
**SEATTLE HOUSING AUTHORITY
REGULAR BOARD BRIEFING**

LOCATION	Via Teleconference Line (206) 257-3799; ID 877 198 629# Click here to join the meeting	
DATE	June 14, 2021 4:30pm - 6:00pm	
BOARD ATTENDEES	Paul Purcell, Board Chair Gerald Smiley, Vice-Chair Robert Crutchfield Dr. Paula Houston	Rita Howard Twyla Minor Debbie Thiele
DISTRIBUTION	SHA Board of Commissioners; Cabinet	

Commissioner Roll Call

AGENDA:

Briefing Items

- **Resolution No. 5218** – 2021 Accountability Agreement
- **S.P.A.C.E. Foundation:**
 - **Resolution No. 007** – S.P.A.C.E. Reclassification to Public Charity
 - **Resolution No. 008** – S.P.A.C.E. Net Operating Income-SS Disposition

Informational Briefings

- Voucher Utilization & Special Purpose Vouchers (SPVs) Overview
- Strategic Plan Planning

Commissioner roll call was given at 4:34 p.m. The Briefing was held solely via teleconference. Commissioners Howard, Minor and Smiley were absent from the Briefing.

Review 6/21/21 Regular Board Meeting Agenda and Updates

Resolution No. 5218 – 2021 Executive Director Accountability Agreement

Executive Director Rod Brandon introduced Resolution No. 5218 to the Board, which approves the 2021 Accountability Agreement between the Board of Commissioners and Executive Director Rod Brandon. Unlike in the previous years of accountability agreements, this year it's being brought to the full Board for review, to make comments, have discussions on some of the items listed in it, and to then formally take action on.

Commissioner Purcell commented that he requested that this agreement be a collective review with the Board of Mr. Brandon's Accountability Agreement for 2021 for edits, or additions that they feel were warranted. After receiving none from the Board, he stated support in moving forward with accepting the agreement as submitted in order to have a framework of the agreement for how they will evaluate Mr. Brandon's performance over the next year. Specific metrics may be added later, if necessary or warranted. This agreement was developed somewhat in alignment of previous accountability agreements and discussion took place as to the frequency and approach for future review with the Executive Director (previously, a mid-year check in would take place with the Executive Committee on objectives and results to date, with and Executive Session taking place early the following year with the Board.) Suggestion was made to give additional time in Executive Session to discuss agreement results with the Board. Impacts of the COVID-19 pandemic, as well as the plan for moving forward out of the pandemic will consume a good portion of 2021 and will be representative in objectives. The forthcoming Strategic Plan still being formulated may impact the agreement, but that may not be a viable action to take this year. Stronger language and focus is highlighted on racial and social justice equity in the agreement.

S.P.A.C.E. Foundation Resolutions

Resolution No. 007 – Public Charity Status

CFO Shelly Yapp presented Resolution No. 007 to the Board; this resolution authorizes the filing with the Internal Revenue Service (IRS) to classify the S.P.A.C.E. Foundation as a public charity (from a private foundation). The S.P.A.C.E. Foundation is a 501c3, whose Board is comprised of the full membership of the SHA Board. While the S.P.A.C.E. Foundation has 501c3 status and is tax-exempt under the applicable IRS regulations, the Foundation is classified as a private foundation. As a result, the S.P.A.C.E. Foundation is required to distribute five percent of its total asset value annually. To end this requirement, the S.P.A.C.E. Foundation needs to file a request with the IRS to have its status amended from a private foundation to a public charity.

Resolution No. 008 – Net Operating Income Distribution

CFO Shelly Yapp also presented Resolution No. 008 to the Board, which authorizes the distribution of excess cash-flow from the S.P.A.C.E. Foundation to SHA. The purpose of this resolution is to transfer any net income, after the payment of expenses and replacement reserve contributions, back to SHA to enable the agency to use these funds for other agency needs. It is estimated that the S.P.A.C.E. Foundation will generate \$1 million annually that can be transferred back to the agency.

Commissioner Purcell requested a breakdown of the various sub-Boards (of which consists of the full SHA Board) within SHA, consisting of the instrumentality that each Board and, or committee serves. It was agreed that this information would be provided to the Board prior to the June 21 Board Meeting.

HCV Utilization

Mr. Brandon introduced Rental Assistant Programs Director Alice Kimbowa, who provided the Board with an overview of voucher types, voucher utilization data trends and Special Purpose Vouchers (SPV). Summaries of both MTW voucher types (Tenant-based, Project-based, Agency, Special Programs), as well as Non-MTW voucher types (Mod Rehab, Tenant-Protection, RAD, and Special Purpose, which consists of VASH, FUP and Mainstream) were provided to the Board, particularly differentiate the allocation and how they can be switched out after time, if needed.

Voucher Utilization, overall encompassing all vouchers, is at 95.3% (as of May 31, 2021). SHA was allocated 11714 total vouchers in units and at this point there are 953 vouchers and units that have not yet been utilized. 93% utilization was our target and this has since been surpassed by 267 units in vouchers utilized. Out of the total allocation, we have more tenant based voucher in units. When looking at the five year trend in voucher utilization, there has been an increase in allocation of 587. However, we are serving 1,090 more households across all programs. Most of the growth in voucher allocation is due to an increase in Special Purpose Vouchers (VASH, Mainstream and FUP) and Tenant Protection Voucher allocations, and a utilization spike in 2019 due to several factors, one of which being an increase in the Voucher Payment Standard (VPS) making the vouchers more viable in Seattle's rental market. The five year net increase allocation of MTW vouchers is 17, due to allocation of Tenant Protection Vouchers. The five year net increase in MTW vouchers utilized is 585; again, with the drastic increase in utilization in 2019 was primarily due to the VPS increase. The reduced utilization between 2020 and 2021 is most likely due to the inability for PBV providers to lease up units due to COVID-19 and attrition.

