



CHH Board Meeting

October 2018

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SECTION 1:

Meeting Keys

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October 2018

Capitol Hill Housing Board Meeting Keys and Agenda

Reminder: *Dinner begins at 5:45. The meeting starts promptly at 6 PM.*

We will enter into executive session as needed pursuant to RCW 42.30.110.

Introductions, Consent Agenda, Disclosures and Recusals, and Mission Moment: Board and staff make brief introductions. The consent agenda will be moved for adoption.

Board members will review items on the agenda and make any necessary disclosures and recusals. The Chair will draw a name and a Board member will be asked to take a moment to discuss the importance of their work with CHH.

Public Comment: The Chair will ask any members of the public present for comment not to exceed 5 minutes per individual or 15 minutes combined.

Presentation and Discussion

Africatown Plaza: Chris, Jill and the Executive Leadership Team will provide an update on staff's current thinking around the Africatown Plaza development.

Oleta Update: Chris will provide a brief update on the progress being made in the 18 point plan.

Finance and Asset Management

Financial Summary: The Finance and Asset Management Committee presents its regular report and dashboard through August 2018. The finance team continues to work on updating the CHH financial policies for Board adoption in the consent agenda for later this year.

Executive Committee and Governance

Board Development: Both Racheal Steward and Michelle Purnell-Hepburn have agreed in principle to join the CHH board pending Board visits and Board approval. They are both scheduled to attend the October Board meeting. Their bios are in the packet.

Organizational Advancement and External Relations

Capital Campaign Update and Resolution 2018-22: The Board adopted Resolution 2017-08 approving the first phase of the campaign and Kiley updated the Board on the companion resolution that we will ask the Board to adopt this month. It is anticipated that the goal of the campaign will be greatly increased due both to the increased projected cost of the projects and the addition of Fire Station 23 into the campaign. This increase needs to be approved by the partner organizations.

Pipeline Review and Project Introductions

Northgate Round 2 and Resolution 2018-23: Staff will present the Board with a new initial resolution for the development of the Northgate site and response to the new RFP which is due October 29. We have switched our market rate partner and suspect that we may be the only team responding to the RFP.

Resolution 2018-24 - Station House Supplemental Resolution: As you are aware, the market-rate and master developer of the Capitol Hill Light Rail Station site is requiring a parking garage built beneath our building. It was determined that the most efficient way to do this was for CHH to perform this development using its own general contractor and then sell the garage unit back to the master developer. Related to this work and as a result of the complex financing needed to do this, CHH is providing a completion guarantee for the garage to the market-rate owner. There are several more additions or clarifications to the earlier Omnibus Resolution. In addition, our investor is requiring the funds for the community room be granted to CHDA rather than CHH as originally planned. This resolution approves the guarantee and other modifications and CHDA will be convened to adopt a companion resolution.

Development pipeline: We will enter executive session to discuss development opportunities in the pipeline.

Upcoming Meetings and Events

Please let Chris or Sarah know if you'd like additional information on any event or meeting.

October 11	CHHF Omnivorous
October 29	CHH Executive Committee
November 13	CHH Board Meeting - TUESDAY

Board Packet Sections

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 - g. Fundraising & External Relations Memo, p. 65-68
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 - k. Joint Board Development Committee Report and Minutes, p. 75



SECTION 2:

Board Agenda

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AGENDA

6:00 Call to Order (Schwartz) – 5 min total

1. Introductions, welcome
 - a. Rachael and Michelle
2. Approve consent agenda Sec. 3, Page 9
3. Disclosures and recusals
4. Mission moment

6:05 Public Comment (Not to exceed 5 minutes per individual or 15 for combined speakers)

6:10 Presentation and Discussion (Persons) – 30 min total

1. Africatown Update – 20 mins Presentation
2. 18 Point Plan Follow Up – 10 mins Presentation &
Handout

6:40 Finance and Asset Management (Alvarado, Gibson) – 5 min total

1. Finance Report
 - a. Financial summary, cash management report:
August 2018 Financial Statements Sec. 4, Page 17

6:45 Executive Committee and Governance (Seiwerath) – 5 min total

1. 2019 Board Pledge Forms Sec. 5, Page 29

6:50 Organizational Advancement and External Relations (K. Dhatt & Caine) – 15 min total

1. Capital Campaign Resolution
 - a. Resolution 2018-22-Support for the Rise Together Capital Campaign Sec. 6, Page 33

7:05 Pipeline Review and Project Introductions (Wilkening) – 25 min total

1. Resolution 2018-23 – Northgate Reapplication – 5 mins Sec. 7, Page 39
2. Resolution 2018-24 – Station House Supplemental Closing – 10 mins Sec. 8, Page 45
3. Suspension of Board Meeting to Convene CHDA Board Meeting – 5 mins
4. Project Updates on U14, Bonanza, and other projects – 5 mins
*Might be taken in Executive Session per RCW 42.30.110(b), to consider
the acquisition of real estate when public knowledge of such consideration
would cause a likelihood of increased price.*

7:30 Adjourn (Schwartz)

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SECTION 3:
Board Candidate
Biographies:
Rachael Steward &
Michelle Purnell-Hepburn

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CHH Board Member Candidates – October 2018

Rachael Steward - Administrator - Community Service Division at Seattle Housing Authority



Rachael is the former Deputy Director at the Center for Community Engagement at Seattle University, where she worked for eight years. She joined the CHH Community Development Committee in December 2016 as a non-Board community representative. She has an MPA in Non-Profit and Community Development from Kentucky State University, as well as a certificate in Executive Leadership from Seattle University. Rachael is active in the Central District.

Michelle Purnell Hepburn - Managing Director - Controller & Accounting at Seattle Foundation



Michelle hails from the nonprofit financial world, most recently as the Vice President/Controller of Salal Credit Union. Previously she served in financial executive capacities at Seattle Metropolitan and Group Health Credit Unions. Michelle holds graduate and undergraduate degrees in finance, accounting and economics from the University of Washington. She is a graduate of Western CUNA Management School and the Credit Union Executive Society, earning the title of “Certified Credit Union Executive.” She was also named “CFO of the Year” by the Puget Sound Business Journal in 2011. Michelle serves on the Advisory Board of Capitol Hill Housing to preserve the legacy and the site of Liberty Bank of Seattle.

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SECTION 4:

October 2018 Finance Report, August Statements and Asset Management Report

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OCTOBER 2018 FINANCE & ASSET MANAGEMENT DASHBOARD REPORT

Finance & Asset Management Committee Members: Frank Alvarado, Treasurer; Drew Porter; Chasten Fulbright

Staff Liaisons to the Board: Brad Lange, Greg Gibson

Date, time and location of meeting: No meeting was held in October, committee reports were reviewed and questions addressed through email. The next FAMC meeting will be held at the CHH Office on Tuesday November 6th, 2018 at 4:00 PM.

Financial Position Summary (June financial statements): During August, CHH saw a decrease in unrestricted cash of approximately \$81,000. The decrease was driven primarily by continued spending on predevelopment expenditures for the Bonanza and CH Portfolio 1 syndication projects. As of the date of this report, CHH continues to experience a significant cash shortfall due to the continued delay in closing of the Station House development project. At the close of permanent financing, CHH will receive approximately \$340,000 in developer fee revenue. In addition, the closing will free up approximately \$700,000 in predevelopment funding sources. To cover certain predevelopment expenses and the operating gap from delayed developer fees, CHH transferred \$100,000 from board designated operating reserves to fund operations during August.

The other significant balance sheet transaction that occurred during the month was the acquisition of land for the Jazz House project. The \$2.4 million land acquisition was completed using REDI fund loan proceeds. Remaining balance sheet changes were the result of routine fluctuations and/or the continued spending of predevelopment funds on new developments.

The operating statement through the first eight months of the year shows an operating surplus that exceeds budget by \$101,000. On the revenue side, this is largely due to timing factors as \$175,000 in deferred developer fees and accrued partnership management fees, originally budgeted for paydown in Q3 and Q4 of 2018, were paid in Q1 and Q2. Offsetting those amounts, the developer fees for Station House and the Bonanza syndication project were originally budgeted for May and August, respectively; however, as of the date of this report, neither project has closed on permanent financing. Expenses continue to be under budget due to decreased office remodel costs and budget to actual differences for general repair and maintenance costs across the portfolio. Payroll expense is also under budget year-to-date because of changes in anticipated start dates for new positions as well as timing of the Organizations annual merit increase relative to the budget. The organization has also experienced increased turnover in recent months, which has led to several vacant positions.

Vacancy loss: The monthly portfolio vacancy rate was 3.3% with a year-to-date percentage of 3.0%. The rolling 12-month vacancy percentage for the portfolio is 2.6%. Staff are aware of the continued uptick in vacancy percentage year-to-date and are actively working to address the issues within Property Management.

Attached Documents: The attached documents were provided to the committee via email for review

- CHH Blended Balance sheet as of 8/31/2018

- CHH Blended year-to-date operating statement for the period ended 8/31/2018
- Monthly ratio analysis as of and for the period ended 8/31/2018
- CHH Cash report by bank account as of 8/31/2018
- Property finance dashboard report as of 8/31/2018

Additional items of note since previous meeting

Finance Policy Update: Staff updated the committee on the approval process for the Finance Policies presented at the May meeting. Staff continue to wait for the State Audit to conclude before finalizing these policies to ensure that any recommendations are included in the final approved policies.

Station House closing: As noted above, the anticipated closing date for the Station House project continues to slide due to continued resolution of certain legal issues primarily surrounding the parking garage.

Park Hill Update: Revised drawings have been completed by architect and provided to general contractor. Cost estimate is expected by end of October that will inform course forward.

Integratec Update: We plan to roll out the Integratec Asset Management software to a wider audience in mid-October. This will enhance staff's ability to monitor the financial performance of the portfolio and provide a central repository for property documentation. This has been a time-consuming project for the asset management team, who is looking forward to operational efficiencies gained through wider use of this powerful program.

Concur Update: Staff successfully completed development on the Concur invoicing platform and went live with production in Mid-September. Once implementation is fully complete, all CHH invoicing will be fully electronic.

Lucky 7 Loan: CHH signed a predevelopment loan agreement with the Lucky 7 Foundation in early October. The loan is to be used for predevelopment expenses on the Eldridge and Union & 14th projects. Total loan amount is \$700,000 at 3% interest. We anticipate completing the first draw request for \$175,000 in October.

Portfolio Action Team: Staff continues to work on addressing significant items throughout the Portfolio as part of the Portfolio Action Team. This cross departmental team has made substantial progress in resolving outstanding issues with the Office of Housing and hopes to be able to shift focus toward addressing larger capital needs projects throughout the portfolio in coming months.

Capitol Hill Housing Blended Balance Sheet

	08.31.2018 unaudited	07.31.2018 unaudited	Change from prior month	12.31.2017 audited*	12.31.2016 audited*
Assets					
Unrestricted Cash	1,883,416	1,964,341	(80,925) 1	2,037,757	1,549,568
Accounts Receivable	859,507	783,524	75,983 2	811,476	605,408
Prepays & Other Current Assets	409,492	442,393	(32,901) 3	341,351	145,836
Contributions/Grants Receivable	60,000	60,000	0	61,282	71,138
Due from Affiliates	5,876,311	5,717,551	158,760 4	5,193,026	5,591,990
Board Designated Operating Reserve	1,000,000	1,000,000	0	1,000,000	1,000,000
Board Designated Opportunity Reserve	485,275	582,589	(97,314) 5	567,083	651,507
Restricted Cash	6,310,657	6,327,689	(17,032)	6,135,901	5,605,330
Notes Receivable from Affiliates	15,322,710	15,322,710	0	15,322,710	15,411,829
Land	22,794,157	20,394,157	2,400,000 6	20,394,157	14,643,757
Buildings, Improvements & Equipment	74,197,471	74,095,379	102,092 7	74,146,986	72,923,292
Accumulated Depreciation	(40,789,702)	(40,604,309)	(185,393) 8	(39,304,834)	(37,093,003)
Lease Receivable	817,531	817,531	0	817,531	890,908
Investment in LPs/LLCs	1,513,091	1,513,091	0	1,527,084	1,534,145
Other Assets	(5,267)	(2,636)	(2,631)	(5)	0
Total Assets	90,734,649	88,414,010	2,320,639	89,051,505	83,531,705
Liabilities					
Notes Payable	62,117,441	59,820,088	2,297,353 6	58,479,561	52,278,219
Accrued Interest Payable	4,385,715	4,385,715	0	4,385,715	4,406,834
Accounts Payable & Accrued Liabilities	4,290,327	4,101,629	188,698 9	4,956,384	4,859,505
Tenant Security Deposit Liability	577,239	578,902	(1,663)	579,612	562,478
Total Liabilities	71,370,722	68,886,334	2,484,388	68,401,272	62,107,036
Net Position	19,363,927	19,527,676	(163,749)	20,650,233	21,424,669
Total Liabilities and Net Assets	90,734,649	88,414,010	2,320,639	89,051,505	83,531,705

* Internal presentation, certain amounts netted for audit presentation

Significant balance sheet changes from prior month

- 1)** Decrease in cash is a function of the following transactions:
 - Predevelopment expenses were incurred on a number of projects during August. Most of these costs were funded through the HPN line (\$101K for resyndication projects and Jazz House). In addition, CHH also spent \$22K on rebranding, \$18K on Miller exterior paint, \$10K on window seal for Bremer and \$11K in consulting for the Park Hill. Most of the building costs will be funded through reserve requests to be completed in September. These decreases were offset by a \$100k transfer from board designated reserves as a result of the continued delay in closing on the Station House project.
 - The remaining decrease was the result of routine monthly expenses.
- 2)** Increase is due Q2 triple-net invoice billings. The timing of this billing lead to increased receivable balances at month end. In addition, CHH has been working on collection/establishment of several large outstanding commercial receivable balances - specifically at the 12th Avenue Arts building and Lake City.
- 3)** Decrease due to routine amortization of monthly pre-paid expenses
- 4)** Change due to paydown of due to/from affiliates as part of routine monthly fluctuation. In addition, additional predevelopment expense was incurred on the Bonanza and CHP Portfolio 1 resyndication projects.
- 5)** \$100K of Board designated reserves was transferred to operating due to the continued delay with closing Station House.
- 6)** Acquisition of land for Jazz House, LLC project was completed in August, 2018 using a \$2.4 million REDI fund loan.
- 7)** Capitalization of additional predevelopment expenditures for the Jazz house, Bonanza and CH Portfolio 1 syndication/resyndication projects as well as capitalization of construction costs for HVAC upgrade at EJSH.
- 8)** Change due to current month depreciation.
- 9)** Routine fluctuation in accrued payable balances based on timing of payroll and accounts payable check run relative to month-end as well as fluctuations in intercompany "Due to CHH" balance that results from the recording of additional predevelopment expenses for those projects still included as blended component units

Capitol Hill Housing Improvement Program
Statement of Revenues and Expenditures - Unaudited
From 1/1/2018 Through 8/31/2018

