

MINUTES OF THE REGULAR MEETING
OF THE HOUSING AUTHORITY
OF THE CITY OF SEATTLE
OCTOBER 17, 2022

The Commissioners of the Housing Authority of the City of Seattle (“Seattle Housing Authority” or “SHA”) met in Regular Annual Session on October 17, 2022, at the Seattle Housing Authority Central Office, 1st floor Epstein Conference Room, as well as via teleconference. Board Chair Paul Purcell called the meeting to order at 5:06 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
Sally Clark
Dr. Paula Houston
Rita Howard

Absent: Robert Crutchfield
Twyla Minor

Public Comment

Summer Gray, Capitol Park

Consent Agenda

Commissioner Purcell presented the Consent Agenda, which included approval of minutes for the Regular Board Meeting of September 19, 2022; approval of minutes for the Regular Board Briefing of October 10, 2022; 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, 2022, as well as for the Period of August 1 to August 31, 2022.)

Commissioner Howard moved to approve the Consent Agenda and the motion was then seconded by Commissioner Smiley. 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 (5 yes; 0 no; 0 abstentions.)

Regular Agenda

Resolution No. 5251 – homeWorks LP Exit & Dissolutions

Commission Chair Paul Purcell asked that this resolution be expedited in the meeting, stating that the Board had been thoroughly briefed on this matter. Commissioner Purcell moved for consideration of this resolution; Commissioner Smiley seconded the motion. Finance & Asset Director Jared Cummer was called away, so Mr. Purcell briefed the Board.

Resolution No. 5251 authorizes the acquisition of the limited partner interests in the homeWorks Partnerships from Boston Financial and their affiliates. The resolution also authorizes the payment of exit tax liability, the assumption of the outstanding SHA loans, a recapture reserve, and the dissolution of the partnership. The significant issue is the \$1,000,000 tax liability payment for this partnership exit.

Hearing no further discussion, Commissioner Purcell called for a vote. Resolution No. 5251 was approved among the members of the Board present at the time (4 yes; 0 no; 1 abstention.)

Resolution No. 5249 – SHA 2023 Annual Moving To Work (MTW) Plan

Commissioner Purcell asked for a movement to entertain the resolution. Commissioner Clark moved for consideration of Resolution No. 5248; Commissioner Smiley seconded the motion. Policy Coordinator Lily Sweeney presented Resolution No. 5249 to the Board and recommended adoption of the resolution.

Annually, Seattle Housing Authority must submit to the U.S. Department of Housing and Urban Development (HUD) a Moving to Work (MTW) Annual Plan at least 75 days prior to the upcoming fiscal year. This plan, according to the format prescribed in HUD Form 50900, outlines SHA's planned MTW activities, projections for changes in MTW-funded units and vouchers and for finances and capital expenditures.

Resolution No. 5249 approves SHA's Moving to Work 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. Resolution No. 5249 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.

Commissioner Howard expressed interest in information on buildings represented and attendees of future MTW Annual Plan Public Comment meetings with JPAC and Resident Councils.

After further discussion, Commissioner Purcell called for a vote. Resolution No. 5249 was approved among the members of the Board present at the time (5 yes; 0 no; 0 abstentions.)

Resolution No. 5250 - SHA 2023 Proposed Annual Budget

Commissioner Purcell asked for a movement to entertain the resolution.

Commissioner Clark moved for consideration of Resolution No. 5250; Commissioner Howard seconded the motion. Mr. Brandon introduced Budget Manager Scott Woo to present the resolution for the 2023 Proposed Annual Budget on behalf of CFO Shelly Yapp.

Mr. Brandon explained that this is a resolution to adopt the SHA's combined operating and capital budget for the fiscal year 2023. This is an agency wide budget and it's just over \$416 million, which is about an 8% increase over the 2022 budget and is consistent with SHA's current strategic plan that we have in place, as well as with our MTW plan. The resolution also adopts a \$124 million program, operation, and administrative budget. It has housing assistance, and it also adopts housing assistance payments of \$157 million, \$2.9 million for service grants, capital preservation projects to the tune of \$24.8 million, and monies allocated for opportunity investments of \$20 million. And then finally there is \$85 million allocated in the budget for redevelopment activities.

Mr. Woo introduced additional presenters; Development Director Terry Galiney, Communications Director Kerry Coughlin, CTO Steve McDowell, and Human Resources Director Evelyn Correa and laid out the presentation for the Board. This presentation is focused on the 2023 budget and beyond.

