



KING COUNTY HOUSING AUTHORITY

**MEETING OF THE
BOARD OF COMMISSIONERS**

**Monday, March 17, 2014
8:30 - 10:30 am**

**KCHA Administrative Offices
700 Andover Park West
Tukwila, Washington**



KING COUNTY HOUSING AUTHORITY

MEETING OF THE BOARD OF COMMISSIONERS

**March 17, 2014
8:30 am**

KCHA Administrative Offices
700 Andover Park West
Tukwila, WA

I. Call to Order

II. Roll Call

III. Public Comment

IV. Approval of Minutes 1

February 24, 2014 Board of Commissioners' Meeting

V. Consent Agenda 2

February **Voucher Reports**
(General and Bond Properties)

VI. Resolutions for Discussion

Resolution No. 5458: Acceptance of Washington State Auditor's
Accountability Audit Report (No. 1011240) for the Period Ending
December 31, 2012 **3**

Resolution No. 5459: Authorizing a Short-Term Loan to Downtown
Action to Save Housing (DASH) for the Preservation of the Ashwood
Court Apartments **4**

Resolution No. 5460: Authorizing a Loan to Park Villa LLC for the
Purpose of Refinancing the Eastwood Square Apartments **5**

Resolution No. 5461: Authorizing Provisional Acceptance of an
Offer to Purchase Low Income Housing Tax Credits and Admission
of an Investor Member to the Vantage Point Apartments LLC **6**

VII. Briefings

- 2013 Fourth Quarter and Year-End Financial Statements 7
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VIII. Executive Session

IX. Reports

- New Bank Accounts 9
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X. Executive Director's Report

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XII. New Business

XIII. Commissioner Comments

XIV. Adjournment

Next Meeting
April 21, 2014

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

February 24, 2014

I. CALL TO ORDER

The special meeting of the Board of Commissioners of the King County Housing Authority was called to order by Chair Doug Barnes at 8:33AM on Monday, February 24, 2014, at the King County Housing Authority's Administrative Offices, 700 Andover Park West, Tukwila, Washington.

II. ROLL CALL

Present: Commissioner Doug Barnes, Chair; Commissioner Michael Brown, and Commissioner TerryLynn Stewart

Staff: Stephen Norman, Marianne Everett, Dan Watson, John Eliason, Deborah Gooden, Linda Weedman, Kristin Winkel, Gary Leaf, Steve Jefferis, Nikki Parrott, Megan Hyla, Sean Heron, Claude DaCorsi, Bill Cook, Mike Reilly, Tim Walter, Connie Davis, Beth Pearson, Rhonda Rosenberg, Wen Xu, Debbie Page, Tim Locke, Nick Jackman, Katie Fries

Excused: Commissioners Palmer and Mitchell

Guests: Lillie Clinton, Cheri Cooper

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. Cheri Cooper addressed the Board on the difficulties she was experiencing with WIN RENT calculations and KCHA's hearing officers.

IV. APPROVAL OF MINUTES

Minutes from the December 16, 2013 Board of Commissioners' Meeting were presented for approval. Commissioner Brown moved for approval, with Commissioner Stewart seconding the motion. Commissioner Stewart abstained on the final vote due to her absence at the December 16 meeting. The minutes were unanimously approved.

V. Consent Agenda

November 2013 Voucher Reports

General Properties: Bank Wires/ACH withdrawals for \$1,301,450.59; Accounts Payable checks #237362-238074 for \$4,680,611.31; Payroll vouchers, computer checks #82976-83015 for \$48,814.65; Payroll direct deposit for \$1,162,043.65; Section 8 Program vouchers, ACH withdrawals #254086-257300 for

\$9,206,715.64, computer run checks #602009-602485 for \$338,007.81; purchase card/ACH withdrawal \$182,554.02. Total for November 2013 for the General Properties was \$16,920,197.67.

Bond Properties: \$1,611,449.14, related to 22 different properties.

December 2013 Voucher Reports

General Properties: Bank Wires/ACH withdrawals for \$1,970,257.67; Accounts Payable checks #238075-238618 for \$5,194,501.57; Payroll vouchers, computer checks #83016-83052 for \$46,978.73; Payroll direct deposit for \$1,185,406.87; Section 8 Program vouchers, ACH withdrawals #257301-260502 for \$9,170,906.14, computer run checks #602486-602944 for \$319,645.42; purchase card/ACH withdrawal \$212,599.85. Total for December 2013 for the General Properties was \$18,100,296.25.

Bond Properties: \$5,864,607.21, related to 26 different properties.

Resolution No. 5456: Appointment of Auditing Officers for the Purpose of Certifying Obligations of the Authority in Accordance with RCW 42.24

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

VI. RESOLUTIONS FOR DISCUSSION

Resolution No. 5457: Amendment to Resolution No. 5444 as previously amended by Resolution No. 5449 related to the Authority's Pooled Housing Revenue and Refunding Revenue Note, 2013
Presented by: Tim Walter

Tim Walter briefed the Board of Commissioners on Resolution No. 5457 which authorizes the extension of the draws available under the KeyBank loan by an additional 180 days, permits the terms of prepayment to be modified so long as the terms are commercially reasonable and permits the Executive Director to make other minor modifications to the loan agreement if necessary to secure the additional credit.

Following Mr. Walter's presentation, questions posed by the Board of Commissioners were satisfactorily addressed. Chair Doug Barnes thanked Mr. Walter for his presentation.

MOTION: Moved that Resolution No. 5457: Amendment to Resolution No. 5444 as previously amended by Resolution No. 5449 related to the Authority's Pooled Housing Revenue and Refunding Revenue Note, 2013, be approved.

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

VII. BRIEFINGS

Software Conversion Project and Redesign of Related Business Processes

Presented by: Sean Heron and Gary Leaf

Sean Heron and Gary Leaf briefed the Board of Commissioners on the current status of the new housing management software system implementation. Additionally, the Housing Authority has initiated a number of strategic and interrelated efforts intended to streamline operations and improve customer service. These initiatives include the adoption of an electronic document imaging system and a workload optimization effort underway in the Section 8 program. Questions posed by the Board of Commissioners were satisfactorily addressed.

DSHS Report

Presented by: Megan Hyla, Kristin Winkel and Linda Weedman

Megan Hyla, Kristin Winkel and Linda Weedman briefed the Board of Commissioners on the report *Characteristics of Housing Assistance Recipients from Three Public Housing Authorities* which was a profile of DSHS clients served by the Seattle, King County and Tacoma Housing Authorities, CY 2011. A copy of the report is appended to the meeting records. Questions posed by the Board were satisfactorily addressed.

KCHA Board Congressional Meetings in Washington, DC

Presented by: Megan Hyla

Megan Hyla spoke briefly on the upcoming Board of Commissioners' trip to attend congressional meetings in Washington, DC at the end of March 2014. More information will be available closer to the departure date.

2013 Year End Capital Expenditure Report and 2014 Budget

Presented by: Dan Watson

Dan Watson briefed the Board of Commissioners on the 2013 Year End Capital Expenditure Report and 2014 Budget. Dan moved quickly through the various construction projects. The comprehensive and detailed report is included in the board materials. Questions posed by the Board of Commissioners were satisfactorily addressed.

Development and Financing Projects Update: Gilman Square, Plum Court, Ashwood Court, Chaussee Portfolio

Presented by: Tim Walter

Tim Walter briefed the Board of Commissioners on upcoming and ongoing acquisition opportunities. Questions posed by the Board of Commissioners were satisfactorily addressed.

Wiley Center NMTC Wrap up and Lease Termination

Presented by: Tim Locke

Tim Locke briefed the Board of Commissioners on the Wiley Center New Market Tax Credits wrap up and subsequent lease termination, in which everything progressed as expected and anticipated.

VIII. EXECUTIVE SESSION

A motion was made by Chair Barnes to adjourn to Executive Session at 10AM for approximately twenty minutes as authorized by RCW 42.30.110(g) – “to review the performance of a public employee.”

The special meeting of the Board of Commissioners was reconvened at 10:24AM by Chair Barnes. No action was taken by the Board as a result of the Executive Session.

IX. Reports

New Bank Accounts

Presented by: Connie Davis

There were no questions from the Board of Commissioners on the New Bank Accounts memo as contained in the meeting packets.

Summary Write-Off Reports

Presented by: Connie Davis

Connie Davis briefed the Board of Commissioners on the 4th Quarter 2013 Summary Write-Offs report contained in the meeting packets. Questions posed by the Board of Commissioners were satisfactorily addressed.

Harvard Joint Center for Housing Studies Report

Presented by: Dan Watson

Dan Watson informed the Board of Commissioners the report contained in the meeting packets entitled *America's Rental Housing – Evolving Markets and Needs* contains interesting information for their review.

Healthy Homes Research Study

The article *Effective Weatherization Combined with Community Health Worker In-Home Education on Asthma Control* was contained in the meeting packets as information for the Board Commissioners. Stephen Norman commented that the Housing Authority was both pleased by the results of the study and pleased that the study was published in a prestigious public health journal. He cited both Nikki Parrot and Joel Gregory for helping to bring the project to completion.

At the request of Chair Barnes, the Fourth Quarter 2013 Procurement and Dashboard reports were moved to the March 17, 2014 Board of Commissioners' Agenda.

X. ADJOURNMENT

There being no further business, the meeting was officially adjourned at 10:30AM by a motion from Commissioner Stewart, seconded by Chair Barnes and unanimously passed.

THE HOUSING AUTHORITY OF THE COUNTY OF KING, WASHINGTON

DOUGLAS J. BARNES, Chair
Board of Commissioners

STEPHEN J. NORMAN
Secretary

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**KING COUNTY HOUSING AUTHORITY
INTEROFFICE MEMORANDUM**

TO: THE BOARD OF COMMISSIONERS, HOUSING AUTHORITY OF
THE COUNTY OF KING, WASHINGTON

FROM: LINDA RILEY

SUBJECT: VOUCHER CERTIFICATION FOR JANUARY 2014

I, Linda Riley, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, and that the claims represented by the vouchers listed below were just obligations of the Housing Authority of the County of King, and that I am authorized to authenticate and certify said claims.


Linda Riley
Controller
March 3, 2014

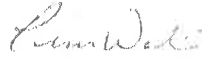
Bank Wires / ACH Withdrawals	<u>4,902,898.16</u>
<i>Subtotal</i>	<u>4,902,898.16</u>
Accounts Payable Vouchers	
Checks - #238619-#239400	<u>7,326,263.55</u>
<i>Subtotal</i>	<u>7,326,263.55</u>
Payroll Vouchers	
Checks - #83053-#83102	65,503.85
Direct Deposit	<u>1,842,960.39</u>
<i>Subtotal</i>	<u>1,908,464.24</u>
Section 8 Program Vouchers	
Checks - #602945-#603399	370,864.62
ACH - #260503-#263730	<u>9,242,870.18</u>
<i>Subtotal</i>	<u>9,613,734.80</u>
Purchase Card / ACH Withdrawal	<u>223,418.43</u>
<i>Subtotal</i>	<u>223,418.43</u>
GRAND TOTAL	<u>23,974,779.18</u>

TO THE BOARD OF COMMISSIONERS, HOUSING AUTHORITY OF
THE COUNTY OF KING, WASHINGTON

FROM Tim Walter

SUBJECT: VOUCHER CERTIFICATION FOR JANUARY 2014

I, Tim Walter, do hereby certify under penalty of perjury that the claims represented by the transactions below were just, due, and unpaid obligations against the Housing Authority, and that I, and my designees, are authorized to authenticate and certify said claims.



Tim Walter
Director, Managed Assets
February 21, 2014

Property Jan-14	Withdrawals per Bank Statement		Breakdown				Total
	Date	\$	A/P	Payroll	Other	\$	\$
Bellevue East	1/2/2014	\$ 22,591.28	\$ 14,052.48	\$ 8,538.79			\$ 22,591.28
	1/9/2014	\$ 27,372.82	\$ 20,451.70	\$ 6,921.12			\$ 27,372.82
	1/16/2014	\$ 3,358.80	\$ 3,358.80				\$ 3,358.80
	1/24/2014	\$ 11,770.16	\$ 1,621.55	\$ 6,291.74	A/P	\$ 3,856.87	\$ 11,770.16
	1/30/2014	\$ 6,408.11	\$ 6,408.11				\$ 6,408.11
Colonial Gardens	1/2/2014	\$ 24,458.90	\$ 19,519.52	\$ 4,937.38			\$ 24,458.90
	1/9/2014	\$ 8,793.97	\$ 3,415.02	\$ 5,378.95			\$ 8,793.97
	1/16/2014	\$ 1,077.26	\$ 1,077.26				\$ 1,077.26
	1/23/2014	\$ 15,509.16	\$ 9,243.09	\$ 4,017.23	A/P	\$ 2,248.84	\$ 15,509.16
	1/30/2014	\$ 8,955.42	\$ 8,955.42				\$ 8,955.42
Cottonwood	1/2/2014	\$ 15,467.71	\$ 10,120.78	\$ 5,346.93			\$ 15,467.71
	1/9/2014	\$ 8,750.58	\$ 3,344.76	\$ 5,405.82			\$ 8,750.58
	1/16/2014	\$ 6,675.37	\$ 6,675.37				\$ 6,675.37
	1/24/2014	\$ 14,741.15	\$ 4,874.41	\$ 5,903.86	A/P	\$ 3,962.88	\$ 14,741.15
	1/30/2014	\$ 5,374.17	\$ 5,374.17				\$ 5,374.17
Cove East	1/2/2014	\$ 30,915.26	\$ 18,991.16	\$ 11,924.10			\$ 30,915.26
	1/9/2014	\$ 19,952.63	\$ 7,792.88	\$ 12,159.75			\$ 19,952.63
	1/16/2014	\$ 6,467.08	\$ 6,467.08				\$ 6,467.08
	1/24/2014	\$ 23,163.98	\$ 3,533.32	\$ 15,553.16	A/P	\$ 4,077.50	\$ 23,163.98
	1/30/2014	\$ 9,177.63	\$ 9,177.63				\$ 9,177.63
Landmark	1/2/2014	\$ 21,760.63	\$ 10,472.39	\$ 11,288.24			\$ 21,760.63
	1/2/2014	\$ 934.62			Debt Svc	\$ 934.62	\$ 934.62
	1/9/2014	\$ 4,146.30			Debt Svc	\$ 4,146.30	\$ 4,146.30
	1/9/2014	\$ 19,590.28	\$ 7,184.63	\$ 12,405.65			\$ 19,590.28
	1/16/2014	\$ 8,092.23	\$ 8,092.23				\$ 8,092.23
	1/24/2014	\$ 17,881.81	\$ 1,198.13	\$ 12,581.14	A/P	\$ 4,102.54	\$ 17,881.81
	1/30/2014	\$ 7,023.05	\$ 7,023.05				\$ 7,023.05
	1/31/2014	\$ 767,594.50			Debt Svc	\$ 767,594.50	\$ 767,594.50
Timberwood	1/2/2014	\$ 28,461.98	\$ 15,236.01	\$ 13,225.95			\$ 28,461.98
	1/9/2014	\$ 35,955.43	\$ 23,704.62	\$ 12,250.81			\$ 35,955.43
	1/16/2014	\$ 18,409.58	\$ 18,409.58				\$ 18,409.58
	1/24/2014	\$ 53,730.03	\$ 37,591.82	\$ 12,121.42	A/P	\$ 4,016.79	\$ 53,730.03
	1/30/2014	\$ 20,607.71	\$ 20,607.71				\$ 20,607.71
Woodland North	1/2/2014	\$ 32,454.10	\$ 23,141.24	\$ 9,312.86			\$ 32,454.10
	1/9/2014	\$ 9,437.35	\$ 3,593.29	\$ 5,844.06			\$ 9,437.35
	1/16/2014	\$ 17,778.36	\$ 17,778.36				\$ 17,778.36
	1/24/2014	\$ 19,679.05	\$ 14,367.13	\$ 4,849.46	A/P	\$ 462.46	\$ 19,679.05
	1/30/2014	\$ 10,112.35	\$ 10,112.35				\$ 10,112.35
Woodside East	1/2/2014	\$ 43,441.39	\$ 27,294.01	\$ 16,147.38			\$ 43,441.39
	1/9/2014	\$ 34,793.06	\$ 20,456.09	\$ 14,336.97			\$ 34,793.06
	1/16/2014	\$ 71,258.33	\$ 71,258.33				\$ 71,258.33
	1/24/2014	\$ 75,177.30	\$ 51,976.44	\$ 19,309.12	A/P	\$ 3,891.74	\$ 75,177.30
	1/30/2014	\$ 7,725.90	\$ 7,725.90				\$ 7,725.90
Alpine Ridge	1/2/2014	\$ 1,800.94		\$ 1,800.94			\$ 1,800.94
	1/9/2014	\$ 1,725.00			Mngmnt Fee	\$ 1,725.00	\$ 1,725.00
	1/16/2014	\$ 12,541.32	\$ 9,989.84	\$ 1,776.94	To Operating	\$ 774.74	\$ 12,541.32
	1/30/2014	\$ 14,205.00	\$ 8,341.24	\$ 1,803.76	Mngmnt Fee	\$ 4,260.00	\$ 14,205.00
Aspen Ridge	1/2/2014	\$ 4,301.97		\$ 4,301.97			\$ 4,301.97
	1/9/2014	\$ 2,616.00			Mngmnt Fee	\$ 2,616.00	\$ 2,616.00
	1/16/2014	\$ 15,626.34	\$ 9,516.44	\$ 4,460.14	To Operating	\$ 1,649.76	\$ 15,626.34
Auburn Square	1/2/2014	\$ 7,652.08		\$ 7,652.08			\$ 7,652.08
	1/9/2014	\$ 28,355.99			Mngmnt Fee & A/P	\$ 28,355.99	\$ 28,355.99
	1/17/2014	\$ 8,526.36	\$ 9,874.26	\$ 7,863.62	To Operating	\$ (9,211.52)	\$ 8,526.36
Carriage House	1/2/2014	\$ 9,493.79		\$ 9,493.79			\$ 9,493.79
	1/9/2014	\$ 6,361.09			Mngmnt Fee & A/P	\$ 6,361.09	\$ 6,361.09
	1/16/2014	\$ 12,692.17		\$ 10,597.57	To Operating	\$ 2,094.60	\$ 12,692.17
Cascadian	1/17/2014	\$ 16,158.57	\$ 16,158.57				\$ 16,158.57
	1/2/2014	\$ 10,699.60		\$ 10,699.60			\$ 10,699.60
	1/9/2014	\$ 7,892.00			Mngmnt Fee	\$ 7,892.00	\$ 7,892.00
	1/16/2014	\$ 55,865.94	\$ 44,989.50	\$ 10,974.38	To Operating	\$ (77.94)	\$ 55,865.94
Fairwood	1/30/2014	\$ 56,747.01	\$ 30,423.40	\$ 9,888.95	Mngmnt Fee & A/P	\$ 16,434.66	\$ 56,747.01
	1/2/2014	\$ 8,011.58		\$ 8,011.58			\$ 8,011.58
	1/9/2014	\$ 5,294.00			Mngmnt Fee	\$ 5,294.00	\$ 5,294.00
	1/16/2014	\$ 29,049.96	\$ 18,763.62	\$ 9,130.19	To Operating	\$ 1,156.15	\$ 29,049.96
Heritage Park	1/30/2014	\$ 44,539.26	\$ 31,348.84	\$ 7,819.42	Mngmnt Fee	\$ 5,371.00	\$ 44,539.26
	1/2/2014	\$ 4,018.01		\$ 4,018.01			\$ 4,018.01
	1/9/2014	\$ 30,905.25			Mngmnt Fee & A/P	\$ 30,905.25	\$ 30,905.25
	1/16/2014	\$ 22,905.77	\$ 15,442.31	\$ 3,959.07	To Operating	\$ 3,504.39	\$ 22,905.77

