



CHH Board Meeting

May 2020

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SECTION 1:

Meeting Keys

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May 2020

Capitol Hill Housing Board Meeting Keys and Agenda

The Meeting will start at 5:30 PM. Please try to arrive a little early so we can start on time. As always, reading the Keys in advance of the meeting will provide Board members with a good overview of the topics to be addressed and voted on. Also note a new section highlighting future resolutions so that we all have a good sense of key upcoming actions.

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

Meeting

Introductions: Board, staff and guests make brief introductions.

Zoom Protocol: Sarah will review our guidelines for meeting on Zoom. If possible, we would like everyone to use a device with video capabilities. At a minimum, you will need a device with audio and microphone abilities. If you haven't used Zoom before, once you click the link it will prompt you to download Zoom. Once you have done this, the browser will open with the meeting. Some features to keep in mind during the meeting:

Mute: Please mute yourself for portions of the meeting when you are not talking. The meeting Hosts (Chris, Sarah & Robyn) have the ability to mute and unmute attendees, so we will do our best to unmute everyone during discussions and voting. Please also be aware of your surroundings. Your mic will likely pick up any background noises in the room that you are joining from.

Chat: You may also use the chat function to ask questions and make comments. There is an icon on the bottom right of the screen to enlarge the chat bubble, which will usually show up on the right side of your screen.

Consent Agenda, Disclosures and Recusals: Shalimar will present the consent agenda, any Board member can remove an item from consent agenda for full Board consideration.

Board members will review items on the agenda and make any necessary disclosures and recusals. The Board will be asked to adopt the consent agenda.

Public Comment: Because of the unusual meeting circumstances at tonight's meeting, we will have no verbal public comments at the meeting. (Please note, RCW 42.30.030 provides: *All meetings of the governing body of a public agency shall be open and public and all persons shall be permitted to attend any meeting of the governing body of a public agency, except as otherwise provided in this chapter.* However, there is no provision nor any requirement for allowing the public to speak or make comments at a public meeting.)

Presentation and Discussion

Update on COVID-19 Response, Current Operations and Projections: Chris will give an update on how we are responding to the COVID-19 crisis and how the crisis is impacting our residents, commercial tenants and staff and what we are doing about it. He will focus on rent collections and projected losses, advocacy efforts at various levels, and the COVID-19 Resilience Fund.

As a reminder, our strategy is following these overarching principles:

1. Support residents, staff and commercial tenants in being safe and successful.
2. Operate as much as possible in a business-as-usual mindset while adapting to remote work and within the strictures of COVID-19 human resource and public health guidance.
3. Understand financial risk, work to plan for and mitigate the risk, while advocating for economic relief from the government, lenders and investors.
4. Work closely with our local and national allies in pursuing advocacy efforts and defining, learning about and implementing best practices.
5. Move the pipeline forward so that it is shovel-ready when we are through the COVID crisis.

Middle Income Housing Development Schedule & Predevelopment Requirements (Resolution 2020-07: U14 Predevelopment Increase): Jeremy and A-P Hurd will review the middle-income housing project at 14th and Union, sometimes referred to as the Helen V Parking Lot or U14. We are seeking additional predevelopment spending authority to take the project through permitting and to start of construction. This is a big leap from \$750,000 to over \$1.6 MM but is necessary for us to move the project forward. Once our MUP is submitted, we will begin to connect with investors again with the target of entering an agreement by the fall of this year. We are also entering into a design/build contract with the GC, something that we've never done before but which makes sense on this project. A-P will discuss the aspect of the development. Jeremy and Muhammadou will jointly review the resolution, as both the Property Development and the Finance & Asset Management Committees were involved in the process.

Executive Committee and Board Governance

Board Development Update: Chris and Shalimar will give an update on potential candidates for an upcoming opening.

Finance and Asset Management

Financial Summary: Derrick, Muhammadou and the Finance and Asset Management Committee presents its regular report and dashboard through March 2020.

Resolution 2020-08: Opportunity Fund Use Authorization: Muhammadou will review the resolution which will allow the authorize staff to approve use of the Opportunity Fund to support cashflow. Any use of the fund will be replenished from developer fee or other cash income from upcoming projects or other sources. Use of the Opportunity Fund for this purpose is part of our larger response to the economic impacts to COVID on our operating budget. Although the usual purpose of this fund is to support development and other investment opportunities, we believe that it is vital to keep our current investments moving along to borrow from this source temporarily.

Property Operations

Michelle will give an update of her workplan for the Property Operations department.

Executive Session

CEO Review: The Board will review Chris' 2020/21 workplan and discuss and have an initial discussion of his performance and compensation package. The Board will have a final conversation about Chris' performance in June with the results of his 360° review in hand and will then finalize his review.

Board Packet Sections

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3. Resolution 2020-07: U14 Predevelopment Increase, p. 15-17
4. May 2020 Finance Report, March Statements and Asset Management Report, p. 21-29
5. Resolution 2020-08: Opportunity Fund Use Authorization, p. 33-35
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 - a. Contracts and Expenditures, p. 39
 - b. April 2020 Board Minutes Draft, p. 40-42
 - c. Property Management Committee Report and Minutes, p. 43-45
 - d. Property Management Dashboard, p. 46-47
 - e. Fundraising & External Relations Memo, p. 48-53
 - f. Property Development Committee Report and Minutes, p. 54-55
 - g. Capitol Hill EcoDistrict Report and Minutes, p. 56-57
 - h. Executive Committee Report and Minutes, p. 58-60
 - i. Joint Board Development Committee Report and Minutes, p. 61-62

Upcoming Meetings and Events

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

May 25	Office Closed - Memorial Day
Tue May 26	Executive Committee Meeting
June 8	Board Meeting
June 17	Joint Boards Retreat
June 25	Top of the Town
June 29	Executive Committee Meeting
Fri Jul 3	Office Closed – July 4 th Holiday

New Section!

Upcoming Action Items

June/July	410 Disposition
June/July	Land Disposition Lake City
June/July	Charter and Rules Amendments
June/July	2019 CHHIP Audit Review
Fall or 2021	Land Acquisition Northgate

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SECTION 2:

Board Agenda

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CAPITOL HILL HOUSING BOARD
May 11, 2020
5:30 PM – 7:30 PM Regular Meeting
Zoom

<https://us02web.zoom.us/j/82632590832?pwd=eFh5TE9RS1BuRUx6aEdyR0FIUGJ3QT09>

Meeting ID: 826 3259 0832

Password: 899701

AGENDA

5:30 Call to Order (Gonzales)– 10 min total

1. Introductions, Welcome
2. Zoom Protocol (Shoemake-Gamble) – 5 mins
3. Disclosures and recusals
4. Approve consent agenda

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5:40 Presentations and Discussion – 40 min total

1. Update on COVID-19 Response, Current Operations and Projections (Persons) – 20 mins
 - a. Update on rent collections and projected losses
 - b. Update on advocacy efforts
 - i. PDA
 - ii. City/OH
 - iii. State and Federal
 - c. COVID-19 Resilience Fund
2. U14 Development Schedule & Predevelopment Requirements (Drammeh, Wilkening) – 20 mins
 - a. Resolution 2020-07: U14 Predevelopment Increase

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6:20 Executive Committee and Board Governance (Gonzales, Persons) – 5 min total

1. Board Development Update

6:25 Finance and Asset Management (Belgarde, Drammeh) – 15 min total

1. Finance Report
 - a. Financial summary, cash management report:
March 2020 Financial Statements – 5 mins
2. Resolution 2020-08: Opportunity Fund Use Authorization – 10 mins

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6:40 Property Operations (Canizio) – 20 min total

1. Update

7:00 Executive Session (Gonzales) – 30 min total

1. CEO Review Update

Handout

7:30 Adjourn (Gonzales)

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SECTION 3:

Resolution 2020-07:

U14 Predevelopment

Spending Increase

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CHH Board Resolution 2020-07 – U14 Predevelopment Increase

Overview: Authorization of Predevelopment Spending on U14 Development Project

Purpose: Resolution to limit expenditure of predevelopment funds for the development of U14 (the “Project”) to \$1,400,000 from predevelopment sources, including from a line of credit from Impact Capital.

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 Has this also been reviewed by FAM?

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 format so change is clear to reader.*

General Description and Purpose: The CHH Board of Directors previously passed a Resolution to authorize spending to achieve design and permitting that will secure an entitlement for the Project and requires an expenditure limit of \$750,000. This included \$219,000 of a U.S. Forest Service Wood Innovation Grant for technical assistance on cross laminated timber (CLT) construction. This resolution will authorize spending to 1) submit for a building permit and 2) continue work towards building permit issuance through 2020. This requires an additional authorization of \$650,000 for a total expenditure limit of \$1,400,000.

Organizational requirements of resolution: None

Financial cost of the resolution: In addition to loan proceeds needed to pay for predevelopment costs, project expenditures will incur interest expense, which will be reimbursed to CHH from sources of permanent financing.

Pros: The spending authorization allows CHH to make these project expenditures and achieve critical milestones in the development of the project.

Cons: There are development risks in this project which include attracting an investor and closing on construction financing.

Further Board Action or Reporting:

- **Is further action required from the Board or a Board Committee?** ☒ Yes ☐ No
If yes, please describe: The Board will be asked to adopt closing and financing resolutions on this project in the future.
- **Is further reporting required to the Board or a Board Committee?** ☒ Yes ☐ No
If yes, please describe: Reporting on the 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. 2020-07
U14 Predevelopment Increase**

WHEREAS, the Capitol Hill Housing Improvement Program (the Program) is a public corporation organized pursuant to RCW 35.21.660, 35.21.670, and 35.21.730-755, and Seattle Municipal Code Ch. 3.110. As such, it is a political subdivision of the State with an area of operation focused on in the Capitol Hill community in the City of Seattle; and

WHEREAS, the purpose of the Program shall be to assist homeowners, property owners, residential tenants and residents of the Capitol Hill community in preserving, improving and restoring the quality of their homes, property and neighborhood, and to provide additional housing, cultural, social and economic opportunities and facilities; and

WHEREAS, prior authorization of concurrence of the Board by resolution shall be necessary for any project or activity located outside of the Capitol Hill community upon a determination by the Board that such project or activity will further the purpose of the Program; and

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

WHEREAS, CHH has identified the opportunity to develop the Helen V parking lot (the "Site") located at 1321 E Union Street into mixed income workforce housing; and

WHEREAS, the development of the site will provide one hundred and twenty-six units of workforce housing with the average rent affordable at approximately 85% of area median income (AMI);

WHEREAS, the CHH Board of Directors has previously passed Resolutions related to this site being the LGBTQ Senior Affirming housing site and then subsequently passed resolutions to move that project to the Eldridge site;

WHEREAS, the CHH Board of Directors has previously passed Resolution 2019-14 to expend up to \$750,000 from predevelopment sources, including a U.S. Forest Service Wood Innovation Grant, to be used for development activities on the U14 Project;

NOW, THEREFORE, BE IT RESOLVED that the Board of the Capitol Hill Housing Improvement Program hereby finds as follows:

1. The Board authorizes and directs the CEO to expend an additional \$650,000, up to \$1,400,000 from predevelopment sources, including a line of credit from Impact Capital, to be used for development activities on the U14 Project.

CERTIFICATION

I, Jill Cronauer, 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 the 11th day of May, in accordance with the Charter and Rules of Regulations of CHH upon proper notice and at which time a quorum was present.

DATED the 11th day of May 2020.

By_____

Its_____

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SECTION 4:

May 2020 Finance Report, March Statements and Asset Management Report

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MAY 2020 FINANCE & ASSET MANAGEMENT BOARD REPORT AND MINUTES

Finance & Asset Management Committee Members: **Drew Porter**, Frank Alvarado, Chasten Fulbright, **Derrick Belgarde**, Michelle Purnell-Hepburn

Staff Liaisons to the Board: Brad Lange, Scott Matthews, Jill Fleming, Muhammadou Drammeh (BOLD indicates those members in attendance)

Date, time and location of meeting: May 5, 2020 – 4:00 PM - Zoom meeting

Financial Position Summary:

During March the major fluctuation on the balance sheet was unrestricted cash, which went down \$705K due to multiple items. \$245K is from development related spending net of any construction draws, \$216K is annual insurance renewals, \$113K is the annual SEP IRA retirement contribution and \$64K is the Q1 2020 reserves contribution. The insurance renewals also affect multiple sections on the balance sheet besides cash including prepaids, due from affiliates and notes payable.

The unaudited operating statement through March 31, 2020 shows an operating deficit of \$828K as compared to a budgeted deficit of \$681K. The negative variance of \$147K is due to multiple items. Deferred developer fees are estimated to be significantly affected due to expected drop in cash collections from COVID-19, resulting in a \$150K negative variance through March. Grant revenues are underbudgeted due to a budget timing issue as \$100K was received from the Foundation in April. These negative variances are partially offset by a positive variance in maintenance expenses. There are multiple items that were budgeted but have not happened yet. These typically even out throughout the year due to timing differences. However, due to COVID-19 we are currently only performing emergency maintenance work and unit turns.

Financial Review: The committee reviewed the monthly financial reports and the monthly financial ratio analysis. Comments and Analysis regarding the March Balance Sheet and Operating Statement are included as annotations in the attached statements.

The committee reviewed the Property Management dashboard report

Vacancy loss: The monthly economic portfolio vacancy rate was 4.2% with a rolling 12-month economic vacancy percentage of 4.3%.