- There are seven provisions of Resolution No. 5250 adopting the 2023 SHA Budget:
- Provides for terms and schedule for publication of the Adopted Budget;
- Affirms that the Budget includes the CY 2023 MTW estimated income and expenditures;
- Represents that the 2023 SHA Operating, and Capital budgets have been prepared consistent with the Authority's HUD-approved Local Asset Management Plan included in the annual MTW Plan;

- Recognizes tax credit communities with multiple limited partners, as well as with SHA-owned tax credit properties, need to be operated as a seamless whole;
- Approves the submittal of preliminary 2023 operating and capital budgets for tax credit properties to the limited partnerships for final approval;
- Certifies that the budget and any changes in expenditures are and will be consistent with provisions of law and the MTW Agreement as extended through 2028; and,
- Approves the CY 2023 SHA Budget relying on SHA's good faith and professional estimates of future federal appropriations that are not known to the SHA prior to the submittal deadline to HUD.

Mr. Woo made it clear to the Board that the budget up for approval relies on the Board and SHA's good faith and professional estimates of future federal appropriations that are not known at the time that the Board passes the budget. For example, the country is currently in a continuing resolution situation, so it is unknown as to what SHA's funding will be, but we will use our best judgment at what we think the budget outcome will be.

RESO. 5250 – Adopted CY2023 SHA Budget

Expense Category	CY 2023 Proposed SHA Budget
Program Operations and Administrative Expenses	\$124,099,000
Housing Assistance Payments (HAPS)	157,814,000
Grant-Funded Expenses	2,948,000
Operating Budget	\$284,861,000
Capital & Non-Routine Expenses	\$24,775,000
Opportunity Investments	20,108,000
Redevelopment	86,745,000
Capital Program	\$131,358,000
Total Expenses	\$416,219,000

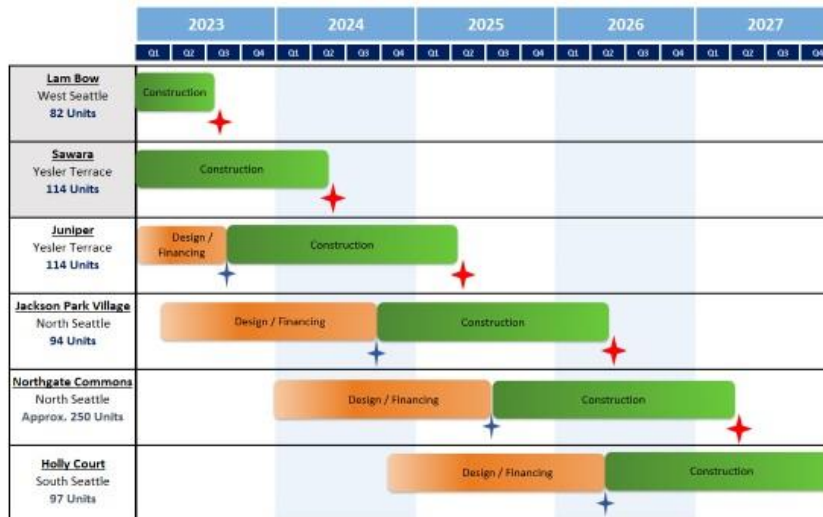
Terry Galiney – Development 2023 and Beyond

Mr. Galiney presented a look ahead at the pipeline for the Development Department in the next several years. To serve more people, one of the directives for the agency, is through development and redevelopment of existing properties. There is a three-pronged approach to provide more housing:

