



Seattle Housing Authority 2022 Proposed Budget






SEATTLE HOUSING AUTHORITY

2022 PROPOSED BUDGET

Presented to
SEATTLE HOUSING AUTHORITY BOARD OF COMMISSIONERS

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INTRODUCTION

The 2022 Proposed Budget contains all of Seattle Housing Authority's (SHA) Operating and Capital Budget sources and uses, including federal as well as local housing programs and enterprise activities for 2022. 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, 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 advantage to realize the purposes and the promise of the MTW demonstration and to effectively serve low-income people in the Seattle community.

HOW THE BUDGET IS PREPARED

The Budget Office begins developing the budget each year in early spring by preparing forecasts for revenues and expenses based on projections of federal funding actions; forecasts about the economy; and estimates of cost changes for major expense items.

At an annual Budget Retreat early in the 2nd quarter, the Executive Director and Cabinet review the Budget Office's initial forecast of the coming year's revenues and the cost increases to see how the cost of performing at current service levels for residents and participants compares to estimated revenues. The Budget Office then evaluates, with department input, whether programs and positions scheduled to expire should be left to do so or be continued temporarily or permanently. This process results in an agreed "status quo" budget for each Department.

The Budget Office then solicits "add requests," supplemental budget amounts for proposed new or expanded programs and positions, from the departments. The Budget Office evaluates these requests according to long-established criteria and contemporary agency priorities. The Executive Director and Deputy Executive Director review the Budget Office's add request recommendations, providing input and requesting additional information. SHA's Cabinet review the final Budget Office recommendations, and departments are given the opportunity to appeal any rejections.

Once approved department add requests are incorporated into the proposed budget, the Budget Office then works to calculate and include internal fees for intercompany and external rent, Information Technology fees, and Finance and Accounting overhead fees.

In parallel with the Operating Budget, the Budget Office works with other Departments on three other components of the annual Budget: Capital Preservation; Information Technology Capital Projects and the Development Budget. The Budget Office establishes any MTW revenues for each of these elements and coordinates with the Departments on levels of non-MTW revenues. For development projects, the Budget Office reviews sources and uses and projected expenditures for the coming year. The Budget Office plays the overall role of balancing the total budget and negotiates fund proposals on these three elements of the Budget for inclusion in the annual proposed budget with the Operating budget.

SHA publishes the Moving to Work (MTW) Proposed Annual Plan for 2022 and the 2022 Proposed Budget Summary at the end of summer 2021. They are available online at www.seattlehousing.org for public review and are open for comment until September 30, 2021. A public hearing is held in mid-September as part of the public comment process. The Executive Director will present this 2022 Proposed Budget Book to the Board of Commissioners following conclusion of the public comment period.

OVERVIEW OF THE 2022 SHA PROPOSED BUDGET

The 2022 Seattle Housing Authority (SHA) Proposed Budget recommends total expenses of **\$385.0 million**, with the Operating Budget at **\$115.6 million**; Housing Assistance Payments (HAP) at **\$150.0 million**; grants at **\$1.3 million**; the Capital Budget at **\$22.5 million**; Opportunity Investments at **\$19.5 million**; and the Redevelopment Budget at **\$76.1 million**. The total 2022 Proposed Budget is less than the total 2021 Adopted Budget by **\$22.6 million** or **5.5%**.

The total **Operating Budget** of the 2022 SHA Proposed Budget — operations, HAPs, and grant support — is **\$266.9 million**, which represents **69% of the total Proposed Budget**, and reflects a **6.2% increase over 2021**.

The total proposed **Capital Program**—Capital Preservation, Non-Routine, Opportunity Investments, and Redevelopment Expenditures—is **\$118.1 million** or **31% of the total Proposed Budget** and reflects a decrease of **24.5% compared to 2021**.

Capital Preservation and Non-Routine budgets are set to increase by 3.3% above the 2021 funded level. The highest priorities in the Capital Preservation program in 2022 are elevator repairs; building exterior rehab and repair; and interior upgrades.

Opportunity Investments (OI) total \$19.5 million in the proposed 2022 Budget; this represents an increase of \$11.0 million over the 2021 OI projects. Opportunity Investments were started in 2019 because of the incremental funding increase occasioned by the 2018-2019 Congressional Bipartisan Budget Act. Since then, SHA has maintained OI projects at \$15 to \$20M annually, except for 2021, when only one OI project (Jefferson Terrace Rehab at \$8.5M) was funded. The remainder of the funds was devoted to program set-asides to address COVID-19 impacts and service needs for residents and voucher households. For 2022, SHA proposes funding for ten OI Projects; see the summary included on page 10.

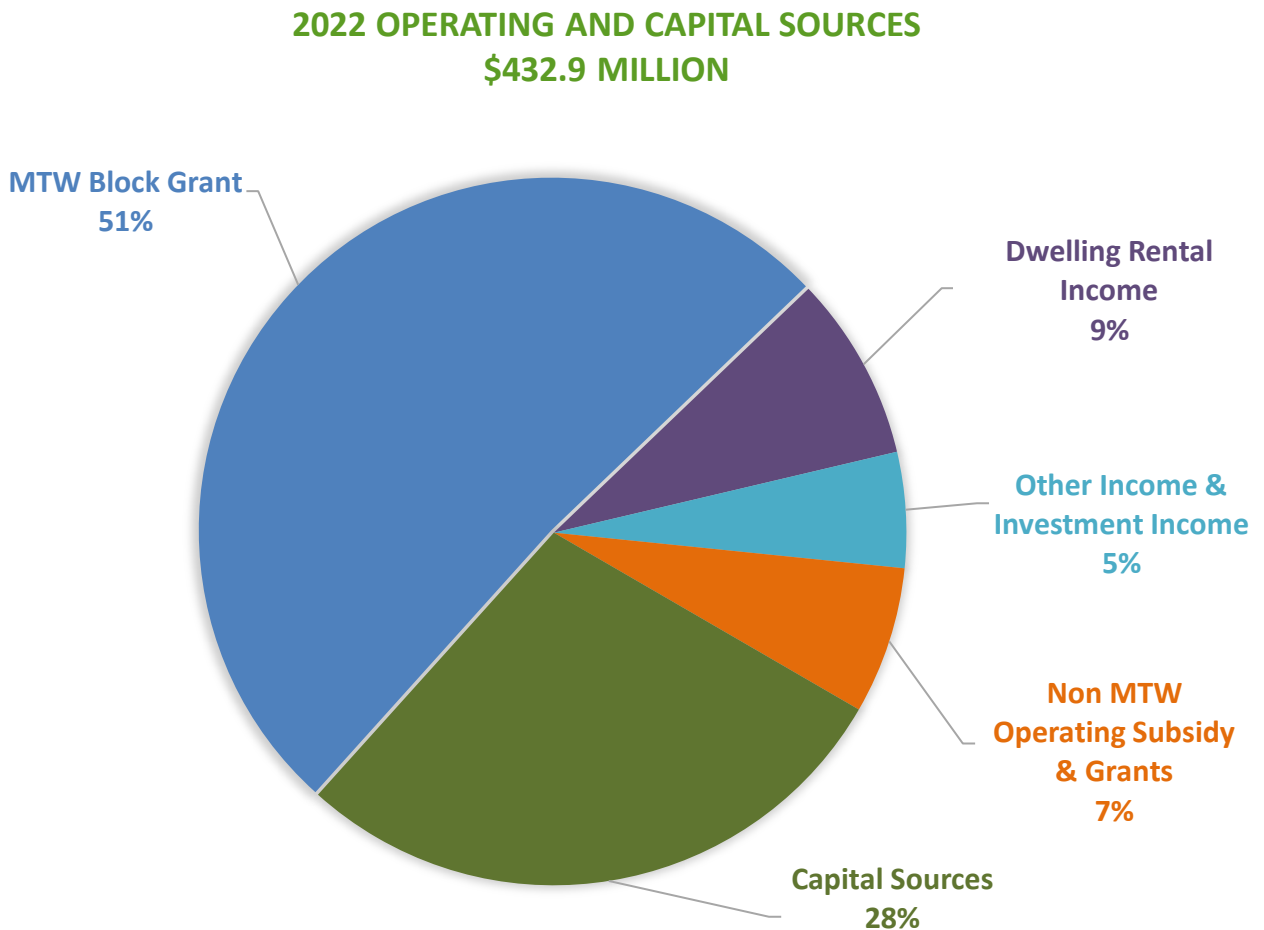
The **Redevelopment Budget** for 2022 totals \$76.1 million, a decrease of \$50.1 million or 39.7% below 2021 due to changes in the timing and stage of each major project under development. Yesler construction activities decrease in 2022 as Hinoki will complete construction in early 2022, Sawara will be in construction throughout 2022 and Juniper will be in design and predevelopment throughout 2022. Two other major projects will be underway: rebuilding and expanding the Lam Bow Apartments and the rehabilitation of Jefferson Terrace. These two projects represent a combined net increase of \$14.1 million in development in 2022. In addition, a third project, Jackson Park Village will be in the planning and design phase.

The proposed SHA staff level, including capital and grant-funded positions, will total 656.6 full-time equivalents (FTEs) in 2022, an increase of 32.8 FTEs compared to FTEs in the 2021 Budget. Please see the Consolidated Budget section of this document for more detail.

SOURCES OF FUNDS

The chart below provides a breakdown of SHA's main funding sources. The HUD MTW Block Grant totals \$221.6 million, or 51% of total sources making it the largest single source of SHA funds, while non-MTW operating subsidy and service grants create \$29.2 million, or 7% of total sources. Non-MTW capital and redevelopment sources total \$122.5 million, or slightly more than 28% of total sources, while rental income at \$36.7 million provides 9% of sources. All other income for 2022 is at \$22.9 million or 5%. Compared to the total uses that appear in the section that follows, sources exceed uses by \$47.9 million in 2022 and these funds will be used primarily for future work of multi-year redevelopment and rehabilitation projects.

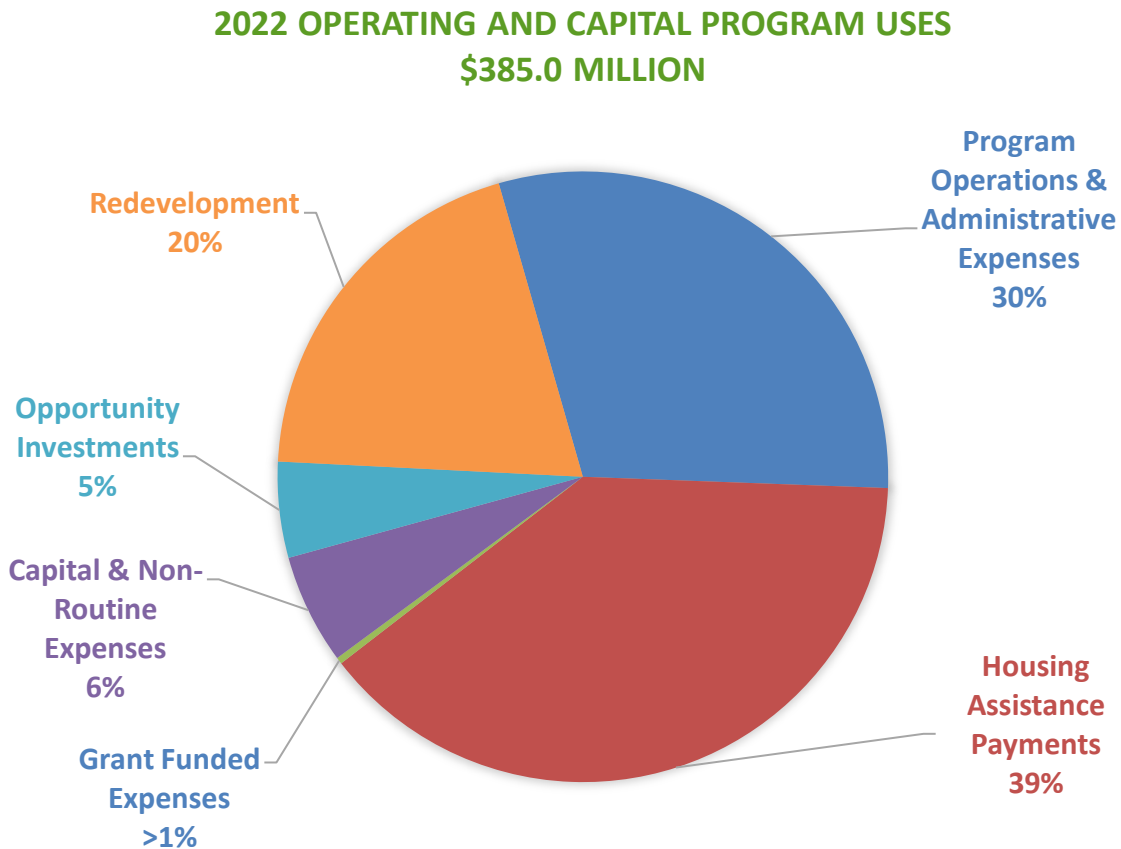
Figure 1: 2022 Operating and Capital Program Sources



USES OF FUNDS

The chart below displays SHA uses of funds by major category. Housing Assistance Payments are SHA's largest program expenditure at \$150.0 million, or 39% of total uses. When combined, capital, redevelopment projects, and Opportunity Investments total \$118.0 million or 31%. Program Operations and Administrative budget for Low Income Public Housing, the Seattle Senior Housing Program, Local Housing, and other operating and service grant programs totals \$117.0 million, or 30.0% of uses.

Figure 2: 2022 Operating and Capital Program Uses



NAVIGATING THE BUDGET: WHAT'S IN THIS DOCUMENT?

The budget is presented in the following sections:

2022 Highlights

In this section of the Budget Book, Seattle Housing Authority (SHA) presents its Multi-Year Initiatives, Opportunity Investments, and Services to SHA Tenants. SHA's highest priorities include expanding affordable housing opportunities and choices, promoting quality communities (including housing stock maintenance and updates) and improving quality of life for the individuals and families SHA serves.

Department Budgets

This section contains departmental information on proposed 2022 expenditures and on changes in staffing levels from 2021 to 2022. Budgets for each department and major sub-divisions are presented, along with highlights of their 2022 work plans. Departments and groups which comprise SHA are Executive; the Office of Policy and Strategic Initiatives; Development; Housing Finance and Asset Management; Finance and Administrative Services; Information Technology; Housing Operations; Human Resources; and the Housing Choice Voucher Program. Except for the Leschi House Limited Partnership and homeWorks Phases I, II, and III Limited Partnerships, the department operating budgets exclude all limited partnership operating revenues and expenses, and unit count information. Preliminary budgets of all limited partnerships are presented in the last section of this Budget Book.

Grant Programs

SHA has consistently and successfully competed for grant funding from HUD, other public agencies, and private foundations to support resident services and programs. This section summarizes grants that are currently active and presents a table of grant-funded expenditures expected in 2022.

Capital Improvement Program

This section describes SHA's plans for asset preservation for SHA's housing portfolios and facilities, redevelopment and rehabilitation projects. In 2022, redevelopment and rehabilitation activities continue in the Yesler neighborhood and Lam Bow and expands to Jefferson Terrace. This section also summarizes the Opportunity Investments SHA will make in 2022.

Limited Partnerships

The Low-Income Housing Tax Credit program is the principal source of funds for development of new low-income housing units and for major rehabilitation of existing units. Tax credit benefits to investors are exchanged for equity investment by private firms or syndications in partnership agreements with housing authorities. Limited Partnerships are formed to take advantage of federal law and Internal Revenue Service (IRS) regulations allowing the private parties to invest in affordable housing through the purchase of low-income housing in exchange for tax benefits. In all SHA's cases, SHA has been the developer, general partner, and managing agent for the limited partnership.

In 2022, SHA will serve as the General Partner and Managing Agent for twenty Limited Partnerships (LPs) formed to invest in, own, and manage rental housing in mixed-income communities.

2022 BUDGET HIGHLIGHTS

MULTI-YEAR INITIATIVES UPDATED

SHA's 2022 budget proposal continues the momentum of Yesler Redevelopment and SHA's multi-year commitment to serve more people through affordable housing development and preservation, and by implementing program initiatives based on the best data and practices to make a difference in the lives of SHA residents and participants. Following an update on Yesler Redevelopment progress expected in 2022, several capital and program initiatives are featured below.

Yesler Redevelopment

Yesler Redevelopment continues in 2022 with resident services focused on education, health, and workforce development programs, as well as construction of affordable housing serving low-income residents and mixed-income rental units developed by the private sector. Here is what to expect in 2022 for housing development:

- *Hinoki*: Under construction and scheduled for completion in 2nd quarter 2022. It will have 136 units, including 82 replacement units, 48 units at 60% Area Median Income (AMI), and 6 units at 80% AMI in 1, 2, 3 and 4-bedroom configurations. The building will utilize solar panels to offset the electrical demand load of the building common areas.
- *Sawara*: Yesler's sixth new apartment building will have 114-units consisting of 65 replacement units and 49 units at 60% AMI, including 1, 2, 3 and 4-bedroom apartments. Building construction is scheduled to start in late 2021 and will be in progress in 2022. Sawara is participating in the Seattle City Light Exemplary Building Program which explores new technologies and practices to enhance energy efficiency of the building.
- *Juniper*: In the planning and design phase during 2022 for the 95-unit building consisting of 24 replacement units, 48 units at 60% AMI and 23 units at 80% AMI with a mix of 1, 2 and 3-bedroom units.
- *Yesler Family Housing*: Seattle Chinatown International District Preservation and Development Authority, in partnership with Community Roots Housing, were selected by SHA to build 156 affordable apartments, including 92 units of replacement housing (up to 30% AMI) and 64 units designated for the 60% AMI level. The project will be completed in 2022 and will house a childcare and early learning center and in-home units designated for child-care services.
- Market Rate Housing with Affordable Units:
 - ✓ Mason and Main by Lowe Enterprise is a 550-unit complex comprised of two nine-story buildings with projections of completing Building 1 in 2nd quarter 2022 and Building 2 in 4th quarter of 2022 and will begin leasing the 417 market rate units and 133 units at 80% AMI.
 - ✓ Other Yesler private partner developments under construction in 2022 include:
 - Su Development - one of two high-rise buildings along Yesler Way and S. Washington Street when completed will create 358 units to include 263 market rate and 95 at 80% AMI units;
 - Vulcan Real Estate – Wayfarer, a 344-unit project consisting of 253 market rate and 91 at 80% AMI units located on Yesler Way and Boren Avenue;
 - Vulcan Real Estate – one of two buildings at Broadway Avenue and Alder Street, a 324-unit project with 238 market rate and 86 units at 80% AMI units;

- Mack Real Estate on S. Washington Street, a 200-unit project with 147 market rate and 53 at 80% AMI units.

Yesler Services Legacy

The Choice Neighborhood Grant from HUD provided seed funding for the redevelopment of Yesler, included funding for the provision of services to Yesler residents during the grant period, and provided incentives for SHA to commit to sustaining health, employment, education, and other services after the grant period ended. During the grant period, SHA provided an average annual budget for services of \$400,000 to \$600,000. SHA has been committed to sustain approximately this service level into the future by dedicating an initial corpus of funds that, when invested, could sustain a comparable funding stream to support the service needs of low-income residents of Yesler, as they might change over time.

Earlier in 2021, the Board of Commissioners approved a resolution to dedicate approximately \$15 million from Yesler land sales proceeds to provide the corpus to sustain Yesler services. The Resolution also outlined a process for selection of an entity/vehicle that could be entrusted with the responsibility of fulfilling SHA's commitment to establish a sustainable funding source for Yesler services at an ongoing annual level of \$400,000 to \$600,000 a year. SHA Administration is currently engaged in the process outlined in the Board resolution to identify potential candidates and recommend an entity to be the *Steward of the Yesler Services Legacy*. This process will conclude in 2021 and SHA expects to enter a contract with the selected entity and to transfer the \$15 million land sales proceeds sometime in 2022. Until the investment of these funds by the *Steward* reaches at least a year, SHA will continue to bridge funding for the services, at current levels.

Lam Bow Apartments Rebuilding and Expansion

Construction of the new, single 82-unit Lam Bow Apartments building began in mid-2021. The 4-story wood-framed building will be a mix of 1, 2, and 3-bedroom affordable housing units. The 18-month construction project is scheduled for completion in 1st quarter 2023. This new, single building design will add 31 apartment units to the original property unit count.

Jefferson Terrace

The Jefferson Terrace rehabilitation project is a planned two-year construction project to perform capital improvements which includes replacing all domestic water and waste lines, replacing the roof, performing selected exterior concrete repairs, updating the building ventilation system, replacing the showers in the units, converting current office spaces into new units, improving the resident common areas and expanding the lobby of the building. In early 2022, SHA anticipates completing the first phase of temporary relocation of households to accommodate the start of the construction activities planned to begin in Spring 2022.

Emergency Housing Vouchers

On March 10, 2021, President Biden signed the American Rescue Plan of 2021, which included a \$5 billion appropriation for new incremental Emergency Housing Vouchers (EHV). This funding is expected to provide for 70,000 EHV for issuance nationwide over the period July 2021 through September 2023. Those eligible for these tenant-based vouchers are individuals or families who are (1) homeless; (2) at risk of becoming homeless; (3) fleeing domestic or date violence, sexual assault, stalking or human trafficking. HUD requires local Housing Authorities with authorized EHV to enter an agreement with the local Continuum of Care homeless coordinating agency to assist qualified families and individuals through a direct referral program to the local Housing Authority for issuance of vouchers. The program also provides the Housing Authority with funds to assist the clients with their housing search and moving

costs and to provide incentives to landlords to lease to EHV clients. Finally, the EHV vouchers may be issued and reissued from program inception in July 2021 until September 30, 2023, after which no returned vouchers may be reissued. All funding for the EHV program for its life (estimated to be 2030) has been appropriated and no additional appropriations are expected; thus, annual renewal of EHV vouchers will continue as long as the already appropriated funds are available.