	Year to Date Actual	Year to Date Budget	Year to Date Budget Variance	Variance Pct	Total Budget	Budget Remaining
Revenue						
Tenant Rent						
Residential tenant revenue	6,576,346	6,563,872	12,474	0.19%	9,845,808	3,269,462
Commercial rent and NNN	1,335,972	1,230,648	105,324 1	8.56%	1,873,845	537,873
Parking, laundry and other	147,955	136,954	11,001	8.03%	205,606	57,651
Res vacancy and concessions	(203,004)	(220,664)	17,660 2	-8.00%	(323,646)	(120,642)
Total Tenant Rent	7,857,269	7,710,810	146,459	1.90%	11,601,613	3,744,344
Other Operating Revenue						
Property Management Fees	1,042,916	1,062,301	(19,385) 3	-1.82%	1,593,451	550,535
Partnership Management Fees	305,012	184,237	120,775 4	65.55%	610,180	305,168
Development Fees	125,000	591,000	(466,000) 5	-78.85%	706,000	581,000
Acctg, Leasing & Compliance Fees	593,004	584,285	8,719	1.49%	876,428	283,424
Other Operating Revenue	0	42,498	(42,498) 6	-100.00%	67,798	67,798
Total Other Operating Revenue	2,065,932	2,464,321	(398,389)	-16.17%	3,853,857	1,787,925
Other Revenue						
Grants & Donations	404,907	464,178	(59,271) 7	-12.77%	882,570	477,663
Interest Income	98,892	92,730	6,162	6.65%	180,710	81,818
Other Income (non-operating)	27,002	16,300	10,702	65.66%	17,100	(9,902)
Total Other Revenue	530,801	573,208	(42,407)	77.12%	1,080,380	549,579
Total Revenue	10,454,002	10,748,339	(294,337)	-2.74%	16,535,850	6,081,848
Expenses						
Accounting, Audit & Legal	383,855	374,554	(9,301)	-2.48%	517,518	133,663
Administrative Expenses	302,399	355,671	53,272 8	14.98%	483,991	181,592
Bad Debts	19,020	0	(19,020) 9	0.00%	0	(19,020)
Board Expense	3,924	4,467	543	12.16%	6,700	2,776
CHH Occupancy Expense	220,834	219,067	(1,767)	-0.81%	343,690	122,856
Compliance, Taxes & License	158,370	120,261	(38,109) 10	-31.69%	220,639	62,269
Consulting	141,360	161,167	19,807	12.29%	227,603	86,243
Debt Service	1,785,617	1,797,642	12,025	0.67%	2,642,878	857,261
Insurance	206,718	206,114	(604)	-0.29%	309,171	102,453
Leasing/Compliance Expense	164,896	164,896	0	0.00%	247,344	82,448
Miscellaneous Financial Expense	5,114	7,342	2,228	0.00%	16,043	10,929
Other Operating Expense	7,900	890	(7,010)	-787.64%	2,390	(5,510)
Payroll, Taxes and Benefits	4,350,649	4,488,416	137,767 11	3.07%	6,732,624	2,381,975
Partnership Mgmt Fee Expense	98,762	92,113	(6,649)	-7.22%	138,812	40,050
Property Mgmt Fee Expense	721,770	721,770	0	0.00%	1,142,655	420,885
Repair and Maintenance	832,997	1,086,399	253,402 12	23.32%	1,613,862	780,865
Technology	108,198	153,273	45,075 13	29.41%	230,093	121,895
Training, Dues, Subscriptions	95,283	105,191	9,908	9.42%	150,480	55,197
Utilities	935,470	882,091	(53,379) 14	-6.05%	1,362,165	426,695
Total Expenses	10,543,136	10,941,324	398,188	3.64%	16,388,658	5,845,522
Operating Surplus (Deficit) B4 Reserves	(89,134)	(192,985)	103,851	-53.81%	147,192	
Reserve Contributions						
Replacement Reserve	(330,600)	(329,078)	(1,522)	0.46%	(492,311)	(161,711)
Operating Reserve	(29,765)	(28,931)	(834)	2.88%	(43,084)	(13,319)
Other Reserve	(22,950)	(22,950)	0	0.00%	(34,424)	(11,474)
Total Reserve Contributions	(383,315)	(380,959)	(2,356)	0.62%	(569,819)	(186,504)
Operating Surplus (Deficit)	(472,449)	(573,944)	101,495	-17.68%	(422,627)	
Other Income (non-operating)	545,000	545,000		0.00%	545,000	
Income/Loss	72,551	(28,944)	101,495	-17.68%	122,373	See note

Variance Discussion (Greater than \$20K and 5%)

- Note** Original board approved budget assumed CHH would retain ownership of the Harvey in January, 2017. Subsequent to budget finalization, it was determined that CHH would no longer be pursuing an ownership strategy. As such, the operating results and budget totals for the Harvey are not included in the above report. This amount plus a \$7K budget adjustment posted subsequent to board approval, to reallocate rent credits, represents the difference between the final board approved budget and the total budget column above.
- 1)** Timing differences related to triple net (NNN) revenues for Twelfth Avenue Arts Master tenant. NNN revenues at this building is only paid annually in Q1 for one tenant, but were budgeted evenly throughout the year. In addition, revenues have also exceeded budget due to significant increases in property tax and utility costs that are billed back to tenants. Finally, Q2 billing was recorded in August and budgeted for September.
 - 2)** The trend of overall low vacancy rates continues from prior year despite a few spikes observed at individual buildings.
 - 3)** Property management fees assumed CHH would assume property management of Bayview Tower at the start of the year. CHH officially took over management effective June 1, 2018. Variance is consistent with prior month.
 - 4)** Deferred partnership management fees for Helen V of \$100K were paid in January. Paydown was originally budgeted for September. Deferred partnership management fees at Gilman Court and Fleming were also paid down during the month of April. Paydown of these fees was completed earlier than originally budgeted so as to supplement CHH cash flows during the first few months of the year. Early paydown was possible due to strong portfolio financial performance during the first several months of the year.
 - 5)** \$176k in developer fees for Station House were originally budgeted in May. Closing is now planned for September; however, projected fee is also expected to be approximately \$340,000. In addition, \$300K for Bonanza developer fee was budgeted in August. Projected timing for close is now anticipated to be December; however, projected fee is conservatively estimated at \$500K.
 - 6)** Lease income/partnership & MSP vehicle recovery- all represent quarterly distributions/payments that have not been made yet. This is a timing difference in relation to the budget.
 - 7)** Foundation distributions year to date are under budget by approximately \$30K. In addition, the grants & contributions line item above is net of related party grants made to CHH buildings. The Brewster SCL concessions to tenants is recorded in this manner. Grant revenue from SCL was recorded in the prior year and concessions are recorded monthly. Due to excess funding, these continued beyond the originally budgeted date.
 - 8)** Administrative costs are under budget as a result of the office expansion in early 2018. Office expansion costs were under budget by approximately \$15K in total, plus \$28K of work was completed prior to year-end and therefore reflected in the December 2017 financials.
 - 9)** Bad debt was recorded for management fees at the Harvey along with uncollected rents at several buildings. This was an error in budget as bad debt expense was not included in the 2019 budget.
 - 10)** Property taxes are over budget due to increases above projections for 2018.
 - 11)** Budget assumes annual merit increase was in effect for the full fiscal year; however, adjustments were not effective until February. In addition, the Community Liaison position was budgeted to begin in January; however, hiring did not occur until the end of March. Finally, payroll expense for June and July was under budget due to a high number of vacant positions. CHH has worked diligently over the past months - most of these positions are now filled.
 - 12)** Repair and maintenance expense is under budget due to decreased vacancy and low turnover in most of the buildings. While the budget process attempts to account for seasonality, there may also still be fluctuations in the timing of certain repairs as compared to the budget. Staff are working through a revised budget process for 2019 to try and better refine R&M budgets.
 - 13)** Technology costs continue to be under budget due to the delay in implementation of Concur invoice (completed mid-September). In addition, the March budget also included \$10k for SharePoint and website development costs which have not yet occurred.
 - 14)** Sewer and garbage/recycling expenses are both over budget year-to-date. Difference appears to related to rate increases in excess of budget projections. The 2018 budget included a 3.2% increase for both categories while rates appear to have increased 4.1% and 7.2% for sewer and garbage, respectively.

**CHH
CASH IN BANK
FOR THE MONTH ENDING: Aug 2018**

Bank	CHH Blended Component Unit	Type	Balance
Chase	Larned	Reserves	110,176
Chase	412	Reserves	87,722
		Total Chase	197,898
KeyBank	Capitol Hill Housing	Security Deposit	288,101
KeyBank	Capitol Hill Housing - SoundFamilies	Restricted Savings	26,289
KeyBank	Hazel Plaza	Reserves	185,173
KeyBank	Hazel Plaza	Security Deposit	3,494
KeyBank	Larned	Security Deposit	21,914
KeyBank	Byron Wetmore	Reserves	51,514
KeyBank	Byron Wetmore	Security Deposit	9,316
Key Bank	412	Security Deposit	3,884
KeyBank	Holden Vista	Reserves	70,734
KeyBank	Holden Vista	Security Deposit	3,640
KeyBank	Mary Ruth Manor	Reserves	267,289
KeyBank	Mary Ruth Manor	Security Deposit	6,035
KeyBank	EJSH	Security Deposit	11,047
KeyBank	Fleming Apts LP	Security Deposit	23,445
KeyBank	Gilman Court LP	Reserves	109,312
KeyBank	Gilman Court LP	Security Deposit	20,245
KeyBank	Villa Apts LP	Reserves	173,433
KeyBank	Villa Apts LP	Security Deposit	44,058
KeyBank	El Nor LP	Security Deposit	9,584
KeyBank	El Nor LP	Reserve	557,949
KeyBank	El Nor LP	Capital Reserves	183,786
KeyBank	18th Ave Apartments	Security Deposit	2,010
KeyBank	Harrison	Security Deposit	20,071
KeyBank	Ponderosa	Reserves	477,303
KeyBank	Ponderosa	Security Deposit	3,722
KeyBank	12th Avenue Arts Master Tenant LLC	Security Deposit	65,548
KeyBank	12th Avenue Arts Master Tenant LLC	Reserves	9,715
Key Bank	Union James	Security Deposit	5,662
Key Bank	Union James	Reserves	82,780
Key Bank	Lake City	Security Deposit	6,245
		Total KeyBank	2,743,298
Banner	Berneva	Reserves	12,035
Banner	Seneca	Reserves	237,211
Banner	Seneca	Security Deposit	20,911
		Total Banner	270,157
LGIP	Capitol Hill Housing	Reserves	2,591,474
		Total LGIP	2,591,474
Oppenheimer	EJSH	Escrow	13,569
Oppenheimer	EJSH	Reserves	108,666
		Total Oppenheimer	122,235
Chase	Harrison	Reserves	159,723
		Total Chase	159,723
US Bank	18th Ave Apartments	Reserves	145,113
		Total USBank	145,113
BofA	Fleming Apts LP	Reserves	80,758
		Total BofA	80,758
		Total Restricted - CHH Blended Components	6,310,656
LGIP	Capitol Hill Housing	Board Designated Reserves	1,485,275
		Total Designated	1,485,275
UnionBank	Capitol Hill Housing	EQII	37,438
		Total Union Bank	37,438
KeyBank	Capitol Hill Housing	EQII	325
		Total KeyBank	325
HPN	Capitol Hill Housing	HPN	7,554
		Total HPN	7,554
KeyBank	Capitol Hill Housing	Payroll	-
KeyBank	Capitol Hill Housing	Operating Checking	48,460
KeyBank	Capitol Hill Dev. Assoc	Operating Checking	1,265
KeyBank	Capitol Hill Real Estate Mgmt Services	Operating Checking	11,538
KeyBank	Cash-Restricted	Operating Checking	142,715
KeyBank	Hazel Plaza	Operating Checking	143,810
KeyBank	Larned	Operating Checking	152,750
KeyBank	Byron Wetmore	Operating Checking	19,874
KeyBank	412	Operating Checking	47,715
Banner Bank	412 Construction	Construction	24,160
KeyBank	Holden Vista	Operating Checking	28,999
KeyBank	Mary Ruth Manor	Operating Checking	261,334
KeyBank	EJSH	Operating Checking	(47,620)
KeyBank	Fleming Apts LP	Operating Checking	36,151
KeyBank	Gilman Court LP	Operating Checking	26,465
KeyBank	Villa Apts LP	Operating Checking	136,899
KeyBank	El Nor LP	Operating Checking	140,875
KeyBank	18th Ave Apartments	Operating Checking	8,416
KeyBank	Harrison	Operating Checking	88,643
KeyBank	Ponderosa	Operating Checking	21,255
KeyBank	12th Ave Arts Development	Operating Checking	67,492
KeyBank	12AA Master Tenant LLC	Operating Checking	103,366
KeyBank	Union James	Operating Checking	19,526
KeyBank	Lake City	Operating Checking	22,481
KeyBank	Africa Town(Mid-town)	Operating Checking	25,949

