



Seattle Housing Authority Budget Summary 2023 Proposed



Public Comment: Through 9/30/2022

Seattle Housing Authority is accepting comments on the 2023 Budget Summary and the 2022 MTW Annual Plan through September 30, 2022.

More information on how to connect is available at www.seattlehousing.org
To request interpretation and/or disability accommodation, call 206.239.1528
or email mtw@seattlehousing.org

A public hearing will be held on Monday, September 12 at 3:00 pm via remote audio/video software (telephone-only option also available)

In-person option available by request

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SEATTLE HOUSING AUTHORITY

2023 BUDGET SUMMARY

Presented to
SEATTLE HOUSING AUTHORITY BOARD OF COMMISSIONERS

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TABLE OF CONTENTS

OVERVIEW OF THE 2023 SHA PROPOSED BUDGET..... 1

Multi-Year Initiatives Updated1

- Yesler Redevelopment 2
- Yesler Services Legacy 2
- Lam Bow Rebuilding and Expansion 3
- Jefferson Terrace 3
- Emergency Housing Vouchers 3

2023 OPPORTUNITY INVESTMENTS..... 4

- Tracking & Improving the Physical Condition of SHA Properties – Contribute \$4.1M (5 FTE) 4
- Public Housing Rehabilitation and Repositioning – Contribute \$1M (1 FTE) 4
- Security Consultant and Security Plan Implementation – Contribute \$1.95M 4
- Pathway to Permanent Supportive Housing – Contribute \$200,000 4
- Youth and Education Coordinators in Family Communities – Contribute \$2.4M (5 FTE) 5
- Housing For Returning Citizens – Contribute \$3.2M 5
- Rent Payment Reporting for Tenant Credit Scores – Contribute \$540,000 (1 FTE) 5
- IT Training and Mentorship Intern Program – Contribute \$530,000..... 5
- COVID Deferred Maintenance– Contribute \$3.4M (10 FTE)..... 5
- Buy Up Program - Contribute \$2.5M 6
- Digital Equity Evaluation – Contribute \$200,000..... 6

Services Highlights– Residents and/or Voucher-Holders.....7

- Housing Quality..... 7
- Housing Stability 7
- Economic Opportunity 8
- Health Services..... 8
- Race and Social Justice Equity..... 9
- Capital Projects Serving Residents..... 9

CONSOLIDATED BUDGET 10

CY 2023 Proposed Budget10

- Overview 10

Program Operations and Administrative Expenses.....11

- Housing Assistance Payments..... 11
- Grant-Funded Expenses 12
- 2023 Capital and Non-Routine Expenses..... 13
- Information Technology (IT) Capital Projects 13
- Opportunity Investments..... 14
- Redevelopment Projects..... 14
- Limited Partnerships 14

ATTACHMENT 1 – 2023 CAPITAL PROGRAMS 16

- SHA 2023 Capital Projects - MTW Grant-Funded Activities..... 16
- Low Income Public Housing Capital Projects 16

Seattle Senior Housing Program Capital Projects 17
Special Portfolio Capital Projects 17
NewHolly Capital Projects..... 18
Contingency and MTW Eligible Community Allowances 18
Administrative Costs 18
SHA 2023 Capital Projects – Other Funds and Redevelopment Activities 19
Non-Federal Funds Capital Projects..... 19
CY 2023 Pooled Refinance Projects 19
CY 2023 Special Portfolio and Other Capital Projects..... 20
CY 2023 Limited Partnership, Tax Credit, and HOPE VI Capital Projects 20
Opportunity Investments..... 21



TABLE OF FIGURES

TABLE 1: OPPORTUNITY INVESTMENT STAFFING LEVELS.....	6
TABLE 2: 2023 CONSOLIDATED PROPOSED BUDGET.....	10
TABLE 3: OPERATIONS & CAPITAL STAFFING LEVELS	10
TABLE 4: GRANT PROGRAM.....	12
TABLE 5: CAPITAL PROJECT WORK CATEGORIES	13
TABLE 6: MTW CAPITAL EXPENSES	16
TABLE 7: NON-MTW/OTHER CAPITAL EXPENSES	19



OVERVIEW OF THE 2023 SHA PROPOSED BUDGET

The 2023 Seattle Housing Authority (SHA) Proposed Budget recommends total expenses of **\$416.2 million**, with the Operating Budget at **\$124.1 million**; Housing Assistance Payments (HAP) at **\$157.8 million**; Grants at **\$2.9 million**; the Capital Budget at **\$24.8 million**; Opportunity Investments at **\$20.1 million**; and the Redevelopment Budget at **\$86.5 million**. The total 2023 Proposed Budget is greater than the total 2022 Adopted Budget by **\$31.2 million** or **8.1%**.

The total **Operating Budget** of the 2023 SHA Proposed Budget — Operations, HAPs, and Grant support — is **\$284.9 million**, which represents **68% of the total Proposed Budget** and reflects a **6.7% increase over 2022**.

The total proposed **Capital Program**—Capital Preservation, Non-Routine, Opportunity Investments, and Redevelopment Expenditures—is **\$131.4 million** or **32% of the total Proposed Budget** and reflects an increase of **11.3% compared to 2022**.

Capital Preservation and Non-Routine budgets are proposed to increase by 10.2% over the 2022 funded level. The highest priorities in the Capital Preservation program in 2023 are elevator replacement and repairs; interior upgrades; heating and ventilation improvements; roofing replacements and repairs; and electrical system improvements.

Opportunity Investments (OI) total \$20.1 million in the proposed 2023 Budget; this represents an increase of \$0.56 million over the 2022 OI projects. Opportunity Investments were started in 2019 with the incremental funding increase included in the 2018-2019 Congressional Bipartisan Budget Act. Since then, SHA has generally maintained OI projects at \$15 to \$20M annually, except for 2021, when only one OI project (Jefferson Terrace Rehab at \$8.5M) was funded and the remainder of the funds was devoted to program set-asides addressing COVID-19 impacts and service needs for residents and voucher households. For 2023, SHA proposes funding for eleven OI Projects; see the summary included on pages 4 through 6.

The Redevelopment Budget for 2023 totals \$86.5 million, an increase of \$10.4 million or 13.7% more than 2022 due to changes in construction phases from financing to completion of each project under development. Yesler construction activities will decrease in 2023 with one fewer project in redevelopment. Sawara will be in the second year of construction in 2023 and Juniper will be in design and predevelopment throughout 2023; Yesler redevelopment expenditures are projected to be \$4.8 million less in 2023. Two other major projects are underway in 2023: Lam Bow Apartments and Jefferson Terrace. These two projects represent the \$16.7 million increase in redevelopment in 2023. Jackson Park Village will be in the planning and design phase in 2023.

The proposed SHA staff level, including operating and capital positions, will total 696.0 full-time equivalents (FTEs) in 2023, an increase of 39.4 FTEs compared to FTEs in the 2022 Budget. The 2023 Opportunity Investment Programs include 35.5 Project FTE's that are temporary positions for the life of the project. Please see the Consolidated Budget section of this document for more detail.

