

**MEETING MINUTES
OF THE
KING COUNTY HOUSING AUTHORITY
BOARD OF COMMISSIONERS
MEETING**

Tuesday, February 18, 2020

I. CALL TO ORDER

The meeting of the King County Housing Authority Board of Commissioners was held on Tuesday, February 18, 2020 at 700 Andover Park West, Tukwila, WA 98188. There being a quorum, the meeting was called to order by Chair Doug Barnes at 8:30 a.m.

II. ROLL CALL

Present: Commissioner Doug Barnes (Chair), Commissioner Susan Palmer (Vice-Chair), Commissioner John Welch and Commissioner TerryLynn Stewart (via Telephone).

Excused: Commissioner Michael Brown.

III. Public Comment

None.

IV. APPROVAL OF MINUTES

A. Board Meeting Minutes – December 16, 2019

On motion by Commissioner TerryLynn Stewart and seconded by Commissioner John Welch, the Board unanimously approved the December 16, 2019 Board of Commissioners' Meeting Minutes.

B. Board Meeting Minutes – January 21, 2020

On motion by Commissioner John Welch and seconded by Commissioner Susan Palmer, the Board unanimously approved the January 21, 2020 Board of Commissioners' Meeting Minutes.

V. APPROVAL OF AGENDA

On motion by Commissioner Susan Palmer and seconded by Commissioner TerryLynn Stewart, the Board unanimously approved the February 18, 2020 Board of Commissioners' meeting agenda.

VI. CONSENT AGENDA

- A. Voucher Certification Reports for November 2019
- B. Voucher Certification Reports for December 2019

On motion by Commissioner Susan Palmer and seconded by Commissioner TerryLynn Stewart, the Board unanimously approved the consent agenda.

VII. RESOLUTONS FOR DISCUSSION & POSSIBLE ACTION

A. Resolution No. 5646 – A Resolution of the Housing Authority of the County of King authorizing the Executive Director to submit a proposal to Sound Transit for selection of a Qualified Entity and a Master Development Team to implement a Transit Oriented Development Project at the Spring District/120th Station and Operations and Maintenance Facility East (OMFE) in Bellevue, WA.

Daniel Landes, Development Director presented the Resolution to the Board.

Sound Transit is in the midst of building East Link that is a light rail that will run from Redmond to Downtown Seattle. They have built an operating maintenance facility. They had about 7 acres of surplus.

Looking for a development team to submit proposal. They are looking for a team that will build Affordable Housing, Marketplace housing, retail and office.

KCHA has interest and will be working with Greystar, Lincoln, Maithun and Bellwether on this proposal. KCHA will not be assuming the role of the Master Developer.

Timeline could be five to six years before people can get into housing.

Questions of Commissioners' were answered.

On motion by Commissioner John Welch and seconded by Commissioner Susan Palmer, the Board unanimously approved Resolution No. 5646.

B. Resolution No. 5647 – A Resolution declaring the Authority's intention to sell tax-exempt obligations to provide financing to Woodland North LLLP in connection with the acquisition, rehabilitation and equipping of the Woodland North Apartments; amending Resolution No. 5639 to expand the authorized uses of the proceeds of the loan of proceeds of the Authority's Revenue Notes, 2020 (Woodland North Project) (Tax-Exempt) and (Taxable); and determining related matters.

Daniel Landes, Development Director presented the Resolution to the Board.

Both resolutions 5647 and 5648 are exactly the same, they are just for different properties. We came to the Board with resolutions in November. This resolution modifies both resolutions for the tax exempt and finance modifications.

Nothing is changing the amount that we are asking KCHA to put in these transactions. These are technical corrections that are needed for flexibility.

Questions of Commissioners' were answered.

On motion by Commissioner Susan Palmer and seconded by Commissioner TerryLynn Stewart, the Board unanimously approved Resolution No. 5647.

C. Resolution No. 5648 – A Resolution declaring the Authority's intention to sell tax-exempt obligations to provide financing to Abbell LLP in connection with the acquisition, rehabilitation and equipping of the Bellevue Manor Apartments and the Abbey Ridge Apartments; amending Resolution No. 5637 to expand the authorized uses of the proceeds of the loan of proceeds of the Authority's Revenue Notes, 2020 (Bellevue Manor and Abbey Ridge Projects) (Tax-Exempt) and (Taxable); and determining related matters.

Daniel Landes, Development Director presented the Resolution to the Board.

