

MINUTES OF THE REGULAR MEETING
OF THE HOUSING AUTHORITY
OF THE CITY OF SEATTLE
SEPTEMBER 18, 2023

The Commissioners of the Housing Authority of the City of Seattle (“Seattle Housing Authority” or “SHA”) met in Regular Session on September 18, 2023, at the SHA Central Office and via teleconference. Board Chair Paul Purcell called the meeting to order at 5:04 p.m. Kimberly Garrett performed a roll call for Board Commissioners currently in attendance. Commissioners present and absent were as follows:

Present: Paul Purcell, Chair
Gerald Smiley, Vice-Chair
Robert Crutchfield
Rita Howard
Twyla Minor

Absent: Sally Clark
Dr. Paula Houston

Public Comment

None

Consent Agenda

Commissioner Purcell presented the Consent Agenda, which included approval of minutes for the Regular Board Meeting of July 20, 2023; approval of minutes for the Regular Board Briefing of September 11, 2023; and approval of the Expenditure Certification Reports (Authorization to Pay Outstanding Obligations of Salaries and Claims for the Period of July 1 to July 31, 2023, as well as for the Period of August 1 to August 31, 2023.)

Commissioner Howard moved to approve the Consent Agenda and the motion was then seconded by Commissioner Crutchfield. After comments regarding the Expenditure Certification Reports, as well as the addition of comments by Commissioner Minor to the September 11 Briefing minutes, Commissioner Purcell called for a vote. The Consent Agenda was approved by the majority of the members of the Board present at that time (5 yes; 0 no; 0 abstentions).

Regular Agenda

Resolution No. 5267 – Douglas Apartments LP Exit

Commissioner Purcell moved for consideration of Resolution No. 5267; Commissioner Crutchfield motioned, and Commissioner Howard seconded the motion. CFO Jared Cummer presented Resolution No. 5267 to the Board and recommended adoption of the resolution.

Resolution No. 5267 authorizes SHA to acquire the limited partner interest in this Partnership of the Douglas Apartments from Enterprise. The resolution also authorizes the dissolution of the partnership and the forgiveness of the outstanding SHA loans, the assignment, amendment and/or transfer of documents with the Washington State Housing Finance Agency (WSHFC), the City of Seattle Office of Housing, and the Washington State Department of Commerce. This transaction is administrative and financial and will have no impact on existing residents.

Hearing no further discussion, Commissioner Purcell called for a vote. Resolution No. 5267 was approved among the members of the Board present at the time (5 yes, 0 no; 0 abstentions.)

Resolution No. 5268 – Lake City Village LP Exit

Commissioner Purcell moved for consideration of Resolution No. 5268; Commissioner Howard motioned, and Commissioner Crutchfield seconded the motion. Mr. Cummer presented Resolution No. 5268 to the Board and recommended adoption of the resolution.

Resolution No. 5268 authorizes SHA to acquire the limited partner interest in this Partnership of the Lake City Village Apartments from Enterprise. The resolution also authorizes the dissolution of the partnership and the forgiveness of the outstanding SHA loans, the assignment, amendment and/or transfer of documents with HUD and the Washington State Housing Finance Agency (WSHFC). This transaction is administrative and financial and will have no impact on existing residents.

Hearing no further discussion, Commissioner Purcell called for a vote. Resolution No. 5268 was approved among the members of the Board present at the time (5 yes, 0 no; 0 abstentions.)

2024 SHA Proposed Budget: 1st Reading.

Executive Director Rod Brandon introduced CFO Jared Cummer, who presented budget priorities and high-level overviews of SHA's 2024 proposed budget.

SHA's budget priorities consist of serving more people, serving existing residents well and employee wellness. These priorities are rooted in racial equity and justice, which is a core value of the agency, and every effort is made to embed these values in all aspects of the budget.

In estimating the federal funding for 2024, estimation of federal reserves is based on prior appropriations and existing legislation comprised of three primary sources: the Housing Choice Voucher fund, the Public Housing Operating fund, and the Public Housing Capital fund. Federal funding estimates are taken into consideration due to the factors of the President's budget, Senate and House Committee votes, the Fiscal Responsibility Act of 2023 and the potential of a government shutdown or deeper spending cuts. The assumptions are that the appropriations will not be complete by the end of year and the House will push for deeper spending cuts; funding for the Housing Choice Voucher Fund will be flatter due to change in HUD funding methodology.

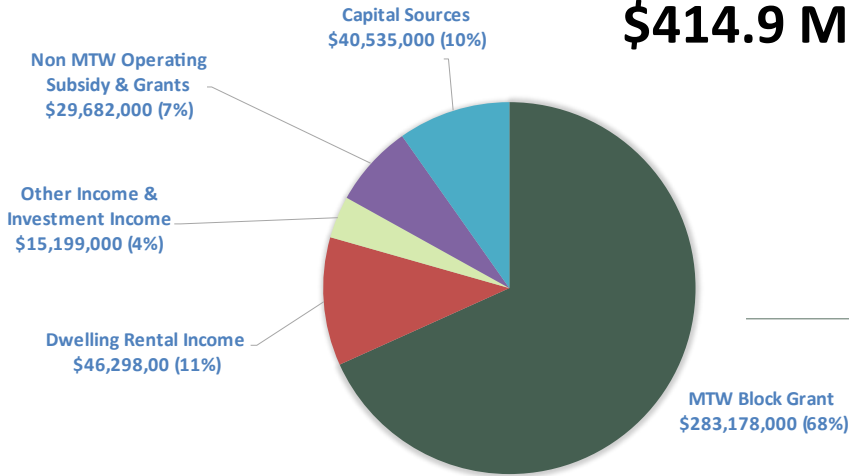
Listed below is the proposed budget for SHA in 2024.