Department and Project Updates: Staff provided brief updates on the following:

- Welcome new board members to FAMC – New Treasurer, Derrick Belgarde and new member, Michelle Purnell-Hepburn
- Opportunity fund reserve resolution
- Analyzing daily cash collection for COVID-19 impact
- Audit extended for two weeks.
- Commercial tenants rent payment discussion
- Asset Management property reviews in light of COVID-19

Capitol Hill Housing Blended Balance Sheet

	3.31.2020 unaudited	2.29.2020 unaudited	Change from prior month	12.31.2018 audited*	12.31.2017 audited*
Assets					
Unrestricted Cash	1,851,266	2,556,319	(705,053) 1	2,295,438	2,037,757
Accounts Receivable				1,023,384	811,476
Tenant & Commercial AR	427,532	434,412	(6,880)		
GAAP Rent Receivable	122,840	122,840	0		
Other Receivable	(16,858)	(2,840)	(14,018) 2		
Prepays & Other Current Assets	568,928	315,047	253,881 3	362,070	341,351
Contributions/Grants Receivable	31,533	65,170	(33,637)	289,290	61,282
Due from Affiliates	10,924,240	10,657,776	266,464 4	7,077,021	5,193,026
Board Designated Operating Reserve	1,000,000	1,000,000	0	1,000,000	1,000,000
Board Designated Opportunity Reserve	781,355	778,759	2,596	244,931	567,083
Restricted Cash	5,298,424	5,430,338	(131,914) 5	6,937,674	6,135,901
Notes Receivable from Affiliates	29,372,905	29,372,905	0	15,313,542	15,322,710
Land	24,610,933	24,610,933	0	24,344,996	20,394,157
Buildings, Improvements & Equipment	80,289,106	79,954,117	334,989 6	80,945,459	74,146,986
Accumulated Depreciation	(44,920,875)	(44,733,798)	(187,077) 7	(45,192,676)	(39,304,834)
Lease Receivable	689,587	689,587	0	792,137	817,531
Investment in LPs/LLCs	3,290,893	3,290,893	0	1,521,867	1,527,084
Other Assets	(8,384)	(5,477)	(2,907)	366	(5)
Total Assets	114,313,425	114,536,981	(223,556)	96,955,499	89,051,505
Liabilities					
Notes Payable	66,650,462	66,309,114	341,348 8	65,103,914	58,479,561
Accrued Interest Payable	4,318,255	4,318,255	0	4,594,746	4,385,715
Accounts Payable & Accrued Liabilities	5,357,168	5,448,991	(91,823) 9	5,396,907	4,956,384
Tenant Security Deposit Liability	462,087	464,188	(2,101)	576,781	579,612
Total Liabilities	76,787,972	76,540,548	247,424	75,672,348	68,401,272
Net Position	37,525,453	37,996,433	(470,980)	21,283,151	20,650,233
Total Liabilities and Net Assets	114,313,425	114,536,981	(223,556)	96,955,499	89,051,505

* Internal presentation, certain amounts netted for audit presentation

Significant balance sheet changes from prior month

1) The following significant cash transactions decreased cash during the period:

- Approx \$245K development related net of construction draws
- \$216K annual insurance payments and financing down payment
- \$113K annual SEP IRA retirement contribution
- \$64K Q1 2020 reserves contribution
- \$37K Park Hill Masonry project
- \$26K rebranding consulting

2) Negative amount caused from Allowance For Doubtful Accounts balance

3) Increase due to annual insurance renewal

4) Change due to timing fluctuation from due to/from affiliate balances and development projects. \$206K increase due to annual insurance renewal (financing down payment and 12AA Housing & Commercial renewal)

5) \$192 operating reserves taken to cover COVID-19 Stipend for site and maintenance staff; \$33K replacement reserves taken for Devonshire roof. Decrease partially offset by \$64K Q1 2020 reserves contribution.

6) Increase mostly due to multiple projects in CIP: \$143K LBB comm leasehold improvement, \$54K Big Village, \$41K U14 Helen V, \$44K Eldridge

7) Routine monthly depreciation expense

Capitol Hill Housing Blended Balance Sheet

- 8)** \$249K insurance financing loan; \$124K LBB Commercial construction draw
- 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. \$127K decrease due to CHP1 reimb to CHH from construction draw; \$113K decrease due to yearly payment of SEP IRA retirement contribution.

Capitol Hill Housing Improvement Program
Statement of Revenues and Expenditures - Unaudited
From 1/1/2020 Through 03/31/2020

	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	2,629,648	2,649,678	(20,030)		-0.76%	10,692,661	8,063,013
Commercial rent revenue, net	194,848	186,916	7,932		4.24%	833,155	638,307
Triple net revenue	27,708	30,616	(2,908)		-9.50%	127,635	99,927
Parking, laundry and other	55,263	43,321	11,942	1	27.57%	171,377	116,114
Res vacancy and concessions	(138,668)	(161,986)	23,318	2	-14.40%	(452,973)	(314,305)
Total Tenant Rent	2,768,799	2,748,545	20,254		0.74%	11,371,855	8,603,056
Other Operating Revenue							
Accounting & Compliance fees	173,584	173,583	1		0.00%	728,683	555,099
Developer Fees	0	150,306	(150,306)	3	-100.00%	1,680,329	1,680,329
Partnership Management Fees	117,662	83,602	34,060	4	40.74%	272,022	154,360
Property Management Fees	399,664	438,297	(38,633)	5	-8.81%	1,753,187	1,353,523
Total Other Operating Revenue	690,910	845,788	(154,878)		-18.31%	4,434,221	3,743,311
Other Revenue							
Grants & Donations	10,778	110,000	(99,222)	6	-90.20%	1,031,500	1,020,722
Interest Income	7,797	7,500	297		3.96%	30,000	22,203
Other Income (non-operating)	(4,571)	0	(4,571)		#DIV/0!	0	4,571
Total Other Revenue	14,004	117,500	(103,496)		77.12%	1,061,500	1,047,496
Total Revenue	3,473,713	3,711,833	(238,120)		-6.42%	16,867,576	13,393,863
Expenses							
Accounting, Audit & Legal	150,386	185,120	34,734	7	18.76%	504,732	354,346
Administration	113,068	133,188	20,120	8	15.11%	528,295	415,227
Bad Debt	33,027	52,492	19,465	9	37.08%	89,218	56,191
Board Expense	0	2,400	2,400		100.00%	14,100	14,100
CHH Occupancy Expense	96,605	95,934	(671)		-0.70%	386,670	290,065
Compliance, Taxes & License	24,819	31,887	7,068		22.17%	218,663	193,844
Consulting	52,327	57,200	4,873		8.52%	204,776	152,449
Debt Service	519,549	490,428	(29,121)		-5.94%	1,939,696	1,420,147
Insurance	95,378	87,755	(7,623)		-8.69%	360,739	265,361
Leasing/Compliance Expense	35,907	33,073	(2,834)		-8.57%	192,292	156,385
Miscellaneous Financial Expense	1,621	0	(1,621)		#DIV/0!	5,000	3,379
Other Operating Expense	3,167	957	(2,210)		-230.93%	2,457	(710)
Partnership Mgmt Fee Expense	107,068	36,510	(70,558)	10	-193.26%	156,042	48,974
Payroll, Taxes and Benefits	1,801,127	1,794,295	(6,832)		-0.38%	7,537,144	5,736,017
Preventive Maintenance	98,960	97,058	(1,902)		-1.96%	419,406	320,446
Property Mgmt Fee Expense	269,161	269,903	742		0.27%	1,079,613	810,452
Repair and Maintenance	355,810	443,396	87,586	11	19.75%	1,335,548	979,738
Resident activities	11,698	17,334	5,636		32.51%	82,459	70,761
Technology	47,180	66,255	19,075	12	28.79%	246,363	199,183
Utilities	345,561	356,024	10,463		2.94%	1,439,217	1,093,656
Total Expenses	4,162,419	4,251,209	88,790		0	16,742,430	12,580,011
Operating Surplus (Deficit) B4 Reserves	(688,706)	(539,376)	(149,330)		27.69%	125,146	
Reserve Contributions							
Replacement Reserve	(119,948)	(121,989)	2,041		-1.67%	(481,760)	(361,812)
Operating Reserve	(11,271)	(11,270)	(1)		0.01%	(45,080)	(33,809)
Other Reserve	(8,650)	(8,650)	0		0.00%	(34,600)	(25,950)
Total Reserve Contributions	(139,869)	(141,909)	2,040		-1.44%	(561,440)	(421,571)
Operating Surplus (Deficit)	(828,575)	(681,285)	(147,290)		21.62%	(436,294)	
Other Income (non-operating)	0	0	0		0.00%	0	
Income/Loss	(828,575)	(681,285)	(147,290)		21.62%	(436,294)	

Variance Discussion (Greater than \$10K and 10%)

1) Cleaning and damages exceed budget by \$8.5K

- 2) Favorable variance due to departmental budget front loaded for vacancy in Q1 to create a more realistic budget.
- 3) Deferred developer fees are estimated to be significantly affected due to expected drop in cash collections from COVID-19.
- 4) \$63K Helen V 2019 incentive mgmt fee paid in 2020.
- 5) \$27K negative variance due to Station House PM fee budgeted for the entire year. No actuals in Jan, Feb and March
- 6) Variance due to actual vs budget timing difference. Received \$100K from the Foundation in April.
- 7) Variance due to actual vs budget timing differences for audits.
- 8) Variance partially due to actual vs budget timing differences for Wegowise utility tracking invoice
- 9) Multiple buildings with budgeted amounts but no write offs. Write off analysis in process.
- 10) \$63K Helen V 2019 incentive mgmt fee paid in 2020.
- 11) Maintenance over budgeted across the board. This typically evens out throughout the year due to timing differences. However, due to COVID-19 we are currently only performing emergency maintenance and unit turns. Below are some of the larger variances:
 - Larned - \$35K variance. Budgeted for sprinkler head replacements
 - Larned - \$6.5K variance. Budgeted for toilet and basin installation.
 - Larned - \$5K variance. Budgeted for water intrusion in the basement.
 - Lake City - \$10K variance. Budgeted for major bathroom repair in unit E.
 - John Carney - \$10K variance. Budgeted for new intercom system.
 - Melrose - \$10K variance. Budgeted for wall repairs in multiple units.
 - Park Hill - \$8K variance. Budgeted for repairs to courtyard stairs.
- 12) Budgeted \$15K through March for SharePoint implementation. The timing of when/if this is happening is not yet determined.

**CHH
CASH IN BANK
FOR THE MONTH ENDING: Mar 2020**

Bank	Acct #	CHH Blended Component Unit	Type	Balance
Chase	025-858054-9	Larned	Reserves	145,987
Chase	025-858063-0	412	Reserves	121,877
			Total Chase	267,864
KeyBank	479681074833	Capitol Hill Housing	Security Deposit	240,827
KeyBank	479681051187	Capitol Hill Housing - SoundFamilies	Restricted Savings	10,594
KeyBank		Hazel Plaza	Reserves	241,763
KeyBank	471681012103	Hazel Plaza	Security Deposit	4,184
KeyBank	479681168569	Larned	Security Deposit	21,230
KeyBank	0054297114	Byron Wetmore	Reserves	63,508
KeyBank	479681063869	Byron Wetmore	Security Deposit	8,892
Key Bank	479681168536	412	Security Deposit	2,811
KeyBank		Holden Vista	Reserves	65,892
KeyBank		Holden Vista	Security Deposit	3,112
KeyBank		Mary Ruth Manor	Reserves	285,825
KeyBank	472559000626	Mary Ruth Manor	Security Deposit	6,123
KeyBank	479681168544	EJSH	Security Deposit	10,935
KeyBank	471689013145	Fleming Apts LP	Security Deposit	20,369
KeyBank	471684001731	Gilman Court LP	Reserves	114,997
KeyBank	471689007543	Gilman Court LP	Security Deposit	19,664
KeyBank	479681072043	Villa Apts LP	Reserves	230,175
KeyBank	471684008017	Villa Apts LP	Security Deposit	40,903
KeyBank		Harrison	Security Deposit	18,034
KeyBank	479681168577	Oleta	Security Deposit	19,611
Chase	1958047409	Oleta	Reserves	43,905
KeyBank	471681008051	Helen V Apts LLC	Reserves	332,777
KeyBank	471681008069	Helen V Apts LLC	Security Deposit	8,246
Key Bank		Union James	Security Deposit	6,520
Key Bank		Union James	Reserves	98,501
Key Bank		Lake City	Security Deposit	6,045
			Total KeyBank	1,925,443
Banner		Berneva	Reserves	16,397
Banner		Seneca	Reserves	151,874
Banner		Seneca	Security Deposit	18,238
			Total Banner	186,510
LGIP		Capitol Hill Housing	Reserves	2,480,798
			Total LGIP	2,480,798
Walker Dunlop		EJSH	Escrow	27,340
Walker Dunlop		EJSH	Reserves	128,166
			Total Oppenheimer	155,506
Chase		Harrison	Reserves	178,699
			Total Chase	178,699
BofA		Fleming Apts LP	Reserves	100,771
			Total BofA	100,771
Heritage		Union & 24th Commercial	Security Deposit	2,835
			Total Heritage	2,835
			Total Restricted - CHH Blended Components	5,298,424
LGIP	00265 and 00266	Capitol Hill Housing	Board Designated Reser	1,781,355
			Total Designated	1,781,355
Heritage		Union & 24th Construction Commercial	Construction	-
Heritage		Union & 24th Construction Commercial	Operating Checking	168,532
			Total Heritage	168,532
UnionBank		Capitol Hill Housing	EQUI	9,110
			Total Union Bank	9,110
KeyBank	4222558441	Capitol Hill Housing	EQUI	147,418
			Total KeyBank	147,418
KeyBank		Capitol Hill Housing	Gen Building Reserve	57,807
			Total Gen Building Reserve	57,807
KeyBank	9838615640	Capitol Hill Housing	HPN	238
			Total HPN	238
KeyBank		Capitol Hill Housing	Payroll	-
KeyBank	24603865	Capitol Hill Housing	Operating Checking	61,592
KeyBank	479681068736	Capitol Hill Dev. Assoc	Operating Checking	2,765
KeyBank		Capitol Hill Real Estate Mgmt Services	Operating Checking	45,984
KeyBank		Cash-Restricted	Operating Checking	370,528
KeyBank	550229625	Hazel Plaza	Operating Checking	75,738
KeyBank	479681168445	Larned	Operating Checking	83,854
KeyBank	471681001080	Byron Wetmore	Operating Checking	24,276
KeyBank	479681168411	412	Operating Checking	49,135
KeyBank		Holden Vista	Operating Checking	20,588
KeyBank	472551000103	Mary Ruth Manor	Operating Checking	83,965
KeyBank	479681168429	EJSH	Operating Checking	60,510
KeyBank	471681003060	Fleming Apts LP	Operating Checking	26,786
KeyBank	472551000608	Gilman Court LP	Operating Checking	96,329
KeyBank	471681002922	Villa Apts LP	Operating Checking	47,505
KeyBank		Harrison	Operating Checking	80,500
KeyBank	479681168452	Oleta	Operating Checking	34,280
KeyBank	471681008085	Helen V Apts LLC	Operating Checking	97,390
KeyBank		12th Ave Arts Development	Operating Checking	-
KeyBank		Union James	Operating Checking	37,852
KeyBank		Lake City	Operating Checking	85,653
KeyBank		Africa Town (Mid-town)	Operating Checking	1,232
KeyBank		Big Village Construction	Operating Checking	-
			Total KeyBank	1,386,463
Cash		Various	Petty Cash - CHHIP	100
			Total Petty Cash	100
Banner		Berneva	Operating Checking	11,441
Banner		Seneca	Operating Checking	70,157
			Total Banner	81,598