	1/30/2014	\$ 12,760.83	\$ 6,161.83	\$ 3,308.00	Mngmnt Fee	\$ 3,293.00	\$ 12,760.83
Laurelwood	1/2/2014	\$ 4,655.94		\$ 4,655.94			\$ 4,655.94
	1/9/2014	\$ 3,710.00			Mngmnt Fee	\$ 3,710.00	\$ 3,710.00
	1/16/2014	\$ 17,136.15	\$ 14,261.67	\$ 4,828.79	To Operating	\$ (1,954.31)	\$ 17,136.15
	1/30/2014	\$ 14,277.42	\$ 5,015.35	\$ 5,471.07	Mngmnt Fee	\$ 3,791.00	\$ 14,277.42
Meadows	1/2/2014	\$ 5,384.19		\$ 5,384.19			\$ 5,384.19
	1/9/2014	\$ 3,019.06			Mngmnt Fee & A/P	\$ 3,019.06	\$ 3,019.06
	1/16/2014	\$ 17,987.52	\$ 12,400.30	\$ 5,722.49	To Operating	\$ (144.27)	\$ 17,987.52
	1/30/2014	\$ 14,847.83	\$ 7,827.07	\$ 4,901.76	Mngmnt Fee	\$ 2,119.00	\$ 14,847.83
Newporter	1/2/2014	\$ 6,441.93		\$ 6,441.93			\$ 6,441.93
	1/9/2014	\$ 6,197.00			Mngmnt Fee	\$ 6,197.00	\$ 6,197.00
	1/16/2014	\$ 21,010.89	\$ 12,589.99	\$ 7,659.83	To Operating	\$ 761.07	\$ 21,010.89
Parkwood	12/27/2013	\$ 11,244.22			A/P	\$ 11,244.22	\$ 11,244.22
	1/2/2014	\$ 4,683.51		\$ 4,683.51			\$ 4,683.51
	1/9/2014	\$ 3,032.00			Mngmnt Fee	\$ 3,032.00	\$ 3,032.00
	1/16/2014	\$ 4,989.57		\$ 4,810.99	To Operating	\$ 178.58	\$ 4,989.57
	1/17/2014	\$ 16,184.79	\$ 16,184.79				\$ 16,184.79
Walnut Park	1/2/2014	\$ 6,195.92		\$ 6,195.92			\$ 6,195.92
	1/9/2014	\$ 5,956.00			Mngmnt Fee	\$ 5,956.00	\$ 5,956.00
	1/16/2014	\$ 4,715.87		\$ 5,649.25	To Operating	\$ (933.38)	\$ 4,715.87
	1/17/2014	\$ 36,125.23	\$ 36,125.23				\$ 36,125.23
Woodridge Park	1/2/2014	\$ 10,710.86		\$ 10,710.86			\$ 10,710.86
	1/9/2014	\$ 5,727.00			Mngmnt Fee	\$ 5,727.00	\$ 5,727.00
	1/16/2014	\$ -	\$ 14,027.42	\$ 9,659.10	To Operating	\$ (28,608.32)	\$ -
	1/30/2014	\$ 41,750.68	\$ 18,151.46	\$ 9,316.68	Mngmnt Fee & A/P	\$ 14,282.54	\$ 41,750.68
Bellevue Manor	1/16/2014	\$ 18,040.41	\$ 18,040.41				\$ 18,040.41
	1/23/2014	\$ 10,718.92	\$ 10,718.92				\$ 10,718.92
	1/30/2014	\$ 14,952.52	\$ 11,688.26	\$ 3,264.26			\$ 14,952.52
Northwood Square	1/16/2014	\$ 2,554.21	\$ 2,554.21				\$ 2,554.21
	1/23/2014	\$ 4,931.05	\$ 4,931.05				\$ 4,931.05
	1/30/2014	\$ 2,612.72	\$ 836.49	\$ 1,776.23			\$ 2,612.72
Patricia Manor	1/16/2014	\$ 6,277.77	\$ 6,277.77				\$ 6,277.77
	1/23/2014	\$ 4,409.77	\$ 4,409.77				\$ 4,409.77
	1/30/2014	\$ 9,987.81	\$ 7,039.28	\$ 2,948.53			\$ 9,987.81
Vashon Terrace	1/16/2014	\$ 5,755.20	\$ 5,755.20				\$ 5,755.20
	1/23/2014	\$ 2,120.18	\$ 2,120.18				\$ 2,120.18
	1/30/2014	\$ 5,362.72	\$ 3,338.90	\$ 2,023.82			\$ 5,362.72
Rainier View I	1/16/2014	\$ 25,258.39	\$ 16,731.31	\$ 8,527.08			\$ 25,258.39
	1/30/2014	\$ 8,776.86	\$ 7,962.66	\$ 814.20			\$ 8,776.86
Rainier View II	1/16/2014	\$ 15,768.53	\$ 12,300.15	\$ 3,468.38			\$ 15,768.53
	1/30/2014	\$ 2,304.92	\$ 1,944.54	\$ 360.38			\$ 2,304.92
Si View	1/16/2014	\$ 13,589.77	\$ 8,378.59	\$ 5,211.18			\$ 13,589.77
	1/30/2014	\$ 2,560.80	\$ 2,560.80				\$ 2,560.80
Meadowbrook	1/2/2014	\$ 10,838.71			All	\$ 10,838.71	\$ 10,838.71
	1/9/2014	\$ 14,454.37			All	\$ 14,454.37	\$ 14,454.37
	1/16/2014	\$ 11,185.53			All	\$ 11,185.53	\$ 11,185.53
	1/28/2014	\$ 18,041.83			All	\$ 18,041.83	\$ 18,041.83
Portfolio Totals:		\$ 2,504,074.94	\$ 1,026,866.03	\$ 477,896.27		\$ 994,390.84	\$ 2,504,074.94

A/P - Operating and Capital Expenses	\$1,026,866.03
Payroll Expenses:	\$477,896.27
"Other" Expenses:	\$994,390.84
TOTAL EXPENSES:	\$2,504,074.94

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KING COUNTY HOUSING AUTHORITY

TO: Board of Commissioners

FROM: Craig Violante

DATE: March 3, 2013

RE: **Resolution No. 5458:** Acceptance of Washington State Auditor's Accountability Audit Report (No.1011240) for the Period Ending December 31, 2012

On January 31, 2014 the Washington State Auditor's Office (SAO) issued Accountability Audit Report Number 1006587 related to KCHA's fiscal year which ended on December 31, 2012.

Report 1011240 is an "Accountability Audit Report" that reports on KCHA's compliance with State laws and regulations and its own policies and procedures.

There were no findings or management letter items. There was one exit item discussed with staff that had already been resolved prior to the issuance of the report. A formal exit conference was not held.

Resolution No. 5458 is a required element to KCHA's audit. Board passage is recommended.

THE HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5458

**ACKNOWLEDGING RECEIPT OF THE POST AUDIT REPORT FOR
THE PERIOD JANUARY 1, 2012 THROUGH DECEMBER 31, 2012**

WHEREAS, the State of Washington, Office of the State Auditor, Division Audit Services, has conducted an Accountability Audit of the Housing Authority of the County of King for the period January 1, 2012 through December 31, 2012 and has transmitted same to the Housing Authority; and

WHEREAS, a formal acceptance of the Audit is required by the Board of Commissioners;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF
COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING:**

Receipt of the official Accountability Audit Report No. 1011240 of the Housing Authority of the County of King for the period January 1, 2012 through December 31, 2012 prepared and transmitted for filing by the State Auditor's Division of Municipal Corporations pursuant to RCW 43.09.260, is hereby acknowledged and formally accepted by the Board of Commissioners of the Housing Authority of the County of King.

**ADOPTED BY THE BOARD OF COMMISSIONERS OF THE HOUSING
AUTHORITY OF THE COUNTY OF KING AT AN OPEN PUBLIC MEETING THIS 17th
DAY OF MARCH 2014.**

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

Doug Barnes, Chair
Board of Commissioners

Stephen J. Norman
Secretary

Washington State Auditor's Office

Accountability Audit Report

**Housing Authority of the County of King
(King County Housing Authority)**

Report Date
January 31, 2014

Report No. 1011240

Issue Date
February 10, 2014



WASHINGTON
TROY KELLEY
STATE AUDITOR



**Washington State Auditor
Troy Kelley**

February 10, 2014

Board of Commissioners
King County Housing Authority
Tukwila, Washington

Report on Accountability

We appreciate the opportunity to work in cooperation with your Housing Authority to promote accountability, integrity and openness in government. The State Auditor's Office takes seriously our role to advocate for government accountability and transparency and to promote positive change.

Please find attached our report on the King County Housing Authority's accountability and compliance with state laws and regulations and its own policies and procedures. Thank you for working with us to ensure the efficient and effective use of public resources.

Sincerely,

A handwritten signature in cursive script that reads "Troy X. Kelley".

TROY KELLEY
STATE AUDITOR

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King County Housing Authority
January 31, 2014

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Audit Summary

King County Housing Authority January 31, 2014

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of the King County Housing Authority from January 1, 2012 through December 31, 2012.

We evaluated internal controls and performed audit procedures on the activities of the Housing Authority. We also determined whether the Housing Authority complied with state laws and regulations and its own policies and procedures.

In keeping with general auditing practices, we do not examine every transaction, activity or area. Instead, the areas examined were those representing the highest risk of noncompliance, misappropriation or misuse. The following areas were examined during this audit period:

- Low-income occupancy requirements
- Payroll/personnel

RESULTS

In the areas we examined, the Housing Authority's internal controls were adequate to safeguard public assets. The Housing Authority also complied with state laws and regulations and its own policies and procedures in the areas we examined.

Related Reports

King County Housing Authority January 31, 2014

FINANCIAL

Our opinion on the Housing Authority's financial statements and compliance with federal grant program requirements is provided in a separate report, which includes the Housing Authority's financial statements.

FEDERAL GRANT PROGRAMS

We evaluated internal controls and tested compliance with the federal program requirements, as applicable, for the Housing Authority's major federal programs, which are listed in the Federal Summary section of the financial statement and single audit report.

Description of the Housing Authority

King County Housing Authority January 31, 2014

ABOUT THE HOUSING AUTHORITY

The Housing Authority of the County of King, doing business as King County Housing Authority, was created in 1939 in response to the Federal Housing Act of 1937. The Housing Authority's jurisdiction encompasses an area exceeding 2,134 square miles throughout King County, except within the cities of Seattle and Renton, which have their own housing authorities. The Housing Authority operates out of a central office in Tukwila and several other offices throughout the county. The Housing Authority's purpose is to provide housing assistance to low-income households.

A five-member Board of Commissioners governs the Housing Authority. Commissioners are appointed by the King County Executive and confirmed by the King County Council to serve five-year terms. The Board appoints management to oversee the Housing Authority's daily operations as well as its approximately 320 employees. For fiscal year 2012, the Housing Authority operated on an annual budget of approximately \$177 million.

ELECTED OFFICIALS

These officials served during the audit period:

Board of Commissioners:

Nancy Holland-Young, Chair
Doug Barnes
Richard Mitchell
Michael Brown
Terry McLlarky

APPOINTED OFFICIALS

Executive Director
Finance Director

Stephen Norman
Craig Violante

HOUSING AUTHORITY CONTACT INFORMATION

Address: King County Housing Authority
600 Andover Park West
Tukwila, WA 98188-3326

Phone: (206) 574-1274

Website: www.kcha.org

AUDIT HISTORY

We audit the Housing Authority annually. We have reported no findings in the last six audits.



ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the state's Constitution and is part of the executive branch of state government. The State Auditor is elected by the citizens of Washington and serves four-year terms.

We work with our audit clients and citizens as an advocate for government accountability. As an elected agency, the State Auditor's Office has the independence necessary to objectively perform audits and investigations. Our audits are designed to comply with professional standards as well as to satisfy the requirements of federal, state, and local laws.

The State Auditor's Office employees are located around the state to deliver services effectively and efficiently.

Our audits look at financial information and compliance with state, federal and local laws on the part of all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits of state agencies and local governments and fraud, whistleblower and citizen hotline investigations.

The results of our work are widely distributed through a variety of reports, which are available on our Web site and through our free, electronic subscription service.

We take our role as partners in accountability seriously. We provide training and technical assistance to governments and have an extensive quality assurance program.

State Auditor
Chief of Staff
Director of Performance and State Audit
Director of Local Audit
Deputy Director of State Audit
Deputy Director of Local Audit
Deputy Director of Local Audit
Deputy Director of Quality Assurance
Deputy Director of Communications
Local Government Liaison
Public Records Officer
Main number
Toll-free Citizen Hotline

Troy Kelley
Doug Cochran
Chuck Pfeil, CPA
Kelly Collins, CPA
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KING COUNTY HOUSING AUTHORITY

TO: Board of Commissioners
FROM: Tim Walter
DATE: March 11, 2014
RE: **Resolution No. 5459:** Authorizing KCHA to make a loan to DASH (Downtown Action to Save Housing) in a not-to-exceed amount of \$425,000 in order for DASH to acquire the investor limited partner's 99.99% ownership interest in Ashwood Court Apartments to preserve the long-term viability and affordability of the project.

Summary

Resolution No. 5459 authorizes KCHA to make a short-term loan in a not-to-exceed amount of \$425,000 to Downtown Action to Save Housing (DASH), a local non-profit housing developer/operator, in order for DASH to purchase the investor member's 99.99% leasehold interest in the Ashwood Court Associates limited partnership and to pay costs associated with the acquisition including real estate excise tax, legal and loan fees and other related expenses. Immediately upon DASH's acquisition of the investor's interest in the partnership, DASH will refinance and re-syndicate the property to a new low-income housing tax credit partnership in order to generate revenues sufficient to refinance the existing debt (\$1.15 million loan to Anchor Bank, \$235,000 loan to ARCH and \$425,000 loan to KCHA) and complete approximately \$1.3 million in repairs and upgrades to the property. The re-syndication of the property will ensure the property continues to be preserved as affordable for low and very-low income seniors for an additional 40 years.

The loan to DASH is essential to preserve the long-term affordability of the Ashwood Court Apartments. The loan is consistent with KCHA's mission to preserve the availability of low-income housing. The revenue generated by the re-syndication will provide repairs and improvements to the property and ensure the long-term viability of the project and the loan will provide for improved investment return rates to KCHA.

Background

In 1998, DASH formed the Ashwood Court Associates limited partnership, for the purpose of developing a 51 unit tax-credit apartment building located at 11018 NE 11th St in Bellevue. It has 26 units set aside for extremely low-income seniors (incomes less than 35% of the AMI) 24 units set aside for low-income seniors (incomes less than 60% of the AMI) and one manager's unit. The project was built using proceeds from the sale of low-income housing tax credits to the investor member, Midland Corporate Tax Credit IV Limited Partnership and loans from Anchor Bank, the City of Bellevue and the Washington State Housing Trust Fund.

As of January 2014, the project completed the 15th year of its tax credit compliance period and the investor limited partner has agreed to exit the partnership. Under the terms of the existing partnership agreement, DASH does not have Right of First Refusal but the investor limited partner has agreed to sell its interest to DASH for \$300,000. The current outstanding indebtedness of the property is approximately \$1.85 million and the value of the property is estimated at \$4.6 million. The opportunity for DASH to acquire the investor limited partner's interest for \$300,000 represents an exceptional opportunity to secure the long-term preservation of affordability as well as the long-term viability of the Ashwood Court Apartments. The excise tax associated with the transaction is estimated at \$82,500.

Resyndication

The low-income housing tax credit program allows properties that have completed an initial 15 year low-income use restriction period to be re-syndicated. The re-syndication provides for the initial tax-credit investor to exit the original partnership and for a new partnership to be created. The new partnership generates tax credits based on the sum total of the current value of the property plus new improvements made to the property. The tax credits generated by the re-syndication are able to be sold to a new investor member. The revenue raised by the sale of the tax credits to the new investor member plus the new financing secured by the property will generate proceeds sufficient to pay off the original debt (including the loan from KCHA), pay for the improvements at the property and provide a developer fee for DASH. The re-syndication plan for Ashwood Court developed by JH Brawner & Associates is attached.

Loan and Terms

The loan and terms are as follows:

Loan Amount:	Not to exceed \$425,000.00
Term:	Payment due at closing of the new partnership (estimated closing 10/1/2014). However, if not sooner paid, the loan shall be due in full 3/1/2015.
Interest Rate:	5%
Security:	Pledge of DASH's ownership interest in and any and all other DASH related ownership interest in Ashwood Court Associates as lessee of the Ashwood Court Apartments. Security interest shall also include a leasehold deed of trust in the Ashwood Court Apartments to the extent permitted by the underlying existing financing.
Fee:	\$10,000 origination fee.

Risks and Risk Mitigation

Failure of DASH to secure an investor and re-syndicate the development. Based on current cash flow, debt coverage ratio and loan to value projections, there is sufficient equity for DASH to re-finance Ashwood Court and repay KCHA even if DASH were not able to re-syndicate the property as a 4% low-income housing tax credit development. DASH's financial consultant, JH Brawner & Associates has also informed KCHA they have already received two notifications of

interest from potential equity investors of their interest to participate in a re-syndication of the property.

Failure of DASH to repay KCHA as required. KCHA will receive, as a condition of the loan, a pledge from DASH of its ownership interest in Ashwood Court. If DASH does not repay KCHA as required, KCHA will have the right to assume DASH's leasehold interest in the project and take direct ownership of Ashwood Court.

Failure of DASH to repay KCHA and KCHA does not take ownership of the Ashwood Court Associates limited partnership. KCHA will be secured by a leasehold deed of trust and will remain on title as a secured lender in a subordinate position to the existing lenders. The total of the existing underlying debt is less than \$2 million and the estimated market value of the property is in excess of \$4.5 million. There is more than sufficient equity in the project to secure KCHA's leasehold deed of trust.

Passage is recommended.

A Strategic Repositioning Plan for the Preservation of Affordable Housing

A LIHTC Re-Syndication Development

**Ashwood Court Apartments
11018 NE 11th Street, Bellevue, WA**

Prepared for:



Downtown Action to Save Housing

Prepared by:



March 8, 2014

A STRATEGIC REPOSITIONING PLAN FOR THE ASHWOOD COURT APARTMENTS

AN OUTLINE FOR FINANCIAL SUSTAINABILITY INCLUDING DELIVERY PLAN, FINANCIAL STRATEGIES AND ASSUMPTIONS

The purpose of this financing constructability review is to describe the project in a manner that key elements are defined, options are clear, risks are identified such that the decision makers are able to provide direction as to the final development strategy.

Today, especially considering the current market volatility, a financing strategy that details the issues as well as includes strategic options for financing are critical. This report seeks to explain and define those issues as it relates to project schedule, revenue and expense assumptions, construction budgets, short and long-term debt and federal low-income housing tax credits.

I. PROJECT SUMMARY

Introduction

Downtown Action to Save Housing ("DASH") a respected nonprofit provider of housing was founded in 1991 to preserve affordable housing in Bellevue, Washington and the surrounding Eastside communities. DASH has successfully created, preserved or renovated thirteen projects containing over 1,000 units of affordable housing for residents of King County. One of these projects, Ashwood Court was developed as a LIHTC project in 1997 in downtown Bellevue. The project consists of 51 units of housing, serving independent seniors 62 and older. Now that the project is at the end of its 15-year compliance period (Dec 2013), DASH is moving forward with a tax credit re-syndication of the development. Depending upon certain structure issues, DASH would sell the project to a tax credit partnership in which DASH would be the managing member of an LLC.

The basic objective of this plan is to develop a workable plan to stabilize the property long-term, both financially and physically. The specific relief provided in this re-syndication plan is based on a thorough analysis of the project, considering the tenant mix, availability of funds to address the physical and financial needs of the project and examination of the project's market area. This restructuring plan attempts to address the following objectives:

- A. To protect the long-term financial interest of all interested parties and ensure that the project can continue to be a viable operation.
- B. To stabilize the project's physical and financial hurdles to ensure that an acceptable living environment is maintained for the residents.
- C. To provide the platform to support the investment of additional capital to address the project's physical and financial goals.

Physical Description

The Ashwood Court Apartments, located at 11018 NE 11th Street, Bellevue and includes 51-units which offers affordable housing units to low and very low income elderly residents. Unit mix consists of studios, one and two-bedroom units in a single mid-rise, three story building. The project was constructed by the existing tax credit partnership in 1987



Unit Breakdown

Unit Type	No. of Units	Unit Mix % Total	Unit Sq. Ft.
STUDIO	2	3.92%	450
ONE BDRM, 1 BATH	34	66.67%	605
TWO BDRM, 1 BATH	15	29.41%	800

A specific plan is a vital tool for the systematic implementation of the general development plan. It effectively establishes a link between implementing policies of the general plan and the individual development proposals in a defined area. Specific plans and options related to various key development categories are described below.

II. OWNERSHIP STRUCTURE

DASH is currently the General Partner of the tax credit partnership as in the process of exercising an Option to acquire the limited partner's interest in the project. Under the proposed financing plan, DASH is anticipating forming another tax credit partnership to acquire, own and operate the Ashwood Court project ("Project"). As consideration, the new LIHTC LLLP will pay DASH/existing partnership an amount equal to the fair market value of the Project as restricted under the LIHTC guidelines.

The property will continue to have a long-term property tax-exemption due to the fact that the property is operated for the elderly.

III. Affordability

The current affordability requirements at the project which are a part of the initial regulatory agreement with the WSHFC will continue at the project under the new 4% credit deal. Under the existing WSHFC

Regulatory Agreement, the minimum affordability at the Project will continue to be 50% of the units at 35% of the area median income and 50% of the units at 60% of median income.

IV. Development Sources & Uses

Project Development Costs have been based on a combination of factors including those typical cost attributed with LIHTC transactions, preliminary capital needs assessments and those cost related to the issuance of bonds and other debt instruments.

Ash Wood Court Bellevue	
BUDGET TRACKING SCHEDULE	
SOURCES	Permanent Budget
Private Placement Permanent Bond	\$2,500,000
Tax Credit Equity	\$2,101,521
DASH Loan #2 (Seller Financing	\$2,955,000
DASH Loan #1 (Deferred Developer Fee)	\$473,010
Funding Gap	\$0
Total Budget Sources	\$8,029,531
USES	Permanent Budget
Accounting	\$12,500
Appraisal & Market Studies	\$15,000
Architectural & Engineering	\$47,810
Building Acquisition	\$4,781,008
Construction Consulting	\$47,165
Construction Management	\$77,400
Developer Administrative - General	\$13,043
Developer Administrative - Overhead/Fee	\$1,000,000
Environmental	\$7,500
Financial Consulting	\$125,000
Financing Cost - Other	\$17,500
Interest Cost	\$54,225
Legal - Debt	\$55,000
Legal - Partnership	\$55,000
Legal - Other	\$50,000
Lender Loan Fees	\$71,250
Multi-Family Construction	\$1,290,000
Owner Contingency	\$50,000
Permits & Fees - Vertical	\$23,116
Pre-Construction Services	\$20,000
Reserves - Project	\$160,000
Surveys	\$5,500
Tax Credit Fees	\$28,333
Title & Closing	\$23,181
Total Budgeted Cost	\$8,029,531

Development Cost Guidelines

Projected cost associated with the development of the Project are based on budgeted allowances attributable to the type of financing being used, project size, location, tenant demographics and the property condition report.