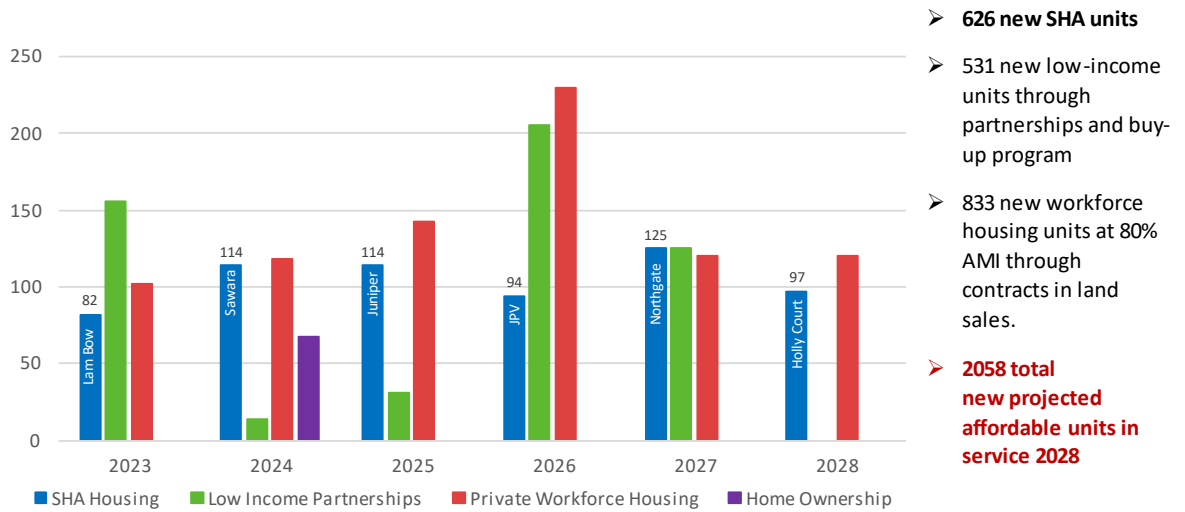
- SHA redevelopment of existing housing to replace aging units and take advantage of site development capacity under new zoning ordinances
- Partnerships with other non-profit organizations to provide low-income housing including Buy-Up program
- Land Sale agreements with private developers to provide workforce housing

SHA would like to continue to focus on inclusion of family sized units, spread affordable housing options across the city, and seek opportunities to support home ownership through strategic partnerships while fulfilling the promise at Yesler Terrace.

Development Pipeline



Housing Production Forecast



Kerry Coughlin – Digital Equity – 2023 and Beyond

Ms. Coughlin briefed the Board on the 2023 and beyond opportunity investment centered around digital equity. In 2018, SHA launched a Digital Initiative to improve the efficiency of agency operation and the timeliness, security and convenience for tenants, applicants, and others in conducting business with SHA. There have been a number of projects, but one great example is SHA has been rolling out the SHA portal that enables people that we engage with (SHA tenants and landlords) to conduct business with SHA online in a secure way. This is a secure environment in which they log into, which enables them to do business with SHA anytime, anywhere. In terms of digital equity component, SHA recognizes the necessity of internet access in every aspect of modern life while also recognizing that not all tenants have the internet skills, devices, and service they may need. SHA made digital equity a significant component of its Digital Initiative. We have a challenge in that with some of SHA residents who don't even know enough about Internet access to understand what's out there that they're not accessing in terms of information, government benefits, things like that. SHA's mission is to dispel that, and we are working with numerous partners on many different levels to take advantage of any opportunity to participate in a network, or to participate in some kind of program that we think will bring benefit to our residents. One thing that came about during the pandemic is Congress grasping the digital equity issue and the digital divide problem, resulting in lots of federal

dollars flowing suddenly during the pandemic which exacerbated this issue. SHA received a grant from the State Department of Commerce, State Broadband Office to extend SHA's Digital Navigator Program agencywide. We had a small successful program at Yesler where Digital Navigators worked with families and helped them through the whole process of getting online learning and getting connected. SHA received a grant, which came in two phases last year, that lasts from the end of the year through June of this year. They then extended it and doubled the amount from July of this year through June of next year. Through this grant, SHA was able to hire nine Digital Navigators and two technology support staff, people with technology skills, some being SHA residents, to assist residents with internet skills and access and to diffuse out into the communities through events and one-on-one contact. SHA has purchased over 2200 laptops to give away to residents for free to those who need them, and we're upgrading eight of our common area computer labs and making a bulk purchase of individual hotspots. This effort is being significantly led by the Community Services Division, as they have been performing a heavy lift with this project. SHA is also piloting a in-unit connectivity project, a pilot in six locations with high populations of Black, Indigenous and People of Color residents to determine if free, in-unit connectivity paired with devices and skills training results in a significantly greater number of residents gaining internet access and use.

The goal of SHA's Digital Equity Opportunity Investment 2023 and beyond is not to become an ongoing source of free internet connectivity, devices, skills training, and technical support for tenants; it is to determine successful approaches to closing the digital divide, advocate for permanent government support and form sustainable partnerships and programs that enable tenants to connect to and use the internet as part of their everyday lives.

Steve McDowell – Information Technology 2023 and Beyond

Mr. McDowell highlighted projects slated for 2023 (web Portals for residents and landlords, service kiosks for HCV and Housing Operations, and Asset Management construction project management) as well as projects slated for beyond 2023 (Finance and Human Resources software, as well as heightened cybersecurity for the agency.)

