

BOLD PLANS IN THE FACE OF UNCERTAINTY

2011 – 2015 STRATEGIC PLAN

SEATTLE HOUSING AUTHORITY

STRATEGIC PLAN 2011 – 2015

Our Mission

To enhance the Seattle community by creating and sustaining decent, safe and affordable living environments that foster stability and increase self-sufficiency for people with low incomes.

Values

As stewards of the public trust, we pursue our mission and responsibilities in a spirit of service, teamwork and respect. We embrace the values of excellence, collaboration, innovation and appreciation.

STRATEGIC FOCUS

We are inspired by the vision of a community where all low-income residents have high-quality housing within healthy neighborhoods. We are committed to creating and preserving low-income housing for the long term. In pursuit of this vision and commitment we will...

Maintain and increase our housing stock and expand housing choices for people with low incomes.

Collaborate with partners who are able to expand our reach and effectiveness by providing services, education and economic opportunities that help residents advance out of poverty.

Work with others to create healthy communities that are safe, economically vibrant, pedestrian-friendly and environmentally sustainable.

GUIDING PRINCIPLES

We provide respectful, empathic, timely and effective service to all, regardless of race, nationality, physical or mental ability, age, gender, family status, sexual preference, or language proficiency.

We value the diversity of all residents. We strive to be aware of differing cultural norms and are committed to increasing our understanding of other cultures in order to relate to all residents with respect.

We support residents by helping them achieve optimal self-sufficiency and leadership skills.

We collaborate with residents and actively seek their advice on policy changes that may affect them.

We seek partnerships and alliances with organizations that serve similar populations and share our goals.

We promote energy efficiency, resource conservation and sustainable development.

We strive to understand, respond to and plan for the emerging needs of the larger Seattle community.

We maintain our existing housing to ensure its safety and attractiveness for residents, and to extend its value over the long term.

We continually seek to make our work more efficient and cost effective through research and self-assessment.

We recognize that our employees are our greatest asset. Our achievements are directly related to their preparation, dedication, commitment and accomplishments. We are committed to their ongoing training and development to support our long-term success.

We assertively use the flexibility available through our Moving to Work status to further our mission.

We play an active role in promoting the health and vibrancy of the communities in which we manage property.

BOLD PLANS IN THE FACE OF UNCERTAINTY

THIS NEW STRATEGIC PLAN for the Seattle Housing Authority sets a bold agenda for the next five years. It will chart our course as we strive to meet the need for low-income housing and support the aspirations of low-income people as they move toward greater stability and self-sufficiency.

The plan reaffirms our core commitments to manage, maintain and improve our housing stock, and complete the redevelopment of NewHolly, Rainier Vista and High Point. We have made good progress in planning for the redevelopment of Yesler Terrace, and we intend to transform those plans into reality.

Our new plan also identifies areas that call for new focus. We will take action to address the rising demand for senior housing; increase access to education and economic opportunity so that residents can achieve greater financial stability and independence; expand options for Housing Choice Voucher-holders to ensure that they can live in the neighborhoods that best meet their needs; and provide greater support for residents as they work to improve their communities.

We have chosen to be bold in defining the future we seek. Yet we know that our ability to achieve these aspirations will depend on the economic environment and on our financial capacity. In the coming years the federal government will strive to reduce its budget deficit and our federal support is therefore likely to remain flat or even decline. Since we depend on federal funding for 70–75 percent of our resources, this will put enormous pressure on our budget. In addition, the cash resources we have used to expand housing opportunities in the past have been fully deployed.

Seattle Housing Authority must respond to these challenges with courage and optimism. We must build new partnerships and manage our real estate assets wisely to provide a sound foundation for our financial strategies. The constraints of the next five years will require us to make hard decisions, but we will continue to focus on expanding housing for Seattle's low-income residents, and will remain ready to act as opportunities arise. This new strategic plan sets the direction for that important work.


