COMMUNITY ROOTS HOUSING

PDA Board Meeting

November 2020

PDA Board Meeting November 2020

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COMMUNITY ROOTS
HOUSING

SECTION 1:

Meeting Keys

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November 2020
Community Roots 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 you with a good overview of the topics to be addressed and voted on.

As always, we will enter executive session as needed pursuant to RCW 42.30.110.

Meeting

Introductions: Board, staff and guests make brief introductions.

Disclosures and Recusals: Board members will review items on the agenda and make any necessary disclosures and recusals.

Consent Agenda: Shalimar will present the consent agenda--any Board member can remove an item from consent agenda for full Board consideration. The Board will be asked to adopt the consent agenda.

Memo from the Executive Committee – George Staggers Reappointment
There was a clerical oversight in April 2020 regarding George Stagger's the term. His original term ended in April 2020 and should have been included with the other members for re-appointment at the April 2020 Board meeting for an additional three-year term. Regardless of the delay in reappointment, Mr. Stagger's powers and responsibilities as a board member continue in full, per Article VII Section 2 of the Charter and SMC 3.110.350 (A).

We are asking the Board to approve re-appointing George to a full three-year term through adoption of the consent agenda. George's term will be effective April 1, 2020 through March 31, 2023. His biography is attached. ***This was approved by the Executive Committee on October 26, 2020 for recommendation to the full board and inclusion in the consent agenda.***

Year 15 Resolutions
Both the Silvian and Pantages buildings have reached year 15 and are exiting their tax credit financing. When this happens, the limited partner which is also the equity investor exits the ownership structure. It has been our practice to replace the limited partner (LP) with CHDA, our wholly owned supporting nonprofit. Brad introduced these resolutions at the September meeting allowing us to include them in the November consent agenda pending Finance and Asset Management Committee approval. Originally, we planned to present both resolutions for Board approval in November, but we are still working through exit details with Enterprise Community Partners, the investor for the Silvian so that resolution we be presented in December.

We are asking the Board to approve the Pantages resolution by adoption of the consent agenda.

Resolution 2020-26: Pantages Year 15 Exit
This was approved by the Finance & Asset Management Committee on November 3, 2020 for recommendation to the full board and inclusion in the consent agenda.

Public Comment: All meetings of Community Roots Housing are open to the public. We will have no verbal public comments at the meeting, but the public can put comments in the chat room. (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

2021 Draft Budget: Greg will present the draft 2021 budget in near final form. This will be an in-depth presentation with ample time for input, questions and discussion. We are showing a positive 2021 year end while budgeting conservatively for ongoing uncertainty in the rental market due to COVID. We are on target with having the final budget available for final discussion and approval at the December Board meeting.

Keiro Site - Next Action & Resolution 2020-27: Keiro Site MOU Authorization with Africatown: Chris, Donna and Jeremy will update the Board on progress with discussions with Africatown. We are not as far along in our discussions as I hoped to be and we are experiencing differences in perspective from the members of the executive team. Because time is of the essence, we would like to ask the Board to consider a resolution allowing staff to finish negotiating the MOU with the following criteria: a. All predevelopment funds are provided by the City or other sources; b. Joint approvals are required for design and construction; c. Kick-out provisions are delineated in the General Partnership Agreement; d.Provides for CRH to be property manager; e. Joint Agreement on development project manager.

Real Estate Development

Update on Lake City: Jeremy will provide an update on the status of the Lake City land sale, which is currently scheduled to close in December.

Finance and Asset Management

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

Property Operations Update

Michelle Canizio will share updates on the progress of the department workplan.

Executive Committee

Defund action update: The Board action to sign onto the Defund the Police movement has officially happened and Chris will update the Board on the current circumstances.

CFO search and leadership restructuring – Executive Session: The Board will go into Executive Session under RCW 42.30.110 (g) to evaluate the qualifications of an applicant for public employment or to review the performance of a public employee.

CHDA will meet immediately after the conclusion of the PDA Board Meeting.

Board Packet Sections

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   e. Fundraising & External Relations Memo, p. 44-49
   f. Property Development Committee Report and Minutes, p. 50-51
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   k. Resolution 2020-26: Pantages Year 15 Exit, p. 60-63

Upcoming Meetings and Events

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

Nov 11	Office Closed – Veteran's Day
Nov 26-27	Office Closed – Thanksgiving
Nov 30	Executive Committee
Dec 14	Board Mtg
Dec 26-27	Office Closed – Christmas Eve & Christmas Day
Dec 28	Executive Committee

Upcoming Action Items

December	2021 Budget, Yesler Family Bond Inducement
Winter 2021	Land Acquisition Northgate, Northgate Predev financing, Yesler Family Bond Issue and Omnibus Resolution

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COMMUNITY ROOTS HOUSING

SECTION 2:

Board Agenda

SECTION 2

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COMMUNITY ROOTS HOUSING

COMMUNITY ROOTS HOUSING BOARD
November 9, 2020
5:30-7:30 PM Regular Meeting
Zoom

https://us02web.zoom.us/j/88000599097?pwd=R0gvaDBuZlRNUUhpNEJ6NjRIeXNUUT09
Meeting ID: 880 0059 9097
Password: 818002

AGENDA

5:30 Call to Order (Gonzales) – *15 min total*

1. Introductions, Welcome
2. Disclosures and Recusals
3. Approve Consent Agenda — Sec. 5, Page 33
   a. Memo from Executive Committee – Reappointment of George Staggers
   b. Resolution 2020-26: Pantages Year 15 Exit

5:45 Presentations and Discussion – *65 min total*

1. 2021 Budget Draft Review (Gibson) – *30 mins* — Handout
2. Keiro Site: Next Action (Moodie, Persons, Wilkening) – *35 mins*
   a. Resolution 2020-27: Keiro Site MOU Authorization with Africatown — Sec. 3, Page 15

6:50 Real Estate Development (Breckenridge, Fikso, Wilkening) – *10 min total*

1. Update on Lake City

7:00 Finance and Asset Management (Belgarde, Gibson) – *5 min total*

1. Finance Report
   a. Financial summary, cash management report: September 2020 Financial Statements — Sec. 4, Page 21

7:05 Property Operations (Canizio) – *10 min total*

1. Overview of workplan

7:15 Executive Committee (Gonzales, Persons) – *15 min total*

1. Defund action update – *10 mins*
2. CFO search update – *Executive Session – 5 mins*

7:30 Adjourn (Gonzales)

CHDA to meet immediately after the meeting concludes

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COMMUNITY ROOTS HOUSING

SECTION 3:

Resolution 2020-27: Keiro Site MOU Authorization with Africatown

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Community Roots Housing PDA Board Resolution 2020-27

Overview: Initial Resolution for the Negotiation of a Partnership Agreement of Keiro Site

Purpose: To authorize the CEO to negotiate and execute a partnership agreement with Africatown Community Land Trust and any other identified community-based development partners.

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?: PDC

Charter or Rules and Regulations Modification:

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

General description and purpose: To negotiate and enter into a MOU to redevelop the Keiro site (located on Yesler between 16th and 17th) with Africatown Community Land Trust and potentially other partners. The site will house an estimated 200-300 units of affordable housing as well as some community supportive uses. The risks are primarily financial but also reputational and have been outlined and reviewed by the PDC. This matrix can be found in the PDC report in November along with the current deal points, which could change slightly as the MOU gets negotiated.

Organizational requirements of resolution: None

Financial cost of the resolution*:* The direct financial cost is negligible; however entering into an MOU will likely result in committing the organization to a housing project with ACLT which carries significant financial risk as well as reward.
Pros: Project aligns with mission and furthers both the production of affordable housing and empowering community based non-profit groups.
Cons: Financial risk in that ACLT will be the majority owner of the project. Staff has presented PDC with a matrix of risks and potential mitigation which will be incorporated into the MOU.

Further Board Action or Reporting:

- **Is further <u>action</u> required from the Board or a Board Committee?** ☒ Yes ☐ No
  If yes, please describe: Once the MOU is successfully executed the Board need to do further actions as it does for other real estate projects.
- **Is further <u>reporting</u> required to the Board or a Board Committee?** ☒ Yes ☐ No
  If yes, please describe: Once the MOU is successfully executed the Board and PDC will continue to be updated on progress

Author of Resolution Overview: Jeremy Wilkening

ADOPTED AT A MEETING OF
THE BOARD OF DIRECTORS OF
COMMUNITY ROOTS HOUSING,
A WASHINGTON PUBLIC CORPORATION

Resolution No. 2020-27
(Keiro Site MOU Authorization with Africatown)

A RESOLUTION of Community Roots Housing declaring authorization for CRH to negotiate a partnership agreement to develop the Keiro Site with Africatown Community Land Trust.

Be it known that:

Community Roots Housing, a Washington public corporation ("the Program"), is organized pursuant to RCW 35.21.660, 35.21.670, and 35.21.730-755, and Seattle Municipal Code Ch. 3.110;

The purpose of the Program shall be to preserve, develop, own and operate affordable multifamily housing, as well as cultural, social, and economic facilities and to provide programs and services to promote equity and resilience in communities and to perform other functions as the Board shall determine. The Program shall function within the current city limits of the City of Seattle. However, the Program may provide these services, activities and facilities outside of these boundaries with approval of the PDA Board of Directors (the "Board") in accordance with the organizational Charter.

Community Roots Housing has identified the partnership with Africatown Community Land Trust for the purposes of jointly developing the Keiro Site as a strategic priority for the creation of affordable housing;

Community Roots Housing is authorized to exercise all powers necessary or convenient to effect the purposes for which the Program is organized and to perform authorized Program functions, including, without limitation, the power to contract and enter into partnership with individuals, associations and corporations; and

Community Roots Housing has identified the opportunity to develop Keiro (the "Site") located on Yesler Ave E, between 16th and 17th Ave S into an affordable housing project in partnership with Africatown Community Land Trust; and

The development of the site could provide approximately two to three hundred units of affordable housing for low income persons with community serving ground floor uses;

NOW, THEREFORE, BE IT RESOLVED by the Board of Community Roots Housing as follows:

(1) Community Roots Housing 's Board hereby finds that the development of the Site will further Community Roots Housing's efforts to promote the development of quality affordable housing in the City of Seattle.

(2) The board recognizes that this project partnership for equity and development of community-based organizations is consistent with our values and the strategic plan.

(3) Community Roots Housing 's Board therefore finds and determines that the development of the Site will further the purpose of CHH and is therefore within the power and authority granted to Community Roots Housing by its Charter.

(4) Community Roots Housing 's Chief Executive Officer is authorized and directed to:

(a) Negotiate and execute a partnership agreement with Africatown Community Land Trust and any other identified community-based development partners ensuring that:

a. All predevelopment funds are provided by the City or other sources
b. Joint approvals are required for design and construction
c. Kick-out provisions are delineated in the General Partnership Agreement
d. Provides for CRH to be property manager
e. Joint Agreement on development project manager

(b) Investigate feasibility of development of the site.

(c) Negotiate a Purchase and Sale Agreement or other means to acquire site control.

CERTIFICATION

I, Jill Cronauer, certify that I am the Secretary of Community Roots Housing and that the foregoing Resolutions were duly adopted at a meeting of the Board of Directors of Community Roots Housing held on 9th day of November 2020, in accordance with the Charter and Rules and Regulations of Community Roots Housing upon proper notice and at which time a quorum was present.

DATED the ___ day of November 2020.

By_____

Its_____

COMMUNITY ROOTS HOUSING

SECTION 4:

November 2020 Finance Report, September Statements and Asset Management Report

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NOVEMBER 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, Greg Gibson** (BOLD indicates those members in attendance)

Date, time and location of meeting: November 3, 2020 – 4:00 PM - Zoom meeting

Financial Position Summary:

During September unrestricted cash decreased $92K. Approximately $172K is from development related construction draws net of any construction spending. The LGIP third quarter reserves transfer also decreased unrestricted cash by $64K as well as $60K of COVID-19 rent resilience disbursements that were received in prior months. Rent collections continue to be affected by COVID. Approximately 93% of rents were received in September and 87% in October. The amounts include rental assistance payments. These decreases to cash are offset by two material transactions. $250K was transferred from the Opportunity Fund for general operations and $168K was transferred to General Building Reserves from the Four Ten operating reserves and replacement reserves.

The unaudited operating statement through September 30, 2020 shows an operating deficit of $1.1M as compared to a budgeted deficit of $774K. The negative variance of $365K is due to multiple items. Developer fees represent a negative variance of $544K. The first developer fee installment of $250K for CHP1 was budgeted in June but is now expected to be received in late 2020. Other deferred developer fees are also expected to be affected due to COVID. Grants and Donations are also showing a negative variance due to the Foundation's third quarter distribution of $185K taking place in October. This negative variance is partially offset by a favorable payroll variance of $287K. Multiple new positions were budgeted for but have not been filled due to COVID-19. Maintenance also has a favorable variance of $125K as we had only been performing emergency maintenance work and unit turns for most of the year due to COVID.

Financial Review: The committee reviewed the monthly financial reports and the monthly financial ratio analysis. Comments and Analysis regarding the September 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 5.8% with a rolling 12-month economic vacancy percentage of 4.5%.