SHA was awarded 498 EHV vouchers and completed a Memorandum of Agreement with the King County Regional Homeless Agency for referral coordination in June. SHA is staffed and is prepared to issue vouchers and provide housing search and move-in support for those issued a voucher, as well as landlord support, as needed. SHA has received \$1.9M from HUD for lease-up and move-in support, landlord incentives, and initial administrative expenses, and will receive additional administrative expense funding based on EHV utilization. The program is an opportunity to serve more people and increase coordination with partners.

2022 OPPORTUNITY INVESTMENTS

Opportunity Investments (OI) generally arise out of innovative ideas presented by staff for consideration during the budget process. They often reflect existing objectives, like serving more people, or advancing race and social justice; or they provide resources to fill a gap in financing a one-time activity; or they can be investments to modernize SHA equipment or facilities; or to demonstrate a program. In some cases, Opportunity Investments reflect concrete plans that are ready to go, and in other cases, they are concepts for which funds are set aside, as further design and definition are needed before they are ready to implement. Below are the ten Opportunity Investments funded in SHA's 2022 Proposed Budget.

Housing Acquisitions – Contribute \$6.5M

Asset Management proposes to undertake a new acquisition plan for at least 100 units. There are several important differences from the acquisition program undertaken in 2018-19 that will shape the approach this time. The market has changed and there are fewer opportunities on the market at this time, particularly for the types of acquisitions SHA has made earlier. SHA likely will not find properties that bring their own source of subsidy, which enables serving extremely low-income households. Furthermore, without added vouchers from HUD, SHA's sources of new subsidy are highly limited. There also are fewer properties on the market that are naturally affordable without subsidy, as well as more limited units available in high opportunity neighborhoods.

Before SHA starts this new phase of acquisitions, additional research and planning will be completed to identify the most reasonable opportunities and define the criteria that will guide the search. When that work is completed, SHA will return to the Board of Commissioners to share findings and a proposed approach to this Opportunity Investment.

Sawara Construction – Contribute \$5.0M

As SHA has done for all prior Yesler Redevelopment projects, a share of funds will be provided for the upcoming construction of SHA's sixth Yesler replacement housing building via a loan of \$5 million in 2022.

BIPOC Equity Investments – Contribute \$5.0M

SHA has proposed a 2022 set-aside of \$5.0 million intended to invest in enhancing BIPOC equity opportunities. The SHA Policy Office will facilitate a process to determine recommendations for use of

these funds. Once that process is concluded, the recommended investments will be presented to the Board.

Homeownership Pilot – Contribute \$1.0M

SHA's Administration has committed to the Board of Commissioners to develop a homeownership pilot program that creates opportunities for low-income households who have been displaced or are at risk of being displaced from the City of Seattle. The Policy Office is leading an interdepartmental team to prepare a proposed homeownership program pilot proposal by the end of 2021. This work is currently in the research phase and does not yet have outcomes or cost details. It is likely that the pilot program will be multi-year, perhaps five years. While the actual annual funding needs during the pilot will likely vary, SHA is preliminarily targeting an average cost of \$1.0M per year, or \$5 million over five years. SHA expects to return to the Board during the 1st quarter 2022 with the program design and cost projections.

Yesler Hillclimb Extension – Contribute \$500,000

The Development Department has proposed an added amenity at Yesler Terrace – an eastern plaza extension of the Hillclimb along the Seattle Department of Transportation (SDOT) right-of-way between Hoa Mai Gardens and the Lowe Enterprises development. Development is working with SDOT to negotiate use of the right-of-way along Main Street. The community will have the opportunity to provide input on the plans for this site. The funds will be for both planning and development of the plaza and may be supplemented by other funding, if needed.

COVID-19 Recovery Information Technology (IT) Investment – Contribute \$500,000

As part of the considerable work required for Information Technology planning for COVID-19 Recovery, new IT capacity for managing in a hybrid work environment for the majority of SHA employees, working partly on-site and partly remotely, has required upgrading SHA's system security and modifying the technology IT uses to manage SHA's deployed computing devices from IT's centralized location. These changes have resulted in a need that was not originally anticipated in the IT Recovery budget, to replace thin client devices and desktops with laptop computers. This investment will complete the changes in equipment to operate successfully in the new environment.

Return to Office Space Modifications – Contribute \$500,000

There is not presently a balance in the reserve of funds for office space, equipment, and furnishing modifications. In anticipation of a gradual return to working in the office beginning later in the 4th quarter of 2021 for those who have been working remotely from home, SHA expects there will be needs for some reconfigurations of office space and cubes, replacement equipment needs, and other space upgrades consistent with CDC guidance and/or decisions made by SHA's Recovery Committee. These funds can provide for those needs, with any residual maintained in reserve for other office and common area need.

Creating Moves to Opportunity (CMTO) – Contribute \$342,000

These funds support two Housing Choice Vouchers (HCV) Full Time Equivalent (FTE) positions, a Mobility Counselor and a Family Navigator, and \$150,000 in financial assistance for an expected 60 current voucher holders moving to Opportunity Areas from their current locations. These funds help with move-in costs and pay for such things as rental application fees, deposits, and other costs of moving. The

families eligible for the program already have a voucher and a home they rent and would like to move to an Opportunity Area.

The Policy Office will work with HCV staff to collect data for an analysis of the CMTO program and its comparative costs, as operated by SHA, and identify alternative scopes of the program and comparative cost to potentially integrate CMTO into SHA's family voucher issuance operations.

SHA Public Website Upgrade – Contribute \$200,000

SHA's website must migrate to a new platform, as the current platform will no longer be available. The new platform will enhance security protections and will include upgrades to functionality and efficiency. Accompanying these funds for the cost of the migration to the new platform are ongoing funds in Communication's base budget for a five-year contract with a new web developer consultant.

SERVICES TO SHA TENANTS – RESIDENTS AND/OR VOUCHER-HOLDERS

A critical priority for SHA is improving the quality of life of those that it serves. Below are highlighted key elements and new investments of tenant services in five areas: Housing Stability, Economic Opportunity, Health Services, Race and Social Justice Equity, and Youth Education and Development. Since many of these new investments serve more than one of these categories, initiatives that serve multiple purposes have been cross-referenced and listed under the last bullet of each of the five categories.

Housing Stability

- Special Purpose Voucher Support- \$244,840 – The addition of a Special Purpose Voucher Manager, one Certification Specialist I, and two Certification Specialist II's will allow SHA's Housing Choice Vouchers department to offer higher levels of service to participants and partners and increase utilization, keeping up with the rapid growth of the program in the past 5 years.
- Housing Specialist Addition to Admissions Team - \$81,400 – The admissions team is acquiring a Housing Specialist to meet the rising demands of leasing up all newly developed and rehabbed units. Capacity must increase to match the growing availability of both new and units that turnover.
- Maintenance Mechanics - \$501,005 – IPS will hire five maintenance mechanics to address the backlog in routine, in-unit, and in common area maintenance due to COVID-19's 15-month pause in performing non-emergency maintenance. The estimated number of backlogs is over 17,000 work orders and the maintenance mechanics will work on this backlog in both low-income public housing and HOPE VI buildings.
- Also Supporting Housing Stability:
 - ✓ Creating Moves to Opportunity Program - \$341,702 (OI)
 - ✓ Health and Housing Program Manager - \$141,175
 - ✓ JobLink Academy Expansion - \$26,938
 - ✓ Intergovernmental Relations Internship - \$27,619

Economic Opportunity

- JobLink Academy Expansion - \$262,938 - JobLink received funding for 21 additional Section 3 Academy Trainee slots. The positions are six-months in length and will be managed by property management staff in LIPH and HOPE VI. These positions will either support administrative work

in several departments throughout the organization or they will be Community Builder trainees to support the Community Services Department (CSD).

- SMART Trainee Training Coordinator - \$102,400 - Impact Property Services (IPS) is adding a Specialized Maintenance and Repair Training (SMART) Coordinator. The SMART coordinator will help provide opportunities for IPS employees to learn a trade and develop their skills via hands-on training and skill evaluation, coordinated peer trainings, an online training library, and written materials.
- Also Supporting Economic Opportunities:
 - ✓ Creating Moves to Opportunity Program - \$341,702 (OI)

Health Services

- Anti-Racist Culturally Appropriate Onsite Case Management/Outreach - \$300,000 - SHA in partnership with Aging and Disability Services (ADS) has submitted a proposal to the City of Seattle Human Services Department for \$650,000 to fund anti-racist culturally appropriate outreach, case management, and services targeted towards SHA-served extremely low-income youth, their families, and seniors to access behavioral health and other supportive services. SHA's expected contribution to this program is approximately \$300,000, if the City of Seattle funds the program. Twenty-five percent (25%) of this grant provides funding for additional case management for residents at high-risk SHA communities. The remaining 75% of this grant will support outreach to Black and African American youths and their families to increase participation in culturally sensitive behavioral health services and other supportive activities.
- Health and Housing Program Manager - \$141,175 – The Health and Housing Program Manager manages and oversees contracted services while developing and managing key stakeholder partnerships. The program manager will build internal infrastructure at SHA to support partners' work, establish metrics to monitor progress in achieving program milestones, and identify new opportunities for innovation and resource development in support of SHA resident health.

Race and Social Justice Equity

- Digital Equity Programming - \$261,960 - This funding will help SHA: provide technical knowledge and support for residents, identify additional digital equity funding sources, upgrade technology inventory, and support staff and volunteers to create learning and training plans for residents. The program also supports existing residential computer labs including a mobile computer lab to serve multiple communities.
- Race and Social Justice Initiative Strategic Advisor - \$110,574 - This additional Human Resources staff member will support the implementation of a Race and Social Justice (RSJ) strategy that will foster individual and team learning, and create the conditions for greater organizational alignment and focus on Race and Social Justice Initiatives (RSJI).
- Intergovernmental Relations Intern - \$27,619 - This intern will help create materials that influence the strategy on housing advocacy issues and support communications with residents and staff on RSJ related legislative issues.
- Also Supporting Race and Social Justice Initiatives:
 - ✓ BIPOC Equity Investments - \$5,000,000 (OI)
 - ✓ Anti-racist culturally appropriate Case Management/Outreach - \$300,000

Youth Education and Development

- Youth Programming Investments - \$279,100 - This investment will allow staff the resources to provide the following programming: Youth Advisory Council, near peer mentorship program, leverage community leadership, parent leaders at Yesler meeting, Yesler Educational Events.
- Community Builder North End - \$99,804 - This staff position will serve several communities with large youth populations, engaging residents in leadership development, productive youth engagement, education-centered family engagement, and community safety efforts.
- Yesler Education Engagement Specialist - \$109,782 - The Yesler Education Engagement Specialist is a key liaison to Seattle Public Schools serving youth in Yesler by offering education support to individual youth and their families, and by coordinating programming and community partners.
- Also Supporting Youth Education and Development:
 - ✓ Anti-racist culturally appropriate Case Management/Outreach - \$300,000

CONSOLIDATED BUDGET

The following summary presents the proposed operating and capital budgets for Calendar Year (CY) 2022 in comparison to 2021 for all housing programs and business activities. It also describes changes in staffing levels from the 2021 Adopted Budget to the proposed 2022 Budget.

CY 2022 PROPOSED BUDGET

Table 1: Proposed Budget

	CY 2021 Adopted Budget	CY 2022 Proposed Budget	Percent Change
Program Operations and Administrative Expenses	112,441,000	115,628,000	2.8 %
Housing Assistance Payments (HAP)	137,417,000	149,954,000	9.1 %
Grant-Funded Expenses	1,373,600	1,339,200	(2.5)%
Capital & Non-Routine Expenses	21,750,000	22,474,000	3.3 %
Opportunity Investments	8,500,000	19,542,000	129.9 %
Redevelopment	126,142,000	76,064,000	(39.7)%
Total Expenses	407,623,600	385,001,200	(5.5)%

Table 2: Staffing Levels

Program Element	Adopted FTE's CY 2021	Proposed FTE's CY 2022	Change 2021 to 2022
Housing Operations	385.1	401.5	16.4
Housing Finance and Asset Management	40.1	40.9	0.8
Housing Choice Voucher Program	70.0	78.0	8.0
Administrative Departments ¹	128.7	136.2	7.5
Total	623.8	656.6	32.8

Overview

The proposed 2022 combined operating and capital budget totals **\$385.0 million** and is **\$22.6 million** or **5.5%** lower than the 2021 Adopted Budget. This year-to-year decrease is predominantly the result of development activities, which will decrease by \$50.1 million due to the anticipated stage of construction activities in 2022. This result reflects the normal year-to-year variations in a multi-project, multi-year development program. The remaining changes are described below.

Program Operations and Administrative Expenses increase by \$3.2 million or by 2.8% over 2021. Housing Assistance Payments increases by \$12.5 million, a 9.1% rise over 2021. Grant-funded expenses are slightly down from 2021 when federal COVID-19 CARES funding is excluded from the comparison. Capital and Non-Routine Expenses increased \$0.7 million or 3.3%; and Opportunity Investments total \$19.5 million, up 129.9% from last year. For more detail on each of these Table 1 line items, please see the corresponding sections below.

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

Proposed 2022 full-time equivalent (FTE²) regular positions is 656.6 an increase of 32.8 FTEs from 623.8 in 2021. This staffing change consists of a net 16.4 FTE added to Housing Operations including admissions department housing specialists and coordinators, maintenance mechanics, onsite property management staff, and a community service program manager. Housing Choice Vouchers added a net 8.0 FTE to their Special Purpose Voucher, Emergency Housing Voucher, and Project based Voucher teams. Administrative departments added 7.5 FTE, including an Accountant and a Budget Analyst in Finance and Administration, a Security Engineer, Microsoft 365 Administrator, and Access Control Alarm Monitoring (ACAM) Administrator in Information Technology, and an Executive Assistant and a Race and Social Justice Strategic Advisor in Human Resources. These FTE additions will assist SHA to match increased workloads for departments and fulfill established goals.

PROGRAM OPERATIONS AND ADMINISTRATIVE EXPENSES

SHA's Program and Administrative expenses include all operating salaries and benefits; administrative costs; operating expenses and equipment; tenant services; building maintenance, professional and service contracts; and utilities. In 2022, these expenses collectively are proposed to increase by a net of \$3.2M or 2.8% over the 2021 Adopted Budget. This increase primarily results from higher tenant support service, additional staffing positions, and inflation on current expenses. Some of the increases are offset by expiring program adds from prior years, COVID-19 set-asides, and the decrease in interest payments particularly due to the refinancing and reduction of debt service for Northgate apartments. In addition, selected low-income public housing scattered sites units were converted to vouchers and transitioned to SHA's non-profit, Special Projects and Creative Energies (SPACE) Foundation, which reduces operating expenses but increases Housing Assistance Payments.

Housing Assistance Payments

The proposed 2022 Housing Assistance Payments (HAPs) budget is \$150.0M and encompasses two major components: Moving to Work Voucher (MTW) HAPs, at \$123.4M, and Special Purpose Voucher (SPV) HAPs, at \$26.6M. Within the proposed 2022 MTW HAPs budget are SHA's MTW vouchers, at \$119.9M, as well as new Scattered Sites project-based conversion vouchers, at \$3.5M. Within the proposed 2022 SPV HAPs budget are several SPV programs: Veterans Affairs Supportive Housing at \$4.8M, Tenant Protection at \$0.16M, Family Unification Program at \$6.0M, Mainstream at \$4.7M, Rental Assistance Demonstration at \$4.9M, Moderate Rehabilitation at \$2.4M, as well as new, temporary Emergency Housing vouchers, at \$3.65M.

The proposed 2022 \$150.0M HAP budget is a \$12.6M increase from \$137.4M in 2021. Two new voucher programs, the Scattered Sites project-based conversion vouchers and Emergency Housing vouchers (both of which are fully reimbursed at-cost by additional funding from HUD), are responsible for \$7.2M of the \$12.6M increase. Excluding these new vouchers, the remaining MTW and SPV programs are proposed to increase \$5.4M, from \$17.9M in 2021, to \$23.4M in 2022. The MTW budget, excluding new Scattered Sites vouchers, is held essentially flat from 2021, with a \$0.4M increase to \$119M in 2022, as utilization increases due to vouchers committed to newly placed in service City of Seattle Housing Levy-funded buildings are offset by normal program attrition, and subsidy per MTW voucher has come in less than anticipated in the wake of the COVID-19 pandemic. The SPV budget, excluding new Emergency Housing Vouchers, increases from \$17.9M to \$22.9M, a \$5.0M increase that is driven by improved SPV utilization, full-year effects of recent year new awards, and increased contract rent and HAP subsidy per

² FTEs include all SHA full-time employees and part-time employees who receive benefits. It does not include Intern positions, and temporary part-time or partial year employees who do not receive benefits. Project employees who are hired for the duration of a specific activity or project are included in the FTE total.

voucher for those Moderate Rehabilitation vouchers that have converted to Rental Assistance Demonstration vouchers. SPV HAP expenditures are fully reimbursed by HUD.

In 2022, SHA will have 9,994 authorized MTW vouchers (including 228 Scattered Sites conversion vouchers) and 2,446 authorized Special Purpose vouchers (including 498 temporary Emergency Housing vouchers). The proposed 2022 HAP budget anticipates MTW full-year utilization to remain elevated at nearly 9,600 vouchers, or 96%, and SPV full-year utilization at 1,984 vouchers, or 80%. However, that SPV utilization rate includes brand new Emergency Housing vouchers, which will start 2022 at very low utilization and, with significant effort from HCV and SHA partners, is hoped to achieve up to 95% utilization by year end 2022. (New Scattered Sites conversion vouchers will not materially affect overall utilization as the converted units are pre-occupied at very high occupancy.) Excluding the new Emergency Housing vouchers, SPV utilization is anticipated at 1,735, or 89%. Combined, MTW and SPV utilization is anticipated to be 95%, unchanged from 2021.

DEPARTMENT BUDGETS

The table below shows proposed 2022 operating expenditures for all departments and projected housing assistance payments. The proposed 2022 operating expenditures (excluding service grants) of \$294.0 million represent an overall increase of 5.4% from 2021. Direct Operating expenses, before backing out internal service fees, increase 3.2% and Housing Assistance Payments (HAPs) increase 9.1% from 2021. All departments will have inflationary increases, and many have supplemental budget adds for new activities. Notable changes in the proposed 2022 budget from 2021 are explained in the department sections following this table.

