

MINUTES OF THE SPECIAL MEETING
OF THE HOUSING AUTHORITY
OF THE CITY OF SEATTLE
OCTOBER 11, 2021

The Commissioners of the Housing Authority of the City of Seattle (“Seattle Housing Authority” or “SHA”) met in Special Session on October 11, 2021, 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 in attendance. Commissioners present and absent were as follows:

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

Absent: 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 September 20, 2021; approval of minutes for the Special Board Briefing of October 4, 2021; and, approval of the Expenditure Certification Report (Authorization to Pay Outstanding Obligations of Salaries and Claims for the Period of September 1 to September 30, 2021.)

Commissioner Thiele moved to approve the Consent Agenda and the motion was then seconded by Commissioner Crutchfield. Hearing no questions or comments, Commissioner Purcell called for a vote. The Consent Agenda was approved unanimously among the members of the Board present at that time (6 yes; 0 no).

Regular Agenda

Resolution No. 5225 – SHA 2022 Moving to Work (MTW) Annual Plan

Commissioner Smiley moved for consideration of Resolution No. 5225; Commissioner Crutchfield seconded the motion. Policy & Strategic Initiatives Director Andria Lazaga presented Resolution No. 5225 to the Board and recommended adoption of the resolution.

Resolution No. 5225 approves SHA's MTW 2022 Annual Plan, certifies the public notice and hearing requirements have been met and authorizes the Chair of the Board to execute the HUD Certification of Compliance with the MTW Plan Requirements and Related Regulations attached to the resolution. The resolution also authorizes the Executive Director to finalize the Plan and make changes to the Admissions and Continued Occupancy Plan, the Housing Choice Voucher Administrative Plan and any other policy documents needed to implement changes authorized under the approved MTW Plan.

Hearing no further discussion, Commissioner Purcell called for a vote. Resolution No. 5225 was approved unanimously among the members of the Board present at the time (6 yes; 0 no).

Resolution No. 5226 – SHA 2022 Proposed Budget

Commissioner Crutchfield moved for consideration of Resolution No. 5226; Commissioner Smiley seconded the motion. CFO Shelly Yapp presented Resolution No. 5226 to the Board and recommended adoption of the resolution.

Resolution No. 5226 adopts SHA's Combined Operating and Capital Budget for 2020. The 2022 agency-wide budget totals \$385.0 million and has been developed consistent with SHA's current Strategic Plan and our MTW Agreement, as extended. This resolution adopts a \$115.6M program operations and administrative budgets; \$1.3M for Service Grants; Housing Assistance Payments of \$150.0 million; Capital Preservation projects and non-routine expenditures of \$22.5M; Opportunity Investments of \$19.5M; and, a \$76.1M budget for redevelopment activities.

The resolution also approves, in SHA's capacity as the General Partner and Managing Agent for SHA's twenty tax credit limited partnerships, preliminary budgets totaling \$33.0 million. These budgets are subject to finalization and submittal to each limited partnership for approval. The resolution also recognizes that tax credit properties must comply with all regulations and requirements of tax credit regulations of the IRS and

extended agreements with State and local agencies, and that the limited partnership communities need to be operated as a seamless whole where there are multiple limited partnerships in the community. Finally, the resolution contains certifications by the Board required by HUD for its approval of SHA's MTW Plan and budget.

Commissioner Purcell commended all of the Department directors as well as the Finance & Administration Department and excellent presentation for the thoroughness of the individual objectives and outline of the uses of the funds presented in the budget.

Hearing no further discussion, Commissioner Purcell called for a vote. Resolution No. 5225 was approved unanimously among the members of the Board present at the time (6 yes; 0 no).

Resolution No. 5227 – Jefferson Terrace Section 18 Disposition

Commissioner Smiley moved for consideration of Resolution No. 5227; Commissioner Thiele seconded the motion. Housing Finance & Asset Management Director Jared Cummer and Program Manager Sibyl Glasby presented Resolution No. 5227 to the Board and recommended adoption of the resolution.

Resolution No. 5227 authorizes the Seattle Housing Authority (SHA) to make application to the Department of Housing and Urban Development (HUD) for a Section 18 conversion of the 299 public housing units. Resident outreach took place to discuss the disposition with four meetings being held on September 30th and October 7th. The meetings were divided up by floors in the building, in order to provide adequate social distancing for residents, and there were interpreters at each meeting. 93 distinct questions were received and there were 71 residents attending in person and 10 residents attend via Zoom. Most of the questions were related to rents and whether rents would increase utility allowances, the timing and scope of construction and the improvements, where would residents move to during construction, and if residents would be able to come back to Jefferson Terrace. SHA also received a letter of support for the Section 18 disposition from Mayor Durkan and notification was provided to JPAC. Overall, the residents were supportive of the work SHA is doing, and we were apologetic for what the residents have had to experience over the last few years with issues related to heat and hot water and those types of things that SHA has been addressing as much possible prior to the scheduled start of rehabilitation of the building.

Hearing no further discussion, Commissioner Purcell called for a vote. Resolution No. 5227 was approved unanimously among the members of the Board present at the time (6 yes; 0 no).

Resolution No. 5228 – Sawara Bond Issuance

Commissioner Howard moved for consideration of Resolution No. 5228; Commissioner Crutchfield seconded the motion. Development Director Terry Galiney presented Resolution No. 5228 to the Board and recommended adoption of the resolution.

