
**SEATTLE HOUSING AUTHORITY
BOARD BRIEFING**

LOCATION Via Teleconference Line
(206) 257-3799; Conference ID 370 931 746#
[Click here to join the meeting](#)

DATE January 10, 2022, 4:30pm - 6:00pm

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

DISTRIBUTION SHA Board of Commissioners; Cabinet

AGENDA:

Call to Order and Roll - Welcome to New Commissioner Sally Clark

Executive Director - Housekeeping

Briefing Items

- **Resolution No. 5235** - Acquisition Program Considerations (RESCHEDULED FROM DECEMBER)
- **Resolution No. 5236** - Tenant-Based Voucher Payment Standards

Informational Briefing

- **SHA Vaccination Mandate Results**

Executive Director - Final Comments

Adjournment

BOARD BRIEFING JANUARY 10, 2022:

- **Call to Order and Roll - Welcome to New Commissioner Sally Clark**

The meeting was held via teleconference. The Board Chair called the meeting to order at 4:36 p.m. Roll was called; Commissioners Purcell, Clark, Crutchfield, Houston, and Howard were present – Commissioners Minor and Smiley were absent from the proceedings.

On behalf of the SHA Board of Commissioners and staff, Commissioner Purcell welcomed newly appointed Commissioner Sally Clark. Commissioner Clark is currently the Director of the Office of Regional and Community Relations at the University of Washington and brings a wealth of experience from her many years of public service to the City of Seattle and King County. Commissioner Clark stated that she was very grateful for this opportunity and thankful to Mayor Durkin for the nomination.

- **Executive Director - Housekeeping**

Executive Director Rod Brandon spoke to several housekeeping items. First, an abbreviated acronyms sheet was provided for the purposes of clarifying acronyms being used in tonight's meeting. A more complete acronyms sheet associated with SHA matters is being prepared by staff.

Second, the Executive Director brought up the news about the Philadelphia Housing Authority high-rise fire. Although a faulty space heater is thought to have started the fire, it seems as if the smoke detectors and fire alarms were not functioning properly. He wanted to assure the Board that SHA's smoke detectors, fire alarms, and high-rise fire alarm panels are tested annually and replaced or repaired as needed.

Third, there were several public comments at the November and December meetings requiring responses. Staff prepared responses for the Board, and they can be provided at this evening's meeting. Otherwise, responses to the public comments will be added to the January 18th Board meeting agenda and addressed at the start of the meeting.

Lastly, regarding the office closures (two wellness days) in late December/early January, staff was most appreciative of the Board's and Cabinet's consideration.

Briefing Items

- **Resolution No. 5235 - Acquisition Program Considerations**

Housing Finance and Asset Management Director Jared Cummer reminded the Board that staff provided two briefings during the summer and fall about the status of our acquisition program, initial research into the current housing market, and potential opportunities. Additionally, the Board was introduced to the process for acquiring buildings, the Board's role and at what point the Board should expect to see potential acquisitions coming before them.

Asset Management Program Manager James Mayton recapped lessons learned from previous acquisitions. One of the biggest lessons learned is that larger properties (100 units or more) are significantly more economical for SHA to operate, and that partnering with third-party management companies can make the acquisition more seamless for residents and the transfer to SHA.

James clarified staff's thinking about what an efficient management plan looks like and includes and what is currently happening in our market regarding construction costs. He also noted that there are great financing opportunities available during this current market and that multi-family buildings are probably as affordable as they will get. He then presented staff considerations for a potential purchase: 1) preserving SHA's subsidized affordable housing stock; 2) fulfilling SHA's desire to serve more people as the city continues to grow and affordable housing decreases; 3) maintaining agency's financial strength; 4) prioritizing properties with residents at moderate to high risk of displacement; 5) prioritize properties with efficient management plans to determine how SHA property management would actually implement once the deal is concluded.

The process involves staff using the criteria above to determine if a property makes sense for SHA. They would then do their due diligence and bring to the Financial Policy Oversight Committee (Rod Brandon, Anne Fiske Zuniga, Shelly Yapp, Jared Cummer, Terry Galiney, Janet Hayes, Scott Woo). The Board receives briefings if the purchase continues to look promising, and ultimately, if staff feels it is in the best interest of SHA, a resolution is brought before the Board for final review and approval of staff recommendations to close on the deal.

