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**SEATTLE HOUSING AUTHORITY  
REGULAR BOARD BRIEFING**

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**LOCATION**                      **Held via Teleconference Line**  
**Microsoft Teams**  
**(206) 257-3799; Phone Conference ID 109 271 252#**  
[Click here to join the meeting](#)  
Listen in: Jesse Epstein Conf Rm, 1<sup>st</sup> Floor, SHA Central Office

**DATE**                              **February 13, 2023, 4:30pm - 6:00pm**

**BOARD ATTENDEES**              **Paul Purcell, Board Chair**                      **Dr. Paula Houston**  
**Gerald Smiley, Vice-Chair**                      **Rita Howard**  
**Sally Clark**    **Twyla Minor**  
**Robert Crutchfield**

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**DISTRIBUTION**                      **SHA Board of Commissioners; Cabinet**

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**Commissioner Roll Call**

**AGENDA:**

**Briefing Items**

- **Resolution No. 5254 - SHA \$30M Taxable/Tax Exempt Line of Credit Renewal (Jared Cummer - 20 min)**
- **Strategic Plan Process Update (Patrice Davis - 30 min)**

Commissioners roll call was given at 4:36 p.m. The Briefing was held via teleconference. Commissioners Dr. Houston and Purcell were absent from the Briefing.

## **Review 02/21/23 Regular Board Meeting Agenda and Updates**

### **Resolution No. 5254 - SHA \$30M Taxable/Tax Exempt Line of Credit Renewal**

Deputy Executive Director Anne Fiske Zuniga introduced Finance & Asset Management Director Jared Cummer to present Resolution No. 5254 to the Board.

SHA has an operating line of credit that was passed by the Board in November 2019 via Resolution No. 5177. It combined a real estate line of credit that we had with an operating line of credit into a single facility that can be drawn on for either a taxable or a tax-exempt draw so long as the total draw never exceeds \$30 million. Resolution No. 5254 renews that line of credit at the same amount and can be drawn for taxable or tax-exempt for a three-year period. However, it also changes how the rate is calculated. The old rate was pegged against Libor, which is the London Interbank offered rate, which is going away due to the some financial malfeasance in 2008 during the financial crisis and it is being replaced with something called SOFR, which is the Secured Overnight Financing Rate. These are rates that move daily, and our rate is a floating rate that is indexed based on SOFR, so that's the other big change. Overall, when looked at them side by side, SHA will get a slightly better indexed rate that floats with SOFR as it's a little bit lower than the Libor rate. We are recommending approval of this resolution.

Historically, since we've put this resolution or this line of credit in place, we have never drawn on it for anything operating related, but we have used it for some short term draws for real estate, some purchases and pay offs of existing debt, but in a transition period before refinancing to something permanent. Three years is the longest period that we have been able finance, as the banks have historically not wanted to go out longer than that. So, even other real estate line of credit is also for a three-year term, as well.

An example of the use of this line of credit would be the Highpoint North partnership where we had to redeem the bonds for a short period of time. So, we used this line of credit, drew on it and it sat outstanding for maybe two months, three months until the larger refinancing was completed. So, that's typically the length of time. Typically, we are not inclined to look to draw lines of credit if it's going to be outstanding for more than six months, unless they're real plan around how that refinance will happen. It's always just a stopgap measure to date in how we've used it. The taxable piece of this is one of the real reasons because when you use taxable lines of credit, there's less strings that come attached from the government, so you're able to do something short term.

## Strategic Plan Process Update

Deputy Executive Director Anne Fiske Zuniga introduced Strategic Planning & Initiatives Manager Patrice Davis to present to the Board.

*The Board has participated in a number of sessions with the facilitator, Kevin Baker on RSJ initiatives and the point of that was to provide an underpinning and common understanding of how we want to approach the development of the new strategic plan going forward. When possible, we will attempt to utilize current board briefing meetings for this work and maybe expand them by ½ an hour in order to cover the necessary material instead of having an additional meeting beyond the two monthly board meetings.*

We are transitioning from the RSJI foundational piece of our planning process to the actual planning process. This means that things are starting to flow and starting to move and there's our workflow that Kevin Baker has outlined. We have a variety of different stakeholder groups who are all doing different things and we want this process to be an iterative process for each work group, working together and communicating about different points of the plan and developing the plan in coordination and alignment. The steering committee has been meeting for about 3 months now and the work is really happening there. Some of the work that they're doing, they did a lot of the similar work that the Board has done in terms of identifying some agreements, doing some self-leadership unification and just really building a foundation to form as a team able to have some tough conversations around the information that we will be reviewing. They also are starting to break out into subcommittees or different work groups to plan our engagement process for our different stakeholders, including our residents. So, we're at the very beginning of that process. You will start to see some of that work come across your desk and your eyes for review and for your input and thoughts as well. Some of those activities that we're getting, that information that the steering committee will be leading includes a SWOT (identifying Strengths, Weaknesses, Opportunities and Threats) and a PESTLE, (which is a landscape analysis identifying Political, Economic, Social, Technology, Legal and Environmental issues that impact the work of SHA.)

The timeline is developed in coordination with the timelines for both the Steering committee and Cabinet, and so each activity is really meant to build upon each other, to pull out some information (or, set of knowledge) and all of that knowledge and information will be reviewed and discussed so that in our retreat, which are the critical points of inclusion and connection for our process, we can actually make decisions and develop priorities that will move along in the process. We are really trying to be inclusive, build connection and build understanding and alignment to the plan across the whole entire agency. So, it takes a little bit more facilitating to build that connection to the plan. We really want the strategic plan similar to how the previous plan was to be the guiding document for the agency and for the work and to do that, we need to have people connected to that plan and this is how we do that.

We will be looking to June and September for potential retreat dates. Please note that the strategic planning retreats will be time for the Steering Committee, SHA leadership and the Board to come together for meaning making, agreement and discussion of strategic priorities. The retreats are critical strategy in strategic planning that helps to ensure that all stakeholders are connected to the planning process and are in alignment as well. More information will be provided as we move closer towards the dates. We will need to reserve dates on calendars soon, as we are respectful to the prior commitments of the Board.

Ms. Fiske Zuniga then asked the Board if there were any questions, or comments pertaining to the Briefing. After hearing none, the February 13, 2023, Regular Board Briefing was adjourned at 5:03 p.m.

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Secretary-Treasurer