		Total Unrestricted - CHH Blended Components	1,851,266
		Total All Cash - CHH Blended Components	8,931,045

TOTALS BY BANK	
Key Bank	\$ 7,005,528
Chase	\$ 1,069,423
Banner	\$ 268,107
US Bank	\$ 1,015,046
Union Bank	\$ 233,560
Bank of America	\$ 100,771
Heritage	\$ 728,149
Bellwether	\$ 50,811
Wells Fargo	\$ 2,341,379
LGIP	\$ 4,262,153
Other and Petty	\$ 155,844
TOTAL CASH	\$ 17,230,770

	Physical Vacancy (at month end)			Op Rev Per Unit YTD		Op Exp Per Unit YTD		Cash Flow Per Unit ⁽¹⁾ YTD		A/R Resident Portion \$	A/R Resident Portion % ⁽²⁾	12-Month Rolling Avg. ⁽⁴⁾		Economic Vacancy		
	Vacant Units	Vacancy %	Total Units	Actual	Budget Var %	Actual	Budget Var %	Actual	Budget Var %	March 2020		Make Ready	Total Days Vacant	March 2020	12 MO Rolling	2019 Vacancy
Building																
Byron Wetmore			12	3,090	4%	2,150	22%	369	202%	9,923	82%	0	60	0.0%	0.5%	1.1%
Elizabeth James	3	5.0%	60	2,612	-1%	1,983	1%	(23)	-432%	3,764	7%	114	116	5.0%	3.4%	2.9%
Four Twelve	1	8.3%	12	5,873	-5%	3,202	7%	872	-48%	6,914	28%			7.7%	1.6%	1.0%
Hazel Plaza			16	6,540	-3%	2,414	6%	1,854	-3%	6,684	18%	88	176	1.3%	7.6%	6.8%
Joe Black Apartments	3	12.5%	24	3,346	-9%	3,021	-5%	(96)	-126%	1,817	6%	47	158	12.5%	12.1%	13.3%
Mary Ruth Manor			20	6,159	-5%	2,894	21%	897	82%	26,796	70%			-2.0%	2.3%	2.4%
Union James	3	12.5%	24	4,331	-11%	2,755	2%	428	-53%	10,470	26%	244	285	12.5%	14.6%	14.6%
Jacob Total	10	6.0%	168	4,026	-5%	2,490	6%	411	-21%	66,367	28%	122	165	5.6%	6.5%	6.5%
Eighteenth Avenue ⁽³⁾			6	5,506	-26%	2,624	49%	2,666	50%	1,278	8%			0.0%	0.4%	0.0%
El Nor ⁽²⁾			46	4,105	-14%	975	55%	2,955	21%	3,156	4%			0.0%	0.0%	0.0%
Helen V	1	2.6%	38	4,683	-2%	4,346	-81%	(553)	-138%	12,655	19%	234	169	4.8%	5.8%	5.5%
Holden Vista	1	6.3%	16	3,380	-13%	4,626	-30%	(2,358)	-200%	1,375	7%	250	182	11.5%	15.2%	12.2%
Holiday	2	6.7%	30	2,801	-1%	3,211	-57%	(1,514)	-406%	3,178	11%	72	141	9.5%	5.5%	3.8%
Park Hill			30	3,747	1%	2,461	25%	754	764%	13,667	36%	112	44	-2.8%	2.8%	3.1%
Ponderosa ⁽³⁾			21	5,238	0%	2,206	22%	3,043	38%	1,162	3%			0.0%	0.5%	0.0%
Silvian			32	3,825	3%	1,980	45%	899	213%	966	2%	91	117	0.0%	2.7%	2.6%
Unity Village	6	20.0%	30	2,313	-14%	2,394	18%	(181)	44%	5,377	20%	115	162	19.6%	11.5%	9.4%
Lynn Total	10	4.0%	249	3,824	-6%	2,616	7%	633	-4%	42,813	12%	130	124	3.8%	4.7%	4.5%
Berneva			12	2,413	-1%	4,263	-19%	(2,140)	-50%	115	1%	161	182	0.0%	9.4%	8.7%
Brewster	1	2.9%	35	2,358	1%	1,878	-7%	291	-23%	(223)	-1%	18	73	3.0%	6.0%	7.8%
Broadway Crossing			44	2,827	1%	2,016	16%	394	1633%	19,998	54%	15	92	0.0%	1.5%	3.9%
Haines AAA			30	3,900	3%	1,859	13%	1,345	43%	663	2%	9	104	0.0%	1.8%	1.9%
Jefferson Housing			40	3,412	-1%	2,155	5%	8	112%	10,221	24%	19	75	0.0%	2.9%	3.0%
Oleta	1	2.9%	34	2,560	2%	1,796	5%	(4)	97%	3,524	12%	18	51	3.7%	8.4%	13.6%
Pantages			49	2,745	6%	2,158	6%	40	115%	3,797	9%	15	87	0.5%	3.0%	3.6%
Twelfth Avenue Arts	1	1.1%	88	3,209	7%	1,649	-3%	452	55%	6,608	7%	16	37	1.1%	1.4%	1.8%
Nelda Total	3	0.9%	332	2,992	3%	1,986	4%	254	194%	44,703	14%	24	70	1.0%	3.2%	4.3%
Boylston Howell	1	3.3%	30	2,876	1%	2,607	-19%	186	-68%	6,840	25%	36	67	0.0%	2.9%	3.6%
Bremer	1	2.0%	49	2,449	4%	1,634	5%	246	202%	4,205	10%	32	65	2.0%	4.4%	6.4%
Centennial	4	13.3%	30	2,831	-4%	2,072	-9%	(290)	-10062%	7,146	24%	30	85	11.9%	7.6%	7.5%
Devonshire	5	8.1%	62	2,298	-7%	1,955	4%	(213)	-87%	10,456	20%	74	144	11.1%	5.6%	4.2%
Fleming	1	2.8%	36	2,446	0%	1,790	16%	(6)	98%	8,326	28%	51	146	2.8%	7.0%	8.0%
Fremont Solstice			18	3,032	4%	1,902	21%	218	159%	217	1%	0	100	0.0%	1.4%	2.3%
Gilman Court			25	3,320	0%	2,638	9%	522	97%	2,111	9%	45	61	0.0%	1.1%	0.6%
John Carney	2	7.4%	27	2,173	-21%	2,121	16%	(332)	-104%	8,628	81%	21	115	10.5%	9.9%	9.4%
Larned	1	3.0%	33	2,887	6%	1,787	51%	935	186%	14,309	74%	0	68	2.6%	2.5%	3.3%
Melrose	3	10.0%	30	2,185	-6%	1,523	24%	343	1313%	7,805	33%	27	110	12.5%	6.0%	4.0%
Villa	4	6.5%	62	2,539	-9%	2,465	-13%	(901)	-151%	12,481	27%	66	77	6.7%	4.3%	3.1%
Skye Total	22	5.5%	402	2,578	-4%	2,042	10%	(78)	81%	82,525	26%	41	96	5.9%	4.9%	4.8%
Broadway			5	3,542	3%	2,087	22%	750	936%	-	0%			0.0%	0.0%	0.0%
Burke Gilman Gardens	1	6.7%	15	3,494	4%	2,780	-13%	(945)	-23%	3,055	18%	21	33	5.8%	1.4%	1.0%
Four Ten ⁽³⁾			1	2,526	1397%	3,910	-8%	(2,386)	60%	(215)	-5%			0.0%	4.7%	6.8%
Fredonia			12	6,773	-1%	3,156	14%	2,038	27%	-	0%	15	91	0.2%	1.7%	0.6%
Harrison at 15th	1	5.3%	19	5,261	2%	3,098	3%	464	1831%	552	3%	11	31	4.9%	1.4%	0.5%
Liberty Bank Building	8	7.0%	115	2,767	-6%	1,438	10%	206	-2%	80,759	72%			8.1%	3.1%	1.6%
Lincoln Court	1	3.4%	29	2,610	7%	1,663	-1%	(26)	86%	4,021	16%	22	134	3.4%	2.6%	2.9%
Maxwell			4	3,059	1%	2,229	8%	450	102%	610	15%			0.0%	0.0%	0.0%
Miller Park			12	3,311	4%	2,588	-9%	39	-72%	3,788	30%			0.0%	3.2%	6.7%
Seneca			32	2,854	2%	2,253	6%	75	151%	2,263	7%	26	43	0.5%	1.1%	1.0%
Squire Park Plaza	3	5.0%	60	4,953	-1%	2,204	-11%	652	-27%	21,924	26%	20	80	5.2%	3.7%	3.8%
Valencia Total	14	4.6%	304	3,580	-1%	2,009	2%	287	20%	116,756	35%	18	89	5.0%	2.7%	2.3%
Portfolio Total	59	4.1%	1455	3,262	-2%	2,172	6%	266	32%	353,165	23%	49	98	4.2%	4.3%	4.4%
Blended Portfolio	39	4.6%	846	3,161	-3%	2,375	2%	31	-55%	193,861	22%	59	100	4.8%	5.3%	5.4%
Discrete Portfolio	20	3.3%	609	3,403	-2%	1,891	12%	592	54%	159,303	23%	33	95	3.4%	2.8%	2.8%

¹⁾ After debt and reserve payments

²⁾ Cumulative residential and subsidy accounts receivable balances divided by monthly gross potential rental revenue. Negative percentages reflect early subsidy payments.

³⁾ Resident Portion Account Receivable % is calculated as resident A/R balance divided by total monthly gross potential income, inclusive of subsidy income.

⁴⁾ Portfolio Manager averages are averages across all unit turns within portfolio and not averages across buildings

⁵⁾ Vacancies at these properties have been removed due unit offline status related to "Bonanza" and the pending disposition of the 410

Explanation of select properties with high vacancies or large vacancy increases:

Centennial - four vacancies in March (one was at the end of the month).

Devonshire - seven vacancies in March. Two were leased late in the month. The remaining five have mid-April to early May pending leases.

Holden Vista - two vacancies in March (a 3-bdr and a 2-bdr). The 3 bdr vacancy was leased late in the month.

Holiday - three vacancies in March. One vacancy was leased early in the month and another was leased in mid-April.

Joe Black Apartments - three vacancies in March (all 3-bdrs). One unit has since been leased and the other two have pending leases.

