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SEATTLE HOUSING AUTHORITY  
REGULAR BOARD BRIEFING

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

DATE February 10, 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

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DISTRIBUTION SHA Board of Commissioners; Cabinet

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Commissioner Roll Call

AGENDA:

Briefing Items

- Resolution No. 5184 – CNI Supplemental Grant Fund

Informational Briefings

- Right Sizing Pilot Program
- Pooled Refunding Briefing

Commissioner roll call was given at 4:33 p.m. Commissioner Smiley attended the meeting via phone.

## Review 2/18/20 Regular Board Meeting Agenda and Updates

### Resolution No. 5184 – CNI Supplemental Grant Fund

Development Director Terry Galiney presented Resolution No. 5184 to the Board. Late last year SHA was notified by Department of Housing and Urban Development (HUD) regarding supplemental Choice Neighborhood Initiative funding availability and invited our agency to apply for this supplemental grant. HUD had previously funded two Choice Neighborhood Initiative (CNI) grants for the Yesler Redevelopment. SHA applied and was awarded \$4,000,000 through a competitive process; use of these funds is restricted to the construction of replacement housing at Yesler Terrace. SHA currently plans to utilize the funds for the construction of Juniper, the final replacement housing building at Yesler Terrace. Resolution No. 5184 authorizes SHA to accept the grant from HUD and approve related documents and certifications necessary to receive the award.

### Right Sizing Pilot Program

Housing Operations Director Rod Brandon, along with Right Sizing Program Coordinator Beka Smith and Project Manager Matt Helmer gave a first year update of the Right Sizing Program to the Board. 2019 was the first year of this three-year pilot program looking to right size residents to appropriate sized housing in the Scattered Sites program and at NewHolly. Residents were engaged in seeking their new housing and location, and were given supports (physically, as well as financially) when relocating to their new units.

The annual program goal is to right size 35-45 over-housed households and to be able to house 80 **additional people from SHA's waitlist**. So far, 40 over-housed households moved to appropriately sized units (97 people) and 20 **new households leased from the waitlist at year's end** (92 new people). The average number in the 20 units leased increased from 2 to 5 people and the net increase of 51 people housed in the 20 units leased to date. Fifteen units are still being rehabbed and waiting to be leased (other units were occupied through relocation efforts). Assuming current

projections hold, SHA will exceed the annual goal of 80 additional people served from the waitlist once those units are leased.

### 2020 Pooled Refunding

Finance & Asset Management Director Jared Cummer continued a prior briefing discussion with the Board at the January Board meeting regarding restructuring some agency debt. The presentation focused on a proposed pooled refunding in order for SHA to take advantage of the opportunity to restructure existing debt to lower interest costs and extract funds to meet a projected capital needs shortfall over the next ten years.

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)
  - \$17,550,000 existing debt
  - Interest only payments variable rate
2. High Point North
  - \$7,735,000 existing debt
  - 5.5 percent interest rate
3. Ritz Apartments
  - \$835,000 existing debt
  - 5.3 percent interest rate
4. Wedbush 2013 Refunding (9 properties)
  - \$10,370,000 existing debt
  - 5.6 percent interest rate
5. RBC 2014 Refunding (11 properties)
  - \$12,285,000 existing debt
  - 4.6 percent interest rate

Existing Debt (including defeasance costs): \$53,750,000 Current Average Interest Rate: 5.35 percent

Estimated New Debt Issuance: \$75 Million Estimated Interest Rate: 3.0 percent

Ten-Year Capital Needs Shortfall Included in Refunding: \$19.5 Million

This refunding strategy would result in an issuance of tax-exempt and taxable bonds in the amount of approximately \$75 million that would repay \$53.75 million in existing debt and generate approximately \$21.25 million in proceeds to fund the capital needs shortfall.

Commissioner Thiele adjourned the meeting at 5:17p.m.

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Secretary-Treasurer