CHH
CASH IN BANK
FOR THE MONTH ENDING: Aug 2018

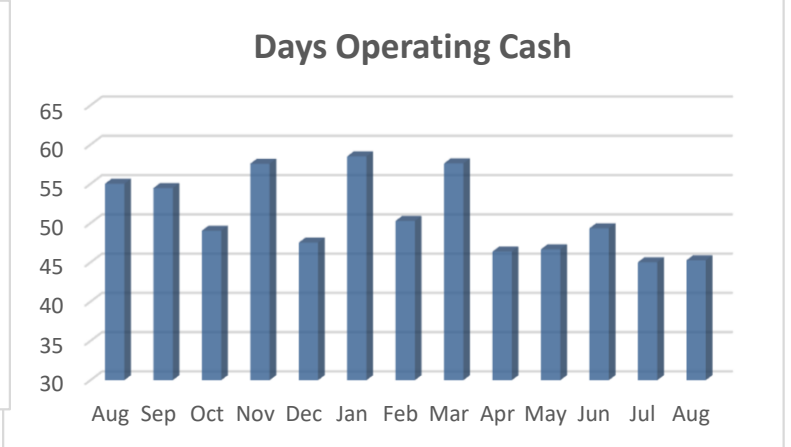
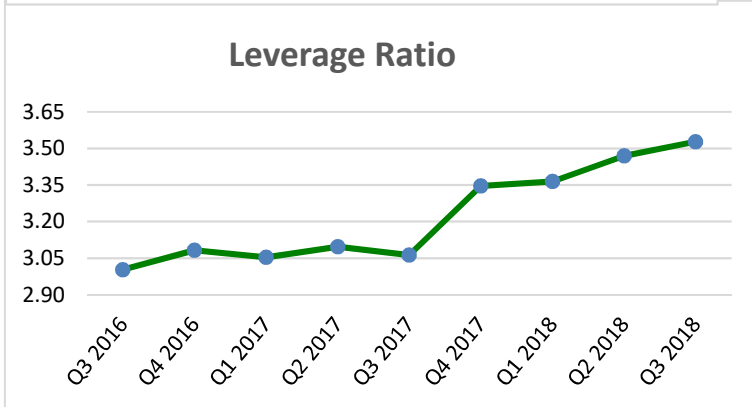
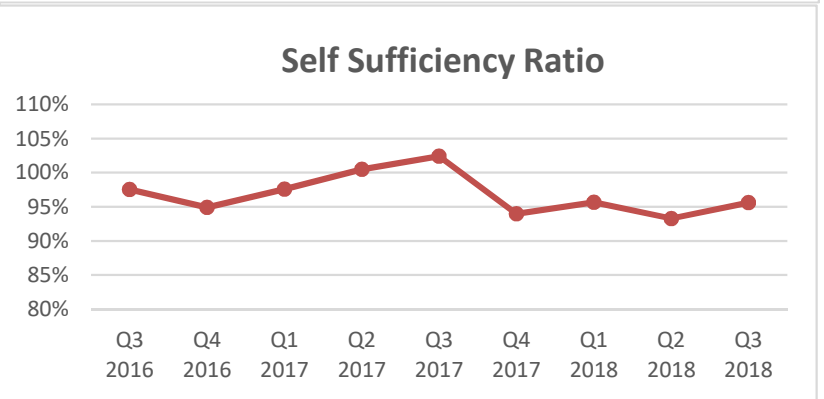
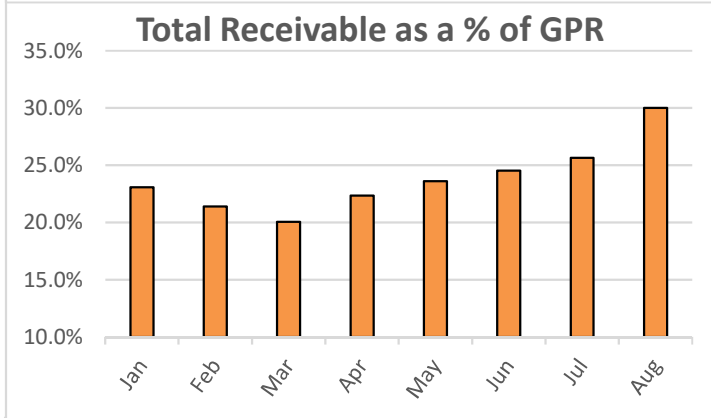
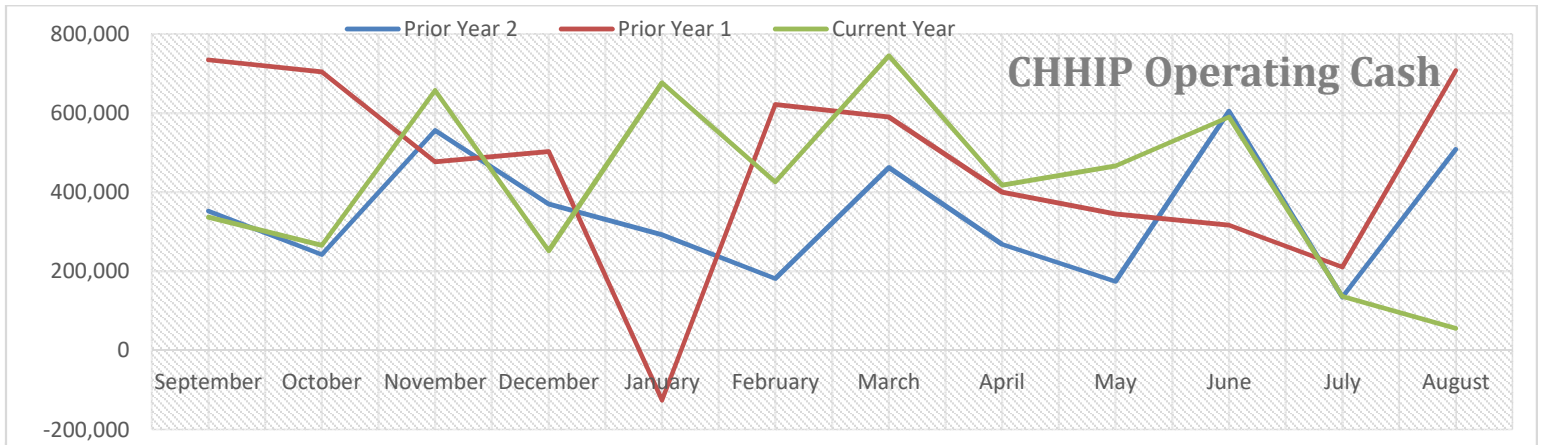
		Total KeyBank	1,532,517
Cash	Various	Petty Cash - CHHIP	100
		Total Petty Cash	100
Banner	Berneva	Operating Checking	5,919
Banner	Seneca	Operating Checking	299,562
		Total Banner	305,481
		Total Unrestricted - CHH Blended Components	1,883,416
		Total All Cash - CHH Blended Components	9,679,347

Bank	Discrete Component Unit	Type	Balance
Chase	Oleta	Reserves	178,943
Chase	Woodland Park Ave LLC	Reserves	135,179
Chase	AAA	Security Deposit	5,731
Chase	AAA	Reserves	86,639
		Total Chase	406,492
KeyBank	Broadway & Pine	Reserves	272,741
KeyBank	Broadway & Pine	Security Deposit	23,524
KeyBank	Helen V Apts LLC	Reserves	290,959
KeyBank	Helen V Apts LLC	Security Deposit	8,549
KeyBank	Holiday Apts	Security Deposit	22,313
KeyBank	Jefferson & 12th	Reserves	295,486
KeyBank	Jefferson & 12th	Security Deposit	35,623
KeyBank	Oleta	Security Deposit	22,364
KeyBank	Pantages Apts LLC	Security Deposit	27,491
KeyBank	Silvian	Security Deposit	6,486
KeyBank	SOP1 / Unity Village	Reserves	201,675
KeyBank	SOP1 / Unity Village	Security Deposit	15,856
KeyBank	Woodland Park Ave LLC	Security Deposit	10,968
KeyBank	12th Avenue Arts Housing	Security Deposit	73,209
KeyBank	12th Avenue Arts Housing	Reserves	659,456
KeyBank	Union & 24th Construction Residential	Construction	31,860
KeyBank	Union & 24th Construction Commercial	Construction	56
KeyBank	12th Avenue Arts Associates LLC	12AA HEDC Fee Reserve Account	144,426
KeyBank	12th Avenue Arts Associates LLC	12AA Key Fee Reserve Account	178,073
KeyBank	Squire Park Plaza	Security Deposit	53,126
KeyBank	Squire Park Plaza	Reserves	65,197
		Total KeyBank	2,439,437
UnionBank	Holiday	Reserves	202,699
		Total UnionBank	202,699
US Bank	Pantages Apts LLC	Reserves	518,166
US Bank	Silvian	Reserves	526,376
		Total USBank	1,044,541
		Total Restricted - Discrete Components	4,093,170
Chase	AAA	Operating Checking	62,939
		Total Chase	62,939
KeyBank	Oleta	Operating Checking	14,228
KeyBank	Helen V Apts LLC	Operating Checking	152,563
KeyBank	Pantages Apts LLC	Operating Checking	20,361
KeyBank	Silvian	Operating Checking	128,303
KeyBank	Broadway & Pine	Operating Checking	43,276
KeyBank	Woodland Park Ave LLC	Operating Checking	10,834
KeyBank	Holiday Apts	Operating Checking	71,625
KeyBank	SOP1 / Unity Village	Operating Checking	54,266
KeyBank	Jefferson & 12th	Construction	241
KeyBank	Jefferson & 12th	Operating Checking	36,930
KeyBank	Twelfth Avenue Arts Res	Operating Checking	190,628
KeyBank	12th Avenue Arts Associates LLC	12AA Commercial Operating (Debt Service)	268,448
KeyBank	Squire Park Plaza	Operating Checking	173,562
		Total KeyBank	1,165,264
		Total Unrestricted - Discrete Components	1,228,204
		Total All Cash - Discrete Components	5,321,373
		Total All Cash - CHH Blended Components	9,679,347
		Total All Cash	15,000,721

TOTALS BY BANK

Key Bank	\$	7,880,517
Chase	\$	827,379
Banner	\$	575,638
US Bank	\$	1,189,654
Union Bank	\$	240,138
Bank of America	\$	80,758
Beneficial State bank	\$	-
LGIP	\$	4,076,748
Other and Petty	\$	129,889
TOTAL CASH	\$	15,000,721

Ratio Analysis



Calculations

CHHIP Operating Cash Balance: CHH main operating account balance at month end - prior 3 years

Receivable as a % of GPR: Measures how effective the Organization is at collecting rent charged to tenants

Calculation: Month end balance of tenant receivables accounts by site / total monthly gross potential rent

Target: CHH is still working to establish benchmarks for different receivable types

Self Sufficiency Ratio: Measures the Organization's ability to cover operating expenses with operating revenues

Calculation: Total operating expenses / total operating revenue less developer fees (grant income = prior 12 month avg)

Target: 100% = Operating revenues are sufficient to cover operating expenses

Days Operating Cash: Measures the cash on hand to cover operating expenses based on current spend rate

Calculation: Month end operating cash balance / Avg expense per day (prior 3 months)

Target: 2 months operating cash on hand

Leverage Ratio: Measures the ratio of assets funded through debt relative to other sources (operating/grants etc)

Calculation: Total liabilities at month end / end of month net position

Target: 2.5 - 4: 4.0 maximum ratio

Blended Component Units:		YTD 2018		YTD 2018		YTD 2018		Op expenses B4 Debt		Rolling Avg.		2018 YTD Cash Flow	
		Income Per Unit		Cost Per Unit		Make		Total		August		after debt and reserves	
		Actual	Var %	Budget	Var %	Ready	Turn	Days	Turn	Monthly	Rolling	YTD	Variance
Portfolio Manager	Affordable Units	Market Units	Total Units	Actual	Var %	Budget	Var %	Days	Turn	Monthly	Rolling	YTD	Variance
Berneva	12	12	12	6,347	6,236	2%	5,372	5,289	-2%	45	47	2,843	350
Boylston Howell	30	30	30	7,634	7,574	1%	5,417	5,849	7%	11	42	1,921	14,764
Bremer	49	49	49	5,898	6,130	-4%	3,810	3,887	2%	27	105	38,169	1,594
Brewster	35	35	35	6,101	5,643	8%	3,701	4,396	16%	14	115	39,588	40,323
Broadway	3	2	5	9,011	8,611	5%	4,957	5,390	8%	14	115	10,872	4,163
Burke Gilman Gardens	15	15	15	8,536	8,419	1%	6,302	5,977	-5%	13	76	5,484	8,618
Byron Wetmore	12	12	12	7,647	7,699	-1%	6,875	6,793	-1%	13	76	5,484	8,618
Casa di Cinque	3	2	5	11,088	10,778	3%	5,213	6,257	17%	13	44	18,963	9,972
Centennial	21	9	30	7,998	8,061	-1%	3,612	4,026	10%	13	44	47,675	10,517
Devonshire	62	62	62	6,352	6,352	-1%	4,591	4,509	-2%	12	58	28,032	37,503
Eighteenth Avenue	9	9	9	8,350	9,026	-7%	5,140	5,518	7%	176	242	19,444	10,000
El Nor	55	55	55	7,122	7,146	0%	5,162	5,320	3%	19	61	27,320	20,017
Elizabeth James	60	60	60	6,873	6,841	0%	4,644	4,722	2%	22	67	31,509	13,680
Fleming	36	36	36	6,238	6,289	-1%	3,910	3,736	-5%	15	54	19,025	27,115
Four Ten	6	6	6	6,485	6,271	4%	4,674	4,535	-3%	4	23	4,261	3,752
Four Twelve	12	12	12	10,577	10,316	3%	6,849	7,598	10%	15	54	27,002	8,769
Fredonia	7	5	12	17,268	17,591	-2%	8,983	9,894	9%	8	48	48,112	42,067
Gilman Court	25	25	25	8,740	8,606	2%	6,210	7,039	12%	10	51	33,192	9,129
Harrison at 15th	19	19	19	13,936	13,204	6%	7,022	7,147	2%	10	51	45,332	29,045
Hazel Plaza	16	16	16	17,604	16,995	4%	6,229	6,555	5%	0	0	87,114	73,473
Helen V	38	38	38	12,074	12,125	0%	5,807	5,329	-9%	27	71	124,902	168,160
Holden Vista	16	16	16	8,882	9,614	3%	6,283	7,172	12%	30	171	36,943	18,432
Joe Black Apartments	24	24	24	8,440	9,030	-7%	7,622	7,302	-4%	128	174	13,656	9,656
John Carney	27	27	27	5,764	5,652	2%	3,869	4,344	11%	20	68	23,420	7,674
Larned	33	33	33	6,997	6,934	1%	4,435	4,727	6%	18	42	69,924	58,192
Lincoln Court	29	29	29	6,724	6,770	-1%	3,986	4,266	7%	2	93	3,339	932
Mary Ruth Manor	20	20	20	16,243	15,898	2%	6,026	6,993	14%	17	100	81,059	54,568
Maxwell	4	4	4	7,764	7,579	2%	4,362	5,556	21%	17	100	9,553	4,035
Melrose	30	30	30	6,045	6,061	0%	4,031	4,742	15%	10	70	34,890	14,073
Miller Park	12	12	12	8,333	8,073	3%	8,027	5,723	-40%	10	70	18,222	6,311
Oleta	34	34	34	6,190	6,342	-2%	4,006	3,955	-1%	43	72	11,566	10,328
Park Hill	20	10	30	9,942	9,621	3%	5,774	6,462	11%	18	66	82,512	52,242
Ponderosa	23	23	23	6,202	6,143	1%	5,014	4,867	-3%	18	66	17,676	19,696
Seneca	32	32	32	7,172	7,289	-2%	4,974	5,405	8%	35	35	21,831	18,938
Union James	24	24	24	9,084	9,116	1%	6,161	6,076	-1%	60	167	35,136	39,597
Villa	62	62	62	8,025	7,920	1%	4,822	4,770	-1%	17	45	1,023,414	843,097
Discrete Component Units:													
Broadway Crossing	44	44	44	6,762	7,599	-11%	4,897	5,534	12%	16	70	32,699	41,936
Fremont Solstice	18	18	18	7,478	7,668	-2%	5,499	5,404	-2%	16	56	5,663	5,115
Haines AAA	30	30	30	7,477	7,584	-1%	4,821	5,892	18%	8	133	23,157	4,480
Holiday	30	30	30	7,798	7,725	1%	3,983	4,129	4%	45	45	27,818	21,219
Jefferson Housing	40	40	40	8,636	8,871	-3%	5,644	5,323	-8%	26	70	12,927	9,358
Pantries	49	49	49	6,687	6,999	-4%	6,721	4,998	-34%	15	80	71,289	25,855
Silvian	32	32	32	8,304	7,841	6%	5,568	4,747	-17%	33	82	7,515	19,863
Squire Park Plaza	31	29	60	13,462	13,171	2%	4,846	5,732	15%	13	70	181,538	110,897
Twelfth Avenue Arts	88	88	88	7,672	7,570	1%	3,714	3,713	0%	11	24	88,208	79,282
Unity Village	30	30	30	6,974	6,670	5%	5,218	5,418	4%	31	99	43,930	28,820
Portfolio Totals:	1307	57	1364	11,154,806	11,134,236	0%	6,862,568	7,026,363	-2%	24	72	1,292,086	1,175,299
Explanation of select properties with high vacancies or large vacancy increases:													
Bremer - five vacancies in August (three were occupied by end of August), hard turns (water damage). Site manager turnover													
Burke Gilman Gardens - two vacancies in August, both 2bdr units with higher rents (one leased at end of Sept.)													
Joe Black - three vacancies in August; all 3-bdr units with higher rents. Each requires general turnover maintenance repairs and clean up. One leased at end of Sept.													
Oleta - four vacancies in August. One vacancy related to rodent infestation (concessions also extended due to same issue)													
Squire Park Plaza - five vacancies in August (one a partial vacancy). Three vacancies were market units with higher rents. Two have been re-leased in Sept.													