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EXECUTIVE DIRECTOR


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COMMISSIONER


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FORMER COMMISSIONER
(THROUGH JULY 2010)

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INTRODUCTION

Seattle Housing Authority's 2011 – 2015 Strategic Plan lays out five broad strategic directions that will define the agency's work for the next five years:

1. Expand housing for low-income residents across Seattle by maintaining and expanding the supply of low-income housing stock.
2. Expand housing access and choice across Seattle for low-income residents using Housing Choice Vouchers.
3. Support housing participants as they strive to improve their lives and move toward success through education and employment.
4. Provide additional supportive services and increase the supply of housing tailored to the needs of low-income seniors.
5. Partner with others to create healthy, welcoming and supportive living environments in Seattle Housing Authority communities.

In addition to these strategic directions, we have identified three areas for internal focus. They represent management and administrative conditions necessary for our success:

1. Manage the Seattle Housing Authority as effectively as possible to meet the agency's mission.
2. Identify and implement sustainable development, energy efficiency and green building across the agency.
3. Promote a healthy, engaged and productive workforce.

OUR CHALLENGES

These strategic directions and areas of management focus respond to the critical challenges we now face. We see those challenges as follows:

Weathering the Great Recession

The Great Recession has affected the Seattle Housing Authority profoundly. Financing for our projects through Low-Income Tax Credits has become more difficult to obtain, and rates are not as favorable. The decline of the housing market has forced us to postpone our efforts to sell lots to builders at Rainier Vista and High Point. We drew down our lines of credit to build new low-income housing in these developments, and in the absence of revenue from land sales, we have extended this debt and will need to pay it off during the next several years.

Economic recovery is essential to our success in selling property to private home builders at Rainier Vista and High Point, to meeting our financial obligations to our creditors, and to capitalizing on our real estate assets at Yesler Terrace.

While there are signs that the economy is on a slow road to recovery, there are also signals that are worrisome. Job creation remains elusive and unemployment rates are still high. The construction and housing industries – both of which are critical to a stable long-term rebound – are not yet showing steady signs of recovery. Bank credit remains tight, especially for small businesses, which are the traditional source of job creation. The rising US deficit is becoming a major concern of Congress, raising doubt that federal action to help stem the economic decline and support recovery will continue at its current pace. At the same time, the Federal Reserve is scaling back the aggressive monetary policies it enacted to support economic recovery.



Completing the redevelopment of NewHolly, Rainier Vista and High Point

Three of our family communities – NewHolly, High Point and Rainier Vista – have been redeveloped over the past ten years. While most of the housing stock in these communities has been renewed, some of the housing components have yet to be completed and the neighborhoods are still in the early stages of becoming true communities. As people continue to settle in, there are many challenges to making certain that this new housing is converted into authentic, integrated, welcoming and high-functioning neighborhoods. There are high concentrations of children and youth in these neighborhoods, and they need services and activities to help them engage productively in the life of their communities. Cultural and language barriers among residents remain a challenge.

Meeting the challenge of increasing demand for housing for low-income seniors

The population currently living in our housing is aging, creating a greater demand for services to assist them with aging in place. Our research on demographic trends indicates that the need for additional housing opportunities for low-income seniors will increase dramatically during the next decade. We need to be prepared to meet the increased demand for housing that is appropriate to the needs of seniors.



OUR OPPORTUNITIES

In spite of these daunting challenges, new opportunities continue to arise, and we are determined to take advantage of them. Among those opportunities are:

Redevelopment opportunities created by the new administration

The Obama administration has given low-income housing a higher priority than previous administrations. Seattle Housing Authority has received more than \$45 million in stimulus funds that are paving the way for the completion of new public housing at Rainier Vista and Lake City Village, as well as other important projects. We are well positioned to compete for additional stimulus grants or other development funding that may become available in the next several years if Congress sustains the administration's recent federal expenditures for housing production.

Fulfilling the promise of Yesler Terrace's redevelopment

With the renewal of three of four family housing communities nearing completion, the primary focus for the next decade must be on the transformation of Yesler Terrace as a new mixed-income and mixed-use urban community. Yesler Terrace is the oldest of our public housing communities. Built in 1938, it no longer meets the needs of the people who live there. Its physical structures are failing and its infrastructure is breaking down. It represents simultaneously one of the greatest opportunities and one of the most daunting challenges facing the housing authority.