SHA DEPARTMENT OPERATING BUDGET COMPARISONS OF 2020 – 2022

Departments and/or Divisions Expenditures	CY 2020 Actual (000)	CY 2021 Adopted (000)	CY 2022 Proposed (000)	CY 2021 to CY 2022 % Change
Executive	\$3,244	\$3,639	\$3,849	5.8 %
Policy and Strategic Initiatives	1,175	1,867	1,942	4.0 %
Development	1,757	1,890	1,953	3.3 %
Housing Finance and Asset Mgmt				
Asset Management	1,148	1,281	1,356	5.9 %
AM Commercial Facilities	764	835	921	10.3 %
190 Queen Anne	2,046	2,035	2,085	2.5 %
Finance and Administrative	17,404	17,711	17,099	(3.5)%
Information Technology	5,725	6,174	6,797	10.1 %
Housing Operations				
Housing Ops Admin & Support	4,426	4,279	4,916	14.9 %
LIPH No. So., Scattered Sites, homeWorks & LIPH Admin	27,438	28,970	26,769	(7.6)%
Yesler, Baldwin, Ritz, and EOC	838	563	373	(33.7)%
Seattle Senior Housing Program	7,704	6,725	6,722	(0.0)%
Special Portfolio	7,349	7,590	7,823	3.1 %
Impact Property Services Operations	18,575	16,936	17,818	5.2 %
Impact Property Services Facilities	328	353	364	3.1 %
Solid Waste and Fleet	4,150	4,335	4,607	6.3 %
Community Services	4,167	6,559	8,123	23.8 %
JobLink	2,179	2,867	3,103	8.2 %
IPM, NH II & III, RV I, HPN, Parks & Campus of Learners	10,216	9,097	9,739	7.1 %
Human Resources	2,163	3,339	3,810	14.1 %
Housing Choice Vouchers	12,484	12,568	13,926	10.8 %
DIRECT OPERATING	\$135,279	\$139,615	\$144,093	3.2 %
Plus COVID-19 Rental Assistance and Contingency		\$2,000		N/A
Plus Housing Assistance Payments	\$127,945	137,417	\$149,954	9.1 %
Less Internal Agency Fees	(29,561)	(29,174)	(28,465)	(2.4)%
TOTAL OPERATIONS	\$233,663	\$249,856	\$265,582	6.3 %

Table 3: 2022 Department Budgets

A comparison of FTEs in 2021 and 2022 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

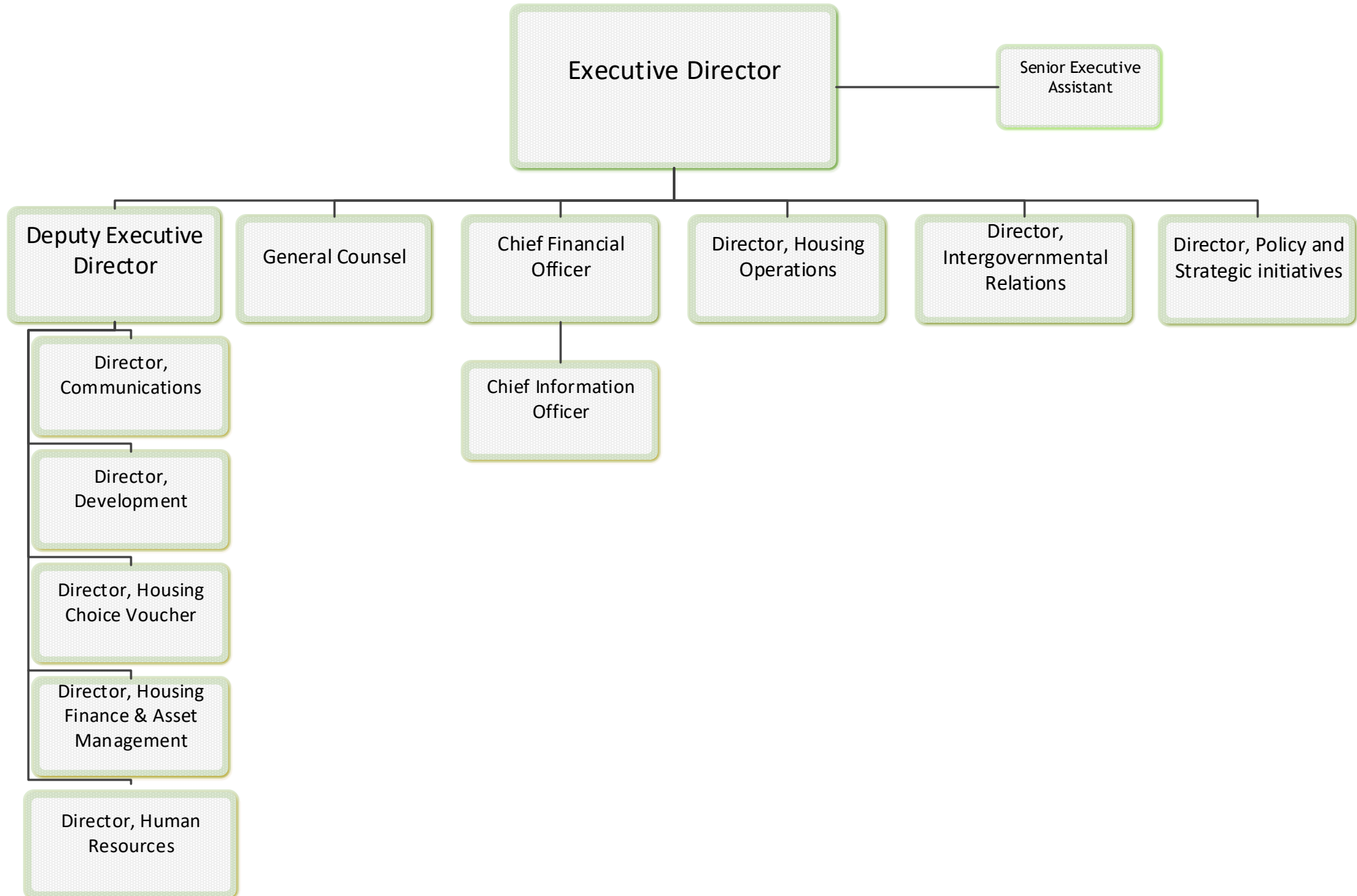
to another. Please see department sections that follow for more specific information on staffing changes.

Full-time Equivalent Positions	2021	2022	Change
	Adopted	Proposed	
Executive	17.9	18.4	0.5
Policy and Strategic Initiatives	11.0	10.0	(1.0)
Asset Management	19.8	20.8	1.0
Asset Management Commercial	2.8	2.6	(0.2)
Construction	17.5	17.5	-
Development	14.1	13.6	(0.5)
Finance and Administration	47.4	49.4	2.0
Housing Operations	385.1	401.5	16.5
Human Resources	14.8	16.8	2.0
Information Technology	23.5	28.0	4.5
Housing Choice Vouchers	70.0	78.0	8.0
TOTAL	623.8	656.6	32.8

Table 4: 2022 Department FTEs

EXECUTIVE

EXECUTIVE DEPARTMENT



Executive Budget

Executive Department Expenditures	2020 Actual	2021 Adopted	2022 Proposed	2021/2022 % Change
Admin Salaries & Temp Help	\$2,832,100	\$2,887,500	\$3,040,900	5.3%
General & Admin Expense	333,900	478,200	531,300	11.1%
Tenant Services	1,100	2,300	2,300	1.0%
Maintenance & Contracts	77,300	270,800	274,000	1.2%
Utilities	-	-	-	-
TOTAL OPERATING	\$3,244,400	\$3,638,700	\$3,848,500	5.8%
Salaries & Benefits in Grants, Capital, and Limited Partnerships	-	-	-	-
TOTAL	\$3,244,400	\$3,638,700	\$3,848,500	5.8%

Table 5: Executive Department Budget and FTEs

Full-time Equivalent Positions	2021 Adopted	2022 Proposed
Total FTEs	17.9	18.4

The proposed 2022 operating budget for the Executive Department is \$3.85M, an increase of 5.8% from 2021. In 2022, Executive also has 0.5 additional FTE, totaling 18.4, compared to 17.9 FTE in 2021.

The Executive Department's proposed 2022 budget is substantially status quo with inflation increases, as well as approved additional funding requests which include the addition of an Intergovernmental Relations intern. Salaries and benefits for Executive's staff were adjusted per the agency-wide labor expense adjustment.

Department Purpose and Function

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 department provides communications, legal advice, and counsel to the Executive Director and colleagues in other departments and works closely with the Board of Commissioners to ensure their work represents shared priorities.

The Communications Department works to ensure that the Seattle Housing Authority's tenants, partners, constituents, stakeholders, commissioners, and employees are kept informed about and have opportunities to participate in the activities, strategies, and policies of the agency. The department leads special agency-wide initiatives including SHA's Digital Initiative to address digital equity, improve SHA services and provide for emergency and other timely communication with tenants, and the Friendly Forms Project to ensure that all SHA communications are respectful and provide clear, complete information for tenants and other recipients. The Communications Department supports other departments on projects, issues management and communications, and manages centralized

communications such as the website, regular newsletters, annual reports, press releases, media engagement and social media.

Intergovernmental Relations manages issues and concerns for all intergovernmental relations on legislative, budgetary, and constituent issues with Federal, State, and local governments, including issues with multi-million dollar impacts on SHA revenues and operations.

The Executive Department staff provides executive leadership to coordinate the work of the Agency across departments. To support that mission, the Legal Department partners with the Board of Commissioners, Executive Department Directors, and leadership across the Agency to provide advice, counsel, and guidance regarding legal obligations, strategic planning, and risk avoidance. The Legal Department also provides the Agency representation in litigation or administrative hearings and conducts investigations, when necessary, into allegations of misconduct or fraud by employees or residents/program participants. The Legal Department also receives, reviews, and processes requests for disability accommodation by residents and program participants. Finally, the Legal Department receives, reviews, and processes all Public Records requests. This work sustains the Agency's current organization cornerstones by promoting equity, operational efficiency, successful innovation, coordinated action, and coordinated partnerships that support the Agency's strategic direction.

Department Work Plan Highlights

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 2022 work plan highlights include:

Executive Director's Office

- Provide oversight of a new acquisition program for the agency and a plan to work towards a target set in 2021. The program will involve identifying properties that meet various criteria and purchasing them to expand SHA's inventory of affordable housing.
- Complete lease up of the 498 EHV's awarded to SHA to serve homeless individuals who will be referred by the Continuum of Care. The Executive Department's primary role is to provide the leadership and relationship cultivation between SHA's partnership with the King County Regional Homeless Authority (KCRHA)
- Provide leadership on and strategic guidance for the agency's priorities such as mobility, rent policy, economic self-sufficiency, education initiatives, and asset repositioning.
- Continue to work with other MTW agencies nationwide to preserve the authority and flexibility of the MTW demonstration as reflected in SHA's 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.
- Strategic Directions:
 - ✓ Expand Housing Opportunities
 - Create more affordable housing,
 - Advance affordable housing policy,
 - Diversify housing choice.
 - ✓ Promote Quality Communities
 - Preserve and promote high quality housing,

- Connect people to opportunity,
- Strengthen community and service.
- ✓ Improve Quality of Life
 - Enhance senior and disabled living,
 - Economically empower people,
 - Support youth achievement.

Communications Department

- Engage Board of Commissioners, residents, staff, and other key stakeholders in the development of SHA’s next strategic plan. The agency will use an anti-racist lens to engagement around and crafting of the new 2022-2027 Strategic Plan.
- Continue work with the Washington State Broadband Office, City of Seattle, UW and other partners on funding and programs to increase internet access, devices, skills training and technical support for tenants.
- Engage a new web developer to migrate the entire SHA website to a new web host and educate staff and tenants about the new site.
- Produce newsletters, an annual report and other communications that create understanding of SHA’s programs and appreciation for its tenants.
- Keep the community, including BIPOC and limited English proficiency communities, and the affordable housing industry informed of SHA activities and progress through media and direct communication.
- Assist Executive Director in providing leadership, strategic direction, and outreach to create advocacy and strategic external partnership opportunities, (e.g. healthcare) to establish and meet goals necessary to achieve SHA’s mission and serve its clients with a focus on race and social justice.

Intergovernmental Relations

- 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. Educate, inform, and engage elected leaders and their staff on housing issues.
- 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.
- Represent SHA with philanthropy, non-profits, and government for regional efforts to address homelessness and use of federal COVID-19 relief funds such as American Rescue Act.

Legal Department

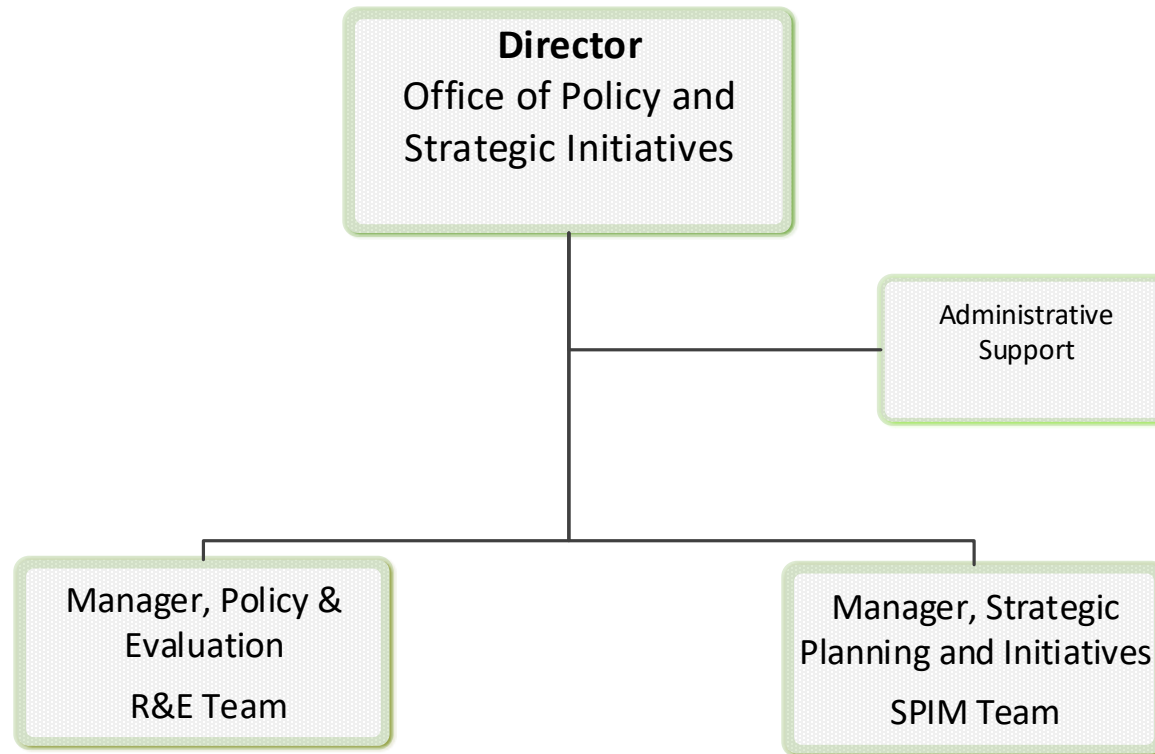
- Advise all SHA departments on a wide spectrum of legal issues including but not limited to public municipality obligations, disability accommodations under federal and state law, and landlord-tenant laws.
- Provide representation in judicial and administrative proceedings or inquiries. To this end, draft and file briefings, motions, responses and replies, and answers to administrative investigations or inquiries.

- Receive and process all requests for disability accommodation from residents and program participants and arrange for reasonable and necessary accommodations, when required. Create processes and advise/train staff on disability and accommodation compliance under federal and state law.
- Review, receive, and process all requests for the Agency's public records.

OFFICE OF POLICY AND STRATEGIC INITIATIVES

A Division of the Executive Office

OFFICE OF POLICY AND STRATEGIC INITIATIVES



Office of Policy and Strategic Initiatives (OPSI) Budget

Policy and Strategic Initiatives Expenditures	2020 Actual	2021 Adopted	2022 Proposed	2021/2022 % Change
Admin Salaries & Temp Help	\$1,049,300	\$1,383,800	\$1,423,400	2.9 %
General & Admin. Expense	110,900	206,300	216,700	5.0 %
Tenant Services	300	24,000	24,700	2.9 %
Maintenance & Contracts	14,700	253,000	277,000	9.5 %
Utilities	-	-	-	-
TOTAL OPERATING	\$1,175,200	\$1,867,200	\$1,941,900	4.0 %
Salaries & Benefits in Grants, Capital, and Limited Partnerships	\$30,200	87,750	-	(100.0)%
TOTAL	\$1,205,400	\$1,954,950	\$1,941,900	(0.7)%

Table 6: OPSI Budget and FTEs

Full-time Equivalent Positions	2021 Adopted	2022 Proposed
Total FTEs	11.0	10.0

The proposed 2022 operating budget for the Office of Policy and Strategic Initiatives (OPSI) is \$1.94M, an increase of 4% from 2021. In 2022, Policy has 10 FTE compared to 11 in 2021.

The Office of Policy and Strategic initiative's proposed 2022 budget is substantially status quo with inflation increases, as well as an approved additional funding request that supports the development of a new Strategic Plan in 2022. In previous years, OPSI received grant funding that paid for the salaries and benefits of one FTE, but that funding expires at year end 2021. For 2022, Salaries and benefits for OPSI's staff were adjusted per the agency-wide labor expense adjustment.

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 SHA's 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 Work Plan Highlights

- OPSI will steward a strategic planning process that results in a plan that help the agency further its mission and exemplify SHA values. The planning process will consist of a phased timeline that focuses on information gathering, engagement with a variety of stakeholders and development of a plan document.
- Engage key stakeholders (e.g. residents, staff, community partners, applicants, etc.) to inform the strategic plan, with special attention voices that are typically under-represented. Letting stakeholder groups know how feedback was used will be a priority.
- Complete relevant analyses to review internal and external threats/opportunities.
- Facilitate structured processes that lead to a Board-adopted plan that has buy-in from stakeholders.

Highlights of 2022 plans, all of which will be done in collaboration with partnering departments throughout SHA and incorporate race and social justice, include:

- Conduct a resident/participant survey as appropriate to supplement other recent and ongoing feedback methods.
- Conduct assessments of selected housing stability investments, likely focusing on pilots to address hoarding and to provide mediation services.
- Implement a new set of key performance indicators that help the agency and departments understand and respond to core business needs and priority initiatives.
- Create a data "tool" that will help staff readily compare key demographics of SHA populations served to Seattle/King County or across portfolios/programs within SHA to support racial and social justice.

Key strategies to enhance SHA's ability to advance affordable housing policy and preserve and improve policies impacting the people SHA serves in 2022 include:

- Assertively protect and promote SHA's MTW status and flexibilities.
- Track and organize analysis and action to shape emerging regulations and policies when appropriate.
- Actively participate in national industry groups and advocacy bodies to ensure SHA's voice is represented.
- Take next steps toward a homeownership pilot that creates opportunities for people with low incomes who are impacted by the racial wealth gap and displaced by or are high-risk of gentrification in Seattle.

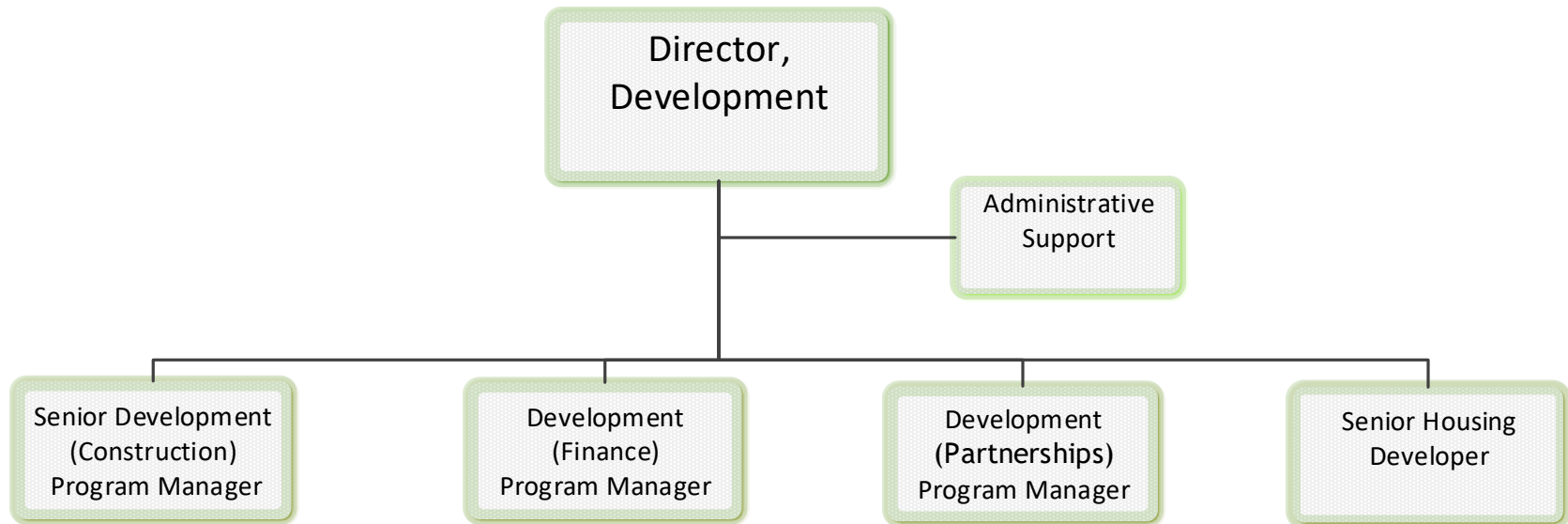
SHA's Health Initiative aims to improve the quality of life of residents across a wider range of housing types, particularly those most vulnerable to housing instability due to physical or behavioral health challenges, through better access to quality health care that is sustainably funded primarily through health systems. Anticipated activities to promote health and housing in 2022 include:

- Partner with United Healthcare, Neighborhood House and NeighborCare Health to address health disparities in selected communities. United Healthcare is providing grant funds to seed the project.
- Work with partners to design, test and scale sustainable pilots such as Foundational Community Supports and cluster home care models.

- Collaborate with health care providers, funders, researchers and community groups to build and utilize shared knowledge to inform service planning, attract culturally relevant partners and sustainable resources.
- Continue to develop and implement anti-racist practices in how OPSI contracts, partners, and provides services, as well as its funding mechanisms and measures of success.

DEVELOPMENT

DEVELOPMENT DEPARTMENT



Development Budget

Development Department Expenditures	2020 Actual	2021 Adopted	2022 Proposed	2021/2022 % Change
Admin Salaries & Temp Help	\$1,610,100	\$1,685,400	\$1,732,800	2.8 %
General & Admin. Expense	146,800	184,200	200,000	8.6 %
Tenant Services	-	-	-	-
Maintenance & Contracts		20,100	20,600	2.5 %
Utilities			-	
TOTAL OPERATING	\$1,756,900	\$1,889,700	1,953,300	3.3 %
Salaries & Benefits in Grants, Capital, and Limited Partnerships	499,000	423,000	222,900	(47.3)%
TOTAL	\$2,255,900	\$2,312,700	\$2,176,200	(5.9)%

Table 7: Development Department Budget and FTEs

Full-time Equivalent Positions	2021 Adopted	2022 Proposed
Total FTEs	14.1	13.6

The proposed 2022 operating budget for Development is \$2.0 million, a 3.3% increase from 2021.

The Development Department proposes a decrease of 0.5 FTE from 2021 to 2022 with staff changes that include: expiration of project and grant funded positions of Strategic Advisor 0.6 FTE and Coordinator III 0.5 FTE and the addition of 0.6 FTE Program Manager who will manage the community outreach process for Northgate Commons redevelopment as well as support community partnerships.

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 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 79-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.

