.

Department Highlights and Significant Changes 2020-2021

CSD has significantly shifted their department work plan to meet residents' new needs during the COVID-19 Pandemic and to complete CSD work safely. CSD will be working on solidifying plans on how to best continue to provide security to our buildings without SPD officers. Onsite security can help prevent acute behavioral health crises from spiraling out of control and can also provide a stabilizing

presence that makes residents feel safer and help reinforce expectations to residents to be good neighbors and community members.

The following list highlights several of CSD's additional ongoing activities:

- Support the duly elected public housing councils as well as community members who want to hold community events to bring people together around common interests and community celebrations.
- Support the resident councils on utilizing the Resident Participant Funding for investments in training for residents (e.g. emergency preparedness), internet access for council offices, interpretation/translations, and other areas.
- Oversee the distribution of funds under the SSHP Community Building fund which supports SSHP residents in community activities like holiday events, gardening clubs, and resident council sponsored initiatives, and in purchasing items for their community rooms like games, televisions, and computer equipment.

COVID-19 Continuing / New Priorities

- Explore and implement services to address the physical, behavioral, and mental health needs of residents. Special emphasis will be on residents in Low Income Public Housing (LIPH) buildings. Prioritize efforts to address impacts of health pandemic on stress, anxiety, and social isolation. Behavioral health services are being increased to connect more residents to on-going services such as mental health counselors, substance use treatment and group counseling. Increased services will be coupled with convening providers, property management and community builders to improve alignment agencies and internal divisions.
- Implement programming, partnerships, and case management to maintain youth engagement in mixed income communities and support high school graduation. Contracted service providers are adapting to the COVID-19 environment by providing services via online platforms. Their services are now provided across housing communities. Youth living in family communities across the city are being served by program providers according to need and without regard to housing location. Connect youth to education services such as preschool, kindergarten readiness programming, individual tutoring, career and college exploration, mentorship, and academic coaching.
- Grow and support virtual community building efforts throughout LIPH, SSHP, HOPE VI and Yesler. Deliver technical support and seek low-cost computing hardware to enable residents to use video call platforms.
- Continue COVID response efforts to address food insecurity, infant diaper insecurity, and household needs for sanitation and personal hygiene. Residents in every portfolio are being served by COVID response actions. Priority services are provided to residents who indicate a loss of income or who are showing late or no rent payment.
- Provide on-site COVID testing, flu shots and the COVID vaccination with community health clinic partners and public health. Continue following the guidance of Seattle- King County Public Health to provide seasonal vaccines, distribute preventative personal protective equipment (masks), and normalize social distancing.

RSJI Focus Area(s)

CSD will continually use RSJI as a driver of its work and how to evaluate its progress. Community Services will also work to set-up more and continue spaces for RSJ work within our existing structures and meetings.

JobLink

JobLink Expenditures	2019 Actual	2020 Adopted	2021 Carry-On	2021 Adjusted	2020/2021 % Change
TOTAL OPERATING	\$1,936,800	\$2,300,900	\$2,300,900	\$2,867,216	24.6 %

Table 22: JobLink Budget and FTEs

Full-time Equivalent Positions	2020 Approved	2021 Adjusted
Total FTEs	19.9	23.9

Salaries and benefits for JobLink’s staff were adjusted per the agency-wide labor expense adjustment.

In 2021, JobLink received funding for the following Programmatic Set Asides:

- Additional Career Coach (\$130,000): JobLink will hire an additional Career Coach to increase caseload capacity and reduce the wait list for JobLink’s employment services.
- Two Employment Triage Coordinators (\$250,000): JobLink will hire two new Employment Triage Coordinators to provide capacity to serve two hundred more clients; the positions will focus on serving those who have lost their job or have experienced reduced work hours due to the COVID-19 pandemic.
- Stabilization Coordinator (\$130,000): JobLink will hire a Stabilization Coordinator to provide added support for high needs clients and develop plans to better serve those clients.

About JobLink

JobLink helps residents connect to education and employment so they can increase their economic security, skills, income, assets, and financial well-being. JobLink matches SHA residents to employment, education, and resources that build pathways to full-time or part-time employment. JobLink delivers on SHA’s Strategic Direction Improve Quality of Life and the agency’s Key Objective: Economically Empower People.

JobLink’s aim is to help residents prepare and compete for 70 percent of jobs in Washington State that require some education beyond high school. JobLink is particularly focused on high-demand industry sectors including health care; professional services/administration; manufacturing and production; transportation, trade, and logistics; property management and building maintenance; information technology; and retail, hospitality, food service.

Residents most likely to benefit from JobLink services are the 8,300 Working Age, Non-Disabled (WAND) individuals in public housing or housing choice voucher holders. Almost half of WAND residents are working full or part-time. JobLink services are tailored to the needs of these residents, as well as those not currently working.

Department Highlights and Significant Changes 2020-2021

JobLink spent the first few months of the pandemic reassessing procedures and finding ways to continue supporting 700+ participants remotely. Attention turned to raising technology access and skills in order to remain in touch and collaborate with clients as best as possible. As the year progressed, JobLink was able to move forward with our improvements and in September began enrolling residents off the Wait List.

JobLink's major changes from 2020 to 2021 include:

- Resume staff training originally planned for 2020. Sessions will include reviews of program expectations and outcomes; case notes protocols; ethics, confidentiality, and client boundaries; and skill building around client engagement (Motivational Interviewing). We will also undertake additional RSJ learning and skill development.
- Serve more residents from the Wait List; at present, the JobLink Wait List hovers around 160 residents.
- Better tailoring services to residents' needs. JobLink's data and feedback from Coaches point to the need for more targeted services to client groups like former foster-youth (FUP voucher holders), clients with behavioral health concerns, older residents, and four-year college students.

In 2021, JobLink will continue delivering on its founding key objectives:

- Serve more residents (700-1,000)
- Meet residents along the Economic Security Continuum
- Create more strategic community and employment partnerships

COVID-19 Continuing / New Priorities

JobLink will resume some type of in-person client meetings, especially for new clients, when it is safe to do so. In the meantime, JobLink has developed a safe way to interact with new clients for a single, 1-hour meeting, to better connect with residents prior to engaging with them in a 100% virtual environment.

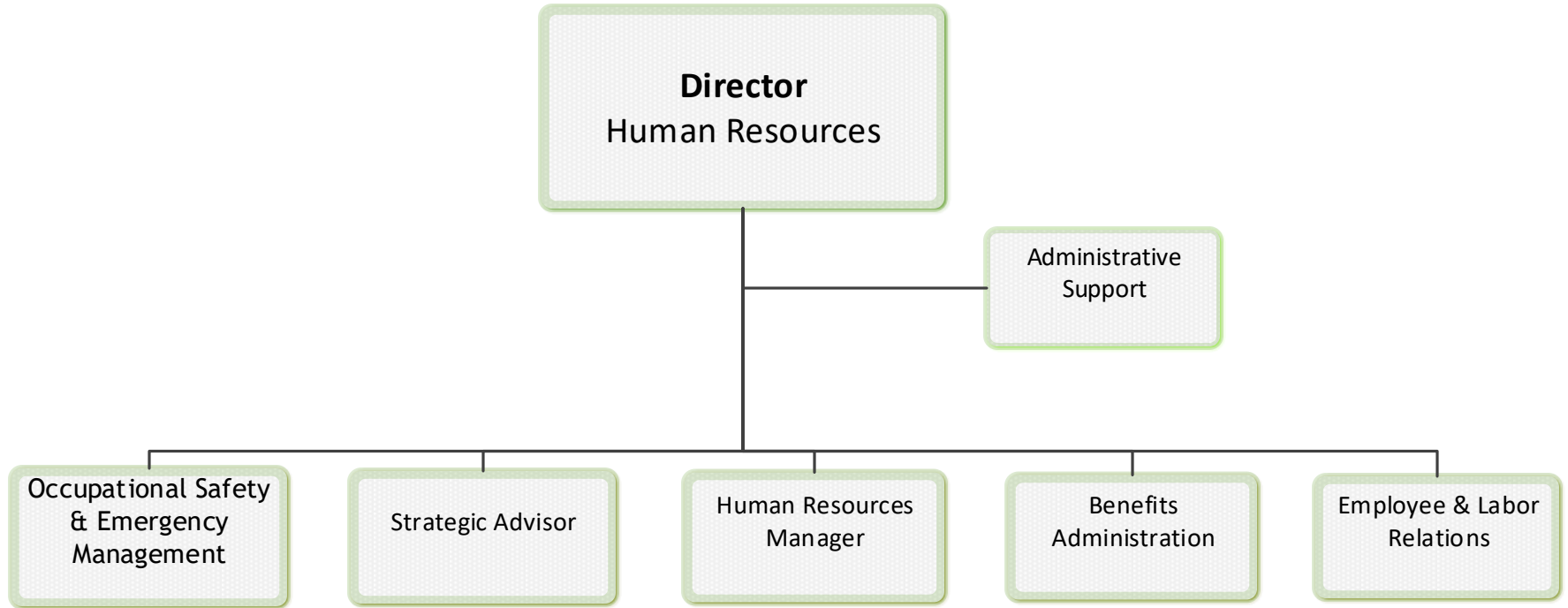
JobLink will continue improving technology access and skill building of staff and find ways to meet unmet Work-From-Home demands such as reliance on personal computers and equipment, Wi-Fi access, and home office equipment.

RSJI Focus Area(s)

JobLink will launch a five-part (25 hours) training series on RSJ for all JobLink team members. The training is mandatory and will focus on how to have conversations around race as a team, historical impacts of race and its implications on how we deliver services and how to use race and equity as a filter to assess policies and approaches by the JobLink team.

HUMAN RESOURCES DEPARTMENT

HUMAN RESOURCES DEPARTMENT



HUMAN RESOURCES BUDGET

Human Resources Department Expenditures	2019 Actual	2020 Adopted	2021 Carry-On	2021 Adjusted	2020/2021 % Change
Admin Salaries & Temp Help	\$1,854,900	\$2,541,500	\$2,604,700	\$2,720,500	7.0 %
General & Administrative Expense	385,000	406,400	406,400	493,000	21.3 %
Tenant Services	-	-	-	-	-
Maintenance & Contracts	116,500	125,700	125,700	125,700	0.0 %
Utilities	-	-	-	-	0.0 %
TOTAL OPERATING	\$2,356,400	\$3,073,600	\$3,136,800	\$3,339,200	8.6 %
Salaries & Benefits in Grants, Capital, and Limited Partnerships	-	-	-	-	-
TOTAL	\$2,356,400	\$3,073,600	\$3,136,800	\$3,339,200	8.6 %

Table 23: Human Resources Budget and FTEs

Full-time Equivalent Positions	2020 Approved	2021 Adjusted
Total FTEs	12.0	14.8

Budget Adjustment Notes

The 2021 proposed operating budget for Human Resources (HR) was slightly increased to reflect a 2020 mid-year addition of a 0.8 FTE position to support increased department demands for Human Resources' services.