Resolution No. 5235 does not request action from the Board for any specific purchase at this time; it puts in place the process to be used moving forward.

- **Resolution No. 5236 - Tenant-Based Voucher Payment Standards**

Executive Director Rod Brandon introduced the next Resolution No. 5236 stating that the Board members have also been briefed in the past about our voucher payment standards for tenant-based units which are reviewed annually for currency and to ensure that we are providing affordable and competitive standards for our tenants. He then introduced Chief Financial Officer Shelly Yapp and Rental Assistance Program Director Alice Kimbowa to discuss Resolution No. 5236 in greater detail.

The Rental Assistance Director began by explaining that voucher payment standard determines the maximum amount in rental subsidy we can provide for our tenant-based voucher participants. We review our standard annually to ensure that we are at the right levels for existing participants as well as those who are moving with their voucher within Seattle, or if changes are appropriate.

This is accomplished through a partnership between the Budget Office and the Housing Choice Voucher program staff to analyze all factors (see below), including our budget level, to ensure we have a voucher payment standard that is suitable for the market that our clients are leasing in today. Factors considered are: 1) Fair Market Rents (FMRs) published by the Department of Housing and Urban Development (HUD) for the Seattle area; 2) rent burden of current tenant-based voucher recipients by household size; 3) rent reasonableness data; and 4) availability of market-rate units by bedroom size at different voucher payment standard levels, or the “market penetration” measured by the estimated percent of the market by bedroom size accessible at different voucher payment standard levels.

During this presentation, staff discussed the history of the voucher funding and usage, what is meant by “rent-burdened” and staff’s findings related to our rent-burdened households; how our Moving to Work (MTW) designation helps; and why staff is proposing the Board approve the following 2022 increases to our voucher payment standard:

Market-Rate (MR) VPS Schedules Affordable VPS Schedules

Bedroom Size	2018 MR-VPS	2022 MR-VPS	2019 AF-VPS	2022 AF-VPS
0	\$1,363	\$1,747	\$1,095	\$1,215
1	\$1,529	\$1,816	\$1,173	\$1,301
2	\$1,878	\$2,134	\$1,407	\$1,562
3	\$2,719	\$2,917	\$1,772	\$1,804
4	\$3,219	\$3,430	\$2,130	\$2,130
5	\$3,702	\$3,945	\$2,450	\$2,450
6	\$4,185	\$4,458	\$2,769	\$2,769

- **SHA Vaccination Mandate Results**

Human Resources Director Marc Nilsen and Labor Relations Negotiator Amy Heller (also has nursing background) stated that in July 2021, the State was in a pretty good place and preparing to reopen. The Governor made changes to some of the rules and SHA's contact tracing was low. There were only ten suspected or reported potential cases of COVID at that time, and only two were positive.

However, in August 2021, a new variant emerged - Delta - and SHA went from ten suspected cases to 60 tracings, 11 of those being positive. This was a key decision-making factor in management's decision to move to a vaccine mandate. The following three months, were low in terms of potential tracings or actual positives. With the mandate in place, well over 90 percent of our staff were vaccinated. December brought another new variant - Omicron - and our numbers rose again to 36 potential cases with 12 positives.

Currently, we have had 40 contact tracings in just the past week with 12 positives. However, 95 percent of our staff is now vaccinated, and we have seen no employee-to-employee transmissions. Several staff members have religious or medical exemptions, and 17 or 18 staff left the agency. Overall, our staff and managers have done an amazing job around COVID workplace safety.

- **Executive Director Final Comments**

Site visits that are a normal part of the orientation for new Board members have been suspended given the current COVID climate. Staff is erring on the side of caution for both new Board members and residents regarding visits to the buildings. At some future time, we plan to have site visits for new Commissioners.

- **Adjournment**

Having absorbed much information related to the two Resolutions, Commissioner Purcell asked that the responses to comments and questions from November and December meetings be placed at the start of the Board Meeting agenda for January 18th. Hearing no further business, the meeting was adjourned at 6:01 p.m.

Secretary-Treasurer