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SEATTLE HOUSING AUTHORITY  
REGULAR BOARD BRIEFING

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LOCATION	<p><b><u>Virtual via Microsoft Teams</u></b> (206) 257-3799; Phone Conference ID 869 252 502# <a href="#">Click here to join the meeting</a></p> <p><b><u>In person listening option: SHA Central Office</u></b> 101 Elliott Ave W, 1<sup>st</sup> Floor Tahoma Conference Room Seattle, WA 98119</p>								
DATE	April 8, 2024, 4:30pm - 6:00pm								
BOARD ATTENDEES	<table><tr><td>Paul Purcell, Board Chair</td><td>Rita Howard</td></tr><tr><td>Gerald Smiley, Vice-Chair</td><td>Dr. Paula Houston</td></tr><tr><td>Sally Clark</td><td>Twyla Minor</td></tr><tr><td>Robert Crutchfield</td><td></td></tr></table>	Paul Purcell, Board Chair	Rita Howard	Gerald Smiley, Vice-Chair	Dr. Paula Houston	Sally Clark	Twyla Minor	Robert Crutchfield	
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**Commissioner Roll Call**

**AGENDA:**

**Briefing Items**

- **Resolution No. 5282:** Jackson Park Village LLLP
- SHA Strategic Plan Update

Commissioners roll call was given at 4:32 p.m. The Briefing was held via teleconference with an in-person option at the SHA Central office. Commissioners Dr. Houston and Smiley were absent from the Briefing.

## **Review 04/15/24 Regular Board Meeting Agenda and Updates**

### **Resolution No. 5282: Jackson Park Village LLLP**

Executive Director Rod Brandon introduced Development Director Terry Galiney, Lauren Mathisen and Sven Kohler present Resolution No. 5282 to the Board.

Resolution No. 5282 relates to the Jackson Park Village Apartments project located in the Kenwood neighborhood at the northeast end of the city near Shoreline. This resolution authorizes SHA to form a limited liability limited partnership (LLLP) for the redevelopment project as well as to apply for funding and declares the intent of the Seattle Housing Authority (SHA) to issue an estimated \$45,000,000 in bonds to provide financing for the project. The estimated total cost for the Jackson Park Village Apartments project is \$89,000,000.

Built in 1927, the Jackson Park Village buildings are beyond their useful life and in need of redevelopment. After Board action last year, SHA applied for disposition from HUD in July 2023 and received approval in March 2024, with resident engagement beginning in June 2022. Due to the prolonged process of disposition, SHA was prohibited from advancing the project prior to getting the approval from HUD. Staff has been working diligently on the project with resident relocation, engagement, and financing, but haven't been able to advance the design and permitting until more recently. HUD has made the determination of obsolescence for those buildings on the property and the project can move forward.

The project goal is to replace all 41 existing 3- & 4-bedroom units and add units 63 new 60% area median income (AMI) units for a total of about 104 units, working in line with one of SHA's core goal of serving more people. This redevelopment better allow us to support the residents and better serve resident needs by providing a healthier, safer environment and living space. Currently, there are nine residential buildings, a separate central community building and play area. Staff began meeting with residents in early 2022 to discuss their redevelopment and how it would impact them and their families and assuring them that they would receive ample notice of a relocation plan.

The units at the redeveloped Jackson Park Village will be a mix of family-sized, two- to four-bedroom units. Project features include a flexible community room, an outdoor gathering space and play area, and an office and storage for a tutoring center. The project will also include two in-home childcare units and a community garden. There are talks of improvements being made to Rapid Ride service, and Sound Transit may be increasing service up 145<sup>th</sup> Street & Lake City Way primarily because there is a new light rail station that is being built along I-5 in 2025. Olympic Hills, Jane Addams, and Nathan Hale are the reference schools in the area.