Salaries and benefits for HR's staff were adjusted per the agency-wide labor expense adjustment. An additional \$104,000 was added to HR's salaries/benefits budget for a Benefits Analyst for one year. As well, \$75,000 was added to the Tuition Reimbursement program in lieu of rolling over last year's budget.

In 2021, Human Resources received funding for the following Programmatic Set Asides:

- RSJI Affinity Groups and additional training (\$34,645): HR received funding to continue RSJI trainings and pursue new opportunities regarding RSJI work and sensitivity trainings.
- Salary fix (\$2,142): HR received funding to reclassify a position to a higher grade due to a redistribution of duties.
- Additional online safety and emergency training (\$10,000): this funding will go towards improving remote work capacity and work-force mobility.

Department Purpose and Function

- ❖ Human Resources' mission is to provide comprehensive, progressive Human Resources programs to meet the needs of SHA staff, and contribute to achievement of SHA's strategic goals. Human Resources is responsible for core employment services such as recruitment and selection, job classification and compensation, performance management, employee relations, agency-wide temporary staffing, and employment records. In addition, HR oversees the race and social justice initiative, training and development, benefits administration, labor relations, safety and health, emergency management, and employee recognition.

- ❖ These responsibilities entail implementation of best practices and compliance with federal, state, and local employment laws, with HUD regulations, and with court decisions regarding employment rights and responsibilities. HR supports the Strategic Plan and the Authority by assisting departments with recruitment, hiring, and on-going training and development of staff. The goal of HR is to ensure employees are working in a productive, safe, welcoming, and non-discriminatory environment.

Department Highlights and Significant Changes 2020-2021

The Human Resources (HR) Department has an extensive list of highlights and continuing activities in 2021. Due to the Pandemic, HR has had to make significant adjustments and changes to accommodate organizational needs throughout the COVID-19 outbreak.

Safety, Health & Emergency Management

- Maintain an effective Safety Training Program with SHA's Safety Committee that addresses organizational needs and requirements and recognizes outstanding safety practices
- Complete annual Facility Safety Audits which addresses building safety and risk issues.
- Implement the Fall Protection Program, Respiratory Protection Program and Hearing Conservation Program per the Department of Safety and Health (DOSH) requirements.
- Identify trends and unsafe work behaviors and implement processes to reduce work related injuries and evaluate and implement engineering controls to reduce or eliminate workplace injuries.
- Continue a direct role in SHA's responses to the COVID-19 pandemic, including performing contact tracing, monitoring the agency's personal protective equipment inventory, conducting SHA facility assessments and providing agency-wide staff training, and more, as needed.
- Administer all aspects of SHA's Emergency Management Program, from equipping and supplying Regional and Incident Command Centers, to maintain emergency supplies and water at SHA's residential communities, to managing all emergency communications modes and equipment.

Labor & Employee Relations

- Reach agreement and implement the Teamsters 2020 - 2022 collective bargaining agreement, and 5 different Memoranda of Understanding.
- Review and process OPEIU employee evaluations, and merit pay and merit leave awards.
- Maintain and update, as needed, SHA's personnel policies, procedures, and forms.
- Review and respond to the state Employment Security Department on unemployment insurance claims.
- Provide legal guidance to HR Director and HR staff on personnel and collective bargaining matters.
- Respond to Department Directors seeking guidance on interpretations of collective bargaining agreements or SHA policies, in handling employee disciplinary, grievance, or other matters.
- Maintain regular communications and relations with leader of OPEIU, Trades and Labor, and Teamsters representing SHA employees.
- Oversee the administration of SHA labor agreements and lead negotiations for SHA with the unions on renewal of bargaining contracts.

Classification & Compensation

- Conduct the biennial Pay for Performance (PFP) compensation review in 2021 to gather the most current job market data and make appropriate pay adjustments to maintain competitive pay rates with comparable positions in the area.

Employment & Human Resources Data

- Complete process improvements for recruitment with the aim at streamlining the process and timeline, improving the competitiveness of our recruitment efforts, and enhancing the racial diversity of the applicant pools.
- Develop data reports for customers on hiring process results from recruitment to final selection of the successful candidate to help evaluate the success of the recruitment process improvements in achieving the goals; include RSJI demographic data for each stage of the hiring process to further inform additional process improvements.

Agency Wide Training & Development

- Begin using Yardi eLearning to provide agency-produced New Employee Orientation and other on-demand trainings to enhance remote training opportunities. Explore shifting from Cyber Train to Yardi eLearning for SHA's employee learning management system (LMS).
- Work on improvements to the course evaluation system to increase the response rate to post-course surveys and to make it possible to review for any demographic differences in ratings of SHA courses.
- Begin using the newly approved contracts for leadership and career development training and coaching for SHA employees and teams.

Employee Benefits Administration

- Administer Family Medical Leave, Paid Family Medical Leave and possibly new COVID-19 leave options.
- Update Family Medical Leave/COBRA templates as noted by US DOL. Create Fillable forms
- Initiate an assessment of priorities for using Lean principles to streamline the many manual aspects of benefits administration processes.
- Upgrade SHA Employee Benefits Web Page.
- Produce Annual Employee Benefit Statements.
- Conduct a comprehensive Benefits Policy Review.
- Develop Virtual/Narrated Benefit Orientations. Virtual/narrated New Employee Benefits section.
- Sponsor employee wellness training, Leave Options training, and Optional Benefits training.
- Review and prepare for the upcoming State Long Term Care payroll tax and program.
- Partner closely with IT and Finance to assess the feasibility of a new integrated Human Resource Information System (HRIS); if feasible, prepare a Form 8 IT Project Request for consideration in the 2022 Budget process that determines IT projects to be undertaken in 2022.
- Support employees with continued leave of absence administration, new COVID-19 leave administration, benefits resources, and referrals during time of need, and provide education on leave options.

COVID-19 Continuing / New Priorities

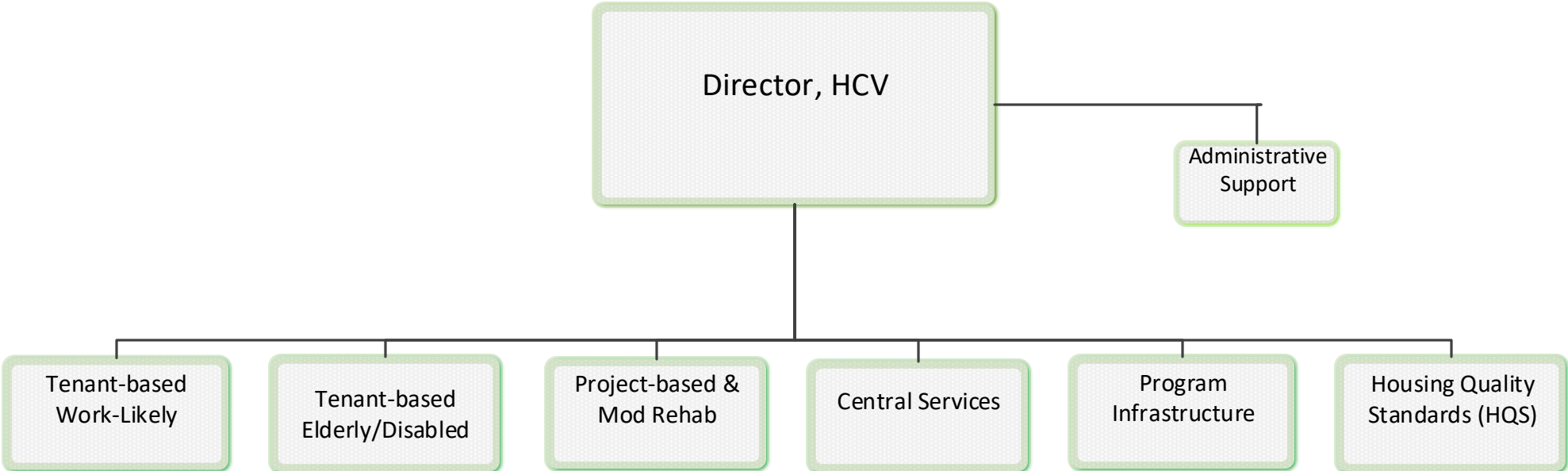
- Continue to partner on the full range of COVID-19 recovery efforts, and implement any best practices into the post COVID-19 workplace, including expanded flexible work schedules, telework, distance learning, technology improvements, leave administration, with an emphasis on Race and Social Justice.
- The Department's designee on the COVID-19 Recovery Coordinating Committee will continue in Committee deliberations and support as COVID-19 and recovery implementation issues arise.
- Continue to find ways to support employee training needs remotely during social distancing and expanded telework.
- Release a Solicitation for Race and Social Justice Mental Health and other Wellness Resources for SHA employees, to supplement resources received from Wellspring EAP.

RSJI Focus Area(s)

- Human Resources will continue the following educational activities to help SHA teams build a shared understanding of the meaning of race and social justice equity, and take concrete action for advancing equity in our agency's operations:
- RSJI Foundation training for new employees; Mandatory Anti-Harassment training for SHA employees; optional post-Foundation RSJI trainings and Coffee and Learns in SHA-U; resources shared on the RSJI Blog; RSJ Affinity Groups and Caucuses; training in leadership for equity for SHA's RSJI Committee; development of an (potential) anti-racist healing circle model for SHA; and facilitation of RSJI discussions in SHA team meetings.
 - ✓ Work with stakeholders to design a new, RSJI embodied mandatory training series for SHA supervisors and continue to develop and embed RSJI in other learning tracks for SHA employees.
 - ✓ Support a focus on race and social justice equity in SHA's response to COVID-19.
- Build SHA's Employee Career Development Program from a race and social justice lens, from career development planning courses; to career development counseling/coaching; to SHA's tuition/fees support program; SHA's agency wide mentoring program.
- Review the demographics of SHA's employees with department directors – expanding that discussion to include all supervisors from SHA departments.
- Work with Cabinet to develop one or more bold goals for advancing workforce equity at SHA.
- Be available to provide resources to support RSJI discussions within SHA's Board of Commissioners and support SHA directors in cross agency work for equity.
- Release a new Solicitation or RFP for RSJI Training and Coaching Services by Q1 2021.