SHA's highest priorities are 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. SHA plans to advance these priorities in 2023 as highlighted in the next three sections of this Summary.

Multi-Year Initiatives Updated

SHA's 2023 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 2023, several capital and program initiatives are featured below.

Yesler Redevelopment

Yesler Redevelopment continues in 2023 with resident services focused on education, health, and workforce development programs, as well as construction of affordable housing serving low-income residents plus mixed-income rental units developed by the private sector. Here is what to expect in 2023 for housing development:

- *Sawara*: Yesler’s sixth new apartment building will have 114-units consisting of 50 replacement units and 64 tax credit units at 60% AMI, including 1, 2, 3 and 4-bedroom apartments. Building construction started in late 2021 and will continue to Fall/Winter 2024. Sawara is participating in the Seattle City Light Exemplary Building Program which explores new technologies and practices to enhance energy efficiency of the building. Building features will include ultra-efficient hot water heat pump systems that reduce CO2 emissions and improved air filtration systems.
- *Juniper*: This project will be in the planning and design phase during 2023 for a 93-unit building consisting of 39 replacement units and 54 units all at 60% AMI. The proposed unit mix includes 1, 2, 3 and 4-bedroom units.
- *Market Rate Housing with Affordable Units*:
 - ✓ Other Yesler private partner developments under construction in 2023 include:
 - Su Development - one of two high-rise buildings along Yesler Way and S. Washington Street when completed will create 365 units to include a mix of market rate and 80% AMI units;
 - Vulcan Real Estate – Wayfarer, a 262-unit project consisting of a mix of market rate and 80% AMI units located on Yesler Way and Boren Avenue;
 - Vulcan Real Estate – one of two buildings at Broadway Avenue and Alder Street, a 345-unit project with market rate and 80% AMI units; and
 - Mack Real Estate Group on S. Washington Street, a 200-unit project with a mix of market rate and 80% AMI units.
- *Non-residential projects*:
 - ✓ Yesler private partner Office/Medical/Commercial development under construction in 2023 include:
 - Northwest Kidney Center - a 37,570 SF dialysis center on Block 7 north at Alder Street.

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.

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 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 conducted a solicitation that produced potential partners to perform as steward of the funds and administrator of the initial phase of services. SHA and legal counsel are currently engaged in negotiations to establish the legal structure and terms of relationships for creating the *Yesler Services Legacy*. We expect to bring a final proposal to the Board of Commissioners in the first half of 2023.

Lam Bow Rebuilding and Expansion

Construction of the new 82-unit Lam Bow Apartment 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, delayed by a concrete strike, is scheduled for completion in 3rd 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 two-year project. Financing is projected to close in late Summer of 2022. The rehabilitation will upgrade the 6th floor entry by making the front desk area more accessible and approachable and improve management visibility of the lobby and front entry. The laundry room, which is currently located on the 1st floor, will be moved to the 6th floor to improve accessibility. The community room will be upgraded with new flooring, acoustic enhancements, new furniture, TVs, and improved lighting. The computer room will be upgraded, and new equipment will be installed.

The rehabilitation project scope includes replacement of sewer and domestic plumbing, mechanical and HVAC repairs and replacement, a new roof, repairs to exterior walls, and new energy recovery ventilation system. In the units, the project upgrades include replacement of toilets and sinks in bathrooms and sinks and appliances in the kitchen. In February of 2021, the project scope of work was expanded to include the necessary work of radiator pipe replacement, window replacement, and unit flooring asbestos abatement.

Emergency Housing Vouchers

The Seattle Housing Authority was awarded 498 Emergency Housing Vouchers (EHV) in 2021 following President Biden's signing of the American Rescue Plan. 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's 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 provides incentives to landlords to lease to EHV clients. Finally, the EHV's 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 nine years to 2030) has been appropriated and no additional appropriations are expected; thus, annual renewal of EHV's will continue as long as the already appropriated funds are available.

SHA staff are in the process of issuing Emergency Housing vouchers and providing landlord supports in addition to housing search/move-in supports for EHV holders. SHA expects to fully utilize all EHV vouchers by year end 2022. This program is an opportunity to serve a group of people that struggles to find long term housing and allows SHA to coordinate with our partners to get a better understanding of the landscape of homelessness in Seattle.

2023 OPPORTUNITY INVESTMENTS

Opportunity Investments (OI) generally arise out of innovative ideas presented by staff or suggested by residents in the Budget Survey for consideration during the budget process. They often reflect existing objectives, like serving more people, advancing race and social justice, or addressing priorities raised by residents. OI's might also provide resources to fill a gap in financing a one-time activity, or investments to modernize SHA equipment or facilities. Additionally, SHA uses OI's as a way to pilot or demonstrate programs. In some cases, Opportunity Investments reflect concrete plans, 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 eleven Opportunity Investments funded in SHA's 2023 Proposed Budget.

Tracking & Improving the Physical Condition of SHA Properties – Contribute \$4.1M (5 FTE)

Asset Management proposes that SHA undergo an intensive process to improve exterior building conditions in the LIPH and Scattered Sites portfolios and eliminate lead-based paint, an important safety improvement for residents. This project represents an inter-departmental effort, bringing Asset Management and Housing Operations together to improve SHA building quality. Maintenance and coordination staff will be hired for the duration of the project, which is scheduled to take five years to complete. Along with continuous work to address urgent repairs and lead-based paint abatement, the first year will be spent finalizing improvement plans, developing tracking systems, and securing consultants to ensure the work is in line with federal Housing and Urban Development (HUD) regulations and inspection requirements. Over the course of the five year timeline, tracking systems will be maintained, and HUD requirements will be met or exceeded.

Public Housing Rehabilitation and Repositioning – Contribute \$1M (1 FTE)

Over the course of three years, SHA proposes conducting an evaluation to identify options for increasing long-term financial stability for the LIPH Highrise communities, addressing capital and operating needs, as well as environmental sustainability. This proposal is an opportunity to analyze the long-term viability of the LIPH Highrise portfolio. By fully understanding and assessing the risks and benefits of pursuing different HUD programs, SHA could leverage additional financial resources towards both the properties and the agency. The assessment and prioritization of the building's capital needs will be a pillar of this research. The results of the research and engagement with internal and external stakeholders will be compiled into a proposal to develop a menu of feasible financing options for each property within LIPH. To administer this work, SHA will hire an Asset Manager, bring on consultants, and fund feasibility assessments.

Security Consultant and Security Plan Implementation – Contribute \$1.95M

The 2023 Resident Budget Survey showed that SHA residents are concerned with the increased security issues that have been rising across the city since the start of the COVID pandemic. In response, SHA will increase funding of private security by 2.5 times to enhance resident safety. At the same time, SHA will continue discussions with the City to reestablish community police team support of residential properties. Additionally, a consultant with expertise in law enforcement and community policing will be brought on to plan and implement strategies to enhance safety in our communities. This investment covers three years of security and consultant services through year end 2025. Further needs will be identified and addressed with the help of the consultant.