Redevelopment details include approximately 104 family size units in a four story 4 story apartment building on the north end of the site with underground parking; 16 townhomes located on south end of the site, with two units to support in-home daycare. Community areas with include increased outdoor open space with a sports court, a playground, community garden and gathering shelter. The large community space will be used to support a tutoring program and other service providers and underground parking with be provided for the residents. Sustainability features that will be included will be that building will be contain electric high efficiency water heaters and heat pumps, there will be a solar array on the roof, AC in the units, and energy recovery ventilators, which helps save energy and improve indoor air quality for residents. Additionally, there will be safety improvements for residents and staff, so the secure underground garage the design is going to focus on visibility and activation of community spaces. To help provide another layer of security for both residents and staff, the office will be in a highly visible area and will include the normal suite of security systems around ACAM systems and cameras, as well.

Construction is expected to begin in the 2<sup>nd</sup> Quarter of 2025, with a project completion set for early 2027. The estimated budget for this project is \$89M, with project sources coming from tax exempt bonds, tax credit equity, as well as an SHA loan. The largest funding source is from tax credits, which is almost half of the development costs. A contractor in not on board currently, and are we are very early in the financing on this project and these project numbers are very preliminary.

Hard Costs	68,000,000
Design and Engineering	12,900,000
Developer fee to SHA	7,600,000
Capitalized Reserves	600,000
<b>Total</b>	<b>89,100,000</b>
<b>PROJECT SOURCES</b>	
Tax Exempt Bonds (Loan)	18,400,000
Tax Credit Equity	40,100,000
SHA Loan	27,000,000
Deferred Dev Fee	3,600,000
<b>Total</b>	<b>89,100,000</b>

There are usually an early set of resolutions that are looked at today and then a set closer to closing and the details are further locked in, but there are a few differences for this. The first thing is that we've collapsed them into one resolution and historically it's been the LLLP formation resolution, and then the bond inducement resolution and they've been combined into one that includes both approvals on the advice of counsel and for efficiency.

Resolution No. 5282 authorizes SHA to form an ownership entity for the project and to apply for funding, including signaling that we intend to eventually issue bonds for this project. Another piece is new, and it authorizes SHA to advance the predevelopment loan to the ownership entity. In the past, on past projects, SHA paid the predevelopment costs for the project, and we got reimbursed when the project closed. By that ownership entity, that was typically up to about \$6 million per project and here we plan to instead authorize a predevelopment loan to that ownership entity and to have the entity do the contracting, and then essentially pay its own bills. That entity is wholly owned and controlled by a until closing. The intent is to formalize that predevelopment spending relationship and to be more consistent with what other housing authorities in Washington are doing. The predevelopment loan authorization is for up to \$27M, which is the amount that we are currently projecting that SHA will put into the project in the form of our permanent loan, whatever is spent prior to closing will be rolled into that permanent loan affect closing. It will allow us to kick off predevelopment and get moving toward a design and towards assembling our financing. It does not authorize the project.

As mentioned previously, meetings with residents about redevelopment and relocation have been ongoing since mid-2022. 90% of the 41 households include children and over half of the 206 residents are under age 18. SHA committed to enable relocation spanning two summers, and approximately 20% relocated during the summer of 2023. Remaining families will be relocated by the end of September 2024, with Housing Choice Vouchers and leasing support offered. Relocated families will be invited to return to the new Jackson Park Village when it opens in 2027.

### SHA Strategic Plan Update

Mr. Brandon introduced Kevin Baker of Baker Consulting and the SHA Strategic Plan Steering Committee to the Board.

During the anti-racist strategic planning process to create an anti-racist strategic plan, Mr. Baker presented definitions for the goal of involving everyone who would be impacted by a particular policy/policy overall throughout the organization:

- Points of Advocacy (POA's): POA's are the equivalent to recommendations.
- READI<sup>2</sup>B: Race Equity, Accessibility, Diversity, Intersectionality Inclusion, & Belonging: a reframing of the race and social justice initiative program at SHA
- Anti-Racism Policy and Development: organizational training of the initiative to educate on what antiracism is, and other race and social justice provisions.