Its location – adjacent to Downtown, First Hill, Little Saigon and Squire Park – makes it an ideal location for a new and vibrant urban neighborhood. However, resources to implement such a large project are scarce in the current economic climate. The redevelopment of Yesler Terrace will require funding from

local, state and federal partners as well as private and nonprofit partners. By selling portions of the land for private and nonprofit development, we can support the replacement of Yesler Terrace's extremely low-income housing and plan for additional low-income and workforce housing.

Making the most of our opportunities as a 'Moving to Work' housing authority

In the late 1990s, Seattle Housing Authority was designated by the US Department of Housing and Urban Development as a "Moving to Work" (MTW) agency, one of only 35 housing authorities across the country to receive that designation. This status allows us to test innovative methods to improve housing services and meet local needs. As a participant in MTW, we have the opportunity to propose and implement alternatives to selected federal regulations and to use federal funding creatively to meet local housing goals.

The flexibility afforded by our MTW status allows us to serve populations that we could not effectively serve through traditional federal programs; partner with the City and local agencies and nonprofits to leverage local resources; streamline processes to ease the administrative burden on housing participants, applicants and staff; and better weather dips in federal funds. Perhaps most important, MTW allows us to think in terms of possibilities rather than limitations.

Our participation in MTW is anticipated to last through at least 2018. During this time, Seattle

Housing Authority will continue to use MTW status as creatively and effectively as possible to meet local needs.

The goals of the Moving to Work program include achieving greater cost effectiveness, reducing federal expenditures, offering incentives to families to assist them in obtaining employment and becoming economically self-sufficient, and increasing housing choices for low-income families.

Advancing personal capabilities, education and economic opportunity

History shows that education and employment are the surest ways to break the cycle of generational poverty. Low-income residents must gain basic skills to enter the job market and continue upgrading their abilities to advance to higher wage levels. Currently, just 59 percent of Seattle Housing Authority's participants who are able to work count wages as their primary source of income. Of those who do, only 27 percent earn the equivalent of a full-time minimum wage job.

The current economic climate, coupled with local and state budget shortfalls, leaves little funding for the Housing Authority to enhance and expand activities that support residents in working toward financial stability and self-sufficiency. To help those we serve earn higher wages or move out of assisted housing, we will look for every opportunity to partner with other organizations that support these goals and have resources to help residents succeed.

We use the following terms in discussing this plan:

STRATEGIC DIRECTIONS

The five broad areas where we expect to focus our work.

'LOW-INCOME RESIDENTS'

Refers to residents across Seattle with income levels at or below 80 percent of the Area Median Income (AMI). This is the definition used by the US Department of Housing and Urban Development.

Seattle Housing Authority has, by policy, a local preference for serving residents with incomes below 30 percent of AMI. In fact, 84 percent of households served have incomes below 30 percent of AMI. Most of these have incomes below 20 percent of AMI.

'PARTICIPANTS' and 'HOUSING PARTICIPANTS'

Refer to people who rent housing from the Seattle Housing Authority or receive housing assistance through the Housing Choice Voucher (HCV) program, also known as "Section 8."

'WORKFORCE HOUSING'

Refers to housing that is affordable to people with incomes between 60 percent and 120 percent of AMI.

STRATEGIC DIRECTION 1

Expand housing for low-income residents across Seattle by maintaining and expanding the supply of low-income housing stock.



Maintain and improve existing housing stock for the long term.