Resolution No. 5228 authorizes SHA to issue bonds to loan into the Yesler Block 7.3 LLLP to finance the construction of the Sawara Apartments, a 114-unit low income housing complex in the Yesler Terrace neighborhood. We will close on the financing and start construction in mid to late November and are looking to complete construction in Q3 2023.

Hearing no further discussion, Commissioner Purcell called for a vote. Resolution No. 5228 was approved unanimously among the members of the Board present at the time (6 yes; 0 no).

Resolution No. 5229 – Sawara Omnibus Financing

Commissioner Crutchfield moved for consideration of Resolution No. 5228; Commissioner Minor seconded the motion. Development Director Terry Galiney presented Resolution No. 5229 to the Board and recommended adoption of the resolution.

Resolution No. 5229 is a companion resolution to Resolution No. 5228, authorizing the SHA to execute a lease with Yesler Block 7.3 LLLP, make loans to Yesler Block 7.3 LLLP and approve the execution and delivery of documents relating to the financing of SHA's Sawara Apartments low income housing development project. The building name Sawara was selected by residents of Yesler Terrace; it represents an ancient city, tree and popular fish in Japan all bearing the name Sawara.

Hearing no further discussion, Commissioner Purcell called for a vote. Resolution No. 5229 was approved unanimously among the members of the Board present at the time (6 yes; 0 no).

Federal Budget & Legislative Issues Update

Intergovernmental Relations Director Lisa Wolters gave a high level presentation to the Board regarding the Build Back Better Act, FY22 appropriations, as well as information on the debt ceiling.

The Build Back Better agenda, coming from President Biden based on promises made while campaigning of his vision for where he wants to set policy and changes, consists of hard infrastructure (roads, bridges, broadband, water, etc.) and soft infrastructure (college, childcare, healthcare, climate change, etc.) One bill being discussed is the Bipartisan Infrastructure Framework (BIF), which does not include housing, making it a really crucial time in Washington, DC. SHA has been very engaged with our delegation, coalitions and partners to continue to bring the message forward about how important it is to keep housing in this infrastructure bill. The Build Back Better Act (BBB) includes \$300+ billion proposed for housing and community development. There is a Public Housing investment \$80 billion; \$10 billion via Capital Fund formula grants, \$66.5 billion for priority investments in public housing (shovel ready projects to repair, replace, or construct properties as determined by HUD), and \$2.75 billion for competitive Section 24 grants (to be made available for transformation, rehabilitation, and replacement housing needs of public housing to transform neighborhoods of poverty into “functional, sustainable, mixed-income neighborhoods”). Funds must be spent by September 30, 2031. New Voucher Assistance allocation of \$48.86 billion for people at or below 30% of AMI, based on severe housing need, PHA capacity, geographic diversity, and other factors; Also of note, it is not MTW fungible. \$24 billion allocation for homelessness, domestic violence, and trafficking vouchers.

Appropriations for FY22 – the 2021 fiscal year ended on September 30, but once again Congress went right up into the due date, but they did a continuing resolution (by which they would continue to fund the government at the same level as last year through December 3rd.) This year, the House has approved the HUD Housing and Urban Development Committee subcommittee, but the numbers are favorable, there, but the Senate has taken no action at all, which is unusual. In regard to the debt ceiling, which expired on July 31, was reached on approximately October 19 (which equals no money in Treasury, full shutdown, no HUD funding on day one.) Senate voted last night to raise it by \$480 billion, with House expected to vote on Tuesday. It's expected it will extend out until December, 3rd and then there might be a way to do what's called extraordinary measures

through February 3rd, but this is something we are going to have to address. If the United States was to default on this, it would be catastrophic.

Statement of the Board: SHA Vaccination Policy

Commissioner Purcell made notice of the letter of the Board of Commissioners Statement on SHA's COVID-19 Vaccination Requirement that unanimously supports the agency's policy that all staff must be fully vaccinated for COVID-19 unless they have an approved medical or religious exemption. Mr. Purcell noted one small edit needed on the draft before being transmitted to SHA staff via usual methods.

Executive Director Report

Executive Director Brandon reminded the Board that we're continuing to spend all time on our mandate vaccination policy on working with all the staff and their status and their exemptions and just carefully going through all the steps for that. The effect of data is November first, so we just continue to have meetings and discussions, and answer questions from staff and continue to work through the process. The Board will be updated soon. Commissioner Howard commended SHA staff on how they've communicated about the vaccine to lower level staff (she's spoken to people who have been working around the building and they feel very informed and included, and feel clear on SHA's position.)

In addition, we continue to work on the emergency homeless vouchers as well as the rental assistant program. We're starting to get more and more referrals every week on the emergency homeless vouchers to SHA and King County, as well as rental assistance as they both continue to pick up more speed.

Mr. Brandon informed the Board that SHA was participating in submitting documents to the Mayor's Office to assist with the incoming Mayor transition into office (documents containing roles, responsibilities and upcoming activities for SHA in 2022.)

Mr. Purcell asked for any further questions, or comments from the Board. Hearing none, it was moved by Commissioner Howard and seconded by Commissioner Thiele that the October 11, 2021 Special Session of the Board be adjourned. All commissioners present at the time (6) voted unanimously to adjourn.

Secretary-Treasurer