**HOUSING CHOICE VOUCHER PROGRAM
DEPARTMENT**

HOUSING CHOICE VOUCHER PROGRAM



HOUSING CHOICE VOUCHER PROGRAM BUDGET

HCV Department Expenditures	2019 Actual	2020 Adopted	2021 Carry-On	2021 Adjusted	2020/2021 % Change
Admin Salaries & Temp Help	\$5,793,200	\$6,241,800	\$6,149,000	\$6,354,900	1.8 %
General & Administrative Expense	4,836,500	5,477,500	5,477,500	5,712,100	4.3 %
Tenant Services	336,200	109,300	109,300	369,300	237.9 %
Maintenance & Contracts	116,900	150,900	150,900	132,000	(12.6)%
Utilities	-	-	-	-	-
TOTAL OPERATING	\$11,082,800	\$11,979,500	\$11,886,700	\$12,568,300	4.9 %
Salaries & Benefits in Grants, Capital, and Limited Partnerships	-	90,064	-	92,406	2.6 %
Housing Assistance Payments	114,785,500	124,015,900	137,417,000	137,417,000	10.8 %
TOTAL	\$125,868,300	\$136,085,464	\$149,303,700	\$150,077,697	10.3 %

Table 24: Housing Choice Voucher Program Budget and FTEs

Full-time Equivalent Positions	2020 Approved	2021 Adjusted
Total FTEs	69.00	70.00

Budget Adjustment Notes

Salaries and benefits for HCV's staff were adjusted per the agency-wide labor expense and adjustment. The technical adjustments include Tenant Service Contracts and Admissions/Background Check Contract. For Tenant Service Contracts, \$150,000 was added to HCV's budget for the Home from School program. An additional \$8,400 was added to the line item Credit Checks and Screening Fees for the HCV Admissions/Background Check Contract. \$18,927 was moved from Miscellaneous Contracts to the Credit Checks and Screening Fees line item.

The Housing Assistance Payments (HAPs) budget was adjusted for the 2021 Carry-On Budget in accordance with updated HAP projections and remains the same in the Adjusted Budget. in. The \$137.4M 2021 HAPs budget has two major components, Moving to Work Voucher (MTW) HAPs, \$119.5M, and Special Purpose Voucher HAPs, \$17.9M.

More than half of the of the \$137.4M (or 10.8%) increase from the 2020 Adopted HAPs budget to 2021's Adjusted HAPs budget, is in the Special Purpose Voucher program, which is fully reimbursed at-cost by additional funding from HUD. The increase is due to HCV having been awarded additional Special Purpose Vouchers, HCV and housing partners' increased utilization of Special Purpose Vouchers, and increased housing assistance payments per voucher. The remainder of the \$13.4M total increase, \$6.3M, is in the Moving to Work program, and is due to increased housing assistance cost per voucher (largely due to COVID-19-related household income losses, among other factors) and projected new admissions in excess of attritions, resulting in higher utilization of Moving to Work vouchers. In 2021, HCV received funding for the following Programmatic Set Asides:

- Third Party Mediation Support (\$75,000): HCV will provide mediation support to mitigate evictions for non-payment of rent once the moratorium on evictions ends. This funding is one-time and directly targeted to eviction prevention for non-payment of rent by private landlords of tenant-based voucher households.

- Aging and Disability Services Referral Expansion (\$25,000): HCV will provide more Aging and Disability Services (ADS) referrals during the pandemic in 2021. This is a short-term capacity for referrals directly associated with COVID-19 for case management services during the pandemic.

Department Purpose and Function

- ❖ The primary responsibility of SHA's Housing Choice Voucher (HCV) Department is to administer federal housing assistance payments serving households in the HCV and Mod-Rehab programs. The Housing Choice Voucher program provides rental assistance to more than 11,000 very low-income households. The overwhelming majority of participants in the HCV project-based, tenant-based, and the Mod-Rehab programs have incomes below 30 percent of Area Median Income.
- ❖ HCV is responsible for managing all aspects of the voucher program; these include maintaining a waitlist; certifying applicant eligibility and issuing vouchers; determining participant income; administering utility allowances; establishing voucher payment standards (VPS); recruiting and screening landlords; establishing reasonable rent to be charged by landlords; conducting housing quality inspections and following up to ensure corrections are made when violations occur; recertifying eligibility and income at the designated review cycle; providing housing counseling and programs to prepare participants to be successful in the rental market; administering special voucher programs for specific populations; administering contracts with project and program-based providers of vouchers; encouraging participants to understand their choices in neighborhoods; and leading advocacy efforts, often in coalitions with others, on behalf of low-income housing and support programs with federal, state, and local governments.
- ❖ HCV also plays a crucial role in supporting the City of Seattle's continuum of affordable housing by providing critical operating subsidies for service-enriched units owned by non-profits. These units, supported with vouchers from SHA, provide decent, affordable housing with services to homeless or disabled individuals and families who are unlikely to be served well by SHA's public housing program.
- ❖ HCV also assists SHA in meeting its commitment to provide replacement housing for public housing units demolished by redevelopment. It does so by providing "hard units" through non-profit developers of housing affordable to extremely low-income households comparable to the public housing units demolished by redevelopment. The Department also augments the financial viability of the Special Portfolio/Local Housing program by providing project-based subsidy in many of these units.

Department Highlights and Significant Changes 2020-2021

COVID-19 has had a significant impact on HCV's operations; as a result, much of the department goals and efforts are centered on ensuring business continuity and effective recovery planning in the following areas:

Voucher Allocation and Utilization: Serving more people continues to be a key agency strategic goal and therefore utilization continues to be how success is measured in the department. SHA was awarded 49 Mainstream vouchers in 2020, and there are pending applications for additional vouchers and special fees that will aid the department to serve more families. Unless COVID recovery and stimulus funds for a major national increase in HUD HCV vouchers for rental assistance, the voucher utilization efforts will continue to be focused on special purpose vouchers—particularly the HUD-VASH program.

Housing Search and Stability Assistance: HCV Housing Counselors aid the over 400 families who are currently shopping/looking for a unit to lease up. Additionally, with the Creating Moves to Opportunity (CMTO) housing mobility initiative, the department will continue to support families who are moving with continued assistance (MWCA) and are interested in moving to high opportunity areas. It is anticipated that when eviction moratorium expires, there will be an increase in non-compliance cases as a result of lease violations due to non-payment of rent and utilities and behavioral issues; therefore, housing stability resources and efforts will be crucial.

Quality Management and Customer Service: Staff have ensured (and will continue to ensure) that participants' requests are responded to adequately and that policies and procedures are adhered to throughout the COVID-19 pandemic. This has been aided by technology and policy, and procedure adjustments that reduce barriers to participants and staff. Additionally, the department has maintained effective audit and training system for existing and newly hired staff.

HCV will continue to work with the Policy department and the agency's Recovery Committee to apply HUD waivers and other MTW flexibilities. Additionally, the department has several ongoing IT projects, and will continue to collaborate with the IT department to migrate from Elite to YARDI and transition to 100% electronic filing and online/paperless transactions using OnBase. This will streamline operations (especially with most staff teleworking) and will improve customer service by providing participants with easy access to obtain and submit forms and other required documents.

The COVID-19 pandemic caused widespread changes and delays to HCV's 2020 work plan, along with several changes to basic business processes, including suspension of Annual Reviews (AR) and most physical inspections. During 2021, HCV will be working on resuming normal business operations and working on high priority technology projects.

- Resuming Suspended Business Processes
 - ✓ Annual Reviews will resume with reviews effective July 2021. Work on annual reviews begins months before the reviews are effective, so Certification Specialists will begin this work in February 2021. The pandemic, and resulting remote work, mean that the department will be fully back into Annual Reviews before SHA increases in-office presence. Performing Annual Reviews remotely will be a new challenge for the department.
 - ✓ Housing Quality Standards (HQS) Inspections were recently suspended again with the recent increase in virus cases. As the public health environment allows, inspections will begin again. Just as before, inspections will likely be one of the first activities to resume, though it is possible a full resumption of inspections will not be complete until well into 2021.
 - ✓ The Housing Service Center was closed in March 2020. The department is looking forward to the time when it can be reopened, but it is not clear when that will be. When the Housing Service Center reopens it will do so with a model that prioritizes appointments. This appointment model and a number of HCV's services will be enhanced by a technology project in 2021.
- Technology Projects
 - ✓ The Yardi conversion from Elite will be ongoing for much or all of 2021. The project will bring HCV into a modern voucher management platform, will improve cross-departmental work with Housing Ops and Finance, and will enable HCV to take advantage of new participant and landlord portals.
 - ✓ OnBase Document Imaging for the Tenant Based program is long overdue and currently just weeks from starting. HCV estimates this is a six-month project once files begin going to the

vendor. This project will enable more effective remote work and better integration with resident portals and workflows.

- ✓ OnBase online forms and workflows will continue development and implementation in 2021. Online forms will help enable remote work in concert with the document imaging project. HCV Kiosks are an approved 2020 project that has been pushed to 2021. Functioning kiosks will allow for more streamlined appointments and check-ins, lessening crowding and wait times in the Housing Service Center lobby.

COVID-19 Continuing / New Priorities

Expansion of Housing Stability Supports to Meet COVID-19 Challenges

The Housing Choice Voucher Department's Work Plan places a critical emphasis on Housing Stability efforts, which will become even more critical as the COVID-19 pandemic persists. Launched in 2019, the strategy calls on our Housing Counselors to assist participants with tenancy issues to (a) reduce program terminations and (b) increase support for our participating landlords. While the Counselors assisted 175 households between May 2019 and May 2020, there were a total of 600 participants receiving a non-compliance note during that time demonstrating a need for greater assistance. This is even more critical as COVID-19 presents greater challenges for our participants. The following efforts will strengthen HCV's connection to community service providers with the specialized supports our participants require while also increasing capacity for the Housing Counselors to assist clients with less acute concerns.