The planning process began in gathered feedback from 700 residents, staff, partners from May through June 2023. Then, Making Meaning sessions were held where 40 staff read through the 4, 500 responses received and organized them into focus areas from August 2023 through March 2024. Prioritizing of the focus with residents and staff took place in March and will continue through April. The committee will write and communicate the final plan product from now through July 2024. The Meaning Making process, from August 2023 to currently, was made up of data cleaning by the Data Workgroup. The Steering Committee created the Codebook for the data and completed the coding for analysis in November 2023. Data analysis is currently taking place by the Steering Committee, as well as residents, voucher holders and other SHA staff and leadership. Ultimately, the plan will

be finalized and presented to the Board of Commissioners for approval. It will then go out for public opinion and then the results will be communicated to all who have been involved in the process.

## About the Data

- Resident Survey: 408 rows of data (186 respondents)
- Resident Focus Group: 480 rows of data (75 participants)
- Staff Survey: 890 rows of data (104 respondents)
- Staff Focus Group: 2,603 rows of data (300 participants)
- External Stakeholders Survey: (25 respondents)
- External Stakeholders Focus Group: 106 rows of data (10 participants)
  
- Total of 4,487 data points (700+ total participants)

The seven major themes that came out of the Meaning Making sessions with Cabinet and Steering Committee members came from looking at all of the info from the data that had been received, distilled down, to try to preserve the spirit and the integrity of what was heard. These themes were:

1. Communications
2. Community Engagement
3. Housing Quality
4. Organizational Anti-Racism Policy & Development
5. Organizational READI<sup>2</sup>B Development
6. Staff Development
7. Supportive Services

There are sub themes that some are repeated within the different major themes, which is intentional. It means that these different sub themes occurred and showed up within the context of these different major themes, as many are interrelated. The first two major themes, or communications and community engagement, some of the sub themes we heard under communications relate to organizational culture, resident communication, and staff communication. This showed up a ton in the data. There are a bunch of data points that support these subthemes both from staff and from residents, as well as external stakeholders. We heard this in survey data, in focus group data, and this was very important within community engagement. The sub themes that come up here are external communication and engagement, resident supportive services, staff wellbeing and general wellbeing, as well.

The next two major themes were housing quality and organizational anti racism, policy, and development. So, across all the stakeholders, respondents had indicated that housing quality was a really high priority, and we found that maintenance, housing stability and

safety and security came up many times across this category for the anti-racist policy and development and this major theme was primarily geared toward a lot of those big picture, anti-racism training goals at SHA. We saw human resources come up as purveyors of these policies. We saw organizational culture and policy development quite a bit, and even some of the comments around specifically valuing safety and security, supportive services, and staff benefits, and finally, tenant empowerment and thriving. The recommendation is that we expect and require value alignment by staff at all level.

We also heard from all participants in our outreach and effort, and this will focus both on internal effort and external focused outcomes. So much of what you'll hear about in these particular major themes are about internal focus, i.e., organizational ready to be development highlights, sub themes that discuss organizational culture. Such as, how are we? How do we do what we do? Who do we say that we are? The way that we develop policy, as well as the way that we share information. So, staff communications, the way that we learn together, training around leadership development and training for staff development, and then finally, wellbeing; understanding what it is and how we support one another and being able to create it, maintain it and do so in a sustainable fashion. And, then thinking about staff development as a major theme. We saw sub themes of our points of advocacy again around organizational culture. There's the quote that says culture eats strategy for breakfast, and I think that our themes here indicate how important, in fact, culture is to this organization. There are also efforts and thoughts around staff development, including resident supportive services, again around staff communication, staff supportive services and benefits, and our talent acquisition. Again, around training for leadership development and training for staff development. When we dig into those particular themes there for training, leadership development is very much looking at the higher ranked roles throughout the organization and how folks are really leading the organization overall and doing so in an intentional way that support our values, especially those around antiracism. Then, the training and staff development, is thinking about the way that we learn together to do our work, and then finally staff development for wellbeing overall.

**{The commissioners discussed continuing this briefing at the 4/18/24 Board Meeting to gain further insight on the planning process and strategies.}**

After further discussion, Commissioner Purcell then asked the Board if there were any questions, or comments pertaining to the Briefing. After hearing none, Commissioner Howard moved for adjournment, that being seconded by Commissioner Crutchfield. The April 8, 2024, Regular Board Briefing was adjourned at 6:14 p.m. after a vote of the Board present (4 yes; 0 no; 0 abstentions.)

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Secretary-Treasurer