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

- Finance Department update
- Analyzing daily cash collection for COVID-19 impact
- 2020 year-end cash projections
- 2021 draft budget review
- Lake City sale projected to close in November or December 2020
- HPN predevelopment loan for Heartwood

- HPN Enterprise renewal initial discussion
- CHP1 projected to close in November or December 2020
- Update on $1M loan from the City of Seattle
- Update on $1.2M NOFA from the Office of Housing for rental assistance
- Silvian and Pantages year 15 exit resolutions
- Commercial Tenant Status

Community Roots Housing
Blended Balance Sheet

	9.30.2020 unaudited	8.31.2020 unaudited	Change from prior month		12.31.2019 Internal Presentation	12.31.2018 Internal Presentation
Assets						
Unrestricted Cash	2,708,904	2,800,732	(91,828)	1	2,639,225	2,295,438
Accounts Receivable					1,275,766	1,023,384
Tenant & Commercial AR	746,390	697,504	48,887	2		
GAAP Rent Receivable	122,840	122,840	0			
Other Receivable	(2,776)	(3,230)	454			
Prepaids & Other Current Assets	454,379	491,577	(37,198)		397,343	362,070
Contributions/Grants Receivable	3,341	3,341	0		140,372	289,290
Due from Affiliates	10,803,352	10,626,197	177,155	3	11,257,394	7,077,021
Board Designated Operating Reserve	1,000,000	1,000,000	0		1,000,000	1,000,000
Board Designated Opportunity Reserve	284,020	533,770	(249,750)	4	773,568	244,931
Restricted Cash	5,364,615	5,454,468	(89,853)	5	5,484,020	6,937,674
Notes Receivable from Affiliates	16,575,465	16,575,465	0		29,372,905	15,313,542
Land	24,610,933	24,610,933	0		18,739,965	21,944,996
Buildings, Improvements & Equipment	82,379,349	82,050,370	328,979	6	79,517,704	80,233,250
Accumulated Depreciation	(46,039,028)	(45,855,357)	(183,671)	7	(44,504,705)	(45,192,676)
Lease Receivable	664,587	664,587	0		689,587	792,137
Investment in LPs/LLCs	2,514,514	2,514,514	0		4,297,648	1,521,867
Other Assets	317	(22,920)	23,237		338	366
Total Assets	**102,191,202**	**102,264,791**	**(73,588)**		**111,081,130**	**93,843,290**
Liabilities						
Notes Payable	68,119,867	68,146,004	(26,137)		59,441,297	62,803,914
Accrued Interest Payable	4,318,255	4,318,255	0		4,318,255	4,594,746
Accounts Payable & Accrued Liabilities	5,553,126	5,283,036	270,090	8	6,184,645	4,615,495
Tenant Security Deposit Liability	454,439	457,432	(2,993)		530,177	576,781
Total Liabilities	**78,445,687**	**78,204,727**	**240,960**		**70,474,374**	**72,590,936**
Net Position	23,745,515	24,060,064	(314,548)		40,606,756	21,252,354
Total Liabilities and Net Assets	**102,191,202**	**102,264,791**	**(73,588)**		**111,081,130**	**93,843,290**

Significant balance sheet changes from prior month

1) **Rent collections continue to be affected due to COVID-19. Approx 93% of rents were received in September, which includes rental assistance payments.**

   The following significant cash transactions decreased cash during the period:
   -Approx $172K development related transactions net of construction draws
   -$60K COVID-19 rent resilience disbursements received in prior months.
   -$64K Q3 LGIP reserves transfer.

   The following significant cash transactions increased cash during the period:
   -$$250K from the Opportunity Fund for operations
   -$168K General Building Reserves transfer from the Four Ten operating reserves and replacement reserves.

2) AR continues to increase due to COVID.
3) Change due to timing fluctuation from due to/from affiliate balances and multiple development projects, including $73K for White Center.
4) $250K withdrawal from the Opportunity Fund for operations. Will be replenished from future cash flows.
5) $168K decrease due to Four Ten operating reserves and replacement reserves transfer to General Building Reserves. $64K increase from Q3 LGIP reserves transfer.
6) Increase due to multiple projects in CIP/Predevelopment: $273K Africatown; $65K Heartwood (U14); $55K Eldridge.
7) Routine monthly depreciation expense
8) 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. $137K Africatown consulting invoice in accounts payable at month-end.

Community Roots Housing
Statement of Revenues and Expenditures - Unaudited
From 1/1/2020 Through 09/30/2020

	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	7,959,312	8,002,646	(43,334)		-0.54%	10,692,661	2,733,349
Commercial rent revenue, net	631,020	612,683	18,337		2.99%	833,155	202,135
Triple net revenue	80,121	94,712	(14,591)		-15.41%	127,635	47,514
Parking, laundry and other	133,934	129,158	4,776		3.70%	171,377	37,443
Res vacancy and concessions	(440,888)	(367,302)	(73,586)	**1**	20.03%	(452,973)	(12,085)
Total Tenant Rent	8,363,499	8,471,897	(108,398)		-1.28%	11,371,855	3,008,356
Other Operating Revenue							
Accounting & Compliance fees	520,751	543,650	(22,899)		-4.21%	728,683	207,932
Developer Fees	520,717	1,064,815	(544,098)	**2**	-51.10%	1,680,329	1,159,612
Partnership Management Fees	272,093	190,807	81,286	**3**	42.60%	272,022	(71)
Property Management Fees	1,283,560	1,314,890	(31,330)		-2.38%	1,753,187	469,627
Total Other Operating Revenue	2,597,121	3,114,162	(517,041)		-16.60%	4,434,221	1,837,100
Other Revenue							
Grants & Donations	548,630	734,875	(186,245)	**4**	-25.34%	1,031,500	482,870
Interest Income	10,466	22,500	(12,034)		-53.48%	30,000	19,534
Other Income (non-operating)	19,234	0	19,234		#DIV/0!	0	(19,234)
Total Other Revenue	578,331	757,375	(179,045)		77.12%	1,061,500	483,170
Total Revenue	11,538,951	12,343,434	(804,484)		-6.52%	16,867,576	5,328,626
Expenses							
Accounting, Audit & Legal	454,680	395,455	(59,225)	**5**	-14.98%	504,732	50,052
Administration	409,291	396,924	(12,367)		-3.12%	528,295	119,004
Bad Debt	56,067	78,376	22,309	**6**	28.46%	89,218	33,151
Board Expense	473	11,700	11,227		95.96%	14,100	13,627
CHH Occupancy Expense	251,764	287,801	36,037	**7**	12.52%	386,670	134,906
Compliance, Taxes & License	166,434	135,172	(31,262)	**8**	-23.13%	218,663	52,229
Consulting	145,073	182,752	37,679	**9**	20.62%	204,776	59,703
Debt Service	1,403,455	1,499,756	96,301		6.42%	1,939,696	536,241
Insurance	320,707	269,744	(50,963)	**10**	-18.89%	360,739	40,032
Leasing/Compliance Expense	105,388	144,219	38,831	**11**	26.93%	192,292	86,904
Miscellaneous Financial Expense	4,863	5,000	137		2.74%	5,000	137
Other Operating Expense	917	957	40		4.15%	2,457	1,540
Partnership Mgmt Fee Expense	240,311	109,531	(130,780)	**12**	-119.40%	156,042	(84,269)
Payroll, Taxes and Benefits	5,345,169	5,632,654	287,485	**13**	5.10%	7,537,144	2,191,975
Preventive Maintenance	288,179	319,579	31,400	**14**	9.83%	419,406	131,227
Property Mgmt Fee Expense	807,483	809,710	2,227		0.28%	1,079,613	272,130
Repair and Maintenance	1,023,101	1,116,556	93,455	**14**	8.37%	1,335,548	312,447
Resident activities	22,702	43,753	21,052	**15**	48.11%	82,459	59,758
Technology	142,980	181,795	38,815	**16**	21.35%	246,363	103,383
Utilities	1,069,733	1,074,667	4,934		0.46%	1,439,217	369,484
Total Expenses	12,258,770	12,696,101	437,331		0	16,742,430	4,483,660
Operating Surplus (Deficit) B4 Reserves	(719,819)	(352,667)	(367,152)		104.11%	125,146	
Reserve Contributions							
Replacement Reserve	(360,018)	(361,722)	1,704		-0.47%	(481,760)	(121,742)
Operating Reserve	(33,813)	(33,810)	(3)		0.01%	(45,080)	(11,267)
Other Reserve	(25,950)	(25,950)	0		0.00%	(34,600)	(8,650)
Total Reserve Contributions	(419,781)	(421,482)	1,701		-0.40%	(561,440)	(141,659)
Operating Surplus (Deficit)	(1,139,600)	(774,149)	(365,451)		47.21%	(436,294)	
Other Income (non-operating)	0	0	0		0.00%	0	
Income/Loss	(1,139,600)	(774,149)	(365,451)		47.21%	(436,294)	

Variance Discussion (Greater than $20K and 10%)

1) Vacancy underbudgeted at most buildings as vacancy has been higher than expected.

2) First developer fee installment of $250K for CHP1 is expected to be received in late 2020. Deferred developer fees will also be significantly affected due to expected drop in cash collections from COVID-19.

3) Prior year fees paid in 2020. $63K Helen V incentive mgmt fee; $20K Helen V partnership mgmt fee; $50K Gilman Court partnership mgmt fee. $25K Harrison land lease. Only $30K budgeted for these prior year payments. They are offset by expenses in comment #12.

4) $185K Foundation Q3 distribution received in Oct.

5) $20K Elizabeth James settlement agreement with Home Depot. $13.5K legal fees related to sale of Four Ten.

6) Current CRH policy is to write off bad debt after move out. With the current eviction moratorium tenants cannot be evicted and therefore write-offs are not happening for those tenants. We also expect to receive more rental assistance funds which will help the amount of write-offs needed.

7) CRH triple net billed in October.

8) $11K Lake City real estate tax not budgeted. Real Estate tax slightly under budgeted throughout portfolio.

9) Favorable rebranding variance

10) $31.5K additional umbrella and excess liability insurance in May. Due mostly to increase in claims, premiums for excess liability and D&O insurance.

11) $45K favorable variance due to Boston Post consulting project put on hold.

12) Prior year fees paid in 2020. $63K Helen V incentive mgmt fee; $20K Helen V partnership mgmt fee; $50K Gilman Court partnership mgmt fee. $25K Harrison land lease. These expenses were not budgeted. They are offset by revenue in comment #3.

13) Favorable variance due to not hiring new positions as a result of COVID-19.

14) Favorable variance as we were only performing emergency maintenance and unit turns for most of the year due to COVID-19.

15) Less resident activities due to COVID-19.

16) The timing of when/if SharePoint implementation is happening is not yet determined. The excess budget is expected to be used as we improve our technology due to challenges presented by COVID-19.

CRH
CASH IN BANK
FOR THE MONTH ENDING: September 2020

Bank	CHH Blended Component Unit	Type	Balance
Chase	Larned	Reserves	156,965
Chase	412	Reserves	132,625
		Total Chase	**289,591**
KeyBank	Capitol Hill Housing	Security Deposit	235,848
KeyBank	Capitol Hill Housing - SoundFamilies	Restricted Savings	6,094
KeyBank	Hazel Plaza	Reserves	259,711
KeyBank	Hazel Plaza	Security Deposit	4,184
KeyBank	Larned	Security Deposit	18,350
KeyBank	Byron Wetmore	Reserves	67,015
KeyBank	Byron Wetmore	Security Deposit	8,892
Key Bank	412	Security Deposit	2,811
KeyBank	Holden Vista	Reserves	50,113
KeyBank	Holden Vista	Security Deposit	3,500
KeyBank	Mary Ruth Manor	Reserves	299,863
KeyBank	Mary Ruth Manor	Security Deposit	6,163
KeyBank	EJSH	Security Deposit	11,249
KeyBank	Fleming Apts LP	Security Deposit	19,317
KeyBank	Gilman Court LP	Reserves	123,026
KeyBank	Gilman Court LP	Security Deposit	19,664
KeyBank	Villa Apts LP	Reserves	253,832
KeyBank	Villa Apts LP	Security Deposit	39,589
KeyBank	Harrison	Security Deposit	17,647
KeyBank	Oleta	Security Deposit	21,504
KeyBank	Helen V Apts LLC	Reserves	345,892
KeyBank	Helen V Apts LLC	Security Deposit	7,964
Key Bank	Union James	Security Deposit	7,400
Key Bank	Union James	Reserves	103,383
Key Bank	Lake City	Security Deposit	6,045
		Total KeyBank	**1,939,055**
Banner	Berneva	Reserves	17,826
Banner	Seneca	Reserves	156,643
Banner	Seneca	Security Deposit	17,100
		Total Banner	**191,569**
LGIP	Capitol Hill Housing	Reserves	2,439,098
		Total LGIP	**2,439,098**
Walker Dunlop	EJSH	Escrow	15,526
Walker Dunlop	EJSH	Reserves	145,430
		Total Oppenheimer	**160,956**
Chase	Harrison	Reserves	184,266
Chase	Oleta	Reserves	49,861
		Total Chase	**234,126**
BofA	Fleming Apts LP	Reserves	107,384
		Total BofA	**107,384**
Heritage	Union & 24th Commercial	Security Deposit	2,836
		Total Heritage	**2,836**
	Total Restricted - CHH Blended Components		**5,364,615**
LGIP	Capitol Hill Housing	Board Designated Reserv	1,284,020
		Total Designated	**1,284,020**
Heritage	Union & 24th Commercial	Operating Checking	(15,867)
		Total Heritage	**(15,867)**
UnionBank	Capitol Hill Housing	EQII	4,736
		Total Union Bank	**4,736**
KeyBank	Capitol Hill Housing	EQII	19,410
		Total KeyBank	**19,410**
KeyBank	Capitol Hill Housing	Gen Building Reserve	199,761
		Total Gen Building Reserve	**199,761**
KeyBank	Capitol Hill Housing	HPN	238
		Total HPN	**238**
KeyBank	Capitol Hill Housing	Payroll	-
KeyBank	Capitol Hill Housing	Operating Checking	332,727
KeyBank	Capitol Hill Dev. Assoc	Operating Checking	2,720
KeyBank	Capitol Hill Real Estate Mgmt Services	Operating Checking	3,867
KeyBank	Cash-Restricted	Operating Checking	1,062,540
KeyBank	Hazel Plaza	Operating Checking	107,003
KeyBank	Larned	Operating Checking	73,235
KeyBank	Byron Wetmore	Operating Checking	32,252
KeyBank	412	Operating Checking	53,960
KeyBank	Holden Vista	Operating Checking	24,415
KeyBank	Mary Ruth Manor	Operating Checking	58,204
KeyBank	EJSH	Operating Checking	48,069
KeyBank	Fleming Apts LP	Operating Checking	57,249
KeyBank	Gilman Court LP	Operating Checking	72,756
KeyBank	Villa Apts LP	Operating Checking	73,335
KeyBank	Harrison	Operating Checking	78,136
KeyBank	Oleta	Operating Checking	50,113
KeyBank	Helen V Apts LLC	Operating Checking	120,080
KeyBank	12th Ave Arts Development	Operating Checking	-
KeyBank	Union James	Operating Checking	43,145
KeyBank	Lake City	Operating Checking	40,700
KeyBank	Africa Town (Mid-town)	Operating Checking	-
KeyBank	Africa Town (Mid-town)	Construction	78,073
KeyBank	White Center Hub - Commercial Construct	Construction	
		Total KeyBank	**2,412,577**
Cash	Various	Petty Cash - CHHIP	100
		Total Petty Cash	**100**
Banner	Berneva	Operating Checking	4,741
Banner	Seneca	Operating Checking	83,208
		Total Banner	**87,949**