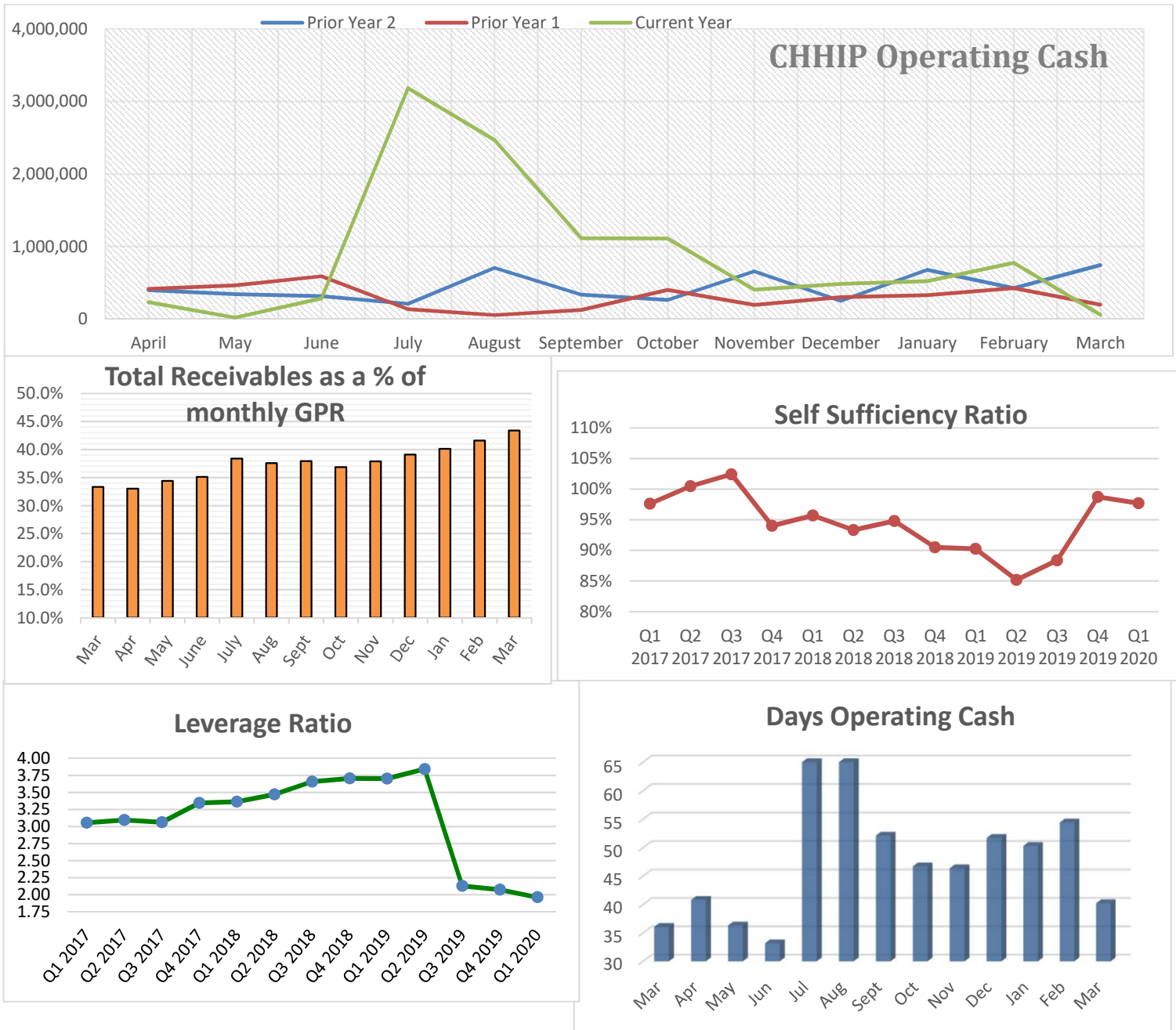
John Carney - three vacancies in March. One unit has since been leased and the other two have pending leases.

Melrose - three vacancies in March. Two vacancies have late April pending leases.

Union James - three vacancies in March (all 2-bdr units). One vacancy was leased mid month and another in early April.

Unity Village - six vacancies in March (five 2-bdr units and one 1-bdr unit). Many vacancies have pending late April leases.

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

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SECTION 5:

Resolution 2020-08:

Opportunity Fund

Use Authorization

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CHH Board Resolution 2020-08**Overview: Authorization of using opportunity fund reserve**

Purpose: To use the opportunity fund reserve of \$750K.

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?** To use the \$750K of the opportunity fund reserve for CHH operations, previously discussed with the Finance and Asset Management 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 format so change is clear to reader.*

General Description and Purpose: This fund will support Capitol Hill Housing to reduce the financial burden of COVID-19. Both rent collection and operating expenses have been significantly affected which created a financial gap for CHH operations. The opportunity fund would help sustain us for some time so we could focus on supporting tenants

Organizational requirements of resolution: Authorization to Capitol Hill Housing to use the opportunity fund reserve for operations. COVID-19 has significantly impacted the rent collection from both the residential and commercial tenants which created a cash shortfall to continue with the operations. The opportunity fund reserve will help alleviate some of that funding needs to serve our customers.

Financial cost of the resolution No cost for the usage of the reserve

Pros This will provide some financial relief to CHH and will help with CHH continuous operation in serving our community.

Cons: We are using a development focused reserve fund for nondevelopment purposed. We are also losing interest income that would be accumulating.

Further Board Action or Reporting:

- **Is further action required from the Board or a Board Committee?** ☒ Yes ☐ No
 - Finance and Asset Management Committee will monitor the usage of funds and track the repayment.
 - **Is further reporting required to the Board or a Board Committee?** ☒ Yes ☐ No
- If yes, please describe: Ongoing reporting of the usage of the funds to FAMC.*



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

Resolution No. 2020-08

To use \$750K CHH Opportunity Fund Reserve for operations

WHEREAS, Capitol Hill Housing Improvement Program (the Program) is a public corporation organized pursuant to RCW 35.21.660, 35.21.670, and 35.21.730-755, and Seattle Municipal Code Ch. 3.110. As such, it is a political subdivision of the State with an area of operation focused on in the Capitol Hill community in the City of Seattle; and

WHEREAS, there has been a significant drop in rent collection from both residential and commercial tenants plus other revenues due to COVID -19 which created a deficit in operations. CHH has projected this deficit to continue to the end of the year given the economic impact felt by many CHH tenants; and

WHEREAS, the Opportunity Fund Reserve is a flexible board-designated reserve of \$750,000 intended primarily to be used to support development and other opportunities; and

WHEREAS, there is an immediate need to fill loss of cash-flow left by the current and anticipated drop in rent collection, cash flow risk and other revenues due the COVID-19 pandemic; and

WHEREAS, CHH is taking a range of actions to reduce its expenses and has identified potential sources of funds to help with revenue loss and cashflow risk. The Reserve is one of the potential sources of funds that CHH has projected to help alleviate the cash shortfalls; and

WHEREAS, CHH intends to replenish the funds in the Reserve as soon as economically feasible and has identified future revenue from upcoming development projects revenues that are currently budgeted to replenish the Fund; and

WHEREAS, CHH staff will communicate on a regular basis to the FAMC about the usage and potential replenishment of the reserve;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Capitol Hill Housing Improvement Program as follows:

The CEO is authorized to use the opportunity fund reserve to support Capitol Hill Housing operations deficit from COVID-19.

CERTIFICATION

I, Jill Cronauer, certify that I am the Secretary of Capitol Hill Housing Improvement Program ("the Program") and that the foregoing Resolutions were duly adopted at a meeting of the Board of Directors of the Program held on the 11th day of May 2020 in accordance with the Charter and Rules and Regulations of the Program upon proper notice and at which time a quorum was present.

DATED the 11th Day of May 2020.

By _____

Its _____

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SECTION 6:

Consent Agenda and Attachments

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CAPITOL HILL HOUSING PDA BOARD

Regular Meeting

May 11, 2020

5:30-7:30 PM

Zoom

CONSENT ITEMS

MINUTES AND REPORTS

1. April 2020 Draft Board Meeting Minutes (attached for adoption)
2. Committee Reports and Minutes (attached for acceptance)

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

None



REGULAR BOARD MEETING MINUTES

Zoom

April 13, 2020

Members Present: Derrick Belgarde, Rachel Ben-Shmuel, Paul Breckenridge, Jill Cronauer, Sara Cubillos, Bob Fikso, Chasten Fulbright, Shalimar Gonzales, Cathy Hillenbrand, b.g. Nabors-Glass, Michelle Purnell-Hepburn, Robert Schwartz, Eric Snow, George Staggers

Members Absent: Frank F. Alvarado III, Drew Porter

Staff Members Present: Michelle Canizio, Kiley Dhatt, Robyn Dhatt, Muhammadou Drammeh, Jill Fleming, Amy Gabriel, Greg Gibson, Brad Lange, Donna Moodie, Chris Persons, Michael Seiwerath, Sarah Shoemake-Gamble (taking Minutes), Jeremy Wilkening, Yiling Wong

Guests Present: None

The meeting was called to order by Robert Schwartz at 5:30 pm.

Disclosures & Recusals: None.

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

Presentation and Discussion

Update on COVID-19 Response, Current Operations and Projections: The Executive Team shared the work of each of their departments regarding the COVID-19 outbreak. Chris started with an introduction noting that the outbreak has affected every aspect of our work and organization. Michelle gave an update on property operations procedures to support our tenants and protect the health of Site Staff as well as the new Rental Assistance Program. Brad discussed our communications and support for our commercial tenants, who are feeling hardship due to the outbreak. Jeremy reviewed the real estate pipeline with potential impacts. Muhammadou shared several projections for how the outbreak could impact the 2020 budget and how we plan to address these issues. Greg reviewed new HR policies which have been implemented to support federal and state mandates. He also shared new IT and operations systems which have been updated to make remote work more effective for CHH employees. Chris gave a summary of recent advocacy he and other staff have participated in as well as our business strategy. Jill and Muhammadou shared our recent coordination with public funders, lenders and investors. Michael introduced the new COVID-19 Resilience Fund, which had raised over \$300,000 to date to support our residents and commercial tenants during this difficult time. He also shared the communications response to the outbreak including media interest in the Resiliency Fund and our response to the crisis. He noted we will want to tell the story of residents impacted by the virus and the Resiliency Fund. Donna shared

work the Capitol Hill EcoDistrict has focused on recently such as Lowell Family Meals, virtual classroom sessions and virtual community social events.

Executive Committee and Board Governance

Board Development Actions:

Reappointments

A motion to reappoint Jill Cronauer, Bob Fikso, Paul Breckenridge, Shalimar Gonzales and Chasten Fulbright to the CHH Board for an additional three-year term each was made by b.g. Nabors-Glass, seconded by Shalimar Gonzales and passed unanimously.

New Appointments

A motion to appoint Sara Cubillos to Seat 2 and Michelle Purnell-Hepburn to Seat 4 of the CHH Board for three-year terms each was made by Bob Fikso, seconded by Chasten Fulbright and passed unanimously.

Officer Slate

Rob referred the Board to the slate of Board Officers listed in the Packet, who will be voted upon for appointment. Chris thanked Rob for his two years of service as Board Chair.

A motion to elect the following Board members to the following Board Officer positions for two-year terms: Shalimar Gonzales to Chair; Drew Porter to Vice Chair; Frank Alvarado to Vice Chair; Derrick Belgarde to Treasurer; Jill Cronauer to Secretary and Robert Schwartz to Immediate Past Chair was made by Rachel Ben-Shmuel, seconded by Chasten Fulbright and passed unanimously.

At this point, Rob Schwartz turned leadership of the meeting over to the newly elected Board Chair, Shalimar Gonzales.

Emergency Powers: Per the language of the recent Declaration by the CEO, Board affirmation is required. The Executive Committee reviewed the document at their most recent meeting and recommend affirmation.

A motion to approve the Emergency Powers and Declaration was made by Bob Fikso, seconded by Michelle Purnell-Hepburn, and passed unanimously.

Charter and Rules & Regulations Proposed Changes: Postponed to in-person meeting

CEO Review: Postponed to May Board Meeting.

Advancement & External Relations

Rebrand Update: Michael reviewed the draft homepage for the new website, which will have better usability, be mobile-friendly and easier for apartment applicants to navigate. The Board shared their excitement and appreciation for the great looking draft website.

Real Estate Development

Resolution 2020-06: Impact Capital Line of Credit Increase from \$500K to \$2M: Muhammadou and Jeremy reviewed the resolution as both the FAM Committee and the Property Development Committee reviewed and recommended the resolution be approved by the full Board. The increased line of credit will support predevelopment spending on the following four projects – CHP1, U14, South Annex and Senior LGBTQ.

A motion to approve **Resolution 2020-06: Impact Capital Line of Credit Increase from \$500K to \$2M** was made by Rachel Ben-Shmuel, seconded by Robert Schwartz, and passed unanimously.

Finance and Asset Management

Financial Summary: Muhammadou presented the Finance and Asset Management Committee regular report and dashboard through February 2020.

A motion to approve the **April Finance and Asset Management Report** was made by Michelle Purnell-Hepburn, seconded by Bob Fikso, and passed unanimously.

The meeting was adjourned by Shalimar Gonzales at 7:32 pm.