Another responsibility of the department is looking toward the future to identify new housing development opportunities primarily to serve people earning less than 80% of Area Median Income (AMI). 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 Work Plan Highlights

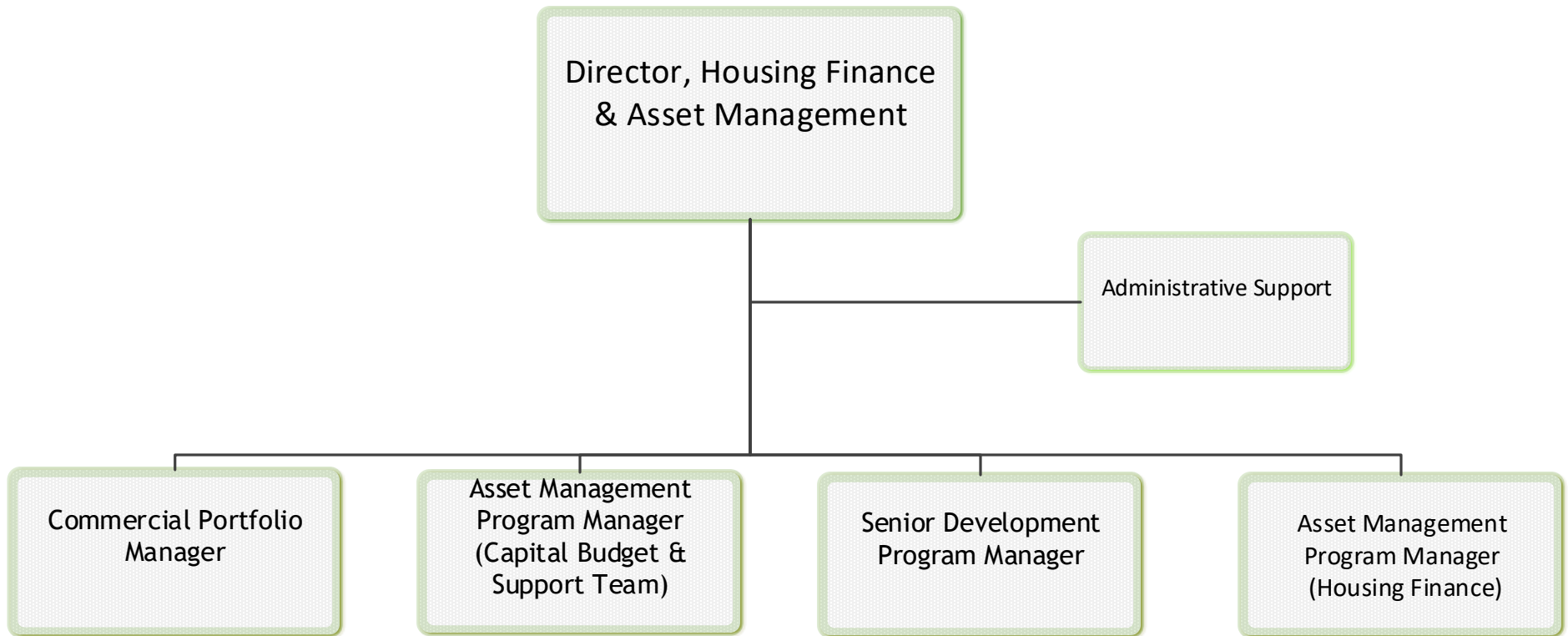
Yesler redevelopment is beyond the halfway mark in producing affordable housing and the market rate development is extremely active. Other people-centered and community-centered programs around resident relocation, education, health, workforce development, and partnership development are continuing. Partnerships with developers, owners, residents, and other stakeholders are extremely active within Yesler. In 2022, key activities will include:

- Identify any remnants of infrastructure needs and develop a plan to fulfill these needs such as failed landscaping, leftover areas not previously planned, coordinate shared infrastructure such as irrigation and common area lighting.
- Complete construction of Hinoki, SHA's fifth new Yesler mixed use community affordable housing building in the second quarter of 2022, providing 136 units, including 82 replacement units, 48 units at 60% Area Median Income (AMI), and 6 units at 80% AMI in 1, 2, 3 and 4-bedroom configurations.
- Continue construction of Sawara, the sixth new 114-unit affordable housing, located at Yesler Way and 8th Avenue.
- Design and planning for the seventh affordable housing, Juniper, will continue through most of 2022.
- Ensure Yesler redevelopment goals for replacement housing are met with construction continues on Yesler Family Housing, a 156-unit affordable housing project, owned and managed by Seattle Chinatown International District and Development Authority (SCIDpda) and Community Roots Housing.
- Monitor Market Rate/Workforce Housing Production by Yesler's private partners:
 - ✓ Mason and Main by Lowe Enterprise is a 550-unit complex comprised of two nine-story buildings will begin leasing the 417 market rate units and 133 units at 80% AMI
 - ✓ Other Yesler private partner developments under construction in 2022 include:
 - Su Development - one of two high-rise buildings along Yesler Way and S. Washington Street with 358 units, consisting of 263 market rate and 95 80% AMI affordable units;
 - Vulcan Real Estate – Wayfarer, a 344-unit project consisting of 253 market rate and 91 80% AMI affordable units located on Yesler Way and Boren Avenue;
 - Vulcan Real Estate – one of two buildings at Broadway Avenue and Alder Street, a 324-unit project with 238 market rate and 86 80% AMI affordable units;

- Mack Real Estate on S. Washington Street, a 200-unit project with 147 market rate and 53 80% AMI affordable units.
- Maintain and develop strategic partnerships with City, County, private sector partners, non-profits, labor, philanthropy, and stakeholders to implement the Yesler Terrace/Choice Neighborhood Initiative vision. Manage overall budget, schedule, planning and communication. Manage vacant land to promote active uses and neighborhood safety. Manage the Yesler Association, working closely with Community Services, Housing Operations, and external partners to develop a thriving mixed-income community, connected with the broader neighborhood with special attention to the needs of seniors and children.
- Continue construction of Lam Bow Apartments, a four story, wood-framed 82-unit apartment building with a mix of 1-, 2-, and 3-bedroom replacement and 60% AMI units scheduled for completion in early 2023.
- For Sale Program (non-Yesler Terrace) includes the Othello Square development consisting of four sites on the corner of Othello and MLK which are under contract to three separate groups.
 - ✓ HomeSight plans to start construction on 68 affordable for-sale units in 2022. Their second site is a planned mixed-use building consisting of 195 market and affordable rental units and commercial space once funding is secured.
 - ✓ Spectrum Development Solutions will be leasing Orenda - a mixed-use building that includes 176 market and affordable rental units and opening the Odessa Brown Children's Clinic in 2022.
 - ✓ Impact Public Schools opened K-5 Salish Sea Elementary with their first class of students for the 2021/22 school year.
- The SHA Buy-up program incentivizes developers to create more family sized (\geq 3BR) 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, a 254-apartment building that includes 35 affordable family units will begin leasing in early 2022. SHA anticipates receiving a program request in 2022 for an additional affordable site project in the Northgate neighborhood.
- Priorities for the department in 2022 include focusing on the project pipeline into the future for new projects as well as other new activities:
 - ✓ Perform redevelopment analysis for Red Brick and Holly Court sites will occur in 2022.
 - ✓ Jackson Park Village redevelopment to replace existing aging housing with a new larger building will continue in design and permitting into 2022 along with stakeholder engagement as part of this process.
 - ✓ Major initiatives for master planning of the redevelopment of Northgate Commons will include work with the City Council and Seattle Departments on planning approvals, developing a financing plan, and community outreach.
 - ✓ Serve as a development consultant and execute a land lease with the University of Washington to facilitate development of the UW Filer property project a 150-apartments serving low wage workers and youth transitioning out of homelessness.

HOUSING FINANCE AND ASSET MANAGEMENT

HOUSING FINANCE AND ASSET MANAGEMENT



Housing Finance and Asset Management Budget

Housing Finance & Asset Mgmt Dept Expenditures	2020 Actual	2021 Adopted	2022 Proposed	2021/2022 % Change
Admin Salaries & Temp Help	\$1,030,900	\$1,074,200	\$1,138,300	6.0 %
General and Admin. Expense	87,800	175,900	\$186,800	0.6 %
Tenant Services	-	-	-	-
Maintenance & Contracts	29,400	30,800	30,800	0.0 %
Utilities	-	-	-	-
TOTAL OPERATING	\$1,148,100	\$1,280,900	\$1,355,900	5.9%
Salaries & Benefits in Grants, Capital, and Limited Partnerships	3,209,200	3,406,600	3,588,800	5.3%
TOTAL	\$4,357,300	\$4,687,500	\$4,944,800	5.5%

Table 8: Housing Finance & Asset Management Budget and FTEs

	2021 Adopted	2022 Proposed
Full-time Equivalent positions		
Asset Management FTEs	19.8	20.8
Construction Operations FTEs	17.5	17.5
Total Asset Management & Construction Ops FTEs	37.3	38.3

The proposed 2022 operating budget for Asset Management (AM) is \$1.4M, an increase of 5.9% from 2021. In 2022, Asset Management and Construction Operations will have 38.3 FTE compared to 37.3 FTE in 2021, showing an increase of 1.0 FTE total.

Asset Management's proposed 2022 budget is substantially status quo with inflation increases. Salaries and benefits for AM's staff were adjusted per the agency-wide labor expense adjustment.

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 Work Plan Highlights

Continue to administer and make improvements to the agency's Capital Improvements Program by:

- Focusing on the reduction in the capital projects backlog, with the priority being to address the projects that were put on hold due to the pandemic.
- Evaluating staffing needs to resume and address projects that were put on hold and delayed due to the pandemic.
- Continuing to work on the standardization of project management procedures and practices (Procurement, permitting, project close out etc.).
- Evaluating changes to the existing capital budgets database and evaluating the use of other software in the agency to improve project management tracking and capital planning.

Continue to expand the agency's housing portfolio by:

- Resuming the agency's acquisition program based on the new acquisition targets set through the 2022 budget process and adopted by the Board of Commissioners.
- Assessing the possibility of developing backyard cottages in the Scattered Site portfolio.
- Assessing using Rental Assistance Demonstration (RAD) and SHA's available Faircloth limit to create additional project-based vouchers.
- In partnership with the Policy department, explore affordable homeownership as a potential agency priority and related strategies for SHA to advance this cause.

Continue to promote resource conservation strategies through the capital improvements program by:

- Continuing to coordinate with the Environmental Stewardship and Sustainability Team in Housing Operations to integrate incentive programs and environmental sustainability into the capital program.
- Continuing to leverage funds through the Office of Housing to support the environmental stewardship initiatives of the agency and the capital program.
- Completing an initial feasibility evaluation of an Energy Performance Contract (EPC) or similar program.
- Working with the Sustainability Team in Housing Operations and the Finance & Administration department to develop a system of measurement and verification to quantify the operational savings from capital investments. This work will help support the assessment of an EPC.
- Implementing competitive capital grant programs funded by HUD in recent years and applying for new opportunities as they become available.

Continue work on major building rehabilitation projects:

- Close the financing of Jefferson Terrace and commence construction of the major rehabilitation project.
- Complete the interior tenant improvements and expand the parking lot at the future West Seattle Maintenance Facility.
- Continue to evaluate the capital needs of the agency's portfolio and initiate planning efforts for any buildings in need of larger scale rehabilitations (e.g. Martin Luther King Jr. Apartments).

Continue to evaluate agency assets for innovative financing structures through:

- Continuing to assess overall agency debt projections and developing pooled refunding strategies for expiring and maturing debt.
- Completing the High Point Phase II and Alder Crest investor exits and property transfers.
- Negotiating and completing the exit of homeWorks Phase I and Phase II with Boston Financial.
- Completing the development of a system for managing and forecasting property replacement reserve balances until an anticipated recapitalization event in partnership with the Finance & Administration and Housing Operations departments.

The Department started to implement changes to the processes and procedures for managing commercial space in 2019. The Department will continue this work into the next year by:

- Implementing a commercial lease structure that provides consistent standards for all commercial tenants and assists the Department in reducing turnaround time for leasing spaces and renewing leases.
- Implementing the Yardi inspection program for all commercial units and establishing criteria that will assist the Department in reducing manual processes, determining condition of units to prepare for the capital budget process, and assist with the maintenance of commercial assets.
- Developing a standardized file storage system for all commercial documents.

Continue to make improvements to the Department's procedures, policies and reporting to improve equity in the daily work of the Department and in the communities served by SHA by:

- Developing and tracking Key Performance Indicators (KPIs) that measure and show progress/improvement on Race and Social Justice (RSJ) initiatives.
- Refining Asset Management business intelligence reports and tools to evaluate the effectiveness of process changes that aim to improve equity (e.g. capital budget demographics report to study and monitor the distribution of funding).
- Providing translated construction notices to communicate with tenants more effectively about capital improvement project status.
- Working with Housing Operations on a process for better engaging residents in project planning, decision making, and communication regarding capital projects.
- Tailoring the RSJ toolkit for Asset Management to apply an equity lens to projects, programs, and business processes.
- Seeking opportunities to improve diversity within industry sectors related to Asset Management: construction management, construction trades, affordable housing financial management, real estate management, etc. through internships, apprenticeships, mentoring, and direct hiring.

- Continue to pursue Department-wide RSJ training opportunities, realizing that the work for equity is ongoing.

Asset Management Commercial Facilities

Asset Management Commercial Facilities	2020 Actual	2021 Adopted	2022 Proposed	2021/2022 % Change
Admin Salaries & Temp Help	\$308,300	\$300,000	\$369,400	23.1 %
General & Admin. Expense	95,700	107,700	116,800	8.5 %
Tenant Services	-	-	-	-
Maintenance & Contracts	225,200	275,200	281,000	2.1 %
Utilities	134,200	152,300	154,100	1.2 %
TOTAL OPERATING	\$763,500	\$835,300	\$921,300	10.3 %
Salaries & Benefits in Grants, Capital, and Ltd Partnerships	-	-	-	-
TOTAL	\$763,500	\$835,300	\$921,300	10.3 %

Table 9: AM Commercial Facilities Budget

Full-time Equivalent Positions	2021 Adopted	2022 Proposed
Total Asset Management Commercial FTEs	2.8	2.6

The proposed 2022 operating budget for Asset Management Commercial (AM Commercial) is \$0.9 million, an increase of 10% from 2021. In 2022, Asset Management Commercial has 2.6 FTE compared to 2.8 FTE in 2021.

AM Commercial’s proposed 2022 budget is substantially status quo with inflation increases and an increase to the temporary administrative salary budget to include help that was previously unaccounted for. Salaries and benefits for Asset Management Commercial’s staff were adjusted per the agency-wide labor expense adjustment.

Commercial Facilities Purpose and Function

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	2020 Actual	2021 Adopted	2022 Proposed	2021/2022 % Change
TOTAL OPERATING	\$2,045,700	\$2,035,100	\$2,085,300	2.5 %

Table 10: 190 Queen Anne Central Office Budget

The proposed 2022 operating budget for 190 Queen Anne Central Office is \$2.08M, an increase of 2.5% from 2021.

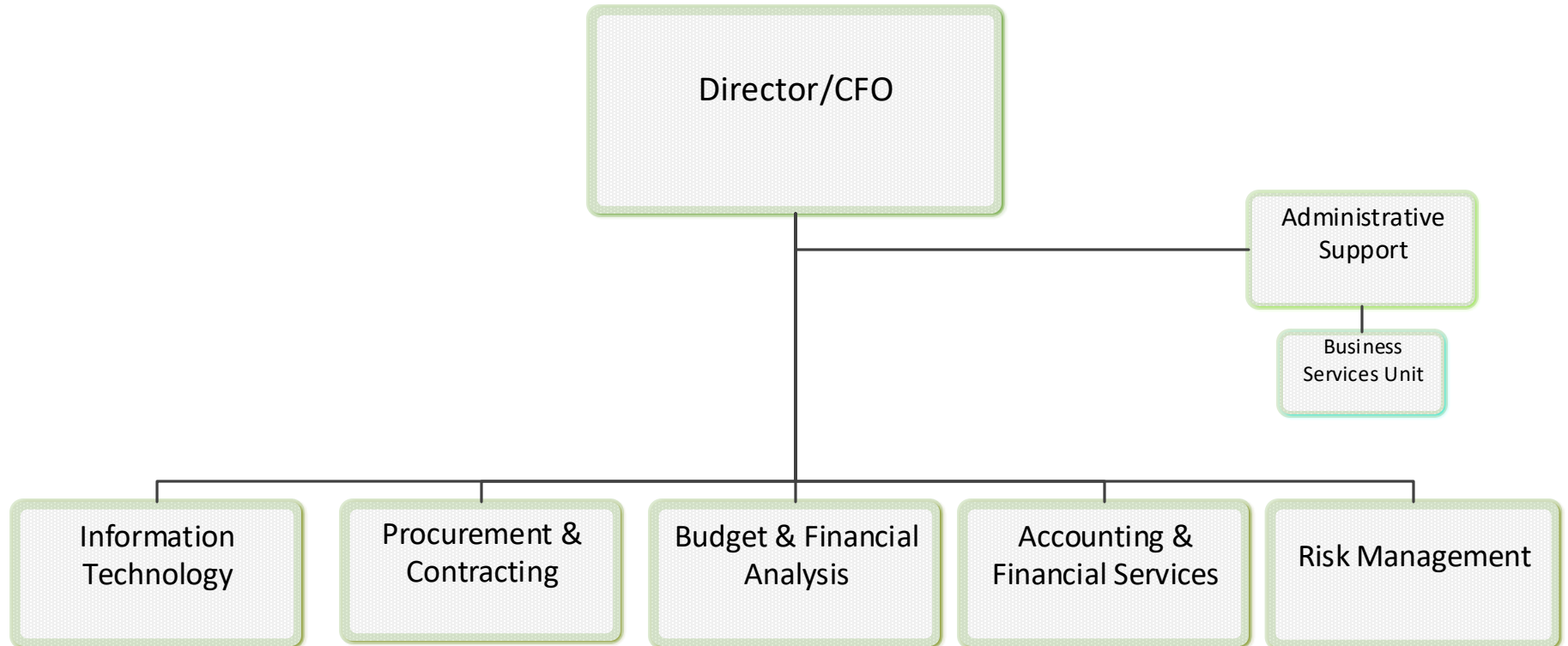
190 Queen Anne Central Office's proposed 2022 operating budget is substantially status quo, reflecting the standard 2022 inflationary increases. Separately, there are Opportunity Investment funds available for office space modifications when employees return to work.

Queen Anne Central Office Purpose and Function

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

FINANCE AND ADMINISTRATION DEPARTMENT



Finance and Administration Budget

Finance and Administrative Services Dept Expenditures	2020 Actual	2021 Adopted	2022 Proposed	2021/2022 % Change
Admin Salaries & Temp Help	5,642,400	\$5,676,400	6,053,900	6.7 %
General & Admin. Expense	11,720,100	11,743,400	10,783,700	(8.2)%
Tenant Services	-	-	-	
Maintenance & Contracts	41,400	291,000	261,100	(10.3)%
Utilities	-	-	-	
TOTAL OPERATING	\$ 17,403,900	\$17,710,800	\$17,098,700	(3.5)%
COVID-19 Rental Asst & Contingency	-	2,000,000	-	N/A
Salaries & Benefits in Grants, Capital, and Ltd Partnerships	183,700	218,300	197,600	(9.5)%
TOTAL	\$ 17,587,600	\$19,929,100	\$17,296,300	(13.2)%

Table 11: Finance and Administration Budget and FTEs

Full-time Equivalent Positions	2021 Adopted	2022 Proposed
Total FTEs	47.4	49.4

The proposed 2022 operating budget for Finance and Administration (F&A) is \$17.1 million, a 3.5% decrease from 2021. The decrease in total expense results from lower general administrative expenses and expiring COVID set-aside funds budgeted in 2021. The decrease in general and administrative expenses is primarily because of lower interest expenses resulting from Northgate Apartments' debt service refinancing. A contract set-aside budget of \$50,000 was added as a one-time budget for digital imaging of purchasing documents to enable remote handling of purchasing contracts. The 2021 budget also included two pending set-aside positions requested by Information Technology. The budget for one of the positions expired, and the second was transferred to Information Technology.

The budget for temporary position to staff the delivery function at the front desk during COVID is expected to be eliminated at the end of 2021.

Part of the decrease is offset by the increase in insurance expense and for two and a half new positions added in 2022. The department expects to add an accountant and a budget analyst as full-time positions and a halftime labor compliance officer to address the increase in workload in the accounting, budgets, and purchasing & procurement divisions

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 2022 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 2022, 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 Work Plan Highlights

Serve more people through 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 to 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.
- Support HCV department’s efforts to expand their special purpose vouchers program by applying for new vouchers.
- Work with HCV to review changes to the housing rental market and the financial implications of any anticipated changes to voucher payment standards.
- Team with Asset Management and Development to secure financing for the final replacement housing buildings in the Yesler Redevelopment – Juniper.
- Partner with HCV to maximize utilization and funding of Emergency Housing Vouchers (EHV) allocated to SHA from the American Rescue Plan of 2021.
- Provide support for the homeownership pilot proposals developed under the leadership of the Policy Office for low-income households displaced or at risk of displacement from the City of Seattle.

Improve Quality and Stability of Life for SHA Tenants:

- 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 mediation efforts used by Housing Operations as a method to resolve and behavioral health and housing stability issues.

Enhance Efficiency and Streamline F&A Services to Internal Clients:

- Review the application of alternative methods used for calculating intercompany service fees and internal service allocations to ensure methods continue to be sound, accurate, and equitable.
- Streamline and Leverage Existing Software Systems.
- Evaluate remaining paper invoice processes with the aim of transitioning them to electronic payables.
- Build on improvements to automation of workflow steps in Inspyrus and reduce the need for human intervention.

- With IT and HCV staff finalize the migration from Elite to Yardi.
- Apply a Lean process to the payroll office functions to streamline and improve coordination with HR, Budgets, and other work groups.
- Increase the efficiency of the Contracting Process by deploying new tools for electronic signatures, modifying E-1 procedures, digitizing old contract files, and enhancing customer experience with PMWeb to include a software upgrade.