Accounting:	An allowance of \$12,500 has been budgeted for accounting related services, including general consulting, initial audit work and cost certification all of which is to be included in the partnership cost basis. The entire amount is estimated to be included in tax credit basis.
Appraisals & Market Studies:	An allowance of \$15,000 has been assumed for appraisals and market studies. It is assumed that appraisals will be ordered by the lender for financing purposes and also by DASH to determine the fair market restricted value for acquisition purposes. In addition, a market study to be provided as part of the tax credit application is assumed as well.
Architectural & Engineering:	A&E has been estimated at \$47,000, which is approximately 2.00% of the hard repair/renovation cost. The A&E scope will be limited to specific work which will require design and/or engineering related work. In addition, A&E assistance will be required as part of the process to include energy efficient and green technology in the Project.
Building Acquisition:	<p>The current estimated Fair Market Rent as Restricted is approximately \$4,775,000. This valuation will be substantiated in an appraisal to be completed. The valuation is estimated using the lesser of market rents or those rents at 35% and 60% of median income (per WSHFC requirements). Expenses are estimated based on current market expenses for these type of projects on the east side. The corresponding NOI is then divided by a market capitalization rate, estimated in this case to be 5.40%.</p> <p>\$923,000 of the above amount is currently estimated to the value of the land as if unimproved.</p> <p>The balance of the Acquisition related cost of approximately \$6,000 is related to the sales tax that will be due on the estimated amount of personal property to be allocated within the acquisition cost.</p>
Construction Management:	A fee of 6% of the construction budget has been set-aside for a third-party Owner's Representative consultant.
Construction Consulting:	This category includes an allowance for third-party monthly draw inspections by both the lender and the LIHTC investor. Additionally, approximately \$47,165 in funds have been budgeted for other third-party consultants who would not be part of the A&E contract and would include but not be limited to roofing consultants, energy consultants, waterproofing consultants, mechanical consultants, etc.
Developer Administrative – General:	\$13,000 as travel, plan reproduction, office supplies related to the Project, deliveries, etc.
Developer Administrative – Fee:	\$1,000,000 has been estimated as the developer fee to be earned by DASH. This amount represents approximately 14.50% of the development budget. \$193,000 of

this amount is assumed to be allocated to the land cost and as such is not included in tax credit eligible basis.

100% of the fee will be earned at completion of construction. Current model projections estimate that approximately 52% of the total fee will be paid in cash to DASH at time of the final tax credit equity pay-in. The balance of the fee not paid in cash will be deferred and paid from available cash flow from operations within ten-years of the fee being earned.

Environmental:	Reports related to environmental surveys have been estimated at \$7,500, which will be a requirement of both the lender and LIHTC investor.
Financial Consulting:	\$125,000 has been budgeted for technical assistance with the development of the renovation work, of which 100% is assumed to be in basis. Work includes oversight with respect to the LIHTC, financing, investor liaison, lender requirements, partnership structuring, project cost tracking and modeling, cost certification and input related to renovation.
Interest Cost:	Interest on the various interim loans, which excludes the permanent tax-exempt loan which is paid from project operations, will equate to approximately \$54,000. Interest on the tax credit equity bridge are included. That interest which is paid up until the renovation is completed is capitalized and included in tax credit eligible basis, while the remaining interest through the equity pay-in is also capitalized in the budget but it is expensed for tax purposes and excluded from tax credit basis.
Legal:	Legal related work has been estimated at \$160,000 and includes counsel related to partnership counsel; lender legal related to the tax credit equity bridge line and the permanent bonds.
Lender Loan Fees:	Lender loan fees have been budgeted at \$71,250 and includes a 1.50% fee on the permanent bonds and the equity bridge line of credit.
Multi-Family Construction:	The total construction budget is estimated at \$1,290,000. The base "hard" cost have been estimated at \$975,000 (including sales tax). Additional cost attributed to the construction/repair cost are roughly \$97,000 in general conditions, \$97,000 in profit and 10% contingency estimated at \$121,000. State prevailing wage rates will be assumed at the Project.
Owner Contingency:	Approximately \$50,000 has been budgeted for unforeseen cost related to non-construction related work.
Permits:	An allowance of \$33,000 has been set-aside for permits related to the project repairs.
Pre-Construction Services:	Pre-Construction Services include the cost related to the Physical Needs Assessment, third-party unit inspections, bidding and related work in the estimated amount of \$23,100.
Reserves:	Operating reserves have been estimated at approximately six months of annual operating expenses, or \$110,000. In addition, a capitalized \$50,000 reserve is assumed for Replacement Reserves.
Tax Credit Fees:	Tax Credit Fees have been estimated at approximately \$28,000 and include an application fee equal to \$26 per housing unit and 12.53% of the total first year credit reservation amount.

Title & Closing: Title and Closing have been estimated at \$23,000 and include cost related to Owner's and Lender's title policy, endorsements required by the LIHTC investor and general closing cost.

Determination of Key Project Funding Revenues

Below is a schedule of the anticipated revenue sources and how those amounts have been determined.

Tax Credits The partnership anticipates that it will generate approximately \$215,000 in annual low-income housing tax credits. DASH will seek competitive proposals from various tax credit investors to make an investment in the Project.

Eligible Basis:	The un-adjusted eligible basis for the project has been estimated at \$45,080,000.
Ineligible Grants/Loans:	none
High Cost Area:	The project is not located in a Qualified Census Tract
Qualified Basis:	Based on the adjustments, the project has an adjusted qualified basis of \$6,531,000
Applicable Percentages:	The applicable percentages used in the financial analysis are calculated at 3.30% for the 4% credit.
Credit Amount:	The assumed ten-year credit amount is equal to \$2,149,000, or \$215,000 per year over the ten year credit period.
Equity Contribution:	Estimated at approximately \$2,101,521, or \$.975 per tax credit dollar for 99.99% of the total credit allocation.
Limited Partner Entry Date:	The Tax Credit Partner is expected to enter into the partnership at closing or approximately October 2014.
Contribution Timing:	The financial projections assume that the equity contribution is based on a staggered pay-in of \$200,000 at closing; two months after completion of renovations (PIS) an amount equal to \$1,200,000 and the balance in July of 2016
Credit Delivery:	The Partnership projects to deliver tax credits to the Tax Credit Limited Partner as follows:

		Dollar Amount	Percent of Annual
Credits Delivered in	2015	\$215,541	100.00%
Credits Delivered in	2016-2024	\$1,939,869	100.00%

Debt: To receive an allocation of 4% tax credits, a project must fund 50% of its adjusted project cost with private activity bonds. It is anticipated that King County Housing Authority as issuer of the bonds, will issue approximately \$4,600,000 in tax exempt bonds, which is approximately equal to 59% of the adjusted total project cost. To meet this 50% bond test, the partnership is anticipated to have the following debt structure.

Long-Term Tax-Exempt Debt

The financial projections assume that approximately \$2,675,000 in long-term, private-activity tax-exempt bonds will be sold via a private placement. Alternate financing plans were explored and included HUD FHA 223(f), Fannie Mae Tier IV and Freddie Mac financing, however; due to the relatively small loan amount as a percentage of total development cost and the complexity associated with the other financing alternatives, a private placement of the debt appeared to be the most feasible alternative. Additionally, the projected NOI and related Debt Coverage Ratio is such that a private placement would most likely be appealing to a regional bank seeking CRA credit.

Issuer:	King County Housing Authority
Lender:	To be Determined
Amount:	\$2,500,000
Term:	17-years
Amortization Period:	35 years
Interest Rate:	modeling assume 6.25%, fixed
Guarantee:	Non-Recourse
Debt Coverage Ratio:	1.25

** It is anticipated that the loan will be interest-only through December 2015.*

Equity Bridge Loan:

To assist in meeting the 50% bond test, the financial model assumes that the partnership will obtain a tax-exempt equity bridge loan for the Project to bridge a portion of the anticipated deferred equity contribution. As stated earlier in the report, the majority of the tax credit investor equity is anticipated to be contributed after placed-in-service date. The purpose of this extended pay-in is to not only increase the amount of equity the investor partner is willing to contribute but to provide a mechanism by which additional tax exempt debt could be issued to meet the 50% test.

Issuer:	King County Housing Authority
Lender:	To be Determined (same institution as permanent loan)
Amount:	\$2,100,000
Term:	32-months
Amortization Period:	N/A, interest only
Interest Rate:	variable based on one-month libor, assumed to be 4.25% in model
Guarantee:	DASH
Debt Coverage Ratio:	N/A

**Loan is assumed to be non-revolving. The loan is anticipated to be repaid with tax credit equity after PIS in December of 2015 and the balance with the final equity pay-in, July of 2016.*

DASH Seller Note:

Assuming an estimated acquisition payment related to the value of the project of approximately \$4,775,000, DASH is anticipated to loan back to the partnership an amount equal to \$2,955,000. At closing, DASH will lend approximately \$2,500,000 of this amount with the remaining balance of \$455,000 being loaned back to the partnership in December 2015 when the project is placed-in-service.

Lender:	DASH
Amount:	\$2,955,000
Term:	50-years
Amortization Period:	N/A, subject to available cash flow
Interest Rate:	fixed at the greater of 3.50% or AFR at time of closing
Guarantee:	N/A
Debt Coverage Ratio:	N/A

Deferred Developer Loan:

DASH is projected to earn approximately \$1,000,000 in developer fees, which equates to 14.50% of the total development cost. It is estimated that DASH will receive approximately \$522,000 in cash at the final equity pay-in (April 2016) and defer the remaining \$478,000, which shall be paid from available cash flow.

Lender:	DASH
Amount:	\$473,000
Term:	N/A
Amortization Period:	N/A, subject to available cash flow
Interest Rate:	0%

**Based on current cash flow projections, deferred developer fee loan will be repaid by 2026 (12-years from date in which fee was earned).*

V. Construction

DASH is in the process of completing in-depth inspections of the interior units and common areas at both developments and is in the process of completing a detailed scope of work and specifications for the project.

Construction/renovation is anticipated to take place over a 10-month period from November 2014 through September 2015. No existing residents located at the project will be required to either temporarily or permanently relocate.

The overall construction budget is estimated at \$1,290,000, or \$25,300 per unit, which includes general conditions, sales tax, profit and 10% contingency. The partnership will utilize a General Contractor to complete the construction under a guaranteed maximum price contract.

Based on initial inspections of the developments, the following is a schedule of repairs and upgrades to be completed as part of the renovation work.

Bakerview Development

- Roofing
- Interior unit cabinets/counters
- Interior unit carpet/vinyl
- Corridor floor replacement
- Exterior Painting/Common Area Painting
- Landscaping
- Community Room Improvements
- Upgrade kitchen appliances
- New plumbing fixtures (kitchen and bath sink, low flow toilets, shower heads, kitchen and bath faucets)

Exterior, corridor and unit lighting upgrades
 Upgrade security system video
 Upgrade automated entrance doors

VI. Development Time Lines

The determination of project time-lines are crucial in defining the overall financing plan for the development. The financial model in general has assumed the following key components of the development time line.

Select Permanent Lender	25-Apr-14
Select Tax Credit Investor	10-May-14
Submit 4% Tax Credit Application	1-Jun-14
Submit Private Activity Bond Cap Application	25-Jun-14
Lender Commitment Letter issued	15-Sept-14
Receive 52(m) letter from WSHFC	20-Sept-14
Construction Contract Executed	20-Sept-14
Close Tax Credit Partnership(s)	1-Oct-14
Close on Permanent Debt and repay subordinate lenders (Anchor Bank, KCHA and ARCH)	1-Oct-14
Begin Rehabilitation Work	19-Nov-14
Construction Completion	1-Sept-15
100% Qualified Occupancy	1-Jan-15
First Equity Installment	1-Oct-15
Second Equity Installment	30-Dec-16
Final Equity Installment	5-Jul-16

VII. Economic Assumptions and Project Operations

Income:

Rental income:

Unit Types	Number of Units	Average (SF)	Median Income	Rent	Annual Income
Studio	2	450	35%	\$504	12,096
One Bdrm	17	605	35%	\$539	109,956
One Bdrm	17	605	60%	\$868	177,072
Two Bdrm	7	800	35%	\$631	53,004
Two Bdrm	7	800	60%	\$1,067	89,628
Two Bdrm (common area)	1	800	60%	\$1,250	15,000
Unit Total/Avg	51				456,756

Laundry and Other: current miscellaneous resident income is anticipated to equate to approximately \$3,400 per annum, which is based on historic figures.

Cable Income: income related parking and storage equate to approximately \$14,000 per annum.

Vacancy Loss: this has been estimated at approximately 5% per year or roughly nine units per month.

Operating Expenses:

Residential: The current projected operating expenses have been estimated at \$216,824 per year or \$4,238 per unit, per year. This cost includes approximately \$350 per unit in mandatory replacement reserve set-asides; no real estate taxes are anticipated to be paid from operations.

Net Operating Income:

The Project's Net Operating Income is estimated at \$222,000 per year.

VIII. Tax Credit, Partnership Related Assumptions and other Key Project Details

- a. The project generates substantial operating losses due to large DASH seller financing note, which because it is related party financing, has to have an assumed interest rate equal to at a minimum long-term AFR. To minimize DASH's potential back-end tax liability when they exercise their option, DASH will require from any potential investment partner that they have the ability to exercise such option in the year following the final year in which all credits have been delivered (year 12).
- b. 100% qualified occupancy of the residents will occur at initial closing.
- c. Depreciation for building improvements is assumed to be 40-years, 20-years for land improvements and 9-years for personal property.
- d. The existing State Housing Trust Fund loan of approximately \$405,000 will be assumed by the partnership. It is anticipated that DASH will negotiate a deferral of payments on this note and in return extend the affordability requirement with the state.
- e. The estimated \$235,000 ARCH loan is anticipated to be repaid at closing with DASH acquisition proceeds.
- f. The interim King County Housing Authority loan in the approximate amount of \$400,000 will be repaid at closing.

HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5459

A RESOLUTION of the Housing Authority of the County of King preserving affordable housing by authorizing the Authority to make a loan to Downtown Action to Save Housing for the purpose of providing the funds with which to purchase the limited partnership interest in Ashwood Court Associates, A Washington Limited Partnership, which owns and operates a 51-unit multifamily apartment complex in Bellevue, Washington, and to negotiate, execute and deliver various documents in connection therewith, and determining related matters.

ADOPTED March 17, 2014

This document was prepared by:

*FOSTER PEPPER PLLC
1111 Third Avenue, Suite 3400
Seattle, Washington 98101
(206) 447-4400*

HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5459

A RESOLUTION of the Housing Authority of the County of King preserving affordable housing by authorizing the Authority to make a loan to Downtown Action to Save Housing for the purpose of providing the funds with which to purchase the limited partnership interest in Ashwood Court Associates, A Washington Limited Partnership, which owns and operates a 51-unit multifamily apartment complex in Bellevue, Washington, and to negotiate, execute and deliver various documents in connection therewith, and determining related matters.

WHEREAS, the Housing Authority of the County of King (the “Authority”) seeks to encourage the provision of long-term housing for low-income persons residing within King County, Washington (the “County”); and

WHEREAS, RCW 35.82.070(1) provides that a housing authority may, among other things, “make and execute contracts and other instruments . . .”; and

WHEREAS, RCW 35.82.070(18) provides that a housing authority may, among other things and if certain conditions are met, “make . . . loans for the . . . acquisition, construction . . . rehabilitation, improvement . . . or refinancing of land, buildings, or developments for housing for persons of low income”; and

WHEREAS, Ashwood Court Associates, A Washington Limited Partnership (the “Partnership”), owns and operates a 51-unit multifamily apartment complex in Bellevue, Washington (the “Project”), which Project provides affordable rental housing for persons of low income in the County; and

WHEREAS, Downtown Action to Save Housing, a Washington non-profit corporation (“DASH”) is General Partner of the Partnership and has applied to the Authority for financial assistance in the principal amount of up to \$425,000 for the purpose of acquiring the limited

partnership interest in the Partnership, which acquisition will allow DASH to obtain additional financing for the improvement of the Project; and

WHEREAS, the Authority has determined that the loan authorized herein is important for the feasibility of the Project and the preservation and affordability of housing for low-income persons residing within the County; and

WHEREAS, the Authority desires to facilitate the financing of improvements to the Project by making a loan to DASH to provide the interim financing necessary to acquire the limited partnership interest in the Partnership;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING as follows:

Section 1. Authorization of Loan to DASH. The Board approves the use of Authority funds to make a loan to DASH in a principal amount not to exceed \$425,000 for the purpose of providing funds with which to purchase the limited partnership interest in the Partnership (the "Loan"), all in accordance with the Loan Agreement between the Authority and DASH, the Pledge, Security Agreement and Assignment of Partnership Interest in favor of the Authority and the Note substantially in the forms on file with the Executive Director (collectively, the "Loan Documents"), upon payment by DASH of a loan fee in the amount of \$10,000. The Loan shall bear interest from the date of the Note (the "Effective Date") at the rate of 5.0% per annum, and shall be payable on the maturity date of the Note, which shall be no later than 364 days after the Effective Date. The Executive Director of the Authority is authorized to further negotiate and enter into the Loan Documents with DASH, and to determine, in his or her discretion, whether the Loan should be additionally secured by a deed of trust. The Board authorizes and directs the Executive Director of the Authority to do everything necessary for the negotiation, execution and

delivery, on behalf of the Authority, of such documents as may be useful or necessary to the purpose of this Section 1, as determined by the Executive Director.

Section 2. Expenditures. The Authority is authorized to expend such funds as are necessary to pay for all filing fees, application fees, registration fees, account fees and other costs relating to the actions authorized by this resolution, to the extent not paid by DASH.

Section 3. Execution and Delivery of Additional Documents. The Executive Director is hereby directed, and granted the discretionary authority, to execute and deliver any and all notices and other certificates, documents, agreements and instruments that are necessary or appropriate in his discretion to give effect to this resolution and to consummate the transactions contemplated herein.

Section 4. Authorization of Future Acts. The Board further authorizes and directs the Executive Director and all other proper officers, agents, attorneys and employees of the Authority to carry out, or cause to be carried out, all obligations of the Authority under the documents authorized by this resolution, and to perform or cause to be performed such other acts as they shall consider necessary or advisable in connection with the making of a loan to DASH and the application of such proceeds to carry out the purchase of the limited partnership interest in the Partnership, or in order to give effect to this resolution and the transactions contemplated herein. In addition, the Executive Director is authorized, in his or her discretion, to extend the maturity date of the loan and to modify the interest rate payable on the loan at the time of any such extension to a rate not less than the then-current Treasury rate for obligations with a similar term.

Section 5. Acting Officers Authorized. Any action required by this resolution to be taken by the Executive Director of the Authority may in the absence of such person be taken by a Deputy Executive Director of the Authority.

Section 6. Ratification and Confirmation. Any actions of the Authority or its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.

Section 7. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

ADOPTED by the Board of Commissioners of the Housing Authority of the County of King at an open public meeting this 17th day of March, 2014.

HOUSING AUTHORITY OF THE COUNTY OF
KING

By: _____
Chair

ATTEST:

Stephen Norman, Secretary

CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Executive Director of the Housing Authority of the County of King (the "Authority") and keeper of the records of the Authority, CERTIFY:

1. That the attached Resolution No. 5459 (the "Resolution") is a true and correct copy of the resolution of the Board of Commissioners (the "Board") of the Authority, as adopted at a meeting of the Authority held on March 17, 2014, and duly recorded in the minute books of the Authority.

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

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of March, 2014.

Executive Director of the Authority

CERTIFICATE

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KING COUNTY HOUSING AUTHORITY

TO: Board of Commissioners
FROM: Tim Walter
DATE: March 9, 2014
RE: **Resolution No. 5460:** Authorizing KCHA to refinance the Eastwood Square Apartments

Summary:

Resolution No. 5460 authorizes KCHA to make a loan to Eastwood Square Apartments, a 48-unit multi-family development in Bellevue which is owned by the Authority and leased for 55 years to Park Villa LLC, a privately controlled partnership. The proceeds from this loan would allow the Partnership to refinance existing, high rate debt and provide an opportunity for KCHA to increase its investment return on existing reserves.

Background:

In 2002, KCHA issued approximately \$4 million in private activity tax-exempt bonds and the City of Bellevue advanced \$600,000 to finance KCHA's purchase of the Eastwood Square Apartments, a 48-unit HUD subsidized family development located at 14631 NE 35th St in Bellevue. Immediately upon acquisition of the property, KCHA leased the development to Park Villa LLC, a privately controlled partnership, on a 55-year lease. Park Villa LLC converted the project to a low-income housing tax credit development and completed a \$1 million rehab with proceeds generated from the tax credit equity. Since 2002, Park Villa LLC has made payments as required under the existing lease and now desires to refinance the project to lower the interest rate and cost of financing of the loan. The interest rate on the original loan to Park Villa LLC was 6.95% and the loan amortized over 40 years. All units in the property receive rent subsidies from HUD under HUD's Multifamily Project Based Section 8 program.

In late 2013, KCHA was notified by Park Villa LLC of its intent to refinance the KCHA bond loan to take advantage of the lower interest rate environment. Because of KCHA's underlying fee ownership of the property and KCHA's lessor interest in the financing lease, KCHA has proposed refinancing the original KCHA bond loan with a loan from KCHA internal resources. The term of the loan would be 10 years with an option for KCHA to extend the loan at KCHA's sole option. The interest rate proposed for the new loan is 5% and the loan will continue to amortize over the original loan's remaining term. The new loan would be in an approximate amount of \$4.2 million which would be sufficient to pay off the underlying bond and City of Bellevue loans and to pay any costs incurred by the lender associated with the issuance of the loan. The terms are further outlined in the attached Term Sheet.

Based on loan rate of 5% to the borrower, KCHA expects to generate from \$550,000 to \$1.2 million in interest income over and above what KCHA would expect to generate if the funds were

otherwise invested in KCHA's traditional structured investments. This loan is authorized under RCW 35.82.070(18), which allows housing authorities to "make loans for the refinancing of buildings for housing for persons of low income".

The funds being utilized for the loan are funds that have already been set aside for projected exit tax liabilities on current tax credit partnerships that expire within the next 10 to 11 years thus the investment of these funds will have little impact on KCHA's ability to meet its day to day operating needs.