Attested,

Jill Cronauer, Secretary
May 11, 2020

May 2020 PROPERTY MANAGEMENT COMMITTEE BOARD REPORT AND MINUTES

Property Management Committee Members: Eric Snow, Jill Cronauer, Chasten Fulbright, Felicia Cross

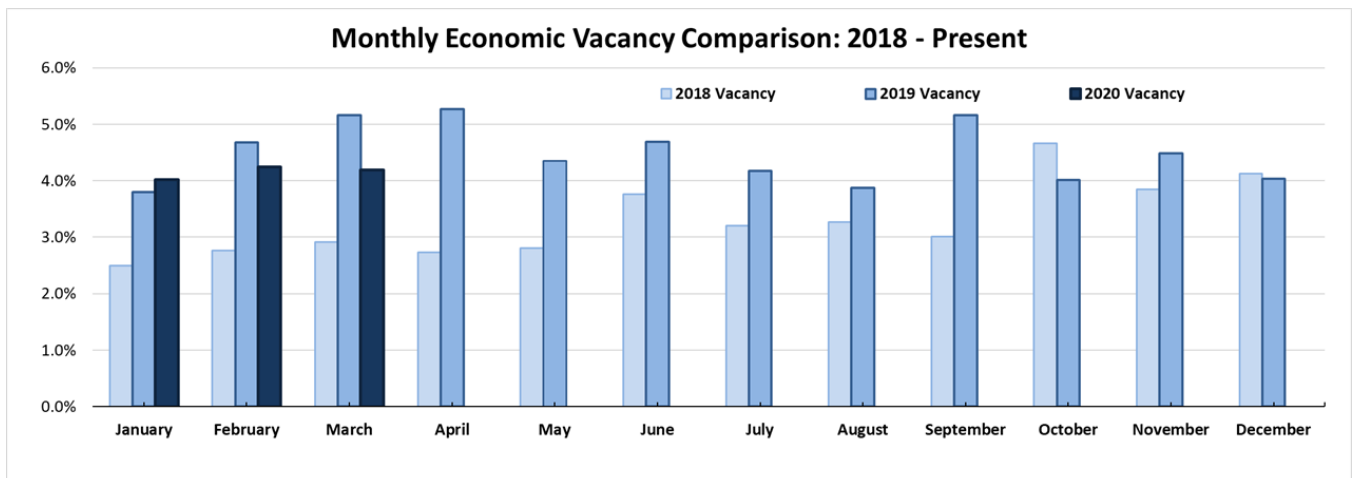
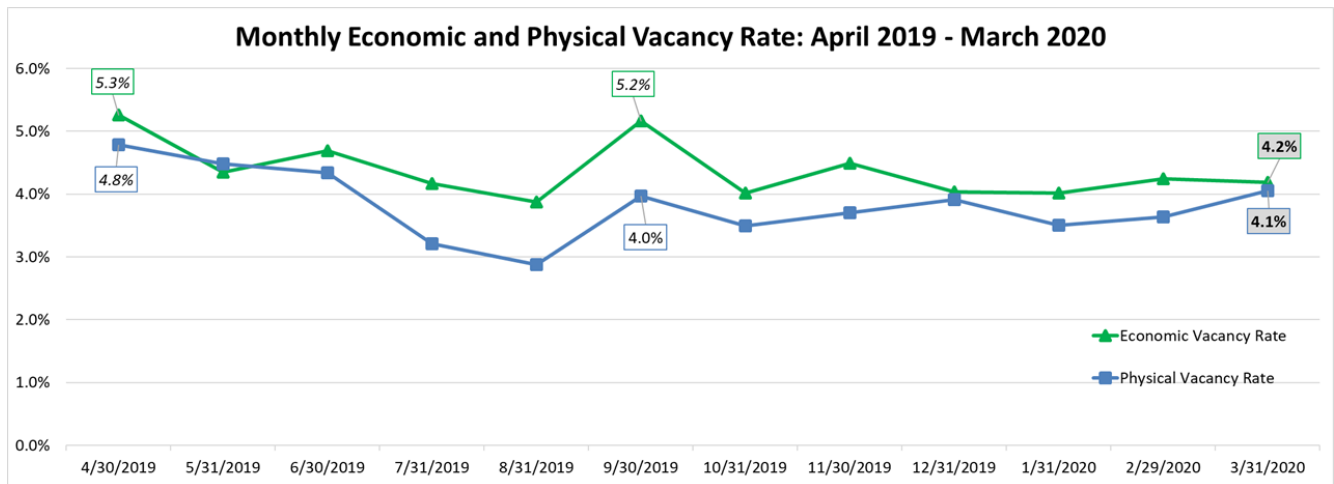
Staff Liaisons to the Board: Michelle Canizio, Ashley Thomas, Noah Wernstedt-Lynch
(**BOLD** indicates those members in attendance)

Date, time and location of meeting: May 5, 2020 - 3:00-4:00 PM - Zoom

Date, time and location of next meeting: June 2, 2020 - 3:00-4:00 PM - Malden Conference

March AM dashboard:

- Monthly physical vacancy was **4.1%**
- Monthly economic vacancy was **4.2%**
- 12-month rolling economic vacancy rate was **4.3%**



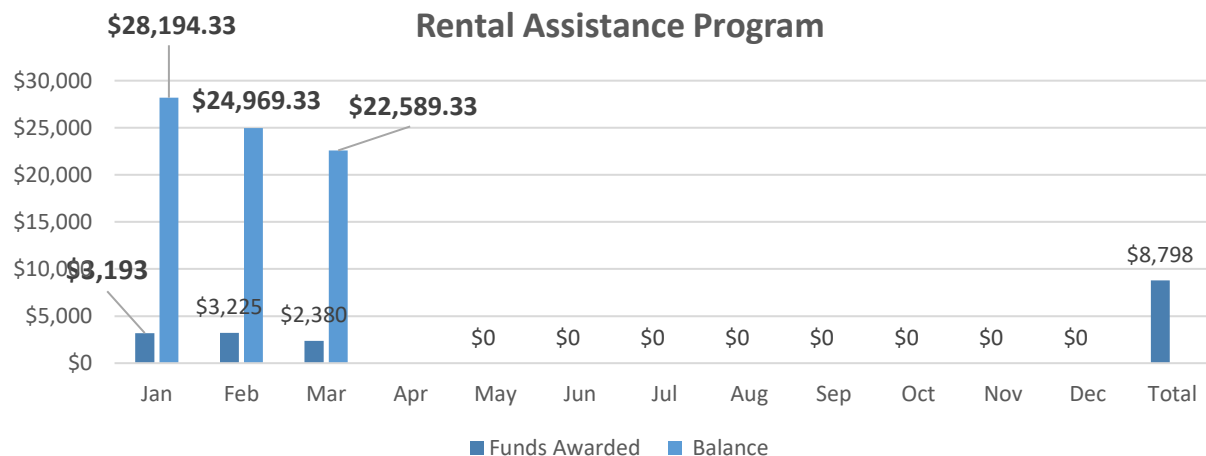
Explanation of select properties with high vacancies or large vacancy increases:

- **Centennial** - four vacancies in March (one was at the end of the month).
- **Devonshire** - seven vacancies in March. Two were leased late in the month. The remaining five have mid-April to early May pending leases.
- **Holden Vista** - two vacancies in March (a 3-bdr and a 2-bdr). The 3 bdr vacancy was leased late in the month.
- **Holiday** - three vacancies in March. One vacancy was leased early in the month and another was leased in mid-April.
- **Joe Black Apartments** - three vacancies in March (all 3-bdrs). One unit has since been leased and the other two have pending leases.
- **John Carney** - three vacancies in March. One unit has since been leased and the other two have pending leases.
- **Melrose** - three vacancies in March. Two vacancies have late April pending leases.
- **Union James** - three vacancies in March (all 2-bdr units). One vacancy was leased mid-month and another in early April.
- **Unity Village** - six vacancies in March (five 2-bdr units and one 1-bdr unit). Many vacancies have pending late April leases.

Resident Services

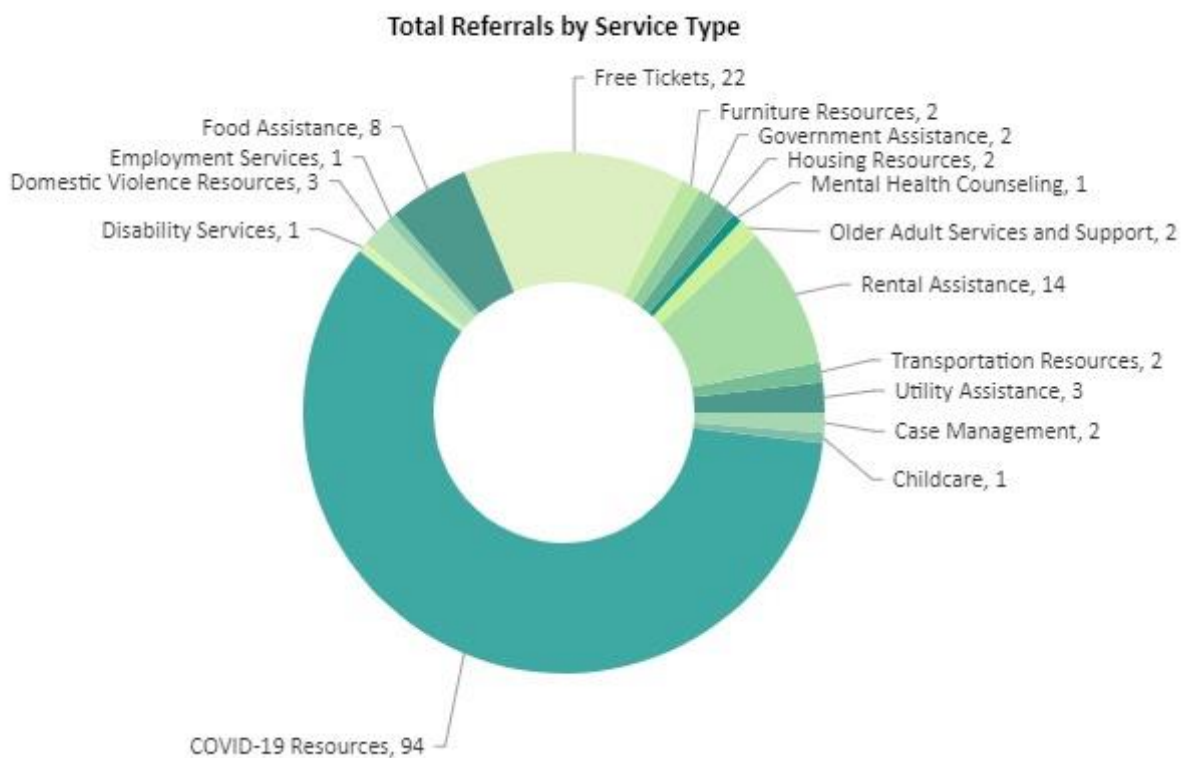
CHH Rental Assistance March Data

- 13 Residents applied for Rental Assistance
- The Financial Empowerment workshop was cancelled.
- 11 Residents accessed other Financial Education resources (financial health check with banker, webinar, or meeting with financial counselor)
- 11 residents had a service referral meeting with an RSC
- 11 residents received Rental Assistance



Resident Services March Program Data:

- 160 Total Service Referrals
- 5 Total Resource Line Contacts
- Top 5 Organizations residents were referred to:
 - Metro Free Bus Ticket Program
 - City of Seattle COVID 19 Resources
 - NW Harvest SODO Community Market
 - Comcast Internet Essentials
 - Byrd Barr Place
- Top 5 buildings for service referrals:
 - Squire Park
 - Bremer
 - Elizabeth James House
 - Haines Apts (AAA)
 - Helen V Apts