Continue Aging & Disability Services HCV Referral

HCV participants have limited direct connection to service providers. This changed in 2019 as HCV joined the Aging & Disability Services (ADS) Referral Expansion Pilot. Housing Counselors are now able to refer participants 55 years or older and those with disabilities to ADS for issues including eviction, unpaid rent, unit clutter or hoarding, medical and caregiving assistance, and behavioral health issues. This has become a critical tool during the Pandemic in HCV's Housing Stability strategy. Tenant-Based participants were assisted with food and prescription delivery and with social isolation and emergency support for those contracting COVID-19.

Landlord Mediation Contract

A longstanding challenge to the voucher program's success is the ability to recruit and retain landlords. HCV views Housing Stability as one of the pillars in ensuring private landlords continue to open their doors to our voucher holders by supporting them with tenancy issues. "Lease enforcement" is the leading Stability referral reason (67% of all). This entails rent/utility delinquency; unsafe/unsanitary living conditions; and behavioral disturbances.

Unfortunately, these types of issues are becoming more prevalent during COVID-19. Landlords are finding it particularly difficult to navigate tenancy issues in the wake of Washington's eviction moratorium, and frequently seek SHA's advice on compliance. Moreover, our recent participant survey found 13% are behind on rent. Individuals often seek SHA's support once the landlord-tenant relationship has broken down to a level that requires serious mediation.

HCV will procure third-party mediation service to resolve serious landlord-tenant conflicts, support lease enforcement efforts, and help prevent program terminations. This will be invaluable as HCV prepares for the eventual lifting of the eviction moratorium

RSJI Focus Area(s)

Limited English Proficiency Access

Providing appropriate access to language services is crucial for any organization serving Limited English Proficiency (LEP) populations. 34% of HCV participants primarily speak a language other than English, and 14% of HCV households need an interpreter when they meet with HCV staff. In HCV's COVID-19 Recovery Plan Survey, LEP respondents were more likely to report facing service barriers due to the SHA office closure, and also difficulty paying rent and utilities.

For LEP participants, increased access to language services and translated documents is important for both housing equity and staying informed. This year, several HCV forms and documents were translated into the languages most spoken by LEP participants. However, all written communications and terminations SHA sends are currently in English. HCV will explore greater use of translation services to reduce communication barriers that may result in inequitable terminations.

RSJI/Equity and Continuous Improvement – The department continues to involve staff at all levels to assess and determine areas of inequity and pain points that need process improvement. The HCV Change Team, a self-governed workgroup, has been (and will continue to be) the central platform for activities, accountability, and actions taken related to RSJI. In 2021, the department will resume trainings and workshops to bring staff up to speed on the concept(s) and tools related to Lean process improvements.

CAPITAL IMPROVEMENT PROGRAM

CAPITAL IMPROVEMENT PROGRAM SUMMARY

In 2020 and 2021, and for the duration of the COVID-19 pandemic, the Capital Improvements project flow is subject to state COVID-19 restrictions and the agency's multi-step process and three-phase plan to analyze whether a project will proceed. Each week, managers determine the overall resident COVID-19 risk levels by project as low, medium, or high. SHA's Low COVID-19 Health Risk Criteria is exterior work with at least six feet of physical distance from residents that can be easily maintained; Medium Risk is exterior work that disrupts or limits resident access to the outside; interior work in common spaces that lasts less than three weeks; or is interior work in common spaces that are not heavily trafficked; and High Risk projects are inside the resident's unit, in heavily used common spaces greater than three weeks duration, that requires resident relocation or any work in senior buildings or other high risk buildings. When deciding whether to proceed with projects, SHA also considers if there are significant resident health and safety risks of delaying projects, such as replacing smoke detectors. These COVID-19 restrictions have significantly impacted the timing of capital project completions and HUD has accordingly extended capital fund obligation dates. Before the pandemic began, Asset Management had already created a list of projects to be funded in 2021 as part of their previous two-year capital planning cycle. As the pandemic created additional challenges and work for Asset Management, the team relied heavily on the previously created 2021 capital project list, making fewer changes than in a typical planning cycle. While the process changed somewhat for the 2021 budget, the Development and Redevelopment budgets were true exceptions to the 2021 Carry-On Budget.

Due to the continuing COVID-19 pandemic, there is also a plan to defer capital work scheduled for the 2021 calendar year and to add capital projects to the 2021 Carry-On Capital Improvement Program. The projects that SHA is deferring were funded in prior year capital budgets and are those that are mostly categorized as high risk and cannot proceed. In addition, some medium risk projects are included as these projects would also cause significant disruption for residents. Major categories of projects include exterior painting projects, elevator upgrades to building with more than one elevator, interior upgrades to vacant units, common area upgrades including mailboxes and painting, installation of heat pumps to the community rooms at LIPH buildings, lighting replacement, fire alarm upgrades, and roofing projects. By deferring these projects, the agency will free up a large portion of capital funding. The funding freed up will be allocated to capital work by bringing forward projects that were scheduled to be proposed in future budget years and the projects being deferred will now be prioritized for funding in the 2022 and 2023 Capital Budget. The projects being funded are those that can start safely under the current phase and present minimal disruption and risk to residents if the work must be stopped mid-project. By repurposing the funding allocated to capital projects in this manner SHA can continue to get much-needed improvements done, meet HUD obligation and expenditure commitments, prevent a backlog of projects, and minimize the effect of these current conditions on SHA residents.

Summary tables describing the types of and budgets for both the 2021 Carry-On Budget projects and the 2021 Adjusted Budget projects are included in the 2021 Capital Activities section.

The Capital Improvement Program increased substantially in 2021 due to increases in Pooled Refinance funds and Redevelopment funds SHA has secured, or is in the final steps of securing, funding for four projects.

The following sections outline SHA's CY 2021 plans for the following areas:

- Community redevelopments funded with mixed financing: federal grants, bond proceeds, tax credit partnerships with private investors, SHA equity, and land sale proceeds;
- New acquisition, development, and pre-development planning; and

- Asset preservation through modernization, renovation, and rehabilitation of our housing portfolios and operating facilities using predominantly federal grant funds plus property reserves.

CHOICE NEIGHBORHOODS IMPLEMENTATION: YESLER REDEVELOPMENT

The Yesler neighborhood transformation began in 2011 with the help of federal funding in the form of two Choice Neighborhoods Initiative (CNI) grants from HUD totaling \$30 million. SHA was awarded a third \$4 million CNI grant in 2020. The CNI grants help stakeholders—public housing authorities and their residents, municipalities, local schools and businesses, nonprofit and private developers—to create and implement a plan to transform distressed neighborhoods into sustainable, mixed-income communities by linking affordable housing with quality schools, public transportation, good jobs, and safe streets. SHA has nearly expended the two original grant funds. All units have been demolished to make room for redevelopment. The third grant will be used solely for replacement housing in the neighborhood.

SHA has committed to replace all demolished public housing units from redeveloped communities on a one-for-one basis, either on- or off-site. SHA will complete its replacement housing obligation when Juniper is completed. Hinoki adds 82 units, Sawara adds 65 units, the final building adds 24 units, and the Records Site adds 92 units.

SHA supports apartment building redevelopment through bond proceeds, land sale proceeds, tax credits, and capital contributions. Infrastructure projects such as intersection reconfiguring and private access roads are essentially complete by year-end 2020. No new projects are planned, only final payments to contractors will be due. The site will be ready for more SHA replacement residential buildings.

Hinoki

Hinoki is located on the east side of 10th Avenue South, across the street from the Yesler Community Center. Financing closed in mid-2020 and construction began immediately following on an apartment building with 136 units—82 replacement units at 60 percent of Adjusted Median Income (AMI), and 54 tax credit units at 60 and 80 percent of the AMI. The building will have 40 one-bedrooms, 77 two-bedrooms, 14 three-bedrooms, and 2 four-bedrooms. Construction will be completed first quarter 2022, and lease-up will begin as units become available.

Hinoki Sources	Total
Construction Loan/Bonds	\$ 42,756,000
Tax Exempt First Mortgage	23,332,000
Program Income	25,521,000
Bridge Loan	8,525,000
Deferred Developer Fee	3,441,000
Income from Operations	499,000
Tax Credit Equity	32,965,000
TOTAL	\$137,039,000
TOTAL PROGRAMMED SOURCES	\$85,758,000
Less Short-Term Financing	\$51,281,000

The project uses are budgeted as follows:

Hinoki Uses	Total
Construction	\$66,791,000
Design, Engineering and Permitting	5,153,000
Financing Costs	13,814,000
TOTAL	\$85,758,000
2021 Expenditures	\$48,664,000

Sawara

Yesler's sixth apartment building, Sawara, is located on the corner of Yesler Way and Eighth Ave, at 101 Eighth Avenue. Plans include a mid-year 2021 mixed finance closing subject to any COVID-19 delays. Construction will begin immediately following the closing on 114 units-65 replacement units and 49 tax credit units, all at 60 percent AMI. The building will have one-bedrooms, two-bedrooms, three-bedrooms and four-bedroom units. Lease-up will begin as units become available.

Sawara Sources	Total
Construction Loan/Bonds	\$36,910,000
Tax Exempt First Mortgage	14,920,000
Bridge Loan	7,905,000
Deferred Developer Fee	1,950,000
Income from Operations	511,000
Program Income/SHA Loan	23,734,000
Tax Credit Equity	27,075,000
TOTAL	\$113,005,000
TOTAL PROGRAMMED SOURCES	\$68,190,000
Less Short-Term Financing	\$33,511,000

The project uses are budgeted as follows:

Sawara Uses	Total
Construction	\$53,907,000
Design, Engineering and Permitting	4,867,000
Financing Costs	9,416,000
TOTAL	\$68,190,000
2021 Expenditures	\$39,000,000

Juniper, Seventh Yesler Building

Predevelopment costs are budgeted at \$2 million for Juniper, the seventh new apartment building. The unit count is currently proposed at 95 total units: 24 replacement and 71 tax credit units between 60 and 80 percent AMI. The building will be a mix of one-, two- and three-bedroom units.

Former Records Site at Yesler Terrace

Seattle Chinatown International District Preservation and Development Authority (SCIDpda) and Community Roots Housing (CRH) will develop, own, and manage 156 units of affordable housing on the former King County Records site and call it Yesler Family Housing. SHA is providing the land and a \$4 million loan. The building is intended to serve working families with two to four-bedroom units and a childcare center will be on site. Of the 156 units, 92 units are reserved for Yesler Terrace replacement and for families earning 30 percent of the AMI or less and the remaining units are reserved for families earning at 60 to 80 percent of the AMI.