CRH

CASH IN BANK

FOR THE MONTH ENDING: September 2020

	Total Unrestricted - CHH Blended Components	**2,708,904**
	Total All Cash - CHH Blended Components	**9,357,540**

Bank	Discrete Component Unit	Type	Balance
Chase	Woodland Park Ave LLC	Reserves	156,677
Chase	AAA	Security Deposit	6,007
Chase	AAA	Reserves	230,896
Chase	AAA	Escrow	9,200
		Total Chase	**402,780**
KeyBank	Broadway & Pine	Reserves	258,835
KeyBank	Broadway & Pine	Security Deposit	22,647
KeyBank	El Nor LP	Security Deposit	8,319
KeyBank	18th Ave Apartments	Security Deposit	1,551
KeyBank	Holiday Apts	Security Deposit	19,998
KeyBank	Jefferson & 12th	Reserves	335,538
KeyBank	Jefferson & 12th	Security Deposit	30,686
KeyBank	Pantages Apts LLC	Security Deposit	26,424
KeyBank	Ponderosa	Security Deposit	2,512
KeyBank	Silvian	Security Deposit	6,461
KeyBank	SOPI / Unity Village	Reserves	220,696
KeyBank	SOPI / Unity Village	Security Deposit	14,858
KeyBank	Woodland Park Ave LLC	Security Deposit	10,163
KeyBank	12th Avenue Arts Housing	Security Deposit	63,996
KeyBank	12th Avenue Arts Associates LLC	Security Deposit	62,971
KeyBank	12th Avenue Arts Housing	Reserves	762,387
KeyBank	12th Avenue Arts Associates LLC	Reserves	31,813
KeyBank	CH TOD Station House	Security Deposit	21,541
KeyBank	CH TOD Station House	Construction	105,398
	Jazz House	Construction	140,547
		Total KeyBank	**2,147,341**
UnionBank	Holiday	Reserves	195,787
		Total UnionBank	**195,787**
US Bank	Pantages Apts LLC	Reserves	446,925
US Bank	Silvian	Reserves	600,517
		Total USBank	**1,047,442**
Heritage	Union & 24th Residential	Reserves	242,110
Heritage	Union & 24th Residential	Security Deposit	34,959
		Total Heritage	**277,069**
Wells Fargo	Bonanza	Construction	3,742
Wells Fargo	Bonanza	Construction CHH Loan	3,385,163
Wells Fargo	El Nor	Reserves	38,533
Wells Fargo	18th Ave	Reserves	13,713
Wells Fargo	Ponderosa	Reserves	18,216
		Total Wells Fargo	**3,388,906**
Bellwether	Union & 24th	Escrow	75,467
		Total Bellwether	**75,467**
	Total Restricted - Discrete Components		**7,534,791**
Chase	AAA	Operating Checking	163,419
		Total Chase	**163,419**
KeyBank	El Nor LP	Operating Checking	583,807
KeyBank	18th Ave Apartments	Operating Checking	60,535
KeyBank	Pantages Apts LLC	Operating Checking	81,794
KeyBank	Silvian	Operating Checking	31,016
KeyBank	Broadway & Pine (BX)	Operating Checking	60,289
KeyBank	Woodland Park Ave LLC	Operating Checking	43,115
KeyBank	Holiday Apts	Operating Checking	62,818
KeyBank	SOPI / Unity Village	Operating Checking	59,184
KeyBank	Jefferson & 12th	Operating Checking	62,340
KeyBank	Ponderosa	Operating Checking	273,244
KeyBank	Twelfth Avenue Arts Res	Operating Checking	173,132
KeyBank	12th Avenue Arts Associates LLC	12AA Commercial Opera	467,602
KeyBank	CH TOD Station House	Operating Checking	215,470
		Total KeyBank	**2,174,348**
Heritage	Union & 24th Residential	Operating Checking	274,245
		Total Heritage	**274,245**
		Total Unrestricted - Discrete Components	**2,612,011**
		Total All Cash - Discrete Components	**10,146,802**
		Total All Cash - CHH Blended Components	**9,357,540**
		Total All Cash	**19,504,342**

TOTALS BY BANK		
Key Bank	**$**	**8,873,082**
Chase	**$**	**1,109,326**
Banner	**$**	**279,518**
US Bank	**$**	**1,047,442**
Union Bank	**$**	**200,523**
Bank of America	**$**	**107,384**
Heritage	**$**	**538,282**
Bellwether	**$**	**75,467**
Wells Fargo	**$**	**3,388,906**
LGIP	**$**	**3,723,118**
Other and Petty	**$**	**161,295**
TOTAL CASH	**$**	**19,504,342**

COMMUNITY ROOTS HOUSING

Community Roots Housing
Asset Management Dashboard
Year to Date at September 30, 2020

Building	Physical Vacancy (at month end) Vacant Units	Vacancy %	Total Units	Op Rev Per Unit YTD Actual	Budget Var %	Op Exp Per Unit YTD Actual	Budget Var %	Cash Flow Per Unit[1] YTD Actual	Budget Var %	A/R Resident Portion $ Sept 2020	A/R Resident Portion %[3] Sept 2020	12-Month Rolling Avg.[4] Make Ready	Total Days Vacant	Economic Vacancy Sept 2020	12 MO Rolling	2019 Vacancy
Byron Wetmore			12	9,307	4%	7,935	4%	510	538%	13,182	109%			0.0%	0.0%	1.1%
Elizabeth James	1	1.7%	60	7,964	1%	6,119	-8%	(132)	-145%	12,513	23%	115	176	3.3%	4.5%	2.9%
Four Twelve			12	17,725	-4%	10,758	-5%	1,570	-69%	8,880	35%	100	140	0.0%	5.5%	1.0%
Hazel Plaza			16	20,816	3%	7,476	4%	6,576	16%	21,272	56%			0.0%	4.8%	6.8%
Joe Black Apartments			24	10,693	-4%	9,296	-10%	137	-90%	15,511	52%	36	65	0.0%	8.0%	13.3%
Mary Ruth Manor	1	5.0%	20	18,781	-4%	9,839	-9%	1,215	-64%	19,582	46%	129	138	4.9%	3.4%	2.4%
Union James	1	4.2%	24	13,715	-6%	7,937	-5%	2,333	-36%	29,621	75%	347	456	4.4%	11.8%	14.6%
Jacob Total	***3***	***1.8%***	***168***	***12,480***	***-2%***	***7,866***	***-5%***	***1,225***	***-42%***	***120,560***	***50%***	***116***	***162***	***2.3%***	***5.9%***	***6.5%***
Eighteenth Avenue	1	11.1%	9	11,294	-25%	5,835	29%	4,135	-25%	1,161	7%			9.7%	7.8%	0.0%
El Nor	10	18.2%	55	10,253	-14%	2,917	36%	6,918	0%	7,186	9%	12	47	17.8%	3.6%	0.0%
Helen V	4	10.5%	38	14,093	-1%	9,799	-40%	1,622	-59%	12,770	20%	0	88	10.4%	6.0%	5.5%
Holden Vista	4	25.0%	16	10,096	-13%	10,638	-13%	(1,873)	-302%	3,323	15%	68	131	30.1%	16.4%	12.2%
Holiday			30	8,671	-2%	6,113	-9%	(726)	-1512%	13,654	43%	0	125	-1.4%	3.9%	3.8%
Park Hill	2	6.7%	30	10,892	-4%	7,434	13%	1,862	55%	20,696	54%	0	69	10.9%	5.6%	3.1%
Ponderosa	1	4.3%	23	14,145	-1%	5,832	11%	7,541	4%	2,695	7%	69	104	4.3%	2.7%	0.0%
Silvian	1	3.1%	32	11,627	4%	6,731	16%	2,065	530%	7,125	17%	35	52	2.8%	0.9%	2.6%
Unity Village	2	6.7%	30	7,207	-12%	7,459	-1%	(552)	-210%	13,443	50%	89	147	7.4%	14.0%	9.4%
Lynn Total	***25***	***9.5%***	***263***	***10,886***	***-6%***	***6,598***	***3%***	***2,686***	***-14%***	***82,052***	***23%***	***45***	***93***	***10.4%***	***5.7%***	***4.5%***
Berneva			12	7,474	1%	7,678	-4%	(1,077)	-25%	2,114	21%			0.0%	5.4%	8.7%
Brewster			35	7,239	2%	5,266	9%	1,407	3733%	13,097	47%	26	109	0.0%	2.9%	7.8%
Broadway Crossing			44	8,382	-1%	6,939	2%	193	34%	17,770	47%	15	113	0.0%	1.2%	3.9%
Haines AAA			30	11,861	5%	5,242	12%	4,534	37%	1,138	3%			0.0%	0.5%	1.9%
Jefferson Housing			40	10,350	-1%	6,287	4%	316	77%	12,161	28%	15	54	2.0%	1.2%	3.0%
Oleta	1	2.9%	34	7,499	-2%	5,329	1%	(133)	-75%	5,648	19%	20	62	4.3%	4.6%	13.6%
Pantages	1	2.0%	49	8,486	6%	6,092	5%	817	2253%	7,563	17%	19	111	1.8%	2.5%	3.6%
Twelfth Avenue Arts	3	3.4%	88	9,546	3%	5,553	-17%	667	-42%	30,529	34%	14	87	2.8%	2.1%	1.8%
Nelda Total	***5***	***1.5%***	***332***	***9,014***	***2%***	***5,900***	***0%***	***867***	***45%***	***90,020***	***28%***	***18***	***83***	***1.7%***	***2.1%***	***4.3%***
Boylston Howell			30	8,816	2%	6,951	-1%	1,615	479%	10,686	39%	60	116	0.0%	0.8%	3.6%
Bremer	1	2.0%	49	7,457	3%	5,065	4%	685	194%	12,074	30%	26	89	2.2%	1.5%	6.4%
Centennial	2	6.7%	30	8,812	-1%	5,716	-4%	(51)	-119%	22,035	83%	18	57	7.2%	4.9%	7.5%
Devonshire	2	3.2%	62	7,456	-1%	6,038	-1%	23	-89%	29,446	57%	23	83	3.2%	5.3%	4.2%
Fleming	2	5.6%	36	7,365	-2%	5,603	-1%	(229)	-356%	10,595	36%	0	106	8.7%	3.8%	8.0%
Fremont Solstice			18	9,323	5%	6,038	5%	683	1045%	4,834	25%			0.0%	0.0%	2.3%
Gilman Court			25	10,672	6%	9,705	-17%	485	-11%	8,879	39%	0	61	0.0%	1.1%	0.6%
John Carney	2	7.4%	27	8,144	-2%	6,902	-8%	88	-88%	14,640	60%	10	70	7.8%	7.7%	9.4%
Larned	2	6.1%	33	8,138	-2%	6,236	21%	1,405	3597%	14,477	74%	38	94	10.2%	4.1%	3.3%
Melrose	6	20.0%	30	6,106	-14%	5,768	-7%	(619)	-181%	15,761	66%	29	167	30.0%	14.0%	4.0%
Villa			62	8,540	-6%	6,125	3%	(534)	-304%	22,527	48%	45	105	4.1%	5.7%	3.1%
Skye Total	***17***	***4.2%***	***402***	***8,103***	***-2%***	***6,220***	***0%***	***237***	***47%***	***165,953***	***50%***	***29***	***96***	***6.1%***	***4.5%***	***4.8%***
Broadway	1	20.0%	5	10,242	-3%	6,509	21%	1,618	703%	62	1%			31.0%	2.6%	0.0%
Burke Gilman Gardens			15	10,580	3%	7,800	8%	870	705%	11,506	66%	21	46	0.0%	1.1%	1.0%
Fredonia			12	20,891	1%	11,493	13%	4,775	74%	6,108	38%	16	77	0.0%	2.9%	0.6%
Harrison at 15th			19	15,993	2%	9,996	-1%	903	640%	1,894	9%	11	43	0.0%	2.0%	0.5%
Liberty Bank Building	6	5.2%	115	8,412	-5%	6,548	-39%	370	-53%	159,027	142%	13	179	5.6%	5.6%	1.6%
Lincoln Court	4	13.8%	29	7,528	1%	4,954	5%	(171)	75%	5,415	22%	22	110	13.6%	6.2%	2.9%
Maxwell			4	9,258	0%	6,160	25%	1,957	1391%	1,028	26%			0.0%	0.0%	0.0%
Miller Park			12	9,527	-2%	7,682	-5%	(208)	-155%	13,958	106%	11	73	0.0%	3.9%	6.7%
Seneca			32	8,481	-1%	6,045	12%	847	718%	13,189	43%	35	78	0.0%	2.1%	1.0%
Squire Park Plaza	6	10.0%	60	14,672	-3%	6,425	-1%	1,950	-22%	70,500	84%	26	108	13.7%	6.5%	3.8%
Valencia Total	***17***	***5.6%***	***303***	***10,737***	***-2%***	***6,831***	***-7%***	***933***	***10%***	***282,774***	***86%***	***19***	***114***	***7.0%***	***4.8%***	***2.3%***
Portfolio Total	***67***	***4.6%***	***1468***	***9,852***	***-2%***	***6,530***	***-2%***	***1,075***	***-7%***	***741,360***	***47%***	***34***	***102***	***5.8%***	***4.5%***	***4.4%***
Blended Portfolio	***36***	***4.3%***	***845***	***9,720***	***-2%***	***6,944***	***-1%***	***629***	***-15%***	***392,487***	***45%***	***41***	***96***	***5.6%***	***5.1%***	***5.4%***
Discrete Portfolio	***31***	***5.0%***	***623***	***10,031***	***-3%***	***5,968***	***-2%***	***1,680***	***-3%***	***348,785***	***50%***	***23***	***115***	***5.9%***	***3.8%***	***2.8%***

