

MINUTES OF THE SPECIAL MEETING  
OF THE HOUSING AUTHORITY  
OF THE CITY OF SEATTLE  
JANUARY 13, 2020

The Commissioners of the Housing Authority of the City of Seattle (“Seattle Housing Authority” or “SHA”) met in Special Session on January 13, 2020, at SHA’s Central Office Building located at 190 Queen Anne Avenue North, Seattle, Washington. Board Chair Debbie Thiele called the meeting to order at 4:38 p.m. Kimberly Garrett performed a roll call for Board Commissioners in attendance. Commissioners present and absent were as follows:

Present: Debbie Thiele, Chair  
Robert Crutchfield  
Michael Diaz  
Paul Purcell

Absent: Twyla Minor  
Dr. Paula Houston, Vice-chair  
Gerald Smiley

Public Comment

Marguerite Richard

Consent Agenda

Commissioner Thiele presented the Consent Agenda, which included approval of minutes for the Regular Board Meeting of December 16, 2019; and, approval of the Expenditure Certification Report (Authorization to Pay Outstanding Obligations of Salaries and Claims for the Period of December 1 to December 31, 2019).

Commissioner Purcell moved to approve the Consent Agenda and the motion was then seconded by Commissioner Crutchfield. Hearing no questions or comments, Commissioner

Thiele called for a vote. The Consent Agenda was approved by majority vote of those Board members present at that time (4 yes; 0 no).

## Regular Agenda

### CMTO (Creating Moves to Opportunity) Update

Policy Director Andria Lazaga introduced Strategic Advisor Jodi Speer and John Hopkins Sociologist Stefanie DeLuca to brief the board on outcomes of Phase I of the CMTO project, which was implemented over a year and a half ago, as well as provide qualitative information from the families involved in the project, and plans for Phase II.

Creating Moves to Opportunity in Seattle and King County began as a pilot program and random controlled trial to develop and test accessible strategies to reduce barriers that Housing Choice Voucher recipients face in moving to high-opportunity areas in Seattle and King County. Families were given a choice to move to these areas, but it was not required for them to do so.

Key Elements of the CMTO Phase I contained customer search assistance (where families were educated on high-opportunity areas, received rental application coaching and services to help identify suitable units in these areas), increased landlord engagement, and short-term financial assistance (to help defray move-in expenses, such as application fees and security deposits). Outcomes from Phase I (between families offered CMTO Services vs. those offered Standard Services) found that families offered CMTO Services were almost 4 times more likely to lease in Higher Opportunity areas, and indicated a higher neighborhood satisfaction rating when doing so. Also, all of the different racial and ethnic groups measured benefitted from the CMTO service, but not at the same rates. Qualitative evidence by the families showed that there were five key mechanisms of the CMTO treatment were emotional support during the search and move to a new unit, an increase motivation to move, streamlining of the search process, as well as assistance in brokering with landlords and short-term financial assistance, when needed.

CMTO Phase II plans consists of those in the standard group, the comprehensive support group of Phase I, in addition to two other groups, such as one group receiving financial assistance only, and one group receiving reduced financial incentives and increased navigator caseloads. Next steps (as we are currently in the midst of Phase II) consists of exploring the possibility of more efficient strategies, continued analyses of neighborhood persistence and family outcomes, while using local evidence to inform national policy conversations.

### Restructuring Current Agency Debt – Pooled Refinancing

Finance & Asset Management Director Jared Cummer gave the Board an overview of the different types of debt that SHA issues, the process for issuing debt and a preliminary overview of a proposed debt restructuring plan for the agency.

SHA uses two primary forms of debt to finance the rehabilitation, construction and acquisition of affordable housing: bonds (issuance of taxable and tax-exempt bonds), and loans/notes (public funder loans such as the City and State). In the past, SHA has used bonds (governmental, private activity and 501 c3) to finance the majority of affordable housing built, rehabilitated or purchased. Given the current interest rates available through the bond market, the agency has an opportunity to restructure existing debt to lower interest costs and extract funds to meet capital needs. Properties that would be included in the proposed financing are;

- New Acquisitions (MLK, Golden Sunset, Weller and Spring Lake Apts)
- High Point North and South
- Ritz
- Wedbush 2013 Refunding (9 properties)
- RBC 2014 Refunding (11 properties)

Existing Debt: \$62,450,000

Current Average Interest Rates: 5.35%

Estimated Interest Rate: 3.5%

10 Year Capital Needs Shortfall: \$19.5 Million

The proposal will be brought to the Financial Policy Committee again for further discussion this month, and we will be presented a revised proposal to the Board for briefing and approval in February.

3rd/4th Quarter 2019 Litigation Report

General Counsel James Fearn presented a report of current litigation to the Board. Nine cases and seven claims are currently pending at this time.

Commissioner Thiele then asked if there were any further questions or comments from staff, or from her colleagues on the Board. Hearing none, the January 13, 2020 Special Session of the Board adjourned at 6:15 p.m.

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Secretary-Treasurer