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SECTION 5:

2019 Board Pledge Form

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2019 Board Pledge Form

Name: _____

Personal Donation:

This year, I expect to make a personal contribution totaling \$_____ (*excluding tickets for events*)

Giving Schedule:

- | | |
|--|------------------|
| <input type="checkbox"/> At Top of the Town (spring 2019) | Amount: \$ _____ |
| <input type="checkbox"/> At Omnivorous (fall 2019) | Amount: \$ _____ |
| <input type="checkbox"/> Q1, Q2, Q3, Q4 (circle one or more) | Amount: \$ _____ |
| <input type="checkbox"/> Date/ Other: _____ | Amount: \$ _____ |

Board members are encouraged to give publicly at a CHH Foundation event.

CHHF Staff will remind you of your pledge in advance of the scheduled time of donation

I will make my gift in the following ways:

- | | |
|---|------------------------|
| <input type="checkbox"/> You can charge my credit card: | Name on card: _____ |
| <input type="checkbox"/> Once | Card Number: _____ |
| <input type="checkbox"/> Recurring: \$ _____ every _____ | Expiration Date: _____ |
| <input type="checkbox"/> I will make this gift with cash or check | |
| <input type="checkbox"/> I will set up my online giving through CHH's website by January 31st, 2019 | |
| <input type="checkbox"/> Through a donor advised fund at _____ | |
| <input type="checkbox"/> Through workplace giving via _____ | |
| <input type="checkbox"/> By transferring stock or other appreciated assets | |

Employer Match

- ☐ My employer will match this gift at a 1:___ ratio
- ☐ Please contact me for details
- ☐ Matching gift form will accompany my donation

Company Sponsorship:

- ☐ My company will sponsor _____ event for \$ _____

Form continues on back



Outreach Support:

- ☐ I will be a Gatherer and bring a group of eight people to Omnivorous (fall 2019)
- ☐ I will introduce the organization to #__ contacts from my network through
 - ☐ Personal visits
 - ☐ Calls
 - ☐ Personalized letters
 - ☐ Email
 - ☐ A house party

Fundraising Support:

- ☐ I will take responsibility for stewarding relationships with current and prospective donors
- ☐ I will personally approach cultivated prospects or donors to ask for a gift
- ☐ I will call existing donors to ask them to renew their support
- ☐ I have contacts with the following corporations or foundations: _____

Advocacy Work:

- ☐ I have relationships with the following elected officials and am willing to reach out to them:

- ☐ I am willing to reach out to elected officials to discuss our issues
- ☐ I am willing to speak at public hearings or coalition gatherings

Media Work:

- ☐ I will share and repost CHH content and events to my social media networks
- ☐ I will support Giving Tuesday (December 3, 2019) with appeals to my own network
- ☐ I am willing to contact reporters, editors, or producers
- ☐ I have personal contacts at the following media outlet _____

Other Support:

- ☐ I am also willing to contribute in the following way (s): _____

Signature: _____ Date: _____

Thanks for your support!



SECTION 6:

Resolution 2018-22:

Support for the

Rise Together

Capital Campaign

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CHH Board Resolution 2018-22

Overview: Regarding Support for the Rise Together Capital Campaign

Purpose: To formalize Board support for the Rise Together capital campaign in its current form, which encompasses 5 partner organizations and 6 projects across 3 neighborhoods, with a current goal of \$11.6 million. The resolution also acknowledges a likely significant goal expansion in the near future.

Type of Resolution/Motion:

- **Is this a formal resolution?** ☒ Yes ☐ No
- **Are we requesting a motion from the floor?** ☐ Yes ☒ No
- **Has this resolution been presented to a Board Committee?:** ☒ Yes ☐ No
If so, which committee or committees?: Executive Committee

Charter or Rules and Regulations Modification:

- **Does this Resolution change the Charter or Rules and Regulations?** ☐ Yes ☒ No
- *If yes, you need to give notice to the Board 15 days prior to the proposed change.*
- *Changes to the Charter or Rules and Regulations must use the strike out and underline format so change is clear to reader.*

General description and purpose: This resolution seeks Board support for a capital campaign goal that has evolved since the Board passed its original resolution in July 2017. This resolution was introduced at the September 10, 2018 Board meeting.

Organizational requirements of resolution: None.

Financial cost of the resolution: An adjustment has been made to anticipated fundraising expenses as a result of raising the goal from \$8 - \$9 million, as indicated in the July 2017 resolution, to its current \$11.6 million goal. The fundraising expense budget was raised by approximately \$100,000 (to \$963,413, still well below the industry standard of 10% of the campaign goal) and is included in the overall \$11.6 million goal.

Pros: The inclusion of Africatown Plaza in the Rise Together campaign is a natural fit with the vision and goals of Rise Together, particularly with regard to prioritizing local control and building community assets. It is also a project in which CHH is already a partner and would need philanthropic funding in any scenario. It makes more sense to raise the funds together with the other Rise Together projects than to do so separately.

Cons: Raising the goal requires additional staff time and fundraising expenses.

Further Board Action or Reporting:

- **Is further action required from the Board or a Board Committee?** ☐ Yes ☒ No
- **Is further reporting required to the Board or a Board Committee?** ☒ Yes ☐ No
If yes, please describe: The Rise Together partners anticipate an additional and significant elevation of the campaign goal in the coming months. Preliminary information will be shared at the October Board Meeting and the Executive Committee will be kept apprised as a new goal is determined. The Board can anticipate that staff will request a resolution to approve the elevated goal in late 2018 or early 2019.



**ADOPTED AT A MEETING OF
THE BOARD OF DIRECTORS OF THE
CAPITOL HILL HOUSING IMPROVEMENT PROGRAM,
A WASHINGTON PUBLIC CORPORATION**

RESOLUTION NO. 2018-22

**Regarding Support for the Rise Together Capital Campaign to
Support Real Estate Development Projects in Three Neighborhoods**

WHEREAS, RCW 35.21.730 provides that a city may form a public corporation “in order to improve... the general living conditions in the urban areas of the state...”; and

WHEREAS, The City of Seattle (“the City”), acting in accordance with RCW 35.21.730, formed the Capitol Hill Housing Improvement Program, a public corporation, for such purposes; and

WHEREAS, Capitol Hill Housing Foundation (“the Foundation”) was incorporated December 16, 2009 under the provisions of the Washington Nonprofit Corporation Act (RCW Chapter 24.03) and organized exclusively for charitable, scientific or educational purposes within the meaning of section 501(c)(3) of the Internal Revenue Code including without limitation: to raise funds to enhance and augment the purposes, programs, services and facilities of Capitol Hill Housing Improvement Program; and

WHEREAS, the Capitol Hill Housing Improvement Program and the Capitol Hill Housing Foundation entered into a Service Agreement on April 12, 2010 (revised May 20, 2013) wherein the Foundation agrees to provide services to support the Program and its chartered mission including conducting such capital campaigns as the Foundation and the Program deem to be necessary and feasible; and

WHEREAS in July 2017 the governing Board of the Capitol Hill Housing Improvement Program committed to the first phase of a three-phase, \$8.0 - \$9.0 million capital campaign corresponding to projects in the three communities of Capitol Hill, the Central District and White Center by adopting Resolution 2017-08: Regarding Support for a Capital Campaign to Support Real Estate Development Activities in Three Communities; and

WHEREAS, the governing Board of the Capitol Hill Housing Improvement Program has begun to authorize the necessary financing activities to move forward the development or exploration of the projects known as the Liberty Bank Building, Africatown Plaza (previously known as Midtown), Union & 14th (previously known as Helen V Phase 2), the Boylston-Howell Rehabilitation, and the White Center Community HUB (previously known as the White Center Big Idea), as certified by the Board’s adoption of the following resolutions:

1. Resolution 2015-04: Liberty Bank Predevelopment Financing, July 13, 2015
2. Resolution 2016-06: Liberty Bank Building Predevelopment Financing Impact Capital, April 11, 2016
3. Resolution 2017-04: Authorization for Predevelopment Funds for White Center, March 13, 2017
4. Resolution 2017-07: Liberty Bank Building Bond Inducement, April 10, 2017
5. Resolution 2017-14: Helen V Phase 2 Development: Predevelopment, Funding Applications, Development Agreement, Site Control, August 14, 2017
6. Resolution 2017-16: Midtown Acquisition, Predevelopment, Funding Applications, August 14, 2017
7. Resolution 2017-21: Midtown Acquisition and Closing of City Loan, October 4, 2017
8. Resolution 2017-25: Authorization to Increase Predevelopment Spending on the Union and 14th (formerly Helen V Phase 2) Development Project, and Authorization of Predevelopment Loan from the Lucky 7 Foundation, November 13, 2017
9. Resolution 2018-09: Initial Board Approval of CHP1 (Bremer, BH, Centennial, JC), June 11, 2018; and

WHEREAS the above-referenced capital campaign, now called “Rise Together,” has evolved significantly since the adoption of Resolution 2017-08, now encompassing five partner organizations (Africatown Community Land Trust, Byrd Barr Place, Capitol Hill Housing, Southwest Youth and Family Services, and White Center Community Development Association) and six projects/programs (Liberty Bank Building, Africatown Plaza, Union & 14th Senior LGBTQ Housing, the rehabilitation of the Boylston-Howell; the Capitol Hill Arts Stabilization Fund; and the White Center Community HUB, formerly the White Center Big Idea), and has correspondingly raised its goal to \$11.6 million; and

WHEREAS the Rise Together capital campaign staff find that a significant number of local institutional funders are interested in the cross-neighborhood collaboration aspect of the campaign and are therefore considering gifts to the campaign as a whole; and

WHEREAS the Rise Together capital campaign has raised \$2,295,050 toward the goal to date; and

WHEREAS these fundraising circumstances indicate it is favorable to pursue funding simultaneously for all projects and neighborhoods, rather than phasing the campaign to limit the focus to one neighborhood at a time; and

WHEREAS the governing Board of the Capitol Hill Housing Improvement Program understands that due factors such as the rising costs of construction, the ongoing program development at sites still in pre-development, and the multi-faceted nature of the campaign, that there is a strong likelihood the Rise Together campaign goal will need to be raised again in the future, subject to feasibility analysis and Board approval; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Capitol Hill Housing Improvement Program hereby commits to the entire Rise Together capital campaign as described above and supports activities to raise the necessary \$11.6 million in funding to support the development of mixed-use, multifamily residential developments, significant community facilities and organizational capacity building.

CERTIFICATION

I, Derrick Belgarde, certify that I am the Secretary of Capitol Hill Housing Improvement Program ("CHH") and that the foregoing Resolution was duly adopted at a meeting of the Board of Directors of CHH held on October 8, 2018, in accordance with the Charter and Rules and Regulations of CHH upon proper notice and at which time a quorum was present.

DATED the 8th day of October, 2018.

By _____

Its Secretary



SECTION 7:

Resolution 2018-23:

Northgate Reapplication

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CHH Board Resolution 2018-23

Overview: Northgate Reapplication-Board Authorization for Predevelopment funding and to prepare and resubmit funding applications in partnership for the Northgate TOD Project

Purpose: Resolution to authorize executing an MOU with a nonprofit affordable housing developer and for-profit housing developer, responding with them to the King County reissued RFP due in October, to prepare and submit funding applications, and expending preliminary predevelopment funds for the Northgate TOD project.

Type of Resolution/Motion:

- **Is this a formal resolution?** ☒ Yes ☐ No
- **Are we requesting a motion from the floor?** ☐ Yes ☒ No
- **Has this resolution been presented to a Board Committee?:** ☒ Yes ☐ No
If so, which committee or committees?: Property Development Committee

Charter or Rules and Regulations Modification:

- **Does this Resolution change the Charter or Rules and Regulations?** ☐ Yes ☒ No

General Description and Purpose: To authorize activities related to the submission of a response to an RFP and predevelopment of the Northgate TOD project.

Organizational requirements of resolution: None

Financial cost of the resolution: Maximum of \$50,000 will be paid from CHH Predevelopment lines of credit. If the project becomes infeasible after expending these funds, CHH will need to repay the Predevelopment line.

Pros: CHH will be able to respond again to the RFP for the development of the Northgate TOD. The project is a large master development project that will provide significant ownership and management opportunity and participation in a development that will last many years.

Cons: CHH is responsible for additional Predevelopment costs to go after this RFP. Partnerships add inherent risk but at this point the biggest risk is we don't get selected for the development.

Further Board Action or Reporting:

- **Is further action required from the Board or a Board Committee?** ☒ Yes ☐ No
If yes, please describe: Should we be the successful respondents, the Board will be asked to approve site acquisition and borrowing on any funds beyond the initial predevelopment expenses and may be asked to take additional action as of yet unforeseen.
- **Is further reporting required to the Board or a Board Committee?** ☒ Yes ☐ No
If yes, please describe: Reporting on progress of the project will take place at the Property Development Committee.



**ADOPTED AT A MEETING OF
THE BOARD OF DIRECTORS OF THE
CAPITOL HILL HOUSING IMPROVEMENT PROGRAM
A WASHINGTON PUBLIC CORPORATION**

**Resolution No. 2018-23
Northgate TOD Reapplication Resolution**

RCW 35.21.730 provides that a city may form a public corporation “in order to improve...the general living conditions in the urban areas of the state...”, and the City of Seattle, Washington (the “City”), acting in accordance with RCW 35.21.730, formed Capitol Hill Housing Improvement Program (“CHH”), a public corporation, for such purposes;

Section 3 (f) of the CHH Charter establishes that concurrence of the Board by resolution shall be necessary for any project or activity located outside of the Capitol Hill community and upon a determination by the Board that such project or activity will further the purpose of the Program;

In accordance with Article V of its Charter, subject to certain limitations, the CHH shall have and exercise all powers necessary or convenient to effect the purposes for which CHH is organized and to perform authorized functions including the development of affordable housing;

CHH has determined that responding in partnership with both an affordable housing developer and a market rate developer to an anticipated Request for Proposals (RFP) for the development of affordable housing and other community facilities and improvements at a large site at approximately 3rd Ave NE & NE 100th St, is consistent with its stated Real Estate Development and Acquisition Policies dated September 2015, its strategic plan and is consistent with and effects its purpose;

CHH has expended resources and efforts to applying for the original RFP issued by King County in 2017;

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS CAPITOL HILL HOUSING IMPROVEMENT PROGRAM AS FOLLOWS:

(1) That the development of the Site will further CHH's purpose and efforts to promote the development of quality affordable housing in the City of Seattle and is therefore within the power and authority granted to CHH by its Charter.