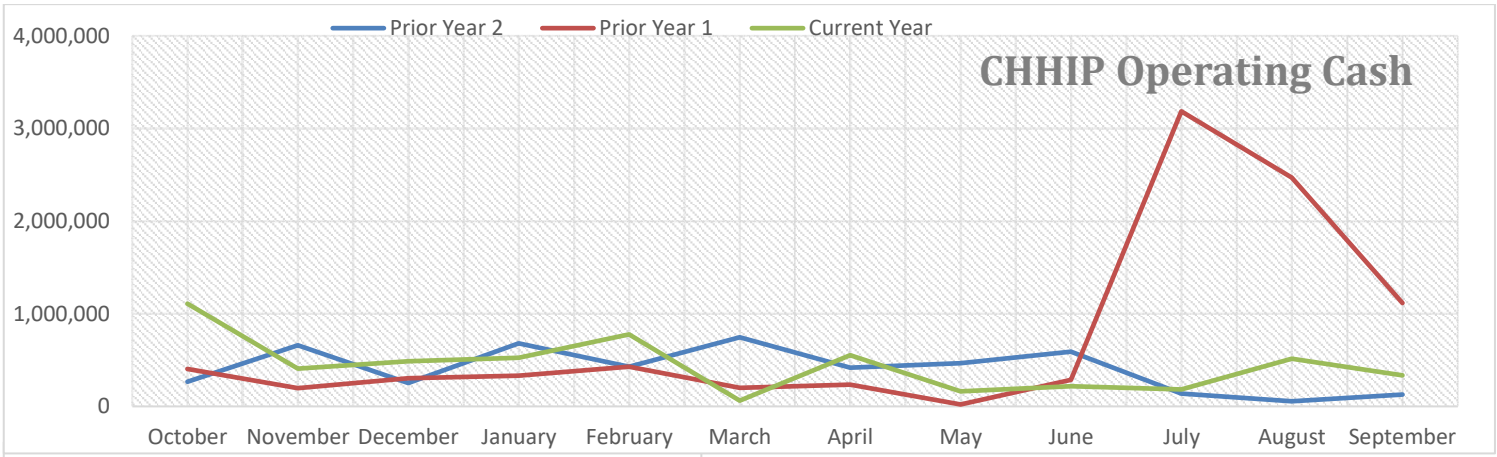
[1] After debt and reserve payments

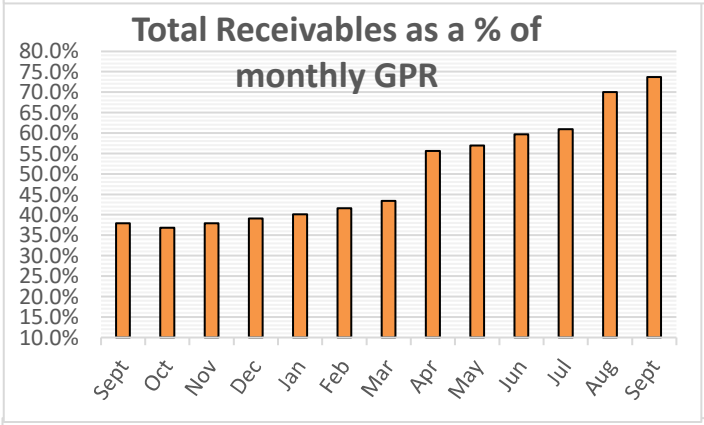
[2] Cumulative residential and subsidy accounts receivable balances divided by monthly gross potential rental revenue. Negative percentages reflect early subsidy payments.

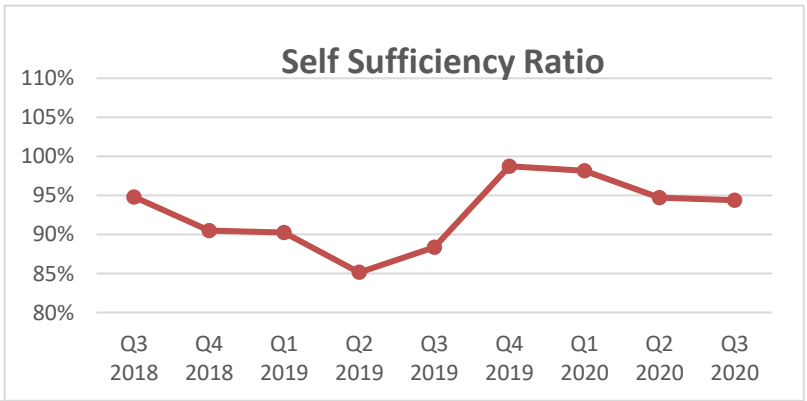
[3] Resident Portion Account Recievable % is calculated as resident A/R balance divided by total monthly gross potential income, inclusive of subsidy income.

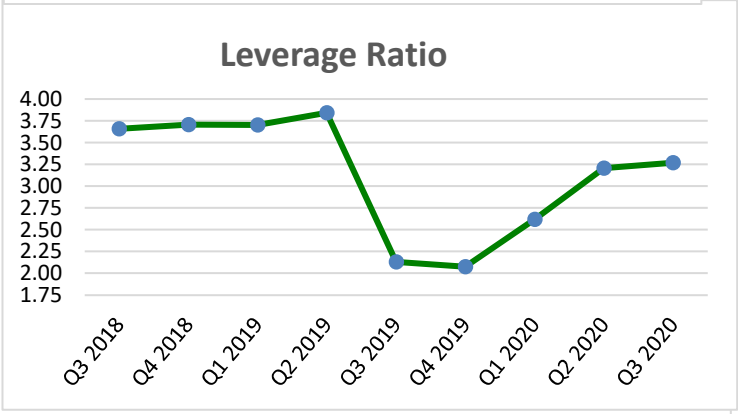
[4] Portfolio Manager averages are averages across all unit turns within portfolio and not averages across buildings

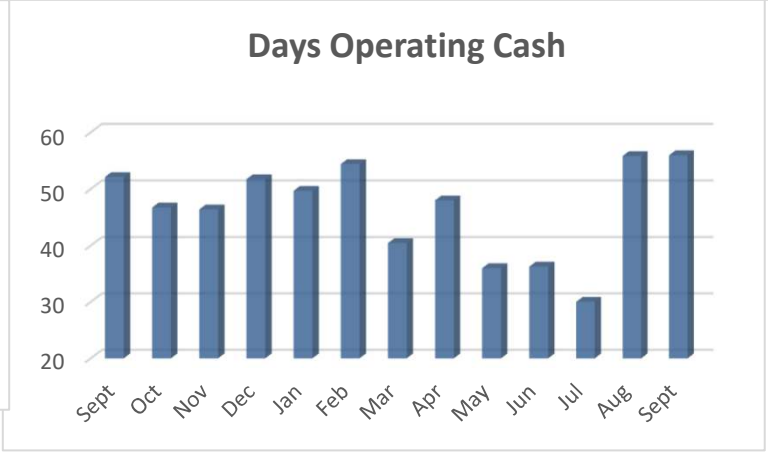
Ratio Analysis











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 ***c*** ash 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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COMMUNITY ROOTS
HOUSING

SECTION 5:

Consent Agenda and Attachments

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COMMUNITY ROOTS HOUSING

COMMUNITY ROOTS HOUSING PDA BOARD
Regular Meeting
November 9, 2020
5:30-7:30 PM
Zoom

CONSENT ITEMS

MINUTES AND REPORTS

1. October 2020 Draft Board Meeting Minutes (attached for adoption)
2. Committee Reports and Minutes (attached for acceptance)
   a. Memo from Executive Committee – George Staggers Reappointment
   b. Resolution 2020-26: Pantages Year 15 Exit

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

None.

COMMUNITY ROOTS HOUSING

REGULAR BOARD MEETING MINUTES
Zoom

October 12, 2020

Members Present: Frank F. Alvarado III, Derrick Belgarde, Rachel Ben-Shmuel, Paul Breckenridge, Jill Cronauer, Bob Fikso, Chasten Fulbright, Shalimar Gonzales, Michelle Morlan, Drew Porter, Eric Snow, George Staggers

Members Absent: Sara Cubillos, b.g. Nabors-Glass, M. Michelle Purnell-Hepburn

Staff Members Present: Michelle Canizio, Robyn Dhatt, Jill Fleming, Greg Gibson, Brad Lange, Donna Moodie, Chris Persons, Michael Seiwerath, Sarah Shoemake-Gamble (taking Minutes), Jeremy Wilkening, AP Hurd (Consultant)

The meeting was called to order by Shalimar Gonzales at 5:30 pm.

In honor of Indigenous People's Day – Land Acknowledgement: Shalimar encouraged the Board and Staff to pause and pay respect to Coast Salish and Duwamish Elders past and present and extend that respect to their descendants and to all Indigenous people. To acknowledge this land, that is to recognize the history and legacy of settler colonialism, it is to recognize these lands, waters and their significance for the peoples who have thrived in this region despite the consequences of displacement and broken treaties. She asked the Board and Staff to take a moment to sit with that information and acknowledgement before moving on.

Disclosures & Recusals: Donna disclosed that she owns and manages Marjorie restaurant which is adjacent to the Helen V building and the Heartwood (U14) project site. Chasten disclosed that he is working as a consultant on the Heartwood (U14) project.

New Board Member Appointment
A motion to **appoint Michelle Morlan to Seat 8 of the CRH PDA Board** to complete the open term left by Robert Schwartz ending in March 2021 was made by Paul Breckenridge, seconded by Rachel Ben-Shmuel, and passed unanimously.

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

Presentation and Discussion

Celebrate Jill and Resolution 2020-24: Honoring Jill Fleming: Chris reviewed the tenure and accomplishments of beloved fourteen-year senior staff member and affordable housing industry leader Jill Fleming, who will retire from Community Roots Housing on November 6th as the Senior Vice President and Deputy Director. He introduced Resolution 2020-24: Honoring Jill Fleming which would make November 6th Jill Fleming Day. (Similar resolutions were made for retiring staff members in the past).

A motion to approve **Resolution 2020-24: Honoring Jill Fleming** was made by Jill Cronauer, seconded by George Staggers, and passed unanimously.

Heartwood Update and Resolution 2020-25: Heartwood (U14) Predevelopment Spending Increase: AP Hurd, consultant, reviewed the status of the project and shared renderings of what the building and units will look like. Paul noted that the Property Development Committee approved the spending increase requested in Resolution 2020-25 and recommended approval by the full Board. The Resolution will authorize spending authority through the beginning of the year.

A motion to approve **Resolution 2020-25: Heartwood (U14) Predevelopment Spending Increase** was made by George Staggers, seconded by Rachel Ben-Shmuel, and passed unanimously.

2021 Budget Assumptions & Forecast: Greg provided an overview of the 2021 budget process, significant assumptions and budget forecast. He reviewed changes from the previous year's budget process and non-operating cash flow considerations. Greg noted that we are on target with having the budget approved at the December Board meeting.

Real Estate Development

Keiro Site – Next Action: Chris reminded the Board of the location and details of the project and site. He also reviewed the partnership terms, which were discussed at the September Board Meeting. Chris, Donna, and Jeremy updated the Board on encouraging meetings and steps that have taken place since then regarding the partnership terms. Michelle Morlan asked what type of funds would be used for predevelopment, and Jeremy noted that Africtown has applied for Equitable Development Funds (EDI) Funds from the City of Seattle.

Chris asked for a general, approval to move forward with the project, considering staff would bring a formal resolution to the Board at the November Board Meeting.

A motion from the floor to allow staff to continue negotiations of a non-binding memorandum of understanding (MOU) that meets the previously outlined points of partnership with Africatown Community Land Trust for the Keiro Site Project was made by George Staggers, seconded by Frank Alvarado, and passed unanimously.

Finance and Asset Management

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

A motion to approve the **October Finance and Asset Management Report** was made by Drew Porter, seconded by George Staggers, and passed unanimously.

Review 2019 Audit: Jill reviewed the findings of the 2019 audit noting an unmodified opinion was issued. She gave an overview of our organization structure and which entities were included in this particular audit, as well as which areas of our work they decided to focus on – property purchases, Twelfth Avenue Arts, and the Foundation.

Year 15 Resolutions Introduction: Brad introduced resolutions which will be reviewed by the Finance & Asset Management Committee next month and likely included in the November Consent Agenda for the full Board's consideration. Both the Pantages and Silvian buildings have completed their initial 15-year tax credit compliance period. The tax credit investor has received the benefits they anticipated and generally wish to exit the partnership. At this point, they have or will agree to gift their limited partnership (LP) interest to an entity controlled by Community Roots Housing (CRH). CH Development Association is the entity designated to take over the LP position and is wholly controlled by CRH. This also means that the entities will move from discrete to blended on our financials and the blended balance sheet will increase. Brad reviewed sample entity structures before and after the investor exits the partnership, as well as the steps to complete the transaction.

Property Operations

Michelle updated the Board on rent relief funding, Station House lease up, collections, and vacancy vs move ins for 2020.

Executive Committee

Per RCW 42.30.110 (g) to evaluate the qualifications of an applicant for public employment or to review the performance of a public employee. The session began at 7:20 pm. The Board exited the executive session at 7:30 pm.

The meeting was adjourned by Shalimar Gonzales at 7:30 pm.