Risks and Risk Mitigation:

Failure to make payments when due under the loan. Park Villa LLC has made its current payments on time to KCHA every month over the past 12 years. The reduction in interest rate will result in a 20% decrease in the debt payment which will enhance the property's ability to generate sufficient revenue to make the scheduled loan repayments. In addition, KCHA would hold as security a leasehold deed of trust and the underlying lessor interest in the lease. Failure to make the loan repayment as required would not only be a violation of the loan agreement but a violation of the lease. An uncured default under the terms of the lease would permit KCHA to terminate the lease and take possession of the property.

Failure to repay KCHA the outstanding balance of the loan when due. In 10 years, when the loan matures, the balance of the note would be approximately \$3.3 million. The value of the property today is conservatively \$7 - \$7.5 million. Failure to make the payment as required would result in both a violation of the loan agreement and the lease and would result in the termination of the lease with the property reverting back to KCHA ownership. In this situation, KCHA would take possession of the property for a fraction of its market value.

Failure to have sufficient funds on hand to pay exit tax liabilities when due if the loan has not been paid in full as anticipated. KCHA has sufficient funds and access to credit, if necessary, to bridge the payment of exit tax liabilities when due. KCHA also has some flexibility in determining when it will exercise its right to acquire the tax credit investor limited partner interests and therefore can time expected exit tax payments to the expected receipt of the loan repayment.

Passage is recommended.

Board of Commissioners
DOUG BARNES, *Chair*
MICHAEL BROWN, *Vice-Chair*
RICHARD MITCHELL
SUSAN PALMER

Executive Director
STEPHEN J. NORMAN



KING COUNTY HOUSING AUTHORITY

December 18, 2013

Park Villa, LLC
2200 Sixth Ave, Suite 2200
Seattle, WA 98121
Attn: Mr. William H. Goldberg

RE: Term Sheet for refinancing of Eastwood Square Apartments

The King County Housing Authority ("KCHA") is pleased to present to you this Term Sheet outlining the general terms and conditions under which KCHA would be interested in providing a loan to refinance the \$4,000,000 Multifamily Family Revenue Bonds, (2001 Eastwood Square Apartments Project) ("Bonds") and the City of Bellevue loan ("City Loan") both of which provided acquisition financing for Park Villa LLC's leasehold interest in the Eastwood Square Apartments. The proposed general terms and conditions of the Loan are as follows:

General Terms & Conditions:

Borrower: Park Villa LLC

Project: Eastwood Square Apartments located at 14631 NE 35th St, Bellevue, WA 98007

Type of Project: 48-unit subsidized apartment complex

Purpose: Refinance the Bonds and the City Loan which provided the original financing for the acquisition of Park Villa's leasehold interest in the Project.

Loan Amount: Approximately \$4,200,000. The total will be adjusted such that the Loan proceeds are sufficient to pay off the Bonds, the City Loan and cover Third Party Costs associated with the Loan.

Interest Rate: 5%

Term: 10 years

Payments: Payments of principal and interest for 120 months

Amortization: Loan will be amortized in equal payments and will be amortized over the remaining term of the Bonds (amortized through 2041)

Loan Fee: .5% of the final Loan amount

Recourse: Non-Recourse

Security: A first leasehold deed of trust and an assignment of leases and rents

Prepayment: Any prepayment shall be subject to a yield maintenance penalty calculated at 5,4,3,2,1,1,1,1,0.

Third Party Costs: Borrower is responsible for all normal and customary third party costs to close including but not limited to legal, appraisal, title insurance, etc.

Loan Covenants: Annual audited financial statement
Quarterly financial statements (within 45 days of each calendar quarter)
Annual rent roll and annual HUD Form 92458
Debt service coverage ratio of 1.25:1.00 or better
Initial loan to value no less than 75%
Annual Compliance Certificate

Additional Requirements:

In addition to the general term and conditions, the final commitment and funding of the Loan shall be conditioned upon:

Evidence of all required consents of the members of Park Villa LLC as well as any amendment(s) necessary per the company's operating agreement for Park Villa LLC to enter into the Loan.

Receipt of all required approvals to amend the Financing Lease between KCHA and Park Villa LLC.

Amendment of the Financing Lease and any other project related document(s).

Any reports or verifications necessary to evidence sufficiency of funds to redeem or defease the Bonds.

Review of current physical needs assessment of the Project and sufficient funds escrowed to satisfy any immediately needed repair work.

Transfer and funding of replacement reserves in an account requiring approval by KCHA for release of reserves (which release shall not be unreasonably withheld).

Receipt of any required legal opinion.

Compliance with statutory and on-going affordability covenants.

Receipt of additional information required by KCHA.

This Term Sheet is not meant to be nor shall it be construed as an attempt to define all of the terms, conditions and requirements of the Loan but to outline the basic business points of the transaction. Further discussion of the specifics of the Loan shall not be precluded by the issuance of this Term Sheet.

Park Villa LLC Term Sheet
December 18, 2013

Upon confirmation from Park Villa LLC of its interest to proceed with the Loan, KCHA will engage legal counsel to draft changes to the Financing Lease and other related documents necessary to permit the refinancing of the Bonds and the City Loan.

We at King County Housing Authority look forward to the opportunity to work with you on this transaction. Should you have any questions, please feel free to contact either myself at (206) 574.1193 or Tim Walter at (206) 574.1231.

Sincerely,

Daniel R. Watson
Deputy Executive Director
King County Housing Authority

cc: Stephen Norman

HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5460

A RESOLUTION of the Housing Authority of the County of King authorizing the Authority to make a loan to Park Villa LLC for the purpose of refinancing the Eastwood Square Apartments and to negotiate, execute and deliver various documents in connection with such transaction, and determining related matters.

ADOPTED March 17, 2014

This document was prepared by:

*FOSTER PEPPER PLLC
1111 Third Avenue, Suite 3400
Seattle, Washington 98101
(206) 447-4400*

HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5460

A RESOLUTION of the Housing Authority of the County of King authorizing the Authority to make a loan to Park Villa LLC for the purpose of refinancing the Eastwood Square Apartments and to negotiate, execute and deliver various documents in connection with such transaction, and determining related matters.

WHEREAS, the Housing Authority of the County of King (the “Authority”) seeks to encourage the provision of long-term housing for low-income persons residing within King County, Washington; and

WHEREAS, the Authority has been designated as a “housing associate” of the Federal Home Loan Bank of Seattle (the “Seattle FHLB”); and

WHEREAS, RCW 35.82.070(1) provides that a housing authority may, among other things, “make and execute contracts and other instruments . . .”; and

WHEREAS, RCW 35.82.070(18) provides that a housing authority may, among other things and if certain conditions are met, “make . . . loans for the . . . acquisition, construction . . . rehabilitation, improvement . . . or refinancing of land, buildings, or developments for housing for persons of low income”; and

WHEREAS, pursuant to Resolution No. 3143, adopted by the Board of Commissioners of the Authority (the “Board”) on September 12, 2001, and a Trust Indenture dated as of October 1, 2001 between the Authority and U.S. Bank National Association (now U.S. Bank National Association), as trustee, the Authority issued its Multifamily Housing Revenue Bonds, 2001 (Eastwood Square Apartments Project) (the “2001 Bonds”) in the aggregate principal amount of \$4,000,000, of which \$3,470,000 aggregate principal amount is currently outstanding, to provide

part of the costs of acquiring a 48-unit apartment complex known as the Eastwood Square Apartments located in Bellevue, Washington (the "Project"), which Project is owned by the Authority and leased to Villa Park LLC (the "Borrower"), all to provide housing for low-income persons within King County (the "County"); and

WHEREAS, pursuant to a Funding Agreement between the Authority and the City of Bellevue dated October 12, 2001, the City loaned the Authority \$600,000 (the "City Loan"), of which approximately \$544,000 is currently outstanding, to provide part of the costs of acquiring the Project to be leased to the Borrower, all to provide housing for low-income persons within the County; and

WHEREAS, pursuant to a Lease Agreement dated as of October 1, 2001 (the "Lease"), between the Authority and the Borrower, the Authority has transferred the Project to the Borrower pursuant to a long-term lease agreement; and

WHEREAS, the Authority deems it necessary and convenient to make a loan to the Borrower in an amount not to exceed \$4,200,000 to provide the funds necessary to refinance the costs of the Project, including the repayment of the Bonds and the City Loan (the "Refinancing") in accordance with the Authority's proposal letter dated December 18, 2013 (the "Proposal Letter"); and

WHEREAS, the Authority has determined that the loan authorized herein is important for the feasibility of the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING as follows:

Section 1. Authorization of Loan to the Borrower. The Board approves the use of Authority funds to make a loan to the Borrower in a principal amount not to exceed \$4,200,000

for the purpose of carrying out the Refinancing, all in accordance with the Proposal Letter. The maturity date of the loan may be extended at the option of the Authority so long as the agreed upon rate of interest payable on the loan balance at the time of the extension is not less than the U.S. Treasury rate with a similar maturity date. The Executive Director of the Authority is authorized to further negotiate the terms of the loan with the Borrower, and to enter into customary loan documents, including a loan agreement, a deed of trust, assignments of management and other contracts, an amendment to the Lease and a promissory note, in connection therewith. The Board authorizes and directs the Executive Director of the Authority to do everything necessary for the negotiation, execution and delivery, on behalf of the Authority, of all documents as may be useful or necessary to the purpose of this Section 1, as determined by the Executive Director.

Section 2. Expenditures. The Authority is authorized to expend such funds as are necessary to pay, to the extent not paid by the Borrower, for all filing fees, application fees, registration fees, account fees and other costs relating to the actions authorized by this resolution.

Section 3. Execution and Delivery of Additional Documents. The Executive Director is hereby directed, and granted the discretionary authority, to execute and deliver any and all notices and other certificates, documents, agreements and instruments that are necessary or appropriate in his discretion to give effect to this resolution and to consummate the transactions contemplated herein.

Section 4. Authorization of Future Acts. The Board further authorizes and directs the Executive Director and all other proper officers, agents, attorneys and employees of the Authority to carry out, or cause to be carried out, all obligations of the Authority under the documents authorized by this resolution and to perform or cause to be performed such other acts

as they shall consider necessary or advisable in connection with the making of a loan to the Borrower and the application of such proceeds to carry out the Refinancing, or in order to give effect to this resolution and the transactions contemplated herein.

In particular, the Board approves accessing up to \$[4,200,000] of credit from the Seattle FHLB in connection with the loan, and authorizes the Executive Director, in his discretion, to make application to the Seattle FHLB for such extension of credit, to execute agreements pledging collateral (which may include, without limitation, previously authorized Board designated funds) to the Seattle FHLB as required in connection with such extension of credit, to approve the substitution of such collateral from time to time, and to open and maintain any accounts as may be useful or necessary in connection with such transactions.

Section 5. Acting Officers Authorized. Any action required by this resolution to be taken by the Executive Director of the Authority may in the absence of such person be taken by a Deputy Executive Director of the Authority.

Section 6. Ratification and Confirmation. Any actions of the Authority or its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.

Section 7. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

ADOPTED by the Board of Commissioners of the Housing Authority of the County of King at an open public meeting this 17th day of March, 2014.

HOUSING AUTHORITY OF THE COUNTY OF
KING

By: _____
Chair

ATTEST:

Stephen Norman, Secretary

CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Executive Director of the Housing Authority of the County of King (the "Authority") and keeper of the records of the Authority, CERTIFY:

1. That the attached Resolution No. 5460 (the "Resolution") is a true and correct copy of the resolution of the Board of Commissioners (the "Board") of the Authority, as adopted at a meeting of the Authority held on March 17, 2014, and duly recorded in the minute books of the Authority.

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

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of March, 2014.

Executive Director of the Authority

CERTIFICATE

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KING COUNTY HOUSING AUTHORITY

TO: Board of Commissioners

FROM: Tim Walter, Mike Sivia

DATE: March 12, 2014

RE: **Resolution No. 5461:** Authorizing Provisional Acceptance of an Offer to Purchase Low Income Housing Tax Credits and Admission of an Investor Member to the Vantage Point Apartments LLC

Summary:

Resolution No. 5461 authorizes the acceptance of RBC Capital Market's offer to purchase Low Income Housing Tax Credits to be used for the development of Vantage Point Apartments, a 77-unit senior building in Renton. In addition, the Resolution admits RBC as an investor member to the Vantage Point Apartments LLC, whose formation was previously approved by the Board.

Background:

Vantage Point Apartments is proposed to be built on a 5 acre parcel of vacant property located adjacent to the Vantage Glen Manufactured Housing Community in Renton. The building design provides for 72 one-bedroom units and 5 two-bedroom units and will have dedicated on-site space for management and resident services staff. All of the 77 units will be subsidized and the units will be designated for elderly and near elderly (55+ year) low-income households.

Resolutions No. 5415 and No. 5454, passed by the Board in December 2012 and 2013 respectively authorized formation of a limited liability company, Vantage Point Apartments LLC and a loan to the project to provide initial financing for pre-development activities including the design of the building. KCHA is and will continue to be the managing member of Vantage Point Apartments LLC.

Resolution No. 5461 authorizes KCHA to admit RBC Capital Markets and/or an affiliate ("RBC") as the investor member of the Vantage Point Apartments LLC. Admitting RBC as a member will allow the LLC to solicit the services of a general contractor/construction manager (GCCM). Once a GCCM has been selected, the GCCM will be able to determine the actual cost of constructing the building as it has been designed. When the actual cost of construction has been determined, KCHA will provide the board with a complete project profile and development plan outlining the proposed financing for the project. Subject to future board approval, KCHA will lease the site to the Vantage Point Apartments LLC and the LLC will commence construction at that time. Admission of RBC as an investor member to the LLC also provides for a provisional commitment by RBC to purchase the tax credits which will be generated by the development of the project. RBC's purchase offer is approximately \$15.5 million (\$.99 per credit dollar). RBC is an experienced tax credit investor and is the investor in a number of KCHA's tax credit developments including Green River Homes 2, Birch Creek and Egis all of which are subsidized properties.

Staff expects to have the financing and completed project profile available for the board at the May, 2014 meeting. A schematic drawing of the building prepared by the architect is attached.

Site Plan



North Wing



HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5461

(VANTAGE POINT APARTMENTS)

A RESOLUTION of the Housing Authority of the County of King authorizing provisional acceptance of an offer to purchase Low Income Housing Tax Credits and admission of an Investor Member to the Vantage Point Apartments LLC

ADOPTED MARCH 17, 2014

HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5461

(VANTAGE POINT APARTMENTS)

A RESOLUTION of the Housing Authority of the County of King authorizing provisional acceptance of an offer to purchase Low Income Housing Tax Credits and admission of an Investor Member to the Vantage Point Apartments LLC

WHEREAS, the Housing Authority of the County of King (the “Authority” or “KCHA”) seeks to encourage the provision of long-term housing for low-income persons residing within King County, Washington; and

WHEREAS, RCW 35.82.070(2) provides that a housing authority may “prepare, carry out, acquire, lease and operate housing projects; to provide for the construction, reconstruction, improvement, alteration or repair of any housing project or any part thereof . . .”; and

WHEREAS, RCW 35.82.020 defines “housing project” to include, among other things, “any work or undertaking . . . to provide decent, safe and sanitary urban or rural dwellings, apartments, mobile home parks or other living accommodations for persons of low income”; and

WHEREAS, RCW 35.82.070(1) provides that a housing authority may, among other things, “make and execute contracts and other instruments, including but not limited to partnership agreements and joint venture agreements . . .”; and

WHEREAS, KCHA subdivided 5.02 acres of unutilized property from the Vantage Glen Manufactured Housing Community in 2010 to create a 77 unit site for the development of housing for low income senior citizens located at 17901 105th Avenue Place, SE, Renton, Washington, to be known as Vantage Point Apartments (“Vantage Point”) and

WHEREAS, pursuant to Resolution No. 5415 KCHA formed Vantage Point Apartments LLC (the “Company”) for purposes of owning and developing Vantage Point, thereby maximizing the benefits and minimizing the risks to the Authority; and

WHEREAS, pursuant to Resolutions No. 5415 and No. 5454 KCHA submitted financing applications to the King County Housing Finance Program (the “HFP”), the State Housing Trust Fund (the “HTF”), and the Washington State Housing Finance Commission (the “WSHFC”); and

WHEREAS, KCHA received a firm commitment to provide \$2 million in financing from the HFP (and may receive an additional \$2 million); expects to receive a commitment to provide \$0.5 million in financing from the HTF; and received or will receive allocations of 2013 and 2014 Nine Percent (9%) Low Income Housing Tax Credits (the “Tax Credits”) from the WSHFC to provide equity for 77 units of housing; and

WHEREAS, pursuant to Resolution No. 5415 KCHA committed \$2 million in Moving To Work (“MTW”) working capital for the purpose of financing the development of Vantage Point; and

WHEREAS, RBC Capital Markets (“RBC”) submitted a Letter of Intent offering to purchase 99.99% of the Tax Credits for approximately \$15.5 million; and

WHEREAS, KCHA desires to secure the capital contribution offered by RBC by admitting it to the Company and allowing the Company to solicit proposals from contractors to be the general contractor as well as serve as construction manager and provide value engineering and cost estimating services so that the Company can determine whether it has sufficient financing sources to proceed with construction;

NOW THEREFORE, BE IT RESOLVED, BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING, as follows:

Section 1. Definitions. As used in this resolution, the following words have the following meanings:

“Authority” means the Housing Authority of the County of King, a public body corporate and politic duly organized and existing under and by virtue of the laws of the State of Washington.

“Board” means the Board of Commissioners of the Authority.

“Company” means Vantage Point Apartments LLC, a Washington limited liability company, of which the Authority is the Manager or Managing Member.

“Project” means, depending on the context, (1) the development and construction of Vantage Point Apartments, located at 17901 105th Place SE, Renton, Washington, on land leased by the Company from the Authority, or (2) Vantage Point Apartments.

Section 2. Admission of Investor to the Company. The Authority is authorized to negotiate the terms of an Amended and Restated Operating Agreement (the “Operating Agreement”) for the LLC, under which the Authority will be the sole managing member and entities affiliated with RBC Capital Markets (“RBC”) will be the investor member(s), on terms and conditions approved by the Executive Director. The Operating Agreement will prohibit the Company from commencing with construction of the Project until the Board gives formal approval to the financing structure and authority to enter into the lease. The Executive Director of the Authority is authorized to execute the Operating Agreement on behalf of the Authority.

Section 3. Predevelopment Activities. The Authority's Executive Director is further authorized and directed to take all necessary and appropriate action in connection with the structuring of financing for the Project and the design and development of the improvements to be constructed in connection therewith, including, but not limited to: (i) preparing all appropriate resolutions for Board review and approval; (ii) preparing all documents required so that the Authority and the Company comply with state and federal laws; (iii) applying for credit enhancement for any loans by the Authority to the Project (but only if the Authority's Executive Director determines such credit enhancement to be cost effective); and (iv) negotiating contracts or agreements relating to the development and management of the Project or lease of the property at 17901 105th Place SE, Renton .

Section 4. Ancillary Documents. The Authority's Executive Director is hereby directed, and granted the discretionary authority, to execute and deliver any and all other certificates, documents, agreements and instruments that are necessary or appropriate in his discretion to give effect to this resolution and to prepare documents for the transactions contemplated herein, including, but not limited to, any development services agreement between the Company and the Authority (and/or others) providing for the development of the Project, contracts with architects, engineers and other consultants, and construction contracts.

Section 5. Necessary Expenditures. The Authority is authorized to expend such funds as are necessary to pay for all filing fees, application fees, registration fees and other costs relating to the actions authorized by this resolution.

Section 6. Acting Officers Authorized. Any action required by this resolution to be taken by the Executive Director of the Authority may in his absence be taken by a duly authorized acting Deputy Executive Director of the Authority.

Section 7. Ratification and Confirmation. Any actions of the Authority or its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.

Section 8. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

ADOPTED by the Board of Commissioners of the Housing Authority of the County of King at an open public meeting this 17th day of March 2014.

HOUSING AUTHORITY OF THE COUNTY OF
KING

Chair, Board of Commissioners

ATTEST:

Executive Director

CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Executive Director of the Housing Authority of the County of King (the "Authority") and keeper of the records of the Authority, CERTIFY:

1. That the attached Resolution No. 5461 (the "Resolution") is a true and correct copy of the resolution of the Board of Commissioners of the Authority, as adopted at a meeting of the Authority held on March 17, 2014, and duly recorded in the minute books of the Authority.

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

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of March, 2014.

HOUSING AUTHORITY OF THE COUNTY OF
KING

Executive Director

CERTIFICATE

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KING COUNTY HOUSING AUTHORITY

TO: Board of Commissioners

FROM: Craig Violante

DATE: March 3, 2014

RE: 2013 Fourth Quarter and Year-End Financial Statements

FOURTH QUARTER EXECUTIVE SUMMARY

Fourth quarter highlights include the following important transactions:

- KCHA acquired the four King County Chaussee properties-Bellevue Manor, Patricia Harris Manor, Northwood Square and Vashon Terrace. These acquisitions give KCHA 147 new units, including 107 senior units in Bellevue and Redmond
- KCHA closed the \$65 million Key Bank Loan. This refinanced 19 properties debt and provided permanent financing for the Chaussee acquisition. This new loan has the potential to be upsized to \$85 million, carries an interest rate of 3.57% and is fixed for 10 years. The note is being amortized over 20 years and can be called by the lender after 10. It is expected that this financing structure will save KCHA approximately \$6 million in interest charges over its life.
- Alpine Ridge, Heritage Park and Colonial Gardens were acquired from their respective tax credit investors by assuming outstanding debt and are now part of KCHA's bond portfolio in the Asset Management department.

