
SEATTLE HOUSING AUTHORITY
REGULAR BOARD BRIEFING

LOCATION Seattle Housing Authority, 190 Queen Anne Ave N, Seattle, WA
Jesse Epstein Conference Room, First Floor

DATE March 9, 2020 4:30pm - 6:00pm

Deborah Canavan Thiele, Board Chair

BOARD ATTENDEES Dr. Paula Houston ,Vice-Chair Twyla Minor
Robert Crutchfield Paul Purcell
Michael Diaz Gerald Smiley

DISTRIBUTION SHA Board of Commissioners; Cabinet

Commissioner Roll Call

AGENDA:

Briefing Items

- Resolution No. 5185 – Write-off of Delinquent Accounts
- Resolution No. 5186 – Pooled Refunding
- Resolution No. 5187 – Bellwether Loan
- Resolution No. 006 – S.P.A.C.E. Foundation SS Purchase/SHA

Informational Briefings

- Homelessness Briefing

Commissioner roll call was given at 4:40 p.m. Commissioners Diaz, Houston, Minor & Thiele attended the meeting via phone. Commissioners Purcell and Smiley were absent from the Briefing.

Review 3/16/20 Regular Board Meeting Agenda and Updates

Resolution No. 5185 – Write-off of Delinquent Accounts

CFO Shelly Yapp presented to the Board Resolution No. 5185, which authorizes the write-off of tenant and voucher participant accounts, which have been deemed uncollectible for the year. Write-offs occur on a quarterly basis, after exhausting all reasonable collection efforts and following ninety days of account inactivity. The delinquent payments are written off accounting records, yet accounts will remain open, as those former residents and voucher participants are still obligated to satisfy their past due accounts.

Total write-offs for FY 2019 equal \$299,470. This amount is made up of write-offs in three different programs: SHA Low Income Public Housing/Non-Federal (LIPH/NF) housing portfolios, HOPE VI, and Housing Choice Vouchers (HCV)/Section 8. The 2019 total write-offs for rent and non-rent charges for LIPH/NF housing portfolios were \$237,109, a decrease of \$101,605, or 30 percent less than 2018. HOPE VI Limited Partnerships Write-Offs for 2019 were \$44,087 compared to \$51,493 for 2018. This a decrease of 14 percent in total amount. The total HCV write-offs in 2019 were \$18,274 compared to \$82,679 in 2018, a 78 percent decrease. The number of accounts written off in 2019 decreased from 26 in 2018 to 12 in 2019.

Resolution No. 5186 – Pooled Refunding

Finance & Asset Management Director Jared Cummer introduced Resolution No. 5186 to the Board. This resolution authorizes the issuance of two series of bonds (taxable and tax-exempt) in an amount not to exceed \$82 million for the purposes of refunding current agency debt and generating funds to address capital needs. The refunding will refinance approximately \$52,364,500 in existing debt, and, after paying costs, the debt will generate approximately \$19,500,000 in funds to address the projected capital needs of the properties listed below and approximately \$10 million in funds for Jefferson Terrace.

The properties included in the proposed financing (along with the current debt amount and rates) are:

1. New Acquisitions (MLK, Golden Sunset, Weller and Spring Lake Apartments)
2. High Point North
3. Ritz Apartments
4. Wedbush 2013 Refunding (consisting of 9 properties)
5. RBC 2014 Refunding (consisting of 11 properties)

Resolution No. 5187 – Bellwether Loan

Development Director Terry Galiney presented this resolution to the Board. Resolution No. 5187 authorizes SHA to lend up to \$1M to the Bellwether / Mercy partnership for this project and to make and execute documents and contracts related to this loan. As designated by the CMTO program, SHA set aside an initial up to \$1.6 M in capital funding (the Buy Up Program) to support the development of affordable housing for families within high-opportunity areas, while attempted to offset the economic hurdles that affordable housing developers may face in building larger units. SHA has collaborated with Bellwether Housing and Mercy Housing on their co-developed project in the Roosevelt Neighborhood, a high opportunity area, in order to increase the total number of three bedroom units in this development.

Resolution No. 006 – S.P.A.C.E. Foundation SS Purchase/SHA

Finance & Asset Management Director Jared Cummer briefed the Board on Resolution No. 006, which will be brought to the Board for action at a separate S.P.A.C.E. Foundation Board Meeting (to be held directly after the March 16 Regular Session of the Board.) This resolution follows the action of Resolution No. 5180, which authorized the agency to make application to HUD for a Section 18 Conversion of units in SHA's Scattered Site portfolio, as well as related tenant protection vouchers. Resolution No. 006 authorizes the S.P.A.C.E. Foundation, whose Board is comprised of the full membership of the SHA Board, to acquire the designated 148 buildings (consisting of 228 units) from SHA for a purchase price of \$1 per property and to enter into contracts to facilitate the operation and maintenance of the properties.

Homelessness Briefing – Local Response

Intergovernmental Relations Director Lisa Wolters and SHA Board Chair Commissioner Debbie Thiele presented to the Board the changes in the homelessness system over the past decade, potential causes for the rise in homeless, and referenced the McKinsey report (for a high-level overview about the governance structure). In 2019, Seattle and King County moved forward with a proposal to create a regional homelessness authority

Governor Inslee proposed taking more than \$300 million from the state's "rainy day" fund to help provide housing to thousands of people living unsheltered in the state and, at the State level, officials proposed legislation that would let King County impose a payroll tax on large companies with high paid employees. Recommendations from the McKinsey report expressed the need for strong public-private partnership, business accountability, and city/county consideration of a balanced portfolio of initiatives. Next steps include setting up a new governance structure and regional action framework, which would need to address housing, crisis response and mainstream systems and services.

Commissioner Thiele adjourned the meeting at 5:46.m.

Secretary-Treasurer