

MINUTES OF THE REGULAR MEETING
OF THE HOUSING AUTHORITY
OF THE CITY OF SEATTLE
DECEMBER 14, 2020

The Commissioners of the Housing Authority of the City of Seattle (“Seattle Housing Authority” or “SHA”) met in Regular Session on December 14, 2020, via teleconference. Board Chair Paul Purcell called the meeting to order at 4:34 p.m. Kimberly Garrett performed a roll call for Board Commissioners in attendance. Commissioners present and absent were as follows:

Present: Paul Purcell, Chair
Dr. Paula Houston, Vice-chair
Robert Crutchfield
Twyla Minor
Gerald Smiley
Debbie Thiele

Absent: Michael Diaz

Public Comment

None

Consent Agenda

Commissioner Purcell presented the Consent Agenda, which included approval of minutes for the Regular Board Meeting of November 16, 2020; and, approval of the Expenditure Certification Report (Authorization to Pay Outstanding Obligations of Salaries and Claims for the Period of November 1 to November 30, 2020.)

Commissioner Smiley moved to approve the Consent Agenda and the motion was then seconded by Commissioner Thiele. 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). Mr. Purcell gave special mention and kudos to CIO Shelly Yapp and her Finance & Administration staff for receiving a clean audit for SHA, especially for keeping up a consistent, high performance work results under these pandemic circumstances.

Regular Agenda

Resolution No. 5202 – Alder Crest LP Exit

Commissioner Thiele moved for consideration of Resolution No. 5202; Commissioner Smiley seconded the motion. Finance & Asset Management Director Jared Cummer presented Resolution No. 5202 to the Board and recommended adoption of the resolution.

Resolution No. 5202 authorizes acquisition of the limited partner interests in Alder Crest Apartments Limited Partnership from Wells Fargo (TCIG Tax Credit Fund II, LLC). In addition, this resolution authorizes the assumption of any outstanding debt and the dissolution of the partnership. In 2005, SHA formed Alder Crest Apartments Limited Partnership for the purposes of acquiring and rehabilitating the 36-unit apartment building in West Seattle. The partnership consisted of SHA as the General Partner with a 0.01 percent ownership interest and Wells Fargo (TCIG Tax Credit Fund II, LLC) as the Limited Partner with a 99.99 percent ownership interest. Following the exit and transfer, SHA will dissolve the Partnership and ownership of the property will revert to the agency, having no impact on existing residents, as the regulatory requirements remain in effect and the management of the property will not change.

Hearing no further discussion, Commissioner Purcell called for a vote. Resolution No. 5202 was approved unanimously among the members of the Board present at the time (6 yes; 0 no).

Resolution No. 5203 – COVID-19 Commercial Rent Relief

Commissioner Crutchfield moved for consideration of Resolution No. 5203; Commissioner Houston seconded the motion. Finance & Asset Management Director Jared Cummer presented Resolution No. 5203 to the Board and recommended adoption of the resolution.

Resolution No. 5203, ratifies the Commercial Rent Relief Policy implemented by the Executive Director under the authority granted by Resolution 5189, in light of the impacts of the COVID-19 pandemic on the agency's commercial tenants in SHA's garden communities, consisting of service providers, small business owners, as well as businesses that serve specialized needs of the community it serves.

Hearing no further discussion, Commissioner Purcell called for a vote. Resolution No. 5203 was approved unanimously among the members of the Board present at the time (6 yes; 0 no).

Resolution No. 5204 – COVID-19 HCV HUD Waivers (Admin Plan Changes)

Commissioner Crutchfield moved for consideration of Resolution No. 5204; Commissioner Smiley seconded the motion. Housing Assistance Programs Director Alice Kimbowa presented Resolution No. 5204 to the Board and recommended adoption of the resolution.

In response to the COVID-19 pandemic, and as a part of the CARES Act, HUD gave SHA authority which provided additional flexibilities as an MTW agency by waiving certain statutes and regulations. Following previous HUD waivers that were adopted and approved by the board in July under Board Resolution #5192, Resolution No. 5204 gives Board approval for the following three waivers that were adopted as policy according to HUD requirements:

- Family Unification Program (FUP): Length of Assistance for Youth – Allows PHAs to suspend terminations of assistance for FUP youth who will reach the 36-month limit.
- FUP: Timeframe for Referral – Allows PHAs to accept referrals of otherwise eligible youth who will leave foster care within 120 days.
- HQS Quality Control Inspections – Provides for a suspension of the requirement for HQS QC sampling inspections.

The waivers will be appended to the Administrative Plan, COVID-19 Response Policy.

Hearing no further discussion, Commissioner Purcell called for a vote. Resolution No. 5204 was approved unanimously among the members of the Board present at the time (6 yes; 0 no).

Resolution No. 5205 – KC Records Site Loan

Commissioner Crutchfield moved for consideration of Resolution No. 5205; Commissioner Houston seconded the motion. Development Director Terry Galiney presented Resolution No. 5205 to the Board and recommended adoption of the resolution.