Questions of Commissioners' were answered.

On motion by Commissioner John Welch and seconded by Commissioner Susan Palmer, the Board unanimously approved Resolution No. 5648.

VIII. BRIEFINGS AND REPORTS

A. New Bank Accounts

Craig Violante, Director of Finance reported that there was one new bank account.

B. Fourth Quarter Procurement Report

Jill Stanton, Deputy Executive Director for Administration gave a presentation.

C. Fourth Quarter 2019 Summary Write Off Report

Craig Violante, Director of Finance and Bill Cook, Director of Public Housing reported that the amounts were down substantially this quarter.

D. Capital Report Briefing

Dan Watson, Deputy Executive Director/Chief Development officer gave a presentation for the Capital report.

Capital Construction Department – 2019 Accomplishments

- 14 Major completed projects
- \$5 million – Elevator Upgrades
- \$3.2 million – Building Envelopes
- \$2.7 million – Site Improvements
- \$500,000 – Water/waste line re-lining
- \$860,000 – ave. cost for major projects

E. Q4 2019 Executive Dashboard

Andrew Calkins, Manager of Policy and Legislative Affairs gave an overview of the Executive Dashboard.

Revenues were higher than expected and we have added Hampton Greens and Highland Village.

Questions of Commissioners' were answered.

F. 2019 Year End Investment Report

Craig Violante, Director of Finance gave the summary of the Investment report.

Questions of Commissioners' were answered.

IX. EXECUTIVE SESSION

Chair Barnes announced the start of the Executive Session at 9:43 a.m.
The meeting of the Board of Commissioners was reconvened at 10:08 a.m. by Chair Barnes.

X. EXECUTIVE DIRECTOR REPORT

Director Norman reported that the HCV waitlist opened on Wednesday, Feb 12th. As of this morning, we have received 15,600 applications. The last time the waiting list was opened, 19,200 applications were received in total. He attributed the uptick in applications to both increased need and extensive outreach efforts – particularly to under-represented demographics.

Director Norman thanked Mike Reilly and Helen Howell and their teams, with Jenny Le and Jeb Best playing key roles, as well as Rhonda Rosenberg on the social media front. This was an effective, cross-department team effort.

Mike Reilly noted that in 2017, KCHA trained 10 of our non-profit partners in assisting applicants. This year Pam Taylor and Jenny Le worked with some 160 agencies.

Applicants can also go to a King County or Seattle Library, log in and submit an application.

The focus on under-represented populations reflects KCHA's focus on regional equity and social justice concerns. Targeted populations included Hispanic, South Pacific Islander and Native American/First People. The Hispanic outreach has been complicated by the Administration's recent expansion of the public charge criterion used in evaluating immigrant status.

The waitlist will close on Tuesday, February 25th. KCHA will then run a randomized lottery to select 2,500 households for placement on our waiting list.

We will provide the board with detailed demographics of the applicant pool once the analysis is completed.

The FY2021 Budget Proposal has been submitted by the Administration to Congress. This is more of a political document than an actual budget – the Appropriations Committees in the House and the Senate will develop their own numbers, which will then need to be negotiated with the White House.

But the Administration's proposal walks away from the two year bi-partisan agreement that set topline numbers and is proposes that non-defense discretionary spending be funded at a significant lower number than previously agreed to in last year's budget deal.

This proposed budget would:

- Reduce non-defense discretionary spending by \$46 billion.
- Cut the HUD budget by 15.2% - an \$8.6 billion cut from 2020.
- Increase the rents charged to non-elderly/non-disabled households from 30 to 35% of income and impose work requirements.
- Reduce public housing operating subsidies by roughly 13% and completely eliminate all funding for repairs and capital improvements.
- Provide \$30 Million in competitive grants to housing authorities seeking to demolish their public housing.
- The HCV Program would see a 95% prorate on the cost of maintaining vouchers currently in use. This would reduce the voucher program by an estimated 160,000 units nationally.
- Funding for the administrative costs of running the HCV Program would be reduced by \$132 million, resulting in a 70% proration.

- No new vouchers for disabled veterans, families, or non-elderly households headed by an individual with disabilities are being proposed.

Equally alarming, the Administration has ramped up attempts to take away the flexibilities provided to the 39 MTW Housing Authorities by inserting language in the budget that would enable HUD to change the terms of these contracts unilaterally by promulgating MTW “program rules”.