Pathway to Permanent Supportive Housing – Contribute \$200,000

Some of our residents require a higher level of care than SHA can provide, especially given the effects of the COVID pandemic. SHA will hire a consultant to identify options for creating a pathway to permanent supportive housing, where they can receive the higher level of care they need and remain stably housed.

Youth and Education Coordinators in Family Communities – Contribute \$2.4M (5 FTE)

Residents indicated in the Budget Survey that youth and children services should be emphasized in the 2023 budget. Given resident interest and the growing youth populations in the family communities, SHA proposes piloting a new staffing structure that will increase staff presence in Yesler, High Point, Rainier Vista, and New Holly. Each of these communities will have one Youth- and one Education-Engagement Coordinator, each reporting to central Youth- and Education-Specialists. As a team they will work to encourage school attendance and graduation into post-secondary education, as well as participation in safe, healthy activities outside of school. This represents an expansion of an existing body of work, however instead of each staff person working individually within their communities, this change will allow for more coordination among communities. The Youth- and Education-Specialists will design programming while coordinators implement within the communities. SHA will evaluate the success of this expansion to ensure the investment has a positive impact in our communities.

Housing For Returning Citizens – Contribute \$3.2M

SHA proposes an investment in the development and implementation of a five-year pilot program to annually serve up to 30 households of citizens returning to their communities after incarceration. A landscape review of housing resources available to returning citizens showed that housing options are in short supply, frequently short term, and highly targeted to specific needs. The pilot will help prevent homelessness for a highly vulnerable population while they seek long term housing stability by providing bridge housing and case management. This pilot aligns with SHA's organizational cornerstone of Race and Social Justice and will help determine how we can better serve returning citizens to prevent homelessness.

Rent Payment Reporting for Tenant Credit Scores – Contribute \$540,000 (1 FTE)

Many SHA residents are credit invisible. Good credit increases access to business loans, car loans, insurance products, and non-subsidized housing, but the only way to build credit is to have credit. As a large landlord for households with low incomes and little or no credit, SHA has the unique opportunity to report rental payments to credit bureaus, which will result in a reduction in credit invisibility and increased credit scores for tenants regularly meeting their rent obligations. Over three years, this pilot will serve 100 individuals in SHA owned/managed housing to build credit.

IT Training and Mentorship Intern Program – Contribute \$530,000

The Information Technology department, in cooperation with Human Resources and JobLink, will administer a three-year internship program with mentorship and training opportunities especially for BIPOC and low-income students without college-level training in IT. In line with SHA's equity values, this program will create a pipeline of diverse talent for future IT job opportunities and facilitate learning and job-training for people who are underrepresented in the IT industry.

COVID Deferred Maintenance– Contribute \$3.4M (10 FTE)

Working in tandem with the Tracking and Improving SHA Property Conditions OI above, this body of work will focus on performing in-unit maintenance that was postponed due to the COVID pandemic, as well as maintenance needs that went unreported over the past two years. The 2023 Resident Budget Survey indicated that residents are interested in improvements to unit interiors, and this investment represents one part of SHA's commitment to respond to resident needs. Maintenance staff will be hired to work solely on in-unit maintenance to catch up on the backlog, and identify and remedy unreported maintenance issues. This work was started in the garden communities of the HOPE VI portfolio, and the staffing model proved to be highly efficient. Because they are not being pulled away for other tasks, staff were able to double the average rate of

productivity. SHA will continue to use this model to move through the COVID maintenance backlog quickly, finishing work in 2025.

Buy Up Program - Contribute \$2.5M

In 2019, SHA began approaching non-profit housing developers with the notion to pay them with non-federal funds, the cost differential for SHA to convert existing developments’ overrepresented studio and 1-bedroom units into 2 and 3-bedroom units. The program has been successful and cost-effective at achieving greater bedroom size diversification in low-income housing that provides more families with subsidized housing options. SHA has previously put \$3.5 million towards these partnerships with affordable housing developers to convert existing smaller units using non-federal dollars. The \$2.5 million is designed to fund unit conversion in another one or two buildings.

Digital Equity Evaluation – Contribute \$200,000

In 2022, SHA was awarded grants totaling \$5.4 million from the Washington State Broadband Office to hire Digital Navigators (13.5 FTE), purchase and distribute laptops and other computing devices to residents. The grant period will end mid-year 2023, and SHA will conduct an evaluation of the work completed to assess the strengths and areas for improvement in our work. The results of this evaluation will help determine future strategies for advancing digital equity among our residents.

Table 1: Opportunity Investment Staffing Levels

Program Element	Proposed FTE’s CY 2023
Housing Operations	32.5
Housing Finance and Asset Management	2.0
Administrative Departments ¹	1.0
Total	35.5

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

Services Highlights– Residents and/or Voucher-Holders

A critical priority for SHA is improving the quality of life for people we serve. Below are highlighted key elements and new investments of tenant services in the following areas: Housing Quality, Housing Stability, Economic Opportunity, Health Services, Race & Social Justice Equity, and Capital Projects. 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 Quality

- COVID Deferred Maintenance (OI) - \$3,458,436 – IPS will hire maintenance mechanics, solid waste laborers, and maintenance technicians 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.
- Higher Capacity for Housing Inspections Team - \$101,500 – As more units are opening for lease-up and as SHA returns to annual inspection of units after initial COVID precautions, SHA will expand the inspections team. With more capacity, the team can more quickly and effectively ensure all units meet quality standards.
- Maintenance Manager - \$170,000 – Building on the success of this position in improving housing conditions in the family communities, SHA is making an ongoing investment in community and building maintenance by converting this position to ongoing. The Maintenance Manager has coordinated garbage removal and managed the return to in-unit maintenance and repairs after initial COVID precautions.
- Also Supporting Housing Quality:
 - ✓ Public Housing Rehabilitation and Repositioning (OI)
 - ✓ Private Security and Security Consultant (OI)
 - ✓ Tracking and Improving the Physical Condition of SHA Properties (OI)

Housing Stability

- Pathway to Permanent Supportive Housing (OI) - \$200,000 – In an effort to support tenants who need a higher level of care, SHA will explore ways to create a pathway from typical subsidized housing to supportive housing. In this way, tenants who pose a threat to themselves or others can receive the higher level of care they need without gaps in housing.
- Third Party Mediation - \$150,000 – SHA will continue to work with a mediation agency to mediate issues that threaten resident housing stability, including non-payment of rent and other lease violations, and helping to resolve issues between neighbors or between residents and staff. The agency also provides SHA staff trainings to improve skills in negotiation, conflict resolution, and de-escalation.
- Vouchers for Former Foster Youth – SHA applied for 75 more vouchers for former foster youth (FUP/FYI vouchers) that offer this vulnerable group of people housing for three years while they transition to longer term housing. Per HUD regulations, the voucher can be extended to five years if the voucher holder gets involved with Family Self-Sufficiency programs, which are administered through SHA's JobLink program.