Procurement Streamlining and Support:

- Finalize Section 3 strategy for compliance with best efforts for HUD reporting.
- 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 to restart the program and planning efforts needed to be ready to restart.
- Work with Housing Operations to evaluate the progress of reducing the maintenance work order backlog that was due to COVID-19 restrictions and safety protocol.
- Finalize the agreement with an entity who will be the Steward for investing and providing annual funding for Yesler services.
- Join Housing Operations, Asset Management, and others to review and analyze the cost effectiveness of sustainability investment ideas under consideration.
- Work with Housing Operations and Asset Management to evaluate which SHA owned properties are best suited for in house property management versus outside property management.
- Implement 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.
- Increase the Agency Purchasing Card rebate by maximizing use of P-Card as the method for spending on routine and repetitive purchases.
- Analyze historic emergency purchase trends and establish long term contracts to meet the needs of routine emergent situations.
- Improve compliance with Davis Bacon labor standards through enforcing requirements for prime contractor review of certified payroll submittals; providing targeted training for new contractors and subs; sampling of certified payrolls for compliance; and investigation of complaints of labor standard violations.
- 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 successful tax credit exits.
- 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.
- Review updates to the current IPS financial revenue and billing structure with participation from other SHA groups and determine if any adjustments are needed.

Tenant Accounting:

- Respond to ad hoc reporting requests for the Cabinet related to rental income trends and changing conditions for residents because of the pandemic.
- Continue to provide monthly and quarterly data to property managers regarding tenant balances and receipts for their follow-up.
- 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 Annual Comprehensive Financial Report (ACFR). Strive for no financial related findings and to earn the GFOA Certificate of Achievement for Excellence in Financial Reporting for the ACFR.
- Establish accounting structures for new Partnerships and entities as needed which may include Sawara, Juniper and Jefferson Terrace.

Track 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.
- Ensure that all reporting and disclosure requirements of SHA's debt financing instruments are met in an accurate and timely manner.
- 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 Standard and Poor's (S&P) 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 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.

Financial Stability and Operational Efficiency:

- Work with Development and the 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.

Race and Social Justice:

- 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.
- Monitor the JobLink Academy expansion program by reviewing the effectiveness of identifying and filling training positions and obtaining permanent employment within or outside SHA.

Eliminate Barriers of Accessibility:

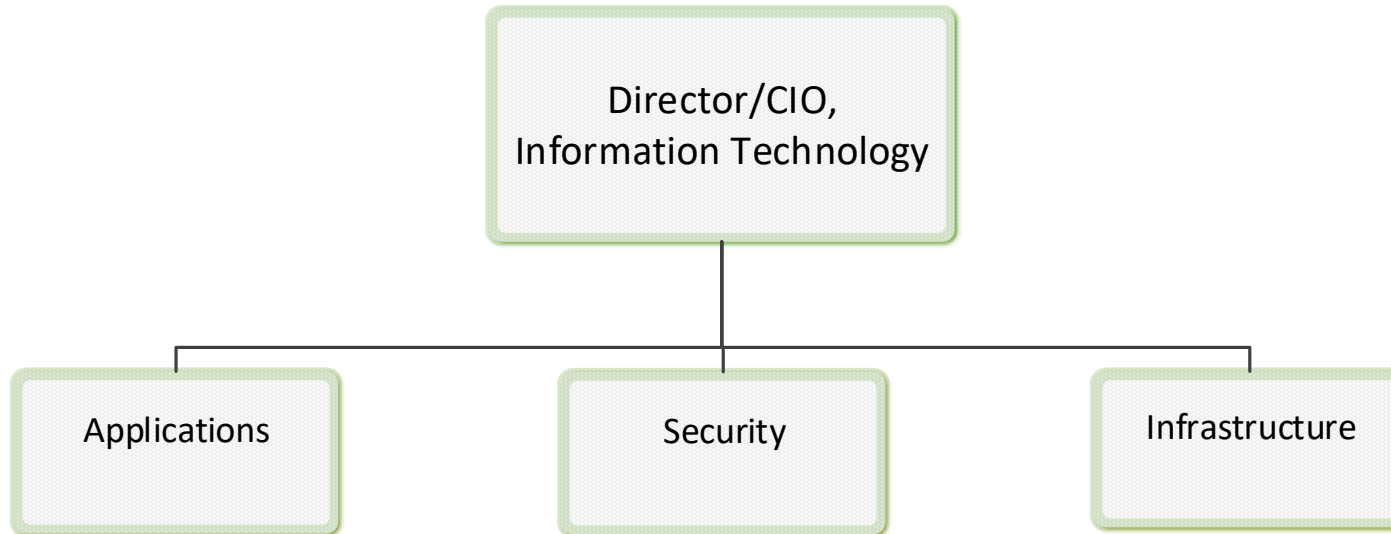
- Improve the 2023 budget survey by making it more accessible and equitable to residents such as collaborating with Communications to create a survey that is available in multiple languages.
- Make risk management claim forms available on the SHA external website and utilize a translation service for residents and external clients to view content and instructions in their principal language.

Social Equity Programs:

- Analyze Women- and Minority- Owned Business Enterprises (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

INFORMATION TECHNOLOGY



Information Technology Budget

Information Technology Department Expenditures	2020 Actual	2021 Adopted	2022 Proposed	2021/2022 % Change
Admin Salaries & Temp Help	\$3,287,600	\$3,338,500	\$3,884,200	16.4 %
General & Admin. Expense	1,936,900	2,469,400	2,539,500	2.8 %
Tenant Services	-	-	-	-
Maintenance & Contracts	500,200	366,100	373,000	1.9 %
Utilities	-	-	-	-
TOTAL OPERATING	\$5,724,700	\$6,174,000	\$6,796,700	10.1 %
Salaries & Benefits in Grants, Capital, and Ltd Partnerships	-	-	-	-
TOTAL	\$5,724,700	\$6,174,000	\$6,796,700	10.1 %

Table 12: Information Technology Budget and FTEs

Full-time Equivalent Positions	2021 Adopted	2022 Proposed
Total FTEs	23.5	28.0

The proposed 2022 operating budget for Information Technology (IT) is \$6.8 million, a 10.1% increase from 2021. This increase is driven by a substantial increase in labor expense due to the addition of 4.5 FTE. The purpose of this FTE increase is to fully equip IT with the capacity to accommodate a hybrid SHA workforce that splits time between remote and on-premise work, utilizing newer, cloud-based enterprise software, and to bolster IT security.

In 2022, the Information Technology Department will continue to split administrative costs between the Central Services Operating Center and MTW funding.

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 are proposed at \$795,000 for 2022, a 39.5% increase from 2021. The IT capital project allocation is shown in the Capital Program budget.

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.

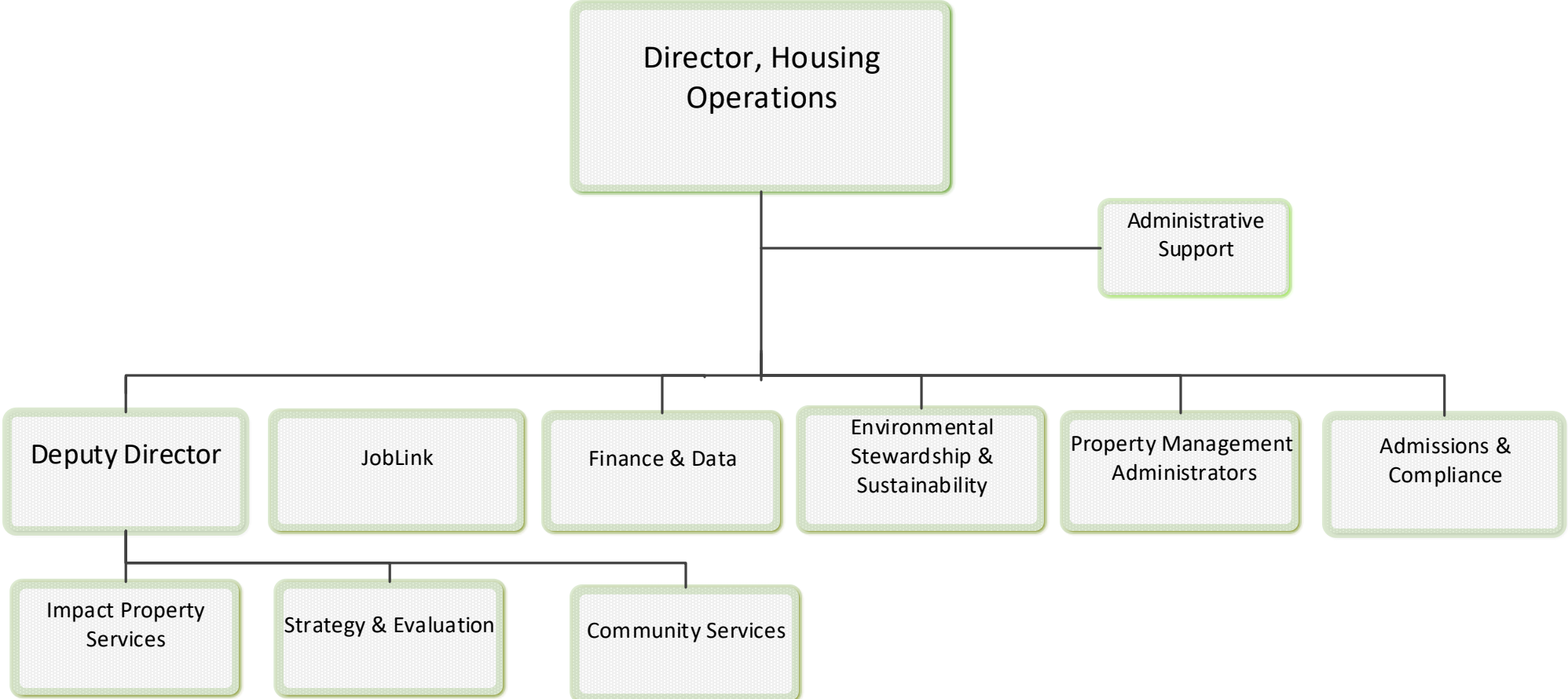
Working with the guidance of the IT Steering Committee, which is composed of senior business department representatives, Information Technology is dedicated to ensuring stable, reliable, and secure infrastructure and software to support SHA's computing needs. IT will work to maintain, upgrade, and support 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 Work Plan Highlights

- Complete the Housing Choice Vouchers (HCV) migration to Yardi project. The HCV to Yardi project will span 2021 and complete in the first quarter of 2022.
- The Yardi Rent Cafe portal provides access to SHA functions as well as personal information allowing residents and participants to complete forms, edit contact information, request maintenance, and see status on their own. HCV and Housing Operations departments will work with project managers and all applicable stakeholders to determine the individual portals they would like to implement and work with IT to implement them.
- Replace all Wyse terminals with laptops. The Agency would like to discontinue the use of Citrix entirely and will not require Wyse terminals under the new configuration.
- IT will work to migrate the agency's work files and data from obsolete servers and storage systems to modern SharePoint, OneDrive, and archive storage systems.
- Modify and implement IT RSJ initiatives. IT will evaluate and modify its current plan as necessary. The IT RSJ initiative defined six teams to guide department RSJ efforts. Those teams are: Hiring Team, Hiring Research Team, Multicultural Team, Internship Team, Customer Access Team, and Metrics Team. Their responsibilities are:
 - ✓ Hiring Team - This team will look into where IT jobs are posted, which employment sites should be used, and how to ensure that IT job openings reach all applicable job seekers.
 - ✓ Hiring Research Team – This team will look into the applicant pool, applicant demographics, etc. and prepare metrics to compare IT applicants vs. interviewed vs. hired.
 - ✓ Multicultural Team – This team should be able to organize fun events that would involve IT's diverse cultural team members and inspire them to participate in sharing parts of their culture with the whole IT team. This could include food, customs, etc.
 - ✓ Internship Team – This team would work to hire summer interns to work for SHA IT, and consider how to go about this, where to find the interns, and how they are selected are parts of this teams responsibility.
 - ✓ Customer Access Team – This team will prepare helpdesk training materials, presentation on technology, process, etc. to IT customers in different locations
 - ✓ Metrics Team – This team will evaluate and encourage utilization of SHA's community Wi-Fi routers.

HOUSING OPERATIONS

HOUSING OPERATIONS DEPARTMENT



Housing Operations Budget

Housing Operations Expenditures	2020 Actual	2021 Adopted	2022 Proposed	2021/2021 % Change
Admin Salaries & Temp Help	\$18,940,400	\$20,135,800	\$20,860,800	3.6 %
General & Admin Expense	12,625,300	12,490,700	12,908,700	3.3 %
Tenant Services	2,504,400	4,562,600	5,528,900	21.2 %
Maintenance & Contracts	39,703,200	37,012,800	37,406,900	1.1 %
Utilities	13,597,100	14,073,500	13,651,000	(3.0)%
TOTAL OPERATING	\$87,370,400	\$88,275,300	90,356,300	2.4%
Salaries & Benefits in Grants, Capital, and Ltd Partnerships	4,822,800	6,364,800	6,911,200	8.6 %
TOTAL	\$92,193,200	\$94,640,100	97,267,500	2.8 %

Table 13: Housing Operations Budget and FTEs

Full-time Equivalent Positions	2021 Adopted	2022 Proposed
Total FTEs	385.1	401.5

The proposed 2022 operating budget for the Housing Operations Department (HOPs) is \$90.4 million, an increase of 2.4% over 2021. A large portion of the increase primarily results from additional budgets for tenant support services and the remaining increases result from additional staffing and inflationary changes projected in 2022. Staffing total Full Time Equivalents (FTEs) positions will increase by 4.3% or by 16.4 FTEs.

Administrative salaries and benefits expenses are 3.6% higher than the 2021 Adopted Budget. The increase is due to inflation and additional community service and administrative service support FTE's offset by expiring temporary COVID help, and the transferring of budget to the SPACE Foundation. These FTEs are discussed in relevant HOPs division sections, which follow this one.

General Administrative Expenses are to increase by 3.3% mainly due to inflations and maintenance services increase is projected at 1.1 percent.

Contracts for Tenant Services are to increase by 21.2% over 2022 due to overall increases in Community Services Division's services spending, including inflation and \$1.4 million for digital equity programming, education and youth support services, onsite case management, and additional behavioral health support services.

Utilities are budgeted to decrease by 3.0% from 2021 budgeted amount primarily due to lower actual utilities in the past year and adjustments based on trend of actual charges.

Department Purpose and Function

Housing Operations manages and maintains a diverse portfolio of nearly 8,700 units comprised of approximately: 5,500 units of Low Income Public Housing, 894 Seattle Senior Housing Program (SSHP) units, 135 SSHP tax credit and locally funded units, 228 Scattered Sites units (recently converted to voucher units), about 1,500 Special Portfolio locally acquired units (excluding 63 public housing units), and approximately 740 HOPE VI tax credit units (excluding 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, Red Cedar, and Hinoki) has a total of nearly 600 units. The new properties at Yesler started operation in 2014 and the remaining old Yesler units were transferred to Development for redevelopment in 2020.

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

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.

Housing Operations Central Administration and Support

HOps Central Admin. & Support Expenditures	2020 Actual	2021 Adopted	2022 Proposed	2021/2022 % Change
Housing Operations Central Admin.	\$3,177,500	\$2,974,300	\$3,505,600	17.9 %
Admissions	1,033,800	1,060,100	1,147,300	8.2 %
Inspections	214,500	245,100	262,700	7.2 %
TOTAL OPERATING	\$4,425,800	\$4,279,500	\$4,915,600	14.9 %

Table 14: Housing Operations Central Admin Budget and FTEs

Full-time Equivalent Positions	2021 Adopted	2022 Proposed
Housing Operations Central Administration FTEs	22.9	23.9
Admissions FTEs	8.0	9.0
Inspections FTEs	2.0	2.0
Total FTEs	32.9	34.9

The proposed 2022 operating budget for Housing Operations Central Administration and Support (HOCAS) is \$4.9 million, a 14.9% increase from 2021. The largest increases for HOCAS are due to approved supplemental add requests for personnel and contracts. The group will add 2.0 FTEs for 2022, a Housing Counselor in Admissions and a Compliance Auditor in Housing Operations Central Administration. New contracted activities will address improving regulatory compliance and emergency preparedness, conducting a post-COVID resident satisfaction and customer service survey, and team building for senior housing operations leadership in anticipation of filling the Director of Housing Operations vacancy. Increases in general operating expenses addressed insufficient prior budgeting in telephones and sundry.

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: Housing Programs, Environmental Stewardship and Sustainability (ESS), Strategy and Evaluation, and Finance and Business Infrastructure.

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 Work Plan Highlights

- Increase utilization and efficiencies of business intelligence tools to automate annual MTW reporting, develop and implement additional Key Performance Indicators. Clarify and implement data models in OnBase. Unite different platforms (OnBase and Yardi).
- Develop a data management system and reporting framework to measure and communicate vendor performance. Expand vendor evaluation framework to all centralized contracts.
- Order/receive new vehicles, researching and piloting new EV technologies as available. Increase use of telematics for vehicle diagnostics, preventative maintenance, and customer communications.
- Right-size solid waste containers in the HOPE VI communities to match capacity to household size and improve process for reporting recycling issues to SPU.
- Support Development in creating additional Sustainability goals; develop Net Present Value (NPV) tool for evaluating weatherization projects; and complete rooftop solar design scopes of work.
- Complete community outreach and education regarding water conservation, and support 1 emergency preparedness workshop in partnership with Community Services Division, and waste reduction outreach and support in HOPE VI communities.
- Improve reporting on tenant past due accounts and Utility Discount Program enrollment, pilot automated data uploaded to reduce manual data entry of utility bill data, and complete utility bill payment by credit card project.
- Continue to refine the WBARS reporting process to reduce year end demands and increase accuracy and consistency, utilizing SharePoint to centrally store reports and tracking tools, and ensure timely and accurate reporting to all funders and investors. Streamline compliance monitoring cycle for rapid corrections; implement MOU with WSHFC to utilize 50058 as verification of compliance. identify new ways to use electronic verification sources resolve household changes or inconsistencies earlier.
- Work with a consultant to design and implement a comprehensive Compliance Program that includes Public Housing files and more robustly informs training. Develop targeted technical training informed by both staff input and based on audit findings.

- Ensure consistency between ACOP Policies and MTW Plan Activities, implement new MTW activities, monitor and report on status, and communicate with Property Management to ensure fidelity to the ACOP and MTW Plan.
- Develop streamlined and simplified procedures, ensure all standard procedures have a clearly written SOP, and align procedures across different programs, where possible condense to have one procedure for all programs. Review and simplify forms and work with other teams such as Friendly Forms and Digital forms to reduce the number of forms in use (currently about 240).

Admissions Work Plan Highlights

- Assess the equity in access to SHA housing, who gets on SHA’s waitlists and who ultimately gets housed. Identify disparate impacts and develop ways to address them.
- Improve the applicant experience: develop enhanced protocols for communicating with applicants while they are on the waitlist, refine the education provided to applicants about residential decision making, and develop enhanced protocols for communicating with applicants while they are in the approval queue. Also reduce the average number of days an applicant waits in the approval queue, the period after an applicant has been approved for housing and prior to being offered a unit.
- Work with Asset Management and Property Management to lease up Hinoki, take back waitlist management of previously outside managed properties, and lease up rehabbed units coming back online (Jefferson Terrace).

Inspections Work Plan Highlights

- Evaluate and assess modifications to the inspections workflow and data collection framework and increase collaboration with sister divisions to address ongoing routine maintenance and health and safety issues.

Low Income Public Housing

LIPH High-rises, Scattered Sites, homeWorks and LIPH Admin Expenditures	2020 Actual	2021 Adopted	2022 Proposed	2021/2022 % Change
TOTAL OPERATING	\$27,438,100	\$28,969,900	\$26,769,100	(7.6)%

Table 15: Low Income Public Housing Budget and FTEs

Full-time Equivalent Positions	2021 Adopted	2022 Proposed
Total FTEs	56.1	57.6

The proposed 2022 operating budget for Low Income Public Housing (LIPH) is \$26.8 million, a 7.6% decrease from 2021. Utilities, contracts, and general operating expenses substantially decrease due to the removal of budget for Scattered Sites units that converted to voucher units. Contracts and general operating expenses declined due to the removal of budget items for COVID-19 response activities. LIPH will net 2.0 additional FTEs in 2022, an Assistant Property Manager dedicated to leasing activities and a position to support planning and evaluation of adding new units to SHA inventory.

About LIPH

The LIPH program consists of approximately 5,500 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; and 894 units in the Seattle Senior Housing Program (SSHP) brought into the Low Income Public Housing Program in 2011. The budgets for these units are accounted for in the Limited Partnerships, NewHolly, Special Portfolio, and Seattle Senior Housing Program. Low Income Public Housing serves low-income residents, with most residents at or below 30% of Area Median Income.

Department Work Plan Highlights

- In 2020, property management drastically changed its operations in order to cope with the impacts COVID-19. 2022 will see a continued focus on getting back to normal for both staff and residents. Some of the items property management will be focusing on will be rent collection, re-arranging staffing, and vacate work in units.
- Security issues are often one of the largest concerns for LIPH residents, and this has not changed during the COVID-19 pandemic. A majority of buildings continue to report issues and LIPH will increase its efforts in increasing security presence. 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 2022 will help with community safety and mental health support.
- Preparation for rehab work at Jefferson started. Activities include holding units (creating vacancies), moving residents both within the building, and out to other SHA properties. Property management will be busy coordinating and supporting relocation activities to align with construction schedule.
- Conversion of Scattered Sites Public Housing units to Project Based units will conclude in 2021/2022. HUD inspections will take place before and after the conversion, so emphasis will be put on preparing the properties.
- Currently Muslim Housing Services units are scattered across many buildings in several neighborhoods, but the long-term goal has been to consolidate their units in one to three buildings. Scattered Sites hopes to complete this consolidation in 2022.
- Right Sizing and single-family housing rehabilitation work paused in 2020 and 2021 during the pandemic. This work is set to pick back up again in coordination with Asset Management.

