

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

June 17, 2013

I. CALL TO ORDER

The meeting of the Board of Commissioners of the King County Housing Authority was called to order by Chair Doug Barnes at 8:30 am on Monday, June 17, 2013, at the King County Housing Authority's Administrative Offices, 600 & 700 Andover Park West, Tukwila, Washington.

II. ROLL CALL

Present: Commissioner Doug Barnes, Chair; Commissioner Michael Brown, Vice-Chair (telephonically), Commissioner Richard Mitchell and Commissioner Susan Palmer

Excused: Commissioner Terry McLllarky

Staff: Stephen Norman, Dan Watson, Connie Davis, Tessa Martin, Tim Walter, Mike Reilly, Kristin Winkel, John Eliason, Gary Leaf, Deborah Gooden, Steve Jeffers, Jenna Higgins, Beth Pearson, Sean Heron, Angela Wallis, Craig Violante, Rhonda Rosenberg

Guests: Mike Schechter, Cindy Ference

III. PUBLIC COMMENT

Chair Barnes announced that members of the public in attendance at the meeting would have five minutes to speak before the Board of Commissioners.

Chair Barnes noted that a request was made by Ms. Cindy Ference to deliver her public comments at the end of the meeting. However, her comments are included on this portion of the agenda for record purposes. Ms. Ference addressed the Board of Commissioners with concerns regarding asbestos in residential units.

IV. APPROVAL OF MINUTES

Minutes from the May 20, 2013 Board of Commissioners' Special Meeting were presented for approval. Commissioner Palmer moved for approval, with Commissioner Mitchell seconding the motion. The minutes were unanimously approved.

V. CONSENT AGENDA

April 2013 Voucher Reports

General Properties: Bank Wires/ACH Withdrawals for \$13,273,741.26; Accounts Payable checks #232630-233232 for \$4,876,401.37; Payroll vouchers, computer

checks numbered #82662-82697 for \$42,724.78; Payroll direct deposit for \$1,120,259.84; Section 8 Program vouchers, ACH withdrawals #231498-234723 for \$9,195,139.14, computer run checks #598468-599045 for \$340,773.37; purchase card/ACH withdrawals \$186,706.45. Total for April 2013 for the General Properties was \$29,035,737.21.

Bond Properties: \$2,046,011.90, related to 19 different properties.

There being no requests for removal of items from the Consent Agenda, Commissioner Brown moved for approval. Commissioner Palmer seconded the motion and the motion unanimously passed.

VI. RESOLUTIONS FOR DISCUSSION

Resolution No. 5431: Authorizing the Issuance of a Line of Credit with Bank of America to Provide Financing for Various Short-term Credit Needs of the Authority in an Amount Not to Exceed \$10 Million
Presented by: Tim Walter

Tim Walter reported that KCHA is seeking authorization to issue a new line of credit with Bank of America ("LOC") in an aggregate not to exceed amount of \$10 million. This line of credit is structured as a general purpose credit facility although the primary purpose is to provide interim financing to refund existing high interest rate fixed rate debt obligations of the Authority and to provide potential financing for some costs associated with the acquisition and preservation of the Chaussee Section 8 assisted housing portfolio. The initial LOC would be limited to a maximum of \$5 million, have a variable interest rate set at 1.4% + 70% of LIBOR which is currently equal to 1.51% and have an initial term of 3 years. The Resolution further authorizes the Executive Director to increase the LOC over the term of the loan to an amount not to exceed \$10 million and to renew the LOC though 2020 on new or similar terms provided the interest rate does not exceed 5% at the time of any renewal. The LOC is a general obligation of KCHA and is secured by KCHA's balance sheet.

Mr. Walter further briefed the Board on the Resolution contents as were detailed in the cover memorandum contained in the meeting packets. Questions posed by the Board of Commissioners were answered by KCHA staff.

MOTION: Moved that Resolution No. 5431, Authorizing the Issuance of a Line of Credit with Bank of America to Provide Financing for Various Short-term Credit Needs of the Authority in an Amount Not to Exceed \$10 Million, be approved.

MOVED BY: Commissioner Mitchell, seconded by Commissioner Palmer. Motion unanimously passed.

Resolution No. 5432: Evidencing the Intent to Operate Northwood and Burien Park as Housing for Persons 55 years of age or older Under the Terms of the Housing for Older Persons Act (HOPA)
Presented by: Connie Davis

Connie Davis reported that Resolution No. 5432, if approved, would be submitted in connection with KCHA's election to opt out of the Section 8 New Construction contracts at

Northwood and Burien Park Apartments. The Resolution evidences the intent of KCHA to continue operating these developments as housing primarily for persons 55 years of age or older under the terms of the Housing for Older Persons Act (HOPA) after the contracts expire. KCHA will ensure that the requirements of HOPA are met, including a requirement that 80 percent of the occupied units be occupied by at least one person who is 55 years of age or older. KCHA officers are authorized to take the actions described in Resolution No. 5432 to qualify the two developments under the HOPA exemption.

MOTION: Moved that Resolution No. 5432, Evidencing the Intent to Operate Northwood and Burien Park as Housing for Persons 55 years of age or older Under the Terms of the Housing for Older Persons Act (HOPA), be approved.

MOVED BY: Commissioner Palmer, seconded by Commissioner Brown. Motion unanimously passed.

VII. FINANCIAL REPORTS

New Bank Accounts

Presented by: Craig Violante

There were no questions from the Board of Commissioners on two new bank accounts recently opened for Laurelwood Gardens Apartments.

Total Rate of Return Investing Briefing

Presented by: Craig Violante

Craig Violante briefed the Board of Commissioners, via PowerPoint, on the concept of total rate of returning investing. A copy of his PowerPoint is appended to the meeting records.

VIII. BRIEFINGS

Open Public Meetings Act

Mike Schechter, with Foster, Pepper, Shelfman LLC, briefed the Board of Commissioners on the Open Public Meetings Act. A copy of his PowerPoint presentation is appended to the meeting records.

Federal Home Loan Bank Financing

Presented by: Tim Walter

Tim Walter briefed the Board of Commissioners on the Federal Home Loan Bank Program and financing opportunities available to the Housing Authority.

Update on Chaussee Portfolio Acquisition

Presented by: Tim Walter

Tim Walter updated the Board of Commissioners on the status of the Chaussee Portfolio Acquisition and the timeline for the next sixty days.

2011 - 2016 Resource Management Plan: Dashboard Report
Presented by Angela Wallis

Angela Wallis briefed the Board of Commissioners, via PowerPoint, on the Resource Management Plan Dashboard Report as was contained in the meeting Packet. A copy of Ms. Wallis's PowerPoint presentation is appended to the meeting records.

IX. EXECUTIVE DIRECTOR'S REPORT

There were no questions from the Board of Commissioners on the Executive Director's Report.

X. EXECUTIVE SESSION

A motion was made by Commissioner Mitchell to adjourn to Executive Session at 10:15 am for approximately 15 minutes to discuss potential litigation as authorized by RCW 42.30.110(1)(i)(ii). The motion was seconded by Commissioner Palmer and unanimously passed.

The regular meeting of the Board of Commissioners was reconvened at 10:30 am by a motion made by Commissioner Mitchell and seconded by Commissioner Palmer. Motion unanimously passed. No action was taken during the Executive Session.

XI. ADJOURNMENT

There being no further business the meeting was officially adjourned at 10:35 am by a motion from Commissioner Mitchell, seconded by Commissioner Palmer and unanimously passed.

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



DOUG BARNES, Chair
Board of Commissioners



STEPHEN J. NORMAN
Secretary