(2) That the Chief Executive Officer is authorized, empowered and directed to:

- (a) Execute a MOU and any related legal documents pertaining to entering a partnership for the purpose of responding to the RFP;
- (b) Contract for consultancy and other predevelopment costs up to \$50,000 as may be necessary to investigate the project's feasibility, undertake necessary actions to submit public funding applications;

- (c) Prepare and submit a response to King County or its agencies or any other agency's RFP related to this Northgate development for the purpose of acquiring and developing the property in partnership;
- (d) To prepare and submit applications for public financing as may be required as part of this RFP;
- (e) Take all other actions as necessary to effectuate the foregoing.

CERTIFICATION

I, _____, certify that I am the Secretary of Capitol Hill Housing Improvement Program ("CHH") and that the foregoing Resolutions were duly adopted at a meeting of the Board of Directors of CHH held on 8th day of October, 2018, in accordance with the Charter and Rules of Regulations of CHH upon proper notice and at which time a quorum was present.

DATED the 8th day of October 2018.

By _____

Its Secretary

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SECTION 8:

Resolution 2018-24:

Station House

Supplemental Closing

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CHH Board Resolution 2018-24

Overview: Station House Supplemental Closing Resolution

Purpose: To authorize additional actions related to the Station House financing

Type of Resolution/Motion:

- **Is this a formal resolution?** ☒ Yes ☐ No
- **Are we requesting a motion from the floor?** ☐ Yes ☒ No
- **Has this resolution been presented to a Board Committee?:** ☒ Yes ☐ No
If so, which committee or committees?: The Property Development Committee. The Executive Committee discussed an earlier version.

Charter or Rules and Regulations Modification:

- **Does this Resolution change the Charter or Rules and Regulations?** ☐ Yes ☒ No
- *If yes, you need to give notice to the Board 15 days prior to the proposed change.*
- *Changes to the Charter or Rules and Regulations must use the strike out and underline format so change is clear to reader.*

General description and purpose: In order to satisfy conditions of the lender and the future owner of the garage we are constructing underneath the building, we are providing an additional guarantee to the garage owner in turn for their guarantee to our lender. This resolution also acknowledges that the contribution from the market rate developer for the construction of the community room will be made to CH Development Association and then contributed to CH TOD LLC. Previously the contribution was to be made to CHH.

Organizational requirements of resolution: None.

Financial cost of the resolution: There is no additional cost.

Pros: The actions authorized in this resolution are the result of protracted negotiation between all parties to the transaction with the intent to reduce risk to our lender and the market rate owner if the garage was not completed and CHH went into default.

Cons: This is an additional guarantee however we make multiple guarantees with each project.

Further Board Action or Reporting:

- **Is further action required from the Board or a Board Committee?** ☐ Yes ☒ No
If yes, please describe: Please include here whether full Board or Committee needs to take action, and anticipated dates for action.
- **Is further reporting required to the Board or a Board Committee?** ☒ Yes ☐ No
If yes, please describe: Progress on the Station House development is monitored by PDC.

RESOLUTION No. 2018-24

**ADOPTED AT A MEETING
OF THE BOARD OF DIRECTORS OF
CAPITOL HILL HOUSING IMPROVEMENT PROGRAM,
A WASHINGTON PUBLIC CORPORATION
(Station House Project – Supplemental Resolution)**

WHEREAS, RCW 35.21.730 provides that a city may form a public corporation “in order to improve...the general living conditions in the urban areas of the state...”, and The City of Seattle, Washington, acting in accordance with RCW 35.21.730, formed Capitol Hill Housing Improvement Program (“**CHH**”), a public corporation, for such purposes;

WHEREAS, CHH previously adopted Resolution No. 2018-12, dated July 9, 2018 (the “**Previous Resolutions**”) in connection with the Project. Capitalized terms not defined herein shall have the meanings set forth in the Previous Resolutions;

WHEREAS, pursuant to the Previous Resolution, the proceeds of the Grant were to be received by CHH which would then loan the proceeds to the Company as a Sponsor Loan;

WHEREAS, for underwriting purposes, the Equity Investor is requiring that the Grant proceeds be treated as a capital contribution into the Company which will require that the Grant be made to CH Development Association and not CHH. Upon receipt of the Grant, CH Development will make a capital contribution (the “**Capital Contribution**”) to the Managing Member, which in return will contribute the funds to the Company;

WHEREAS, pursuant to the terms of the Condominium Purchase and Sale Agreement, CHH will be required to guaranty certain payment and other obligations of the Company under the Condominium Purchase and Sale Agreement, including but not limited to conveyance of the Garage Unit to the Joint Venture (the “**MEPT Guaranty**”);

WHEREAS, Sound Transit and CHH (as assignee of Gerding/Edlin) entered into a Disposition and Development Agreement as amended by a First and Second Amendment and as is intended to be amended by that certain Third Amendment (as amended, the “**DDA**”). Sound Transit, CHH and the Joint Venture are parties to that certain Supplemental Agreement which amends certain terms of the DDA;

WHEREAS, CHH desires to assign its rights and obligations under the DDA to the Company;

WHEREAS, to further the development of the Project, CHH, the Company, the Joint Venture, the City and other third parties may be entering into certain supplemental agreements and other agreements to establish and clarify the relationship between the parties (collectively, the “**Supplemental Agreements**”);

WHEREAS, Sound Transit is requiring that CHH enter into a Guaranty Agreement with respect to the development of Site B North (the “**Sound Transit Guaranty**”); and

WHEREAS, CHH, in its capacity as a public corporation, manager of the Managing Member, Sponsor, Developer, Property Manager and Guarantor, desires to ratify and affirm its prior actions with respect to the acquisition, financing, development and construction of the Project.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF CAPITOL HILL HOUSING IMPROVEMENT PROGRAM AS FOLLOWS:

RESOLUTIONS

1. CHH, in its capacity as a public corporation, manager of the Managing Member, Sponsor, Developer, Property Manager and Guarantor is authorized, empowered and directed execute such documents as may be required to facilitated the making of the Capital Contribution by the Managing Member to the Company upon such terms as the Executive Director of CHH deems reasonable and appropriate.

2. CHH, in its capacity as a public corporation, is authorized, empowered to execute and deliver the MEPT Guaranty upon such terms as the Executive Director of CHH deems reasonable and appropriate.

3. CHH, in its capacity as a public corporation, is authorized, empowered to execute and deliver the Sound Transit Guaranty upon such terms as the Executive Director of CHH deems reasonable and appropriate.

4. CHH, in its capacity as a public corporation, manager of the Managing Member, Sponsor, Developer and Guarantor is authorized empowered and directed to execute such further amendments to the DDA as may be required by Sound Transit or the City upon such terms as the Executive Director of CHH deems reasonable and appropriate.

5. CHH, in its capacity as a public corporation, manager of the Managing Member, Sponsor, Developer and Guarantor is authorized empowered and directed to execute such documents as may be required for CHH to assign the DDA to the Company upon such terms as the Executive Director of CHH deems reasonable and appropriate.

6. CHH, in its capacity as a public corporation, manager of the Managing Member, Sponsor, Developer and Guarantor is authorized empowered and directed to execute and deliver the Supplemental Agreements upon such terms as the Executive Director of CHH deems reasonable and appropriate.

7. Any and all documents authorized to be executed and delivered by CHH in its capacity as a public corporation, the current manager and sole member of the Company, manager of the Managing Member, Sponsor, Developer, Property Manager and/or Guarantor to accomplish the foregoing are hereby authorized to be executed by any one of the following individuals or their duly appointed successors (the "Authorized Representatives").

Robert Schwartz, Chair

Shalimar Gonzales, Vice Chair

Frank F. Alvarado III, Treasurer

Derrick Belgarde, Secretary

Chris Persons, Executive Director

8. CHH, in its capacity as a public corporation, manager of the Managing Member, Sponsor, Developer, Property Manager and Guarantor, is authorized, empowered and directed to negotiate, enter into, execute and deliver any such other documents as may be required with in connection effectuate the foregoing resolutions and the Previous Resolutions.

9. The Board of Directors of CHH authorizes and approves the performance CHH, the Managing Member, and the Company of their respective obligations contained in the instruments to which each is a party authorized by the foregoing resolutions and the Previous Resolutions.

10. Any and all such actions taken by the Executive Director or any other Authorized Representative prior to the date of this resolution are hereby ratified and affirmed by the Board of CHH.

11. If it is necessary or convenient in the judgement of any Authorized Representative that any documents to be executed for the Company as contemplated hereunder be executed prior to admission of the Managing Member to the Company, CHH is authorized to execute and deliver the same as manager of the Company.

12. This resolution will be in full force and effect from and after its adoption and approval.

ADOPTED by the Board of Directors of the Capitol Hill Housing Improvement Program at an open public meeting thereof this 8th day of October, 2018.

CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Secretary of the Board of Directors of the Capitol Hill Housing Improvement Program (“**CHHIP**”) and keeper of the records of CHHIP, CERTIFY:

1. That the attached Resolution No. 2018-24 (the “**Resolution**”) is a true and correct copy of the resolution of the Board of CHHIP, as adopted at a meeting of the Board of CHHIP held on October 8, 2018, and duly recorded in the minute books of CHHIP.

2. That such meeting was duly convened and held in all respects in accordance with law, and, to the extent required by law, due and proper notice of such meeting was given; that a quorum was present throughout the meeting and a majority of the members of the Board of Directors of CHHIP present at the meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of October 2018.

Secretary

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SECTION 9:

Consent Agenda and Attachments

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CAPITOL HILL HOUSING REGULAR MEETING

October 13, 2018

6:00 – 7:30 PM Regular Meeting

12th Ave Arts Pike Pine Meeting Room

1620 12th Avenue, Seattle

CONSENT ITEMS

MINUTES AND REPORTS

1. September 2018 Draft Board Meeting Minutes (attached for adoption)
2. Tenant Communications Tracking (attached for review)
3. Committee Reports and Minutes (attached for acceptance)

DONATIONS, TRANSACTIONS OVER \$10,000 OR 1-YEAR, AGREEMENTS WITH PUBLIC ENTITIES

Blended				
Date	Bldg/Entity	Contract with:	Amount	Purpose
September 10, 2018	OLETA	Byer Contracting, LLC	\$21,579.00	Replace deck surface

Discrete (For information purposes only)				
Date	Bldg/Entity	Contract with:	Amount	Purpose
September 12, 2018	12AA	BCE	\$12,307.00	Provide mechanical engineering services for the design of water and waste system for the 12th Ave Arts bldg. coffee stand.



REGULAR BOARD MEETING MINUTES

Pike-Pine Room
1620 12th Avenue, Seattle

September 10, 2018

Members Present: Frank F. Alvarado III, Derrick Belgarde, Rachel Ben-Shmuel, Paul Breckenridge, Sara Cubillos (Emerging Leader Fellow), Bob Fikso, Chasten Fulbright, Shalimar Gonzales (via phone), Cathy Hillenbrand, Robert Schwartz (via phone), Eric Snow

Members Absent: Dana Behar, Michael Malone, b.g Nabors-Glass, Drew Porter, Selomé Teshome

Staff Present: Kiley Dhatt, Robyn Dhatt (taking minutes), Greg Gibson, Michelle Lambert, Brad Lange, Chris Persons, Michael Seiwerath, Sarah Shoemake (taking minutes), Heyward Watson, Jeremy Wilkening, Yiling Wong

The meeting was called to order by Derrick Belgarde at 6:01 pm.

Derrick noted that due to the physical absence of the Chair and the Vice Chair (being on the phone), a Chair Pro-Tem will need to be elected to lead the meeting.

A motion to elect **Derrick Belgarde as the Chair Pro-Tem** for the meeting was made by Paul Breckenridge, seconded by Cathy Hillenbrand, and passed unanimously.

Sarah noted that the Minutes from the August 2018 Board Meeting should be removed from the Consent Agenda for an edit.

A motion to approve the **Consent Agenda** was made by Cathy Hillenbrand, seconded by Frank Alvarado, and passed unanimously.

Sarah noted that two typos had been corrected on the final version of the Minutes:

- Page 2, Paragraph 6 should read "Frank Alvarado's term re-appointment."
- Page 2, Paragraph 7 should read "A motion to re-appoint Frank F. Alvarado III for an additional three-year term"

A motion to approve the **amended August 2018 Board Meeting Minutes** was made by Frank Alvarado, seconded by Cathy Hillenbrand, and passed unanimously.

Disclosures and Recusals: Bob Fikso recused himself from voting on the Resolution 2018-18, due to his position as President of the Lucky Seven Board of Directors. Cathy disclosed that she lives next door to the Boylston-Howell building.

Mission Moment: Sara Cubillos was chosen for the mission moment, and briefly explained why the CHH mission is important to her. Sara became familiar with the 12th Ave Arts building area as a student, frequenting the nearby restaurant, Octo-Sushi. She recalls there not being much else in the area until after the building was completed. The building provided affordable housing, space for arts, and helped promote and revitalize local businesses. Sara noted that this is a complicated building with the commercial tenants and the SPD garage. The 12th Ave Arts is her favorite CHH project and building to talk about.

Public comment: There were no members of the public present.

Affiliations and Rebranding Update

Finance and Asset Management Report: Greg presented the regular FAM Report and dashboard through July 2018. He noted that the Finance Policy is up for review with the current audit, and that the final draft should be ready for approval at the October Board meeting.

A motion to accept the **September Finance and Asset Management Report** was made by Cathy Hillenbrand, seconded by Frank Alvarado, and passed unanimously.

Resolution 2018-18: Lucky 7 Predevelopment Financing Renewal: Lucky Seven Financing to support the predevelopment of the LGBTQ senior housing project was first adopted by the Board in 2017 but was never executed because that project did not move forward at that time. This new resolution supersedes the old resolution, increases the loan amount to \$700,000 (increase from \$600,000) and provides for its deployment for the predevelopment of Eldridge Tire (formerly Atlas) and the LGBTQ senior project.

A motion to accept **Resolution 2018-18: Lucky 7 Predevelopment Financing Renewal** was made by Paul Breckenridge seconded by Chasten Fulbright and passed unanimously. Bob Fikso abstained.

Resolution 2018-19: Union Bank EQ2 Extension: This Resolution is a renewal of existing EQ2 financing with Union Bank for two additional 12-month terms. The EQ2 financing is \$250,000 at 2.5%.

A motion to accept **Resolution 2018-19: Union Bank EQ2 Extension** was made by Paul seconded by Cathy and passed unanimously.

Resolution 2018-20: Impact Capital Line of Credit Renewal: This Resolution is a renewal of the existing predevelopment line of credit with Impact Capital. The line of credit is \$500,000 at 6%. These funds can only be used for pre-development.