Attested,

_____

Jill Cronauer, Secretary
November 9, 2020

DRAFT

COMMUNITY ROOTS HOUSING

November 2020 PROPERTY MANAGEMENT COMMITTEE BOARD REPORT AND MINUTES

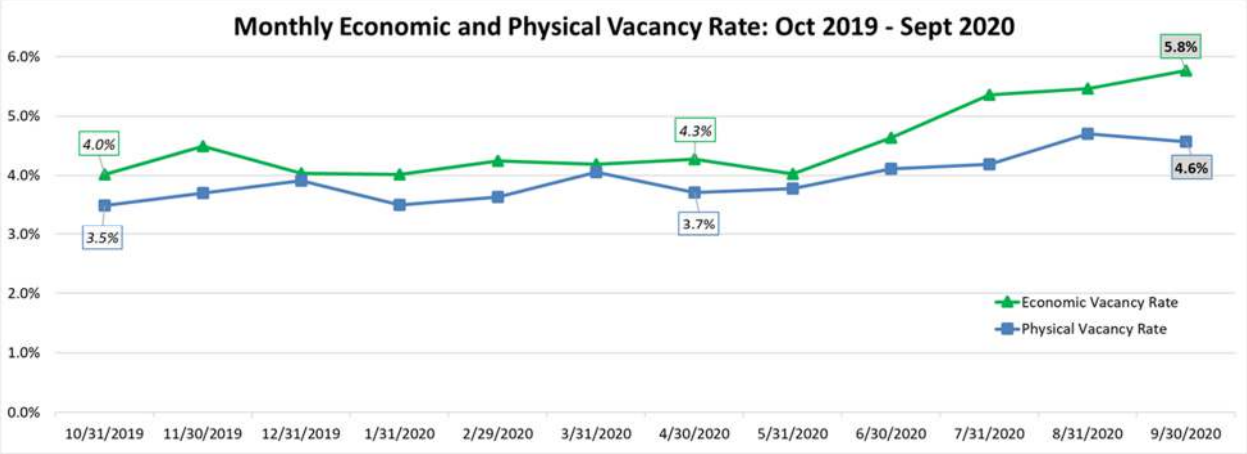
Property Management Committee Members: Eric Snow and Chasten Fulbrigh

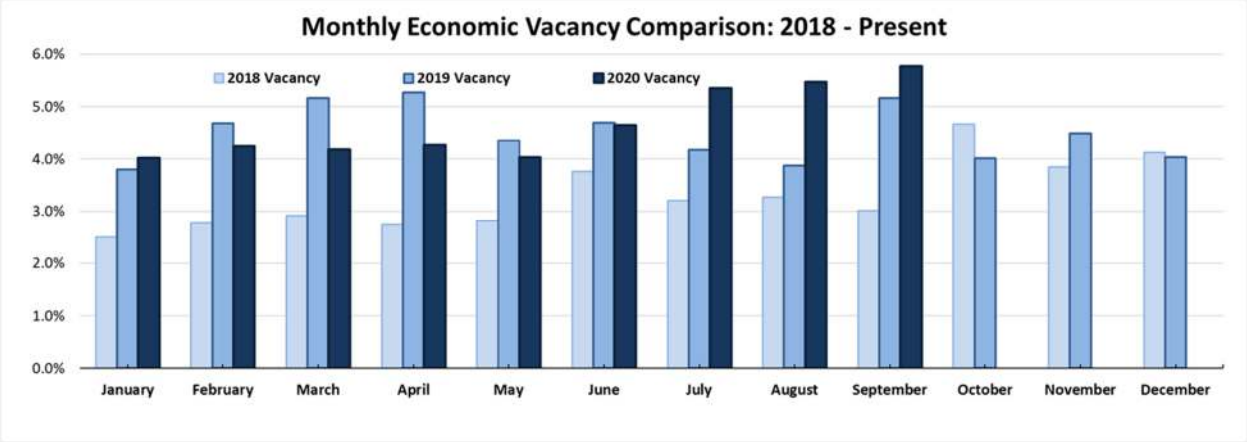
Staff Liaisons to the Board: **Michelle Canizio, Ashley Thomas, Catherine Agustin**
(**BOLD** indicates those members in attendance)

Date, time and location of meeting: November 3, 2020 -3:00-4:00 PM – Zoom Conference
Date, time and location of next meeting: December 1, 2020 – 3:00-4:00 PM – Zoom Conference

Attached is the September AM dashboard:

- Monthly physical vacancy was **4.6%**
- Monthly economic vacancy was **5.8%**
- 12-month rolling economic vacancy rate was **4.5%**





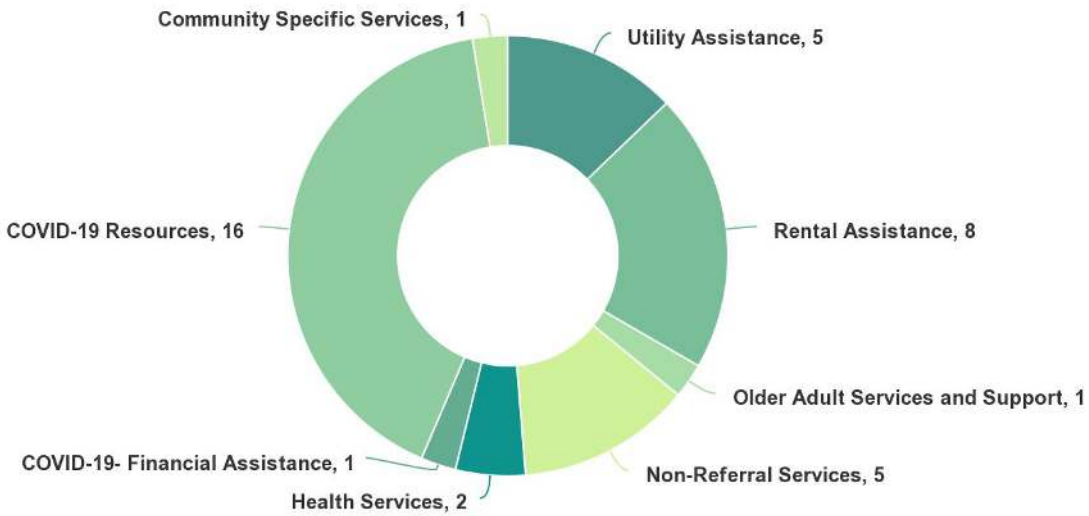
Resident Services
November Board Report – September Program Data

COVID-19 Resilience Fund Rental Assistance

- 83 households applied
- 80 approved
- $60,729 awarded in September
- $332,219 awarded as of 10/30

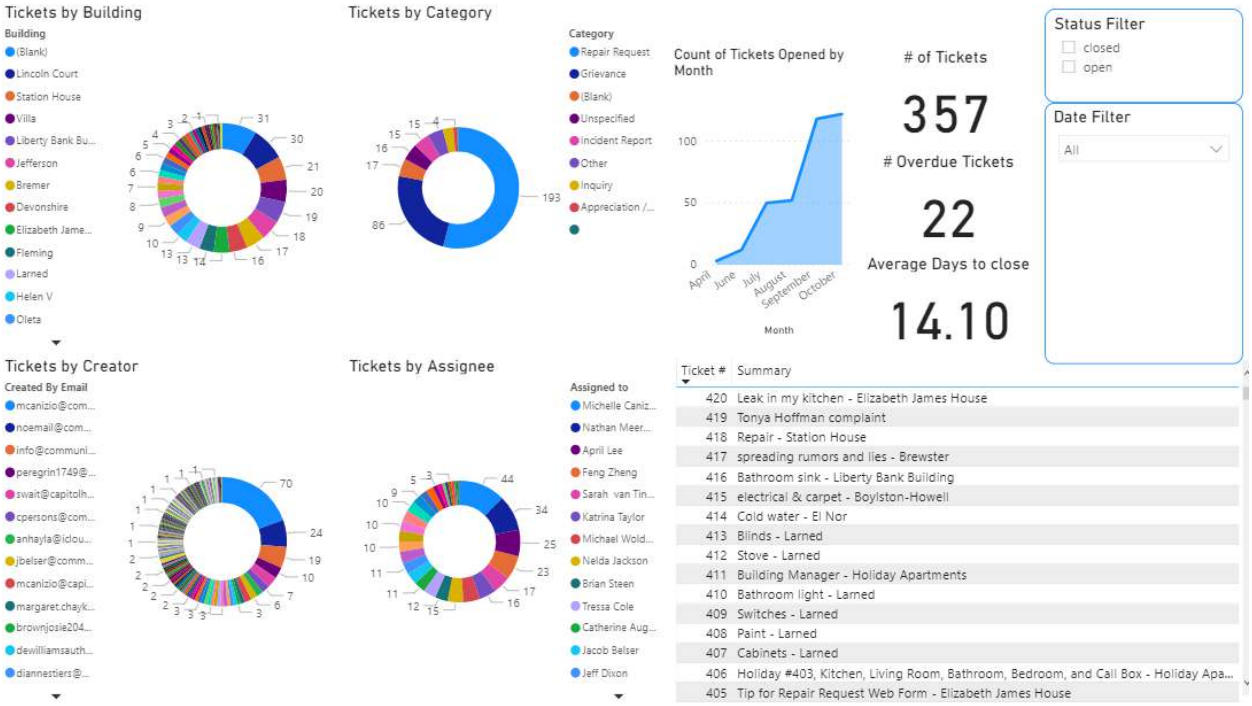
Service Touches

- 39 Total Service Referrals
-

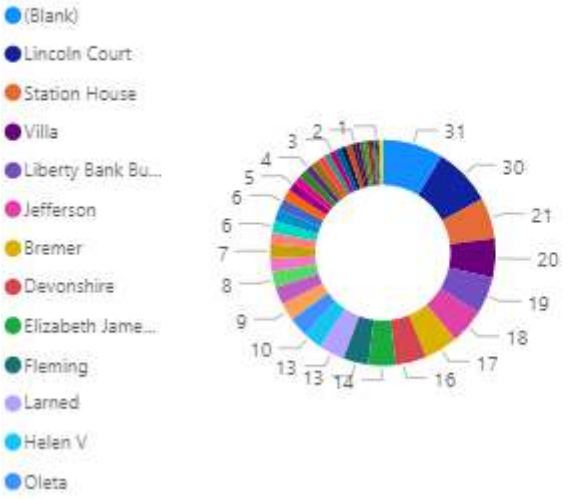


Resident Portal Feedback

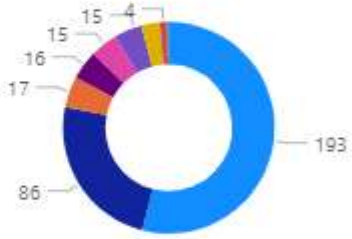
- Power BI



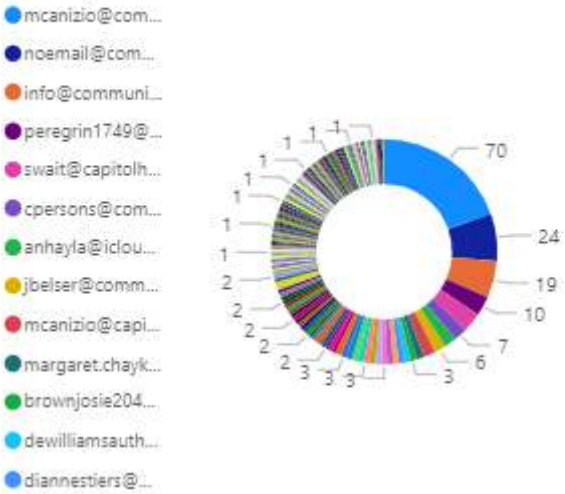
Tickets by Building



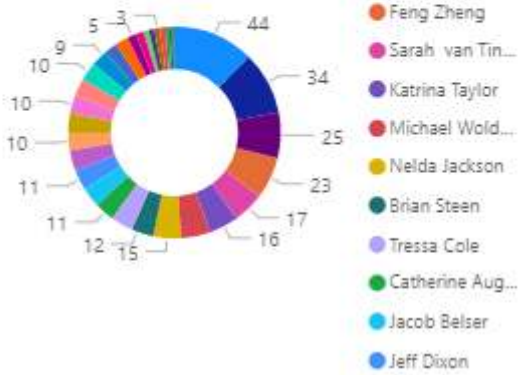
Tickets by Category



Tickets by Creator



Tickets by Assignee



Ticket #	Summary
420	Leak in my kitchen - Elizabeth James House
419	Tonya Hoffman complaint
418	Repair - Station House
417	spreading rumors and lies - Brewster
416	Bathroom sink - Liberty Bank Building
415	electrical & carpet - Boylston-Howell
414	Cold water - El Nor
413	Blinds - Larned
412	Stove - Larned
411	Building Manager - Holiday Apartments
410	Bathroom light - Larned
409	Switches - Larned
408	Paint - Larned
407	Cabinets - Larned
406	Holiday #403, Kitchen, Living Room, Bathroom, Bedroom, and Call Box - Holiday Apa...
405	Tip for Repair Request Web Form - Elizabeth James House

COMMUNITY ROOTS HOUSING

Community Roots Housing
Asset Management Dashboard
Year to Date at September 30, 2020