SHA entered into a predevelopment agreement in December 2018 with the partnership between Seattle Chinatown International District PDA (SCIDpda) and Community Roots Housing (CRH) to develop housing in support of the Yesler Redevelopment Plan on a site owned by SHA known as the King County Records Site. The SCIDpda/CRH were awarded this opportunity through a competitive process. In support of the Yesler Redevelopment Plan, SHA agreed to ground lease the site to the partnership, as well as provide up to \$4 MM in capital financing and 92 vouchers for replacement housing.

Resolution No. 5205 authorizes SHA to execute a ground lease for the King County Records site to the SCIDpda/CRH partnership and authorizes an approximately \$4M loan from SHA to the partnership. In addition, it authorizes SHA to seek any approval/consents relating to HUD approvals.

Hearing no further discussion, Commissioner Purcell called for a vote. Resolution No. 5205 was approved unanimously among the members of the Board present at the time (6 yes; 0 no).

Resolution No. 5206 – HUD Disposition Application

Commissioner Crutchfield moved for consideration of Resolution No. 5206; Commissioner Smiley seconded the motion. Development Director Terry Galiney presented Resolution No. 5206 to the Board and recommended adoption of the resolution.

Resolution No. 5206 authorizes the Executive Director to submit an application to HUD for the disposition of approximately 1.63 acres at Yesler Terrace, designated for the development of medical office space. The land area represents the northeastern part of Block 7, located south of Alder Street and west of 9th Avenue. According to the terms of the PSA, the land is scheduled to be sold to Kaiser Foundation Health Plan of Washington on January 7, 2021.

Hearing no further discussion, Commissioner Purcell called for a vote. Resolution No. 5205 was approved unanimously among the members of the Board present at the time (6 yes; 0 no).

2021 Adjusted Budget Process

CIO Shelly Yapp gave the Board an overview/reminder of SHA's 2021 Budget, beginning with Phase One (SHA Carry-On (CO) Budget, which was a continuation of 2020 projects, programs, staffing, and budget levels, adopted in October 2020 to be used as the interim budget for 2021. Now, follows Phase Two, (SHA 2021 Adjusted Budget, when approved by the Board in February 2021, will become the 2021 SHA Final Adopted Budget, superseding the CO

Budget.) This phase entails technical adjustments to the CO Budget (for 2021 cost increases in such accounts as utilities, health benefits, insurance premiums, etc.), incorporation of wage and salary projected changes per annual merit reviews, union contracts, and equity/market adjustments in the course of 2020) and, revisions to the Capital Budget in accordance with COVID-19 guidance for capital projects in residential facilities. This adjusted budget phase also includes programmatic set-asides for potential operating, or capital budget additions, as well as a 2021 COVID-19 Contingency Fund, which are funds to be set-aside in the event budgeted funds are insufficient for unplanned COVID-19 needs.

Executive Director Report

Mr. Lofton invited Intergovernmental Relations Director Lisa Wolters to give a legislative update to the Board.

Ms. Wolters reported that that the Continuing Resolution expires on this Friday. That is the ongoing funding bill, there's also this Stimulus bill that's being coupled with it and the hope and the intent is that the Omnibus bill will be passed. The Stimulus bill will be attached to it, so just other context about what's at stake. If the Stimulus does not pass by the day after Christmas, 12 million people will lose their unemployment benefits. If there's not an extension, it's estimated that between 2.4 and five million people are at risk for eviction in January. Currently, there has been good bipartisan collaboration, and there's a two bill proposal out. The first part is \$748B bipartisan, and it includes 16 weeks extension on unemployment benefits, and also a \$300 per week bump in unemployment benefits. There's also \$300B for small business relief, \$16B for coronavirus testing and vaccine distribution, \$82 billion for schools, food assistance is funded, and then \$25B for rental assistance. Another important piece is that it also extends the eviction moratorium until January 31, 2021.

Commissioner Purcell tabled/suspended the SHA 12/14 Board Meeting, and the ED Andrew Lofton and the Board entered into Executive Session at 5:45p.m., via another secured conference call meeting. Mr. Purcell reopened the Regular Meeting of the Board after Executive Session ended at 6:07p.m.

Resolution No. 5207 – Executive Director Contract Extension

Commissioner Crutchfield moved for consideration of Resolution No. 5207; Commissioner Thiele seconded the motion. Resolution No. 5207 to the Board and recommended adoption of the resolution.

Resolution No. 5207 authorizes the Board Chair to execute an employment contract with the SHA Executive Director for 2021, subject to the terms and conditions of the contract now expiring. The Executive Director’s employment contract expires on December 31, 2020. The Board of Commissioners has reviewed the Executive Director’s performance and determined that it is in the best interest of the Housing Authority to enter into an employment contract with the Executive Director for the year 2021

Hearing no further discussion, Commissioner Purcell called for a vote. Resolution No. 5207 was approved unanimously among the members of the Board present at the time (5 yes; 0 no).

Commissioner Purcell spoke briefly with the Board about the Executive Director Search and gave a tentative timeline, to be discussed in length at next month’s Board Meeting. He then asked if there were any further questions or comments from staff, or from his colleagues on the Board. Hearing none, it was moved by Commissioner Crutchfield and seconded by Commissioner Thiele that the December 14, 2020 Regular Session of the Board be adjourned at 6:16 p.m.

Secretary-Treasurer