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- Also Supporting Housing Stability:
 - ✓ Housing for Returning Citizens (OI)
 - ✓ Mixed Family Rent Simplification
 - ✓ Clutter Coordinator
 - ✓ Behavioral Health Services for Adults and Youth

Economic Opportunity

- IT Internship and Mentorship Program (OI) - \$530,000 – The above-mentioned OI will help the agency to achieve its goal of diversity at all levels. The program will present training opportunities and a pathway to entry-level work in IT, especially for BIPOC and low-income students without college-level training in IT.
- Rent Reporting for Tenant Credit Scores (OI) - \$542,000 – SHA will pilot a program in which rental payments will be reported to credit bureaus, which will result in a reduction in credit invisibility and increases in credit scores. Over three years, this pilot will serve 100 individuals in SHA owned/managed housing to build credit. Higher credit scores open doors to better jobs, small business loans, home ownership, and other important economic opportunities.
- Ongoing Digital Equity Staff - \$61,600 – Digital equity is a growing area of interest for grantors. SHA will convert a temporary position to an ongoing staff role to further our commitment to digital equity by seeking out further grant funding to continue this work. In 2022, SHA was awarded grants totaling \$5.4 million to purchase and distribute computing equipment to households, sign residents up for the federal Affordable Connectivity Plan, and build digital literacy skills through resident trainings. This complements work to include Wi-Fi access in family community buildings funded by the 2022 BIPOC Equity Opportunity Investment project.
- Also Supporting Economic Opportunities:
 - ✓ Career Coach Supervisor for JobLink - \$66,375
 - ✓ Client Engagement Coordinator - \$65,625

Health Services

- Culturally Competent Behavioral Health Outreach - \$961,531 – SHA is continuing to invest in resident health and safety, working with community partners to offer residents de-escalation, crisis support, and case management referrals. In 2023 we will continue offering on-site office hours begun in 2022 to serve residents in selected LIPH communities. SHA works with two partners, including Sound and Southeast Youth and Family Services, the latter of which offers Black residents with culturally competent services.
- Case Management Services - \$300,000 – SHA will continue an interlocal agreement with City of Seattle Human Services Division and the Aging and Disability Services group for case management in the LIPH and SSHP communities. These funds provide three to four office hours per week in each building served and allows our residents to access publicly funded health and social services.
- Clutter Coordinator - \$116,750 – The Clutter Coordinator was extended for another year to work in tandem with the hoarding contract set to expire at year end 2023. Residents have been supported in keeping their premises clean and in compliance with their lease. The Clutter Support Coordinator is trauma-informed trained and coordinates with service provider partners, non-profit agencies, city services, and SHA to assist residents with needs related to high clutter and hoarding. The Clutter

Coordinator serves as the primary coach to support tenants with the mental, emotional, and physical preparation for high clutter treatment.

- Also supporting Health Services:
 - ✓ COVID Clinic Interpretation and Translation Services - \$5,000
 - ✓ Pathway to Permanent Supportive Housing (OI) - \$200,000

Race and Social Justice Equity

- Housing for Returning Citizens (OI)- \$4,215,224 – To support housing stability, SHA will use its MTW authority to create a pilot program that will supply vouchers and case management services to prevent homelessness for citizens returning to their communities after incarceration. These vouchers will subsidize bridge housing for formerly incarcerated people, a population known to be disproportionately BIPOC men.
- Mixed Family Rent Simplification - \$191,200 – Currently federal guidelines designate a lower voucher subsidy for families with mixed citizenship status. SHA will change its MTW plan to provide more housing subsidy to these households so they receive the same level of subsidy as non-mixed status families.
- SHA Affinity Groups - \$16,500 – SHA staff have been engaging in anti-racist work through Affinity groups, in which staff can build relationships to create a safe and welcoming work environment for staff of color, as well as learn to better serve our diverse population of residents. In 2023, SHA will fund Affinity Groups to expand their work. Groups can use the funds for speakers, attending conferences, purchasing learning materials, and team building activities and events.
- Also Supporting Race and Social Justice Initiatives:
 - ✓ Digital Equity Strategic Advisor - \$61,600
 - ✓ Youth and Education Coordinators - \$2,400,000 (OI)
 - ✓ IT Intern and Mentorship Program - \$530,000 (OI)

Capital Projects Serving Residents

- SHA will continue to support residents by maintaining and upgrading buildings through capital projects. The top investments will include:
 - ✓ Elevator Replacements and Repairs
 - ✓ Building Interior Upgrades
 - ✓ Heating and Ventilation Improvements
 - ✓ Roofing Replacements and Repairs
 - ✓ Electrical System Improvements

CONSOLIDATED BUDGET

The following summary table presents the proposed operating and capital budgets for Calendar Year (CY) 2023 in comparison to 2022 for all housing programs and business activities. It also describes changes in staffing levels from the CY 2022 budget to CY 2023.

CY 2023 Proposed Budget

Table 2: 2023 Consolidated Proposed Budget

	CY 2022 Adopted Budget	CY 2023 Proposed Budget	Percent Change
Program Operations and Administrative Expenses	115,628,000	124,099,000	7.3%
Housing Assistance Payments (HAP)	149,954,000	157,814,000	5.2%
Grant-Funded Expenses	1,339,200	\$2,948,000	120.2%
Capital & Non-Routine Expenses	22,474,000	24,775,000	10.2%
Opportunity Investments	19,542,000	20,108,000	2.9%
Redevelopment	76,064,000	86,475,000	13.7%
Total Expenses	385,001,200	416,219,000	8.1%

Table 3: Operations & Capital Staffing Levels

Program Element	Adopted FTE's CY 2022	Proposed FTE's CY 2023	Change 2022 to 2023
Housing Operations	401.5	430.0	7%
Housing Finance and Asset Management	40.9	41.9	2%
Housing Choice Voucher Program	78.0	85.5	10%
Administrative Departments ²	136.2	138.6	2%
Total	656.6	696.0	6%

Overview

The proposed CY 2023 combined operating and capital budget totals **\$416.2 million** and is **\$31.2 million** more than the 2022 Adopted Budget. This year-to-year increase is predominantly the result of increased redevelopment activity and COVID recovery and pandemic-induced changes, such as greater onsite property management presence, private security needs, maintenance and repair backlogs, higher utility costs, capital catch-up from in-building projects being deferred during COVID.

Program Operations and Administrative Expenses in 2023 increase by \$8.5 million or by 7.3% over 2022. *Housing Assistance Payments* increase by \$7.9 million, a 5.2% rise over 2022. *Grant expenses* are up by \$1.6 million and are 120.2% greater than 2022 because of the Digital Equity and Creating Moves to Opportunity grants.

Capital and Non-Routine Expenses increased \$2.3 million in 2023 or 10.2% over 2022; *Opportunity Investments* total \$20.1 million for 2023, up 2.9% from last year. The *Redevelopment Program* increases \$9.4 million over

² "Administrative Departments" are Human Resources, Finance and Administration, Information Technology, Development, Executive, and the Office of Policy and Strategic Initiatives.