A motion to accept **Resolution 2018-20: Impact Capital Line of Credit Renewal** was made by Bob Fikso, seconded by Cathy Hillenbrand, and passed unanimously.

Resolution 2018-21: Competitive Bid Waiver for Emergency Repairs: This Resolution creates a policy that authorizes the CEO to declare an emergency for the purpose of purchasing and provides for the waiver of the competitive bidding process. This policy will be immediately utilized to ensure that life-safety repairs at the Oleta Apartments can be resolved as quickly as possible. All emergency purchasing declarations will be time limited, scope limited and dollar-amount limited. This policy is based on a very similar policy utilized by Cowlitz County, WA.

A motion to accept **Resolution 2018-21: Competitive Bid Waiver for Emergency Repairs** was made by Chasten Fulbright seconded by Rachel Ben-Shmuel and passed unanimously.

Executive Committee and Governance

Rebrand Update: Yiling Wong, the new CHH Senior Manager of Communications, provided a brief update on our rebranding. She explained that we are currently in Phase 2 of the rebrand process, which will involve work on our messaging by a crosscut group (comprised of staff and both Boards). The RFP for a consultant to facilitate group discussion has been released. This was prompted by feedback from the DEI report results. Yiling and Chris explained that messaging explains who we are and what we do as an organization, being mindful of our values and mission. Phase 3 will involve choosing a new name, look and feel for the organization.

Board Development: Chris noted that both Racheal Steward and Michelle Purnell-Hepburn have agreed to join the CHH board, pending Board visits and Board approval. Rachael and Michelle plan to attend the October Board meeting.

Affiliations Update: Chris gave a brief update.

Per RCW 42.30.110(b), the CHH Board entered into an executive session to consider the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price. The session began at 6:30 pm. The Board exited the executive session at 6:39 pm.

Organizational Advancement and External Relations

Capital Campaign Update: Kiley gave an update on the Rise Together Capital Campaign. The Board adopted Resolution 2017-08 approving the first phase of the campaign. She reviewed a draft resolution, which will be finalized for Board approval at the October meeting, regarding the increased goal total and the updated structure of the Campaign.

Presentation and Discussion

Oleta Update: Chris provided an overview of recent events at the Oleta Apartments and discussed the 18-point Oleta Response Plan. He reviewed the recent emergency All-Staff meeting, including his and Shalimar's remarks. He highlighted the newly formed internal groups of the Oleta Task Force and Portfolio Actions Team. Board members shared their input on the situation. There is also a new reporting structure and communications procedures are being reviewed.

Chris noted that this will be reported on regularly at the upcoming monthly Board meetings.

Pipeline Review and Project Introductions

Northgate Round 2 and Pipeline Update: The RFP for Northgate has been reissued, and our team is discussing its approach. The submittal deadline is October 29. Staff will bring a new initial resolution to the Board in October. The new RFP is fairly convoluted, assigning no points for land value while simultaneously requiring full market value on all of the land—even the affordable portion in complete contradiction the stated reason for cancelling the original RFP.

Per RCW 42.30.110(b), the CHH Board entered into an executive session to consider the acquisition of real estate when public knowledge of such consideration would cause a likelihood of increased price. The session began at 7:31 pm. The Board exited the executive session at 7:45 pm.

Africatown: Chris and Jeremy updated the Board on current conversations with Africatown regarding both Africatown Plaza and the Community College's SVI property.

The meeting was adjourned by Derrick Belgarde at 7:45 pm.

Attested,

Derrick Belgarde, Secretary
October 8, 2018

Tenant Communications Tracking

August 2018

Building	Issue	Status	Resolution
Bayview Tower	Resident believes SM is targeting him because of his political beliefs.	Closed	Tenant was sent letter that we would not be revoking his 10-day notices received for this incident and that he should work with his site manger to avoid receiving another or he could be facing eviction.

OCTOBER 2018 PROPERTY MANAGEMENT COMMITTEE BOARD REPORT AND MINUTES

Property Management Committee Members: b.g. Nabors-Glass, Chasten Fulbright, Derrick Belgarde, Felicia Cross

Staff Liaisons to the Board: Heyward Watson, Valencia Chambers-Manora, **Noah Wernstedt-Lynch** (taking notes)

(**BOLD** indicates those members in attendance)

Date, time and location of meeting: October 2, 2018 -1:00 –2:00 PM Belmont Conference Room

Date, time and location of next meeting: November 6, 2018 -1:00 -2:00 PM Belmont Conference Room

Current Capital Projects in Process/Pending:

- **Elizabeth James Renew Projects**
 - Domestic water heater pre-heat heat pump installation
***Latest Update* - installation complete. Insulation being installed week of 9/4.**
 - Bath fan cleaning and servicing – in progress. Found the fans dirtier than expected and more difficult to clean. Office of Housing has been on site to observe the cleaning results and has informed the contractor that additional work is required to meet the standards of the contract.
***Latest Update* – new bath fans to be installed and ducts to roof to be cleaned starting 9/4.**
 - Recreation heat pump installation – installation to be completed by Aug 10.
***Latest Update* – installation complete.**
 - Lighting upgrades – received 2 sample fixtures to be installed in the center stair well for evaluation. Bid documents to be ready by the end of Aug.
***Latest Update* – 3 of the new fixtures installed to review the output.**
 - Roof replacement – on hold until HUD approval. Discussing the financial feasibility to upgrade the roof insulation to meet current code requirements. Office of Housing is unable to pay for any additional construction costs incurred to configure roof for the added insulation. Includes design for permit, increasing the height of the perimeter curb, and roof venting requirements. Rebid (if required due to design changes required) 1st quarter 2019, and construction 2nd quarter 2019.
***Latest Update* – Architect to provide design drawings to install correct insulation and bid documents.**
 - Solar panel installation – on hold until roof replaced. Install 3rd quarter 2019.
- **Seneca Envelope Maintenance Project** - Work started Aug 3rd. Expected to be completed in Oct.
***Latest Update* – work in progress. 50% complete.**
- **Helen V Roof Project** – reroof completed. Warranty inspection and demobilization scheduled for week of Aug 13.
***Latest Update* – project complete.**
- **Holden Vista Electrical Panel Service Project** – Contract awarded and work scheduled to start Aug 20 and be completed by end of Aug.
***Latest Update* – work complete.**

- **Burke Gilman Gardens Porch Replacement Project** – Contract awarded and work scheduled to start Aug 13.
Latest Update – work in progress.
- **12th Ave Arts Theater Lobby Acoustic Upgrades Project** - Contract awarded. Contractor putting together material submittals and putting together construction schedule.
Latest Update – expected to start mid Sept depending on availability of acoustic panels.
- **Miller Park Roofing Project** – Contract awarded. Work scheduled to start Aug 13 and be completed mid Sept.
Latest Update – start rescheduled to mid-September.

Building Operations

From the Finance report: Year to date May 31, 2018 Blended Operating Statement.

In summary:

- July monthly snapshot vacancy was 3.2% (a decrease of 0.5% from the prior month!)
- YTD portfolio vacancy rate was 3.0%
- 12 month rolling vacancy was 2.5%

Third Party Management

- HAP contract was renewed at Cal Anderson with an effective date of 8/1.

Resident Services Activity for July 2018

Resident Services Events (HUD)

- 6 events

Service Referrals

- 44 Referrals

Non-Referral Check-ins (Relationship Building)

- 69 RSC meetings with residents

Rental Assistance

- 10 residents applied for rental assistance
- 8 residents attended the Financial Fitness Workshop
- 5 residents received rental assistance

CHH Facilities: 2018 MSP Work Order Report

This report represents all work orders by classification completed year to date as of July 31st, 2018 and compared to previous year at same year to date.

<u>Work Order Classifications:</u>	<u>As of July 2018</u>	<u>Compared YTD in 2017</u>
EMERGENCY	404	444
INSPECTION	856	844
PREVENTATIVE MAINT.	34	14
ROUTINE	284	287
TENANT REQUEST	1028	856
UNIT TURN	171	121
TOTALS:	2,777	2,566

Leasing & Occupancy

Board Report Information: 7/1/2018 – 7/31/2018

Phone Calls * *This is based off voicemails returned, not total calls*

Phone calls	160
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On average calls last 5-20 minutes. Estimated time spent returning calls:

Estimated	Minutes per Month	hours	Work Days
Low 5 mins.	800	13.4	1.7
High 20 mins	3,200	53.4	6.7

Front Desk * *Guests are not required to sign in*

Signed in	36
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Denials and Withdrawals

Denials	6
Withdrawals	1

60 days or > Vacancy HUD

Building	Average	# of Units to date	Reason
Bayview Tower	73	3 over 60 days 4 total	Units vacant before CHH started management. Received incomplete waitlist from prior management.
Elizabeth James House	88	1 over 60 days 2 total	Heavy turn, app accepted 6/13/18 & move in scheduled 8/1/18
Helen V	84	1	Site Manager turnover. 16 name ups total.
Silvian	82	2 over 60 days 4 total	<ul style="list-style-type: none"> Notice received 1/24/18, more than 20 name ups began 2/15/18, vacated 2/26/18, heavy turn completed early May, Move in scheduled 8/01/18 Unit abandoned 5/16, heavy turn, Move in Scheduled 8/07/18
Union James	207	2 over 60 days 3 total	Notice received 2/8/18, heavy turn, 1 denial, new app received 6/07/18, Move in 7/03/2018

60 days or > Vacancy Non-HUD

Building	Average	# of Units to date	Reason
Bremer	123	2 over 60 days 6 total	<ul style="list-style-type: none"> Over 60 days unit: Unit abandonment, hard turn with severe carpet damage. App accepted 5/10 & denied 7/30 (SM turn over in between). Over 60 days unit: Move in 7/10/18 Site Manager turnover in mid to late July. Water damage caused by upper unit & asbestos discovered in repair. App accepted 5/25 & denied. New App 7/19. Notice received 4/10. App accepted 5/2 & denied 5/17. New app 5/21 & denied 6/22. Tenant deceased, hard turn. App accepted 7/30. Notice received 6/6, App accepted 7/25.
Broadway Crossing	55	1 over 60 days 3 total	1 denial, new move in scheduled 8/17/18
Burke Gilman Gardens	60	1 over 60 days 2 total	<ul style="list-style-type: none"> Notice received 6/4, 5 viewings, app accepted 6/21 & denied 7/17. Notice received 5/11 – 3 apps accepted & denied
Devonshire	71	1 over 60 days 2 total	Heavy turn, 2 withdrawals, move in 7/10/18
Jefferson	81	2 over 60 days 4 total	<ul style="list-style-type: none"> Reasonable accommodation transfer, move in 7/27/18 Heavy turn, app 5/25/18, move in scheduled 8/08/18
Joe Black	144	3	<ul style="list-style-type: none"> Fireplace cleaning required for each turn – hard to find consistent vendor. Move out 1/31/18, heavy turn, unit launched 3/27/18. 1 app denial, relaunched 6/27, 2 viewings. Unit abandonment 6/25, app 7/13. Move out 3/16, launched 4/30, 2 viewings - now shows
Lake City	191	1	Hard turn, 3 denials, new app 5/29 with Sec 8 voucher, delays due to inspection issues, move in 7/14/18
Squire Park Plaza	68	3 over 60 days 3 total	<ul style="list-style-type: none"> Market rate units, one rent lowered after long vacancy. Move in 7/24/2018

*Applicants have 72 hours to enter in to a lease agreement, move-in must occur within 14 days.