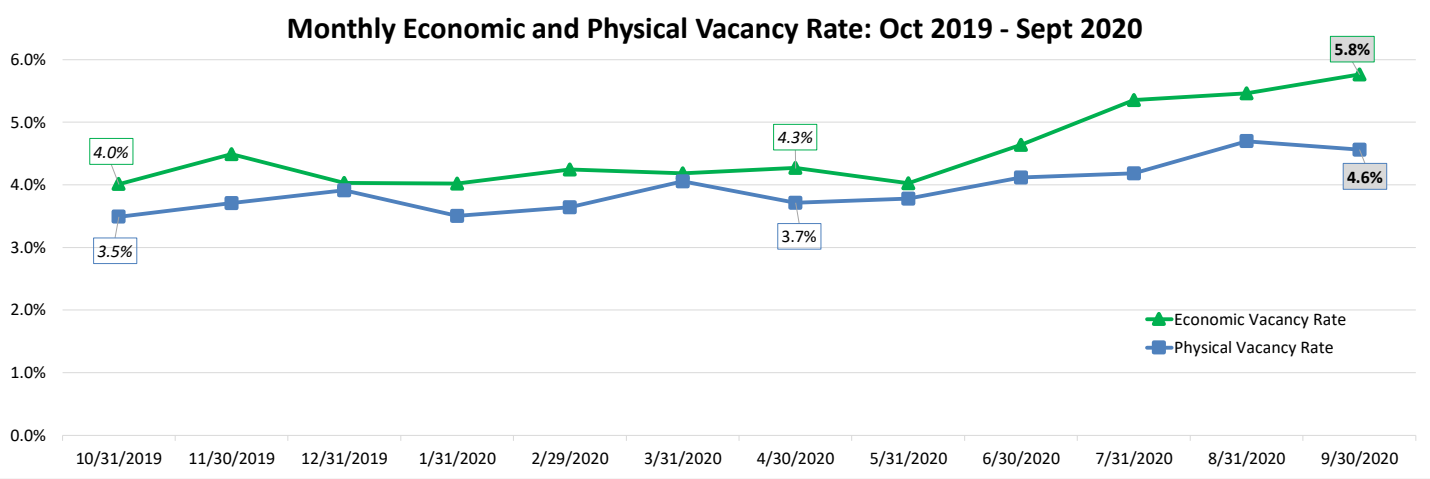
Building	Physical Vacancy (at month end) Vacant Units	Vacancy %	Total Units	Op Rev Per Unit YTD Actual	Budget Var %	Op Exp Per Unit YTD Actual	Budget Var %	Cash Flow Per Unit[1] YTD Actual	Budget Var %	A/R Resident Portion $ Sept 2020	A/R Resident Portion %[3] Sept 2020	12-Month Rolling Avg.[4] Make Ready	Total Days Vacant	Economic Vacancy Sept 2020	12 MO Rolling	2019 Vacancy
Byron Wetmore			12	9,307	4%	7,935	4%	510	538%	13,182	109%			0.0%	0.0%	1.1%
Elizabeth James	1	1.7%	60	7,964	1%	6,119	-8%	(132)	-145%	12,513	23%	115	176	3.3%	4.5%	2.9%
Four Twelve			12	17,725	-4%	10,758	-5%	1,570	-69%	8,880	35%	100	140	0.0%	5.5%	1.0%
Hazel Plaza			16	20,816	3%	7,476	4%	6,576	16%	21,272	56%			0.0%	4.8%	6.8%
Joe Black Apartments			24	10,693	-4%	9,296	-10%	137	-90%	15,511	52%	36	65	0.0%	8.0%	13.3%
Mary Ruth Manor	1	5.0%	20	18,781	-4%	9,839	-9%	1,215	-64%	19,582	46%	129	138	4.9%	3.4%	2.4%
Union James	1	4.2%	24	13,715	-6%	7,937	-5%	2,333	-36%	29,621	75%	347	456	4.4%	11.8%	14.6%
Jacob Total	***3***	***1.8%***	***168***	***12,480***	***-2%***	***7,866***	***-5%***	***1,225***	***-42%***	***120,560***	***50%***	***116***	***162***	***2.3%***	***5.9%***	***6.5%***
Eighteenth Avenue	1	11.1%	9	11,294	-25%	5,835	29%	4,135	-25%	1,161	7%			9.7%	7.8%	0.0%
El Nor	10	18.2%	55	10,253	-14%	2,917	36%	6,918	0%	7,186	9%	12	47	17.8%	3.6%	0.0%
Helen V	4	10.5%	38	14,093	-1%	9,799	-40%	1,622	-59%	12,770	20%	0	88	10.4%	6.0%	5.5%
Holden Vista	4	25.0%	16	10,096	-13%	10,638	-13%	(1,873)	-302%	3,323	15%	68	131	30.1%	16.4%	12.2%
Holiday			30	8,671	-2%	6,113	-9%	(726)	-1512%	13,654	43%	0	125	-1.4%	3.9%	3.8%
Park Hill	2	6.7%	30	10,892	-4%	7,434	13%	1,862	55%	20,696	54%	0	69	10.9%	5.6%	3.1%
Ponderosa	1	4.3%	23	14,145	-1%	5,832	11%	7,541	4%	2,695	7%	69	104	4.3%	2.7%	0.0%
Silvian	1	3.1%	32	11,627	4%	6,731	16%	2,065	530%	7,125	17%	35	52	2.8%	0.9%	2.6%
Unity Village	2	6.7%	30	7,207	-12%	7,459	-1%	(552)	-210%	13,443	50%	89	147	7.4%	14.0%	9.4%
Lynn Total	***25***	***9.5%***	***263***	***10,886***	***-6%***	***6,598***	***3%***	***2,686***	***-14%***	***82,052***	***23%***	***45***	***93***	***10.4%***	***5.7%***	***4.5%***
Berneva			12	7,474	1%	7,678	-4%	(1,077)	-25%	2,114	21%			0.0%	5.4%	8.7%
Brewster			35	7,239	2%	5,266	9%	1,407	3733%	13,097	47%	26	109	0.0%	2.9%	7.8%
Broadway Crossing			44	8,382	-1%	6,939	2%	193	34%	17,770	47%	15	113	0.0%	1.2%	3.9%
Haines AAA			30	11,861	5%	5,242	12%	4,534	37%	1,138	3%			0.0%	0.5%	1.9%
Jefferson Housing			40	10,350	-1%	6,287	4%	316	77%	12,161	28%	15	54	2.0%	1.2%	3.0%
Oleta	1	2.9%	34	7,499	-2%	5,329	1%	(133)	-75%	5,648	19%	20	62	4.3%	4.6%	13.6%
Pantages	1	2.0%	49	8,486	6%	6,092	5%	817	2253%	7,563	17%	19	111	1.8%	2.5%	3.6%
Twelfth Avenue Arts	3	3.4%	88	9,546	3%	5,553	-17%	667	-42%	30,529	34%	14	87	2.8%	2.1%	1.8%
Nelda Total	***5***	***1.5%***	***332***	***9,014***	***2%***	***5,900***	***0%***	***867***	***45%***	***90,020***	***28%***	***18***	***83***	***1.7%***	***2.1%***	***4.3%***
Boylston Howell			30	8,816	2%	6,951	-1%	1,615	479%	10,686	39%	60	116	0.0%	0.8%	3.6%
Bremer	1	2.0%	49	7,457	3%	5,065	4%	685	194%	12,074	30%	26	89	2.2%	1.5%	6.4%
Centennial	2	6.7%	30	8,812	-1%	5,716	-4%	(51)	-119%	22,035	83%	18	57	7.2%	4.9%	7.5%
Devonshire	2	3.2%	62	7,456	-1%	6,038	-1%	23	-89%	29,446	57%	23	83	3.2%	5.3%	4.2%
Fleming	2	5.6%	36	7,365	-2%	5,603	-1%	(229)	-356%	10,595	36%	0	106	8.7%	3.8%	8.0%
Fremont Solstice			18	9,323	5%	6,038	5%	683	1045%	4,834	25%			0.0%	0.0%	2.3%
Gilman Court			25	10,672	6%	9,705	-17%	485	-11%	8,879	39%	0	61	0.0%	1.1%	0.6%
John Carney	2	7.4%	27	8,144	-2%	6,902	-8%	88	-88%	14,640	60%	10	70	7.8%	7.7%	9.4%
Larned	2	6.1%	33	8,138	-2%	6,236	21%	1,405	3597%	14,477	74%	38	94	10.2%	4.1%	3.3%
Melrose	6	20.0%	30	6,106	-14%	5,768	-7%	(619)	-181%	15,761	66%	29	167	30.0%	14.0%	4.0%
Villa			62	8,540	-6%	6,125	3%	(534)	-304%	22,527	48%	45	105	4.1%	5.7%	3.1%
Skye Total	***17***	***4.2%***	***402***	***8,103***	***-2%***	***6,220***	***0%***	***237***	***47%***	***165,953***	***50%***	***29***	***96***	***6.1%***	***4.5%***	***4.8%***
Broadway	1	20.0%	5	10,242	-3%	6,509	21%	1,618	703%	62	1%			31.0%	2.6%	0.0%
Burke Gilman Gardens			15	10,580	3%	7,800	8%	870	705%	11,506	66%	21	46	0.0%	1.1%	1.0%
Fredonia			12	20,891	1%	11,493	13%	4,775	74%	6,108	38%	16	77	0.0%	2.9%	0.6%
Harrison at 15th			19	15,993	2%	9,996	-1%	903	640%	1,894	9%	11	43	0.0%	2.0%	0.5%
Liberty Bank Building	6	5.2%	115	8,412	-5%	6,548	-39%	370	-53%	159,027	142%	13	179	5.6%	5.6%	1.6%
Lincoln Court	4	13.8%	29	7,528	1%	4,954	5%	(171)	75%	5,415	22%	22	110	13.6%	6.2%	2.9%
Maxwell			4	9,258	0%	6,160	25%	1,957	1391%	1,028	26%			0.0%	0.0%	0.0%
Miller Park			12	9,527	-2%	7,682	-5%	(208)	-155%	13,958	106%	11	73	0.0%	3.9%	6.7%
Seneca			32	8,481	-1%	6,045	12%	847	718%	13,189	43%	35	78	0.0%	2.1%	1.0%
Squire Park Plaza	6	10.0%	60	14,672	-3%	6,425	-1%	1,950	-22%	70,500	84%	26	108	13.7%	6.5%	3.8%
Valencia Total	***17***	***5.6%***	***303***	***10,737***	***-2%***	***6,831***	***-7%***	***933***	***10%***	***282,774***	***86%***	***19***	***114***	***7.0%***	***4.8%***	***2.3%***
Portfolio Total	***67***	***4.6%***	***1468***	***9,852***	***-2%***	***6,530***	***-2%***	***1,075***	***-7%***	***741,360***	***47%***	***34***	***102***	***5.8%***	***4.5%***	***4.4%***
Blended Portfolio	***36***	***4.3%***	***845***	***9,720***	***-2%***	***6,944***	***-1%***	***629***	***-15%***	***392,487***	***45%***	***41***	***96***	***5.6%***	***5.1%***	***5.4%***
Discrete Portfolio	***31***	***5.0%***	***623***	***10,031***	***-3%***	***5,968***	***-2%***	***1,680***	***-3%***	***348,785***	***50%***	***23***	***115***	***5.9%***	***3.8%***	***2.8%***

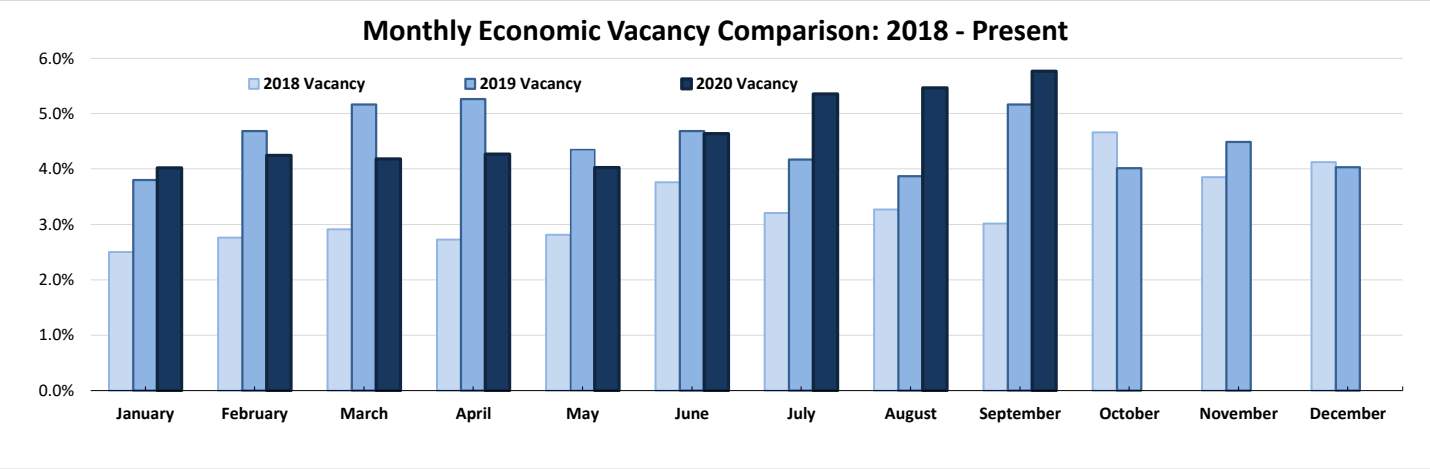
[1] *After debt and reserve payments*

[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 Recievable % 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*


Monthly Economic and Physical Vacancy Rate: Oct 2019 - Sept 2020
6.0%
5.0%
4.0%
3.0%
2.0%
1.0%
0.0%
4.0%
3.5%
4.3%
3.7%
5.8%
4.6%
Economic Vacancy Rate
Physical Vacancy Rate
10/31/2019
11/30/2019
12/31/2019
1/31/2020
2/29/2020
3/31/2020
4/30/2020
5/31/2020
6/30/2020
7/31/2020
8/31/2020
9/30/2020


Monthly Economic Vacancy Comparison: 2018 - Present
6.0%
5.0%
4.0%
3.0%
2.0%
1.0%
0.0%
2018 Vacancy
2019 Vacancy
2020 Vacancy
January
February
March
April
May
June
July
August
September
October
November
December

November 2020 Fundraising and Communications Memorandum

To: Community Roots Housing Board of Directors CC: Christopher Persons, Donna Moodie

From: Michael Seiwerath

Omnivorous and COVID-19 Resilience Fund

That's a wrap on the first-ever virtual Omnivorous! While very different than our usual smorgasbord, this year's virtual Omnivorous was able to keep its usual energy, even including a song or two from Kevin Joyce! Chris' remarks focused on the resilience of residents, small businesses, and our community through the hardships of this year. We heard from the owner of U:Don, Tak, about the hardships the pandemic has placed on restaurants and their staff, and the critical need for rental support for folks most impacted. Yolanda shared her deeply personal story on the need for community and the impact rental assistance has had on her and her family, putting a face to the cause that everyone gathered for, to provide critical funds for rental assistance.

Over 200 people attended, and we brought in even more than we thought night of, having **our most successful Omnivorous yet, grossing over $316,000**! Out of pocket expenses were $7,350, greatly below the initial expense budget of $43,878. Overall, Omnivorous netted $309,117. Through the raise the paddle and other night-of giving, more than $180,000 was raised for rental assistance through the COVID-19 Resilience Fund.

With Omnivorous having served to successfully re-launch rental assistance fundraising efforts, staff are gearing up for additional fundraising in the fall, as well as initially budgeting more than a quarter of a million dollars in rental assistance to fundraise in 2021.