Special Purpose voucher allocation is at 90.6%; over 20% more than the average utilization in 2019. Although Mainstream has the highest voucher utilization rate, VASH vouchers have the highest percentage of allocated and utilized vouchers. VASH (HUD-Veterans Administration Supportive Housing) vouchers combines HCV assistance for homeless veterans, with clinical and case management services provided by the VA. Current total VASH allocation is 569; utilization is at 82.8%. Mainstream vouchers assists non-elderly, disabled individuals who are homeless, or at-risk of homelessness. Current allocation is 255 and is oversubscribed (105.49% utilization rate); a small number of Mainstream vouchers are PBV, and 180 more Mainstream vouchers have been allocated during the last five years, with 199 more households served. FUP (Families Unification Program) vouchers serve homeless families with foster care involved children, and homeless youth (between 18-24 years of age) who have left foster care at 16 years of age, or older. Current total allocation is 275, and the utilization rate is 93.1%. 71 of the households 256 currently leased up are FUP Youth participants and 75 more FUP vouchers have been allocated during the last 5 years; 77 more households served during the last 5 years with FUP vouchers.

Strategic Plan Planning

SHA's current Strategic Plan, originally adopted for 2016-2020 and developed over a year and a half via an inclusive process with staff, partners, residents and the community, is made up of seven Organizational Cornerstones, three Strategic Directions and nine Key Objectives:

Current Strategic Plan	Strategic Directions	Expand Housing Opportunities	Promote Quality Communities	Improve Quality of Life
	Key Objectives	<p>SHA serves more people by cultivating additional resources and employing strategies which have the biggest impact on increasing Seattle's affordable housing choices.</p> <p>Create more affordable housing. Prioritize strategies and leverage resources to enable increased rental assistance and housing units for more people in need of affordable housing.</p> <p>Advance affordable housing policy. Champion public policies that will increase the viability, availability, and accessibility of affordable housing for people with low incomes.</p> <p>Diversify housing choice. Expand available housing choices, demonstrate alternative housing models, and preserve and increase access to neighborhoods throughout Seattle that would otherwise be out of reach for people with low incomes.</p>	<p>SHA invests in safe, quality housing and connects participants to communities, resources, and services that are designed to meet their needs.</p> <p>Preserve and promote high quality housing. Provide safe, accessible, sustainable, and attractive living environments that contribute to the quality of Seattle neighborhoods through preservation and redevelopment of SHA's housing stock.</p> <p>Connect people to opportunity. Invest in communities through partnerships so that neighborhoods where participants live support access to opportunities such as good jobs, parks, transit, arts, high-performing schools, and healthy living.</p> <p>Strengthen community and service. Facilitate effective and supportive relationships and respectful interactions among participants, staff, partner organizations, and neighbors so that people feel valued, proud, and connected to the community they live in.</p>	<p>SHA partners to use housing as a platform to improve quality of life by enhancing health, supporting education and skill development, and other services to help people reach their full potential.</p> <p>Enhance senior and disabled living. Connect senior and disabled participants to the services they need and facilitate access to other housing choices along a continuum of care as appropriate.</p> <p>Economically empower people. Assist participants in benefiting from education and employment to increase their economic security, skills, income, assets, and financial well-being.</p> <p>Support youth achievement. Promote access to high-quality learning opportunities for young children, youth, and young adults that increase educational performance, college and career readiness, and encourage lifelong well-being.</p>

Due to the COVID-19 pandemic and anticipated leadership transition, SHA continues to operate under that plan until a new one is developed. The development process for the next iteration of SHA's Strategic Plan is in the works, but many factors need to be taken into consideration, including COVID-19 recovery and anti-racism and social justice focuses. Plan highlights for 2021 include expansion of housing opportunities, promoting quality communities, and improving quality of life for our residents.

Strategic planning for beyond 2020 was curtailed by the COVID-19 global pandemic, and but the good thing in this case is the strategic plan that was previously built has that flexibility where each, in any given year, we identify the investments and activities to MTW to further this strategic plan, so we've continued to do that. The discussion to have is what changes, or adds, to make to the plan as we move forward toward COVID-19 recovery, new leadership at SHA (as well as collectively within our community – homelessness system, Mayor, Seattle Public Schools), as well as an invigorated emphasis on anti-racism and social justice.

Current focus for summer/fall 2021 is on the 2022 budget and work plan process to highlight/further strategic plan priorities, consider formal extension of current strategic plan, and explore development of new Key Performance Indicators. Preparation is in the works for Board/Cabinet strategic discussions in fall/winter that will drive topics, timing, and what information and engagement (possible sub-committee) is needed in advance. The results from discussions would inform next steps in strategic planning and other key actions.

Mr. Purcell asked the Board if there were any questions, or comments pertaining to the Briefing. Hearing none, he then adjourned the meeting at 6:05 p.m.

Secretary-Treasurer