YTD 2018										Op expenses B4 Debt			YTD 2018			Rolling Avg.			2018 YTD Cash Flow				
Income Per Unit										Cost Per Unit			Avg. Total Turn			after debt and reserves							
Blended Component Units:										Total Units			2017			2018 YTD			Variance				
Portfolio Manager	Affordable Units	Market Units	Total Units	Actual	Budget	Var %	Actual	Budget	Var %	Actual	Budget	Var %	Ready Days	Rolling 12 MO	Vacancy	Actual	Budget	Variance	Actual	Budget	Variance		
Colby	12		12	6,347	6,236	2%	5,372	5,289	-2%	45	47		0.0%	1.0%	1.1%	1.4%	2,843	2,493	350	2,843	2,493	350	
Berneva				7,634	7,574	1%	5,417	5,849	7%	11	42		0.0%	0.9%	1.0%	0.8%	1,921	(12,843)	14,764	1,921	(12,843)	14,764	
Boylston Howell	30		30	5,898	6,130	-4%	3,810	3,887	2%	27	105		9.6%	5.7%	6.6%	2.6%	38,169	36,575	1,594	38,169	36,575	1,594	
Bremer	49		49	6,101	5,643	8%	3,701	4,396	16%	14	115		2.9%	2.1%	2.1%	6.8%	39,588	(735)	40,323	39,588	(735)	40,323	
Brewster	35		35	9,011	8,611	5%	4,957	5,390	8%				0.0%	0.0%	0.0%	0.2%	10,872	6,709	4,163	10,872	6,709	4,163	
Broadway	3	2	5	8,536	8,419	1%	6,302	5,977	-5%	13	76		13.2%	3.0%	4.2%	0.7%	5,484	8,618	(3,134)	5,484	8,618	(3,134)	
Burke Gilman Gardens	15		15	7,647	7,699	-1%	6,875	6,793	-1%				0.0%	0.0%	0.0%	1.1%	(505)	1,105	(1,610)	(505)	1,105	(1,610)	
Byron Wetmore	12		12	11,088	10,778	3%	5,213	6,257	17%				0.0%	0.0%	0.0%	0.0%	18,963	9,972	8,991	18,963	9,972	8,991	
Casa di Cinque	3	2	5	7,998	8,061	-1%	3,612	4,026	10%	13	44		0.0%	3.3%	4.3%	2.7%	47,675	37,158	10,517	47,675	37,158	10,517	
Centennial	21	9	30	6,281	6,352	-1%	4,591	4,509	-2%	12	58		0.7%	2.6%	3.0%	2.3%	28,032	37,503	(9,471)	28,032	37,503	(9,471)	
Devonshire	62		62	8,350	9,026	-7%	5,140	5,518	7%	176	242		0.0%	7.8%	8.6%	2.5%	(8,056)	1,944	(10,000)	(8,056)	1,944	(10,000)	
Eighteenth Avenue	9		9	7,122	7,146	0%	5,162	5,320	3%	19	61		2.9%	1.9%	1.9%	2.8%	27,320	20,017	7,303	27,320	20,017	7,303	
El Nor	55		55	6,873	6,841	0%	4,644	4,722	2%	22	67		1.6%	1.9%	2.6%	1.5%	31,509	13,680	17,829	31,509	13,680	17,829	
Elizabeth James	60		60	6,238	6,289	-1%	3,910	3,736	-5%	15	54		5.2%	2.3%	3.1%	0.3%	19,025	27,115	(8,090)	19,025	27,115	(8,090)	
Fleming	36		36	6,495	6,271	4%	4,674	4,535	-3%	4	23		1.1%	1.5%	0.1%	1.8%	4,261	3,752	509	4,261	3,752	509	
Four Ten	6		6	10,577	10,316	3%	6,849	7,598	10%				7.7%	0.8%	1.2%	0.6%	27,002	8,769	18,233	27,002	8,769	18,233	
Four Twelve	12		12	17,268	17,591	-2%	8,983	9,894	9%	8	48		0.0%	1.8%	2.6%	2.0%	49,112	42,067	7,045	49,112	42,067	7,045	
Fredonia	7	5	12	8,740	8,606	2%	6,210	7,039	12%	10	51		0.2%	0.6%	0.0%	1.1%	33,192	9,129	24,063	33,192	9,129	24,063	
Gilman Court	25		25	13,936	13,204	6%	7,022	7,147	2%				0.0%	0.1%	0.0%	0.1%	45,332	29,045	16,287	45,332	29,045	16,287	
Harrison at 15th	19		19	17,604	16,995	4%	6,229	6,555	5%				0.0%	0.1%	0.1%	0.2%	87,114	73,473	13,641	87,114	73,473	13,641	
Hazel Plaza	16		16	12,074	12,125	0%	5,807	5,329	-9%	27	71		0.0%	5.2%	5.5%	3.7%	124,902	168,160	(43,258)	124,902	168,160	(43,258)	
Helen V	38		38	9,882	9,614	3%	6,283	7,172	12%	30	171		0.0%	3.6%	3.6%	5.5%	36,943	18,432	18,511	36,943	18,432	18,511	
Holden Vista	16		16	8,440	9,030	-7%	7,622	7,302	-4%	128	174		13.6%	6.6%	9.6%	1.7%	(7,249)	14,582	(21,831)	(7,249)	14,582	(21,831)	
Joe Black Apartments	24		24	5,764	5,652	2%	3,869	4,344	11%	20	68		0.0%	0.6%	0.9%	1.4%	23,420	7,674	15,746	23,420	7,674	15,746	
John Carney	27		27	6,997	6,934	1%	4,435	4,727	6%	18	42		0.0%	1.5%	1.6%	1.9%	69,924	58,192	11,732	69,924	58,192	11,732	
Larned	33		33	6,724	6,770	-1%	3,986	4,266	7%	2	93		0.0%	2.1%	1.9%	2.3%	3,339	(932)	4,271	3,339	(932)	4,271	
Lincoln Court	29		29																				
Mary Ruth Manor	20		20	16,243	15,898	2%	6,026	6,993	14%	17	100		4.8%	3.4%	3.3%	3.6%	81,059	54,568	26,491	81,059	54,568	26,491	
Maxwell	4		4	7,764	7,579	2%	4,362	5,556	21%				0.0%	0.0%	0.0%	0.4%	9,553	4,035	5,518	9,553	4,035	5,518	
Melrose	30		30	6,045	6,061	0%	4,031	4,742	15%	10	70		2.5%	2.6%	3.4%	1.8%	34,890	14,073	20,817	34,890	14,073	20,817	
Miller Park	12		12	8,333	8,073	3%	8,027	5,723	-40%				0.0%	0.0%	0.0%	1.6%	(18,222)	6,311	(24,533)	(18,222)	6,311	(24,533)	
Oleta	34		34	6,190	6,342	-2%	4,006	3,955	-1%	43	72		9.4%	4.6%	4.8%	3.4%	1,238	11,566	(10,328)	1,238	11,566	(10,328)	
Park Hill	20	10	30	9,942	9,621	3%	5,774	6,462	11%	18	66		6.5%	1.5%	1.7%	3.8%	82,512	52,242	30,270	82,512	52,242	30,270	
Ponderosa	23		23	6,202	6,143	1%	5,014	4,867	-3%				5.5%	1.1%	1.6%	0.1%	17,676	19,696	(2,020)	17,676	19,696	(2,020)	
Seneca	32		32	7,172	7,289	-2%	4,974	5,405	8%		35		3.0%	0.3%	0.4%	0.2%	21,831	18,938	2,893	21,831	18,938	2,893	
Union James	24		24	9,084	9,116	0%	6,161	6,076	-1%	60	167		5.3%	7.4%	9.2%	6.9%	(2,391)	417	(2,808)	(2,391)	417	(2,808)	
Villa	62		62	8,025	7,920	1%	4,822	4,770	-1%	17	45		1.0%	1.2%	1.3%	1.4%	35,136	39,597	(4,461)	35,136	39,597	(4,461)	
Discrete Component Units:										1,023,414										843,097		180,317	
Broadway Crossing	Colby		44	6,752	7,599	-11%	4,897	5,534	12%	16	70		3.3%	1.9%	3.3%	1.7%	32,699	41,936	(9,237)	32,699	41,936	(9,237)	
Fremont Solstice	Valencia		18	7,478	7,668	-2%	5,499	5,404	-2%	16	56		5.1%	1.7%	2.5%	0.4%	(5,663)	(548)	(5,115)	(5,663)	(548)	(5,115)	
Haines AAA	Asia		30	7,477	7,584	-1%	4,821	5,892	18%	8	133		2.9%	4.1%	4.6%	3.5%	(23,157)	(4,480)	(18,677)	(23,157)	(4,480)	(18,677)	
Holiday	Asia		30	7,798	7,725	1%	3,983	4,129	4%		45		0.0%	0.4%	0.6%	1.9%	27,818	21,219	6,599	27,818	21,219	6,599	
Jefferson Housing	Dianne		40	8,636	8,871	-3%	5,644	5,323	-6%	26	70		5.1%	3.8%	4.9%	0.6%	(12,927)	9,358	(22,285)	(12,927)	9,358	(22,285)	
Pantages	Colby		49	6,687	6,999	-4%	6,721	4,998	-34%	15	80		1.9%	2.5%	3.1%	0.8%	(71,289)	25,855	(97,144)	(71,289)	25,855	(97,144)	
Silvian	Valencia		32	8,304	7,841	6%	5,568	4,747	-17%	33	82		3.9%	4.0%	5.8%	0.5%	7,515	19,863	(12,348)	7,515	19,863	(12,348)	
Squire Park Plaza	Valencia		31	13,462	13,171	2%	4,846	5,732	15%	13	70		7.1%	2.5%	2.9%	4.5%	181,538	110,897	70,641	181,538	110,897	70,641	
Twelfth Avenue Arts	Valencia		88	7,672	7,570	1%	3,714																

MSP Capital Project Report Aug 2018

Elizabeth James HVAC Upgrade Project

- Scope – Install heat pumps to preheat the domestic water system, install heat pump in place of the baseboard heaters in the recreation room, and clean unit bath fans and set for 30 CFM.
- Status – Heat pumps installed and operational. Insulation to begin 9/4.

Elizabeth James Reroof Project

- Scope – Tear off and install new SBS system in preparation for installation of solar panels.
- Status – Revising scope of reroof to install insulation. Office of Housing to contribute to design and installation costs.

Elizabeth James Water Savings Project

- Scope – Replace all toilets, aerators, and shower heads for water conservation.
- Status – Project delayed as the product (toilet tanks) are not available.

Elizabeth James Lighting Upgrade Project

- Scope – Replace existing light fixtures in common areas with energy efficient fixtures.
- Status – Project to be bid in September.

Miller Park Reroof Project

- Overlay existing roof.
- Status – received 4 bids. Awarded to Bates Roofing. Work to be started mid September.

Helen V Reroof Project

- Scope – Overlay existing roofing system.
- Status – Completed.

Seneca Envelope Maintenance Project

- Scope – Reseal all joints, repair cracks/damaged EIFS, and recoat.
- Status – Project in progress. 50% complete.

12th Ave Arts Theater Lobby Acoustics Project

- Scope – Install carpet, acoustic panels, and door seals.
- Status – Start work mid September.

OCTOBER 2018 FUNDRAISING AND COMMUNICATIONS MEMORANDUM

To: Capitol Hill Housing Board of Directors CC: Christopher Persons

From: Michael Seiwerath

Grants and Donations

In the last four weeks, the CHH Foundation received the following grant commitments:

- A grant of \$55,054 from Enterprise Community partners to support property development and community outreach at CHH development sites on Broadway in Capitol Hill.
- KeyBank made a \$300,000 commitment over three years to support community development and non-profit capacity building in the Central District. Of that commitment, \$50,000 will be dedicated to furthering Capitol Hill Housing's commitment to working with Woman- and Minority-owned business enterprises. (WMBE). For more on this grant from KeyBank, see the section on the capital campaign below.

In addition, over the last four weeks, the CHH Foundation submitted:

- A proposal to the Tulalip Tribes Charitable Foundation requesting \$5,000 for Resident Services.
- A proposal to the State Farm Foundation requesting \$10,000 for community development.
- A proposal to the Contorer Foundation requesting \$50,000 for support of the Capitol Hill EcoDistrict.

Rise Together Capital Campaign

If you haven't yet submitted your Rise Together capital campaign pledge form, please do so this month. We are not yet at 100% board participation, which is crucial for eligibility to make requests of many major funders.

The Rise Together partners are currently considering a significant increase in the campaign vision and goal. Two opportunities have arisen that align closely with the Rise Together collaborative's vision for equitable, inclusive development: the addition of a healthcare center at the White Center Community HUB, and the renovation of Fire Station 23, home of Byrd Barr Place, a current Rise Together partner and 50+ year old antipoverty organization in the Central District. These additions, along with some cost adjustments due to rising construction costs, tariffs, and ensuring manageable debt service on projects, would raise the campaign goal from the current \$11.6 million to somewhere between \$20 – 25 million.

The partners are engaged in a process of determining the exact funding gap on the expansions described above as well as testing the larger goal with some representative funders. Both the PDA and Foundation Boards can anticipate a request for approval of a significantly raised goal in late 2018 or early 2019.

Recent grant activity for the Rise Together capital campaign includes:

- KeyBank has confirmed their support of our community building work in the Central District with a grant of \$300,000 over two years. An award ceremony and press event is being scheduled for later this autumn.
- CHH was selected as a finalist for BECU's [People Helping People Awards](#), which means we'll be awarded at minimum a \$15,000 Community Benefit Award, and are in the running for three larger awards ranging from \$30,000-\$40,000. An award of any size will go to supporting the affordable commercial space at Liberty Bank Building. Huge thanks to Foundation Board member Sue Cary and PDA Board member Chasten Fulbright for their assistance!
- The T.E.W. Foundation has invited a proposal for \$10,000 to support affordable commercial space at Liberty Bank Building.

Proposals still pending include a \$200,000 Bank of America capacity-building grant; two Office of Arts and Culture grants for tenant improvements at Liberty Bank Building and the Capitol Hill Arts Stabilization Fund (\$100,000 and \$35,000, respectively); and a \$150,000 NEA creative placemaking grant to support the CH Arts Stabilization Fund.

Events

Omnivorous takes place this Thursday, October 11 at Washington Hall in the Central District. Omnivorous is produced with the dedicated commitment of our volunteer committee, which meets monthly, and always welcomes new committee members. The 2018 co-chairs are Frank Alvarado of the Capitol Hill Housing Board of Directors and Laura Miller of the CHH Foundation Board.

Tickets are on sale now. Any board members planning to attend, and who have not yet purchased tickets, are requested to buy tickets immediately at www.tinyurl.com/omnivorous2018.

Committed sponsors to date include:

- King Salmon: Columbia Pacific Advisors
- Hama Hama: Bank of America, Heritage Bank, HomeStreet Bank, Kaiser Permanente
- Chanterelle: Banner Bank, Blanton Turner, Deirdre Doyle Real Estate, Enterprise, KeyBank, MBE Law Group, Pacifica Law Group, Walsh Construction
- Fiddlehead Fern: Encore Architects, Foster Pepper, Mithun, RAFN Company, Sage Architectural Alliance, SMR Architects, Weber Thompson
- Media sponsor: The Stranger

This event is actively seeking additional sponsors. For more information on the event, including information on sponsorship, please be in touch with Laura Orella at lorella@capitolhillhousing.org.

Confirmed restaurants to date include: Adana, Aluel Cellars, Cafe Pettiroso, Caffe Vita, Dry Soda, Feed Co., Harry's Fine Foods, Hello Robin, Hot Cakes Molten Chocolate Cakery, Jemil's Big Easy, Lionhead, L'Oursin, Marjorie, Oddfellows Café + Bar, Oola Distillery, Optimism Brewing, Plenty of Clouds, Plum Bistro, Revolver Bar, Rumba, Sun Liquor, Tango, Terra Plata, The Tin Table, Trove, and Via Tribunali.

Communications

In September, communications efforts have been focused on improving cross-collaborations while maintaining the marketing ramp-up to ensure attendance at October events (Omnivorous 10/11 and Community Forum 10/25, see 4th news item). Following the formation of the Oleta Response Team, CHH been shoring up relationships across teams and regularly updating regulatory and communication counterparts in the Office of Housing (OH). The two most severely impacted tenants at the Oleta have successfully relocated –one to Broadway Crossing, and one back to the East Coast per his choosing. Regular communications with Oleta tenants are occurring to ensure they are informed and to catch other risk areas while making building improvements. More intentional internal communications planning has begun, including some pilot testing using the intranet to reach staff where they go in their daily work. We continue to emphasize people-centered stories in our outreach stories, and plan to use our existing story bank to bolster internal learning opportunities.

It has been a slower news month than August. The team continues to monitor for any emergent issues at Boylston-Howell related to the current tenant arrested in the American Southwest on very serious allegations (see previous month's note). OH communication counterparts have been alerted and are aware. Site staff plan to follow standard building protocols with regards to any leasing issues which may arise.