	Physical Vacancy (at month end)			Op Rev Per Unit YTD		Op Exp Per Unit YTD		Cash Flow Per Unit ⁽¹⁾ YTD		A/R Resident Portion \$	A/R Resident Portion % ⁽²⁾	12-Month Rolling Avg. ⁽⁴⁾		Economic Vacancy		
	Vacant Units	Vacancy %	Total Units	Actual	Budget Var %	Actual	Budget Var %	Actual	Budget Var %	March 2020		Make Ready	Total Days Vacant	March 2020	12 MO Rolling	2019 Vacancy
Building																
Byron Wetmore			12	3,090	4%	2,150	22%	369	202%	9,923	82%	0	60	0.0%	0.5%	1.1%
Elizabeth James	3	5.0%	60	2,612	-1%	1,983	1%	(23)	-432%	3,764	7%	114	116	5.0%	3.4%	2.9%
Four Twelve	1	8.3%	12	5,873	-5%	3,202	7%	872	-48%	6,914	28%			7.7%	1.6%	1.0%
Hazel Plaza			16	6,540	-3%	2,414	6%	1,854	-3%	6,684	18%	88	176	1.3%	7.6%	6.8%
Joe Black Apartments	3	12.5%	24	3,346	-9%	3,021	-5%	(96)	-126%	1,817	6%	47	158	12.5%	12.1%	13.3%
Mary Ruth Manor			20	6,159	-5%	2,894	21%	897	82%	26,796	70%			-2.0%	2.3%	2.4%
Union James	3	12.5%	24	4,331	-11%	2,755	2%	428	-53%	10,470	26%	244	285	12.5%	14.6%	14.6%
Jacob Total	10	6.0%	168	4,026	-5%	2,490	6%	411	-21%	66,367	28%	122	165	5.6%	6.5%	6.5%
Eighteenth Avenue ⁽³⁾			6	5,506	-26%	2,624	49%	2,666	50%	1,278	8%			0.0%	0.4%	0.0%
El Nor ⁽²⁾			46	4,105	-14%	975	55%	2,955	21%	3,156	4%			0.0%	0.0%	0.0%
Helen V	1	2.6%	38	4,683	-2%	4,346	-81%	(553)	-138%	12,655	19%	234	169	4.8%	5.8%	5.5%
Holden Vista	1	6.3%	16	3,380	-13%	4,626	-30%	(2,358)	-200%	1,375	7%	250	182	11.5%	15.2%	12.2%
Holiday	2	6.7%	30	2,801	-1%	3,211	-57%	(1,514)	-406%	3,178	11%	72	141	9.5%	5.5%	3.8%
Park Hill			30	3,747	1%	2,461	25%	754	764%	13,667	36%	112	44	-2.8%	2.8%	3.1%
Ponderosa ⁽³⁾			21	5,238	0%	2,206	22%	3,043	38%	1,162	3%			0.0%	0.5%	0.0%
Silvian			32	3,825	3%	1,980	45%	899	213%	966	2%	91	117	0.0%	2.7%	2.6%
Unity Village	6	20.0%	30	2,313	-14%	2,394	18%	(181)	44%	5,377	20%	115	162	19.6%	11.5%	9.4%
Lynn Total	10	4.0%	249	3,824	-6%	2,616	7%	633	-4%	42,813	12%	130	124	3.8%	4.7%	4.5%
Berneva			12	2,413	-1%	4,263	-19%	(2,140)	-50%	115	1%	161	182	0.0%	9.4%	8.7%
Brewster	1	2.9%	35	2,358	1%	1,878	-7%	291	-23%	(223)	-1%	18	73	3.0%	6.0%	7.8%
Broadway Crossing			44	2,827	1%	2,016	16%	394	1633%	19,998	54%	15	92	0.0%	1.5%	3.9%
Haines AAA			30	3,900	3%	1,859	13%	1,345	43%	663	2%	9	104	0.0%	1.8%	1.9%
Jefferson Housing			40	3,412	-1%	2,155	5%	8	112%	10,221	24%	19	75	0.0%	2.9%	3.0%
Oleta	1	2.9%	34	2,560	2%	1,796	5%	(4)	97%	3,524	12%	18	51	3.7%	8.4%	13.6%
Pantages			49	2,745	6%	2,158	6%	40	115%	3,797	9%	15	87	0.5%	3.0%	3.6%
Twelfth Avenue Arts	1	1.1%	88	3,209	7%	1,649	-3%	452	55%	6,608	7%	16	37	1.1%	1.4%	1.8%
Nelda Total	3	0.9%	332	2,992	3%	1,986	4%	254	194%	44,703	14%	24	70	1.0%	3.2%	4.3%
Boylston Howell	1	3.3%	30	2,876	1%	2,607	-19%	186	-68%	6,840	25%	36	67	0.0%	2.9%	3.6%
Bremer	1	2.0%	49	2,449	4%	1,634	5%	246	202%	4,205	10%	32	65	2.0%	4.4%	6.4%
Centennial	4	13.3%	30	2,831	-4%	2,072	-9%	(290)	-10062%	7,146	24%	30	85	11.9%	7.6%	7.5%
Devonshire	5	8.1%	62	2,298	-7%	1,955	4%	(213)	-87%	10,456	20%	74	144	11.1%	5.6%	4.2%
Fleming	1	2.8%	36	2,446	0%	1,790	16%	(6)	98%	8,326	28%	51	146	2.8%	7.0%	8.0%
Fremont Solstice			18	3,032	4%	1,902	21%	218	159%	217	1%	0	100	0.0%	1.4%	2.3%
Gilman Court			25	3,320	0%	2,638	9%	522	97%	2,111	9%	45	61	0.0%	1.1%	0.6%
John Carney	2	7.4%	27	2,173	-21%	2,121	16%	(332)	-104%	8,628	81%	21	115	10.5%	9.9%	9.4%
Larned	1	3.0%	33	2,887	6%	1,787	51%	935	186%	14,309	74%	0	68	2.6%	2.5%	3.3%
Melrose	3	10.0%	30	2,185	-6%	1,523	24%	343	1313%	7,805	33%	27	110	12.5%	6.0%	4.0%
Villa	4	6.5%	62	2,539	-9%	2,465	-13%	(901)	-151%	12,481	27%	66	77	6.7%	4.3%	3.1%
Skye Total	22	5.5%	402	2,578	-4%	2,042	10%	(28)	81%	82,525	26%	41	96	5.9%	4.9%	4.8%
Broadway			5	3,542	3%	2,087	22%	750	936%	-	0%			0.0%	0.0%	0.0%
Burke Gilman Gardens	1	6.7%	15	3,494	4%	2,780	-13%	(945)	-23%	3,055	18%	21	33	5.8%	1.4%	1.0%
Four Ten ⁽³⁾			1	2,526	1397%	3,910	-8%	(2,386)	60%	(215)	-5%			0.0%	4.7%	6.8%
Fredonia			12	6,773	-1%	3,156	14%	2,038	27%	-	0%	15	91	0.2%	1.7%	0.6%
Harrison at 15th	1	5.3%	19	5,261	2%	3,098	3%	464	1831%	552	3%	11	31	4.9%	1.4%	0.5%
Liberty Bank Building	8	7.0%	115	2,767	-6%	1,438	10%	206	-2%	80,759	72%			8.1%	3.1%	1.6%
Lincoln Court	1	3.4%	29	2,610	7%	1,663	-1%	(26)	86%	4,021	16%	22	134	3.4%	2.6%	2.9%
Maxwell			4	3,059	1%	2,229	8%	450	102%	610	15%			0.0%	0.0%	0.0%
Miller Park			12	3,311	4%	2,588	-9%	39	-72%	3,788	30%			0.0%	3.2%	6.7%
Seneca			32	2,854	2%	2,253	6%	75	151%	2,263	7%	26	43	0.5%	1.1%	1.0%
Squire Park Plaza	3	5.0%	60	4,953	-1%	2,204	-11%	652	-27%	21,924	26%	20	80	5.2%	3.7%	3.8%
Valencia Total	14	4.6%	304	3,580	-1%	2,009	2%	287	20%	116,756	35%	18	89	5.0%	2.7%	2.3%
Portfolio Total	59	4.1%	1455	3,262	-2%	2,172	6%	266	32%	353,165	23%	49	98	4.2%	4.3%	4.4%
Blended Portfolio	39	4.6%	846	3,161	-3%	2,375	2%	31	-55%	193,861	22%	59	100	4.8%	5.3%	5.4%
Discrete Portfolio	20	3.3%	609	3,403	-2%	1,891	12%	592	54%	159,303	23%	33	95	3.4%	2.8%	2.8%

¹⁾ After debt and reserve payments

²⁾ Cumulative residential and subsidy accounts receivable balances divided by monthly gross potential rental revenue. Negative percentages reflect early subsidy payments.

³⁾ Resident Portion Account Receivable % is calculated as resident A/R balance divided by total monthly gross potential income, inclusive of subsidy income.

⁴⁾ Portfolio Manager averages are averages across all unit turns within portfolio and not averages across buildings

⁵⁾ Vacancies at these properties have been removed due unit offline status related to "Bonanza" and the pending disposition of the 410

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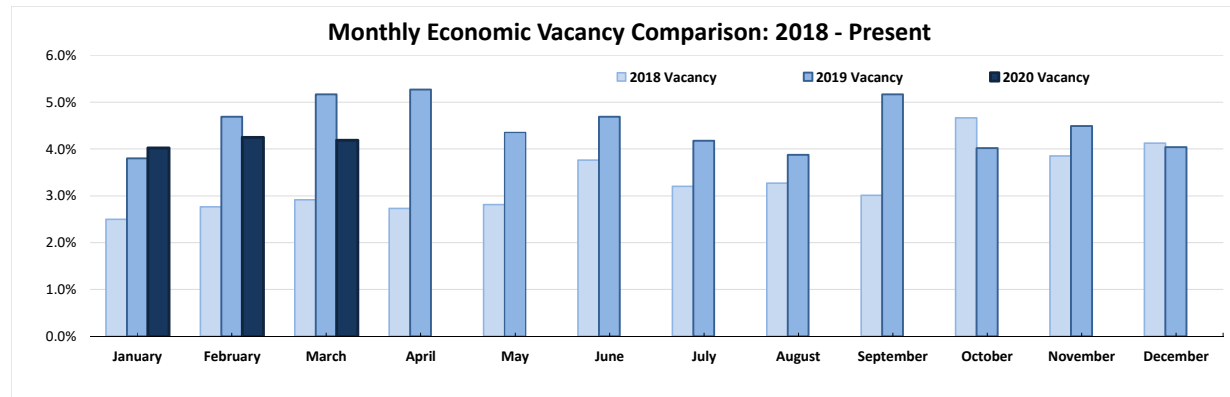
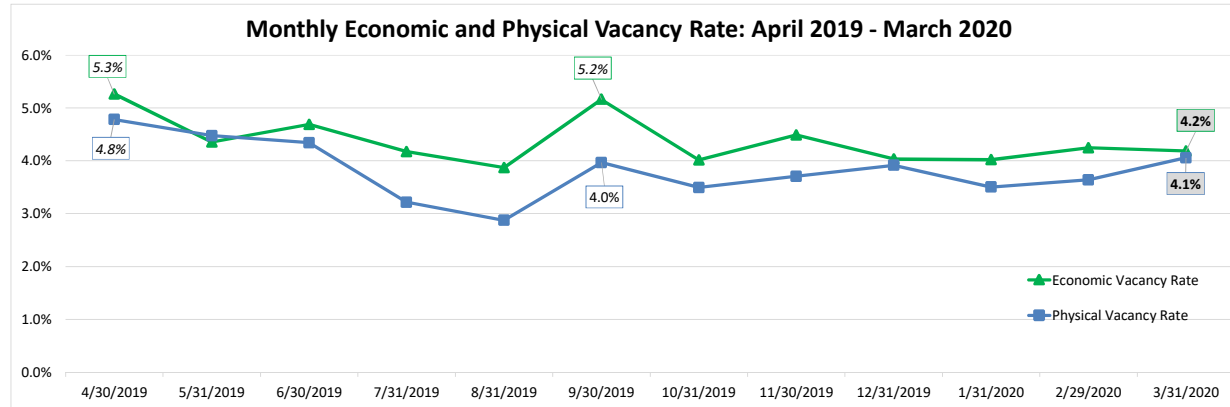
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May 2020 Fundraising and Communications Memorandum

To: Capitol Hill Housing Board of Directors CC: Christopher Persons
From: Michael Seiwerath

COVID-19 Response

CHH continues to fundraise for our [COVID-19 Resilience Fund](#), 100% of which will be used to support the residents, small businesses, and vital work of CHH impacted by the coronavirus. To date, the Fund has raised over \$360,000 from more than 100 individuals. The first \$250,000 raised was disbursed to the CHH PDA and is being used to support and expand CHH's existing rental assistance program for residents. At this point, we do not anticipate that any funds raised through the COVID-19 Resilience Fund will count toward the CHH Foundation's 2020 grantmaking to support CHH general operations, the EcoDistrict and Resident Services. The COVID-19 Resilience Fund contribution to CHH is listed separately at the end of this memo.

Currently, CHH Foundation staff are anticipating some negative impacts of the pandemic on fundraising, particularly around events and sponsorship revenue. An early estimate is a possible 15% shortfall in annual revenue for CHHF in 2020. Other organizations are budgeting a 20-30% shortfall for moving to virtual events. As of early May, CHHF has raised 44% of our overall annual fundraising goal of \$938,066. Staff will be conducting a more thorough analysis of the pandemic's impact on fundraising goals.

Grants

In the last four weeks:

Grant proposals awarded include:

- Windermere Foundation Capitol Hill awarded \$4,000 to support Resident Services
- Hugh & Jane Ferguson Foundation awarded \$15,000 to support the EcoDistrict
- Wells Fargo awarded \$30,000 to support our 2020 operations.
- Bank of America sub-awarded \$125,000 to CHH to support a new program called Community Kitchens for Affordable Housing Residents, which pays restaurants to cook no-cost meals for our residents. Funding to support \$100,000 in direct costs and \$25,000 in EcoDistrict staff time working on program. Co-grantees include Mercy Housing NW, Bellwether and SICDpda.

Grant proposals submitted include:

- LISC proposal for \$60,000 in HUD Sec. 4 Capacity-Building funding to support EcoDistrict
- KeyBank proposal for \$50,000 to support Annual Fund
- NEA CARES Act Funding proposal for \$50,000 to support 12AA theater rents and EcoDistrict work on the Capitol Hill Arts District
- Tableau Foundation proposal for \$10,000 to support Annual Fund
- Umpqua Bank proposal for \$10,000 to support Annual Fund

Grants (continued)

Grant proposals still pending include:

- American Family Insurance Dreams Foundation – \$10,000 proposal to support Annual Fund
- City of Seattle Department of Neighborhoods Community Partnership Fund program is paused to respond to urgent needs around COVID-19. Our \$50,000 proposal to support the EcoDistrict is paused.
- BHPN Community Innovations grant – \$40,000 to support the EcoDistrict
- Dupar Foundation – \$10,000 to support Resident Services
- Fales Foundation – \$10,000 to support Resident Services
- Muckleshoot Community Foundation – \$5,000 proposal to support Resident Services
- Tulalip Tribes Charitable Fund - \$3,000 proposal to support Annual Fund
- Windermere Foundation – two additional proposals to support Resident Services

Upcoming grant proposal deadlines include:

- Banner Bank – \$2,500 for EcoDistrict—target submission May 8
- Union Bank – for Annual Fund – target submission May 15
- Bank of America Neighborhood Builders – due May 31
- Moccasin Lake Foundation – target submission May
- Washington Federal Foundation – for Annual Fund – target submission May
- Harvest Foundation – \$10,000 for Resident Services – target submission May
- JP Morgan Chase – for Annual Fund – target submission May
- Heritage Bank – for Annual Fund – target submission May
- Foster Foundation – for Annual Fund focused on Resident Services – if invited to apply

Rise Together Capital Campaign

Early estimates, supported by CHH's and campaign consultant Joan Caine's experience with capital fundraising during an economic recession, suggest the impacts of the COVID-19 pandemic may push out the Rise Together fundraising timeline about one year. We have not officially revised our 2020 fundraising goal of \$20M raised overall, but there is strong understanding among the partners that we are unlikely to get there this year.