During the fourth quarter, total working capital increased by \$13.1 million:

FOURTH QUARTER SUMMARY OF KEY WORKING CAPITAL ACTIVITY **(In millions of dollars)**

Change to KCHA-Wide Working Capital		<i>An increase of \$13.1 million</i>
Description	Fund Group	Amount
Working capital generated from locally-owned properties	Local (KCHA)	\$3.6
Overlake Stabilization Funds to KCHA	Tax Credit - GP	\$1.2
Block grant contribution from HUD	MTW	\$5.6
Net of all other sources/(uses)	All others	\$2.7

2013 YEAR-END EXECUTIVE SUMMARY

In 2013, KCHA received 93.976% of its \$99.1 million Section 8 Block Grant eligibility, or \$93.1 million. This is a reduction, compared to original forecasts, of \$3.0 million. The final Public Housing Operating Fund Subsidy proration of 81.86% resulted in an annual funding reduction of \$844,000 compared to initial forecasts and was \$1.7 million less than full eligibility.

2013 Operating Revenues were \$213.5 million compared to a budget of \$210.1 million, while Operating Expenses of \$185.4 million were less than the budget of \$187.0 million. Overall working capital increased by \$1.6 million.

In addition to the major fourth quarter transactions listed above, and as a reminder, other 2013 items of significance include:

- \$18 million was borrowed from the Federal Home Loan Bank (FHLB) during the third quarter and was immediately loaned to Moving King County Residents Forward (MKCRF). The loan from the FHLB carries a fixed rate of 3.79% and has a term of 20 years. KCHA will repay \$75,000 of principal each month, plus outstanding interest. The effect of the structure will be higher monthly debt service payments at the beginning of the loan and lower amounts at the end. The loan between KCHA and MKCRF carries a 6% rate and is a standard 20-year amortizing loan. MKCRF will use cash flow from its properties to make its monthly debt service payments to KCHA.
- In March, due to the financial impact of sequestration, KCHA suspended drawing names from the Section 8 waiting list. Despite this action, over-leasing continued throughout the year. At December 31, KCHA has leased 8,185 block grant vouchers, 341 above the ACC baseline.
- Over the course of 2013, the average Total Tenant Payment of Section 8 participants rose by \$24.64 per month or 6.7% while KCHA's average HAP payment to landlords rose by \$7.62 per month or 0.9%

CASH AND INVESTMENT SUMMARIES

Although overall cash balances rose during the quarter, \$3.6 million was a transient increase as Fairwind received a cash payment from the investor on December 31st and then used the full amount on the first day of January to pay off debt. For a complete report on cash, please see page 8.

Cash Summaries (in millions)

<i>Restriction Type</i>	<u>12/31/2013</u>	<u>9/30/2013</u>	<u>Change</u>
Unrestricted	\$30.7	\$24.3	\$6.5
Restricted to Program Uses	13.9	8.3	5.5
Designated/Committed for Specific Uses	44.2	47.4	(3.2)
Externally Restricted	35.7	37.6	(2.0)
Externally Restricted to pay for short-term liabilities	3.2	3.5	(0.3)
Total	<u>\$127.8</u>	<u>\$121.2</u>	<u>\$6.6</u>

The overall return on KCHA investments was 0.35% this quarter, down from 0.38% one year ago but unchanged from last quarter. The Washington State Treasurer's Local Government Investment Pool (LGIP) interest rate at December 31st was 0.12%, and the projected rate as of March 3, 2014 is 0.09%.

Investment Summaries (in millions)

	Amount	Yield
Invested in the Local Government Investment Pool	\$52.2	0.12%
Invested by KCHA	45.9	0.74%
Cash held by trustees	17.4	0.15% *
Cash held in checking and savings accounts	12.2	0.15% *
Total	<u>\$127.8</u>	<u>0.35%</u>

*Estimate

Balances and quarterly activity for MTW and COCC cash reserves are:

MTW Reserve Balances

*(in millions of dollars)*MTW Cash, Beginning of Quarter \$27.5*Quarterly change:*

Capital construction projects (3.6)

Block grant subsidy payments from HUD in excess of direct expenses 5.6

Direct social service expenses (0.3)

Other net change (0.1)

MTW Cash, End of Quarter \$29.1*Less Reserves:*

Restricted Reserve-Green River Collateral (9.5)

Construction Reserve (2.3)

HAP Reserve (also used as FHLB collateral) (6.0)

Additional investments pledged as collateral with the FHLB (3.0)

Supportive Housing Reserve (1.1)

Technology Reserve (2.5)

PERS Reserve (0.5)

MTW Working Capital Cash, End of Quarter \$4.3

COCC Reserve Balances

*(in millions of dollars)*COCC Cash, Beginning of Quarter \$33.9*Quarterly change:*

Transfer from Overlake stabilization fund 1.2

Other net change 0.7

COCC Cash, End of Quarter \$35.8*Less Reserves:*

Liquidity Reserves for King County credit enhancement (9.0)

PERS Reserve (0.2)

COCC Working Capital Cash, End of Quarter \$26.6

CAPITAL INVESTMENTS (Including tax credit partnerships)

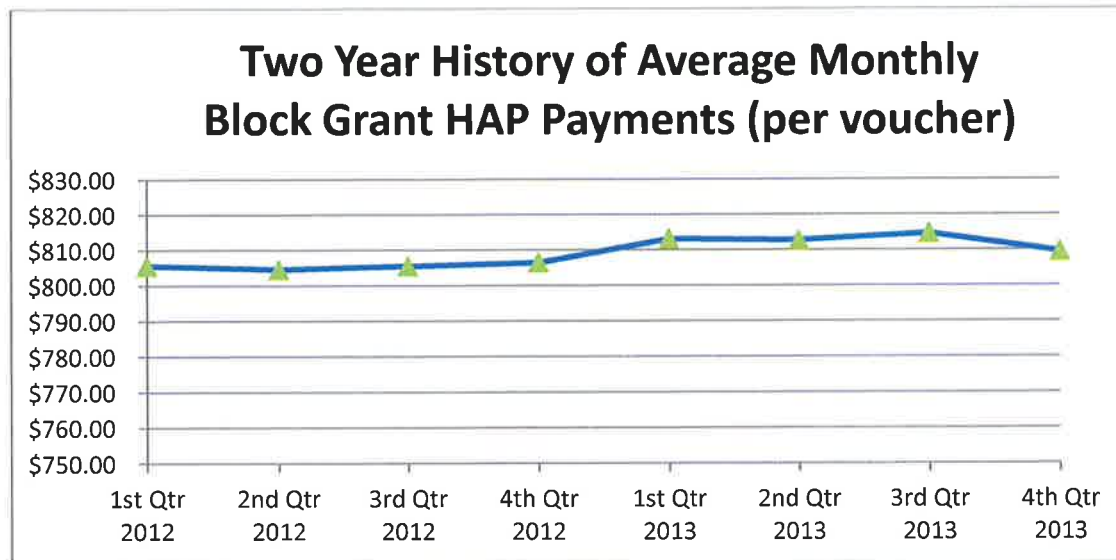
The following schedule shows the budget versus actual costs of both KCHA-owned and KCHA-managed tax credit partnership capital projects through the fourth quarter. It differs from the presentation made to the Board in February 2014 due to timing differences and differences in the scope of included costs.

	Actuals Thru 12/31/2013	Budget Thru 12/31/2013	Percent of Annual Budget
CONSTRUCTION ACTIVITIES			
<i>Managed by Capital Construction Department</i>			
Public Housing	\$7,316,409	\$6,695,415	109.3%
509 Properties	6,049,707	6,417,907	94.3%
Other Properties	1,003,327	1,195,848	83.9%
Community Buildings	2,277,315	2,181,167	104.4%
	16,646,757	16,490,337	100.9%
<i>Managed by Housing Management Department</i>			
Unit Upgrade Program	4,450,082	4,435,223	100.3%
Other Projects	295,527	413,353	71.5%
	4,745,609	4,848,576	97.9%
<i>Managed by Asset Management Department</i>			
Bond Properties	11,804,359	9,104,895	129.6%
Other Properties	429,503	415,500	103.4%
	12,233,862	9,520,395	128.5%
Subtotal Construction Activities	33,626,229	30,859,308	109.0%
DEVELOPMENT ACTIVITY			
<i>Managed by Hope VI Department</i>			
Seola Gardens	8,540,678	10,529,731	81.1%
Greenbridge	422,563	496,042	85.2%
Salmon Creek/Nia	524,379	879,268	59.6%
	9,487,621	11,905,041	79.7%
<i>Managed by Development Department</i>			
Vantage Point	465,840	930,000	50.1%
Green River Homes	50,308	575,817	8.7%
Birch Creek	2,744	360,000	0.8%
Notch	79,536	541,144	14.7%
	598,428	2,406,961	24.9%
Subtotal Development Activity	10,086,049	14,312,002	70.5%
TOTAL CONSTRUCTION & DEVELOPMENT	\$43,712,277	\$45,171,310	96.8%
PROPERTY ACQUISITIONS & OTHER ASSETS			
Acquisitions	48,831,190		
Other Assets	401,463		
TOTAL PER WORKING CAPITAL REPORT	\$92,944,930		

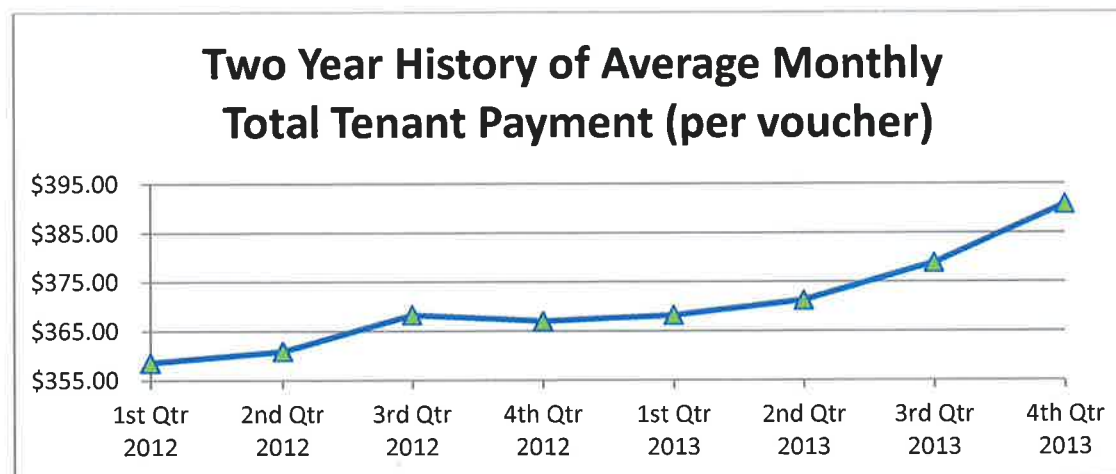
PROGRAM ACTIVITIES

HOUSING CHOICE VOUCHERS

The average quarterly HAP payment to landlords for block-granted vouchers was \$809.56, compared to \$814.67 last quarter and \$806.43 one year ago.



The average Total Tenant Payment (TTP) is the tenant's monthly contribution towards rent and utilities and should be 28.3% of adjusted income unless the tenant opts to rent a more expensive unit. Average TTP during the quarter was \$390.81, up from \$378.93 the previous quarter and \$367.07 from one year ago. Also of concern is the fact that welfare benefits have declined significantly. According to KCHA's 2012 Entry and Exit report, the income of exiting Section 8 program participants has fallen from \$17,268 in 2009 to \$13,563 in 2012.



To keep TTP at or around 28.3% of adjusted income, payment standards are periodically reviewed. Due to sequestration cuts, the most recently proposed adjustments to payment standards have been put into abeyance. The data below shows how the number of families who are paying more than 30%, 40% and 50% has changed over the past year:

Families Paying More Than 30%		Families Paying More Than 40%		Families Paying More Than 50%	
Dec-12	Dec-13	Dec-12	Dec-13	Dec-12	Dec-13
2,768	2,951	1,000	1,151	978	1,158

MTW PROGRAM

In the **MOVING TO WORK (MTW) FUND**, KCHA combines HUD Public Housing Operating Fund revenues with Section 8 Block Grant funding. Out of these aggregated revenues, there are five distinct uses:

- **Transfers to the Section 8 program to pay for Housing Assistance Payments to landlords and administrative expenses**

For most of 2013, block grant revenues lagged behind budget projections as HUD had been slow releasing cash payments. However, a \$4 million “catch up” payment was released in October to bring actual revenue in alignment with budget.

<i>(In thousands of dollars)</i>	Actual	Budget	Variance	%Var	
HCV Block Grant Revenue	\$92,962.8	\$93,060.6	(\$97.8)	(0.1%)	
Funding of HAP Payments to Landlords	(79,315.4)	(79,465.8)	(150.4)	0.2%	
Funding of Section 8 Administrative Costs	(6,630.0)	(7,168.7)	(538.7)	7.5%	(1)
Excess of HCV Block Grant Funding over Expenses	\$7,017.4	\$6,426.1	\$591.3	9.2%	

1) A 4th quarter adjustment was made to reduce the draw on the block grant for Section 8 administrative costs. Overall average per unit fee was \$68.84 vs. HUD's baseline fee of \$86.79

- **Payments to Public Housing sites to subsidize the difference between operating costs and tenant revenue**

Due to high proration levels, subsidy from the Public Housing Operating Fund was not sufficient in 2013 to fund expenses. MTW resources were used to bridge the gap.

<i>(In thousands of dollars)</i>	Actual	Budget	Variance	%Var	
Public Housing Operating Fund Revenue-Direct to MTW	\$1,820.6	\$1,574.2	\$246.3	15.6%	(1)
Additional Transfers (to) from PH AMPs Based on Need	(2,590.3)	(2,494.7)	(95.6)	3.8%	
Net Flow of Cash(from)/to MTW from/(to) PH	(\$769.7)	(\$920.4)	\$150.7	(16.4%)	

1) Subsidy that is not specifically coded to a public housing site is retained by the MTW fund. Budget was artificially low due to budgeting error. Actual subsidy retained by MTW fund is less than eligibility due to sequestration.

- **Expenditures for special MTW programs**

Two initiatives are currently being funded out MTW working capital: Supportive Housing Initiatives and certain Resident Services programs (such as the Resident Opportunities Plan and the Educational Initiative). Following are year-to-date uses and budget:

<i>(In thousands of dollars)</i>	Actual	Budget	Variance	%Var	
Supportive Housing	\$1,265.6	\$1,507.3	(\$241.6)	(16.0%)	(1)
Resident-based Initiatives	781.5	1,069.6	(\$288.1)	(26.9%)	(2)
Use of MTW Funds for Special Programs	\$2,047.1	\$2,576.8	(\$529.7)	(20.6%)	

1) Student Family Stability initiative was budgeted for \$250k but was not begun until 4th quarter

2) Some budgeted activity was rescheduled for 2014.

- **Other uses of MTW funds**

MTW working capital is used for a variety of other purposes. Year-to-date expenditures include:

(In thousands of dollars)

	Actual	Budget	Variance	% Var
Construction Activity & Management Fees	\$9,611.40	\$9,238.16	\$373.2	3.9%
Misc. Other Uses	3,065.3	2,970.4	94.9	3.1%
	<u>\$12,676.7</u>	<u>\$12,208.5</u>	<u>\$468.2</u>	<u>3.7%</u>

- **Costs to administer the MTW program**

Administrative costs are primarily salaries and benefits of those who manage MTW-funded programs, with year-to-date expenses of \$746,000 or 0.79% of program gross revenues. Expenses were below the budget of \$865,000 as some professional services were not spent.

AGENCY OVERHEAD

The Central Office Cost Center (COCC) aggregates overhead costs for the Authority. The COCC is supported by fees charged to both Federal and non-Federal programs and housing properties, and by transfers of excess cash from non-Federal housing programs. KCHA continues to administer its programs in a fiscally-prudent manner and within HUD guidelines. The chart below reflects a summary of COCC activity, excluding Regional Maintenance crews.

(In thousands of dollars)

	YTD Actual	YTD Budget	Variance	% Var	
Revenues					
Management fees	\$7,947.6	\$7,951.8	(\$4.2)	(0.1%)	
Cash transferred-in from local properties	2,524.0	2,115.0	409.0	16.2%	(1)
Transfers-in for other reasons	1,577.0	55.6	1,521.4	96.5%	(2)
Investment income	517.4	126.2	391.2	75.6%	(3)
Other income	934.0	497.4	436.6	46.7%	(4)
	<u>\$13,500.0</u>	<u>\$10,746.0</u>	<u>\$2,754.0</u>	<u>20.4%</u>	
Expenses					
Salaries & Benefits	\$7,789.3	\$8,229.7	(\$440.4)	(5.7%)	(5)
Administrative Expenses	1,636.7	2,059.7	(423.1)	(25.9%)	(6)
Occupancy Expenses	299.3	326.2	(26.9)	(9.0%)	
Other Expenses	314.1	105.2	209.0	66.5%	(7)
	<u>\$10,039.4</u>	<u>\$10,720.8</u>	<u>(\$681.4)</u>	<u>(6.8%)</u>	
Net Change in Available COCC Resources	<u>\$3,460.7</u>	<u>\$25.2</u>	<u>\$3,435.4</u>		

- 1) Excess cash from bond properties was more than anticipated.
- 2) Majority is \$1.2 M transfer from Overlake stabilization fund
- 3) \$257k of variance due to unbudgeted MKCRF interest revenue; rest related to budgeting error
- 4) Unbudgeted recognition of deferred credit related to AIDS Housing of Washington.
- 5) Due to open positions
- 6) CO remodel budgeted as expense but was actually capitalized
- 7) Unbudgeted interest expense related to MKCRF note.

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King County Housing Authority
Consolidated Cash Report
As of 12/31/2013

	KCHA-Owned Cash				Total Cash 9/30/2013	Cash of Other Entities 12/31/2013
	State Pool 12/31/2013	Outside Investments 12/31/2013	Other Cash Accounts 12/31/2013	Total Cash 12/31/2013		
Cash-Unrestricted						
COCC	10,970,040	4,233,507	50	15,203,597	13,339,967	0
Other Funds	13,129,621	1,001,751	1,387,036	15,518,407	10,914,853	16,875,336
Total Cash-Unrestricted	24,099,661	5,235,258	1,387,086	30,722,004	24,254,820	16,875,336
Cash for Use Within Specific Programs						
MTW	3,217,532	1,003,492	12,603	4,233,627	(1,246,308)	0
Public Housing	6,138,769	0	150	6,138,919	4,975,416	405,009
Section 8	(173,439)	0	809,582	636,143	922,696	0
COCC	38,464	0	0	38,464	0	0
Other Funds	2,871,079	0	100	2,871,179	3,655,768	0
Total Cash for Use Within Specific Programs	12,092,406	1,003,492	822,435	13,918,332	8,307,572	405,009
Cash Set-aside to Pay Short-term Debt (P & I Reserves)						
Other Funds	2,247,758	239,763	711,513	3,199,034	3,534,260	51,609
Total Cash Set-aside to Pay Short-term Debt	2,247,758	239,763	711,513	3,199,034	3,534,260	51,609
Cash Dedicated for Specific Purposes						
MTW	6,368,186	6,003,677	0	12,371,864	16,272,922	0
COCC	2,191,777	7,006,732	0	9,198,509	9,198,509	0
Other Funds	4,088,373	11,736,574	6,844,657	22,669,604	21,976,485	44,666
Total Cash Dedicated for Specific Purposes	12,648,336	24,746,983	6,844,657	44,239,977	47,447,916	44,666
Cash Restricted by Outside Entities						
MTW	0	3,003,898	9,500,000	12,503,898	12,503,898	0
Public Housing	248,021	0	0	248,021	244,217	8,876
Section 8	513,242	0	0	513,242	584,641	0
COCC	0	11,406,590	0	11,406,590	11,406,590	0
Other Funds	350,451	277,325	10,384,054	11,011,831	12,904,262	2,469,242
Total Cash Restricted by Outside Entities	1,111,714	14,687,814	19,884,054	35,683,582	37,643,608	2,478,118
TOTAL CASH BALANCES	52,199,875	45,913,310	29,649,745	127,762,930	121,188,176	19,854,739
Detail of Cash Dedicated for Specific Purposes						
Rehab Reserves				2,280,418	5,846,738	0
Project Reserves				3,615,000	3,615,000	0
Exit Tax Designation-Reserves				6,052,827	6,052,827	0
Revenue				400,000	0	0
PERS Designation Reserves				671,209	671,209	0
Replacement Reserves				10,601,777	10,307,448	41,666
Operations Reserves				0	1,211	3,000
Technology Reserves				2,459,616	2,468,421	0
Liquidity Reserves				9,006,732	9,006,732	0
HAP Reserves				6,003,677	6,003,677	0
Supportive Housing Reserves				1,148,721	1,474,653	0
Development				2,000,000	2,000,000	0
Total Cash-Dedicated for Specific Purposes				44,239,977	47,447,916	44,666
Detail of Restricted Cash						
Excess Cash Reserves				1,812,909	2,720,277	0
Project Reserves				35,043	42,566	0
Put Reserve				0	190,098	0
Endowment Reserves				797,399	824,153	0
Replacement Reserves				4,733,522	4,572,093	1,653,143
Operations Reserves				93,812	93,789	206,206
Bond Reserves-1 Yr Payment				612,539	2,486,756	0
Bond Reserves P & I				0		0
Residual Receipt Reserves				550,882	716,552	0
FSS-Reserves				575,949	642,196	1,476
Collateral Reserves				23,910,489	23,910,489	0
Security Deposits & Escrow Accounts				2,561,039	1,444,639	433,432
Total Restricted Cash				35,683,582	37,643,608	2,294,257

KING COUNTY HOUSING AUTHORITY

Statements of Financial Position

[In \$1,000's; excludes non-KCHA-managed component units]