Date	Title	Outlet
9/4/2018	King County Reissues Northgate TOD RFP	SCC Insights
9/4/2018	King County's New Northgate Development Plans Include Fewer Affordable Housing Units than Councilmembers Are Requesting	Seattle Business Magazine
9/11/2018	Capitol Hill Renters session hopes to explain 'what exactly is design review?'	Capitol Hill Seattle Blog
9/18/2018	Community groups begin education and outreach on Pike/Pine bike improvement plan	Capitol Hill Seattle Blog
9/19/2018	Farewell to Imperial Lanes	K5 News

2018 Capitol Hill Housing Budget and Actuals
Updated October 2, 2018

Unrestricted Budget

Income Source	2018 Goal	2018 Actual	% to Goal
Government	\$ 66,710	\$ 66,710	100.0%
Foundation	\$ 182,150	\$ 80,000	43.9%
Corporate	\$ 201,750	\$ 72,986	36.2%
Individual	\$ 206,000	\$ 187,211	90.9%
Events & Sponsorships	\$ 256,000	\$ 201,855	78.8%
TOTAL	\$ 912,610	\$ 607,207	66.7%

Restricted Budget

Income Source	2018 Goal	2018 Actual	% to Goal
Government	\$ -	\$ -	0.0%
Foundation	\$ 60,000	\$ 35,000	58.3%
Corporate	\$ -	\$ -	0.0%
Individual	\$ 50,000	\$ -	0.0%
Events & Sponsorships	\$ -	\$ -	0.0%
TOTAL	\$ 110,000	\$ 35,000	31.8%

**Combined Budgets
(Restricted & Unrestricted)**

Income Source	2018 Goal	2018 Actual	% to Goal
Government	\$ 66,710	\$ 66,710	100.0%
Foundation	\$ 242,150	\$ 115,000	47.5%
Corporate	\$ 201,750	\$ 72,986	36.2%
Individual	\$ 256,000	\$ 187,211	73.1%
Events & Sponsorships	\$ 256,000	\$ 201,855	78.8%
TOTAL	\$ 1,022,610	\$ 643,762	63.0%

Grants to CHH

	2018 Goal	2018 Actual	Difference
RSC Grants to CHH	\$ 111,980	\$ 9,000	\$ 102,980
Sustainable Communities Grants to CHH	\$ 183,230	\$ -	\$ 183,230
General Operating Grants to CHH	\$ 430,000	\$ 321,000	\$ 109,000
Total Unrestricted Grants to CHH	\$ 725,210	\$ 330,000	\$ 395,210
Restricted Grants to CHH	\$ 110,000	\$ 35,000	\$ 75,000
TOTAL	\$ 835,210	\$ 365,000	\$ 470,210

OCTOBER 2018 PROPERTY DEVELOPMENT BOARD REPORT AND MINUTES

Property Development Committee Members: Dana Behar, Rachel Ben-Shmuel, Andrew Brand, **Paul Breckenridge**, Liz Dunn, Bob Fikso

Staff Liaisons to the Board: Chris Persons, Jill Fleming, **Jeremy Wilkening**

Date, time and location of meeting: October 2, 2018 5:30-6:30 pm Belmont Conference Room

Date, time and location of next meeting: November 6, 2018 5:30-6:30 pm Belmont Conference Room

The PDC discussed the reissuance of Northgate, Station House, and Yesler RFP.

Northgate: The PDC discussed the re-issued RFP. Per RCW 42.30.110(b), the CHH PDC entered into an executive session to consider the acquisition of real estate when public knowledge of such consideration would cause a likelihood of increased price.

Station House: The committee discussed the twists and turns in working towards a closing, specifically the garage serving B South and how to get the deal to work for the lenders. CHH will need to provide MEPT (market rate developer of B South) a guarantee to complete the garage. MEPT will then give a guarantee to pay for construction of the garage to Key Bank. In the event of default, MEPT will only be able to rely on CHH's guarantee to cover the funds they put in to construct the garage. There will also be a date for delivery and if it's not met MEPT is not required to purchase the garage; as of now this date is December 2020, and the date we expect to deliver the garage is April/May 2020, so there is approximately a 6 month cushion. The committee discussed the risks around this and decided it's acceptable. There will be a resolution related to this additional guarantee at the October board meeting.

Yesler RFP: Jeremy filled the PDC in on the good news that CHH/SCIDPDA has made it to the next round in SHA's RFP process, which entails an interview and addressing some program/funding scenarios posed by SHA.

October 2018 COMMUNITY DEVELOPMENT COMMITTEE BOARD REPORT

Committee members: Derrick Belgarde, **Rachel Ben-Shmuel**, Sara Cubillos, Eric Snow, Rachael Steward
Staff Liaisons to the Board: Alex Brennan, **McCaella Daffern**, Jeff Hagen, Steven Sawada, Joel Sisolak, Ashley Thomas
(**BOLD** indicates those members in attendance)

Date, time and location of meeting: October 4, 1pm, 12th Avenue Arts (1620 12th Ave), #205

Date, time and location of next meeting: N/A

The Community Development Committee (CDC) meets quarterly and met on October 4th. Staff from the newly-formed Racial Equity Task Force presented plans for an internal racial equity assessment. During the past month, staff continued to advance projects. 2019 work planning is underway.

EcoDistrict Updates

- **Steering Committee:** Recent changes to the Capitol Hill EcoDistrict Steering Committee include the addition of 3 new members: Egan Orion (Seattle PrideFest and the Broadway BIA), Julia Buchans (Seattle Central College) and Curtis Walton (Central Seattle Greenways). One long-time member, Michael Archambault (formerly with Capitol Hill Community Council), left the Committee.
- **Certification:** The Capitol Hill EcoDistrict is registered to become one of the first certified ecodistricts in North America. CHH is part of a learning cohort of “early adopters” from across the North America. At the November 9th Capitol Hill EcoDistrict Steering Committee meeting, Committee members will be asked to sign a Declaration of Collaboration, one of the first formal submittals required for certification, and approve the Capitol Hill EcoDistricts Imperative Commitment. These documents have been drafted with the support of an active working group of volunteers from the Steering Committee.
- **EcoDistricts Accelerator:** CHH is partnering with EcoDistricts™ to develop the Puget Sound Accelerator Program to bring the expertise and financial resources of this national intermediary to the area. Through this program, we will partner with local leaders and providers to offer consulting services, technical assistance and capacity building to advance equitable, sustainable districts throughout the region. CHH and EcoDistricts™ will jointly fundraise for this work with grant requests to national and regional funders.
- **LGBTQ-Affirming Senior Housing:** On September 25 the Seattle Office of Housing released its Rainbow Housing Report, the results of a study CHH advised on that details the housing needs of LGBTQ older adults. Over 125 people attended the event. At the same time, we are getting ready to restart the community process around our own LGBTQ-affirming senior housing project. Staff have a follow up meeting with LGBTQ organization executive directors on October 9. Staff are meeting regularly and hammering out roles between real estate and sustainability and planning. In order to accommodate this upcoming community partnership process, we are delaying our application for City and County funds until the fall of 2019. We will build on the design work that was carried out over the last year. We will also take advantage of current work by CHH staff and our architects at Environmental Works to explore opportunities to integrate active design

elements into the building. This project is also part of the CHH Foundation's Rise Together capital campaign, and the first fundraising event focused on this project will be held in October.

- **ORCA Affordable Passport Program:** CHH continues to work with King County on an expansion of this program to serve low-income transit riders in other neighborhoods across the county. On June 22, the King County (KC) Council unanimously passed [Motion 2018-0255](#) directing KC Metro to study and price options for expanding transit access for affordable housing residents. The Metro report was released to the public on Monday, October 1. The Metro report does not recommend adapting the ORCA Passport to better serve residents of affordable housing. It does recommend piloting a new ORCA product to serve very low income people who cannot afford to purchase an ORCA Lift pass. CHH staff is drafting a response to the report.
- **Pike/Pine Protected Bike Lane (PBL):** On July 30, the Seattle City Council passed Resolution 31826 in support of the [Basic Bike Network](#), which includes connecting the cycle tracks on 2nd Ave. and Broadway. Funding for this extension was included in the public benefit package that CHH and others negotiated with the developers of the WSCC. With funding secured and confirmation that bike lane construction will begin next year, we now turn our focus to working on a design that is safe and intuitive for bicyclists, prioritizes pedestrian safety and comfort, and retains/strengthens the vibrant retail environment on Pike/Pine. CHH will co-present a community design workshop for the extension on Oct 25th with Central Seattle Greenways and other partners. Leading up to the event, CHH has supported Central Seattle Greenways-led outreach to businesses in the corridor and co-hosted a pop-up protected bike lane on Pike for Park(ing) Day on September 21st.
- **Capitol Hill Neighborhood Design Guidelines:** The work group formed to advise the City on an update to the Capitol Hill Neighborhood Design Guidelines met for the last time in June. Following two months of public outreach, the draft guidelines are now under internal review at the City. It is anticipated that the guidelines will go to Council for approval in early 2019.
- **Capitol Hill Neighborhood Planning:** During the Capitol Hill Neighborhood Design Guidelines update process, the workgroup identified several neighborhood concerns not addressed by the update. CHH staff delivered a memo to the Office of Planning and Community Development articulating these planning issues and opportunities. As a potential first step, CHH staff is exploring working with planning students at the University of Washington to study public spaces and public life in Capitol Hill during the 2019 academic year.
- **Capitol Hill Renter Initiative (CHRI):** The Renter Initiative held a meeting in September about the design review and design guidelines and will be hosting a discussion about social housing on October 10th. CHH staff and CHRI leadership are also discussing roles and priorities moving forward without practicum student support in the 2018-19 academic year.
- **Mandatory Housing Affordability (MHA):** In June, the Seattle Hearing Examiner issued an initial ruling identifying which appeals to the MHA appeal would be reviewed in more detail and which would be dismissed. The final ruling will be issued in November. As such, Council has postponed action until January 2019 at the earliest.
- **Alley Community Redesign:** We continue to work with our core group of community stakeholders to plan the future of the alley. Our design consultant has collected documentation on existing conditions for the alley and adjacent buildings. We have begun discussion with stakeholders about opportunities and priorities. In October we will take community members on a tour of Nord Alley and Canton Alley to learn from those spaces. We are also in the planning stages for a public

community meeting and an activation event.

- **Homeless Outreach Services:** We are partnering with other community organizations to see the reinstatement of Metropolitan Improvement District homeless service outreach workers in Capitol Hill and Chinatown/International District, and the expansion of that program to serve First Hill. This resource had been an important program for ensuring our neighborhoods have all the tools to connect people living outside with resources and supported our business and residential community's compassion and desire for a single point-of-contact. Recognizing the impact of this outreach, the Mayor allocated \$200,000, short of the of the \$320,000 total program budget. CHH and our partners will determine the feasibility of covering this budget gap through Council and/or private philanthropy.

Other Community Development Updates

- **Liberty Bank Building:** We continue to move forward with community engagement and marketing efforts. Over the course of three hard hat tours, we walked the construction site with 20 community leaders representing organization and institutions like the Seattle Foundation, Seattle U, Pratt Fine Arts Center, and Catholic Housing Services. Last month, we co-led a special tour with LBB's art curators, al doggett and Esther Ervin, who presented the building's art program. We toured the perimeter and ground floor as al and Esther described the iconic courtyard mural and showed us images of the forthcoming installations by Inye Wokoma, Ashby Reed, Aramis O. Hamer, Lisa Myers Bullmash and Minnie Collins. We continue to support Africatown as they lead the affirmative marketing effort through community information sessions—the first packed Black Dot on 9/25, and the second session is schedule for 10/18. Our marketing efforts will support Africatown's schedule, as we prepare to run advertisements in The Facts, The Medium, and South Seattle Emerald during the last two weeks of October.
- **JazzED:** We are working with our partners to plan the kickoff meeting with their community engagement advisory group, who will help lead community engagement efforts as that project moves forward in its next phases of development.
- **Union and 14th:** Staff is leading a concerted effort to reconvene our LGBTQ senior supportive housing advisory group. We have our kickoff meeting with Executives from LGBTQ supportive organizations on Tuesday, 10/9, where we will chart the path forward for community engagement on this project. Last week's release of the city's LGBTQ Rainbow Housing report underscored the need for projects like U14.

OCTOBER 2018 EXECUTIVE COMMITTEE BOARD REPORT AND MINUTES

Executive Committee Members: **Robert Schwartz** (Chair), Shalimar Gonzales (Vice Chair), Frank Alvarado (Treasurer), **Derrick Belgarde** (Secretary), **Cathy Hillenbrand** (Immediate Past Chair)

Staff Liaisons to the Board: **Jill Fleming**, Chris Persons, **Sarah Shoemake** (taking minutes)

(**BOLD** indicates those members in attendance)

Date, time and location of meeting: Monday, September 24, 2018 - 5-6:30 pm Belmont Conference Room

Date, time and location of next meeting: Monday, October 29, 2018 - 5-6:30 pm Belmont Conference Room

Minutes

Meeting began at 5:05pm

1. Lead Items

- a. **Oleta and Portfolio Update:** Jill reviewed the draft root cause analysis document. She highlighted several areas for improvement including procedures, defining the role of resident services, creating a culture of accountability, systems for tracking incidents and complaints. Jill mentioned that Resident Services host a meeting at the Oleta to check in with residents and gather additional information and concerns. The Portfolio Action Team has been reviewing all the buildings in the portfolio as well as issues identified by OH.
- b. **18 Point Plan:** Jill briefly reviewed the 18 Point Plan. Rob suggested that a visual summary of the plan be distributed at the upcoming Board meeting, so that Board members can easily see the status of the items, ex: which have been taken care of, are pending, or still need attention.
- c. **Africatown Relationship:** Jill updated on the Committee on a recent mediated session with Doris Koo and the current status of the relationship.
- d. **HR Report:** Jill gave an update on recent HR matters.

2. External Relations, Community Programs, Board Issues

- a. **Board Resolutions:** Jill reviewed the following potential Resolutions to be reviewed at the October Board meeting.
 - i. **Special Board meeting for Station House additional financing:** Jill discussed an alternative financing plan proposed by the bank which entailed an additional taxable loan for construction of the garage. The additional debt would require additional board resolutions from CHH and CHDA.

Subsequent to the Executive Committee meeting, the parties to the Station House transaction agreed instead to go forward with the original structure with several modifications.
 - ii. **Capital Campaign Resolution:** The draft of this Resolution was presented at the September Board meeting, regarding continued support for the capital campaign in its current form. The only update to the draft version is the total funds raised thus far.

3. Development and Acquisitions

a. Project Development Updates:

- i. **Northgate:** Per RCW 42.30.110(b), the Committee entered into an executive session to certain real estate acquisition and disposition matters. The session began at 6:14pm. The Committee exited the executive session at 6:21pm.
- ii. **LGBTQ Senior Housing:** Jill updated the Committee on community work regarding this project.
- iii. **LBB:** Jill mentioned that the mural at LBB is complete and visible, and that the project is moving on track.

Meeting ended at 6:23pm.

OCTOBER 2018 JOINT BOARD DEVELOPMENT COMMITTEE BOARD REPORT AND MINUTES

Joint Board Development Committee Members: Margaret Pak Enslow (Foundation Secretary), Shalimar Gonzales - Committee Chair (PDA Member), Cathy Hillenbrand (PDA Member), Alice Quaintance (Former PDA Member), Randy Robinson (via phone) (Foundation Member)

Staff Liaisons to the Board: Michael Seiwerath, Sarah Shoemake

Date, time and location of meeting: n/a

Date, time and location of next meeting: November 14, 2018 – 4-5pm – Belmont Conference Room

The Joint Board Development Committee did not meet since the last full Board meeting. During the month, the Committee continued to advance its ongoing projects, including:

1. **Joint Board Retreat Follow Up:** CHH Staff will send a poll to obtain further feedback as well as get information about preferred day of the week, time, and other logistics. They will also distribute follow up documentation which will be distributed in an email to both Boards soon.

2. **Social Events**

Building Tours: The Committee expressed an interest in potentially giving building or construction tours to donors, and training Board members to give said tours, to assist staff.

3. **Professional Desired Board professional development/workshops/trainings:** The Committee will further research potential trainings, with a goal of one to four trainings per year, including onboarding training for newer Board members. The Committee plans to poll the Boards to determine topics on which they would like additional training. The following potential topics have been identified:

- Rent Setting
- Eligibility
- Rebrand and Messaging
- Fundraising
- Advocacy
- Real Estate

4. **Other Committee Topics:**

- a. Sexual Harassment Policy and Potential Trainings
- b. Techniques other Boards use to recruit diverse Board Members

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