OTHER REDEVELOPMENT ACTIVITIES

Jefferson Terrace

Jefferson Terrace rehabilitation is still in predevelopment. It is subject to COVID-19 restrictions. Several financing plans were under consideration; the option presented here includes plans for Priorities 1 and 2 which include replacing the roof with rigid insulation, replacing domestic water pipes and horizontal waste pipes in units, upgrades to the building entry, community room and office connections and converting unused office space to additional residential units; repairs to exterior walls and balconies, and replacing kitchen cabinets and countertops. Rehabilitation financing will be finalized in 2021. SHA budgeted \$12 million for infrastructure and rehabilitation in 2020; the 2021 Asset Preservation and Development Adjusted Budget proposal includes additional funding of \$4.4 million from the MTW Capital Grant and \$8.5 million from Opportunity Investment funds, respectively to close the funding gap. Presented below is the current financing plan for Priorities 1 and 2.

Jefferson Terrace Sources	Total
Committed MTW funds	\$12,000,000
MTW Capital	673,000
Homewise Funds	550,000
MTW Capital Grant 2021	4,400,000
Opportunity Investment funds	8,500,000
TOTAL	\$26,123,000
TOTAL PROGRAMMED SOURCES	\$26,123,000

The project uses are budgeted as follows:

Jefferson Terrace Uses	Total
Construction	\$23,800,000
Design, Engineering and permitting	1,137,000
Financing costs	1,186,000
TOTAL	\$26,123,000
2021 Expenditures	\$7,000,000

Lam Bow Apartments

Current plans are subject to COVID-19 restrictions and the project will consist of 82 units: 51 replacement units, 30 tax credit units at 60 percent of AMI, and one common area unit. Construction will start in the second quarter of 2021 and finish late-2022 when lease-up will begin. The project plans started with a discussion of rehabilitation and redevelopment; the current plan is redevelopment without rehabilitation.

Lam Bow Apartments Sources	Total
Construction Loan/Bonds	\$21,696,000
Tax Exempt First Mortgage	12,170,000
Bridge Loan	2,554,000
Program Income	8,819,000
Deferred Developer Fee	2,200,000
City of Seattle, Office of Housing various	3,500,000
Program Income	180,000
Tax Credit Equity	16,575,000
TOTAL	\$67,694,000
TOTAL PROGRAMMED SOURCES	\$44,337,000
Less Short-Term Financing	\$23,357,000

The project uses are budgeted as follows:

Lam Bow Apartments Uses	Total
Construction	\$34,378,000
Design, Engineering and Permitting	3,213,000
Financing Costs	6,746,000
TOTAL	\$44,337,000
2021 Expenditures	\$25,078,000

OPPORTUNITY INVESTMENTS

- SHA began making Opportunity Investments in 2019 because of the incremental funding increase occasioned by the 2018 – 2019 Congressional Bipartisan Budget Act. These investments are traditionally aligned with the needs and opportunities presented by the Strategic Directions and Organizational Cornerstones from SHA’s Strategic Plan: create more affordable housing, diversify housing choice, and preserve and promote high quality housing. In a typical year, there are many candidates for Opportunity Investment funds. Funds can flow between capital and operating activities due to MTW flexibility. Priorities and needs for the Operating and Capital Budgets will be weighed in coming to final recommendations. When preparing the 2021 Adjusted Budget we decided to fund one major Opportunity Investment and allocate the remaining resources to COVID-19 related programmatic set-asides. The investment for 2021 entails increasing SHA’s equity investment in the Jefferson Terrace rehabilitation toward current financing gap. Jefferson Terrace is the last of SHA’s 23 high-rise buildings to undergo significant refurbishment.

	CY 2021 Budget
Opportunity Investments	
Jefferson Terrace Rehabilitation	\$8,500,000
TOTAL	\$8,500,000

Table 25: Opportunity Investments

NEW ACQUISITION, DEVELOPMENT, AND PLANNING

Housing Acquisitions

Efforts to serve more people include affordable housing preservation and housing choice diversification. SHA's Board of Commissioners passed resolutions in 2019 approving and implementing a two-year Acquisitions Program. To be eligible for consideration, the potential acquisitions must satisfy several criteria, including:

- 1) SHA will serve more low-income households,
- 2) The acquisitions will maintain the agency's financial strength,
- 3) The acquisitions will preserve affordable units,
- 4) The acquisitions increase SHA's presence in opportunity neighborhoods,
- 5) The acquisitions increase the number of large family units to SHA's inventory. Acquisitions add units to SHA's inventory at a lower cost than new development.

By yearend 2019, SHA completed acquisition of 477 units, including Northgate View, nearly reaching the goal of 500 new units. Northgate View has a long-term vision of preservation and redevelopment, not merely preservation. At this time additional properties are not being actively pursued, but opportunities that arise are evaluated.

Predevelopment Working Capital – Pipeline Projects

In prior years SHA set aside funds for the "Future Building Development and Redevelopment" to undertake planning, concept design, site studies, and financial feasibility assessments for future preservation and development projects. Among these potential planning projects are Holly Court/Red Brick properties, Jackson Park Village, and Blue Topaz.

Future Capital Financing

Housing authorities throughout the country face financial challenges to meet growing capital needs. SHA is no exception. SHA needs funds to:

- Preserve and prolong the life of existing housing stock.
- Address emergent conditions such as water intrusions and leaking roofs.
- Add new and replacement units associated with redevelopment.
- Respond to funding challenges of major redevelopment activities.
- Hedge against cost volatility in development projects and market stresses such as price escalation and tariff impacts; and
- Contribute to viable mixed financings that pencil out for development and rehabilitation projects and their future operations.

The high cost of housing, the construction boom, COVID-19, social unrest, and the uncertainty that characterizes the federal budget process have increased pressures. While SHA expects modest increases year over year in MTW general fund revenues, SHA cannot necessarily expect this level of federal funding to continue. Close attention must be paid towards the changing realities of the credit markets; the changing condition of the local housing market; the agency's overall financial capacity and debt management practices; and international, federal, state, and local capital funding trends as SHA addresses financing to complete existing projects and considers future capital funding availability and investments.

CAPITAL FUND ASSET PRESERVATION PROGRAM

Asset Preservation is funded with the MTW Capital Grant, property reserves, incentive rebate financing and pooled refinancing. Total spending on asset preservation is budgeted at \$21.3 million, or 5.4 percent more than 2020. Public housing modernization, renovation projects, and capital planning expenditures of \$13.2 million is 10.4 percent higher than 2020. Capital grant funds of \$415,000 are budgeted for the Seattle Senior Housing Program, a 75.9 percent decrease over 2020. Most of Seattle Senior Housing's prior year operating subsidies and some LIPH MTW Capital Grant funded elevator rehabilitation upgrades, exterior improvement planning, and interior repairs that were multi-year projects. The 2021 Asset Preservation budget is proportional to Senior Housing Program funding receipts in 2021.

Contingency and MTW-Eligible Community Allowances include funds for unplanned projects partially due to changes in the usual planning process. COVID-19 has restricted staffing presence in the buildings and more emergency and lifesaving projects need funding. Energy updates are planned for various locations to be partially funded by Office of Housing.

Other projects funded with MTW sources include \$19,000 for capital work in the Special Portfolio/Local Housing program. The Management Improvements through Technology budget of \$570,000 covers expenses for the Information Technology Capital program.

Other Capital Projects include funds from a pooled refinancing, non-federal funds, and project reserves. The 2021 pooled refinance projects are window replacements, roof replacements, exterior repairs, interior upgrades, and appliance replacements. The 2021 pooled refinancing covers many portfolios and properties.

Scattered Sites Repositioning Program

In 2021, SHA will continue work on several programs that align the strategic plan goals of serving more people and preserving high quality housing. Only modest amounts have been budgeted for 2021, \$200,000, because a backlog of funding is available from prior year. COVID-19 has slowed down resident vacancies and contractor availabilities. Descriptions of projects ongoing for 2021 are included below.

- Continue work on both the conversion and rehabilitation programs as homes become available for work via vacancies. The former program involves the conversion of unused space into bedrooms to increase the number of SHA's large family units. The latter modernizes single-family homes to reduce ongoing maintenance costs and improve marketability of single-family homes to our tenants.
- Continue steps to reposition approximately 228 units of Scattered Sites to help ensure the longer-term sustainability of these units. Pending HUD approval of a Section 18 Conversion application expected in late 2020, units will convert to project-based vouchers, which provides a higher level of funding per unit than public housing. The units would still operate under public housing rules and involve very little change for current residents.

Management Improvement through Technology

The 2021 Information Technology Capital Projects budget totals \$570,000. While this is an 18.5 percent increase over 2020, it represents about the average annual funding for IT capital projects over the past 5-10 years. The 2021 Adjusted Budget funds will be spent on infrastructure upgrades and scheduled replacements, the Elite to Yardi conversion project, and other projects as needed. Infrastructure upgrades include replacing failed and end-of-life servers, printers, and network equipment; and purchasing and installing up-to-date network infrastructure. The Elite to Yardi conversion project will

streamline SHA business processes by centralizing applicant, resident, and participant data for both Housing Operating and Housing Choice Vouchers in one software system, Yardi Voyager.

Low Income Housing Tax Credit and HOPE VI Limited Partnerships

As of year-end 2021, SHA will be the owner of six tax credit properties and the general partner in eighteen tax credit limited partnerships. The 2021 capital repair, replacement, and rehabilitation plan for these limited partnership communities is approximately \$1.5 million. These projects are funded through the properties' replacement reserves—annual deposits defined in each partnership agreements. Individual project descriptions are in the 2021 Capital Activities section.

Miscellaneous and Non-Routine

In 2021, non-residential facilities have a project budget of \$428,000 to improve and upgrade several non-residential buildings. These projects include upgrading the HVAC system, replacing the flooring and three water tanks at the Campus of Learners' Family Building; upgrading the doors to the Youth Center; upgrading the fire alarm panel at the condominium; repairing, resealing, and restriping the parking lot at the Campus of Learners; replacing floors, water tanks, and smoke detectors at Tamarack Commercial; replacing the roof at Lee Apartments; and installing an electric vehicle charging station at Yesler Terrace Community Center.

streamline SHA business processes by centralizing applicant, resident, and participant data for both Housing Operating and Housing Choice Vouchers in one software system, Yardi Voyager.