Seattle Senior Housing Program

Seattle Senior Housing, includes Ravenna and Leschi Tax Credits	2020 Actual	2021 Adopted	2022 Proposed	2021/2022 % Change
TOTAL OPERATING	\$7,703,900	\$6,724,800	\$6,722,100	(0.0)%

Table 16: Seattle Senior Housing Program Budget and FTEs

Full-time Equivalent Positions	2021 Adopted	2022 Proposed
Total FTEs	20.9	20.8

The proposed 2022 operating budget for Seattle Senior Housing Program (SSHP) is \$6.7 million, a 0.04% decrease from 2020. Increases in SSHP's budget for inflation were offset by the removal of portfolio-level COVID-19 response expenditures. SSHP's utilities are projected to be flat, unlike other SHA housing portfolios that project large decreases.

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% of Area Median Income with the head of household or spouse at least 62 years old or disabled. Residents pay affordable rent depending on their income. 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 Work Plan Highlights

- SSHP will focus on leasing its vacancies and resuming "normal" property management activities. As there were a handful of COVID-19 cases at SSHP and majority of SSHP residents are considered high-risk for the virus, SHA will continue to provide strong support this portfolio and will monitor vaccination efforts.
- SSHP will have significant capital improvement projects underway. There were 6 elevator upgrades in 2021 and this effort continues to ramp up in 2022 with 5 additional elevator projects. There are many building exterior projects scheduled for 2022.
- Frequent community meetings were popular across SSHP properties pre-pandemic. The goal is to bring this back to the community to provide a forum for residents to better engage and connect with SHA staff.

Yesler Terrace

Yesler Terrace, Baldwin, Ritz and EOC Expenditures	2020 Actual	2021 Adopted	2022 Proposed	2021/2022 % Change
Yesler Terrace	\$528,100	\$215,500	\$9,000	(95.8)%
Baldwin Apartments	101,900	119,800	126,800	5.8 %
Ritz Apartments	142,800	156,400	160,600	2.7 %
Epstein Opportunity Center	65,100	71,400	76,400	7.0 %
TOTAL OPERATING	\$837,900	\$563,100	\$372,800	(33.8)%

Table 17: Yesler Terrace Budget and FTEs

	2021 Adopted	2022 Proposed
Full-time Equivalent Positions		
Total FTEs	17.6	19.7

The proposed 2022 operating budget for Yesler Terrace (old Yesler, Baldwin, Ritz, and the EOC) is \$373,000, a 33.8% decrease from 2021, mainly due to the transfer of the remaining units at old Yesler units to Development for redevelopment of the site. The 2022 operating budgets for Kebero Court, Raven Terrace, Hoa Mai Gardens, Red Cedar, and Hinoki are included in the Capital Improvement, Grants, and Limited Partnership sections of the budget book and are not reflected in the table above. However, the employees funded by the limited partnerships and working in the Yesler communities are

included in the FTE counts above. The increase in staffing in 2022 is because of addition of Hinoki.

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% 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 the relocation of the YWCA program. The remaining units at old Yesler were transferred for redevelopment, and there will be no operating units in 2022. 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, Red Cedar and Hinoki, the first five 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 Sawara is expected to be completed by 2023.

Department Work Plan Highlights

- Activities will continue to ramp up as the date for Hinoki, Yesler's next new property coming online draws near in early 2022. Staff will be preparing for the lease up of Hinoki in early 2022.
- Actively engage Staff for the planning work for Sawara and Juniper.
- Continue the leadership in Yesler communities to enhance the strong community in the neighborhood with private sector partners.
- Continue to develop and innovate the way staff manage and operate the dense Yesler Campus.

Special Portfolio Housing Program

Special Portfolio	2020 Actual	2021 Adopted	2022 Proposed	2021/2022 % Change
SHA-Managed	\$2,205,500	\$2,121,000	\$2,226,200	5.0%
Outside-Managed	5,143,100	5,469,400	5,597,000	2.3%
TOTAL OPERATING	\$7,348,600	\$7,590,400	\$7,823,200	3.1%

Table 18: Special Portfolio Budget and FTEs

Full-time Equivalent Positions	2021 Adopted	2022 Proposed
Total FTEs	13.4	12.4

The proposed 2022 operating budget for the Special Portfolio Housing Program is \$7.8 million, an increase of 3.1% from 2021. The 2022 proposed budget is substantially status quo, reflecting standard 2022 inflationary increases, except for the SHA-managed group of properties, where increases across utilities are responsible for an outsized percentage increase.

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 and are under 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. 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% 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 Work Plan Highlights

- Lam Bow Apartments' redevelopment financing closed in middle of 2021 and construction work has begun. This is a tax credit project to replace the original buildings. Housing Operations will be preparing to move in returning residents (who are currently living elsewhere) and new residents when construction concludes. Leasing is anticipated to start in January of 2023, but preparation for this work will take place in second half of 2022.
- Special Portfolio will bring approximately 400 units that are currently externally managed by Coast property management to in-house management in 2022. This will be a major focus of the Outside-Managed portfolio throughout 2022 until the units are stabilized.
- Special Portfolio is a relatively a new portfolio that continues to fluctuate with new acquisitions and changes in external management companies. Time will be spent in 2022 to better evaluate this portfolio as COVID-19 recovery efforts take place and prepare for long term recommendations and portfolio placement.

Impact Property Management – HOPE VI Communities and Parks

Impact Property Management – HOPE VI Administration, NewHolly and Others Expenditures	2020 Actual	2021 Adopted	2022 Proposed	2021/2022 % Change
Impact Property Management	\$890,700	996,700	\$1,206,600	21.1 %
NewHolly Phase II & III (Othello & Desdemona)	2,646,900	2,438,600	2,594,700	6.4 %
Rainier Vista Phase I (Escallonia)	1,618,200	1,489,300	1,532,400	2.9 %
High Point North	4,050,500	3,110,500	3,315,100	6.6 %
Parks	392,500	405,200	420,900	3.9 %
Campus of Learners	617,500	657,000	669,000	1.8 %
TOTAL OPERATING	\$10,216,300	\$9,097,300	9,738,700	7.1 %

Table 19: Impact Property Management Budget and FTEs

	2021 Adopted	2022 Proposed
Full-time Equivalent Positions		
Total FTEs	56.5	57.5

The proposed 2022 operating budget for Impact Property Management and HOPE VI communities is \$9.7 million, an increase of 7.1% from 2021. The funding for neighborhood association dues for High Point South is partially transferred to Impact Property Management, which has resulted in a total budget increase at Impact Property Management. HOPE VI properties increased the 2022 budget for maintenance expenses to help the backlog of maintenance workloads as a result of the pandemic. The one-time budget add for maintenance backlog is anticipated to help the properties catch up with the work orders accumulated. NewHolly Phase added a Property Management Associate to support New Holly Properties, and the remaining positions are the same as 2021.

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 Place, 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 vouchers, and tax credit units in these communities. IPM also oversees the management of approximately 530 Yesler campus housing units, 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, Red Cedar, and Hinoki 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 Work Plan Highlights

- With the anticipation of the eviction moratorium being lifted in 2021, resuming in-person learning for SHA 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 following the

pandemic. This will include accessing services and referrals for residents, considering policy adjustments, staff trainings, and providing staff presence on site to engage with residents.

- Continue to look for improved ways to perform day-to-day work supporting alternative work arrangements to support staff; improved ways to interact with residents virtually and in-person; develop strategies to address the opening up to in-unit inspections from over a year pause
- Address the backlog of routine in-unit work orders resulting from the pause of this work under COVID-conditions by identifying repair items related to health and safety
- Use a third-party vendor to train key maintenance and property management staff in Real Estate Assessment Center's (REAC) new National Standards for the Physical Inspection of Real Estate and Associated Protocols (NSPIRE) inspection protocols. This will be leveraged to train additional staff in-house. The properties will:
 - ✓ Inspect for, document, and request capital needs related to the new NSPIRE inspection protocols.
 - ✓ Establish and implement pre-inspection, day-of inspection, and post-inspection follow-up procedures for Hope VI maintenance and property management staff.
- With restrictions on in-unit work lifting in 2022, Hope VI properties will evaluate capital work priorities. The properties will sort items by projects vs. allowances, then prioritize and identify who will do the work (site-staff including project staff, IPS, or vendor). Methods and strategies for close-to-real time internal tracking of assignment and progress will be developed. The properties will also identify emergent capital needs related to the new NSPIRE and REAC inspection protocols.

Impact Property Services

Impact Property Services Expenditures	2020 Actual	2021 Adopted	2022 Proposed	2021/2022 % Change
Impact Property Services Operations	\$18,575,000	\$16,936,000	\$17,818,400	5.2%
Solid Waste & Fleet	4,150,000	4,335,500	4,606,900	6.3%
Housing Operations Facilities	328,100	352,700	364,000	3.2%
TOTAL OPERATING	\$23,053,100	\$21,624,200	\$22,789,300	5.4%

Table 20: Impact Property Services Budget and FTEs

	2021 Adopted	2022 Proposed
Full-time Equivalent Positions		
IPS Operating Budget FTEs	116.5	122.5
Solid Waste & Fleet Operating FTEs	17.6	17.6
IPS Capital Budget FTEs	12.7	12.7
Total FTEs	146.8	152.8

The proposed 2022 operating budget for Impact Property Services (IPS), Solid Waste, Fleet and Housing Operations Facilities is \$22.8M, an increase of 5.4% from 2021.

IPS's proposed 2022 operating budget is substantially status quo, reflecting standard 2022 inflationary increases. IPS received funding for five additional Maintenance Mechanics to support routine in-unit maintenance backlog work due to the COVID-19 pandemic, and additional administrative salary budget

for a Specialized Maintenance and Repair Training (SMART) Coordinator. The IPS SMART Training program was extremely successful in improving employee satisfaction and providing support for employee skill development; this FTE will help continue the successful practices from the SMART Training Program.

The Solid Waste and Fleet divisions converted a project position to a regular position. The position will continue supporting both the Solid Waste and Fleet services. Solid Waste added a one-time budget in 2022 to right-size containers at HOPE VI properties. Solid Waste also added a budget for the increase in Solid Waste charges due to the continued growth in disposal volume and rate changes in 2022.

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 Work Plan Highlights

- The SMART training coordinator will have a variety of responsibilities, some of them including, helping develop the skills of current employee, via hands on training, coordinated peer trainings, online training library, as well as written materials. They will help design, create, and coordinate any new/future training materials or tests.
- IPS will work with Asset Management & Construction Operations to fulfil the capital that is and will be assigned to IPS. IPS will perform maintenance repair and replacement projects identified by property managers and construction operations.
- Due to Covid-19 IPS was restricted from performing a variety of preventative, routine, and even some vacate work orders. IPS has been developing a strategy in which to reduce the backlog of work orders, without hindering normal tasks and operations.
- Due to Covid-19 IPS was forced to defer a large portion of REAC work orders. IPS will implement a strategic effort to prepare for REAC inspections and dedicate any work that needs to be completed post inspection. With COVID-19 restrictions being lifted, IPS expects HUD inspections to resume by the end of the year.
- IPS will be preparing to incorporate new third party managed properties to its portfolio and conducting preventative maintenance work (i.e. fire alarms, furnace filters, etc.). IPS will also be consulting property management and construction operations, with designs and work development, to ensure maximum efficiency for the long term.

Community Services Division

Community Services Division Expenditures	2020 Actual	2021 Adopted	2022 Proposed	2021/2022 % Change
TOTAL OPERATING	\$4,167,500	\$6,558,800	\$8,122,800	23.8 %

Table 21: Community Services Budget and FTEs

Full-time Equivalent Positions	2021 Adopted	2022 Proposed
Total FTEs	17.0	22.0

The proposed 2022 operating budget for Community Services Division (CSD) is \$8.12 million, an increase of 23.8% from 2021. In 2022, CSD also has 22 FTE in 2022 compared to 17 in 2021. Funding for five new positions was added to CSD’s budget in 2022.

Community Services Division’s proposed 2022 budget includes status quo with inflation increases, as well as approved additional funding requests which includes \$560,700 for five additional FTE: an Executive Assistant, Health and Housing Program Coordinator, Special Projects Coordinator, Community Builder for the North End, and a Yesler Education Engagement Specialist. CSD also received \$1.14M in additional program funding for Digital Equity Programming, Onsite Case Management, Sound Mental Health Team Extension, and Education and Youth-Focused Programming.

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 will contract out approximately \$4.3 million in 2022 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 Work Plan Highlights

The need for effective community building has increased as SHA residents and neighbors respond to changes due to the COVID-19 pandemic. Families have experienced loss of life, employment, health, routines, and connection to community. Compounding the complexity is the continued population increase and need for affordable housing throughout the city. There are increasing affordable housing units being built in north Seattle but a dearth of services and supports for SHA residents. Community building efforts have been deployed in Jackson Park Village and Cedarvale Village as community-based resources are not adequately serving these residents. Community Services Division will:

- Intentionally create resident engagement efforts and leadership development opportunities that prepare residents and neighbors to address racial tension, socio-economic tensions, and impacts of gentrification.
- Reactivate resident councils and provide hands-on support to hold elections and address council business.
- Refine programs such as the Community Benefit Funds (in LIPH and SSHP) to reduce conflict between residents and challenges with tracking purchases.

- Continue cultivating relationships with organizations who have services which benefit SHA residents. Partnering with community-based organizations and other public entities (e.g. Seattle Public Library) is key to active communities.
- Adapt academic supports to meet the changing learning environment (in-person and virtual).
- Connect youth with in-school and community academic and non-academic programming, while also increasing school engagement, academic performance, and mitigating challenging behaviors. For older youth, the focus will primarily be navigating and transitioning to postsecondary opportunities.
- Partner with families, local schools, and community agencies to devise supports on an individual and group basis for SHA residents. Develop broader strategies to support residents when common challenges are faced by a significant number of SHA residents.
- Empower parents to navigate systems and address real-time concerns with their child's education and support communication between Yesler families, neighborhood schools, and community organizations. Remain in connection with youth who have transitioned into postsecondary opportunities.
- Provide youth an important leadership opportunity in shaping programming in their community while also providing additional opportunities to receive coaching and mentorship through the Youth Advisory Council
- Lead older youth in the community to serve as mentors to younger youth. Near peer mentoring provides reciprocal benefits including reduced stress, building positive relationships and community, provides academic and social supports, supports life transitions and positive identity development.
- Leverage community leadership to increase staff capacity through the Resident Youth Support Pilot. Adults in the community will be trained by SHA staff to support youth development programming such that staff can increase the number of youth served, increase adult supervision and supports, and address critical needs in the community like active programming and prevention of behavioral conflicts.
- Connect youth in Jackson Park Village, Cedarvale Village and Lake City Court with high quality enrichment, academic support, mentorship, and employment opportunities. Ensure that SHA youth have increased access to community programs and SHA families are aware of the resources available to them.
- Support parents in developing leadership skills and knowledge including navigating the school system, knowing their rights, student/parent advocacy, and the varying cultural approaches to education and youth development. Participants will be ready for parent leadership roles in local schools and in Seattle U's Local Improvement Network.
- Provide Yesler Educational Events including:
 - ✓ Math Night, Reading Night, Poetry Night - An effort to increase and sustain engagement, create a culture of learning and achievement, and to foster relationships amongst families, schools, and community partners
 - ✓ Back to School Bash - Celebrates return to school and offers resources for families (in the past, resources have included school supplies, backpacks, internet sign up, hotspots)

- Facilitate further coordination among the three main behavioral health providers, City of Seattle Aging and Disability Services, Full Life Care and Sound, to meet the needs of SHA residents. Coordination and communication with SHA staff and providers will be facilitated and supported with on-going professional development of all stakeholders.
- Meet COVID-19 response needs, which could include health education and vaccination booster clinics or transportation supports.
- Continue Digital Equity Initiative work and progress in FY22 and expand beyond the limitations of previous contractors by serving residents in LIPH, SSHP, HOPE VI and Yesler:
 - ✓ Update resident-use computing hardware and software, seek opportunities to bring low-cost easy-to-use devices and connectivity to residents, and provide simple instruction.
 - ✓ Maintain six fixed computer labs and one mobile lab located in varying areas within Seattle, which consist of desktop computers, printers along with other specialized lab equipment and computer peripherals.
 - ✓ Provide technical support to monitor and maintain computer systems and supplies tailored to final users specific needs.
 - ✓ Collaborate with digital equity partners, including Seattle Public Library, City of Seattle Community Technology, Seattle University, Seattle Public Schools and Multi-Media Resource Technology Institute (MMRTI), to make programming available to residents across housing portfolios.
 - ✓ Conduct a digital equity assessment to understand the digital condition and landscape of resident needs. Work with partners to address the issues identified and connect SHA residents to necessary resources.
- Develop a volunteer recruitment system, create a trouble-shooting manual, and develop standardized rules and procedures for the technology centers.
- Address resident concerns of slow broadband connections by contracting with T-Mobile and providing internet hotspot connections to those who struggling with internet connection.
- Community Safety Taskforce will propose pilot programs to test strategies for the Community Safety Plan. All programs will include contributions from private security, City first responders, SHA residents and staff.

JobLink

JobLink Expenditures	2020 Actual	2021 Adopted	2022 Proposed	2021/2022 % Change
TOTAL OPERATING	\$2,179,300	\$2,867,200	\$3,102,500	8.2 %

Table 22: JobLink Budget and FTEs

Full-time Equivalent Positions	2021 Adopted	2022 Proposed
Total FTEs	23.9	23.9

The proposed 2022 operating budget for JobLink is \$3.1M, an increase of 8.21% from 2021. In 2022, JobLink has the same number of FTE as 2021, 23.9 FTE.

JobLink's proposed 2022 budget includes status quo with inflation increases; salaries and benefits were adjusted per the agency-wide labor expense adjustment. Funding for 21 additional Section 3 Trainee positions was added to JobLink's budget for 2022, totaling \$262,900.

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% 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.

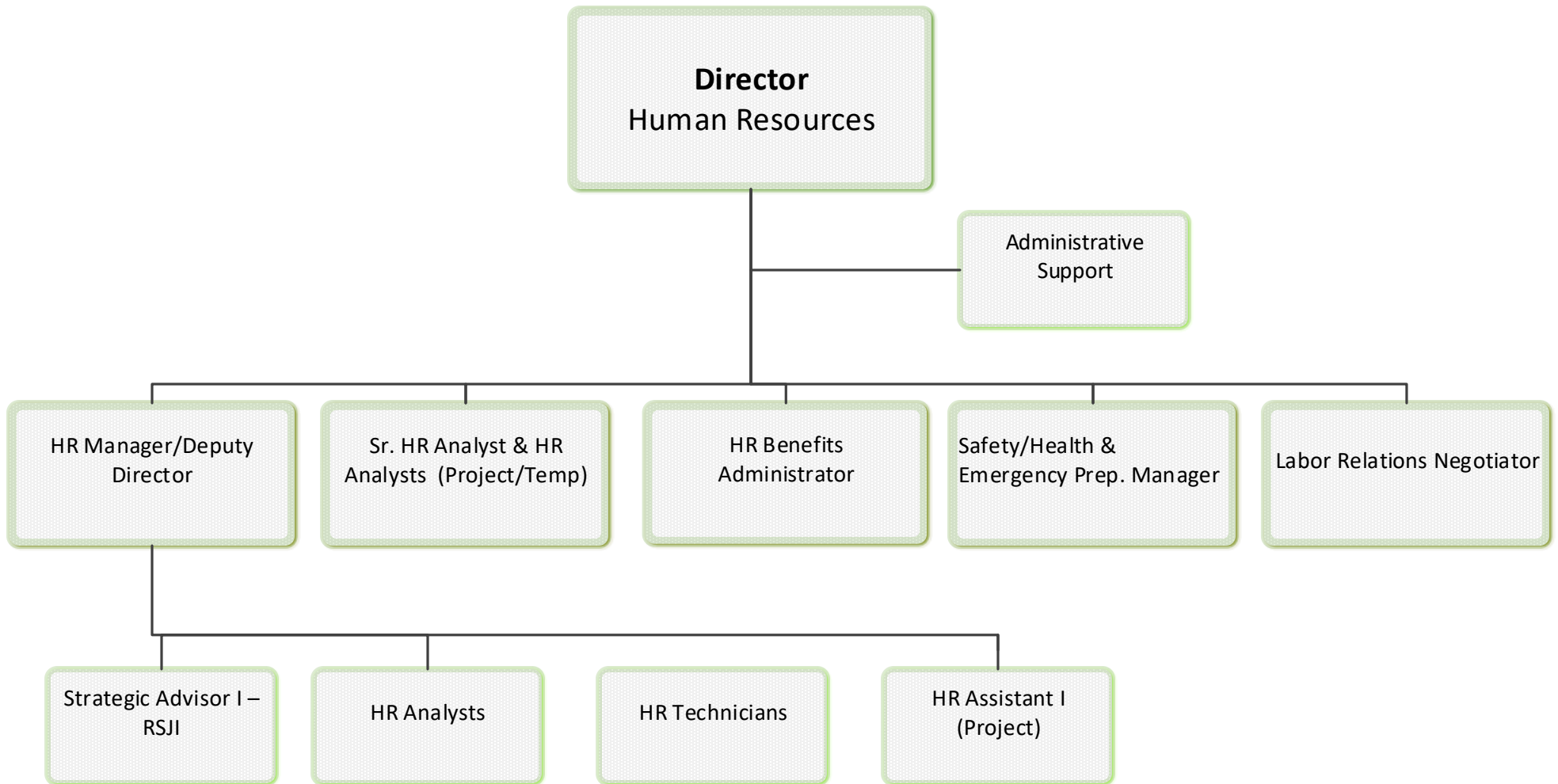
Residents most likely to benefit from JobLink services are the 8,300 Working Age, Non-Disabled (WAND) individuals in public housing or housing choice voucher holders. Almost half of WAND residents are working full or part-time. JobLink services are tailored to the needs of these residents, as well as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

Department Work Plan Highlights

- Launch a year-long training series on Race and Social Justice for all JobLink team members with a focus on how to have conversations around race, historical impacts of race, and its implications on how JobLink delivers services, and how to use a race and equity lens to assess JobLink policies and approaches.
- Continue to increase the number of residents JobLink can serve. Since the state of Washington reinstated job search requirements to obtain unemployment benefits in July 2021, more residents are contacting JobLink to enroll in the program.
- Design and guide support for high needs clients based on data and feedback from Coaches, which point to the need for more targeted services focused on former foster-youth (FUP voucher holders), and clients with behavioral health concerns. The new Client Engagement Coordinator will offer more one-on-one support to help participants address challenges impeding their progress in their pursuit of employment or education.
- Test different strategies to best support participants with the new Client Engagement Coordinator to make recommendations for how the support should be structured in the future.
- Refine the JobLink Academy (previously Section 3 Trainee Program), which brings all SHA's trainee opportunities under one umbrella. Continue to formalize and document the program in the JobLink Academy Playbook, providing a clear support structure to help trainees succeed with regular performance check-ins. Continue to support participants in SHA internships, temporary employment, project, and permanent positions.
- Resume in-person client engagement, following SHA protocol guidelines as offices re-open.
- Continue improving technology access and skill building of staff to use virtual meeting options with clients and team members. The quality of technology will need to improve (Teams functionality, Wi-Fi access) to make this possible in 2022.