For the Period Ended December 31, 2013

ASSETS	FEDERALLY-SUPPORTED PROGRAMS (managed by KCHA)										LOCAL PROGRAMS				Memo: KCHA COMBINED
	Public Housing			Other Housing			Other Programs		KCHA		Outside		Tax Credit		
	KCHA Owned	Outside Owned	KCHA Owned	Outside Owned	Section 8 Program	MTW Program	Section 8 Program	MTW Program	Owned Housing	Outside Housing	Gen Prior Activity	Develop Activity	Other	COC	
Working Capital Assets															
Cash-Unrestricted	\$13.9	\$4,813.6	\$2,295.8	\$13,867.9	\$0	\$0	\$0	\$0	\$5,086.3	\$2,200.1	\$934.7	\$238.7	\$5,290.8	\$14,922.5	\$49,664.3
Cash-Restricted Within Program	4,334.5	386.9	.0	.0	546.3	3,908.0	.0	3,908.0	.0	.0	.0	2,798.3	(241.6)	.0	11,732.4
Cash-Restricted for WC Purposes	.0	.0	9.2	2,487.5	.0	.0	.0	.0	594.3	.0	107.9	.0	.0	.0	3,199.0
Accounts Receivables	30.2	10,175.9 (1)	6.3	4,386.9	181.2	.0	181.2	.0	499.0	630.0	5,582.3	124.9	612.0	378.4	22,607.1
Prepaid Assets & Inventory	109.1	94.7	40.8	120.1	36.0	1.4	36.0	1.4	601.3	26.1	10.0	46.7	13.8	71.1	1,172.2
Total Working Capital Assets	4,487.6	15,471.2	2,352.1	20,862.4	763.5	3,909.4	763.5	3,909.4	6,780.8	2,856.2	6,635.1	3,208.5	5,675.0	15,373.0	88,375.0
Liabilities Offsetting Working Capital Assets															
Accounts Payable	(542.7)	(1,141.4)	(239.3)	(2,395.5)	(9.8)	(15.2)	(9.8)	(15.2)	(578.1)	(92.9)	(1.9)	(1,055.2)	(5,280.6)	(93.6)	(11,446.2)
Payroll Liabilities	(341.4)	(192.4)	(114.3)	(311.5)	(659.9)	(60.2)	(659.9)	(60.2)	(33.8)	(43.7)	.0	(11.1)	(28.5)	(1,378.9)	(3,175.6)
Accrued Liabilities	.0	(182.4)	(6.4)	(1,416.9)	.0	(250.8)	.0	(250.8)	(205.4)	(265.5)	(738.3)	(8.6)	.0	(18.9)	(3,093.2)
Deferrals	.0	(8.4)	.0	(359.8)	.0	.0	.0	.0	(91.0)	.0	(1,025.8)	.0	(2.4)	.0	(1,487.4)
Current Portion of Long-term debt	(166.8)	(9,607.8) (1)	.0	(3,197.3)	.0	.0	.0	.0	(1,660.0) (2)	(7,789.2) (4)	(4,958.9)	(13,600.0) (5)	.0	(178.4)	(41,158.4)
Total Offsetting Liabilities	(1,050.9)	(11,132.4)	(360.0)	(7,680.9)	(669.7)	(326.2)	(669.7)	(326.2)	(2,568.3)	(8,191.4)	(6,724.9)	(14,674.9)	(5,311.5)	(1,669.8)	(60,360.9)
Working Capital	3,436.7	4,338.8	1,992.2	13,181.5	93.8	3,583.2	93.8	3,583.2	4,212.5	(5,335.1) (4)	(89.8)	(11,466.4)	363.6	13,703.1	28,014.1
Other Assets															
Cash-Designated	.0	3,031.7	2,105.2	3,148.5	.0	12,371.9	.0	12,371.9	11,781.3	202.9	.0	2,000.0	400.0	9,198.5	44,240.0
Cash-Restricted	248.0	923.8	1,379.1	708.2	513.2	12,503.9	.0	12,503.9	5,660.2	758.0	2,035.6	1,807.4	.0	11,406.6	37,944.0
Receivables	.0	109,822.9	.0	80,455.1	.0	16,491.0	.0	16,491.0	3.8	30,763.7	56,244.7	1,371.4	209.6	22,335.0	317,697.3
Capital Assets	63,946.9	89,679.9	15,325.6	158,897.5	10.8	.0	10.8	.0	121,416.9	12,774.8	.0	3,263.8	.0	13,686.1	479,002.4
Work-in-Process	18,235.9	557.7	3,262.7	5,511.0	.0	40.4	.0	40.4	(2,403.3)	.0	.0	59,809.9	.0	244.6	85,258.9
Suspense	.5	.0	.0	.2	.0	.0	.0	.0	137.5	.3	.0	(.0)	.0	.3	138.8
Other Assets	.0	2,151.0	.0	955.8	.0	.0	.0	.0	(3,377.3) (3)	259.4	2,050.8	49.7	.0	.0	2,089.3
Total Other Assets	82,431.4	206,167.0	22,072.6	249,676.1	524.0	41,407.1	524.0	41,407.1	133,219.1	44,759.2	60,331.1	68,302.2	609.6	56,871.0	966,370.6
TOTAL ASSETS (net of WC offsets)	\$85,868.1	\$210,505.8	\$24,064.8	\$262,857.6	\$617.9	\$44,990.4	\$617.9	\$44,990.4	\$137,431.6	\$39,424.1	\$60,241.3	\$56,835.8	\$973.2	\$70,574.2	\$994,384.7
LIABILITIES & EQUITY															
Other Liabilities															
Deferrals-Related to Restr Cash	\$210.1	\$65.6	\$119.5	\$130.6	\$513.2	\$0	\$513.2	\$0	\$1,210.6	\$33.5	\$0	\$10.0	\$0	\$0	\$2,293.1
Debt	602.4	82,929.5	3,246.2	139,210.2	.0	.0	.0	.0	126,993.4	8,998.2	48,738.0	1,020.0	.0	24,315.0	436,053.1
Other Liabilities	88.7	4,219.0	1,327.1	1,551.5	.0	.0	.0	.0	.0	1,772.6	316.9	16,491.0	.0	.0	25,766.9
Equity	901.3	87,214.1	4,692.8	140,892.3	513.2	.0	513.2	.0	128,204.0	10,804.3	49,054.8	17,521.0	.0	24,315.0	464,113.0
Equity	84,966.8	123,291.7	19,372.0	121,965.3	104.6	44,990.4	104.6	44,990.4	9,227.6	28,619.7	11,186.4	39,314.8	973.2	46,259.2	530,271.7
Equity	84,966.8	123,291.7	19,372.0	121,965.3	104.6	44,990.4	104.6	44,990.4	9,227.6	28,619.7	11,186.4	39,314.8	973.2	46,259.2	530,271.7
TOTAL LIAB & EQ (net of curr liab)	\$85,868.1	\$210,505.8	\$24,064.8	\$262,857.6	\$617.9	\$44,990.4	\$617.9	\$44,990.4	\$137,431.6	\$39,424.1	\$60,241.3	\$56,835.8	\$973.2	\$70,574.2	\$994,384.7

- 1) Fairwind financing lease receivable and payable
- 2) Current portion of bond payments; source of funding will be P & I reserves
- 3) Fair market value of derivatives at year end 2013 was \$3.4 million-GAAP adjustment
- 4) \$7.7 million ST LOC related to Wonderland NMTC was refinanced in November but remains short-term as it now matures in November 2014.
- 5) Short-term Fairwind Line of Credit of \$13.6 million; source of repayment will be 2014 equity pay-in from investor

KING COUNTY HOUSING AUTHORITY

Working Capital Statements

(in \$1,000's; excludes non-KCHA-managed component units)

For the Period Ended December 31, 2013

	FEDERALLY-SUPPORTED PROGRAMS (managed by KCHA)										LOCAL PROGRAMS					Memo: KCHA COMBINED	
	Public Housing		KCHA		Other Housing		Section 8		Other Programs		KCHA Owned Housing	Outside Owned Housing	Tax Credit Gen Ptnr Activity	Develop Activity	Other		COCC
	KCHA Owned	Outside Owned	KCHA Owned	Outside Owned	KCHA Owned	Outside Owned	Section 8 Program	MTW Program									
Revenues																	
Tenant Revenue	\$4,022.6	\$1,492.8	\$4,359.5	\$10,364.7	\$253.7	\$0					\$32,411.7	\$1,368.9	\$0	\$0	\$0	\$0	\$54,273.9
Operating Fund Subsidy from HUD		3,991.3				1,820.6											9,329.0
Section 8 Subsidy from HUD			699.2		96,437.9	7,017.4					42.5						104,196.9
Other Operating Revenue	53.5	44.8	353.3	362.2	27,167.2						781.1	4.3	550.5	323.6	4,303.7	11,736.5	45,680.7
Non-operating Revenue	556.8	3,409.0	38.7	2,649.5	46.1	222.5					2,563.5	893.1	3,589.8	576.2		519.7	15,065.0
Total Revenues	8,624.2	8,463.7	5,450.7	13,376.4	123,904.9	9,060.4					35,798.8	2,266.3	4,140.3	899.8	4,303.7	12,256.2	228,545.5
Expenses																	
Salaries & Benefits	1,928.9	868.6	762.7	1,578.9	5,128.1	670.5					2,764.2	241.6		153.3	1,011.0	8,708.0	23,815.1
Routine Maintenance, Utilities, Taxes & Insurance	3,835.6	1,670.8	1,515.7	3,196.6	268.8						7,840.0	487.6	28.3	1.9	13.6	1,744.4	20,603.2
Direct Social Service Salaries & Benefits	446.9	309.2	110.6	271.8	339.8	152.0					21.1	35.2		138.1	179.1		2,003.7
Other Social Service Support Expenses & HAP	601.7	2,359.3	86.9	430.9	114,588.5	1,895.1					169.7	154.2	.1	252.2	3,098.4	1.4	123,578.5
Administrative Support Expenses	2,812.2	1,134.4	520.8	1,171.1	3,378.7	125.8					3,429.2	259.6	595.2	91.4	129.1	1,750.8	15,398.2
Non-operating Expenses	34.3	2,158.4	536.1	3,662.8	8.6	(19.7)					4,844.2	609.3	2,396.0	1.7	23.1	320.9	14,575.6
Total Expenses	9,659.6	8,500.6	3,532.9	10,312.1	123,712.4	2,823.6					19,068.5	1,787.4	3,019.6	638.6	4,394.2	12,525.4	199,974.8
Net Income	(1,035.4)	(36.9)	1,917.9	3,064.3	192.5	6,236.8					16,730.3	478.9	1,120.7	261.2	(90.4)	(269.2)	28,570.7
Other Sources/(Uses) of Working Capital																	
(Increase) in Restricted/Designated Cash	(23.2)	(156.0)	(66.0)	(239.4)	(.5)	(3,113.4)					(3,316.7)	(61.0)	(871.7)	(3,537.0)	(400.0)	(11,406.9)	(23,191.8)
Decrease in Restricted/Designated Cash	7.7	6.2	924.8	556.5	32.9	10,545.1					4,712.4	190.1	1,224.4	2,305.4	.0	582.6	21,088.0
(Increase) in LT Receivables	.0	(20,295.2)	.0	(624.1)	.0	(187.2)					.0	(425.8)	(110.4)	(964.4)	.0	(18,078.0)	(40,685.1)
Decrease in LT Receivables	.0	15,088.6	.0	1,729.4	.0	2,421.4					.0	538.5	17,052.8	334.8	.0	323.3	37,488.8
Acquisition of Capital Assets	(9,604.7)	(20,320.5)	(2,781.5)	(8,593.7)	(.5)	(40.1)					(41,687.0)	(.4)	.0	(9,612.1)	(5.1)	(299.4)	(92,944.9)
Disposition of Capital Assets	.0	.0	.0	.0	1,978.4	.0					.0	.0	.0	.0	.0	47.7	2,026.1
Change in Suspense	(.0)	.0	.5	3.6	.0	.0					(137.5)	(.3)	.0	.3	.0	7.2	(126.2)
Change in Other Assets	.0	(195.1)	.0	(.0)	.0	.0					(2,042.6)	(134.8)	790.0	.0	.0	.0	(1,582.6)
Change in Deferrals	15.1	16.4	(4.2)	(10.3)	(32.4)	.0					164.6	.5	.0	10.0	.0	.0	159.7
Increase in LT Debt	.0	17,005.8	2,287.8	18,133.7	.0	.0					61,654.6	.0	65.1	13,407.5	.0	24,276.5	136,830.9
(Decrease) in LT Debt	(166.8)	(11,066.3)	(2,407.3)	(3,309.5)	.0	.0					(32,840.5)	(73.1)	(16,059.8)	(21,643.6)	.0	(6,641.2)	(94,208.1)
Change in Other Liabilities	(81.3)	929.6	(84.9)	28.7	.0	.0					2.0	164.0	31.1	(2,277.1)	.0	(393.8)	(1,681.7)
Other Non-Working Capital Inc/Exp	2,372.6	.0	(6,135.1)	77.6	.0	.0					5,183.9	.0	.0	24,894.2	1.7	(240.5)	26,154.3
Non Income/Expense Change in Equity	(.0)	3,650.0	6,368.4	248.6	(1,978.4)	(.0)					(4,385.2)	(252.4)	.0	(238.4)	.0	247.6	3,660.2
Total Other Sources/(Uses) of Working Capital	(7,480.6)	(15,336.5)	(1,897.7)	8,001.1	(.5)	9,625.8					(12,692.1)	(54.6)	2,121.4	2,679.6	(403.4)	(11,574.9)	(27,012.5)
Transfer In from (Out to) Other Funds																	
Transfers In from Other Funds	12,035.4	22,195.5	3,123.7	2,894.1	.0	7,597.6 (3)					5,919.7	.0	.0	6,593.8	1,073.9	4,101.6	65,535.2
Transfers Out to Other Funds	(4,891.2)	(3,774.5)	(2,615.9)	(1,961.5)	(4,997.0) (2)	(16,175.5)					(4,078.0)	(70.0)	(3,963.9)	(20,915.0)	(945.7)	(1,146.9)	(65,335.2)
Net Transfer In/(Out)	7,144.2	18,420.9	507.8	932.6	(4,997.0)	(8,577.9)					1,841.7	(70.0)	(3,963.9)	(14,321.2)	128.2	2,954.6	.0
Net Change in Working Capital	(1,371.8) (1)	3,047.5	528.0	11,998.0	(4,805.0) (2)	7,284.6					5,879.9	354.2	(721.7)	(11,380.4) (4)	(365.6)	(8,889.4) (5)	1,558.3
Working Capital, 12/31/2012	4,808.5	1,291.3	1,464.2	1,183.5	4,898.8	(3,701.4)					(1,667.3)	(5,689.3)	631.9	(85.9)	729.2	22,592.6	26,455.9
Working Capital, 12/31/2013	\$3,436.7	\$4,338.8	\$1,992.2	\$13,181.5	\$93.8	\$3,583.2					\$4,212.5	\$5,335.1	\$69.8	\$11,466.4	\$363.6	\$13,703.1	\$28,014.1

1) \$1.7 million was transferred back to MTW; cash was transferred from MTW to PH 6/30/2013 to maximize HUD financial metrics; \$1.7 million of this cash no longer needed for metric scoring

2) Reflects the transfer of \$4.9 million of residual tenant-protection voucher funding from Section 8 to MTW

3) Reflects transfers from both Public Housing and Section 8 referred to in notes (1) and (2) above

4) Due to the transfer of Fairwind to the tax credit investor; WC will increase in 2014 when investor equity pay-in is received

5) Decrease driven by the use of unrestricted cash as collateral for the FHLB loan

KCHA Combined
Working Capital Budget vs. Actual Report
For the Period Ended 12/31/2013

(n/m= not meaningful)
Percent of Annual Budget

	Quarter Ended December 31, 2013				Year-to-Date				Annual Budget	to Receive/ Spend	Annual Budget	Annual Budget
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var				
Revenues												
Tenant Revenue	\$14,604,843	\$13,380,815	\$1,224,028	9.1%	\$54,273,912	\$53,036,394	\$1,237,518	2.3%	\$53,036,394	(\$1,237,518)	\$53,036,394	102.3%
Operating Fund Subsidy from HUD	2,385,569	2,380,680	4,889	0.2%	9,328,977	9,311,114	17,863	0.2%	9,311,114	(17,863)	9,311,114	100.2%
Section 8 Subsidy from HUD	29,236,544	25,789,263	3,447,282	13.4%	104,196,930	104,167,010	29,920	0.0%	104,167,010	(29,920)	104,167,010	100.0%
Other Operating Revenue	11,605,857	9,580,287	2,025,570	21.1%	45,680,684	43,609,021	2,071,664	4.8%	43,609,021	(2,071,664)	43,609,021	104.8%
Non-operating Revenue	6,107,026	3,304,852	2,802,174	84.8%	15,065,035	12,516,186	2,548,849	20.4%	12,516,186	(2,548,849)	12,516,186	120.4%
Total Revenues	63,939,839	54,435,896	9,503,944	17.5%	228,545,539	222,639,725	5,905,813	2.7%	222,639,725	(5,905,813)	222,639,725	102.7%
Expenses												
Salaries & Benefits	5,695,879	5,781,856	(85,978)	(1.5%)	23,815,699	24,531,684	(715,986)	(2.9%)	24,531,684	715,986	24,531,684	97.1%
Routine Maintenance, Utilities, Taxes & Insurance	5,655,621	5,291,382	364,239	6.9%	20,603,219	20,795,991	(192,772)	(0.9%)	20,795,991	192,772	20,795,991	99.1%
Direct Social Service Salaries & Benefits	464,496	437,122	27,374	6.3%	2,003,676	2,026,043	(22,367)	(1.1%)	2,026,043	22,367	2,026,043	98.9%
Other Social Service Support Expenses & HAP	31,019,797	31,016,847	2,951	0.0%	123,578,488	124,010,360	(431,873)	(0.3%)	124,010,360	431,873	124,010,360	99.7%
Administrative Support Expenses	5,106,938	3,694,987	1,411,951	38.2%	15,398,175	15,606,751	(208,577)	(1.3%)	15,606,751	208,577	15,606,751	98.7%
Non-operating Expenses	3,672,212	3,671,659	553	0.0%	14,575,575	13,759,516	816,059	5.9%	13,759,516	(816,059)	13,759,516	105.9%
Total Expenses	51,614,943	49,893,853	1,721,090	3.4%	199,974,830	200,730,346	(755,516)	(0.4%)	200,730,346	755,516	200,730,346	99.6%
Net Income	12,324,896	4,542,042	7,782,854	171.4%	28,570,709	21,909,379	6,661,329	30.4%	21,909,379	(6,661,329)	21,909,379	130.4%
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	(3,606,705)	(453,422)	(3,153,283)	695.4%	(23,191,811)	(15,731,835)	(7,459,976)	47.4%	(15,731,835)	7,459,976	(15,731,835)	147.4%
Decrease in Restricted/Designated Cash	9,315,261	13,820,214	(4,504,953)	(32.6%)	21,088,047	27,389,678	(6,301,631)	(23.0%)	27,389,678	6,301,631	27,389,678	77.0%
(Increase) in LT Receivables	(4,906,814)	(5,714,707)	807,893	(14.1%)	(40,685,086)	(30,129,093)	(10,555,993)	35.0%	(30,129,093)	10,555,993	(30,129,093)	135.0%
Decrease in LT Receivables	30,854,516	2,117,071	28,737,445	1357.4%	37,488,844	5,278,347	32,210,497	610.2%	5,278,347	(32,210,497)	5,278,347	710.2%
Acquisition of Capital Assets	(60,954,540)	(7,052,220)	(53,902,320)	764.3%	(79,757,602)	(43,877,082)	(35,880,520)	81.8%	(43,877,082)	35,880,520	(43,877,082)	181.8%
Maintenance Projects	(3,419,031)	(3,011,915)	(407,116)	13.5%	(13,187,328)	(14,468,971)	1,281,643	(8.9%)	(14,468,971)	(1,281,643)	(14,468,971)	91.1%
Acquisition of Capital Assets	(64,373,571)	(10,064,135)	(54,309,436)	539.6%	(92,944,930)	(58,346,053)	(34,598,877)	59.3%	(58,346,053)	34,598,877	(58,346,053)	159.3%
Disposition of Capital Assets	2,026,091	1,738,531	287,560	16.5%	2,026,091	3,849,144	(1,823,053)	(47.4%)	3,849,144	1,823,053	3,849,144	52.6%
Change in Suspense	(161,140)	0	(161,140)	n/m	(126,220)	0	(126,220)	n/m	0	126,220	0	n/m
Change in Other Assets	(1,604,597)	0	(1,604,597)	n/m	(1,582,597)	(150,000)	(1,432,597)	955.1%	(150,000)	1,432,597	(150,000)	1055.1%
Change in Other Deferrals	63,252	0	63,252	n/m	159,708	0	159,708	n/m	0	(159,708)	0	n/m
Increase in LT Debt	94,531,034	11,483,321	83,047,713	723.2%	136,830,864	51,656,078	85,174,786	164.9%	51,656,078	(85,174,786)	51,656,078	264.9%
(Decrease) in LT Debt	(68,670,312)	(2,526,008)	(66,144,304)	2618.5%	(94,208,149)	(21,276,760)	(72,931,389)	342.8%	(21,276,760)	72,931,389	(21,276,760)	442.8%
Change in Other Liabilities	(777,264)	3,899,067	(4,676,331)	n/m	(1,681,734)	5,693,147	(7,374,881)	n/m	5,693,147	7,374,881	5,693,147	n/m
Other Non-Working Capital Income/Expense Items	4,397,218	0	4,397,218	n/m	26,154,266	0	26,154,266	n/m	0	(26,154,266)	0	n/m
Non Income/Expense Change in Equity	3,684,044	0	3,684,044	n/m	3,660,246	0	3,660,246	n/m	0	(3,660,246)	0	n/m
Total Other Sources/(Uses) of Working Capital	771,013	14,299,932	(13,528,919)	(94.6%)	(27,012,462)	(31,767,347)	4,754,884	(15.0%)	(31,767,347)	(4,754,884)	(31,767,347)	85.0%
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	19,593,083	10,393,655	9,199,428	88.5%	65,535,160	32,653,475	32,881,685	100.7%	32,653,475	(32,881,685)	32,653,475	200.7%
Transfers Out to Other Funds	(19,593,083)	(10,393,655)	(9,199,428)	88.5%	(65,535,160)	(32,653,475)	(32,881,685)	100.7%	(32,653,475)	32,881,685	(32,653,475)	200.7%
Net Transfer In/(Out)	0	0	0	n/m	0	0	0	n/m	0	0	0	n/m
Net Change in Working Capital												
	\$13,095,909	\$18,841,974	(\$5,746,065)	(30.5%)	\$1,558,246	(\$9,857,968)	\$11,416,214	n/m	(\$9,857,968)	(\$11,416,214)	(\$9,857,968)	n/m