2022, or 13.7%, and is the net result of reduced activity at Yesler from three to two SHA projects as we progress toward completion of planned SHA Yesler projects over the next couple of years, and increased activity in major projects outside of Yesler with the second full year of Lam Bow and the first full years of the Jefferson Terrace major rehabilitation project. For more detail on each of these Table 2 line items, please see the corresponding sections below.

Proposed full-time equivalent (FTE³) regular positions increased from 656.6 in 2022 to 696.0 in 2023, showing an increase of 39.4 FTEs. This staffing change consists of a net 28.5 FTE added to Housing Operations including Housing Inspection staff, maintenance staff, onsite property management staff, and a Career Coach Supervisor. Housing Choice Vouchers added a net 7.5 FTE to their Emergency Housing Voucher and administrative teams. Administrative departments added a net 2.4 FTE, including Payroll Specialist in Finance and Administration, and a Safety, Health, and Emergency Management Coordinator 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 2023, these expenses collectively are proposed to increase by a net of \$8.5M or 7.3% over the 2022 Adopted Budget. This increase primarily results from additional onsite property management and maintenance staffing positions, added housing choice voucher personnel, and inflation on current expenses. Some of the increases are offset by expiring program adds from prior years.

Housing Assistance Payments

The proposed 2023 Housing Assistance Payments (HAPs) budget is \$158.0M and encompasses two major components: Moving to Work Voucher (MTW) HAPs, at \$130.7M, and Special Purpose Voucher (SPV) HAPs, at \$27.3M. The proposed 2023 MTW HAPs budget include all of SHA's MTW vouchers with a total budgeted cost at \$130.7M. Within the proposed 2023 SPV HAPs budget are several SPV programs: Veterans Affairs Supportive Housing at \$5.0M, Family Unification Program at \$5.5M, Mainstream at \$3.4M, Rental Assistance Demonstration at \$4.5M, Moderate Rehabilitation at \$1.4M, as well as the temporary Emergency Housing Vouchers (EHV) at \$7.5M. The 2023 forecast does not include additional Special Purpose Vouchers applied for in 2022, or any allocation of new MTW HCV vouchers authorized by HUD in 2022.

In 2023, SHA will have 10,352 authorized MTW vouchers (including 92 Golden Sunset Apartments conversion vouchers, 99 Bayview Tower conversion vouchers, 50 Weller Apartments conversion vouchers, 117 M L King Jr. Apartments conversion vouchers, and 14 Chateau conversion vouchers) and 1,830 authorized Special Purpose vouchers (including 498 temporary Emergency Housing Vouchers). The proposed 2023 HAP budget anticipates MTW full-year utilization to remain elevated at nearly 9,938 vouchers, or 96%, and SPV full-year utilization at 1,991 vouchers, or 92.5%. This SPV utilization rate includes the Emergency Housing vouchers, which is planning to achieve up to 95% utilization by year end 2023. Excluding the new Emergency Housing vouchers, SPV utilization is anticipated at 1,518, or 91.8%. Combined, MTW and SPV utilization is anticipated to be 95.4%, and 0.4% increase from 2022.

The proposed 2023 \$158.0M HAP budget is a \$8.0M increase from the adopted 2022 Budget of \$150.0M; the MTW HAP Budget increased by \$7.3M, from \$123.4M in 2022 to \$130.7M proposed in 2023. The SPV HAP Budget increased by \$0.7M, from \$26.6M in 2022 to \$27.3M in 2023. This increase is net of the \$0.16M decrease in budget due to the conversion of Tenant Protection Vouchers (TPV) to MTW vouchers in 2022. as

³ 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. Except for positions in OI projects, Project employees who are hired for the duration of a specific activity or project are included in the FTE total.

well as an increase in budget for EHV from \$3.6M to \$7.5M. Of the total projected \$8M increase in HAPs, \$3.9M, or nearly half, is due to the increased budget for Emergency Housing vouchers, which is fully reimbursed at-cost by additional funding from HUD. Excluding Emergency Housing vouchers, the remaining MTW and SPV programs are proposed to increase \$6.1M from 2022.

Grant-Funded Expenses

The proposed overall budget for agency grant expenditures in 2023 is \$2.9 million; this compares to \$1.3 million in the adopted 2022 budget. Grant expenditures in 2022 were projected to be \$1.4 million, compared to \$2.9 million in 2023, showing an increase of approximately \$1.6 million from 2022 to 2023. The sources listed below are a mix of new grants and 2022 funds that will carry over into 2023.

Seattle Housing Authority Grant Program CY 2023

Table 4: Grant Program

Name	Total Award	Grant Period	2023 Expenditures (with any carryover)
Family Self Sufficiency	\$624,997	2023	\$624,997
Resident Opportunities & Self Sufficiency	491,700	2022-2025	163,900
Best Starts for Kids and Schools	273,274	2023-2025	91,091
WSBO Digital Equity	5,455,215	2022-2023	1,818,405
City of Seattle Onsite Case Management	150,000	2023	150,000
Creating Moves to Opportunity Grant	3,940,000	2016-2023	100,000
TOTAL	\$10,935,186		\$2,948,393

Family Self Sufficiency HUD Grant (2023) - \$624,997 - 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 (2022-2025) - \$491,700 - This three-year grant annually funds approximately two Career Coaches' salaries, training, and support costs in the JobLink program.

Best Starts for Kids and Schools Grant (2022) - \$273,274 – SHA is one of 5 recipients of funding from the Expanded Learning Initiative funded by King County Best Starts for Kids. The collaboration will enhance learning services at Yesler Terrace by collectively serving at least 50 youth everyday afterschool and during summer break. SHA plans to spend these funds on a staff person to serve as an education coordinator in the Yesler community.

WSBO Digital Equity Grant (2022-2023) – \$5,455,215 – In 2022 SHA was awarded with \$1.8 million for 6 months to procure and distribute laptops and hotspot devices to residents, enhancing their ability to access online resources, work, and attend classes online. Digital Navigators were hired to work directly with residents, helping households sign up for the Affordable Connectivity Program and get acclimated to their new devices. Later in 2022, SHA received another award of an additional \$3.6 million to continue this work into 2023, and SHA will shift focus from device distribution to offering skill building instruction. Budget survey participants support this shift toward training, indicating that they would like technology skills instruction.

City of Seattle Human Services Department On-site Case Management Contribution (2023) - \$150,000 – This contribution from the City of Seattle, 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.

Creating Moves to Opportunity Grant - \$3,940,000 - In 2016, the Bill and Melinda Gates Foundation provided a “Mobility from Poverty” grant to SHA to support the implementation and evaluation of the Creating Moves to Opportunity demonstration to develop and test strategies that reduce barriers that housing choice voucher recipients face in moving to high-opportunity areas in Seattle & King County. The demonstration concluded in 2020 however the remaining funds are dedicated to supporting the ongoing evaluation to understand the experiences of families and inform future policies and programs.