While we don’t think Congress is likely to support either the Administration’s proposed numbers or language changes, this document highlights the need to clearly communicate to our delegation what the impact of this proposal would be on KCHA and their constituents. Dan Watson will be participating in a roundtable with Senator Murray this Thursday and will convey this message.

This coming Fall we will look to arrange another trip back to DC to provide an opportunity for Commissioners to sit down face to face with the delegation.

On the State Legislative level there are a number of bills we are particularly interested in:

- The proposed excise tax for homeless/housing efforts in King County (HB2948) is still alive. The Mayor of Seattle and the County Executive are supporting this. The Seattle City Council is concerned that the final version of the bill will pre-empt additional taxing initiatives on the local level and the suburban jurisdictions have issues regarding control and equitable distribution of revenue generated. Negotiations are continuing. KCHA has indicated its support for the bill and endorses maximum flexibility in deploying these funds.
- HB 1590 would enable county councils to impose a 1/10 of 1% increase in sales taxes for housing initiatives without having to go out to the voters. This initiative is still alive as well.
- Legislation to exempt acquisitions of affordable housing by housing authorities or non-profit housing organizations from the real estate excise tax (REET). This is important as the REET percentage on large transactions was increased by the legislature last year. KCHA is advocating strongly for this measure, which is making good progress.

Commissioners requested additional background on these bills so that they could advocate on these matters as well.

Director Norman also provided an update on the Trailhead development in Issaquah. CenturyLink currently has a vehicular maintenance facility on the site of this project. They had committed to moving this operation to a replacement site that the City of Issaquah and King County were providing. They recently decided that this replacement site was unacceptable. We have

been working closely with the City and city staff have identified an alternative relocation site. Dan Landes spent last week briefing council members and they will vote tonight on whether to move forward with offering this new site to CenturyLink. Assuming the council agrees and CenturyLink accepts this alternative site, new engineering and drainage studies will need to be completed. This will push the start date for construction of the housing back from 2021 to 2022.

XI. KCHA IN THE NEWS

None.

XII. COMMISSIONER COMMENTS

XIII. ADJOURNMENT

Chair Barnes adjourned the meeting at 10:25 a.m.

**THE HOUSING AUTHORITY OF THE
COUNTY OF KING, WASHINGTON**



DOUGLAS J. BARNES, Chair
Board of Commissioners



STEPHEN J. NORMAN
Secretary

**SPECIAL MEETING OF THE
BOARD OF COMMISSIONERS
TELEPHONIC MEETING AGENDA
800-829-9063 Conf ID: 68905**

*****PUBLIC COMMENT*****

We are only accepting written comments for the time being due to COVID-19.

March 23, 2020

King County Housing Authority - Snoqualmie Conference Room
700 Andover Park West, Tukwila, WA 98188

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| I. Call to Order | |
| II. Roll Call | |
| III. Public Comment | |
| IV. Approval of Minutes | 1 |
| A. Board Meeting Minutes – February 18, 2020 | |
| V. Approval of Agenda | |
| VI. Resolution for Discussion and Possible Action | |
| A. Resolution No. 5649 – Resolution providing for the issuance of refunding revenue bonds of the Authority in the aggregate principal amount of not to exceed \$145,000,000; authorizing the execution and delivery of a supplemental trust indenture, the bonds, a deed of trust, and other documents; and determining related matters. | |
| | 2 |
| B. Resolution No. 5650 – Resolution providing for the issuance of revenue bonds of the Authority in the aggregate principal amount of not to exceed \$33,000,000, the proceeds of which will be used to make a loan to Abbell LLLP, a Washington limited liability limited partnership of which the Authority is the sole general partner; and determining related matters. | |
| | 3 |
| C. Resolution No. 5651 – Resolution providing for the issuance of revenue bonds of the Authority in the aggregate principal amount of not to exceed \$13,000,000, the proceeds of which will be used to make a loan to Woodland North LLLP, a Washington limited liability limited partnership of which the Authority is the sole general partner; and determining related matters. | |
| | 4 |
| D. Resolution No. 5652 – Resolution Authorizing the Executive Director and Designees to Waive Internal Policies and Procedures. | |
| | 5 |
| VII. Briefings & Reports | |
| A. New Bank Accounts | |
| | 6 |
| VIII. Study Session | |
| A. KCHA response to COVID-19 Virus | |
| IX. Executive Director Report | |
| X. KCHA in the News | 7 |
| XI. Commissioner Comments | |
| XII. Adjournment | |