The Rise Together partners continue to take a two-pronged approach to campaign fundraising during COVID-19: 1) Pursuing viable capital requests, particularly government sources such as the state Building Communities Fund grant opportunity scheduled to open in early summer 2020; and 2) Leveraging our existing collaborative model for non-capital fundraising in a parallel, short-term campaign around COVID-19 response that we're calling "Heal Together."

Information and messaging around Heal Together can be found on the Rise Together website at <https://risetogethernow.org/healtogether/>. Partner staff are currently conducting outreach to a list of key prospects around Heal Together.

The Rise Together campaign's current total raised is **\$13,333,404** against a \$20M goal for the end of 2020, and a \$25M overall campaign goal.

Rise Together Capital Campaign (continued)

Grant proposals recently awarded:

- GenPRIDE received confirmation of the total award amount of \$485,000 from the Washington State supplemental capital budget to support GenPRIDE's community center in the LGBTQ-affirming senior housing project.
- GenPRIDE received a multi-year operating grant from the Group Health Foundation following a presentation to GHF staff by the Rise Together partners. We are counting \$45,000 of this award toward GenPRIDE's RT capacity-building goal of \$100,000, which is now met!
- White Center CDA also received a multi-year operating grant from the Group Health Foundation. We are counting \$35,000 of this award toward WCCDA's RT capacity-building goal of \$100,000, which is now met!

Grant proposals still pending:

- Byrd Barr Place's \$150,000 proposal to the National Trust for Historic Preservation to support the renovation of Fire Station 23 has been accepted to the next stage of review.
- King County anticipated appropriation of \$1M to support the White Center Community HUB
- Heritage Bank proposal for \$75,000 to support the entire Rise Together campaign

Events

Due to public health concerns, **Top of the Town** will be pushed to late June as a virtual event, with contingencies for changes in public health recommendations. Board members with an interest in sponsoring the event, or those who have connections with organizations that may be interested, should be in touch with Laura Orella lorella@capitolhillhousing.org. To date, \$67,500 in sponsorship has been secured.

We will be broadly inviting the general public to attend Top of the Town 2020 and there will be a free of charge viewing option. Look for more details, a website launch and specific communications to the board.

Communications

Rebrand Update

In April the Communications Team reached a major milestone in the rebrand timeline: the bulk of content writing for the new Community Roots Housing website was completed! This consisted of 70+ webpages with associated image assets and involved work across more than a dozen staff in different departments. In May we anticipate fielding decision points in web development with Pyramid, hosting user testing late May, and one final intense period of content uploading. The new website is on track for a mid-June launch.

Besides the website work, preparation for the name rollout for all business needs critical by mid-June is well underway with strong leadership from the Administration Department. April saw a report-out to the PDA and foundation boards, and a joint board training on talking points around the new name:

Community is in our roots. Now it's in our name. Our name changes, our commitment to community and making a difference in people's lives continues on.

Other Communications Deliverables

The Communications Team also continues support on the COVID-19 Task Force response, staff communications, event planning, and COVID-19 Resilience Fund. The team also continues to field queries and coordinate media outreach on the new fund, rent concerns, and Station House.

April Media Mentions of CHH or CHH projects

Date	Article Title	Outlet
4/2/2020	In Seattle, black and brown chefs cope with COVID-19 crisis by feeding the community	Puget Sound Business Journal
4/7/2020	Want to donate to coronavirus causes in Seattle? Here's how to help	Seattle Times
4/9/2020	Helping people with rent during the coronavirus crisis (VIDEO)	KIRO 7
4/8/2020	Seattle Kitchen Collective Provides Free Meals to Whoever Needs Them	South Seattle Emerald
4/15/2020	Coronavirus has cost more than 100,000 people around Seattle their jobs. So why aren't rents going down?	The Seattle Times
4/24/2020	As Seattle looks at temporary takeover of citizen design review, here are the projects around Capitol Hill in COVID-19 limbo	CHS Blog
4/28/2020	Nonprofit Housing Providers Face Down COVID-19	ShelterForce
4/28/2020	Nonprofit Quarterly: Nonprofit Housing Providers Brace for Financial Impact of COVID-19	Nonprofit Quarterly

2020 Capitol Hill Housing Foundation Budget and Actuals
Updated May, 4th, 2020

Please note the new format for budget to actuals below, which will be used for the Foundation going forward. The change is to format only; budget goals are unchanged.

3:21 PM

05/04/20

Accrual Basis

Capitol Hill Housing Foundation
2020 Budget
Year to Date Actuals

	Jan - Dec 20	Budget	% of Budget
Ordinary Income/Expense			
Income			
4000 · Contributions - Unrestricted			
4010 · Individual - Unrestricted	148,861.61	277,000.00	53.7%
4020 · Foundation - Unrestricted	130,633.00	206,616.00	63.2%
4030 · Corporate - Unrestricted	4,128.00	187,200.00	2.2%
4040 · Government - Unrestricted	25,000.00	21,250.00	117.6%
4060 · Sponsorships - Unrestricted	107,000.00	220,000.00	48.6%
4310 · Event Tickets - Unrestricted	0.00	26,000.00	0.0%
Total 4000 · Contributions - Unrestricted	415,622.61	938,066.00	44.3%
4001 · Contributions - Restricted			
4011 · Individual - Restricted	0.00	25,000.00	0.0%
4027 · Released from Restriction	10,000.00		
Total 4001 · Contributions - Restricted	10,000.00	25,000.00	40.0%
Total Income	425,622.61	963,066.00	44.2%
Gross Profit	425,622.61	963,066.00	44.2%
Expense			
10000 · Operating Expenses			
5000 · Contract Services	4,841.27	42,700.00	11.3%
6000 · Office Expenses	2,518.61	9,791.00	25.7%
7000 · Administrative Expenses	9,918.37	43,000.00	23.1%
7500 · Event Expense	2,900.00	69,328.00	4.2%
7700 · Other Types of Expenses	11,424.62	12,750.00	89.6%
Total 10000 · Operating Expenses	31,602.87	177,569.00	17.8%
9000 · Granting			
9050 · Donations to CHH - Unrestricted	100,000.00	800,000.00	12.5%
9055 · Donations to CHH - Restrictcd	0.00	25,000.00	0.0%
Total 9000 · Granting	100,000.00	825,000.00	12.1%
Total Expense	131,602.87	1,002,569.00	13.1%
Net Ordinary Income	294,019.74	-39,503.00	-744.3%
Other Income/Expense			
Other Expense			
90000 · Release from Restriction	10,000.00		
Total Other Expense	10,000.00		
Net Other Income	-10,000.00		
Net Income	284,019.74	-39,503.00	-719.0%

CHH COVID-19 Resilience Fund Actuals

*As the CHH **COVID-19 Resilience Fund** is separate from CHH Foundation annual fundraising goals, actuals are broken out separately below.*

3:24 PM

05/04/20

Accrual Basis

Capitol Hill Housing Foundation
COVID Resilience Fund Profit & Loss
January through December 2020

	Jan - Dec 20
Ordinary Income/Expense	
Income	
4001 · Contributions - Restricted	
4011 · Individual - Restricted	376,101.84
4021 · Foundation - Restricted	6,000.00
4031 · Corporate - Restricted	2,500.00
Total 4001 · Contributions - Restricted	384,601.84
Total Income	384,601.84
Gross Profit	384,601.84
Expense	
9000 · Granting	
9055 · Donations to CHH - Restirted	250,000.00
Total 9000 · Granting	250,000.00
Total Expense	250,000.00
Net Ordinary Income	134,601.84
Net Income	134,601.84

MAY 2020 PROPERTY DEVELOPMENT BOARD REPORT AND MINUTES

Property Development Committee Members: Rachel Ben-Shmuel, **Paul Breckenridge**, Sara Cubillos Deirdre Doyle, Liz Dunn, **Bob Fikso**, Eric Snow, **George Staggers**

Staff Liaisons to the Board: Robert Baca, Jill Fleming, Chris Persons, **Jeremy Wilkening**
(**BOLD** indicates those members in attendance)

Date, time and location of meeting: May 5th, 2020 – 3:30-4:30 pm – Via zoom teleconference

Date, time and location of next meeting: June 8th, 2020 – 3:30-4:30 pm – TBD

Board Action in May:

U14 Increase predevelopment spending.

Active Project Updates/Discussion:

U14:

Jeremy updated the committee on the project and went through the presentation that's planned for the board meeting. PDC discussed schedule, project risks and possible mitigations, and utilizing a design build contract to complete design of the project.

While the PDC remains very committed to and optimistic for the project, the impact of COVID-19 has the group concerned about CHH being able to provide construction guarantees to the satisfaction of the investor (i.e. the bar might be higher now) and the potential lease up risks during these uncertain times. The group discussed having a check point between now and the end of the year. PDC recommends passing a resolution that gets us to some mid-point (time and money) and later the board would get an update and pass a resolution to get us to the finish line. Jeremy will discuss this internally and email the PDC with a suggested mid-point, what dollar increase is necessary, and what month there would likely be need for a follow up.

COVID-19 Impacts:

Jeremy updated the group on COVID impacts since last month. Overall the pipeline continues to progress:

Bonanza:

Construction is ongoing, and the contractor is working overtime to make up lost time. Currently the project is only one week delayed and expected to be completed in early June. Residents will begin to move back in the building starting late June and in phases.

Station House:

Lease up is taking more time. Building currently only has about 30 move ins two months into lease up. Property management is unable to project how fast the building can be leased up but at the current rate its projected to take 5-6 months. This will delay the conversion which requires economic occupancy and three months stabilization; it was planned for October. We can extend the perm loan rate lock 6 months, which will work in the slow lease up scenario. The equity investor's run has a much slower lease up schedule so any downward adjuster wont be too impactful. On the positive, the

construction loan interest has been well below the estimate in the budget, which we think will absorb the delay. Therefore, currently the main impact is delay in receiving the developer fee payment due at perm conversion.

CHP-1:

The funding from FEMA via Emergency Management has been awarded! CHH is working with OH on getting the remaining funding committed. Centennial is being pulled out of CHP-1 but as it received \$1.5 million from the State and the City has agreed to match it, CHH is exploring a more moderate rehab on the building is feasible and what it will achieve in terms of extending the useful life of the building. CHH is also exploring starting work on Boylston Howell ahead of the other two buildings.

There is concern at the PDC about doing a partial rehab at the Centennial which isn't in the residents interest and could be a liability to CHH if we end up being expected to own the building long term in its condition.

Yesler:

We are exploring what the expediated entitlement review per the emergency legislation will achieve for schedule. The project is still planning to go into the Summer bond round. CHH has had conversations with investors and lenders and while there are numerous lenders, there are few investors in the market place; however from HPN and HDC convenings we learned that the demand has not waned on LIHTC investments and its likely the project will attract investors when the RFP is issued in a month or so.

Eldridge:

The project closing timeframe remains early 2021.

Annex:

No changes.

Predevelopment Expenditures and Upcoming Predevelopment Increases

Related to COVID-19, Jeremy discussed with the PDC that a thorough analysis of potential delays in project closings due to COVID-19 and its impact on predevelopment cash outlay as well as construction guarantee risk is being put together by property development and finance. This analysis will be presented at the June PDC. Also, in June will be some resolutions to increase predevelopment spending for projects still moving forward that are getting close to the maximum authorized such as ACLT Plaza.

Abode Community's Development Board Process

CHH internally is exploring Abode Community's process of board and committee approvals and review and would work with the PDC and board.

Per RCW 42.30.110(g), the CHH Board PDC went into an executive session to consider the acquisition of real estate when public knowledge of such consideration would cause a likelihood of increased price.



MAY 2020 CAPITOL HILL ECODISTRICT BOARD REPORT

Steering Committee Members: Chasten Fulbright, Alicia Daniels Uhlig, Cathy Hillenbrand, Egan Orion, Erik Rundell, Janet Shull, Jenny Cooper, Josh Morris, Julia Buchans, Leon Garnett, Matthew Benedict, Matthew Combe, May So, Michael Gilbride, Michael Mariano, Michelle Caulfield, Natalie Bicknell, Neelima Shah, Whitney Fraser, Yolanda Cieters, Christina Arrington

Staff Liaison to the Committee: Donna Moodie, Erin Fried, Akeyla Jimerson

Date, time, and location of next meeting: June 12th at 9am, Pike Pine Room

During the COVID-19 Crisis, the CH EcoDistrict has focused on doing our work virtually, while also focusing on the community and its needs.

We have created a Community Tea, which will gather monthly (this will become a permanent program) with a theme (guest attendant) to discuss issues that impact us personally or within our community at large. When selecting our theme, we have chosen to avoid the popular Zoom HH style gatherings in hopes of removing the stigma for having alcohol present when we gather and creating a safe space for all.

While working on a Geocaching App to create an Adventure Lab Scavenger hunt in Capitol Hill, we have been observing and documenting locations which support or exhibit good storm water catching management. This has recently been mapped, and is currently being refined before its launch.

To support the Small Business Community and the Arts Community which have been so devastatingly impacted by the COVID-19 Crisis, we have been collaborating with CH partners to create two very successful programs:

Streaming Arts Festival took place April 29 thru May 3. It included over 60 artists, and allowed for them to stream their work to a supportive audience. The artists were paid, and were allowed to receive donations during the event. In terms of being a reaction to a crisis, most notable was the ability to create and execute a project that should have taken 5 months in 3 weeks. The work of collaborators from 12th Avenue Arts and many supporting partners was truly remarkable. \$6000 was raised through registration. 332 folks registered to stream. There were approximately 600 views per night.