HUMAN RESOURCES

HUMAN RESOURCES DEPARTMENT



Human Resources Budget

Human Resources Department Expenditures	2020 Actual	2021 Adopted	2022 Proposed	2021/2022 % Change
Admin Salaries & Temp Help	\$1,786,500	\$2,720,500	\$3,145,200	15.6 %
General & Administrative Expense	341,400	493,000	538,400	9.2 %
Tenant Services	-	-	-	-
Maintenance & Contracts	34,700	125,700	125,900	0.2 %
Utilities	-	-	-	-
TOTAL OPERATING	\$2,162,600	\$3,339,200	\$3,809,500	14.1 %
Salaries & Benefits in Grants, Capital, and Limited Partnerships	-	-	-	-
TOTAL	\$2,162,600	\$3,339,200	\$3,809,500	14.1 %

Table 23: Human Resources Budget and FTEs

Full-time Equivalent Positions	2021 Adopted	2022 Proposed
Total FTEs	14.8	16.8

The proposed 2022 operating budget for the Human Resources Department (HR) is \$3.81M, an increase of 14.1% from 2021. In 2022, HR also has 2 additional FTE, totaling 16.8, compared to 14.8 FTE in 2021. Salaries and benefits for HR's staff were adjusted per the agency-wide labor expense adjustment.

The Human Resources Department's proposed budget includes inflationary increases, as well as approved additional funding requests including funding for two new FTE, a Race and Social Justice Initiative Strategic Advisor and an Executive Assistant, as well as funding for Emergency Management Program Resources and Safety and Health and Wellness Program Resources.

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 Work Plan Highlights

Job Classification & Compensation - In addition to ongoing job and compensation duties, 2022 initiatives will include:

- Several policy updates on post-COVID-19 compensation best practices.
- Expanded alternative work arrangements.
- Updating and integrating Telework best practices.
- Relevant job description updates, including expanded RSJI learning and competencies.
- Adding benchmark compensation data and reporting within E1 and Power BI.

Employment & Data Systems - In addition to ongoing employment and data system work, new and expanded initiatives will include:

- Expanded emphasis on recruitment outreach to BIPOC job applicants.
- Adding new requirements on CDC vaccination card/attest verification to Onboarding.
- Pilot a Property Mgmt. Certification and Internship program; Housing Ops has a 10% turnover rate at midyear 2021. If COVID-19 results in additional turnover, HR can support this area by adding a certification or internship program. Anticipated costs for a pilot for two staff members would be about \$10,000. This program will intersect with RSJI and training and staff development.

Training & Development - In addition to continuing current training and career development work, new and expanded initiatives will include:

- Expanded refinement of hybrid classes, leveraging the best of both in-person learning with participation using Teams and/or Zoom.
- Coordinating with IT and other partners for enhanced digital equity and access to training technology and equipment.

Race & Social Justice Initiative - In addition to ongoing RSJI work, new and expanded initiatives will include:

- Supporting and expanding facilitation and technical assistance to departments as RSJI deepens agency wide.
- New RSJI-focused employee wellness resources for teams and individuals that are closely aligned with trauma informed care.

Benefits & Leave - In addition to ongoing benefits and benefits administration, develop and begin work on:

- New Washington State Cares Fund: continue to assist employees with long term care selection and state exemption request process.
- Creating new FMLA documents and updating DOL documents into fillable forms.
- Updating benefit forms to be fillable with electronic signature for Onboarding and Open Enrollment.
- Beginning E1 Plan Option updates (PERS and Dependent Child).
- Creating pre-recorded benefits orientation presentation and EAP Quarterly presentations, with follow-up live Q&A sessions.
- Conducting Quarterly Leave of Absence presentations and Quarterly Benefit Topic of the Month presentations.

- Researching Employee Advocate Service.
- Finalizing updates and enhancements to the employee benefits webpage.

Safety, Health, and Emergency Management - In addition to ongoing safety, health, and emergency management, develop and begin to:

- Research, explore, and pilot a physical wellness program that is closely aligned with employee safety and health program.
- Operationalize additional regulatory compliance requirements, including annual medical monitoring, annual respirator fit testing, mandatory annual training, ongoing COVID-19 vaccination status log and reporting, etc.
- Enhance safety, health, physical wellness, and emergency management data tracking and reporting.
- Streamline and improve processes pertaining to facility safety audit inspections and record keeping.
- Survey and install RFID (Radio Frequency Identification) for Fall protection anchors and equipment.
- Add staff security coordination and assistance in partnership with Housing Operations, Asset Management, and General Counsel.

Labor & Employee Relations - In addition to ongoing Labor and Employee relations work:

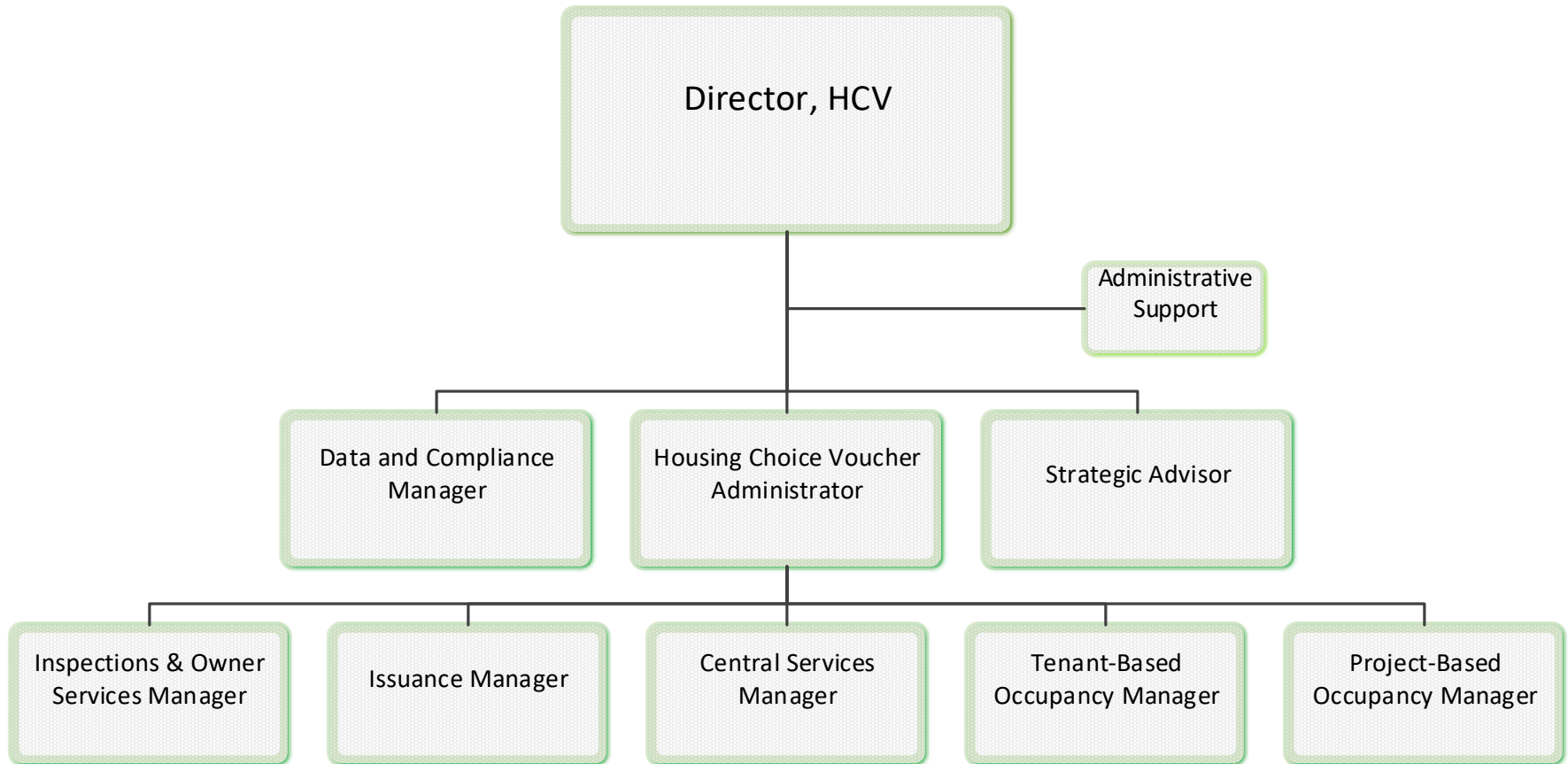
- Anticipate an extensive rewrite of the OPEIU collective bargaining agreement (CBA), and provide multiple training sessions for Supervisors, Managers, and HR team members to familiarize them with the changes made, the reasons for the changes, and the implementation needs following the ratification of the CBA.
- Anticipate an extensive rewrite of the Trades CBA in 2022, with the following implementation and training steps to take as outlined above.
- Plan to review, update, and rewrite multiple policies to align with the new CBA language, best practice workplace procedure changes, and/or dynamic environment of the workplace.
- Plan to schedule quarterly contract topic training for supervisors, including a new Just Cause training.

HR Team-Wide & Info Systems - In addition to ongoing systems, data, and reports, 2022 new initiatives will include:

- Submit Information Technology budget request for HRIS foundation & specification work and preparations for new system.
- Updates to Halogen Performance Evaluation Templates.
- Re-activation/enhancements of Halogen 360 Degree Feedback modules
- Updates to agency-wide PE Core Competencies that include expanded RSJI elements as appropriate

HOUSING CHOICE VOUCHER PROGRAM

HOUSING CHOICE VOUCHER PROGRAM



Housing Choice Voucher Program Budget

HCV Department Expenditures	2020 Actual	2021 Adopted	2022 Proposed	2021/2022 % Change
Admin Salaries & Temp Help	\$6,372,900	\$6,354,900	\$7,302,700	14.9 %
General & Administrative Expense	5,717,400	5,712,100	5,678,800	(0.6)%
Tenant Services	302,200	369,300	811,500	119.7 %
Maintenance & Contracts	91,700	132,000	133,000	0.8 %
Utilities	-	-	-	-
TOTAL OPERATING	\$12,484,200	\$12,568,300	\$13,926,000	10.8 %
Salaries & Benefits in Grants, Capital, and Limited Partnerships	88,700	92,400	-	(100.0)%
Housing Assistance Payments	128,335,800	137,417,000	149,953,700	9.1 %
TOTAL	\$140,908,700	\$150,077,700	\$163,879,700	9.2 %

Table 24: Housing Choice Voucher Program Budget and FTEs

Full-time Equivalent Positions	2021 Adopted	2022 Proposed
Total FTEs	70.00	78.00

The proposed 2022 operating budget for the Housing Choice Voucher Program (HCV) is \$163.9M, an increase of 9.2% from 2021. In 2022, HCV also has 8 additional FTE, totaling 78, compared to 70 FTE in 2021. HCV added 3.45 FTE funded with operating budget, 2 FTE funded with Opportunity Funds, and 6.55 FTE funded with new Emergency Housing Voucher funding. Combined with several FTE expiring at year end 2021, the net increase is 8 FTE in 2022. Salaries and benefits for HCV's staff were adjusted per the agency-wide labor expense adjustment.

The Housing Choice Voucher Department's 2022 proposed budget incorporates a status quo budget with inflation increases, as well as approved additional funding requests including \$244,800 in additional funding for 3.45 Operating FTE, \$586,000 for 6.55 Emergency Housing Voucher FTE, and an additional \$12.5M budgeted for housing assistance payments.

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% 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 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 Work Plan Highlights

- **Maintain High Utilization and Serve More People** – HCV's utilization is 95.3% as of May 2021. As this figure indicates, HCV continues to demonstrate high leasing success across all voucher programs. To maintain this level of achievement in 2022, HCV will focus on Emergency Housing Vouchers, Creating Moves to Opportunity (CMTO) Phase IV, implementing VASH referral improvement, and exploring the renewed issuance to 2017 TBV waitlist applicants.
- **Emergency Housing Vouchers (EHV)** – Efforts to fully utilize the EHV's will be a primary goal in 2022. HCV will collaborate with the Regional Homelessness Authority (RHA) and other partnering organizations to ensure the flow of referrals aligns with SHA's leasing goals. Housing Counselors will provide housing search assistance and partner with case managers to produce lease up participants. SHA will also work with EHV partners to ensure housing stability assistance is available to leased participants.
- **Special Purpose Vouchers (SPV)** – Recent SPV utilization success will continue in 2022. Pending approval, the Department will emphasize the implementation of the VASH Collaborative Case Management pilot to assist veterans currently unserved due to a lack of HUD-VASH case management. HCV also looks forward to HUD awarding SHA Foster Youth to Independence vouchers and will work to increase utilization in 2022. Finally, the Department will respond to SPV NOFAs as released by HUD.
- **Research Partnerships** – HCV will continue partnering with SHA's Office of Policy and Strategic Initiatives (OPSI) on research projects related to CMTO and voucher participant mobility with the University of Washington. HCV's participation with the Urban Institute's Family Unification Program (FUP) Evaluation is also ongoing.
- **Creating Moves to Opportunity (CMTO)**– HCV will continue to take part in the CMTO workgroup with OPSI, King County Housing Authority (KCHA), and external researchers to understand and incorporate lessons learned from CMTO into ongoing operations. HCV also intends to collaborate with OPSI to update CMTO's Opportunity Area map. This new phase of CMTO (Phase 4), will focus on expanding CMTO to both Moving with Continued Assistance (MWCA) and waitlist participants, and engraining mobility services in the Department. There are two staff adds related to this.
- **Voucher Participant Trainings** – Build on 2021 efforts to develop and implement training programs for voucher holders on topics such as conducting housing searches, tenant-landlord law, and being a responsible tenant.

- Housing Stability Assistance – Housing Counselors began offering participants assistance with housing stability challenges in 2019. This has been achieved by navigating participants to services and responding to leasing conflicts. HCV hopes to grow leasing conflict assistance and housing stability challenge assistance in 2022 by continuing its partnership with Aging & Disability Services and exploring additional behavioral health supports.
- Eviction Prevention Assistance – HCV anticipates that it will still be dealing with the aftermath of the Washington eviction moratorium in 2022. The Department will aim to ensure supports are offered so that participants remain stably housed and housing providers satisfied with the voucher program. A major component of this support will be the continuation of a third-party contract for landlord mediation services into 2022.
- Support JobLink – Work with the Economic Opportunities team to increase participant enrollment in JobLink with a focus on FUP youth. Continue to support the Section 3 JobLink Academy program.
- Home from School – HCV will continue supporting Home from School participants, and work with SHA and Bailey Gatzert Elementary School’s leadership on the program’s future and service model.
- Housing Service Center Improvements – HCV will build on 2021 initiatives aimed at improving the customer experience at the central office front desk. This includes contracted research into that experience; lobby kiosk implementation; and the appointment first model. HCV will further explore and potentially implement recommendations from the 2021 analysis.
- HCV Participant Advisory Committee – HCV will explore the creation and implementation of a participant committee to be consulted on policy and procedure changes.
- Landlord Engagement - HCV will increase Owner Liaison capacity to launch an outreach campaign targeted at encouraging new landlords to partner with SHA to lease with voucher holders. Emphasis will be placed on EHVs, SPVs and increasing voucher holder choice in Opportunity Areas. HCV also plans to hold a second landlord symposium with regional PHAs in 2022.
- Staff Development – Ensuring HCV staff are properly trained will be a significant project in 2022. HCV teams continue to experience a high degree of turnover, additional staff are being added for the EHV program, and there will be a need to train staff in the use of the new IT platforms brought into the Department. After relying on remote trainings since March 2020, HCV looks forward to resuming more in-person trainings utilizing third-parties, to facilitate certain training needs, and to increasing staff attendance at conferences and spreading that opportunity out equally to staff across the Department.
- Procedure Manual – Finalize updates to the Procedure Manual to coincide with conversion to Yardi in early 2022.
- Housing Connector – HCV will continue partnering with the Seattle Chamber’s Housing Connector program to assist in leasing to participants experiencing homelessness.
- Online Forms – HCV will continue bringing its various forms online via OnBase Unity Forms to improve the efficiency, accuracy, and convenience of information collected from participants and landlords during business processes.
- Remote Inspections - Building on HCV’s experience during the COVID-19 pandemic, HCV will explore continuing to utilize remote inspections and at what level.

- Change Team – Continue to support the HCV staff-led RSJ change team as it works to foster RSJ principles in staff; embed RSJ in decision-making; lead Department-wide cultural celebrations; and assist in the development of HCV RSJ goals.
- Creation of Special Purpose Voucher Team – Due to the growth of SPVs, increased utilization rates and stakeholder relationship management, HCV will establish a specific team to administer Special Purpose Vouchers.
- Contact Rent Increase (CRI) – HCV will restart a comprehensive CRI process improvement project to increase the efficiency and effectiveness of rent determinations.
- RFTA/NMI Processing – HCV will also conduct a comprehensive process improvement project to reduce processing times for RFTA and NMIs to expedite the lease ups.

GRANT PROGRAMS

GRANT PROGRAMS

The proposed overall budget for agency grant expenditures in 2022 is \$1.3 million; this compares to \$5.1 million in the 2021 Adopted Budget. Excluding the \$3.7 million from the federal CARES Act for emergency COVID-19 relief, grant expenditures in 2021 were projected to be \$1.4 million, compared to \$1.3 million in 2022, showing a decrease of approximately \$30,000 from 2021 to 2022. The sources listed below are a mix of new grants and 2021 funds that will carry over into 2022. New grants are expected from:

Seattle Housing Authority Grant Program CY 2022

Name	Total Award	Grant Period	2022 Expenditures (with any carryover)
Family Self Sufficiency	\$641,000	2022	\$641,000
ROSS Service Coordinators Grant	717,000	2019-2022	243,221
SPACE/Seattle Community Investments	150,000	N/A	30,000
City of Seattle Onsite Case Management Grant	350,000	2022	350,000
Agnes M. Roche Community Building Fund	150,000	N/A	75,000
TOTAL	\$2,008,000		\$1,339,200

Table 25: Grant Program Funding

Family Self Sufficiency HUD Grant (2022) - \$641,200 - This includes \$169,000 in additional 2022 Family Self Sufficiency funding on top of the routine annual grant for this program. This grant in addition to the ROSS Services Coordinators Grant will allow the JobLink division to fully fund their Career Coaches in 2022.

ROSS Service Coordinators Grant (2019-2022) - \$717,200 - This three-year grant annually funds approximately two Career Coaches' salaries, training, and support costs in the JobLink program.

SPACE/Seattle Community Investments (No Expiration) - \$150,000 - This funding pays for education financial supports for the JobLink program.

City of Seattle Human Services Department On-site Case Management Grant (2022) - \$350,000 – This grant, in addition to the \$300,000 contribution from SHA, will support predominantly residents who are black, indigenous, persons of color, and seniors. 25% of this grant provides funding for additional case management for residents at high-risk SHA communities. The remaining 75% of this grant will support outreach to Black and African American youths and their families to increase participation in culturally sensitive behavioral health services and other supportive activities.

Agnes M. Roche Community Building Fund - \$150,000 - We have been notified officially of \$150,000 from the Agnes M. Roche estate for services through the New Holly Community Builders program.

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 \$1.34 million grant expenditure figure above.

CAPITAL IMPROVEMENT PROGRAM

2022 CAPITAL AND NON-ROUTINE EXPENSES

SHA's proposed 2022 Annual Capital and Non-Routine Expenditures is **\$21.7 million**, a \$0.5 million increase from **\$21.2 million** in 2021. Funding sources include the MTW Capital Grant, other MTW contributed funds, non-federal funds, bond proceeds, and replacement reserves. The 2022 Capital preservation budget dedicates \$17.7 million to capital project costs, and the remainder supports project management and capital administration costs. The top five funded capital work projects, representing over 60% of the proposed 2022 Capital preservation budget are displayed in the table below.