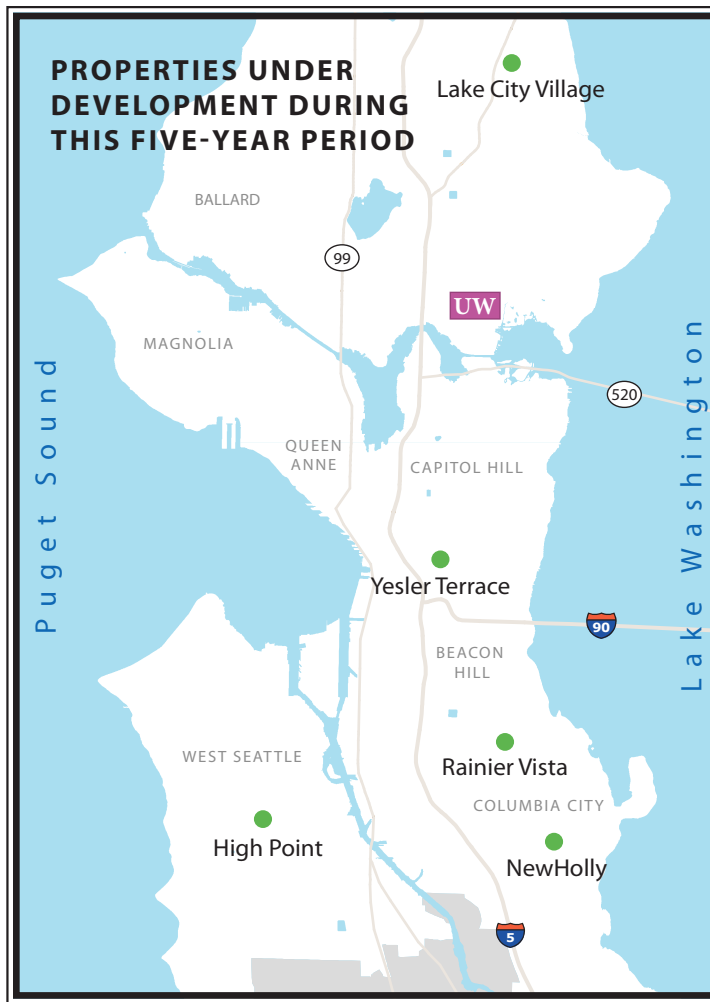
- Maintain existing properties to meet safety and livability standards and extend their useful life as far into the future as possible.
- Identify and plan for the replacement or rehabilitation of properties that have significant capital needs.
- Create a sustainable plan to address the near-term capital needs of the buildings within the Seattle Senior Housing Program.
- Complete the retrofit or creation of 263 units to make them accessible to people with disabilities under the Uniform Federal Accessibility Standards.
- Explore options that may emerge from the US Department of Housing and Urban Development (HUD) to increase subsidy, pursue new financing options and sustain existing housing stock.

Complete current plans for mixed-use and residential development at High Point, Rainier Vista and NewHolly.

- Complete construction and leasing of 83 extremely-low-income and tax-credit rentals at Tamarack Place by 2011.
- Complete construction and leasing of 118 extremely-low-income and tax-credit rentals at Rainier Vista Northeast by 2012.
- Work with private builders to complete land sales and construct for-sale homes at Rainier Vista and High Point by 2013.
- Identify commercial developers for mixed-use sites at NewHolly, Rainier Vista and High Point. Work with these partners to complete the sale of mixed-use sites by 2012 and complete development by 2015.

Move forward with Yesler Terrace redevelopment in a manner that is consistent with the Definitions and Guiding Principles, creating a new urban neighborhood that serves the needs of diverse residents and enhances the city and region.

- Complete the environmental review process and select a preferred development concept in 2011.
- Develop social infrastructure, economic opportunity, sustainability, replacement housing, relocation and phasing plans by June 2011.
- Identify Phase I funding, partnerships and replacement housing strategy by June 2011.
- Complete necessary zoning and other regulatory changes in cooperation with the City of Seattle by 2011 or mid-2012.
- Select a contractor and begin Phase I construction.



Complete the HOPE VI redevelopment of Lake City Village by 2012.

- Complete the construction of 86 units of low-income family housing.
- Work with private builders to complete land sales and construct 12 market-rate homes for sale and five affordable homes for sale.

Work with partners to take advantage of opportunities to develop new low-income and workforce housing.

- Seek partners who can access capital or subsidies that are unavailable to the housing authority.
- Seek partners capable of developing workforce housing for Seattle residents earning between 30 and 80 percent of Area Median Income.

