

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

The Commissioners of the Housing Authority of the City of Seattle (“Seattle Housing Authority” or “SHA”) met in Regular Session on December 16, 2019, at SHA’s Central Office Building located at 190 Queen Anne Avenue North, Seattle, Washington. Board Vice-Chair Dr. Paula Houston called the meeting to order at 5:03 p.m. Kimberly Garrett performed a roll call for Board Commissioners in attendance. Commissioners present and absent were as follows:

Present: Debbie Thiele, Chair (joined mid-meeting)
 Michael Diaz
 Twyla Minor
 Gerald Smiley
 Dr. Paula Houston, Vice-chair
 Robert Crutchfield
 Paul Purcell

Public Comment

Marguerite Richard
Darryl Jones
Michael B. Fuller

Consent Agenda

Commissioner Houston presented the Consent Agenda, which included approval of minutes for the Regular Board Meeting of November 18, 2019; the Regular Board Briefing of December 9, 2019; 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, 2019).

Commissioner Purcell moved to approve the Consent Agenda and the motion was then seconded by Commissioner Smiley. Hearing no questions or comments, Commissioner Houston 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. 5178 - Northgate Plaza Acquisition

Commissioner Crutchfield moved for consideration of Resolution No. 5178; it was seconded by Commissioner Purcell. Senior Development Program Manager Terry Galiney presented Resolution No. 5178 to the Board and recommended adoption of the resolution.

Resolution No. 5178 authorizes the ratification of the purchase of two properties (11200 1st Avenue NE, Seattle – purchase price of \$60,996,000 million, a 207-unit property; and, 11209 3rd Avenue NE - purchase price of \$4,004,000, a 4-unit property), approves the acquisition and operation of the properties (including undertaking capital improvements required for the operation and maintenance of the property), as well as the execution of documents related to the purchase of these properties.

Hearing no further discussion, Commissioner Houston called for a vote. Resolution No. 5178 was approved by a majority vote of the Board present (6 yes; 0 no).

Resolution No. 5179 - Northgate Plaza Financing

Commissioner Crutchfield moved for consideration of Resolution No. 5179; it was seconded by Commissioner Purcell. Finance & Asset Management Director Jared Cummer presented Resolution No. 5179 to the Board and recommended adoption of the resolution.

Resolution No. 5179 authorizes the Executive Director to negotiate and execute documents with KeyBank for a \$65 million dollar taxable acquisition line of credit to provide financing for the Northgate Apartments. The proposed financing has a five-year term with a five-year renewal option. The loan is an interest only payment at 2.77 percent fixed interest rate and will be paid off through equity received in conjunction with the redevelopment of the Northgate Apartment site.

Hearing no further discussion, Commissioner Houston called for a vote. Resolution No. 5179 was approved by a majority vote of the Board present (6 yes; 0 no).

Resolution No. 5180 – Section 18 Conversion

Commissioner Smiley moved for consideration of Resolution No. 5180; it was seconded by Commissioner Diaz. Finance & Asset Management Director Jared Cummer presented Resolution No. 5180 to the Board and recommended adoption of the resolution.

Resolution No. 5180 authorizes the Executive Director or his designee to make application to HUD for a conversion of the eligible scattered sites units under Section 18 of the Housing Act, and, if approved by HUD, to apply for tenant protection vouchers and transfer the properties from SHA to the SPACE Foundation. Once approval has been obtained by HUD, staff will follow up with the Board to reconvene this discussion as the SPACE Foundation to discuss the terms we anticipate will occur.

Hearing no further discussion, Commissioner Houston called for a vote. Resolution No. 5180 was approved by a majority vote of the Board present (6 yes; 0 no).

Resolution No. 5181 – Hinoki Bond Amendment

Commissioner Purcell moved for consideration of Resolution No. 5181; it was seconded by Commissioner Crutchfield. Senior Development Program Manager Terry Galiney presented Resolution No. 5181 to the Board and recommended adoption of the resolution.

Resolution No. 5181 authorizes SHA to issue a loan in the form of bonds to the Yesler Block 5.1 LLLP to finance the construction of Hinoki Apartments, an approximately 138-unit low-income housing complex at Yesler Terrace. It replaces Resolution 5173 due to minor changes to timeline and unit count that made the original resolution no longer accurate.

Hearing no further discussion, Commissioner Houston called for a vote. Resolution No. 5181 was approved by a majority vote of the Board present (6 yes; 0 no).

Resolution No. 5182 - Hinoki Omnibus Amendment

Commissioner Diaz moved for consideration of Resolution No. 5182; it was seconded by Commissioner Minor. Senior Development Program Manager Terry Galiney presented Resolution No. 5182 to the Board and recommended adoption of the resolution.

Resolution No. 5182 authorizes the Executive Director or his designee to complete and sign the documents necessary to construct, finance, and lease Hinoki Apartments, an approximately 138-unit low-income apartment complex at Yesler Terrace, to the Yesler Block 5.1 LLLP. It replaces Resolution 5174 due to minor changes to timeline and unit count that made the original resolution no longer accurate.

Hearing no further discussion, Commissioner Houston called for a vote. Resolution No. 5182 was approved by a majority vote of the Board present (6 yes; 0 no).

Resolution No. 5183 – SHA 2019 Committed Funds

Commissioner Diaz moved for consideration of Resolution No. 5183; it was seconded by Commissioner Minor. CFO Shelly Yapp presented Resolution No. 5183 to the Board and recommended adoption of the resolution. (Commissioner Thiele called in and joined the meeting at this time)

Resolution No. 5183 adopts YE 2019 Committed Funds of \$60.6 million and itemizes all committed items and purposes. It also confirms \$17.6M in 2020 budgeted funds that will become Committed Funds in 2020 as funds are received from HUD. As the actual dollar amounts will be determined following the closing of the 2019 financial books, the dollar figures that will be included in the Resolution are preliminary and based primarily on 3rd Quarter Committed Funds balances.

Hearing no further discussion, Commissioner Houston called for a vote. Resolution No. 5183 was approved by a majority vote of the Board present (7 yes; 0 no).

SHA Executive Director Report

Executive Director Andrew Lofton followed up with the Board on comments that were brought to the Board during the November 18, 2019 Board Meeting during the Public Comment period.

Mr. Lofton briefed the Board on the status on the 2020 Federal Budget, which Congress is expected pass soon to avoid a potential government shutdown that would occur on December 20. The budget looks favorable for SHA and future funding for 2020.

Mr. Lofton wanted to reiterate an invite to **the Board to attend SHA's Holiday Brunch, which will be held on December 17 at Seattle Center's Fisher Pavilion.**

Commissioner Houston then asked if there were any further questions or comments from staff, or from her colleagues on the Board. Hearing none, the December 16, 2019 Regular Session of the Board adjourned at 5:55 p.m.

Secretary-Treasurer