The resident and landlord web portals were designed to make it a little bit easier to conduct business with SHA residents and landlords. It's a project that SHA started in conjunction with our moving the management of our HCV unit's software into the same

platform that we use for Housing Operations with the landlord portal as part of that. Currently, the landlord portal has about 905 registered landlords, where they can access check stubs explaining their payments once they are automatically deposited for them and submit their paperwork. HCV Housing Resident Portal went live in June, and it's got about 362 residents who have signed up for it. It's one that is being staged out with our residents, with an accessible link to it on our website. So, if a resident did see it there before they were formally invited, they could still join and sign up. There, the applicant portal is one we will be looking at late first quarter in 2023 to start implementing that to replace the current homegrown, aged pre-app process this is on the website currently.

There are two service kiosks located in the HCV Service Center now that are basically just queuing kiosks where a visitor can come in and get in line for an appointment; these are used as a pilot for a couple of full-service kiosks. A resident would be able to scan and submit paperwork, access the resident portal with staff there to help and guide them through the process. The goal is to have a kiosk at HCV and one of SHA's housing communities, if possible; these are intended to help residents who want to do some actions on their own but will not replace in-person service.

The Asset Management Construction project management is utilizing the same software we use for our contract management in the Purchasing. This will automate a lot of spreadsheets and manual management that they're having to do now into one platform, which will save around 28 hours a week of work.

Into the beyond, we're looking at replacing our accounting software and several separate applications used for the Human Resources Department; the accounting and Human Resources software was initially implemented in the early 90s and upgraded in the early 2000s and is supported by Oracle with a sunset of around 2030. They are doing regulatory fixes as at as it stands now. So, between that and the added functionality that we need to do in the human resources area to be more modern and have more integration between all those functions, including payroll, onboarding, and additional budget processes, we are looking at putting together an RFP where it's going to hit the street soon and will be a multi-year effort. Decisions on the new platform should be made in early January 2023 and then we will be looking at another RFP for assistance in implementing it.

The Cyber Security goal is to update SHA Cyber Security tools and processes and perform a new risk assessment for the agency. The last formal security risk assessment done in 2016 and all major risks identified have been addressed. We will perform

another one in 2023. We will also be evaluating our tools assessing duplication, creating standardization, and making the monitoring of threats easier and more functional. We will continue staff education and faux phishing exercises in 2023.

Evelyn Correa – The Staff Experience 2023 and Beyond

Ms. Correa briefed the Board on the state of hiring people, finding people and the state of the marketplace, in general and, more specifically, about the state of current SHA staff.

SHA has grown substantially in the last 10 years, close to a 33% growth. SHA consists of about 670 staff and part of the reason that that I was brought on board was to help to continue to further develop our race and social justice work. And I'm really pleased to say that between 2021 and 2022, we grew by about 11%. And the entirety of that 11% growth has been represented by BIPOC staff and that includes some of our residents, too.

SHA experienced a turnover tsunami in the marketplace, a lot due to things like wage stagnation, to people feeling overworked, or being on the front lines in service positions during COVID and so forth. So, there are lots of reasons for the turnover. We look at exit interviews and what we have heard from our staff is that the turnover for them has to do with their experience of the workload and result in burnout from the workload and a sense of lack of work/life balance, what it meant to go to remote work for some people, and then of course we have essential service staff who could not go to remote work. We have tenants, and participants who come to us with varying degrees of trauma and need and intensity, mental health issues, and so forth. So, you can imagine that being a frontline service worker would create this sense of feeling extremely burdened during this time, so that's one of the things staff will say to us. Some of our staff will say that it is because they feel a sense that there's a limited opportunity for advancement and we find that that is especially true. We're a relatively flat organization and so for people who want to move up, and for them moving up means becoming a supervisor, managing A-Team or a department and so forth, we may not have those kinds of opportunities. Another reason, especially over the last two years, we've had to put a lot of our recognition events where we got together with staff to celebrate anniversaries, to have an annual holiday party were put on pause, so there's been a sense that we're doing all this hard work and for some people, they feel like there is a lack of recognition for all this hard work being performed. The last thing is compensation and wage stagnation that may have come into play. The

turnover rate currently is about 21.5%, which is pretty high and has grown by about 7 percentage points in the last few years for all the reasons mentioned earlier.

