

MINUTES OF THE REGULAR MEETING
OF THE HOUSING AUTHORITY
OF THE CITY OF SEATTLE
SEPTEMBER 16, 2019

The Commissioners of the Housing Authority of the City of Seattle (“Seattle Housing Authority” or “SHA”) met in Regular Session on September 16, 2019, 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 5:07 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
 Emily Abbey
 Robert Crutchfield
 Paul Purcell
 Gerald Smiley

Absent: Ahmed Abdi

Public Comment

Jiro Ramji

Consent Agenda

Commissioner Thiele presented the Consent Agenda, which included approval of minutes for the Regular Board Meeting of July 15, 2019; the Regular Board Briefing of September 9, 2019; and, approval of the Expenditure Certification Report (Authorization to Pay Outstanding Obligations of Salaries and Claims for the Period of July 1 to July 31, as well as for the Period of August 1 to August 31, 2019).

Commissioner Crutchfield moved to approve the Consent Agenda and the motion was then seconded by Commissioner Abbey. 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 (6 yes; 0 no).

Regular Agenda

Resolution No. 5173 – Hinoki Bond

Commissioner Smiley moved for consideration of Resolution No. 5173; it was seconded by Commissioner Crutchfield. Senior Development Program Manager Terry Galiney presented Resolution No. 5173 to the Board and recommended adoption of the resolution.

Resolution No. 5173 authorizes SHA to issue bonds in the principal amount not to exceed \$46,000,000; \$22M of the funds are long-term and will be paid off over approximately 30 years from project income, while the remaining balance of \$24M are short-term construction bonds set to be paid off using tax credit equity by the end of 2022). The bond proceeds will be used to make a loan to the Yesler Block 5.1 LLLP partnership, for the purposes of building the Hinoki Apartments. This is the fifth new construction project at Yesler Terrace and contains 139 units, of which 82 are replacement units.

Hearing no further discussion, Commissioner Thiele called for a vote. Resolution No. 5173 was approved by a majority vote of the Board present (6 yes; 0 no).

Resolution No. 5174 – Hinoki Omnibus

Commissioner Crutchfield moved for consideration of Resolution No. 5174; it was seconded by Commissioner Smiley. Senior Development Program Manager Terry Galiney presented Resolution No. 5174 to the Board and recommended adoption of the resolution.

Resolution No. 5174, a companion resolution to Resolution No. 5173, authorizes the issuance of tax-exempt bonds for the Hinoki building project. This omnibus financing resolution authorizes the Executive Director or his designee to complete and sign the documents necessary to construct, finance, and lease Hinoki Apartments, a 139-unit low-income apartment complex at Yesler Terrace, to the Yesler Block 5.1 LLLP.

Hearing no further discussion, Commissioner Thiele called for a vote. Resolution No. 5174 was approved by a majority vote of the Board present (6 yes; 0 no).

SHA 2020 Budget Discussion (Cont.)

CFO Shelly Yapp continued her briefing to the Board regarding the proposed SHA budget for 2020, mentioning that this was the first year that SHA attempted to do a translation version of the budget survey and that this is definitely a work in progress (the survey was **translated into SHA's top eight foreign languages for print and online survey taking**). Due to the survey portal, we were unable to determine the exact number of survey participants (of 582 surveys started, 441 surveys (76 percent) were completed) that required translation of the survey. Survey response demographics, priorities and strategic directions were discussed with the Board.

CFO Yapp introduced Asset Management Director Jared Cummer, Policy and Strategic Initiatives Director Andria Lazaga, and Rental Assistance Programs Director Alice Kimbowa to present their departmental highlights of next **year's budget proposal**.

Mr. Cummer gave the Board an overview of the capital program, reporting a proposed \$4M to assist with the Jefferson Terrace building rehabilitation (information was presented to the Board in March, but we are having difficulties securing contractors for the project and are still working through the process. We hope to go forward with this project next year). Also, next year is a big year for moving forward with rehabilitation of all single elevator buildings owned by SHA, and good progress is going forward with this effort. SHA will also focus expenditures on replacement of fire panels, as SHA was notified that the current fire panel suppliers will stop supporting the current version we have on buildings. The first phase of replacement will occur next year. The Scattered Site portfolio are targeted for repairs of selected properties; and, funds are being targeted for Home Works, as well.

Ms. Lazaga presented the Board with some key priorities of the Policy Department, which includes **Creating Moves to Opportunity, Phase II (CMTO), Health Initiative, SHA's 2020 Strategic Plan (the last year of SHA's current four-year plan)**, as well as continuing to deep dive into MTW/Federal policies and regulations.

Ms. Kimbowa presented HCV budget highlights in terms of quality management and quantity management. Her budget focus in terms of quantity management consists of serving **more households, continuing to fulfill SHA's commitment to the Home from School program (HfS)**, and conversion of tenant protection vouchers and pursuing the opportunity to receive

additional mainstream vouchers. Additional staffing and resources are requested in the budget to contain voucher utilization. Quality management consists of customer service and regulatory compliance, housing stability, LEAN to improve processes and front desk improvements. Partnering with the IT department, the HCV department hopes to improve program portals for added availability to clients for forms and submittals.

SHA Executive Director Report

Deputy Executive Director Anne Fiske Zuniga gave the Board updates on comments that were brought to the Board during the July 15, 2019 Board Meeting during the Public Comment period.

SHA submitted a proposal and necessary application forms to HUD to create an Endowment Fund for services for Yesler Terrace, for which we received approval from HUD on the plan in August. The Endowment will be seeded with an initial contribution of approximately \$985,000 of Choice Neighborhood Funds, which were part of the original Choice Neighborhood Grant, and \$1 million from a 2019 budget allocation for a total of \$1.86 million.

SHA was recognized at the Skyline Award Gala to receive an award from Seattle Business Magazine for the Yesler Terrace Redevelopment Project (gold award in the Multi-family/Low-mid Rise category) on August 22. We were one of 17 award recipients honored in the commercial real estate community, celebrating projects in 10 different categories that have made **a significant impact on the region's skyline and economy.**

SHA is proceeding in the Section 18 conversion process and three community meetings are planned for later this month to inform residents and the broader community of the plan, and to receive input, feedback and concerns on the proposal.

The Acquisition and Preservation Program: three new properties are being considered for the program (: 1) Blanchet Townhomes, 27 three and four bedroom units, located in North Seattle close to North Seattle College; 2) Linden Square Apartments, located in North Seattle, just off Aurora on 135th St., 186 units mostly one and two bedrooms; and Northgate Apartments and 8 acre site, which currently has 207 units, mostly studio and one bedrooms.) Linden Square

Apartments is accepting an offer from someone else, so it is no longer in consideration for acquisition. A full briefing will be brought to the board for the October meeting.

Commissioner Thiele informed the Board that two new Resident Commissioners will be brought for appointment to City Council on September 23 and may be replacing Commissioners Abdi and Abbey in October. She and Deputy Director Fiske Zuniga thanked Commissioner Abbey for her service and tenure on the Board. Commissioner Thiele then asked if there were any further questions or comments from staff, or from her colleagues on the Board. Hearing none, the September 16, 2019 Regular Session of the Board adjourned at 6:04 p.m.

Secretary-Treasurer