Grants

In the last month:

Grant proposals declined include:

- Kawabe Foundation proposal for $10,000 to support Resident Services
- Bank of America Neighborhood Builders program proposal for $200,000 to support Annual Fund

Grant proposals submitted include:

- Enterprise Section 4 EARPS proposal for $100,000 to support Annual Fund
- Weyerhaeuser Foundation for $25,000 to support Rental Assistance
- Wyncote Foundation for $200,000 to support Rental Assistance
- Seattle Foundation: All-In Washington for $100,000 to support Rental Assistance
- BECU People Helping People for $12,500 to support EcoDistrict Community Kitchens (joint application for $25,000 with SCIDpda)
- American Heart Association Social Impact Fund proposal for $100,000 ($25,000 to support Resident Services and $75,000 to support rental assistance)

Grant proposals still pending include:

- City of Seattle Department of Neighborhoods Community Partnership Fund proposal for $10,000 to support the EcoDistrict
- Capital One proposal for $10,000 to support Annual fund
- Enterprise Community Partners Section 4 proposal for $69,020 to support the LGBTQ-Affirming Senior Housing and Northgate ETOD projects
- City of Seattle Office of Sustainability & Environment Environmental Justice Fund proposal for $60,000 to support the EcoDistrict Public Life Plan
- Nisqually Indian Tribe Charitable Fund proposal for $10,000 to support Rental Assistance
- Lockwood Foundation proposal for $10,000 to support Resident Services
- Clif Bar Family Foundation proposal for $5,000 to support the EcoDistrict Public Life Plan
- Moccasin Lake Foundation proposal for $10,000 to support the EcoDistrict
- Muckleshoot Community Foundation proposal for $5,000 to support Resident Services
- Tulalip Tribes Charitable Fund proposal for $5,000 to support Annual Fund
- Windermere Midtown proposal for $5,000 to support Resident Services

Upcoming grant proposal deadlines include:

- Dept of Commerce WA Equity Relief Fund for Nonprofits – due 11/6
- Union Bank Community Recovery Program – target submission 11/10
- Washington Federal Foundation for Annual Fund – target submission 11/24

Rise Together Capital Campaign

The Rise Together campaign's current total raised is $13,656,236 against a $17M goal for the end of 2020, and a $25M overall campaign goal. While it is looking less likely that we will hit the 2020 goal by December 31, the late summer and fall have seen significant progress with major funders that is likely to bear fruit in the first two quarters of 2021.

On November 18, the partners will host a philanthropist virtual roundtable, inviting current and prospective institutional funders and major donors to discuss the question: How do you build accountable relationships with community?

Grant proposals recently won:

- The Norcliffe Foundation awarded GenPRIDE $302,000 to support the LGBTQ-affirming affordable senior housing and community center.

Grant proposals recently advanced:

- We received notice that the Advisory Board of the Washington State Building Communities Fund, a competitive public grant program administered by the Department of Commerce, has recommended that the White Center Community HUB be awarded $2.7 million, which was the amount of our request. To be considered final, the appropriation must be included in the Governor's capital budget and be passed by the legislature as part of the capital budget in the upcoming session.
- We received notice that an appropriation of $1 million for the White Center Community HUB has been included in the King County Council Chair's draft 2021 budget.

Grant proposals recently declined:

- Boeing Employees Community Fund declined a proposal for $204,500 to support the addition of an elevator as part of Byrd Barr Place's FS23 renovation. Byrd Barr Place will apply again next year.
- PACCAR Foundation declined a proposal for $100,000 to support Byrd Barr Place's FS23 renovation.

Grant proposals recently submitted:

- A request to Joshua Green Foundation for $250,000 to support Byrd Barr Place's Fire Station 23 renovation.

Grant proposals still pending:

- Application for $1,600,000 in New Markets Tax Credits (federal tax credit program) to support Byrd Barr Place Fire Station 23.
- Proposal to the Forest Foundation for $50,000 to support Byrd Barr Place Fire Station 23.
- Proposal to City of Seattle Equitable Development Initiative for $500,000 to support Byrd Barr Place Fire Station 23 capital, and $50,000 to support Byrd Barr Place capacity-building.

Upcoming grant proposals:

- Seven-figure request to the Ballmer Group to support the entire campaign—anticipating invitation to submit proposal in Q4.

Communications

The Communications Team supported Omnivorous marketing, event support, and follow-up. The Team also delivered internal communications, supported messaging around signing on to Decriminialize Seattle, began developing the annual report and annual appeal campaign in earnest, and ran the ongoing refresh of website information. The team also continued to improve our marketing strategy based on referral feedback. In recent months Station House advertising has canvased a wide breadth of venues including social media, paid and print advertising, street signage, word of mouth, community referrals, and e-blasts. In total marketing reached over 5.5 million+ total impressions, followers, and readers. October reach metrics are still in the process of being collated, but initial results indicate click-through rates have increased, thanks to the new offer of two months' rent concession for prospective residents.

October Media Mentions of Community Roots and Related Projects：

Date	Article Title	Outlet
10/2/2020	What to Stream in Seattle October 2–8	Seattle Met

2020 Community Roots Housing Foundation Budget and Actuals

Updated October 29th, 2020

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	259,055.05	277,000.00	93.5%
4020 · Foundation - Unrestricted	149,999.80	206,616.00	72.6%
4030 · Corporate - Unrestricted	45,585.91	187,200.00	24.4%
4040 · Government - Unrestricted	0.00	21,250.00	0.0%
4060 · Sponsorships - Unrestricted	160,300.00	220,000.00	72.9%
4310 · Event Tickets - Unrestricted	27,406.00	26,000.00	105.4%
Total 4000 · Contributions - Unrestric...	642,346.76	938,066.00	68.5%
4001 · Contributions - Restricted			
4011 · Individual - Restricted	250.00	25,000.00	1.0%
4021 · Foundation - Restricted	114,633.20		
4031 · Corporate - Restricted	125,000.00		
4041 · Government - Restricted	39,533.66	0.00	100.0%
4027 · Released from Restriction	10,000.00		
Total 4001 · Contributions - Restricted	289,416.86	25,000.00	1,157.7%
4640 · Other Types of Income	708.61		
Total Income	932,472.23	963,066.00	96.8%
Gross Profit	932,472.23	963,066.00	96.8%
Expense			
10000 · Operating Expenses	75,868.05	177,569.00	42.7%
9000 · Granting			
9050 · Donations to CHH - Unrestric...	551,235.00	800,000.00	68.9%
9055 · Donations to CHH - Restircted	181,299.66	25,000.00	725.2%
Total 9000 · Granting	732,534.66	825,000.00	88.8%
8201 · Bad Debt - Uncollectable Pledge	12,500.00		
Total Expense	820,902.71	1,002,569.00	81.9%
Net Ordinary Income	111,569.52	-39,503.00	-282.4%
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	**101,569.52**	**-39,503.00**	**-257.1%**

P&L Notes: To be better aligned with Generally Accepted Accounting Principles (GAAP), the foundation has been reviewing how we categorize and report. The biggest change is that gifts to the EcoDistrict or Resident Services will no longer show in unrestricted giving (GL 4000), instead these have been moved down to the corresponding restricted GL (GL 4001).

Individual giving was also impacted when we decided to have all gifts raised at Omnivorous go towards the COVID-19 Resilience Fund. Portions of board gifts that were made at Omnivorous and had previously were accrued in unrestricted individual giving (GL 4010) were moved into the restricted COVID Resilience Fund, so they will appear on the next report instead.

Funding for unbudgeted direct program costs of Community Kitchens is included in the above report, accounting for $100,000 in restricted giving. These funds are now all in GL 4031 and do not count towards our budgeted goals but are included in the income and expenses above.

Additional adjustments: Wells Fargo's $30,000 is now connected to its invoice, so both are no longer included in the totals above. Fales Foundation's $3,000 grant is now in GL 4021, after being originally included in GL 4011, which was the default as it came in via a donor advised fund.

Lastly, due to the inclusion of grant funds covering direct program costs and multi-year grants that must be shown in a single year to comply with GAAP, the actuals shown in the P&L above are slightly higher than what we are internally counting toward our 2020 fundraising goals. **Whereas the budget above shows us at 96.8% of our overall annual fundraising goal, it would be more accurate to say that we are at 86.2%.**

Community Roots COVID-19 Resilience Fund Actuals

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

Capitol Hill Housing Foundation
COVID Fund Profit & Loss
All Transactions

		Feb 4, 21
Ordinary Income/Expense		
Income		
4001 · Contributions - Restricted		
4011 · Individual - Restricted	606,453.69	
4021 · Foundation - Restricted	28,500.00	
4031 · Corporate - Restricted	8,145.00	
Total 4001 · Contributions - Restricted		643,098.69
Total Income		643,098.69
Gross Profit		643,098.69
Expense		
9000 · Granting		
9055 · Donations to CHH - Restircted	400,000.00	
Total 9000 · Granting		400,000.00
Total Expense		400,000.00
Net Ordinary Income		243,098.69
Net Income		**243,098.69**

COMMUNITY ROOTS HOUSING

NOVEMBER 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: November 3rd, 2020 – 3:30-4:30 pm – Via zoom teleconference
Date, time and location of next meeting: December 8th, 2020 – 3:30-4:30 pm – Via zoom teleconference

Board Action in October:

Keiro Initial Resolution

Pipeline Discussion:

Heartwood:

Jeremy updated the group on progress with financing of the project. An LOI with the investor, Pinnacle, is being finalized and CRH has submitted an application for a Freddie Mac insured permanent mortgage.

Keiro Site – ACLT Partnership

The group reviewed an outline of the deal terms and a risk assessment (both attached) and provided valuable feedback as we continue to negotiate with Africatown. First that CRH should directly reach out to the Asian community in the neighborhood to get thoughts on the project and what additional partners should be involved in it. Marpac was suggested as a good place to get connections and George is willing to also talk more about this; Jeremy is going to talk to Donna about next steps. The land ownership section was discussed, and it was agreed that ACLT could own 100% of the land if that is their preference; the land would then be sold to each partnership for the purposes of building the housing.

On the risk and mitigation spreadsheet the group had the following comments:

- There needs to be self-help rights during the life of the project
- Construction is a real risk that needs to be addressed in the agreement – that CRH has good control
- On reputational risk it's not just about ACLT but more about other partners and stakeholders involved that CRH is going to be tied to.
- CRH should consider the neighborhood landscape as it relates to other affordable projects. Is there a risk that this one is competing with other projects for resources? Is there any neighborhood concern around the amount of affordable housing developments being proposed?

After the conversation the group was 100% in support of proceeding with an MOU.

Risk	Mitigation
Predevelopment risk – ACLT is unable to raise funds for predevelopment, CRH provides or guarantees all predevelopment funding.	OH provides acquisition loan and predevelopment financing.
Construction and PIS risk - Mismanagement of construction, cost overruns, CRH must provide construction completion guarantee	Joint approvals required in design and construction (team selection, scope, etc). Kick out provisions in GP agreement
Property management & operating deficit guarantee risk - ACLT manages or oversees PM of property, CRH on hook for op deficit guarantee	Approval of PM agent by investor & CRH. PMA addresses mismanagement
Investor risk - Investor interest diminished or nonexistent due to ACLT inexperience	Identify potential investors w/ DEI goals early
Overall project management risk - Muammar leaves ACLT before stabilization	LOI and/or GP agreement address staffing & replacement of project manager
Reputational risk - Continued partnership with ACLT brings risk from unrelated ACLT actions	Active management of relationship, communications plan
Ethical risk - not partnering with ACLT would be inconsistent with CRH strategic plan (if not us, who?)	

COMMUNITY ROOTS HOUSING

NOVEMBER 2020 CAPITOL HILL ECODISTRICT BOARD REPORT

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

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

Date, time, and location of next meeting: November 13, 2020 at 9am, Zoom Video Call

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

The Capitol Hill EcoDistrict invited Edwin Wanji, the Owner and Founder of Sphere Solar Energy to be a Steering Committee member. Edwin was introduced at the beginning of our last meeting and expressed interest in joining the Steering Committee. The Steering Committee would be delighted to have Edwin participate. We await confirmation.

The Capitol Hill EcoDistrict Certification Committee convened individually under the leadership of Committee Chair, Matthew Benedict. We hope to have a rough draft of our submission by the end of the first week of November, review as a group the week of the 16th, have the EcoDistrict staff polish and submit the 2nd week of December. It has been a challenging process, but we are hopeful we will cross the finish line. Certification will elevate our sense of expertise and enhance our relevance as trusted facilitators.

The EcoDistrict staff just completed our Literary review of case studies informing the Public Life Planning process. We plan to share this information with our Technical Subcommittee at the end of the first week of November, using lessons learned to advance our goal of creating Public Life Planning in Capitol Hill.

While we have received no guarantee of funding in the 2021 budget, we were encouraged to learn that Council Member Sawant and Strauss co-sponsored the public life study in the upcoming budget. We are in the process of reaching out to City Council members to share with them more details on the project, as well as convening (virtually, of course) with the Copenhagen delegation to brief them on our work to date and share progress.

We continue to meet monthly with Andy Sheffer from Seattle Park District, hoping to guide and participate in the repair and reopening of Cal Anderson Park. Marcus Henderson, the architect of the CHOP / CHAZ garden has joined several times, as has one of our Steering Committee members to discuss Pesticide Free Cal Anderson, as well as a Pollination Pathway on 11th Avenue. There is also mounting interest in

removing parking from Nagel, and trying some traffic calming interruptions on Nagel and 11th Avenue, to reduce drug traffic, as well as prioritize pedestrians and reduce automobile traffic.

We continue to brainstorm for alternative methods of fundraising. At recent CRH Board meetings and Foundation meetings, we have been able to better explain the mission, work and goals of the Capitol Hill EcoDistrict, and its importance to CRH. This successful approach to better informing our colleagues has guided us to work more closely in tandem with the Foundation to continue raising funds, with some very specific focus on our projects, and some of our fundraising efforts directed to the organization as a whole. We continue to apply for numerous grants, and will investigate the possibility of public / private funding partnerships for some of our Public Life Planning Work.