Work in partnership with agencies and nonprofits across the city to end homelessness in Seattle and King County.

- Continue to provide leadership in policy discussions and initiatives of the Committee to End Homelessness.
- Continue to lease at least 100 units to partners who directly serve chronically homeless people.
- Use MTW authority to make Housing Choice Voucher subsidies available to partner organizations that provide supportive housing for homeless people with severe disabilities.
- Explore new programs that could directly serve people leaving homelessness.

The Seattle Housing Authority's stock of low-income housing is our most valuable asset. In order to continue to expand housing opportunities across the city we will pay close attention to keeping our existing stock well-maintained and habitable.

STRATEGIC DIRECTION 2

Expand housing access and choice across Seattle for low-income residents using Housing Choice Vouchers.



Continue to pursue opportunities to add to the agency's supply of Housing Choice Vouchers.

- Apply for new vouchers as they become available through HUD. Pursue vouchers specifically to serve veterans, families seeking reunification and other special needs populations.
- Explore opportunities as an MTW agency to provide short-term and/or smaller subsidies to meet specific program goals.

Increase access to housing in areas of the city where it has traditionally been less available to low-income residents.

- Assist participants in the HCV program to overcome barriers and secure housing by expanding housing-search resources, increasing counseling and training, and pursuing other program innovations.
- Identify affordable housing opportunities in neighborhoods currently underrepresented by participants. Reach out to landlords in underserved areas and increase the involvement of these landlords in the HCV program.
- Track the use of vouchers across the city and monitor trends, and then identify additional strategies based on this information.

One important way to increase access to housing is to identify and reduce the barriers that low-income participants experience when they seek rental housing.

STRATEGIC DIRECTION 3

Assist housing participants in gaining access to education and employment opportunities so they can improve their lives.



Improve access to educational opportunities for youth from pre-school through college.

- Work with community partners to improve access to early learning for participant families.
- Identify and promote educational opportunities for housing participants.
- Take an active advocacy role with local schools and colleges to meet the specific needs of low-income residents.

Increase financial security and optimal self-sufficiency for all housing participants.

- Provide resources and referrals to assist participants with credit counseling, banking and other financial services.
- Link participants to social services and case managers to address both physical and mental health issues.

Develop a single economic opportunity program, integrated across housing programs and departments, for adult housing participants.

- Increase the quality and accountability of economic opportunity services.

Promote an expectation of success among Seattle Housing Authority tenants and voucher holders. Establish the expectation that people who are not elderly or severely disabled will go to school or training and then pursue work.

Ensure that rent policies and practices do not create disincentives for those who may be able to live in unassisted housing. Use the agency's MTW flexibility to implement more effective policies and practices, including the possible use of shallow or short-term subsidies to provide incentives as residents leave assisted housing.

Ensure that services offered meet the needs of immigrants and refugees.

- Develop and refine systems to track participant success, including statistics such as the percentage of participants who earn income from employment and the number of residents who move to unsubsidized housing.
- Pursue partnerships to create education and job training programs tailored to the needs of participants.
- Partner with other organizations and contractors to create employment and career opportunities for residents.
- Remove regulatory barriers in housing programs that make advancement difficult. For example, explore changes in Tax Credit regulations to permit residents to pursue full time educational opportunities.

STRATEGIC DIRECTION 4

Provide additional services and increase the stock of housing for low-income seniors.



Identify and implement programs to create a continuum of care for those aging in place in Seattle Housing Authority communities.

- Explore ways to help housing participants live independently as long as possible.
- Engage partners who can provide assisted living for participants who can no longer meet their obligations as independent tenants because of issues related to aging or disability. Provide referrals and links to these partners.
- Identify physical and programmatic changes needed to accommodate aging in place.

Engage partners who can bring additional subsidies to develop new senior housing.

Incorporate universal design elements in all new housing to extend its capacity to house people as they age.

‘As the post-war baby boom generation ages, the population of seniors in King County will grow dramatically. By 2025 their numbers will double to represent 23 percent of King County’s total population.’