In addition to the remaining and anticipated grants above, SHA has expiring grants and has applied for or is seeking funding from grant sources where award outcomes are uncertain or do not pass directly through SHA. These sources are not included in the \$2.95 million grant expenditure figure above.

2023 Capital and Non-Routine Expenses

SHA’s Annual Capital and Non-Routine Expenditures will increase by about \$2.3 million from **\$22.5 million** in 2022 to **\$24.8 million** in 2023. Funding sources include the MTW Capital Grant, other MTW contributed funds, Non-federal funds, bond proceeds, and replacement reserves. The 2023 Capital preservation budget dedicates \$17.58 million to capital project costs, and the remainder supports project management and capital administration costs. The top five funded capital work projects, representing over 50% of the proposed 2023 Capital preservation budget are displayed in the table below. For a full listing of proposed projects by community, please see the Capital Programs tables in Attachment 1.

Top Five 2023 Capital Preservation Work Categories Funding

Table 5: Capital Project Work Categories

Capital Project Work Category	2023 Proposed Capital Budget
Elevator Replacement/Repairs	\$2.37M
Building Interior Upgrades	1.80M
Heating and Ventilation Improvements	1.77M
Roofing replacements and repairs	1.58M
Electrical System Improvements	1.53M
Top Five Capital Work Categories Total	\$9.05M
Percent of 2023 Capital Projects Total	51.47%

Information Technology (IT) Capital Projects

IT Capital projects are proposed at \$2,590,000 for 2023, a 225.8% increase over 2022. Typically, this budget is about \$550,000. The main driver of the increase in IT Capital project budget is the \$2.0M initial phase cost estimate for replacing SHA’s financial and accounting software Enterprise 1 system (Enterprise Resource Planning (ERP) and our human resources systems HRIS (Human Resources Information System (HRIS)). This is a multi-year major systems replacement for our critical budgeting and accounting and human resources systems. The selection of new systems is necessitated as SHA’s E-1 accounting software will not be supported after 2025 and modernization of our finance and human resources systems is highly desirable to meet our information needs. The project for this transition will last an estimated 36-60 months and the ultimate cost is expected to be in the neighborhood of \$10M.

Other 2023 IT Capital projects include Infrastructure upgrades (\$190,000), Housing Operations Utility Databases (\$100,000), Microsoft Teams Softphone Expansion (\$80,000) and ACAM Phase III (\$80,000).

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 use of these 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 2023 Budget, SHA proposes to fund eleven projects, at a total cost of \$20.1M, with durations of one to five years. Funding is proposed for the stipulated duration of each project and overall will engage 35.5 Project FTE's for the duration of their assignment. The 2023 Opportunity Investment Projects are presented in the Overview section of this Budget Summary, see pages 4-6.

Redevelopment Projects

Redevelopment projects increased **\$10.4** million from 2022 to 2023. The increase is in non-Yesler projects as one Yesler building, Sawara, is in construction for all of 2023 and Juniper is in planning and design. Non-Yesler projects, Jefferson Terrace and Lam Bow Apartments, are in full construction in 2023 and the rehabilitation and redevelopment projects are not as large as Yesler buildings have been.

SHA Yesler projects are budgeted in 2023 to spend **\$21.6** million. Yesler development projects active in 2023, include the following:

- **Sawara - \$19.6M** - Building construction started in late 2021 and will be in progress through the end of 2023 when lease-up will begin as units become available in January 2024. This energy efficient building will have 114-units including 1, 2, 3 and 4- bedrooms.
- **Juniper - \$2.0M** - This 93-unit building will be in the planning and design phase during 2023 and will consist of 39 replacement units plus 54 units, all at 60% AMI with 1, 2, 3 and 4- bedroom units.

Lam Bow Apartments expenditures in 2023 are estimated to be **\$25.6 million**. Construction of a new 82-unit apartment building started mid-2021, completion is expected third quarter 2023 with lease-up as units become available. When complete, the building will add 31 new units to the two buildings being replaced.

Jefferson Terrace mixed financing closed at the end of August and the notice to proceed on construction will be issued in early September. The rehab project and relocation will be in two phases – one tower at a time. Construction is projected to end the first quarter 2025 with lease-up occurring as units become available after each phase. Jefferson Terrace is the last of 23 SHA high-rise buildings to be refurbished. The tax credit project will bring increased operating funds to SHA through a Section 18 conversion that will grant project-based voucher funding to replace public housing funds.

For a full list of 2023 proposed Capital Program, please see Attachment 1 to this Budget Summary.

Limited Partnerships

The Low-Income Housing Tax Credit (LIHTC) program is a major source of funding for the development of new affordable housing units and rehabilitation of existing units. Limited Partnerships are formed to take advantage of federal law and Internal Revenue Service (IRS) regulations allowing private parties to invest in affordable housing in exchange for tax benefits. The private investors' equity investments will help reduce the financing of upfront capital investments needed to construct or rehabilitate housing units. The Seattle Housing

Authority has been the developer, general partner, and managing agent for the limited partnership in all SHA's cases.

In 2023, SHA will serve as the General Partner and Managing Agent for seventeen Limited Partnerships (LPs) formed to invest in, own, and manage rental housing in mixed-income communities. SHA expects 2,290 affordable units to serve residents in the Tax Credit partnership program in 2023 at seventeen partnerships and three LPs will be in construction. This is a drop in units from 3,734 in 2022 due to the expected Limited Partnership exit of HomeWorks I, II, III and Aldercrest. 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 total Operating Budget for the limited partnerships in 2023 is projected at **\$21.2** million. As the partnerships are separate legal entities, the LP budgets are not included in SHA's 2023 Budget figures except for Jefferson Terrace and Leschi House LLLP because of its unique relationship with SHA.

The Lam Bow Apartments is a new Limited Partnership and is expected to be in construction throughout 2023. The financing closing of Sawara Limited Liability Limited Partnership (LLLP) occurred in 2021, and the closing of Jefferson Terrace Limited Partnership is in 2022. Both Sawara and Jefferson Terrace will be in the construction phase during 2023.