2024 Proposed Budget Overview

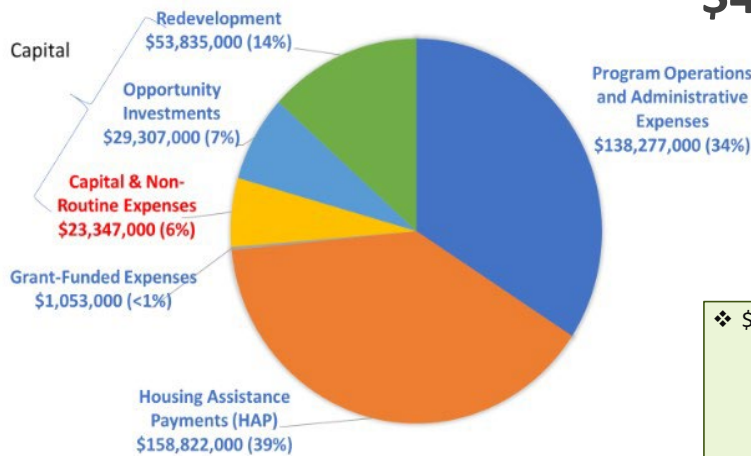
	CY 2023 Adopted Budget	CY 2024 Proposed Budget	Percent Change
Program Operations and Administrative Expenses	124,099,000	138,277,000	11.4%
Housing Assistance Payments (HAP)	157,814,000	158,822,000	0.6%
Grant-Funded Expenses	2,948,000	1,053,000	(64.3) %
Capital & Non-Routine Expenses	24,775,000	23,347,000	(5.8) %
Opportunity Investments	20,108,000	29,307,000	45.7%
Redevelopment	86,475,000	53,835,000	(37.7) %
Total Expenses	416,219,000	404,641,000	(2.8) %

Note: Budget also includes \$10.3 million; Debt payments, IT Capital, Fleet Contingency and Contingency

2024 SOURCES \$414.9 MILLION



2024 Uses \$404,641,000



- ❖ \$10.3 million set aside for:
 - ✓ Principal payment & reserves
 - ✓ IT Capital
 - ✓ Fleet replacement & reserve
 - ✓ Contingency

Total Proposed Budget \$404,641,000

SHA 2024 Staffing highlights include increases in Operating Full-time employees (FTEs) by a net 30.0 FTEs, increases in Opportunity Investment funded positions by 20.5 FTEs; total FTEs proposed to increase by 50.5. 63.0 FTEs expire on December 31, 2023, and the proposed budget includes: 38.0 FTEs proposed to convert to regular positions, the term for 20.0 project FTEs extended beyond 2023 (capital & digital equity), and 5.0 FTEs proposed to be funded from

Opportunity Investments. A high-level overview was given of the Opportunity Investments proposed for 2024 consisting of funding for a new A/P and billing system, Aging in Place, Right-sizing work, a Buy Up program, as well as deferred maintenance, to name a few.

Total overall proposed Capital expenditures for 2024 are \$131,358,000. These expenditures consist of:

- \$16.5 million in MTW Capital Grant funds for Asset Preservation Projects
- \$6.8 million in Reserves, Bond Proceeds and Non-Federal Funds for Asset Preservation Projects
- \$29.3 million in Opportunity Investments
- \$53.8 million in Redevelopment Capital Expenses
 - Sawara - \$7.8 million
 - Juniper - \$24.3 million
 - Jefferson Terrace - \$14.235 million
 - Jackson Park Village - \$3.5 million
 - Holly Court - \$2 million
 - Northgate - \$ 2 million

Budget highlights will continue on the proposed 2024 budget at the October 9 Board Briefing and the Board will be asked to vote on the budget at the October 16 Board Meeting. The Board is invited to reach out for individual budget briefings if desired.

Executive Director Report

Mr. Brandon reported to the Board on a visit to Seattle by HUD Secretary Marcia Fudge on August 28. She was interested in hearing about SHA's digital equity program and showed great interest in Black homeownership. She met with several developers and community partners around Black homeownership and spent the afternoon both with the mayor and at least twenty community leaders talking about just what this region is doing for black homeownership efforts. She was impressed with the coordination, the data, and the analysis that this region is doing in a coordinated fashion different than what she's been seeing across the country. She was extremely impressed with Yesler, and as she walked part of the property, she wanted to know a lot and wanted to hear from residents. We had several residents there to engage with her to discuss both the digital equity program and their experience in living at SHA residences. Lisa Wolters did a great job coordinating the SHA side of the visit, which is much appreciated.

I, as well as Andria Lazaga, Lisa Wolters, Jared Cummer, and others have been quite busy with MTW (Moving to Work) program extension work, which expires in 2028 and we're hoping to get it extended to fifteen years beyond that. There is an extreme amount of work in this effort, and we have weekly activities to try to preserve and extend our MTW status.

There was a fun grand opening celebrating the Salish Landing Apartments, formerly known as LamBow, which was torn down and rebuilt because of fire damage to the property. A big thank you to those commissioners that were able to come out and tour the new building and property.

After further discussion, Commissioner Purcell asked for any further questions, or comments from the Board. Hearing none, it was moved by Commissioner Crutchfield and seconded by Commissioner Howard that the September 18, 2023, Regular Session of the Board be adjourned. All commissioners present (6) voted unanimously to adjourn at 6:34

p.m.

Secretary-Treasurer