The average tenure of an SHA employee is 5.4 years and the all-time record for employee promotions was 19% in 2019. 2022 is close to matching that percentage; BIPOC staff represent the majority of these promotions in 2022. Through leveraging staff networks, SHA implemented an employee referral program last month where more than 30 individuals have submitted 80 applications for employment at SHA. One of the commitments that we've made is really looking at who we employ. Who do we employ and how do we then take any dollars that we have for career development and funnel some of those dollars towards the staff who are in some of those roles where they may feel stagnant, to encourage them to obtain certifications. We've invited Renton Vocational Technical College out to speak and will continue to build out our career development program and, again funneling those dollars to staff in the essential services positions so that they can begin to see a career here at SHA or build skills for a career here. In a tough market, that's a really great time to get promoted, and so we do a couple of things at the Seattle Housing Authority to build on this. One is that we have a robust acting assignment program in that if there is a vacancy with a short-term need, say six months, we post those jobs internally and staff either in that department or from somewhere else in the agency, usually from within the same department, but occasionally from some other department will fill those acting assignments.

The current HR strategy is to elevate the employee experience by growing talent, employee wellness, putting SHA values in action and being more relational and visible to staff. We are working to make expanded opportunities for regular employee feedback, support new and emerging leaders with a supervisory skills series and are doing reviews of compensation and total rewards. A Tuition Reimbursement Program that prioritizes requests from essential services staff and expanded internship possibilities are slated, as well as a career development programming for targeted positions. HRIS focused heavily on its employee well-being, so we've partnered with the Employee Assistance Program. We brought in a number of speakers to talk about stress and how to cope with stress, to talk about finances, to talk about domestic violence. Just sort of all the things that can cause someone's life to upend and we will continue that programming going forward. What else is on the horizon is we will start what are called pulse surveys. So rather than wait for people to leave and do exit interviews, we will periodically check in with staff in a more

routine basis where you have started a new supervisory series that starts this quarter to support supervisors who usually don't get a lot of training or support. We are working with an external consultant to look at our compensation and approach total rewards and make some changes there, as well.

Commissioner Purcell gave kudos to staff to all of the presenters and asked for questions from the commissioners for any of the presentations given. He then introduced a movement to a small amendment to the budget, given the discussion regarding Aging in Place and returning citizens budgeting, he proposed adding \$200,000 to program operations from Operating Fund dollars that are available to be dedicated to planning for addressing the issues of Aging in Place. At the same time, we would not move forward. To clarify, this isn't part of the amendment; the amendment is basically that \$200,000 for a programming component in Operations to begin to address how we as an organization deal with our residents who are aging in place. Commissioner Smiley seconded the movement. Commissioner Clark asked for clarification of the source of the funds and if there are any issues associated with that; Mr. Brandon stated that they will come from budgeted reserves and any planning and thinking will come from more briefings on the aging in place on what we have done and what the Board wants to do. This will help staff with the planning phase of that and then we'll further talk about what that means for implementation.

Hearing no further discussion, Commissioner Purcell called for a vote. The amendment to Resolution No. 5249 was approved among the members of the Board present at the time (5 yes; 0 no; 0 abstentions.)

Mr. Purcell stated that the other discussion that came out from the questions was regarding the returning citizens funding, and it was clear there were some questions on the Board, so he's asked, and Mr. Brandon has agreed that we will not move forward. We will leave that in the budget. There will be no change tonight to the budget on this topic, but further information going forward. Mr. Brandon said for the record that SHA won't expend any of those funds until coming back to the Board to discuss more details about what we're doing and how what the programming looks like.

Hearing no further discussion, Commissioner Purcell called for a motion to approve Resolution No. 5249 as amended; Commissioner Howard moved, and Commissioner Clark seconded the motion. It was approved among the members of the Board present at the time (5 yes; 0 no; 0 abstentions.)

Executive Director Report

Mr. Brandon presented

The Housing Choice Voucher Department has been working on the Emergency Homeless Vouchers, and they've been just doing great progress along the way in that they just exceeded 80% of issuing those homeless vouchers to folks trying to get housed, which is a huge accomplishment. They are on target to try to get to 100% by the end of the year; HCV Director Alice Kimbowa has a timetable of by Thanksgiving. We have been acknowledged by industry leaders in the housing industry, leaders and large housing organizations and HUD for our good work in this area. SHA was called out specifically with a few other housing authorities, thanking us for our innovation, creativity, and a high voucher utilization. It was great to be mentioned as one of the few housing authorities to reach that milestone.

Mr. Purcell asked for any further questions, or comments from the Board. Hearing none, it was moved by Commissioner Howard and seconded by Commissioner Clark that the October 17, 2022, Regular Session of the Board be adjourned. All commissioners present at the time (5) voted unanimously to adjourn at 6:37 p.m.

Secretary-Treasurer