The Learning Lab is a project that will be launching in the next few weeks, although “filming” has begun. Partnering with GSBA and the Capitol Hill Seattle Blog, the Learning Lab is creating a series of fun, yet instructional videos. These lessons will be posted on the Capitol Hill Seattle Blog and are free to access, but creates a space for product information and sales, also allowing for a “virtual tip jar”.

While much of the School District and Health Community focus on COVID-19, the Capitol Hill EcoDistrict has not lost sight of the importance of advancing the implementation of a SBHC at Lowell Elementary. The \$300,000.00 funding granted to Lowell’s efforts by the State Legislature will allow the construction of Phase I of this much needed amenity. Akeyla continues to lead this project with support from EcoDistrict staff.

The EcoDistrict continues to work on the BOA grant for Community Kitchens providing meals to affordable housing tenants. We have lined up restaurants, transportation and volunteers. We hope to target tenants who would benefit from this program in the near future and do a test run, which will hopefully grow.

Public Life continues to move forward. We are in the process of creating a technical subcommittee, composed of expertise from our stakeholder community. We continue to do our research of international projects which have experienced success in creating Public Space for communities. We have engaged with Seattle Greenways and other organizations interested in providing safe access to the streets during COVID-19. We have seen reduced traffic, creating an opportunity for many grassroots environmental organizations to pivot the community at large towards thinking a little differently about who has priority to use our streets.

While our plans for fundraising were abruptly interrupted with the arrival of COVID-19 and the introduction of social distancing, we are confident we will roll out a series of “garden parties” instead of “dinner parties”, gathering stakeholders and interested participants in raising funds for the EcoDistrict. We see this as an opportunity to grow our community, engage in conversation regarding our projects and the response from our community, all while inviting our guest lists to support our mission.

Social Media continues to expand its audience. We have continued to define our use of multiple mediums, and regularly contribute conversation.

Facebook is being used to advertise events and share information. We have used some FB advertising, and plan to do measure the benefits through analytics.

Instagram is serving as an aesthetic and community building format. Particularly through COVID-19, we find ourselves promoting small businesses, positive neighborhood interactions and documenting the crisis in a pictorial fashion.

Twitter has been reserved for political points of view and a little pushing of the envelope. Follow the Capitol Hill EcoDistrict on [Facebook](#), [Twitter](#), or [Instagram](#).

We continue to work towards certification for the Capitol Hill EcoDistrict, while also working on Professional Certification of the individual team members as well.

We have had to postpone our retreat until Fall, but we continue to begin the work of strategic planning to set goals, confirm our mission and create a successful path for the CH EcoDistrict post COVID-19.

MAY 2020 EXECUTIVE COMMITTEE BOARD REPORT AND MINUTES

Executive Committee Members: **Shalimar Gonzales** (Chair), **Drew Porter** (Vice Chair), **Frank Alvarado** (Vice Chair), **Derrick Belgarde** (Treasurer), **Jill Cronauer** (Secretary), **Robert Schwartz** (Immediate Past Chair)

Staff Liaisons to the Board: **Chris Persons**, **Sarah Shoemake-Gamble** (taking minutes)
(**BOLD** indicates those members in attendance)

Date, time and location of meeting: Monday, April 27, 2020 - 5-6:30pm - Zoom

Date, time and location of next meeting: Tuesday, May 26, 2020 - 5-6:30pm - Zoom

Minutes

Meeting began at 5:06 pm

1) Debrief on April Board meeting: The Committee Members shared their feedback about the effectiveness of the April Board Meeting—possibly our first ever all remote meeting, with specific ideas to possibly incorporate into future electronic meetings to make them more effective. Overall the response was that it went well.

2) Lead Items

a) COVID-19 Response: Chris updated the Committee on the following COVID-19 topics and will also be on the May Board agenda.

i) Update on rent collections and projected losses: Chris shared that April rent collection is still moving slowly, but we are currently doing better than the previous scenarios projected. He noted there haven't been as many applications to the COVID Resilience Fund as expected and staff are looking into potential reasons. He noted that there will be a resolution at the May Board Meeting for the Board to approve using the Opportunity Fund as a stop gap measure. The resolution will be proposed through the Finance and Asset Management Committee. The Executive Committee was supportive of the measure.

ii) Update on advocacy efforts

(1) PDA: Chris reminded the Committee that as a PDA, CHH is not eligible for the Payment Protection Program (PPP), so he has coordinated with five other PDAs to ask for other support from the City, and they appear to be willing to have conversation.

(2) City/OH: He shared that the organization could expect to see some CDBG (Community Development Block Grant) funding, from the City. The City is designating \$1.14 M to support affordable housing. Chris shared that he had supported a bill put forth by the Mayor that would expedite affordable housing projects through design review during the shutdown and includes language allow AH developers to negotiate with Landmarks staff to keep projects moving forward.

(3) State and Federal: On the federal level a bill is in congress that would provide \$100 B in rental support for low income residents and another proposal calls for \$48 B to be allocated through the HOME program. Additionally, advocates are pursuing changes to the Tax Credit

laws fixing the 4% credit and changing the 50% test which would help with future projects. Chris shared that his goal is to end the year budget neutral.

iii) **COVID-19 Resilience Fund:** The fund has raised \$350,000 so far from 100 donors.

2) External Relations, Community Programs, Board Issues

- a) **Board Development:** Chris reviewed the Board Development list, specifically looking for a potential replacement for Rob's seat. Paul previously suggested that we look for someone else with deep affordable housing background. Chris is reaching out to some potential candidates and will do more research on a list of possible candidates with the desired qualifications and no professional conflicts.
- b) **May Board Meeting:** Chris confirmed with the Board members that even if the Stay Home order is removed by the May 11th Board meeting, staff recommend having the meeting remotely and the Committee agreed. Chris reviewed the agenda for the upcoming Board Meeting. He shared that the site staff stipend was budgeted through month of April, and staff are looking to extend it but at like a lower rate due to budget constraints. It was suggested that the stipend be connected to the length of the Stay Home Order from the Gov, which will likely be extended further into May.
- c) **Top of the Town and other fundraising:** The event has been postponed to the end of June, for a smaller in-person event with a streaming element. The Committee members shared ideas and concepts from successful virtual events they have participated in or heard about recently. Chris also noted that Omnivorous will likely be reimagined both due to potential social distancing in the fall and the difficult position restaurants are currently in, as well as that many other fall events are already being cancelled.
- d) **Opportunity Fund:** Chris noted that the Fund as refilled recently. With the delay in fee income from development projects, the organization might need to use the opportunity fund. The resolution will go through the FAM Committee. The Fund will be replenished next year when we receive fees from the Bonanza project or public money sources to support revenue loss. The Committee asked about the amount of Board Designated Reserves, which are a different fund of \$1M, to be used in under more severe circumstances than we currently find ourselves.

3) Asset Management

- a) **Pipeline Update:** Chris gave an update on the following property development projects: Bonanza, CHP1, Station House, U14, and Yesler Family Housing. He noted how each of the projects is being affected by the outbreak. The May Board Meeting will focus on the U14 project.
 - i) **Bonanza:** This project is the rehabilitation of three existing CHH buildings - El Nor, Ponderosa, 18th Ave. Staff were previously concerned that construction might not end on time prohibiting us from moving residents back into their units and that HUD would view the residents as permanently displaced, however construction has continued at a good pace and staff are currently less concerned.
 - ii) **CHP1:** This project is the rehabilitation of four existing CHH buildings: Centennial, Bremer, Boylston Howell, John Carney. The project is fully permitted, and we want to move forward with construction as soon as possible which has an impact on 2020 cash flow. This project is partially funded with a FEMA grant, which has been slightly delayed due to the COVID outbreak. Centennial may be renovated separate from this to credit/City funded effort.
 - iii) **Station House:** The building is still being leased up, but it is moving slowly, putting us about a month behind our goal, which will impact the conversion from a construction loan to a permanent loan. We are looking at potentially asking for extension on the loan conversion, as a potential for federal outbreak support is deadline relief.

- iv) U14: This is the middle-income housing project, sometimes referred to as the Helen V Parking Lot. The project is moving quickly toward MUP and consultant AP Hurd will attend the May Board Meeting to present on the project and a resolution regarding the increase to the line of credit to cover predevelopment spending all the way to groundbreaking. We are looking at construction to begin next Spring. Chris noted that there is a design-built agreement with general contractor, as they are leading build design to get efficiencies and are very knowledgeable regarding mass timber. He shared that a potential discussion prompt for the May Board meeting could be “Why are we investing so much on a development project in the middle of a pandemic?” Staff believe that the market will be back to normal by the time the building would be placed in service in mid-2022 and that demand will return. Executive Committee members provided suggestions on monitoring the construction contract.
- v) Yesler Family House: This is the project in partnership with SCIDpda. We hope to close by end of year, but there are concerns about the feasibility of this happening. We are committed to pushing it through.

Shalimar asked how our community partners are doing. Chris gave a brief update on the Rise Together partners and some other community partners and how the outbreak is affecting their organizations.

4) Other

- a) **CEO Annual Evaluation**: Chris shared his 2020 Workplan with the Committee and noted that the 360 review will be shared with staff and Board shortly. The current timeline includes an introduction at the May Board Meeting and an in-depth discussion at the June Board Meeting.

Meeting ended at 6:43 pm.

MAY 2020 JOINT BOARD DEVELOPMENT COMMITTEE BOARD REPORT AND MINUTES

Joint Board Development Committee Members: Sara Cubillos (PDA Board Member), b.g. Nabors-Glass (PDA Board Member), Margaret Pak Enslow (Foundation Board President), Alice Quaintance (Former PDA Board Member)

Staff Racial Equity Task Force Liaisons to the Committee: Robyn Dhatt, Greg Gibson

Staff Liaisons to the Board: Michael Seiwerath, Sarah Shoemake-Gamble

Date, time and location of meeting: n/a

Date, time and location of next meeting: May 27, 2020 – 4:00-5:00pm – Zoom

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. Racial Equity Task Force (RETF)

- a. **Equitable Decision-Making Framework:** The task force continued work on the equitable decision-making framework by incorporating feedback received from initial users. The framework is designed to be a resource for CHH staff and board members to use when making a key decision or proposing a change that impacts the organization. The tool includes a series of questions that a decision maker should evaluate in order to understand what is driving decisions, what the impact will be, whether we have the right data, if we have involved the right people and what accountability looks like with respect to the decision once made. Edits that have been made included adding additional context to the questions asked in order to give users of the tool a better framework for analyzing and understanding how responses to questions should impact decision making. The Training and Education Committee is now reviewing the framework and beginning to develop training content for rollout to the broader staff and board.
- b. **BIPOC Caucuses:** The group successfully held its first BIPOC caucus for Racial Equity Task Force members in late April via Zoom. This initial caucus served as a dry run for the group as part of a larger plan to roll out caucusing to the rest of the organization. The caucus was organized by the Emerging Issues Committee of RETF using resources from HDC. The group has compiled initial feedback from the caucus, which included significant discussion of white supremacy culture in a remote work environment. In addition to expansion of the BIPOC caucuses, the group is also aiming to start a white caucus.
- c. **Racial Grievance Policy:** The Policy and Procedure Committee is working with B. Williams, the organization's third-party consultant to draft a framework for development of a racial grievance policy that centers a restorative healing process for people of color as opposed to focusing on punitive measures common in a white dominant culture.
- d. **Education Survey:** The Training and Education Committee is collecting data from task force members to determine a baseline of educational experience. This will be used to come up with a training plan for current members to ensure we are working with a common vocabulary and knowledge base.

- e. **Onboarding Process:** The Training and Education Committee is also developing an onboarding process for new task force members to ensure that they feel welcomed, engaged and informed. The document is going through final reviews and should be ready this week.
- f. **All Staff Training:** Prior to the pandemic, the task force was in the process of engaging organizations to do anti-racism training for all employees. We are now in discussions to see how these organizations can address conducting these trainings remotely so that we can move forward this year.

2. Board Development

- a. **PDA Board:** Sara Cubillos and Michelle Purnell-Hepburn joined as new members the PDA Board at the April Board meeting and the new Officer Slate was approved.
- b. **Foundation Board:** The new Officer Slate was approved at the April Board Meeting, making Committee Member Margaret the new Foundation Board President.
- c. **Emerging Leader Fellow:** With Sara Cubillos now on the PDA Board as a full Board Member, we have an opening for a new Emerging Leader Fellow. The previous job description was shared with the Committee as well as Sara for input and updates. Sarah Shoemake-Gamble will work on updating the document and incorporate the Committee and Sara's input and will then share the final position description with the Committee, Boards and partner organizations to widely spread the word about the opening.

2. Board Engagement

- a. **Updated Committees:** Both Boards updated their Committee assignments after their respective April Board Meetings, so the Committee members listed above include the updated members.
- b. **Training:** The second training of the year was on April 23rd, led by Michael and Yiling on the new brand message over Zoom, which 14 Board members attended. The materials and a recording will be shared with both Boards. The next training will be on Thursday, July, 23rd and the topic has yet to be determined.
- c. **Book Club:** Sarah will work on scheduling virtual happy hour style events for Board members and Executive Staff to discuss this year's book, How to Be an Anti-Racist for an afternoon or two in May.