ATTACHMENT 1 – 2023 CAPITAL PROGRAMS

SHA 2023 Capital Projects - MTW Grant-Funded Activities

Table 6: MTW Capital Expenses

Low Income Public Housing Capital Projects

LIPH Scattered Sites	Upgrade unit interiors and elevator; target siding repairs; paint unit exteriors; replace common area flooring; and replace roof.	\$208,000
Bell Tower	Install ACAM to laundry room	10,000
Denny Terrace	Design solar panels for roof.	40,000
Holly Court	Replace water lines under Building 6 and inspect sewer lines for repair needs. Clean exterior siding and repair gutters.	120,000
Olive Ridge	Modernize traction elevators.	920,000
Westwood Heights	Replace windows and allocate additional funds for a traction elevator upgrade.	850,000
HomeWorks I	Upgrade second elevator and replace roof at Capitol Park; repair roof and install second door and ACAM to entry at Beacon Tower; clean interior drains and sinks and upgrade interior and exterior lighting at Green Lake Plaza; and install exterior grilles to stairwells at Lictonwood.	1,310,000
HomeWorks II	Replace roof at Lake City House; add funds to replace roof-top air handler; replace fire alarm panel at Center Park; upgrade lighting at Olympic West; replace shower pans at Cedarvale House and replace fence by parking lot at Cal-Mor Circle.	1,093,000
HomeWorks III	Replace roof, air handling units in stairwells and flooring in units at University House; add funding for elevator upgrades and replace interior and exterior lighting at Stewart Manor; replace toilets at Ross Manor; perform water intrusion repairs at West Town View; and replace shower pans at Jackson Park House.	730,000
Allowance for HomeWorks communities	Additional funding for ACAM and security upgrades due to increased security costs.	500,000
Allowance for LIPH communities	Replace generators; replace sprinklers, upgrade interiors and trim trees and perform landscaping upgrades.	1,600,000
Low Income Public Housing Capital Projects Subtotal		\$7,381,000

Seattle Senior Housing Program Capital Projects

Blakeley Manor	Install fence at garbage station and repair gutters.	\$10,000
Carroll Terrace	Upgrade lighting.	20,000
Columbia Place	Repair common area cooling; resurface parking lot; and upgrade security with lighting and window limiters.	50,000
Fremont Place	Upgrade lighting.	20,000
Gideon-Mathews Gardens	Increase floor funding.	30,000
Michaelson Manor	Upgrade elevator and lighting.	340,000
Pleasant Valley Plaza	Prepare and paint exterior of building.	40,000
Primeau Place	Replace laundry room floor.	8,000
Ravenna School Apartments	Repair sidewalks.	20,000
Reunion House	Power wash building exterior.	20,000
Allowance	Upgrade SSHP buildings, including toilets; community room kitchens; mailboxes; and door handles to Americans with Disabilities Act standards.	720,000
Allowance	Trim trees, landscape and remove dying trees.	100,000
Allowance	Upgrade electrical systems in SSHP common areas.	100,000
Allowance	Upgrade exterior building signage.	20,000
Seattle Senior Housing Program Capital Projects subtotal		\$1,498,000
Central Services Operating Cost Allocation		\$100,000
Total 2023 MTW Block Grant Budget for SSHP		\$1,598,000

Special Portfolio Capital Projects

104th Street Townhomes	Upgrade interiors.	\$40,000
Alder Crest Apartments	Upgrade elevator.	250,000
Greenwood Apartments	Upgrade interiors.	20,000
Ravenna Springs	Rehab unit; replace windows and paint exteriors at 4347 and 4349.	134,000
Special Portfolio Capital Projects		\$444,000

NewHolly Capital Projects

NewHolly II	Repipe hydronic systems in hillside units, replace toilets , replace boilers, upgrade interiors of units, replace appliances, replace fences, pressure wash and restripe parking lots, remove trees as necessary, replace flooring, and clean roof and gutters.	\$705,000
NewHolly III	Repipe the domestic water supply, replace boiler, upgrade interiors of units, including cabinet and countertops, replace appliances, replace fences, prepare playground for fall and winter weather, upgrade present ACAM security system to Genetec at Othello, replace flooring.	1,026,000
NewHolly Capital Projects Subtotal		\$1,731,000

Contingency and MTW Eligible Community Allowances

MTW Properties	Contingency for unplanned cost variances and to support staffing requests.	\$1,246,000
Contingency and MTW Eligible Community Allowances Subtotal		\$1,246,000

Administrative Costs

Various	Asset Management administration	\$1,494,000
Various	Construction Operations administration	512,000
Various	Finance & Administration	456,000
Various	Redevelopment administration	448,000
Administrative Costs		\$2,910,000
Central Services Operating Cost Allocation		\$1,590,000

Total 2023 MTW Block Grant Budget for LIPH and Local Programs \$16,900,000

Other MTW Funded Capital Projects	Projects include Housing Operations Digital Displays, Housing Operations Utility Databases, E1 Data Access & Reporting, HCV Mitel Reports, Employee Feedback, Infrastructure Upgrades, ACAM project in Phase III, Teams Softphone expansion, and HRIS and ERP Implementation.	\$2,590,000
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Total 2023 MTW Capital Budget \$19,490,000

SHA 2023 Capital Projects – Other Funds and Redevelopment Activities

Table 7: Non-MTW/Other Capital Expenses

Non-Federal Funds Capital Projects

Campus of Learners	Upgrade interiors at Gathering Hall, including flooring, cabinets and paint.	\$60,000
Epstein Building	Restripe parking lot and improve signage.	\$5,000
MLK Maintenance Facility	Upgrade ACAM to Genetec.	\$69,000
OSC - Operating Support Center	Upgrade ACAM to Genetec.	\$85,000
South Operations Facility	Upgrade ACAM to Genetec.	\$60,000
Commercial Portfolio Allowance	Repair or replace flooring and paint.	\$40,000
Total Non-Federal Funds Capital Projects Subtotal		\$319,000

CY 2023 Pooled Refinance Projects

Baldwin Apartments	Upgrade interiors.	\$30,000
Bayview Tower	Upgrade electrical system; water supply lines and lobby, and add cameras for security.	\$126,000
Golden Sunset Apartments	Replace interior and exterior lighting.	\$20,000
High Point Phase I (North)	Replace appliances, flooring including subflooring; shower supports, countertops, cabinets, hot water tanks for Calugas Apartments; repair exterior walls; prepare and paint 1 and 2 story buildings; clean roof and gutters.	\$452,000
Lake City Commons	Replace water heaters.	\$20,000
Main Street Apartments	Install new plumbing fixtures including bath; upgrade exterior landscaping, install 24/7 bathroom fans; and install security camera system.	\$75,000
Main Street Place	Replace appliances, hot water heaters and bath and shower surrounds.	\$70,000
Martin Luther King Jr. Apartments	Make targeted exterior repairs; install camera system; and upgrade lighting throughout.	\$150,000
Mary Avenue Townhomes	Replace waterlines in three units.	\$39,000
Montridge Arms	Upgrade electrical system and lighting.	\$40,000
Ritz Apartments	Repair or replace common area flooring; replace front door; and install ACAM with cameras.	\$73,000
Telemark Apartments	Install security camera system.	\$10,000
Villa Park Apartments	Replace hot water heaters.	\$40,000

Weller Street Apartments	Install security camera system and upgrade interior and exterior lighting.	\$35,000
Westwood Heights East	Replace water lines with PVC/CPVC in Phase 1, replace intercom and provide an appliance allowance.	\$162,000
Yesler Court	Replace cabinets and install security camera system.	\$70,000
Total CY 2023 Pooled Refinance Projects Subtotal		\$1,412,000