Proposed 2022 Capital Preservation Work: Top Five Categories by Funding

Table 4: Capital Project Work Categories

Capital Project Work Category	Proposed 2022 Capital Budget
Elevator Replacement/Repairs	\$2.92M
Building Exterior Rehab/Repair	2.58M
Interior Upgrades	2.49M
Windows and Door Replacements	1.57M
Security Improvements	1.00M
Top Five Capital Work Categories Total	\$10.56M
Percent of 2022 Capital Projects Total	60.70%

Information Technology (IT) Capital Projects

Proposed 2022 IT Capital projects total \$795,000, a 39.5% increase from 2021. Historically, SHA averages about \$550,000 in IT Capital Projects per year. Spanning the two years, however, there is a separate \$1.5 million COVID-19 IT Recovery Plan adopted in 2021 and devoted to preparing and modifying SHA systems, software, security, and hardware to support a hybrid work environment, whereby most staff will have a certain number of workdays in the office and the remainder working from home.

Opportunity Investments

These investments take advantage of the increases in federal spending limits for discretionary non-defense programs, enacted by Congress in 2018 and maintained ever since. SHA saw the addition of this spending authority to provide resources to make new, short-term investments that align with the agency's objectives. The dedication to one time or short-term investments has meant that that use of the funds turns over annually or every few years. Thus, these funds are viewed as a flexible pool that can support new opportunity investments, support pilot or demonstration phases on new innovations, or support extraordinary revenue reductions or expense increases, such as COVID-19 presented in 2020 and 2021. In the 2022 Budget, SHA can support \$19.5 million worth of Opportunity Investments in ten projects, outlined in the initial Overview section under 2022 Opportunity Investments.

Redevelopment Projects

Proposed 2022 Redevelopment projects, total \$76.1 million, a **\$50.1 million** decrease from 2021. The reduction is mainly the result of completing construction in 2022 and schedule changes to other projects.

SHA Yesler projects are proposed to spend **\$26.4** million in 2022. Yesler development projects active in 2022 include the following:

- **Hinoki - \$5.2M** - Scheduled for completion in 2nd quarter 2022, this project includes 136 units for households of various income levels in 1, 2, 3 and 4- bedroom configurations.
- **Sawara - \$19.2M** - Building construction is scheduled to start in late 2021 and will be in progress in 2022. This energy efficient building will have 114-units including 1, 2, 3 and 4- bedrooms.
- **Juniper - \$2.0M** – This 95-unit building will be in the planning and design phase during 2022 and will consist of 24 replacement units, 48 units at 60% and 23 units at 80% AMI with 1, 2 and 3-bedroom units.

Lam Bow Apartments' proposed 2022 expenditures is \$22.5 million. Construction of a new 82-unit apartment building began in mid-2021 and completion is expected for lease-up during the first quarter of 2023. When complete, the building will add 31 new units to the two buildings being replaced.

Jefferson Terrace's preliminary total rehabilitation budget is \$60.6 million from which the proposed 2022 expenditure is \$23.7 million. Financing is expected to close at the end of the first quarter 2022, with construction starting at the outset of the second quarter and estimated to conclude by spring 2024. Jefferson Terrace is the last of 23 SHA high-rise buildings to be refurbished. The proposed 2022 budget includes a total of up to \$8.0 million as an SHA equity contribution to the project. The project will be a tax credit project and is anticipated to bring increased operating funds to SHA through a Section 18 conversion that would grant project-based vouchers to replace public housing funds. The application to HUD for approval of a Section 18 conversion is expected to be submitted by the end of 2021.

For a full list of proposed 2022 Capital Program expenditures, please see Appendix section.

LIMITED PARTNERSHIP OPERATIONS

LIMITED PARTNERSHIP OPERATIONS

SHA expects twenty tax credit Limited Partnerships (LPs) 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 tax credit limited partnership. 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.

SHA expects 3,734 affordable units to serve residents in the Tax Credit Partnership program in 2022 at seventeen partnerships and three partnerships will be in construction. About 66% of the units projected to have operations are low-income public housing units affordable to households with incomes below 30% of AMI. Residents of Tax Credit units live in units not supported by subsidy and typically have incomes between 50% and 60% of the AMI.

The Lam Bow Apartments is a new Limited Partnership and is expected to be in construction throughout 2022. The financing closing of Sawara Limited Liability Limited Partnership (LLLP) is planned for late 2021, and the financial closing of Jefferson Terrace Limited Partnership is anticipated in 2022. Both Sawara and Jefferson Terrace will be in the construction phase during 2022. The partnerships in construction phase are not included in the draft budget shown below. SHA started the exit process for Alder Crest, and the partnership is expected to dissolve in 2022 after the exit process is completed.

In total, the 2022 Operating Budget for the LPs is \$33.0 million. In approving the 2022 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 2022 draft budgets that may change before being finalized and submitted to the LP members for approval.

Limited Partnerships in 2022

Alder Crest Apartments	homeWorks III*	Raven Terrace
High Point South	Leschi House*	Red Cedar
Hinoki	NewHolly Phase I	South Shore Apartments
Hoa Mai Gardens	Rainer Vista North East	Tamarack Place
homeWorks I*	Kebero Court	West Seattle Affordable Housing LLLP
homeWorks II*	Lake City Court	

* Operating Budgets for these partnerships are included in SHA's Operating Budget due to their unique nature of operations.

Table 26: 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	135,160	1,953,469	1,932,993	1,686,888	1,543,844	163,341	463,336	298,897
Operating Subsidy	-	3,333,667	3,286,480	175,856	3,111,105	-	308,046	285,291
HCV Subsidy	210,112	-	-	2,185,596	-	287,776	121,491	327,312
Other Income	1,200	262,908	313,350	24,671	180,064	1,510	16,415	20,015
TOTAL REVENUE	346,472	5,550,044	5,532,823	4,073,011	4,835,013	452,627	909,288	931,515
Administrative Expenses								
Salaries	29,571	558,262	570,148	188,290	492,909	49,412	89,020	75,452
Other Admin Costs	55,345	1,072,195	1,052,139	466,681	905,489	45,404	127,095	302,392
Utility Expense	62,328	1,066,866	1,008,326	708,990	970,505	70,313	225,038	151,025
Tenant Service	11,167	16,255	15,105	1,740	6,618	189	1,783	1,179
Maintenance & Repair								
Maintenance Salaries	-	-	-	362,910	-	-	93,019	78,557
Supplies	-	12,700	15,034	121,198	10,524	-	20,120	17,636
Contracts	96,988	1,777,999	1,838,491	281,558	1,594,787	82,246	141,603	57,327
General Administrative Exp								
Property Insurance	35,860	330,303	351,029	154,044	278,228	20,925	71,330	-
Benefits, Other	15,184	292,819	301,935	268,006	261,538	26,451	95,672	75,709
Financial Expenses	2,023	38,542	37,706	926,690	32,232	83,043	4,745	58,325
TOTAL OPERATING EXPENSES	308,466	5,165,941	5,189,913	3,480,107	4,552,830	377,983	869,425	817,602
NET INCOME (LOSS)	38,006	384,103	342,910	592,904	282,183	74,644	39,863	113,913

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	Hinoki	TOTAL 2022 LP BUDGET
First year of operations	2011	2015	2015	2015	2016	2016	2017	2019	2022	
Number of units	118	69	103	83	111	305	204	119	136	3,734
Rental Income	571,023	251,730	417,229	438,528	728,378	2,125,453	1,181,866	755,264	450,000	15,847,399
Operating Subsidy	330,420	-	-	-	-	-	35,000	-	-	10,795,864
HCV Subsidy	512,665	524,336	989,954	575,631	914,040	743,364	955,337	1,137,844	750,000	9,485,457
Other Income	16,902	975	12,778	10,356	922	27,297	31,318	4,420	4,000	929,101
TOTAL REVENUE	1,431,010	777,041	1,419,961	1,024,515	1,643,340	2,896,114	2,203,521	1,897,528	1,204,000	37,057,821
Administrative Expenses										
Salaries	94,281	47,250	104,330	92,200	95,381	172,992	249,118	107,780	169,889	3,186,285
Other Admin Costs	209,410	91,526	147,916	131,563	168,273	409,182	243,081	165,991	161,042	5,754,723
Utility Expense	281,957	127,932	154,949	98,821	201,682	812,578	384,625	216,619	203,606	6,746,160
Tenant Service	374	1,700	1,904	1,500	2,056	4,058	-	2,256	2,995	70,879
Maintenance & Repair										
Maintenance Salaries	111,157	60,772	118,438	105,084	94,667	198,929	-	91,936	72,942	1,388,411
Supplies	29,677	10,813	23,007	19,301	20,617	108,802	5,288	32,195	30,000	476,912
Contracts	177,236	54,185	80,541	77,109	80,746	261,859	393,001	82,599	119,294	7,197,570
General Administrative Exp										
Property Insurance	84,638	44,189	65,683	53,057	105,499	183,635	139,867	120,442	115,870	2,154,599
Benefits, Other	104,820	51,712	114,069	104,357	96,432	176,725	131,631	106,460	80,473	2,303,993
Financial Expenses	121,312	176,351	364,029	191,756	496,577	207,744	308,323	636,983	1,853	3,688,234
TOTAL OPERATING EXPENSES	1,214,862	666,430	1,174,866	874,748	1,361,930	2,536,504	1,854,934	1,563,261	957,964	32,967,765
NET INCOME (LOSS)	216,148	110,611	245,095	149,767	281,410	359,610	348,588	334,267	246,036	4,090,056

APPENDIX

2022 CAPITAL ACTIVITIES

SHA 2022 Capital Projects—MTW Grant-Funded Activities

Table 27: SHA 2022 Capital Projects—MTW Grant-Funded Activities

Low Income Public Housing Capital Projects

LIPH Scattered Sites	Upgrade unit interiors and elevator; target siding repairs, replace windows, paint units, replace carpet and doors; improve parking security, install outside lighting, and paint building exteriors; repair parking lots, fencing and balcony.	\$1,277,000
Aki Kurose I	Support portion of capital work.	20,000
Aki Kurose II	Support portion of capital work.	19,000
Bell Tower	Install cameras in elevator; paint interior common areas.	90,000
Cedarvale Village	Upgrade interiors of four units.	350,000
Denny Terrace	Replace furniture in common area and seal and stripe asphalt parking lots.	25,000
Jackson Park Village	Cut and patch asphalt parking lots.	10,000
Meadowbrook View Apartments	Support portion of capital work.	23,000
Olive Ridge	Replace shower surrounds.	20,000
Tri-Court	Replace furniture in the common areas.	15,000
Westwood Heights	Repair and reseal windows; replace common area flooring; install air conditioning in office.	510,000
HomeWorks I	Rehabilitate elevators and replace flooring in laundry room at Capitol Park; replace single glazed windows on ground floor at Green Lake Plaza; seal stairwells at Harvard Court and upgrade Akami as allowance provides.	925,000
HomeWorks II	Replace shower surrounds at Cal-Mor Circle; replace elevator lift gear at Center Park; replace furniture at Lake City House; replace ceiling tiles at Olympic West; seal exterior at University West; and upgrade ACAM as allowance provides.	1,050,000
HomeWorks III	Replace water circulation pipes at Ross Manor; replace or repair elevator and replace shower surrounds at Stewart Manor; repair fence and upgrade interior unit at University House; and upgrade ACAM as allowance provides.	1,156,000
ADA upgrades to common area allowance	Target interior unit rehabilitation as part of a comprehensive modernization plan at certain buildings.	100,000
Low Income Public Housing Capital Projects Subtotal		\$5,590,000

Seattle Senior Housing Program Capital Projects

Bitter Lake Manor	Replace common area flooring and replace missing window screens.	\$110,000
Carroll Terrace	Replace common area flooring.	40,000
Daybreak	Perform miscellaneous repairs.	20,000
Fort Lawton Place	Replace fire alarm panel.	5,000
Nelson Manor	Upgrade elevator.	300,000
Olmsted Manor	Repair sidewalk and parking lot.	40,000
Pinehurst Court Apartments	Replace drain in courtyard and replace retaining wall and fence on east side.	65,000

Capital Activities

South Park Manor	Reclad exterior and replace roof; repair flooring.	1,850,000
Allowance	Upgrade units to American with Disabilities Act standards.	400,000
Allowance	Upgrade common areas, including community rooms, to Americans with Disabilities Act standards.	400,000
Seattle Senior Housing Program Capital Projects		\$3,230,000
Central Services Operating Cost Allocation		\$100,000
Total 2022 MTW Block Grant Budget for SSHP		\$3,330,000

Special Portfolio Capital Projects

104th Street Townhomes	Repair and/or replace fencing.	15,000
Special Portfolio Capital Projects Subtotal		\$15,000

Non-residential Facilities Capital Projects

Central Maintenance Facility	Paint exterior and redesign and upgrade HVAC.	57,000
Operations Support Center	Redesign and upgrade HVAC and replace fire alarm panel.	100,000
South Operations Facility	Install French drain and seal concrete, improve security fence.	45,000
Non-residential Facilities Capital Projects Subtotal		\$202,000

Contingency and MTW Eligible Community Allowances

MTW Properties	Repair drains.	\$100,000
MTW Properties	Upgrade electrical panels to code.	70,000
MTW Properties	Perform hazmat functions as necessary.	120,000
MTW Properties	Replace boilers as necessary.	100,000
MTW Properties	Contingency for unplanned cost variances	1,080,000
MTW Properties	Consultant Support for projects	150,000
Contingency and Community Allowances Subtotal		\$1,620,000

Administrative Costs

Various	Asset Management administration	\$1,646,000
Various	Construction Operations administration	\$307,000
Various	Finance & Administration	254,000
Various	Redevelopment administration	339,000
Administrative Subtotal		\$2,546,000
Central Services Operating Cost Allocation		\$1,367,000

Total 2022 MTW Block Grant Budget for LIPH and Local Programs \$14,670,000

Other MTW Funded Capital Projects	Focus on process efficiencies and refinements, continue the Business Intelligence project, increase Yardi utilization, continue constant review of the cybersecurity ecosystem and improve SHA's current security strategy, education to secure resident and employee personal data, collaborate with other housing authorities to create and implement industry best practices, and deployment of small-form factor personal computers.	\$795,000
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Total 2022 MTW Capital Budget \$15,465,000

SHA 2022 Capital Projects – Other Funds and Redevelopment Activities

Table 28: Non-MTW Capital Expenses

Non-Federal Funds		
Campus of Learners	Upgrade ACAM to Genetec	\$55,000
Cedarvale House	Install electric vehicle charging station.	39,000
Center Park	Install electric vehicle charging station.	33,000
Epstein Building	Upgrade ACAM to Genetec, repair lobby floor slab for movement, repair parking lot as necessary.	71,000
New Holly I Parks	Replace Shafer Park playground.	70,000
S.P.A.C.E – Scattered Sites	Internal unit rehab, window replacement, siding, and painting,	1,034,000
Willow Street Apartments	Replace roof at Lee Apartments.	120,000
Total Non-Federal Funds Projects Subtotal		\$1,422,000

2022 Pooled Refinance Projects

Bayview Tower	Repair plumbing fixtures.	\$30,000
Golden Sunset Apartments	Upgrade unit interiors, install ground fault circuit interrupter in units, and install bathroom fans.	370,000
High Point Phase I (North)	Replace water line with unplasticized polyvinyl chloride pipes, replace first alarm panels and add heaters, replace shower surrounds, shutoff valves, flooring and appliances, and flooring additional flooring as funds allow.	330,000
Lake City Commons	Replace mailboxes.	10,000
Main Street Place	Upgrade elevator.	250,000
Martin Luther King Jr. Apartments	Upgrade units and building exterior.	100,000
Mary Avenue Townhomes	Replace hydronic heating system in two units.	30,000
Montridge Arms	Replace flooring and upgrade basement common area.	48,000

Rainier Avenue Apartments	Install energy improvements, insulation, heating pumps, and lighting.	200,000
Ritz Apartments	Paint interior common areas, replace flooring and install and upgrade exterior lighting.	38,000
Spring Lake Apartments	Replace windows.	200,000
Telemark Apartments	Upgrade elevator and replace windows.	350,000
Villa Park Apartments	Upgrade vacant units if possible and replace range, hood, refrigerator and hot water tanks in five units.	75,000
Weller Street Apartments	Upgrade unit interiors.	50,000
Westwood Heights East	Replace exterior siding, replace floor as funds allow, and replace entry door hardware.	233,000
Total CY 2022 Pooled Refinance Projects Subtotal		\$2,314,000

2022 Limited Partnership and HOPE VI Capital Projects

NewHolly I	Appliance replacement; fencing replacement; repair/upgrade/remove storage units; boiler replacement; unit upgrades.	\$560,000
NewHolly II (Othello)	Roof and gutter cleaning; tree removal; boiler replacement; appliance allowance; flooring allowance.	155,000
NewHolly III (Desdemona)	Upgrade ACAM to Genetec at Othello building; replace boilers in 103 of 137 units (Year 3 of 3); flooring replacement; appliance replacement.	265,000
Rainier Vista I (Escallonia)	Vent cleaning; sidewalk replacement; appliance replacement; roof cleaning; flooring replacement; Snoqualmie building community room HVAC; interior upgrades, including cabinets and counters; hot water tank replacement; water pipe replacement CPVC; seal and restripe garage parking; ACAM upgrade to Genetec for Snoqualmie.	470,000
Rainier Vista II (Tamarack Place)	Garbage space expansion; replace hot water tanks; ACAM upgrade to Genetec; appliance allowance; flooring allowance.	130,000
Rainier Vista III	Roof and gutter cleaning; hot water tank and piping replacement; flooring replacement; appliance replacement.	180,000
Lake City Court LP	Roof cleaning, garage sealing and striping, ACAM upgrade to Genetec, consultant to review and adjust garage door.	102,000
High Point North	ACAM upgrade to Genetec at Calugas; appliance replacement.	105,000
High Point South LP	Appliance replacement; flooring replacement; radiator replacement; replace fire panels and add heaters; shower surround replacement.	120,000
LIPH LP (homeWorks I)	Furniture for lobbies; exterior signage and lighting; paint north stairwell; repair stairwells; interior stair and ramp metal rails replacement; replace common area furniture; base trim replacement; replace laundry room flooring; kitchen counter, plastic laminate, postformed replacement; interior upgrades to address 5-8 units including moving costs.	304,000
LIPH LP (homeWorks II)	Replace office flooring; exterior sealing; replace common area furniture; replace laundry room flooring; replace thermostats; replace fence.	277,000
LIPH LP (homeWorks III)	Plumbing repairs; replace common area furniture; parking lot; interior paint; replace common area flooring; replace toilets.	245,000

Capital Activities

Hoa Mai Gardens	Security upgrades to exterior doors; seal and striping in garage; consultant to address garage door issues.	32,000
Kebero Court	Exterior pain; appliance replacement allowance; add metal grate walk-offs at building entrances; seal and stripe in garage; ACAM upgrade to Genetec.	120,000
Leschi House	Upgrade ACAM to Genetec system.	69,000
Raven Terrace	Appliance allowance; exterior lighting; seal and stripe in garage; landscaping upgrades; concrete replacement exterior driveway; ACAM upgrade to Genetec.	137,000
Red Cedar	Consultant to address garage door issues.	2,000
Total CY 2022 LP and HOPE VI Capital Projects Subtotal		\$3,273,000

Total CY 2022 Other Funds Capital Budget \$7,009,000

Opportunity Investments

Acquisition Funds	New acquisition plan for at least 100 units. The market has changed significantly since the previous acquisition program, so research and planning will be included.	\$6,500,000
Sawara Yesler Terrace	Construction of SHA's sixth Yesler replacement housing building.	\$5,000,000
BIPOC Investment	SHA will undertake a process facilitated by the Policy Office to determine recommendations for investing in enhancing equitable BIPOC opportunities.	\$5,000,000
Homeownership Pilot	Still in the planning phases, this pilot program is intended to create homeownership opportunities for low-income households displaced or at risk of displacement from the City of Seattle. This will likely be a multi-year program.	\$1,000,000
Investment in IT	New IT capacity is needed to manage a hybrid work environment for many SHA employees as part of COVID-19 recovery. Includes security upgrades and modifying technology to manage the deployed staff computers from a central location.	\$500,000
Yesler Hillclimb Extension	Planning and development of Hillclimb including stairs and ramps for pedestrians and bicycles.	\$500,000
Office Space Modification	In anticipation of staff returning to the office from telecommuting, SHA expects a need for some reconfigurations of office space, replacement equipment needs, and other space upgrades consistent with CDC guidance and/or decisions made by SHA's Recovery Committee.	\$500,000
CMTO Client Financial Assistance	Two HCV FTEs, a Mobility Counselor and a Family Navigator, and \$150,000 in financial assistance for an expected 60 current voucher holders moving to Opportunity areas from their current locations.	342,000
Development Consultant contract	SHA's current website must migrate to a new platform as the current one will no longer be available. Includes funds for a five-year contract with a web-developer consultant.	200,000
Opportunity Investment Subtotal		\$19,542,000

2022 Redevelopment Projects

Hinoki	Final last quarters of construction.	\$5,220,000
Sawara	First full year of construction.	19,212,000
Juniper	Design and planning.	2,000,000
Jefferson Terrace	Mixed finance close planned for 2022.	23,682,000
Lam Bow Apartments	Mixed finance transaction closed planned for 2021.	22,450,000
Jackson Park Village	Predevelopment funds for planning, architecture, engineering and permits.	1,500,000
Northgate Commons	Predevelopment funds for master planning.	2,000,000
Total CY 2022 Redevelopment Capital Expenses		\$76,064,000

Total CY 2022 Non-MTW Capital Budget \$83,073,000

Total Overall CY 2022 Capital Expenditures \$118,080,000