—THE QUIET CRISIS
(2009)

STRATEGIC DIRECTION 5

Partner with others to create healthy, welcoming and supportive living environments in Seattle Housing Authority communities.



It takes more than new housing to create a great neighborhood. As communities mature, people need support for community-building.

Help participants, home-owners and nearby neighbors work together to promote safe and vibrant communities.

- Support and promote positive activities for youth in communities where Seattle Housing Authority has a significant presence.
- Work with the Seattle Police Department, community organizations and individuals to prevent crime and address public safety issues as they arise.
- Engage in ongoing community-building activities to strengthen neighborhood identity and cohesion.
- Assist diverse communities as they develop strategies for multicultural community identity, leadership and problem-solving.

Manage properties to enhance and promote participant efforts toward healthy living.

- Transition properties to become non-smoking.

Work with the Board to explore policy changes toward designating properties as tobacco smoke-free.

Support smoking cessation programs for all residents who desire them.

Discourage smoking among youth.

- Manage properties to support active lifestyles.

Promote pedestrian safety.

Build walkable neighborhoods.

Promote access to active recreational opportunities.

- Support local food-growing efforts and host farmers markets.

MANAGEMENT STRATEGY 1

Manage the Seattle Housing Authority as effectively as possible to meet the agency's mission.



Manage the Housing Authority's assets and operations to maximize the value and longevity of real estate and rental housing and ensure that operations are cost effective.

- Evaluate the performance of all developments and programs against original operational and financial plans. Adjust business plans and practices to maintain operational and financial integrity throughout the agency.
- Conduct an ongoing operations improvement program by continually evaluating the efficiency and cost-effectiveness of administrative and service-delivery functions and implementing changes to streamline operations and improve service.

- Use MTW flexibility wherever possible to reduce administrative burden and operating costs. In particular, maximize flexibility in order to simplify and streamline rent calculations across housing programs.

Strengthen the agency's financial position and its ability to respond to shifting economic conditions.

- Evaluate the risks associated with the on-going constraints of the credit and the housing markets and adjust operations to manage those risks.
- Define a long-term approach to stabilize development activities and their cyclical nature and insulate their effects on overall agency operations.

- Define cash flow needs and policies for reserve funds in order to balance expenditures for current needs with prudent practices for reserve balances.
- Assess treasury, banking, and investment policies and practices to ensure they are effective, prudent, consistent with sound practices, and have adequate internal controls.

MANAGEMENT STRATEGY 2

Identify and implement sustainable practices throughout the agency to minimize impacts on the environment.



The green housing strategies pioneered at High Point will become standard practice for Seattle Housing developments.

Perform an agency-wide 'sustainability' review to promote green practices.

- Review vehicle miles traveled, greenhouse gas emissions and maintenance procedures.
- Investigate agency-wide standards for energy consumption, paper utilization and resource conservation.

Continue to promote and include green building practices in both new construction and rehabilitation projects.

Incorporate sustainability into daily management and maintenance practices in housing portfolios and administrative and maintenance facilities.

MANAGEMENT STRATEGY 3

Promote a healthy, engaged and productive workforce.



Address the needs and changing demographics of employees in order to promote and develop a workforce well-equipped to meet the agency's needs into the future.

Develop training programs to help staff adapt to current and emerging challenges.

- Provide training in managing stress and dealing with challenging interpersonal relationships.
- Provide training about the cultural norms of residents who are immigrants or refugees.

Develop strategies for management succession, recruitment, and skill and knowledge development as key managers, supervisors and line staff near retirement age.

Maintain and strengthen partnerships with labor that enable management and employees to address challenges in a collaborative, constructive and open fashion.

Develop programs and recommendations for healthy lifestyle choices.

Our achievements are directly related to the preparation, dedication, commitment and accomplishments of our employees.



BOLD PLANS IN THE FACE OF UNCERTAINTY

For more information

Please visit the Seattle Housing Authority website
www.seattlehousing.org/news/strategic/
for information about how this plan was developed
and for additional source documents.

Seattle Housing Authority

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