CY 2023 Special Portfolio and Other Capital Projects

Leschi House	Repair fences, provide an allowance for appliance replacements and flooring repairs or replacements.	\$30,000
Longfellow Creek Apartments	Replace mailboxes.	\$20,000
Main Street Apartments	Replace windows.	\$20,000
Scattered Sites managed by S.P.A.C.E.	Rehabilitate units, paint exteriors and trim, replace roofs, siding, windows and install fence.	\$693,000
Scattered Sites managed by S.P.A.C.E.	Provide allowance for water intrusion issues and contingency funds.	\$470,000
Wedgewood Estates	Install cameras for security, upgrade landscaping and lighting.	\$70,000
Total CY 2023 Special Portfolio and Other Capital Projects Subtotal		\$1,303,000

CY 2023 Limited Partnership, Tax Credit, and HOPE VI Capital Projects

NewHolly I	Replace boiler, upgrade units, replace appliances, cabinets and countertops, repair or remove storage units and repair playground equipment.	\$530,000
Rainier Vista I (Escallonia)	Replace garage door to McBride building, provide an appliance allowance and floor allowance, replace exterior lighting, replace hot water tanks, upgrade flooring to elevator, and install pathway from 29th to McBride community room.	\$235,000
Rainier Vista II (Tamarack)	Provide allowances for flooring and appliances, replace hot water tanks, paint common areas, and upgrade flooring to elevator.	\$101,000
Rainier Vista III	Replace hot water tanks, approve allowances for flooring and appliances, improve exterior lighting and install cameras in the garbage stations.	\$146,000
Lake City Court LP	Approve allowances for flooring and appliances, repair or replace Americans with Disabilities Act door openers.	\$80,000
High Point North	Replace Baxi Luna boilers.	\$500,000
High Point South LP	Repair or replace roof, gutters and clean siding, replace flooring and subflooring, replace radiator, approve an appliance allowance, replace shower surrounds and improve security lighting.	\$280,000
LIPH LP (homeWorks I)	Repair the parking lot at Green Lake Plaza and convert mailroom to office at Harvard Court.	\$42,000
LIPH LP (homeWorks II)	Replace toilets at Center Park.	\$65,000
LIPH LP (homeWorks III)	Replace unit flooring at University House.	\$50,000

Hoa Mai Gardens	Paint common area interiors, upgrade landscape and irrigations, repair wainscoting in hallway to garbage room and main entry, approve an appliance allowance, install bollards to protect landscaping at Hillclimb and garage, and remove fencing to garage to create two parking spots.	\$100,000
Kebero Court	Paint exterior, improve exterior lighting to courtyard.	\$70,000
Raven Terrace	Approve an appliance allowance and improve striping and signage in the parking lot.	\$15,000
Red Cedar	Repair wainscoting in hallway to garbage room and main entrance, replace four doors due to vandalism, and approve an appliance allowance.	\$37,000
Total CY 2023 LP, TC, and HOPE VI Capital Projects Subtotal		\$2,251,000
Total CY 2023 Non-MTW/Other Funds Capital Budget		\$5,285,000
Total CY 2023 Asset Preservation Program Capital Budget		\$24,775,000

Opportunity Investments

Tracking and Improving the Physical Condition of SHA properties	An effort to improve HUD's REAC scores in the LIPH communities and to reduce lead-based paint. This will include an asset management and a Housing Operations coordinator and some contracting funds, plus 4 dedicated IPS maintenance staff. (2023-2027)	\$4,125,000
COVID Deferred Maintenance	10 FTE dedicated to working through the deferred maintenance across all portfolios. 4 Solid waste laborers to free up maintenance mechanic time, 3 maintenance mechanics, 3 maintenance technicians. (2023 - mid-year 2025)	\$ 3,458,000
Public Housing Rehabilitation and Repositioning	Evaluation over 3 years to find options for long term financial stability, address capital and operating needs, incorporating environmental sustainability in the LIPH communities. Weigh costs and benefits of pursuing different HUD programs to provide additional financial resources. (2023-2025)	\$1,000,000
Pathway to Permanent Supportive Housing	Hire consultant to research options for residents who need a greater level of support and who may be at risk of eviction to transition into permanent supportive housing. Results would direct a cross-departmental effort and will likely involve long-term investments/commitments. As older residents age out of independent living, and as our residents continue to face mental and behavioral health issues that are beyond the scope of our abilities they will need assistance that matches their needs. This exploratory work is becoming more and more necessary. (2023-2024)	\$200,000

Private Security & Security Consultant	The security consultant will evaluate the security situation in SHA portfolios for improvement and recommendations. The Budget office recommends a 3-year term and 250k per year for the implementation and 250k for the consultant. (2023-2025)	\$1,950,000
Buy-Up Program	With other developers of affordable housing, negotiate terms for the developer to swap planned studios or one-bedroom apartments for two- or three-bedroom units, paying the developer with non-federal funds, the marginal cost of the larger bedroom construction (@\$75,000-90,000/unit). Prefer locations in opportunity neighborhoods. (Through year end 2023)	\$2,500,000
Housing for Returning Citizens	5-year pilot to provide bridge/permanent housing to ~30 formerly incarcerated persons needing minimal services. Estimated 400k to 1M per year. Costs are variable, largely based on utilization and family sizes of participants. (2023-2027)	\$3,235,000
Digital Equity Evaluation	SHA will conduct an evaluation of the Digital Equity work funded by a total of \$5.4 million in grants from the state of Washington to assess the strengths and areas for improvement in our work. The results of this evaluation will help determine future strategies for advancing digital equity among our residents. (Through year end 2023)	\$200,000
Youth and Education Coordinators in Family Communities	For Yesler, High Point, New Holly, and Rainier Vista communities, change department organization. Youth and Education Manager to supervise a mid-level Youth Engagement Specialist and an Education Engagement Specialist. These two specialists oversee and support newly created and added Youth and Education Coordinators, with a two coordinator team assigned to each of the family communities. Policy will assist in planning/coordinating design of an evaluation plan and data monitoring requirements. (2023-2026)	\$2,368,000
Rent Reporting	Three-year pilot program to report rent payment history to credit scoring agencies, resulting in improvement to resident credit scores. 1 FTE included. (2023-2025)	\$542,000
IT Training & Mentorship Intern Program	The IT department will implement a high-quality internship program with mentorship and training opportunities aimed at low income and BIPOC people who may already have some IT training but not necessarily the formal college courses. This three year program would potentially create a pipeline of talent for future entry-level openings in IT. There will be an intern in each of the IT sections: Infrastructure, Applications, and Security and Project Management. (2023-2025)	\$530,000
Opportunity Investment Subtotal		\$20,108,000

CY 2023 Redevelopment Projects

Sawara	First full year of construction.	19,600,000
Juniper	Complete design and start construction.	2,000,000
Jefferson Terrace	First full year of construction.	37,275,000
Lam Bow Apartments	Final year of construction.	25,600,000
Jackson Park Village	Predevelopment funds for planning, architecture, engineering and permits.	2,000,000
Total CY 2023 Redevelopment Capital Expenses		\$86,475,000

Total CY 2023 Non-MTW Capital Budget \$91,760,000

Total Overall CY 2023 Capital Expenditures \$131,358,000