- 1) A \$4 million block grant payment was received from HUD in October; this amount is in addition to normal monthly receipts and puts revenue in alignment with budget
- 2) Unbudgeted increase of Interest Rate Swap Fair Market Values (GAAP adjustment)
- 3) Variances due to technical budgeting issues
- 4) Budget reflects internal COCC loan to Greenbridge (\$1.5M) and Seola Gardens (\$1.4M); loans have not been made
- 5) Alpine Ridge, Colonial Gardens and Heritage Park tax credit partnerships were dissolved in the 4th quarter resulting in the general partner receivables and offsetting debt being removed from the books.
- 6) Acquisition of Fairwind development and assets from various tax credit partnerships that were dissolved
- 7) Due to several unbudgeted debt transactions

Public Housing (KCHA)
Working Capital Budget vs. Actual Report
For the Period Ended 12/31/2013

Revenues	Quarter Ended December 31, 2013			Year-to-Date			2013 Annual Budget	Remainder to Receive/ Spend	Percent of Annual Budget
	Actual	Budget	% Var	Actual	Budget	% Var			
Tenant Revenue	\$991,493	\$1,000,437	(8,944)	\$4,022,649	\$4,001,707	\$20,942	\$4,001,707	(\$20,942)	100.5%
Operating Fund Subsidy from HUD	1,001,396	1,002,031	(635)	3,991,270	4,007,999	(16,729)	4,007,999	16,729	99.6%
Section 8 Subsidy from HUD	0	0	n/m	0	0	0	0	0	n/m
Other Operating Revenue	4,803	4,526	277	53,453	18,099	35,354	18,099	(35,354)	295.3%
Non-operating Revenue	392,057	42,787	349,270	556,823	642,177	(85,354)	642,177	85,354	86.7%
Total Revenues	2,389,750	2,049,781	339,969	8,624,195	8,669,982	(45,787)	8,669,982	45,787	99.5%
Expenses									
Salaries & Benefits	471,748	488,108	(16,360)	1,928,866	2,054,862	(125,996)	2,054,862	125,996	93.9%
Routine Maintenance, Utilities, Taxes & Insurance	1,121,981	1,049,305	72,676	3,835,596	3,952,119	(116,523)	3,952,119	116,523	97.1%
Direct Social Service Salaries & Benefits	110,137	122,257	(12,120)	446,919	516,703	(69,784)	516,703	69,784	86.5%
Other Social Service Support Expenses & HAP	37,885	177,676	(139,792)	601,682	723,556	(121,874)	723,556	121,874	83.2%
Administrative Support Expenses	1,172,876	634,593	538,283	2,812,173	2,904,414	(92,242)	2,904,414	92,242	96.8%
Non-operating Expenses	10,392	9,342	1,050	34,322	37,368	(3,046)	37,368	3,046	91.8%
Total Expenses	2,925,019	2,481,282	443,737	9,659,558	10,189,023	(529,464)	10,189,023	529,464	94.8%
Net Income	(535,269)	(431,501)	(103,768)	(1,035,363)	(1,519,041)	483,677	(1,519,041)	(483,677)	68.2%
Other Sources/(Uses) of Working Capital									
(Increase) in Restricted/Designated Cash	(5,165)	(17)	(5,148)	(23,216)	(68)	(23,148)	(68)	23,148	34141.8%
Decrease in Restricted/Designated Cash	1,361	0	1,361	7,724	0	7,724	0	(7,724)	n/m
(Increase) in LT Receivables	0	0	0	0	0	0	0	0	n/m
Decrease in LT Receivables	0	0	0	0	0	0	0	0	n/m
Acquisition of Capital Assets	(3,723,641)	(1,857,205)	(1,866,436)	(7,697,782)	(7,151,174)	(546,608)	(7,151,174)	546,608	107.6%
Maintenance Projects	(762,227)	(396,689)	(365,538)	(1,906,914)	(1,787,687)	(119,227)	(1,787,687)	119,227	106.7%
Acquisition of Capital Assets	(4,485,868)	(2,253,894)	(2,231,974)	(9,604,696)	(8,938,861)	(665,835)	(8,938,861)	665,835	107.4%
Disposition of Capital Assets	0	0	0	0	0	0	0	0	n/m
Change in Suspense	(560)	0	(560)	(24)	0	(24)	0	24	n/m
Change in Other Assets	0	0	0	0	0	0	0	0	n/m
Change in Deferrals	3,553	0	3,553	15,112	0	15,112	0	(15,112)	n/m
Increase in LT Debt	0	0	0	0	0	0	0	0	n/m
(Decrease) in LT Debt	(42,320)	(43,366)	1,046	(166,837)	(173,464)	6,627	(173,464)	(6,627)	96.2%
Change in Other Liabilities	(4,806)	(4,737)	(69)	(81,277)	(18,948)	(62,329)	(18,948)	62,329	428.9%
Other Non-Working Capital Income/Expense Items	0	0	0	2,372,573	0	2,372,573	0	(2,372,573)	n/m
Non Income/Expense Change in Equity	0	0	0	(0)	0	(0)	0	0	n/m
Total Other Sources/(Uses) of Working Capital	(4,533,806)	(2,302,014)	(2,231,792)	(7,480,643)	(9,131,341)	1,650,698	(9,131,341)	(1,650,698)	81.9%
Transfer In from (Out to) Other Funds									
Net Transfer In/(Out)	4,502,733	3,445,273	1,057,460	7,144,244	9,132,721	(1,988,477)	9,132,721	1,988,477	78.2%
Net Change in Working Capital	(\$566,341)	\$711,758	(\$1,278,099)	(\$1,371,762)	(\$1,517,660)	\$145,899	(\$1,517,660)	(\$145,899)	90.4%
Working Capital, Beginning of Period	4,003,051			4,808,472					
Working Capital, 12/31/2013	\$3,436,710			\$3,436,710					

- Unbudgeted grant revenue: Kent Youth and Family Services \$13k, City of Seattle/Peppertree \$10k & Stay at Work Program \$4k.
- Each AMP is charged a lump-sum management fee by the COCC equal to 10% of its annual CFP grant and the CFP grant is drawn upon to cover this fee. A lump sum of \$316k was charged during the 4th quarter but was budgeted for earlier in the year.
- Accruals are made throughout the year based on budgeted contract amounts. These accruals were reversed in the 4th quarter as invoicing is expected to be received. This reversal resulted in a reduced expense balance for the 4th quarter as the actual expense for several contracts was less than budgeted. The Solid Ground contract was terminated due to the vendor not receiving an expected grant critical to contract implementation and activity related to Bellevue College and Berk contracts was rescheduled for 2014. Also New Futures was accrued in error.
- Adjustments to FSS cash reserves for tenant cash accruals were not budgeted.
- Budget assumed expenses for Wayland Arms building and sewer upgrades would be 50% incurred in 2013 and 50% in 2014. Contractor completed entire job in 2013 resulting in \$707K of expenses over 2013 budget.
- Related to the transfer of the Birch Creek Rec Center to a different fund group. This line offsets part of the transfer-out and is a technical accounting transaction.

Public Housing (Other)
Working Capital Budget vs. Actual Report
For the Period Ended 12/31/2013

	Quarter Ended December 31, 2013				Year-to-Date				2013 Annual Budget	Remainder to Receive/ Spend	Percent of Annual Budget
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var			
Revenues											
Tenant Revenue	\$430,565	\$371,297	\$59,268	16.0%	\$1,492,768	\$1,442,566	\$50,202	3.5%	\$1,442,566	(\$50,202)	103.5%
Operating Fund Subsidy from HUD	930,449	985,089	(\$54,640)	(5.5%)	3,517,138	3,728,882	(211,744)	(5.7%)	3,728,882	211,744	94.3%
Section 8 Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Other Operating Revenue	1,602	1,628	(26)	(1.6%)	44,840	47,730	(2,890)	(6.1%)	47,730	2,890	93.9%
Non-operating Revenue	832,662	860,592	(27,930)	(3.2%)	3,408,957	3,473,177	(64,220)	(1.8%)	3,473,177	64,220	98.2%
Total Revenues	2,195,278	2,218,606	(23,329)	(1.1%)	8,463,703	8,692,355	(228,652)	(2.6%)	8,692,355	228,652	97.4%
Expenses											
Salaries & Benefits	227,738	242,484	(14,746)	(6.1%)	868,570	946,343	(77,773)	(8.2%)	946,343	77,773	91.8%
Routine Maintenance, Utilities, Taxes & Insurance	572,695	446,114	126,581	28.4%	1,670,841	1,633,378	37,462	2.3%	1,633,378	(37,462)	102.3%
Direct Social Service Salaries & Benefits	80,315	73,730	6,585	8.9%	309,183	319,548	(10,365)	(3.2%)	319,548	10,365	96.8%
Other Social Service Support Expenses & HAP	651,073	626,952	24,121	3.8%	2,359,301	2,296,901	62,400	2.7%	2,296,901	(62,400)	102.7%
Administrative Support Expenses	557,711	222,333	335,378	150.8%	1,134,381	888,863	245,518	27.6%	888,863	(245,518)	127.6%
Non-operating Expenses	602,162	533,525	68,637	12.9%	2,158,356	2,134,097	24,259	1.1%	2,134,097	(24,259)	101.1%
Total Expenses	2,691,693	2,145,139	546,555	25.5%	8,500,631	8,219,130	281,501	3.4%	8,219,130	(281,501)	103.4%
Net Income	(496,416)	73,468	(569,883)	n/m	(36,928)	473,225	(510,153)	n/m	473,225	510,153	n/m
Other Sources/(Uses) of Working Capital											
(Increase) in Restricted/Designated Cash	(53,322)	(34,715)	(18,608)	53.6%	(156,006)	(138,853)	(17,153)	12.4%	(138,853)	17,153	112.4%
Decrease in Restricted/Designated Cash	0	1,620	(1,620)	(100.0%)	6,215	256,479	(250,263)	(97.6%)	256,479	250,263	2.4%
(Increase) in LT Receivables	(4,143,381)	(536,741)	(3,606,640)	672.0%	(20,295,171)	(2,146,964)	(18,148,207)	845.3%	(2,146,964)	18,148,207	945.3%
Decrease in LT Receivables	14,860,924	185,000	14,675,924	7932.9%	15,088,618	328,036	14,760,582	4499.7%	328,036	(14,760,582)	4599.7%
Acquisition of Capital Assets	(19,691,122)	(265,503)	(19,425,619)	7316.5%	(20,320,485)	(1,301,064)	(19,019,421)	1461.8%	(1,301,064)	19,019,421	1561.8%
Disposition of Capital Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Change in Suspense	161	0	161	n/m	0	0	0	n/m	0	0	n/m
Change in Other Assets	(195,147)	0	(195,147)	n/m	(195,147)	0	(195,147)	n/m	0	195,147	n/m
Change in Deferrals	16,115	0	16,115	n/m	16,379	0	16,379	n/m	0	(16,379)	n/m
Increase in LT Debt	17,005,773	14,862	16,990,911	114324.5%	17,005,773	59,445	16,946,328	28507.6%	59,445	(16,946,328)	28607.6%
(Decrease) in LT Debt	(11,012,172)	(186,434)	(10,825,738)	5806.7%	(11,066,288)	(190,736)	(10,875,552)	5701.9%	(190,736)	10,875,552	5801.9%
Change in Other Liabilities	267,410	227,393	40,017	17.6%	929,593	909,572	20,021	2.2%	909,572	(20,021)	102.2%
Other Non-Working Capital Income/Expense Items	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Non Income/Expense Change in Equity	3,650,000	0	3,650,000	n/m	3,650,000	0	3,650,000	n/m	0	(3,650,000)	n/m
Total Other Sources/(Uses) of Working Capital	705,238	(594,518)	1,299,756	n/m	(15,336,520)	(2,224,085)	(13,112,435)	589.6%	(2,224,085)	13,112,435	689.6%
Transfer in from (Out to) Other Funds											
Transfers in from Other Funds	2,469,784	566,704	1,903,080	335.8%	22,195,452	1,952,889	20,242,563	1036.5%	1,952,889	(20,242,563)	1136.5%
Transfers Out to Other Funds	0	0	0	n/m	(3,774,506)	(124,506)	(3,650,000)	2931.6%	(124,506)	3,650,000	3031.6%
Net Transfer In/(Out)	2,469,784	566,704	1,903,080	335.8%	18,420,946	1,828,383	16,592,563	907.5%	1,828,383	(16,592,563)	1007.5%
Net Change in Working Capital	\$2,678,606	\$45,654	\$2,632,953	5767.2%	\$3,047,499	\$77,523	\$2,969,975	3831.1%	\$77,523	(\$2,969,975)	3931.1%
Working Capital, Beginning of Period	1,660,149				1,291,257						
Working Capital, 12/31/2013	\$4,338,756				\$4,338,756						

- 1) Due to a budgeting error, Public Housing Operating Fund subsidy budget is overstated by \$126k. See also footnote 1 on the MTW page.
- 2) Unbudgeted legal fees and other admin expenses related to the Fairwind development were incurred during the 4th quarter.
- 3) Draws from Gustaves Manor Replacement Reserves were budgeted but did not occur.
- 4) Fairwind HOPE VI receivable and Fairwind financing lease (\$7.3M each) were initially booked as a LT receivable and then moved to the proper classification of current receivable. Not budgeted.
- 5) Acquisition of completed Fairwind development
- 6) Addition of King County Loan related to Fairwind as well as Fairwind financing lease. The entire Fairwind lease was originally booked as long-term but \$7M was subsequently reclassified as current
- 7) Limited partner capital contribution of \$3.65 million
- 8) Unbudgeted Fairwind technical accounting entries: transfer in of \$18 million related to Fairwind offset by a transfer-out of \$3.5 million

Other Federally-supported (KCHA)
Working Capital Budget vs. Actual Report
For the Period Ended 12/31/2013

Working Capital Budget vs. Actual Report For the Period Ended 12/31/2013												(n/m= not meaningful)
Revenues	Quarter Ended December 31, 2013				Year-to-Date				2013 Annual Budget	Remainder to Receive/ Spend	Annual Budget	
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var				
Tenant Revenue	\$1,240,277	\$1,119,733	\$120,544	10.8%	\$4,359,486	\$4,039,927	\$319,559	7.9%	\$4,039,927	(\$319,559)	107.9%	
Operating Fund Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Section 8 Subsidy from HUD	85,226	91,250	(6,024)	(6.6%)	699,218	804,000	(104,782)	(13.0%)	804,000	104,782	87.0%	
Other Operating Revenue	106,508	137,309	(30,801)	(22.4%)	353,300	549,237	(195,937)	(35.7%)	549,237	195,937	64.3%	
Non-operating Revenue	12,682	9,545	3,137	32.9%	38,728	37,068	1,660	4.5%	37,068	(1,660)	104.5%	
Total Revenues	1,444,693	1,357,837	86,856	6.4%	5,450,732	5,430,232	20,500	0.4%	5,430,232	(20,500)	100.4%	
Expenses												
Salaries & Benefits	169,966	175,053	(5,087)	(2.9%)	762,712	746,529	16,183	2.2%	746,529	(16,183)	102.2%	
Routine Maintenance, Utilities, Taxes & Insurance	422,832	487,002	(64,170)	(13.2%)	1,515,722	1,845,238	(329,516)	(17.9%)	1,845,238	329,516	82.1%	
Direct Social Service Salaries & Benefits	30,872	30,004	868	2.9%	110,593	130,082	(19,489)	(15.0%)	130,082	19,489	85.0%	
Other Social Service Support Expenses & HAP	23,362	20,997	2,365	11.3%	86,884	84,153	2,731	3.2%	84,153	(2,731)	103.2%	
Administrative Support Expenses	174,074	111,007	63,067	56.8%	520,838	487,653	33,184	6.8%	487,653	(33,184)	106.8%	
Non-operating Expenses	371,747	85,539	286,208	334.6%	536,130	254,191	281,939	110.9%	254,191	(281,939)	210.9%	
Total Expenses	1,192,853	909,602	283,251	31.1%	3,532,879	3,547,847	(14,968)	(0.4%)	3,547,847	14,968	99.6%	
Net Income	251,840	448,235	(196,395)	(43.8%)	1,917,853	1,882,385	35,468	1.9%	1,882,385	(35,468)	101.9%	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	936	(11,128)	12,065	n/m	(65,959)	(129,488)	63,528	(49.1%)	(129,488)	(63,528)	50.9%	
Decrease in Restricted/Designated Cash	744,922	21,684	723,238	3335.3%	924,760	812,734	112,026	13.8%	812,734	(112,026)	113.8%	
(Increase) in LT Receivables	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Decrease in LT Receivables	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Acquisition of Capital Assets	(468,864)	(326,836)	(142,028)	43.5%	(2,781,539)	(3,061,258)	279,719	(9.1%)	(3,061,258)	(279,719)	90.9%	
Disposition of Capital Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Change in Suspense	1,470	0	1,470	n/m	480	0	480	n/m	0	(480)	n/m	
Change in Other Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Change in Deferrals	(551)	0	(551)	n/m	(4,207)	0	(4,207)	n/m	0	4,207	n/m	
Increase in LT Debt	2,280,635	2,386	2,278,249	95484.0%	2,287,793	9,544	2,278,249	23871.0%	9,544	(2,278,249)	23971.0%	
(Decrease) in LT Debt	(2,304,572)	(13,772)	(2,290,800)	16633.7%	(2,407,344)	(121,337)	(2,286,007)	1884.0%	(121,337)	2,286,007	1984.0%	
Change in Other Liabilities	(15,926)	(15,926)	1	(0.0%)	(84,949)	(63,702)	(21,247)	33.4%	(63,702)	21,247	133.4%	
Other Non-Working Capital Income/Expense Items	(3,762,564)	0	(3,762,564)	n/m	(6,135,137)	0	(6,135,137)	n/m	0	6,135,137	n/m	
Non Income/Expense Change in Equity	6,368,408	0	6,368,408	n/m	6,368,408	0	6,368,408	n/m	0	(6,368,408)	n/m	
Total Other Sources/(Uses) of Working Capital	2,843,896	(343,592)	3,187,488	n/m	(1,897,695)	(2,553,507)	655,812	(25.7%)	(2,553,507)	(655,812)	74.3%	
Transfer in from (Out to) Other Funds												
Transfers in from Other Funds	270,168	249,366	20,802	8.3%	3,123,651	571,544	2,552,107	446.5%	571,544	(2,552,107)	546.5%	
Transfers Out to Other Funds	(2,599,378)	0	(2,599,378)	n/m	(2,615,854)	0	(2,615,854)	n/m	0	2,615,854	n/m	
Net Transfer In/(Out)	(2,329,211)	249,366	(2,578,577)	n/m	507,796	571,544	(63,748)	(11.2%)	571,544	63,748	88.8%	
Net Change in Working Capital	\$766,525	\$354,009	\$412,516	116.5%	\$527,954	(\$99,578)	\$627,532	n/m	(\$99,578)	(\$627,532)	n/m	
Working Capital, Beginning of Period	1,225,657				1,464,228							
Working Capital, 12/31/2013	\$1,992,182				\$1,992,182							

- 1) Department Of Commerce grants for Hidden Village and Spiritwood were budgeted but the state ended the related program in 2013. Non-dwell rent is \$74K less than anticipated in the budget.
- 2) Most maintenance lines are uniformly under budget.
- 3) Hidden Village 98 Pool Bond deferred charge was fully expensed in the 4th quarter as related debt was refinanced. Unbudgeted return of residual receipts to HUD from Burien Park and Northwood.
- 4) The budget anticipated a \$75K increase in residual receipt reserves for Northwood. However, as residual receipts were returned to HUD in the 4th quarter, there was no increase.
- 5) Unbudgeted return of residual receipts to HUD from Northwood and Hidden Village.
- 6) Unbudgeted transfer in of Birch Creek Rec Center from Public Housing fund group and various other assets from Local KCHA Property fund group for correct classification.
- 7) Unbudgeted debt refinancing.
- 8) Payoff of 98 Pool debt as part of refinancing.
- 9) Unbudgeted equity adjustment related to transfer of capital assets. See Footnote 6.