Low Income Housing Tax Credit and HOPE VI Limited Partnerships

As of year-end 2021, SHA will be the owner of six tax credit properties and the general partner in eighteen tax credit limited partnerships. The 2021 capital repair, replacement, and rehabilitation plan for these limited partnership communities is approximately \$1.5 million. These projects are funded through the properties' replacement reserves—annual deposits defined in each partnership agreements. Individual project descriptions are in the 2021 Capital Activities section.

Miscellaneous and Non-Routine

In 2021, non-residential facilities have a project budget of \$428,000 to improve and upgrade several non-residential buildings. These projects include upgrading the HVAC system, replacing the flooring and three water tanks at the Campus of Learners' Family Building; upgrading the doors to the Youth Center; upgrading the fire alarm panel at the condominium; repairing, resealing, and restriping the parking lot at the Campus of Learners; replacing floors, water tanks, and smoke detectors at Tamarack Commercial; replacing the roof at Lee Apartments; and installing an electric vehicle charging station at Yesler Terrace Community Center.

2021 CAPITAL ACTIVITIES

SHA 2021 Capital Projects—MTW Grant-Funded Activities (Carry-On Budget)

Table 26: SHA 2021 Capital Projects—MTW Grant-Funded Activities (Carry-On Budget)

Low Income Public Housing Projects		
LIPH Scattered Sites	Add 3 bedrooms to 2 units in a 4 plex building. Exterior building paint, siding repairs, and window replacements. Roof repairs and replacements. Repair exterior siding and paint buildings. Sidewalk repairs.	\$1,164,000
Bell Tower	Seal stairwells and leaking façade. Replace interior thermostats.	85,000
Denny Terrace	Paint interior common area. Upgrade interior and exterior lighting.	110,000
Jefferson Terrace Redevelopment	Support upgrades to rehabilitation program in Mixed Finance project.	4,400,000
Olive Ridge	Upgrade interior and exterior lighting.	35,000
Tri-Court	Paint interior common area.	50,000
homeWorks I	Paint interior common area at Ballard House and Beacon Tower; replace flooring in office, upgrade fire panel and alarms, and replace sprinkler heads at Beacon Tower; upgrade fire panel and alarms at Capitol Park; replace flooring in common areas and upgrade fire panel and alarms at Green Lake Plaza; paint interior common area paint, complete remaining floors repairs, and upgrade fire panel and alarms at Harvard Court; paint interior common area and replace sprinkler heads at International Terrace; paint interior common area and replace roof at Lictonwood; and create an allowance for lighting upgrades with the Office of Housing for Beacon Tower, Harvard Court, Ballard House and International Terrace.	1,783,000
homeWorks II	Paint interior common area at Cal-Mor Circle; replace roof-top air handler, sprinkler heads, and 5 heat pump units at Center Park; paint interior common area at Lake City House; upgrade fire panel and alarms and replace sprinkler heads at Olympic West and Queen Anne Heights; paint interior common area, upgrade fire panel and alarms, replace roof-top air handler and sprinkler heads, repair exterior building signage and upgrade lighting at University West.	759,000
homeWorks III	Upgrade fire panel and alarms at Center West; upgrade interior and exterior lighting at Jackson Park House; replace common area flooring, replace sprinkler heads and water lines at Ross Manor; upgrade fire panel and alarms at Stewart Manor; paint interior common area and upgrade fire panel and alarms at University House; upgrade fire panel and alarms and repair exterior building signage and upgrade lighting at West Town View.	826,000
Carry-On Budget Public Housing Capital Projects Subtotal		\$9,212,000

Seattle Senior Housing Program Projects

Bitter Lake Manor	Paint interior common area.	\$ 30,000
Gideon-Mathews Gardens	Replace flooring in common areas.	35,000
Island View	Paint interior common area.	20,000
Michaelson Manor	Paint interior common area.	20,000
Nelson Manor	Paint interior common area.	20,000
Olmsted Manor	Upgrade fire panel and alarms.	5,000
Pleasant Valley Plaza	Replace flooring in common areas.	35,000
Primeau Place	Upgrade fire panel and alarms.	5,000
Ravenna School Apartments	Paint interior common area; install building air handler in attic; and upgrade interior and exterior lighting.	93,000
Schwabacher House	Install roof top air handler.	22,000
Sunrise Manor	Paint interior common area.	30,000
Carry-On Budget Seattle Senior Housing Program Projects		\$315,000
Carry-On Budget Central Services Operating Cost Allocation		100,000
Total 2021 Carry-On Budget MTW Block Grant Budget for SSHP		\$415,000

Special Portfolio Projects

Lake City Commons	Upgrade interior and exterior lighting.	\$19,000
Carry-On Budget Special Portfolio Projects		\$19,000

MTW Eligible Community Allowances

MTW Properties	Contingency for unplanned cost variances	\$734,000
MTW Properties	Energy upgrades to various locations to support Office of Housing projects.	120,000
Carry-On Budget Community Allowances Subtotal		\$854,000

Administrative Costs

Various	Asset Management administration	\$1,539,000
Various	Construction Operations administration	\$412,000
Various	Development administration	474,000
Various	Finance & Administration	235,000
Carry-On Budget Administrative Subtotal		\$2,660,000
Carry-On Budget Central Services Operating Cost Allocation		\$1,364,000

Total 2021 Carry-On Budget MTW Block Grant Budget for LIPH and Local Programs	\$14,524,000
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<p>Information Technology Capital</p>	<p>The Elite to Yardi conversion will streamline SHA's business processes by centralizing applicant, resident and participant data for both Housing Operations and Housing Choice Voucher systems into one software system. Infrastructure upgrades will include replacing failed and end-of-life servers, printers, and network equipment.</p>	<p>\$570,000</p>
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Total 2021 Carry-On MTW Capital Budget

\$15,094,000

SHA 2021 Capital Projects—Other Funds for Asset Preservation (Carry-On Budget)

Table 27: SHA 2021 Capital Projects—Other Funds for Asset Preservation (Carry-On Budget)

Special Portfolio Reserves

Alder Crest Apartments	Replace flooring.	\$8,000
Main Street Apartments	Paint building exterior.	9,000
Carry-On Budget Special Portfolio Projects Subtotal		\$17,000

Incentive Rebate for Conservation Funds

Barton Place	Install Electric Vehicle Charging Station.	\$39,000
Denny Terrace	Install Electric Vehicle Charging Station.	39,000
Green Lake Plaza	Install EV Charging Station: One DCFC & two level 2 chargers.	55,000
High Point Phase II (South)	Install Electric Vehicle Charging Station at High Point Community Center.	39,000
Jefferson Terrace	Install EV Charging Station: One DCFC & two level 2 chargers.	55,000
Lam Bow Apartments	Install Electric Vehicle Charging Station.	39,000
Longfellow Creek Apartments	Install Electric Vehicle Charging Station.	39,000
NewHolly Phase III	Install Electric Vehicle Charging Station at New Holly Gathering Hall.	66,000
Rainier Vista NE (RV 3)	Install Electric Vehicle Charging Station at Rainier Vista Community Center.	39,000
Westwood Heights	Install EV Charging Station: One DCFC & two level 2 chargers.	66,000
Yesler Terrace Community Center	Install Electric Vehicle Charging Station.	39,000
Carry-On Budget Incentive Rebate Subtotal		\$515,000

Non-Federal Funds

Campus of Learners	Upgrade HVAC at Family Building, replace floor, repair parking lot, and replace three water tanks in the Family Building. Change and upgrade entry doors to the Youth Center.	\$275,000
Center Park Community Building	Upgrade ACAM system.	20,000
Tamarack Commercial Space	Replace flooring, replace hot water tanks, and replace smoke detectors in the commercial unit.	64,000
Lee Apartments	Replace roof at Lee Apartments	50,000
Carry-On Budget Non-Federal Funds Projects Subtotal		\$409,000

CY 2021 Pooled Refinance Projects

Baldwin Apartments	Paint interior common area.	\$20,000
Bayview Tower	Replace common area flooring, replace plumbing valve to prevent water leaks, upgrade interior and exterior lighting.	190,000
Delridge Triplexes	Replace roof with asphalt shingle.	33,000
Fir Street Townhomes	Upgrade building envelope, replace exterior windows, and repair or replace roof.	154,000
Golden Sunset Apartments	Install generator, target exterior repairs, paint and seal, replace failing windows, replace bathroom fans and install GCFI electrical outlets.	265,000
High Point Phase I (North)	Replace heating system, phase 2, replace appliances, replace mailboxes, repair fencing, upgrade interior and exterior lighting and allow for floor replacement.	666,000
Lake City Commons	Target exterior repairs and paint.	40,000
Main Street Place	Replace appliances, upgrade interior and exterior lighting.	41,000
Market Terrace	Modernize elevator.	334,000
Martin Luther King Jr Apartments	Target exterior repairs and paint, repair or replace flooring.	150,000
Martin Luther King Jr Way 5	Upgrade units when vacant, repair stucco exterior of building.	26,000
Montridge Arms	Repair and replace exterior cladding, decks and windows, coat decks with elastomeric material.	650,000
Norman Street Townhomes	Replace roof, paint building exterior, replace garage door, repair exterior walls, upgrade units when vacant.	165,000
Rainier Avenue Apartments	Replace roof.	70,000
Ritz Apartments	Replace windows.	60,000
Spring Lake Apartments	Repair and replace decks.	150,000
Spruce Street Townhomes	Repair and replace roof, paint building exterior, repair parking lots and stripe, paint building exterior, replace mailbox.	157,000
Telemark Apartments	Upgrade bathroom fans.	20,000
Villa Park	Repair and replace leaking water pipes.	15,000
Weller Street Apartments	Replace all window trim, repair damaged siding, replace all sealing caulk, replace edge flashing on all roofs, replace posts to entry canopies, repair interior windows after replaced, repair concrete flatwork, repair plumbing, replace unit fans, repair or replace exterior trim and sealants, repair sidewalks, upgrade electrical outlets to GFCI.	465,000
Westwood Heights East	Repair or replace flooring.	56,000
Yesler Court	Repair or replace flooring.	10,000
CY 2021 Carry-On Budget Pooled Refinance Projects Subtotal		\$3,737,000