With much of the funding in place, Lowell Elementary's School Based Health Center is now in the planning stages, with Akeyla Jimerson continuing to work with staff to insure a successful clinic launch.

The Capitol Hill EcoDistrict has engaged in revamping our website. We are working closely with Jessica Sherwin to identify our target audience and how to amplify our messaging to them through an enhanced website which we would like to launch in the new year. We have arranged a meeting to discuss our placement in the CRH website to assist in increasing our presence and also encouraging our past donors that our work is valued to the organization.

While we mention the deliberate attempt to heighten awareness of the Capitol Hill EcoDistrict through Social Media every Committee Report, it's because we want you all to support this effort and tell your friends and colleagues! 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 though 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 hope to plan our retreat for the entire Steering Committee in the fall, working closely with our treasured mentor and guide, Lauri Bailey (who has graciously committed to work with us pro-bono). While initially hoping that postponing this retreat would allow us to meet in person, it is time to put aside our desire to meet in person and gather to confirm our strategy and mission to guide our work into the new year.

We invite everyone to get engaged with the Capitol Hill EcoDistrict through our Social Media!

COMMUNITY ROOTS HOUSING

NOVEMBER 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)

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, October 26, 2020 - 5-6:30pm - Zoom
Date, time and location of next meeting: Monday, November 30, 2020 - 5-6:30pm - Zoom

Minutes
Meeting began at 5:03 pm

1) **External Relations, Community Programs, Board Issues**
   a) **2021 Budget Projections:** Chris reviewed the budget projections for 2021 which will be one of the main presentations at the upcoming Board meeting, shared by Greg. The final budget will be presented for the Board's approval at the December Board Meeting. Chris noted that the detailed budget report will be shared at the Board Meeting. Shalimar suggested updating the spreadsheet to include the 2020 forecast, 2020 budget and the 2021 budget.

   b) **RE Defunding the Police:** Chris noted that the letter was included in the organization e-newsletter last week publicly announcing the decision. He reminded the Committee that he notified the Mayor's office before the email was shared to let them know about the decision. Chris also updated about a donor situation and will share budget implications with the Board at the full meeting.

   c) **Monthly CEO workplan review:** Chris reviewed his workplan and shared updates since last month. He reviewed the status of efforts to prepare for economic impacts of COVID, community partnerships, strategic planning, strengthening Property Management, and the capital campaign.

   d) **Board Development – George Staggers Reappointment:** Sarah updated the Committee on a clerical oversight that has come to light regarding the board term of George Staggers. He should have been re-appointed at the April 2020 meeting, and to fix the oversight, and memo will be included in the November Board Meeting Consent Agenda approving his re-appointment retroactively to April 2020 for a three-year term to 2023.

   e) **Juneteenth proposal:** Sarah reported to the Committee in response to their memo sent to the Joint Board Development Committee (JBDC) regarding planning for action around Juneteenth next year. The JBDC discussed possible ideas to elevate the day rather than just making it an organizational holiday, and plan to share more substantial recommendations to both the Boards and to the Staff closer the event when other organization's plans will have been announced.

Some possible ideas that were mentioned were trainings and days of action. Shalimar shared that some organizations are moving towards just having personal holidays rather than organization-wide holidays, which gives employees more flexibility to observe different holidays, and is more service-based, equitable and flexible.

f) November Board Meeting: The Executive Committee reviewed the draft agenda for the upcoming Board meeting. Chris noted that the main presentations will be the 2021 Budget and the Keiro Site, along with a resolution on the partnership and an update from Property Operations on Michelle's workplan. Shalimar encouraged the Executive Committee members to ask more questions in the Board meetings to help facilitate more dialogue.

g) HR Items: Per RCW 42.30.110(g), the Committee entered into an executive session to review the performance of a public employee. The session began at 6:04 pm. The Committee exited the executive session at 6:13 pm.

h) Role of Board in HR: The Committee discussed how the Board could be involved in future HR situations, as it was previously suggested that Executive Committee members be invited to the exit interview of a departing Executive Team Staff member. The members agreed there needs to be separation between the Board and Staff, however there could be a process or option for exiting staff to opt for an exit interview with Executive Committee members if they requested. They also agreed that both Staff and Board would need to follow an official process to respect the proper steps, while also allowing concerns to be elevated to the Board if necessary.

2) Real Estate Development and Asset Management

a) Keiro Next Steps: Chris updated the Committee on the project, noting there will be a resolution at the upcoming Board meeting on the partnership. This will include authorizing execution of an MOU with Africatown Community Land Trust. The resolution is being reviewed by the Property Development Committee. Shalimar requested the staff include the entity structure with the presentation for this project and requested we include data on what works for the community and organization.

3) Resolutions

a) Year 15 Resolutions for Silvian & Pantages: The Board will consider resolutions for both the Silvian and Pantages buildings at the upcoming November Board meeting regarding their year 15 exits. The resolutions will be included in the Consent Agenda and are being reviewed by the Finance & Asset Management Committee. CHDA will meet during the meeting to pass companion resolutions.

b) Real Estate Development: The Board will be asked to consider resolutions for the Yesler Family project on Bond Inducement in December and the Omnibus Resolution in January.

Meeting ended at 6:37 pm.

COMMUNITY ROOTS HOUSING

NOVEMBER 2020 JOINT BOARD DEVELOPMENT COMMITTEE BOARD REPORT AND MINUTES

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

Staff Liaisons to the Board: Robyn Dhatt, Michelle Lambert, Donna Moodie, Michael Seiwerath, Sarah Shoemake-Gamble

Date, time and location of meeting: n/a
Date, time and location of next meeting: November 18, 2020 – 4:00-5:00pm – Zoom or Belmont

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) Update:** All Staff will be undergoing mandatory racial equity training, helmed by CiKeithia Pugh from Equity Matters. This includes sending out an All Staff survey, which will be discussed at training. The RETF sub-committee *Training and Education* will helm this process, by coordinating with our consultant and facilitating communication with staff. Training will begin in November 2020 and will continue through 2021. Attendance will be supported by staff leadership (L-Team) in order in ensure all employees will be able to participate. Future plans include extending training to Board members and keeping residents informed of equity progress at CRH.

   RETF has also made strides to keep communication lines open with staff. RETF is currently working on the best means of communication with internal the current Executive and Leadership Teams to ensure CRH is operating with a racial equity lens in crucial decision - especially hiring and staff retention - in the future.

2. **Update on Defund the Police Action & Next Steps, Resident & Community Engagement:** The Committee will discuss this topic further at future meetings to see how we can help move these items forward. Sarah shared an email with both Boards after the last Committee meeting on October 12th.

3. **Anti-Racist Activities & Suggestions:** The Committee continues to gather suggestions on antiracist media, events and materials to be shared with both Boards periodically going forward.

4. **Juneteenth Planning:** The Committee will discuss and research potential options before presenting recommendations to the Executive Committee, per their request. Sarah shared this plan with the Executive Committee at their meeting on October 26th.

5. **PDA Emerging Leader Fellow**: The Committee will review the applicants at their November Board meeting and will reach out to top candidates to move forward with interviews.

6. **Foundation Work in 2021:** Michael will report on this at the upcoming November meeting.

7. **PDA & Foundation Board Recruitment:** Michelle Morlan joined the PDA Board as a new member at their October Board meeting. Michael is working with two potential Foundation Board candidates.

8. **Quarterly Trainings**: The Capital Hill EcoDistrict staff led a great final Quarterly Joint Board Training of the year on Thursday, October 22nd. Sarah shared the recording and slides via email with both Boards afterwards. The Committee will look into scheduling an additional training this year on antiracism and moving fundraising from "Charity to Justice".

COMMUNITY ROOTS
HOUSING

Memorandum

Date: November 5, 2020
To: Board of Directors
From: Executive Committee

Re: Re-Appointment Oversight – George Staggers – April 2020

There was a clerical oversight in April 2020 regarding the term expiration of Board Member George Staggers. His original term ended in April 2020 and should have been included with the other members for re-appointment at the April 2020 Board meeting for a second term, lasting three-years. Regardless of the delay in reappointment, Mr. Stagger's powers and responsibilities as a board member continue in full, per Article VII Section 2 of the Charter and SMC 3.110.350 (A).

Approval of the consent agenda and the acknowledgement of this memo constitute Board action on this re-appointment, effective April 1, 2020 through March 31, 2023. His biography is attached.

Article VII, Section 2: Any such person whose name and supporting documentation has been submitted to the City Council shall, unless and until his or her name has been rejected by the City Council, have full powers and responsibilities of a confirmed Board member.

3.110.350 - Tenure in office.
A. A corporate official shall serve for the term designated and until his successor shall have been elected or appointed and qualified.

COMMUNITY ROOTS HOUSING

CRH Board Member Seeking Re-Appointment

George Staggers

CEO, Central Area Development Association (retired)

Second Term, Retroactively April 2020 - March 2023

George played a key role in navigating the direction of Central Area Development Association (CADA). He was the Chief Executive Officer of CADA since its inception in 1994. George's responsibilities included ensuring that CADA meets the objectives of its mission and overall organizational management. George holds a bachelor's degree from Central Washington University and has 20 years' work experience in the financial industry. George grew up within blocks of the CADA office. George is an active board member for Community Capital Development, First Place School, and Seattle Neighborhood Group.

Community Roots Housing PDA Board Resolution 2020-26

Overview: For Capitol Hill Development Association to Acquire National Equity Fund's (NEF) Partnership Interest in Pantages Apartments LLC

Purpose: Pantages will reach Year 15 at 12/31/2020 and NEF, the tax credit investor, has agreed to transfer its partnership interest to CH Development Association

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?: 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 and underline format so change is clear to reader.

General description and purpose: The tax credit partner has received its benefit and has agreed to exit the partnership. Community Roots Housing proposes CH Development Association, a wholly owned affiliate of CRH, step into the NEF partnership position. NEF has agreed to gift its interest. CRH has been operating the property so there should be no operational impact.

Organizational requirements of resolution: No changes

Financial cost of the resolution*:* NEF is gifting its interest to CH Development Association. CRH costs are limited to transaction costs including legal fees. Pantages Apartments Year 15 exit will not incur exit taxes and the Investor has no cash out expectations. Adjusting for operations in 2020 Community Roots Housing anticipates an increase in our net position by at least $500,000. Capitol Hill Housing Development Association will assume the role as the Limited Partner, which is a blended entity.

Pros: Exit of partner will simplify operations.
Cons: None

Further Board Action or Reporting:

- **Is further <u>action</u> required from the Board or a Board Committee?** ☐ Yes ☒ No
  If yes, please describe: Please include here whether full Board or Committee needs to take action, and anticipated dates for action.
- **Is further <u>reporting</u> required to the Board or a Board Committee?** ☐ Yes ☒ No
  If yes, please describe: Please include here whether full Board or Committee requires reporting, and anticipated dates for reporting.

Author of Resolution Overview: Lisa Hagen

RESOLUTION 2020-26

ADOPTED AT A MEETING OF THE BOARD OF DIRECTORS OF COMMUNITY ROOTS HOUSING

(Pantages Apartments)

BACKGROUND

Capitol Hill Housing Improvement Program, a Washington public corporation, now known as Community Roots Housing ("CRH") was organized for the purpose, among others, of developing and operating low income housing.

CRH is the managing member of Pantages Apartments LLC, a Washington limited liability company (the "Company"), which is the owner of a residential apartment project known as Pantages Apartments located at 803 East Denny Way, Seattle, Washington (the "Property").

NEF Assignment Corporation, as nominee ("NEF"), is the investor member in the Company and holds a 99.99% interest in the Company (the "Investor Member Interest").

CRH has assigned certain rights to purchase the Investor Member Interest to CH Development Association, a Washington nonprofit corporation ("CHDA"), an affiliate of CRH. CHDA, whose sole corporate member is CRH, desires to acquire the Investor Member Interest. NEF has agreed or will agree to transfer its Investor Member Interest to CHDA for no consideration.

CRH, in both its individual capacity, as the managing member of the Company and as the sole corporate member of CHDA, desires to execute such documents and to take such actions as may be required to facilitate the transfer of the Investor Member Interest to CHDA.

RESOLUTIONS

In furtherance of the foregoing, the Board of Directors of CRH, in its individual capacity, as the managing member of the Company, and as the sole corporate member of CHDA, hereby resolves as follows:

CRH is hereby authorized, directed and empowered to execute and deliver such documents and to take such actions as may be necessary to facilitate the transfer of the Investor Member Interest to CHDA.

CRH is hereby authorized, directed and empowered to execute and deliver such documents and to take such actions as may be necessary to facilitate the review and approval of such transfer by the project's lenders and the Washington State Housing Finance Commission, if required.

CRH hereby approves and authorizes the acquisition by CHDA, of the Investor Member Interest.

CRH is authorized and directed to take such steps as may be necessary to pay out of the operating reserves of the Company, the costs incurred by CRH and CHDA in connection with the transactions contemplated herein, including but not limited to legal fees, excise taxes due on the transactions, and other transaction costs.

Any and all documents hereby authorized to be executed on behalf of CRH are authorized to be executed or taken by any two of the following individuals or their duly appointed successors (the "Authorized Representatives"):

Name:	Title:
Shalimar Gonzales	Chair
Drew Porter	Vice Chair
Frank F. Alvarado III	Vice Chair
Derrick Belgarde	Treasurer
Jill Cronauer	Secretary
Christopher Persons	Chief Executive Officer

Any two Authorized Representatives are authorized, empowered and directed to take such further action on behalf of CRH in its individual capacity, as managing member of the Company or as the corporate member of CHDA, as such Authorized Representatives may deem necessary to effectuate the foregoing.

All acts taken by CRH prior to the date hereof and in furtherance of the foregoing are hereby ratified and affirmed.

[CERTIFICATE APPEARS ON THE FOLLOWING PAGE]

CERTIFICATE

I, _____, certify that I am the _____of Capitol Hill Housing Improvement Program, now known as Community Roots Housing (the "Corporation"), and that the foregoing Resolutions were duly adopted at a meeting of the Board of Directors of the Corporation held on _____, 2020, in accordance with the Charter and Rules and Regulations of the Corporation upon proper notice and at which time a quorum was present.

Dated _____ 2020 By:_____

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