

MINUTES OF THE REGULAR MEETING  
OF THE HOUSING AUTHORITY  
OF THE CITY OF SEATTLE  
MARCH 16, 2020

The Commissioners of the Housing Authority of the City of Seattle (“Seattle Housing Authority” or “SHA”) met in Regular Session on March 16, 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 5:01 p.m. Kimberly Garrett performed a roll call for Board Commissioners in attendance. Commissioners present and absent were as follows:

Present:           Debbie Thiele, Chair  
                      Dr. Paula Houston, Vice-chair  
                      Michael Diaz  
                      Twyla Minor  
                      Gerald Smiley  
                      Robert Crutchfield  
                      Paul Purcell

Public Comment

Marguerite Richard

Consent Agenda

Commissioner Thiele presented the Consent Agenda, which included approval of minutes for the Special Board Meeting of February 18, 2020; the Regular Board Briefing of March 9, 2020; and, approval of the Expenditure Certification Report (Authorization to Pay Outstanding Obligations of Salaries and Claims for the Period of February 1 to February 29, 2020).

Commissioner Diaz 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 unanimously among the members of the Board present at that time (4 yes; 0 no).

## Regular Agenda

### Resolution No. 5185 – Write-off of Delinquent Accounts

Commissioner Diaz moved for consideration of Resolution No. 5185; Commissioner Houston seconded the motion. SHA Controller Janet Hayes presented Resolution No. 5185 to the Board and recommended adoption of the resolution.

Resolution No. 5185 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 equaled \$299,470, an amount which 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 (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.

Hearing no further discussion, Commissioner Thiele called for a vote. Resolution No. 5185 was approved unanimously among the members of the Board present at the time (4 yes; 0 no).

### Resolution No. 5186 – Pooled Refunding

Commissioner Houston moved for consideration of Resolution No. 5186; Commissioner Diaz seconded the motion. Mr. Lofton introduced Finance & Asset Management Director Jared Cummer to present Resolution No. 5186 to the Board and recommended adoption of the resolution.

Resolution No. 5186 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 COVID-19 pandemic has created significant turmoil in the markets, particularly in the municipal bond market. Currently, if SHA would go to market with the bonds, there wouldn't be a market, as it has dried up for the time being. SHA is recommending with this resolution that we put ourselves in the position so when the market stabilized we will be able to take advantage of lower interest rates. **It's still too early to tell when the markets will stabilize;** but, working through the project timelines in place currently, we would be in a position in approx. 3-4 weeks.

SHA proposed that the Board adopt Resolution No. 5186 based on the parameters that if there is a market, we would go out test that market. **If weren't not able to attract** an investor at a rate that does two things: (1) does not increase our current debt service payment, while at the same time (2) allow us to extract enough additional funds to cover the capital backlog that we are projecting on the properties that are being refunding (roughly about \$19.5M) and the refunding of the existing debt (that would be just over \$52M.) **So, if we're not** able to execute this refunding in the \$72-73M range at these prices and maintain payments of the current level, then we would not proceed with that refunding and would pull the offering from the market.

During further discussion with the Board as to the timing for better certainty in the market, it was decided to adopt the resolution, and to make a motion to amend Resolution No. 5186 with the parameters indicated by Mr. Cummer. Hearing no further discussion, Commissioner Thiele called for a vote. Commissioner Crutchfield moved for consideration of Resolution No. 5186 as amended; Commissioner Diaz seconded the motion. Resolution No. 5186 was approved unanimously among the members of the Board present at the time (5 yes; 0 no).

### Resolution No. 5187 – Bellwether Loan

Commissioner Diaz moved for consideration of Resolution No. 5187; Commissioner Houston seconded the motion. SHA Development Director Terry Galiney presented Resolution No. 5187 to the Board and recommended adoption of the resolution.

Resolution No. 5187 approves SHA to lend up to \$1M to the Bellwether / Mercy Housing 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 attempting 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.

Hearing no further discussion, Commissioner Thiele called for a vote. Resolution No. 5187 was approved unanimously among the members of the Board present at the time (5 yes; 0 no).

### SHA Executive Director Report

Executive Director Andrew Lofton updated the Board on comments given at the February 18 Board Meeting during the Public Comment portion of the meeting.

Rachael Steward, Community Services Director was honored by the RAVE foundation at their annual gala held last month her partnership with the foundation, which is a representation of the strong relationship that has been developed between SHA and RAVE.

SHA is going electric by transforming our vehicle fleet to electric models. We have completed sixteen transformations from gas to electric vehicles and have four more remaining at the Central Office headquarters. This is another example of SHA following through on our sustainability goals noted in our Strategic Plan.

At the forefront of the past few weeks locally has been the COVID-19 situation. We have taken steps internally and externally to respond to, as well as address issues and concerns about staff and resident safety and our own agency operations. We have had to respond quickly with guidance received, both locally and nationally, and have put into practice the rules and guidelines in order to make sure that we are doing all we can to protect ourselves, as well as our residents. To some degree, the City is leading on issues and Mr. Lofton is plugged in to the Emergency Operations Center receiving information at a moment's notice.

SHA has put in place teleworking opportunities for staff in order to practice minimizing personal contact as much as possible (currently 31% of staff has been determined to telework given their work status and positions.) We have been implementing steps it takes to set this up in order for those to work as effectively as working physically at the office. Specifically, SHA is in the process of closing the HCV service center at the Central Office and will be shifting to connecting with and serving those customers as much as possible by phone and email, and will be notifying all participants of the program this evening. It also will be included in The Voice, as well as direct email and U.S. mail around the closure of public-facing service counters. After putting in a formal request to HUD and receiving a swift approval, postponement of REAC home inspections has been put in place, as well. In addition, SHA has been deferring inspections as well with the HCV program participants' units unless a need for inspection is requested, otherwise.

The SHA Cabinet group has been meeting daily on updates and briefings and use these meetings to keep business up-to-date to address and issues and/or concerns that may arise during the pandemic.

Commissioner Thiele then asked if there were any further questions or comments from staff, or from her colleagues on the Board. Hearing none, the March 16, 2020 Regular Session of the Board was adjourned at 6:13 p.m.