CY 2021 Limited Partnership and HOPE VI Capital Projects: Replacement Reserves

High Point South LP	Repair and replace fencing	\$48,000
New Holly I	Upgrade unit interiors, repair and replace flooring, repair parking lots and walkways.	131,000
New Holly II	Replace hydronic system pipes, upgrade unit interiors, replace appliances and repair or replace flooring.	225,000
New Holly III	Replace domestic water piping, upgrade unit interiors, replace boilers and hydronic systems in row houses, replace boilers, paint building exteriors, replace appliances, replace smoke and CO detectors, repair or replace flooring.	935,000
Rainier Vista I	Replace smoke and CO detectors.	22,000
LP homeWorks I	Replace and repair parking lot	40,000
LP homeWorks II	Paint interior common area at Center Park; upgrade interior and exterior lighting at University West.	65,000
LP homeWorks III	Upgrade interior and exterior lighting at Ross Manor.	35,000
Leschi House	Replace hot water tanks in original building.	7,000
West Seattle Affordable Housing	Repair parking lots and relocate garbage station.	30,000
CY 2021 Carry-On Budget LP and HOPE VI Capital Projects Subtotal		\$1,538,000

Total CY 2021 Carry-On Other Funds Capital Budget **\$6,216,000**

Total CY 2021 Carry-On Asset Preservation Program Capital Budget **\$21,310,000**

CY 2021 Opportunity Investments

The final funding level and projects for Opportunity Investment will be presented in the <i>2021 Adjusted Budget</i> .	\$8,500,000
CY 2021 Opportunity Investments Subtotal	\$8,500,000

Total CY 2021 Asset Preservation Program and Opportunity Investments Capital Budget **\$29,810,000**

CY 2021 Redevelopment Projects

Hinoki	A full year of construction for Yesler's fifth new apartment building.	\$ 48,664,000
Sawara	Mixed-finance transaction close mid-year and construction starting immediately following.	39,000,000
Juniper	Predevelopment activities for the seventh Yesler apartment building include architectural, engineering, and permitting.	2,000,000
Yesler Terrace Former Records Site	Construction loan financing for Yesler Family Housing.	4,000,000
Jefferson Terrace	A half year of construction for LIPH property Jefferson Terrace.	7,000,000
Lam Bow Apartments	Nine months of construction for Lam Bow Apartments Redevelopment.	25,078,000
Infrastructure	Yesler Terrace infrastructure finished in first quarter 2021.	400,000
Total CY 2021 Carry-On Redevelopment Capital Expenses		\$126,142,000

Total CY 2021 Carry-On Capital Budget \$132,358,000

Net Total CY 2021 Adjusted Projects \$440,000

Total Overall CY 2021 Capital Expenditures \$ 156,392,000

SHA 2021 Capital Projects—MTW Grant-Funded Activities (Adjusted Budget)

Table 28: SHA 2021 Capital Projects—MTW Grant-Funded Activities (Adjusted Budget)

Low Income Public Housing Projects

LIPH Scattered Sites	Paint and repair building exteriors; replace building siding; replace parking lot concrete; resurface parking lot; complete exterior and interior upgrades to 5-bedroom units; replace roofs; replace a carport; replace playground equipment.	\$1,359,000
Bell Tower	Replace community room heat pump. Paint 1st floor interior areas.	34,000
Cedarvale Village	Complete interior upgrades to 2 units.	150,000
Denny Terrace	Replace community room heat pump.	13,000
Olive Ridge	Replace community room heat pump. Install generator. Repair sidewalks.	192,000
Tri-Court	Replace community room heat pump. Upgrade exterior signage and lighting. Revise parking for ADA parking.	82,000
Westwood Heights	Replace community room heat pump. Replace generator. Paint 1st floor interior areas and garbage chute walls.	167,000
Adjusted Budget Public Housing Capital Projects Subtotal		\$1,997,000

Seattle Senior Housing Program Projects

Fort Lawton Place	Paint interior areas, repair parking lot and parking lot fencing, replace community room carpet.	\$66,000
Nelson Manor	Repair and resurface parking lot and upgrade exterior lighting.	31,000
Olmsted Manor	Paint interior areas, upgrade lighting, and complete garbage station area repairs.	39,000
Pinehurst Court	Upgrade elevator and complete garbage station area repairs.	270,000
Pleasant Valley Plaza	Paint interior areas.	20,000
Primeau Place	Paint interior areas.	32,000
Schwabacher House	Paint interior areas.	22,000
Wildwood Glen	Paint interior areas.	18,000
Senior Housing properties	Additional funding for common area upgrades, including mailboxes, at Ravenna School, Nelson Manor, Gideon Matthews, Pinehurst Court, Schwabacher House, Pleasant Valley Plaza, Carroll Terrace, Reunion House, Primeau Place, Phinney Terrace, Olmsted Manor, Island View, Fremont Place, and Columbia Place.	180,000
Adjusted Budget Seattle Senior Housing Program Capital Projects Subtotal		\$678,000

Total 2021 MTW Adjusted Capital Budget

\$2,675,000

SHA 2021 Capital Projects—Other Funds for Asset Preservation (Adjusted Budget)

Special Portfolio Reserves

Delridge Triplexes	Replace roof and asphalt shingle.	\$33,000
Fir Street Townhomes	Replace roof.	35,000
Martin Luther King Jr. Apartments	Complete targeted exterior repairs and paint.	100,000
Adjusted Budget Special Portfolio Reserves Projects Subtotal		\$168,000

Pooled Refinance Projects

Bayview Tower	Paint interior areas.	\$ 90,000
Lake City Commons	Replace roof.	80,000
Main Street Place	Upgrade fire alarm system.	70,000
Martin Luther King Jr. Apartments	Complete exterior repairs.	50,000
Montridge Arms	Fix retaining wall.	50,000
Spruce Street Townhomes	Replace exterior siding.	40,000
Telemark Apartments	Paint building exterior and do landscaping.	60,000
Adjusted Budget Pooled Refinance Projects Subtotal		\$440,000

Limited Partnership Capital Projects

homeWorks I	Upgrade exterior signage and lighting, replace community room heat pump, upgrade interior lighting, and install mailbox at Ballard House; upgrade common area lighting and replace community room heat pump at Beacon Tower; replace community room heat pump at Capitol Park; replace elevator, upgrade exterior signage and lighting, and replace community room heat pump at Green Lake Place; upgrade exterior signage and lighting, replace community room heat pump, and upgrade interior lighting at Harvard Court; upgrade restroom and community room to ADA standards, replace community room heat pump, and repair and paint stairwell at International Terrace; and add fencing to the dumpster area, upgrade exterior signage and lighting, replace community room heat pump, and improve parking lot at Lictonwood.	\$1,184,000
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SHA 2021 Adjusted Capital Projects – Other Funds for Asset Preservation

homeWorks II	Replace community room heat pump and paint interior common areas at Cal-Mor Circle; upgrade common area lighting and community room heat pump at Cedarvale House; repair and paint stairwells, upgrade fire alarm panel, and replace community room heat pump at Center Park; upgrade exterior signage and lighting, and replace community room heat pump at Lake City House; upgrade restroom and community room to ADA standards, paint interior areas, replace ceiling tiles, replace community room heat pump, and upgrade exterior signage and lighting at Olympic West; paint interior areas, replace community room heat pump and upgrade replace exterior signage and lighting at Queen Anne Heights; and replace community room heat pump at University West.	540,000
homeWorks III	Replace community room heat pump at Barton Place; replace community room heat pump and upgrade exterior signage and lighting at Center West; upgrade both elevators, replace community room heat pump, and upgrade exterior signage and lighting at Jackson Park House; replace generator and community room heat pump, and repair and paint stairwell at Ross Manor; replace community room heat pump at Stewart Manor; replace community room heat pump at University House; and replace community room heat pump and upgrade common area lighting at West Town View.	755,000
CY 2021 Adjusted Budget LP Capital Projects Subtotal		\$2,479,000

Total 2021 Non-MTW Adjusted Capital Budget	\$3,087,000
Total Overall CY 2021 Adjusted Capital Expenditures	\$5,762,000
Deferral of Prior Year Funded Projects	(\$5,322,000)
Net Total CY 2021 Adjusted Projects	\$440,000

GRANT PROGRAMS

GRANT PROGRAMS

The overall budget for agency grant expenditures in 2021 is \$5.09 million. The sources are a mix of new grants, emergency COVID-19 relief, and 2020 underspend that will carry over into 2021.

Seattle Housing Authority Grant Program CY 2021

Name	Total Award	Grant Period	2021 Expenditures (with any carryover) ³
Family Self Sufficiency	456,200	2021	456,200
ROSS Service Coordinators Grant	717,000	2019-2022	239,300
SPACE/Seattle Community Investments	150,000	N/A	90,300
Gates Foundation CMTO Grant	3,939,800	2016-2021	587,800
TOTAL without CARES	\$5,263,000		\$1,373,600
CARES	10,587,500	2020-2021	\$3,720,600
TOTAL with CARES	\$15,850,000		\$5,094,200

Table 29: Grant Program Funding

In 2020, SHA received Coronavirus Aid, Relief, and Economic Security (CARES) Act Operating and HCV funding totaling \$10,587,479 that must be spent by Dec 31, 2021. The funding was provided to prepare for, respond to, and prevent the spread of COVID-19. CARES funding will be used by the Housing Choice Vouchers department for several projects, including improving remote work capability and improving online access for clients, providing staff support during the pandemic, and a landlord incentive program. Permanent supportive housing providers with project-based voucher contracts received additional payments for CARES-eligible, COVID-19-related expenses. CARES funding will also be used on a few capital projects, such as West Seattle Maintenance Offices and fire alarm panels.

The Information Technology department will also spend the first half of 2021 working on projects in support of SHA's changing business needs due to COVID-19. SHA approved \$1,527,000 for the IT COVID-19 Recovery Plan. This includes \$639,000 laptops and equipment; \$320,000 for staff augmentation and temp staffing; \$215,000 for resident online forms; and \$353,000 for multi-factor authentication, a softphone solution, remote work training and software, and other security projects. Phase I of this work started at the end of 2020 and Phase II should be completed in 2021.

In addition to the remaining and anticipated grants above, SHA has expiring grants and has applied for or is seeking funding from grant sources whose award outcome is uncertain or does not pass directly through SHA. These sources are not included in the \$1.3 million grant expenditure figure above.

³ Some of the amounts listed below include 2020 budgeted grant funds that were unspent and carried over for grant spending in 2021.

LIMITED PARTNERSHIP OPERATIONS

LIMITED PARTNERSHIP OPERATIONS

SHA expects eighteen tax credit partnerships that are component units, as defined by Generally Accepted Accounting Principles (GAAP). “Component units” are legally separate entities for which the governing officials of the primary government (SHA) are financially accountable.

SHA is the general partner, developer, and managing agent for each of the tax credit limited partnerships. While each partnership has a common structure, each partnership's specific provisions are represented in the agreements unique to each partnership. An auditor agreeable to the limited partners performs audits of and tax returns for each component unit annually.

In approving the 2021 SHA Budget resolution, the Board of Commissioners will approve the draft adjusted partnership budgets and recognize that final budget approval rests with the limited partners. Below are the 2021 draft budgets that may change before being finalized and submitted to the LP members for approval.

Hinoki and Lam Bow partnerships will remain in development throughout 2021 and are not included in the draft budget shown below. SHA started the exit process for Alder Crest in 2020, and the partnership is expected to dissolve in 2021 after the exit process is completed.

Table 30: Limited Partnerships -- Operations Budgets

Operations of Limited Partnerships where SHA is the General Partner

Name	Alder Crest	homeWorks Phase I	homeWorks Phase II	High Point South	homeWorks Phase III	South Shore	Lake City Court	Tamarack Place
First year of operations	2005	2007	2008	2008	2009	2009	2011	2010
Number of units	36	704	691	256	586	44	86	83
Rental Income	114,621	1,924,599	1,904,461	1,641,897	1,521,029	160,565	453,243	289,007
Operating Subsidy	-	3,088,613	3,054,612	97,837	2,897,259	-	323,077	253,069
HCV Subsidy	205,388	-	-	2,074,003	-	281,306	118,760	319,952
Other Income	(3,207)	265,253	315,606	49,670	181,691	3,203	16,415	20,014
TOTAL REVENUE	316,802	5,278,465	5,274,679	3,863,407	4,599,980	445,074	911,495	882,042
Administrative Expenses								
Salaries	42,056	549,151	557,591	172,539	484,095	49,733	84,606	71,704
Other Admin Costs	54,212	1,007,166	989,022	451,276	851,128	43,881	124,808	280,963
Utility Expense	59,772	1,004,275	958,674	681,094	911,798	64,174	193,822	134,513
Tenant Service	10,859	15,807	14,687	1,693	6,436	184	828	563
Maintenance & Repair								
Maintenance Salaries	-	-	-	291,587	-	-	90,042	74,661
Supplies	-	12,167	14,387	117,774	10,079	-	19,568	17,157
Contracts	85,611	1,694,283	1,753,763	211,620	1,521,883	84,433	95,146	53,907
General Administrative Exp								
Property Insurance	17,599	294,659	316,166	135,125	248,672	18,355	62,570	-
Benefits, Other	14,648	292,365	302,411	255,273	261,907	28,332	94,557	73,660
Financial Expenses	1,928	37,478	36,664	926,078	31,341	82,985	4,521	58,154
TOTAL OPERATING EXPENSES	286,685	4,907,351	4,943,365	3,244,058	4,327,339	372,078	770,468	765,281
NET INCOME (LOSS)	30,117	371,114	331,314	619,349	272,640	72,996	141,027	116,760

Operations of Limited Partnerships where SHA is the General Partner

Name	Rainier Vista Northeast	Leschi House	Kebero Court	Raven Terrace	Hoa Mai Gardens	NewHolly Phase I	West Seattle	Red Cedar	TOTAL 2021 LP BUDGET
First year of operations	2011	2015	2015	2015	2016	2016	2017	2019	
Number of units	118	69	103	83	111	305	204	119	3,598
Rental Income	559,601	247,662	407,307	424,663	692,840	2,078,227	1,145,558	729,091	14,294,369
Operating Subsidy	325,929	-	-	-	-	-	35,000	-	10,075,395
HCV Subsidy	501,138	512,547	967,697	562,689	893,490	726,651	933,858	1,112,262	9,209,741
Other Income	16,902	3,641	13,678	10,356	922	27,296	32,747	19,992	974,180
TOTAL REVENUE	1,403,570	763,850	1,388,682	997,708	1,587,252	2,832,174	2,147,163	1,861,345	34,553,685
Administrative Expenses									
Salaries	97,943	44,884	90,152	82,312	90,727	148,840	240,270	111,566	2,918,170
Other Admin Costs	194,705	87,488	140,608	125,991	162,242	393,032	219,225	161,232	5,286,979
Utility Expense	260,072	126,628	150,612	98,340	191,858	786,143	358,287	208,937	6,188,999
Tenant Service	364	1,500	1,851	1,051	2,000	3,946	-	2,000	63,769
Maintenance & Repair									
Maintenance Salaries	108,378	64,208	114,647	105,780	89,638	192,522	-	83,385	1,214,848
Supplies	28,859	9,442	19,807	16,510	11,010	105,597	4,787	31,196	418,340
Contracts	160,015	49,558	78,975	75,228	73,985	206,573	380,729	70,007	6,595,716
General Administrative Exp									
Property Insurance	74,244	38,762	57,617	46,541	92,543	161,083	108,000	105,651	1,777,587
Benefits, Other	105,253	54,667	111,893	94,785	96,350	177,220	143,606	106,653	2,213,580
Financial Expenses	121,297	176,110	378,468	205,392	502,272	207,710	301,078	633,828	3,705,304
TOTAL OPERATING EXPENSES	1,151,130	653,247	1,144,630	851,930	1,312,626	2,382,666	1,755,982	1,514,455	30,383,292
NET INCOME (LOSS)	252,440	110,603	244,052	145,778	274,626	449,508	391,181	346,890	4,170,393

APPENDIX

RESPONDING TO THE STRATEGIC PLAN

In 2016, SHA adopted its current Strategic Plan that defines SHA's Strategic Directions and key Organizational Cornerstones. The plan affirms SHA's mission and values, maintains core commitments, and maps the agency's course to make a positive difference in the lives of families and individuals with low income, neighborhoods where SHA participants live, and the larger Seattle community. The plan outlines three Strategic Directions and seven Organizational Cornerstones on which the Housing Authority will maintain its focus to prioritize activities, investments, and strategies that best equip SHA to advance its mission and values:

Our Mission—Every day, we work to enhance the Seattle community by creating and sustaining decent, safe, and affordable living environments that foster stability and increase self-sufficiency for people with low incomes.

Our Values—As stewards of the public trust, we pursue our mission and responsibilities in a spirit of service, teamwork, and respect. We embrace the values of excellence, collaboration, innovation, and appreciation.

STRATEGIC DIRECTIONS

SHA's Strategic Directions are “big picture” outcomes that are expected to be the focus of the agency. Key objectives are measurable actions that guide policies and investment in pursuit of Strategic Directions.

Expand Housing Opportunities

SHA serves more people by cultivating additional resources and employing strategies that have the biggest impact on increasing Seattle's affordable housing choices. Key objectives related to this strategic direction are:

- Create more affordable housing by prioritizing strategies and leveraging resources to enable increased rental assistance and housing units for more people in need of affordable housing.
- Advance affordable housing policy through championing public policies that will increase the viability, availability, and accessibility of affordable housing for people with low incomes.
- Diversify housing choice by expanding available housing choices, demonstrating alternative housing models, and preserving and increasing access to neighborhoods throughout Seattle that would otherwise be out of reach for people with low incomes.

Promote Quality Communities

SHA invests in safe, quality, affordable housing; connects participants to communities, resources, and services designed to meet their needs; and provides safe, inviting, and accessible communities. Key objectives related to this strategic direction are:

- Preserving and promoting high quality housing by providing safe, accessible, sustainable, and attractive living environments that contribute to the quality of Seattle neighborhoods through preservation and redevelopment of SHA's housing stock.
- Connecting people to opportunity by investing in communities through partnerships so that neighborhoods where participants live support access to opportunities such as good jobs, parks, transit, arts, high-performing schools, and healthy living.
- Strengthening community and service by facilitating effective and supportive relationships and respectful interactions among participants, staff, partner organizations, and neighbors so that people feel valued, proud, and connected to the community they live in.

Improve Quality of Life

SHA collaborates with communities to use housing as a platform to improve quality of life by enhancing health, supporting education and skill development, and other services to help people reach their full potential. Key objectives related to this strategic direction are:

- Enhancing senior and disabled living by connecting senior and disabled participants to the services they need and facilitate access to other housing choices along a continuum of care as appropriate.
- Economically empowering people by assisting participants in benefiting from education and employment to increase their economic security, skills, income, assets, and financial well-being.
- Supporting youth achievement by promoting access to high-quality learning opportunities for young children, youth, and young adults that increase educational performance, college and career readiness, and encourage lifelong well-being.

ORGANIZATIONAL CORNERSTONES

SHA's Organizational Cornerstones reflect SHA's values in action. These qualities help form the foundation of how SHA advances its mission and pursues its Strategic Directions. SHA's culture is driven by a commitment to excellence that continually strengthens these cornerstones. The seven Organizational Cornerstones are listed and defined below.

Engaging Service and Respectful Relationships: SHA is committed to providing consistently high-quality service and respectful interactions. SHA honors and assists participants and communities through service and engagement that recognize their unique needs and strengths.

Staff Excellence: SHA is committed to recruiting, retaining, and developing people whose skills and dedication allow them to perform consistently at the top of their field. SHA trains and invests in a well-equipped workforce to support the agency's day-to-day operation in pursuit of its mission.

Partnership and Coordinated Action: SHA engages in partnerships and leverages resources to extend services and housing beyond core housing programs. SHA aligns partners, programs, and service delivery to broaden and accelerate progress on strategic directions.

Financial Stability and Operational Efficiency: SHA manages its resources to maximize the impact and cost-effectiveness of its operations as well as the value and longevity of its assets. SHA focuses on strengthening its financial condition, streamlining service-delivery, and being good stewards of the public trust to best serve people now and into the future.

Race and Social Justice Initiative (RSJI): SHA is committed to delivering services in a culturally competent way, free of racism and prejudice; to minimizing the impacts of poverty; and to advancing and supporting social justice. SHA strives to eliminate individual, institutional, and systemic racism in its policies and practices.

Environmental Stewardship: SHA incorporates environmental stewardship into daily practices and long-term decision-making to allow for more cost-effective investments; inventive approaches to complex sustainability challenges; healthier working and living environments for staff and participants; and broader impact within the community.

Innovation: SHA actively pursues creative, innovative, and impactful solutions to expand organizational capacity, improve service, and meet participant and community needs. SHA continually uses high-quality information and effective analyses to plan and evaluate its actions.