Other Federally-supported (Other)
Working Capital Budget vs. Actual Report
For the Period Ended 12/31/2013

Working Capital Budget vs. Actual Report For the Period Ended 12/31/2013											
	Quarter Ended December 31, 2013				Year-to-Date				2013 Annual Budget	Remainder to Receive/ Spend	(n/m= not meaningful) Percent of Annual Budget
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var			
Revenues											
Tenant Revenue	\$2,623,641	\$2,742,454	(\$118,813)	(4.3%)	\$10,364,683	\$11,166,804	(\$802,121)	(7.2%)	\$11,166,804	\$802,121	92.8%
Operating Fund Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Section 8 Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Other Operating Revenue	372,837	617	372,220	60327.5%	362,233	2,466	359,767	14589.1%	2,466	(359,767)	14689.1%
Non-operating Revenue	1,105,528	1,121,406	(15,878)	(1.4%)	2,649,480	2,892,647	(243,167)	(8.4%)	2,892,647	243,167	91.6%
Total Revenues	4,102,007	3,864,477	237,530	6.1%	13,376,396	14,061,917	(685,521)	(4.9%)	14,061,917	685,521	95.1%
Expenses											
Salaries & Benefits	390,788	314,737	76,051	24.2%	1,578,865	1,397,504	181,361	13.0%	1,397,504	(181,361)	113.0%
Routine Maintenance, Utilities, Taxes & Insurance	894,276	746,182	148,094	19.8%	3,196,575	2,764,618	431,957	15.6%	2,764,618	(431,957)	115.6%
Direct Social Service Salaries & Benefits	63,829	25,676	38,153	148.6%	271,836	232,447	39,389	16.9%	232,447	(39,389)	116.9%
Other Social Service Support Expenses & HAP	79,383	87,313	(7,930)	(9.1%)	430,917	514,310	(83,394)	(16.2%)	514,310	83,394	83.8%
Administrative Support Expenses	382,676	297,975	84,702	28.4%	1,171,082	1,344,218	(173,136)	(12.9%)	1,344,218	173,136	87.1%
Non-operating Expenses	1,429,992	1,178,061	251,931	21.4%	3,662,810	3,497,242	165,568	4.7%	3,497,242	(165,568)	104.7%
Total Expenses	3,240,945	2,649,943	591,002	22.3%	10,312,085	9,750,340	561,746	5.8%	9,750,340	(561,746)	105.8%
Net Income	861,061	1,214,534	(353,473)	(29.1%)	3,064,311	4,311,577	(1,247,266)	(28.9%)	4,311,577	1,247,266	71.1%
Other Sources/(Uses) of Working Capital											
(Increase) in Restricted/Designated Cash	(155,431)	(22,519)	(132,912)	590.2%	(239,352)	(90,075)	(149,277)	165.7%	(90,075)	149,277	265.7%
Decrease in Restricted/Designated Cash	528,623	299,882	228,741	76.3%	556,474	564,869	(8,395)	(1.5%)	564,869	8,395	98.5%
(Increase) in LT Receivables	(87,718)	(2,521,771)	2,434,053	(96.5%)	(624,127)	(22,279,082)	21,654,955	(97.2%)	(22,279,082)	(21,654,955)	2.8%
Decrease in LT Receivables	753,874	0	753,874	n/m	1,729,398	1,736,581	(7,183)	(0.4%)	1,736,581	7,183	99.6%
Acquisition of Capital Assets	(6,360,907)	(741,634)	(5,619,273)	757.7%	(8,593,693)	(2,647,145)	(5,946,549)	224.6%	(2,647,145)	5,946,549	324.6%
Disposition of Capital Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Change in Suspense	(46)	0	(46)	n/m	3,635	0	3,635	n/m	0	(3,635)	n/m
Change in Other Assets	(0)	0	(0)	n/m	(0)	0	(0)	n/m	0	0	n/m
Change in Deferrals	1,964	0	1,964	n/m	(10,252)	0	(10,252)	n/m	0	10,252	n/m
Increase in LT Debt	18,133,136	181	18,132,955	10018207.0%	18,133,679	18,000,724	132,955	0.7%	18,000,724	(132,955)	100.7%
(Decrease) in LT Debt	(866,086)	0	(866,086)	n/m	(3,309,520)	(2,443,434)	(866,086)	35.4%	(2,443,434)	866,086	135.4%
Change in Other Liabilities	82,711	2,263,192	(2,180,481)	(96.3%)	28,653	2,667,677	(2,639,024)	(98.9%)	2,667,677	2,639,024	1.1%
Other Non-Working Capital Income/Expense Items	77,583	0	77,583	n/m	77,583	0	77,583	n/m	0	(77,583)	n/m
Non Income/Expense Change in Equity	15,289	0	15,289	n/m	248,601	0	248,601	n/m	0	(248,601)	n/m
Total Other Sources/(Uses) of Working Capital	12,122,994	(722,669)	12,845,663	n/m	8,001,078	(4,489,885)	12,490,963	n/m	(4,489,885)	(12,490,963)	n/m
Transfer In from (Out to) Other Funds											
Transfers In from Other Funds	2,893,788	1,134,342	1,759,446	155.1%	2,894,137	2,395,698	498,439	20.8%	2,395,698	(498,439)	120.8%
Transfers Out to Other Funds	(1,961,526)	(711,384)	(1,250,142)	175.7%	(1,961,526)	(2,860,825)	899,299	(31.4%)	(2,860,825)	(899,299)	68.6%
Net Transfer In/(Out)	932,262	422,958	509,304	120.4%	932,611	(465,127)	1,397,738	n/m	(465,127)	(1,397,738)	n/m
Net Change in Working Capital	\$13,916,317	\$914,873	\$13,001,494	1471.2%	\$11,998,000	(\$643,434)	\$12,641,434	n/m	(\$643,434)	(\$12,641,434)	n/m
Working Capital, Beginning of Period	(734,818)				1,183,499						
Working Capital, 12/31/2013	\$13,181,499				\$13,181,499						

- 1) Vacancies at Vista Heights, Victorian Woods, Riverton Terrace and Eastridge House were higher than anticipated YTD, mostly due to construction projects.
- 2) Unbudgeted adjustment related to transfer of FSS funds to 509 properties
- 3) Salaries and benefits at 509 properties were incorrectly budgeted to former KCHA public housing funds instead of to this fund group
- 4) Unbudgeted playground equipment expense for 509 properties plus increase in utilities (sewer and water) at Birch Creek (due to irrigation)
- 5) Property management fees at 509 properties budgeted at 8% while actual fees have been closer to 7%.
- 6) Unbudgeted replacement reserve funding for 509 properties
- 7) Draws from Birch Creek project reserves occurred during the 4th quarter.
- 8) It was decided the \$18 million receivable from MKCRF should be booked to the COCC instead of to this fund group as was originally budgeted.
- 9) The \$18 million loan to MKCRF from KCHA was budgeted for the 3rd quarter but was actually booked in the 4th quarter.
- 10) Cash was transferred from MTW to the Vantage Point development fund in lieu of a loan from MTW.

Section 8
Working Capital Budget vs. Actual Report
For the Period Ended 12/31/2013

Working Capital Budget vs. Actual Report For the Period Ended 12/31/2013													
Revenues	Quarter Ended December 31, 2013				Year-to-Date				2013 Annual Budget	Remainder to Receive/ Spend	(n/m= not meaningful) Percent of Annual Budget		
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var					
Tenant Revenue	\$47,714	\$33,000	\$14,714	44.6%	\$253,710	\$182,013	\$71,697	39.4%	\$182,013	0	0	n/m	139.4%
Operating Fund Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	0	n/m	n/m
Section 8 Subsidy from HUD	23,515,370	24,272,268	(756,898)	(3.1%)	96,437,864	96,924,665	(486,801)	(0.5%)	96,924,665	486,801	99.5%	99.5%	99.5%
Other Operating Revenue	6,882,844	6,729,258	153,586	2.3%	27,167,209	26,774,954	392,255	1.5%	26,774,954	(392,255)	101.5%	101.5%	101.5%
Non-operating Revenue	42,955	2,020	40,935	2026.5%	46,141	7,915	38,226	483.0%	7,915	(38,226)	583.0%	583.0%	583.0%
Total Revenues	30,488,883	31,036,546	(547,664)	(1.8%)	123,904,924	123,889,547	15,377	0.0%	123,889,547	(15,377)	100.0%	100.0%	100.0%
Expenses													
Salaries & Benefits	1,219,262	1,240,276	(21,014)	(1.7%)	5,128,123	5,287,285	(159,162)	(3.0%)	5,287,285	159,162	97.0%	97.0%	97.0%
Routine Maintenance, Utilities, Taxes & Insurance	66,615	65,641	974	1.5%	268,752	250,411	18,341	7.3%	250,411	(18,341)	107.3%	107.3%	107.3%
Direct Social Service Salaries & Benefits	78,402	77,799	603	0.8%	339,751	338,828	923	0.3%	338,828	(923)	100.3%	100.3%	100.3%
Other Social Service Support Expenses & HAP	28,597,242	28,777,881	(180,639)	(0.6%)	114,588,477	114,620,967	(32,490)	(0.0%)	114,620,967	32,490	100.0%	100.0%	100.0%
Administrative Support Expenses	856,201	877,807	(21,606)	(2.5%)	3,378,689	3,472,274	(93,586)	(2.7%)	3,472,274	93,586	97.3%	97.3%	97.3%
Non-operating Expenses	0	0	0	n/m	8,592	0	8,592	n/m	0	(8,592)	n/m	n/m	n/m
Total Expenses	30,817,722	31,039,404	(221,682)	(0.7%)	123,712,385	123,969,766	(257,381)	(0.2%)	123,969,766	257,381	99.8%	99.8%	99.8%
Net Income	(328,839)	(2,858)	(325,981)	11406.3%	192,539	(80,219)	272,758	n/m	(80,219)	(272,758)	n/m	n/m	n/m
Other Sources/(Uses) of Working Capital													
(Increase) in Restricted/Designated Cash	(31)	(20,000)	19,969	(99.8%)	(525)	(80,000)	79,475	(99.3%)	(80,000)	(79,475)	0.7%	0.7%	0.7%
Decrease in Restricted/Designated Cash	71,431	20,000	51,431	257.2%	32,908	80,000	(47,092)	(58.9%)	80,000	47,092	41.1%	41.1%	41.1%
(Increase) in LT Receivables	0	0	0	n/m	0	0	0	n/m	0	0	n/m	n/m	n/m
Decrease in LT Receivables	0	0	0	n/m	0	0	0	n/m	0	0	n/m	n/m	n/m
Acquisition of Capital Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m	n/m	n/m
Maintenance Projects	(492)	0	(492)	n/m	(492)	0	(492)	n/m	0	492	n/m	n/m	n/m
Acquisition of Capital Assets	(492)	0	(492)	n/m	(492)	0	(492)	n/m	0	492	n/m	n/m	n/m
Disposition of Capital Assets	1,978,399	0	1,978,399	n/m	1,978,399	0	1,978,399	n/m	0	(1,978,399)	n/m	n/m	n/m
Change in Suspense	1,700	0	1,700	n/m	0	0	0	n/m	0	0	n/m	n/m	n/m
Change in Other Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m	n/m	n/m
Change in Deferrals	(71,400)	0	(71,400)	n/m	(32,383)	0	(32,383)	n/m	0	32,383	n/m	n/m	n/m
Increase in LT Debt	0	0	0	n/m	0	0	0	n/m	0	0	n/m	n/m	n/m
(Decrease) in LT Debt	0	0	0	n/m	0	0	0	n/m	0	0	n/m	n/m	n/m
Change in Other Liabilities	0	0	0	n/m	0	0	0	n/m	0	0	n/m	n/m	n/m
Other Non-Working Capital Income/Expense Items	0	0	0	n/m	0	0	0	n/m	0	0	n/m	n/m	n/m
Non Income/Expense Change in Equity	(1,978,399)	0	(1,978,399)	n/m	(1,978,399)	0	(1,978,399)	n/m	0	1,978,399	n/m	n/m	n/m
Total Other Sources/(Uses) of Working Capital	1,208	0	1,208	n/m	(492)	0	(492)	n/m	0	492	n/m	n/m	n/m
Transfer In from (Out to) Other Funds													
Net Transfer In/(Out)	(104,312)	0	(104,312)	n/m	(4,997,028)	(4,892,716)	(104,312)	2.1%	(4,892,716)	104,312	102.1%	102.1%	102.1%
Net Change in Working Capital	(\$431,943)	(\$2,858)	(\$429,085)	15013.9%	(\$4,804,980)	(\$4,972,935)	\$167,954	(3.4%)	(\$4,972,935)	(\$167,954)	96.6%	96.6%	96.6%
Working Capital, Beginning of Period	525,757				4,898,795								
Working Capital, 12/31/2013	\$93,814				\$93,814								

- 1) Tenant recoveries have been higher than anticipated in the budget
- 2) \$42,900 represents prior year FSS revenue adjustment
- 3) Budget is related to FSS transactions and assumed overall increases to balances would equal decreases over the course of the year.
- 4) Unbudgeted transfer of Hopkins Building to Fund 100 - Miscellaneous Federal Programs

MTW

Working Capital Budget vs. Actual Report
For the Period Ended 12/31/2013

Working Capital Budget vs. Actual Report For the Period Ended 12/31/2013												
	Quarter Ended December 31, 2013				Year-to-Date				2013 Annual Budget	Remainder to Receive/ Spend	(n/m= not meaningful) Percent of Annual Budget	
	Budget		% Var		Budget		% Var					
	Actual	\$	\$	n/m	Actual	\$	\$	n/m				
Revenues												
Tenant Revenue	\$0	\$0	\$0	n/m	\$0	\$0	\$0	n/m	\$0	\$0	n/m	
Operating Fund Subsidy from HUD	453,724	393,560	60,164	15.3%	1,820,569	1,574,233	246,336	15.6%	1,574,233	(246,336)	115.6% (1)	
Section 8 Subsidy from HUD	5,635,948	1,424,209	4,211,739	295.7%	7,017,372	6,426,066	591,307	9.2%	6,426,066	(591,307)	109.2% (2)	
Other Operating Revenue	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Non-operating Revenue	22,823	15,001	7,822	52.1%	222,491	66,292	156,199	235.6%	66,292	(156,199)	335.6% (3)	
Total Revenues	6,112,495	1,832,770	4,279,725	233.5%	9,060,432	8,066,591	993,841	12.3%	8,066,591	(993,841)	112.3%	
Expenses												
Salaries & Benefits	168,010	157,578	10,432	6.6%	670,486	673,115	(2,629)	(0.4%)	673,115	2,629	99.6%	
Routine Maintenance, Utilities, Taxes & Insurance	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Direct Social Service Salaries & Benefits	45,445	35,825	9,620	26.9%	151,981	176,992	(25,011)	(14.1%)	176,992	25,011	85.9%	
Other Social Service Support Expenses & HAP	341,255	646,949	(305,694)	(47.3%)	1,895,102	2,399,826	(504,724)	(21.0%)	2,399,826	504,724	79.0% (4)	
Administrative Support Expenses	68,697	64,981	3,716	5.7%	125,806	225,581	(99,775)	(44.2%)	225,581	99,775	55.8%	
Non-operating Expenses	0	0	0	n/m	(19,734)	0	(19,734)	n/m	0	19,734	n/m	
Total Expenses	623,408	905,333	(281,925)	(31.1%)	2,823,642	3,475,514	(651,872)	(18.8%)	3,475,514	651,872	81.2%	
Net Income	5,489,087	927,437	4,561,650	491.9%	6,236,790	4,591,077	1,645,713	35.8%	4,591,077	(1,645,713)	135.8%	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	(104,312)	(1,904)	(102,408)	5378.6%	(3,113,424)	(12,681)	(3,100,743)	24451.9%	(12,681)	3,100,743	24551.9% (5)	
Decrease in Restricted/Designated Cash	4,005,370	3,289,441	715,929	21.8%	10,545,075	11,380,460	(835,385)	(7.3%)	11,380,460	835,385	92.7%	
(Increase) in LT Receivables	0	0	0	n/m	(187,179)	0	(187,179)	n/m	0	187,179	n/m (6)	
Decrease in LT Receivables	833,203	490,038	343,165	70.0%	2,421,370	872,244	1,549,126	177.6%	872,244	(1,549,126)	277.6% (6)	
Acquisition of Capital Assets	(8,806)	(755,125)	746,319	(98.8%)	(40,078)	(1,614,375)	1,574,297	(97.5%)	(1,614,375)	(1,574,297)	2.5% (7)	
Disposition of Capital Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Change in Suspense	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Change in Other Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Change in Deferrals	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Increase in LT Debt	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
(Decrease) in LT Debt	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Change in Other Liabilities	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Other Non-Working Capital Income/Expense Items	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Non Income/Expense Change in Equity	0	0	0	n/m	(0)	0	(0)	n/m	0	0	n/m	
Total Other Sources/(Uses) of Working Capital	4,725,455	3,022,450	1,703,005	56.3%	9,625,764	10,625,648	(999,884)	(9.4%)	10,625,648	999,884	90.6%	
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	963,957	0	963,957	n/m	7,597,572	7,445,177	152,396	2.0%	7,445,177	(152,396)	102.0%	
Transfers Out to Other Funds	(5,661,088)	(4,816,126)	(844,962)	17.5%	(16,175,500)	(15,605,077)	(570,423)	3.7%	(15,605,077)	570,423	103.7%	
Net Transfer In/(Out)	(4,697,131)	(4,816,126)	118,995	(2.5%)	(8,577,927)	(8,159,900)	(418,027)	5.1%	(8,159,900)	418,027	105.1%	
Net Change in Working Capital	\$5,517,411	(\$866,239)	\$6,383,650	n/m	\$7,284,627	\$7,056,825	\$227,803	3.2%	\$7,056,825	(\$227,803)	103.2%	
Working Capital, Beginning of Period	(1,934,180)				(3,701,397)							
Working Capital, 12/31/2013	\$3,583,231				\$3,583,231							

- Budget was understated due to budgeting error
- The net contribution from the block grant is slightly ahead of budget as overleasing has been declining.
- YTD variance due to grant money received for a construction project for which MTW funds were previously used; therefore MTW fund is being reimbursed. Unbudgeted.
- Student Family Stability Initiative was not operational until October. Accruals are made throughout the year based on budgeted contract amounts. These accruals are reversed as invoices are received. In December, this reversal resulted in a lower amount of actual expense in the 4th quarter as the Solid Ground contract was terminated due to the vendor not receiving an expected grant critical to contract implementation while Bellevue College and Berk activity was rescheduled for 2014. Also 'New Futures' was accrued in error.
- An additional \$3 million of MTW reserves were used as FHLB loan collateral beyond the \$6 million HAP reserve that was budgeted
- Unbudgeted payoff from Seola Gardens loan \$1M, plus internal HomeSight loan payments. Seola artwork funded by MTW loan \$113k.; \$73k HomeSight loan adj.
- Related to MST replacement project; bulk of activity will occur in 2014.

Local Properties (KCHA)
Working Capital Budget vs. Actual Report
For the Period Ended 12/31/2013

Working Capital Budget vs. Actual Report For the Period Ended 12/31/2013												
Revenues	Quarter Ended December 31, 2013				Year-to-Date				2013 Annual Budget	Remainder to Receive/ Spend	Percent of Annual Budget (n/m= not meaningful)	
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var				
Tenant Revenue	\$8,939,210	\$7,769,753	\$1,169,457	15.1%	\$32,411,725	\$30,826,813	\$1,584,912	5.1%	\$30,826,813	(\$1,584,912)	105.1%	(1)
Operating Fund Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Section 8 Subsidy from HUD	0	1,535	(1,535)	(100.0%)	42,476	12,279	30,197	245.9%	12,279	(30,197)	345.9%	(2)
Other Operating Revenue	87,011	119,115	(32,104)	(27.0%)	781,078	446,954	334,124	74.8%	446,954	(334,124)	174.8%	(2)
Non-operating Revenue	2,350,489	62,156	2,288,333	3681.6%	2,563,512	246,880	2,316,632	938.4%	246,880	(2,316,632)	1038.4%	(3)
Total Revenues	11,376,710	7,952,559	3,424,151	43.1%	35,798,791	31,532,926	4,265,865	13.5%	31,532,926	(4,265,865)	113.5%	
Expenses												
Salaries & Benefits	704,578	719,519	(14,940)	(2.1%)	2,764,198	2,905,590	(141,392)	(4.9%)	2,905,590	141,392	95.1%	
Routine Maintenance, Utilities, Taxes & Insurance	2,017,851	1,923,799	94,052	4.9%	7,840,034	8,194,272	(354,238)	(4.3%)	8,194,272	354,238	95.7%	
Direct Social Service Salaries & Benefits	5,409	4,389	1,020	23.2%	21,104	19,073	2,031	10.6%	19,073	(2,031)	110.6%	(4)
Other Social Service Support Expenses & HAP	101,062	28,955	72,107	249.0%	169,742	115,729	54,014	46.7%	115,729	(54,014)	146.7%	(4)
Administrative Support Expenses	1,140,475	730,089	410,386	56.2%	3,429,224	2,997,962	431,262	14.4%	2,997,962	(431,262)	114.4%	(5)
Non-operating Expenses	1,661,276	911,323	749,953	82.3%	4,844,173	4,029,395	814,778	20.2%	4,029,395	(814,778)	120.2%	(6)
Total Expenses	5,630,652	4,318,074	1,312,578	30.4%	19,068,475	18,262,020	806,455	4.4%	18,262,020	(806,455)	104.4%	
Net Income	5,746,058	3,634,485	2,111,573	58.1%	16,730,316	13,270,906	3,459,410	26.1%	13,270,906	(3,459,410)	126.1%	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	(1,637,517)	(304,355)	(1,333,162)	438.0%	(3,316,714)	(1,045,533)	(2,271,181)	217.2%	(1,045,533)	2,271,181	317.2%	(7)
Decrease in Restricted/Designated Cash	2,496,693	665,162	1,831,531	275.4%	4,712,375	4,106,620	605,755	14.8%	4,106,620	(605,755)	114.8%	(8)
(Increase) in LT Receivables	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Decrease in LT Receivables	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Acquisition of Capital Assets	(31,094,928)	(43,271)	(31,051,657)	71760.9%	(33,153,865)	(2,297,173)	(30,856,692)	1343.2%	(2,297,173)	30,856,692	1443.2%	
Maintenance Projects	(2,304,399)	(1,595,458)	(708,941)	44.4%	(8,533,155)	(9,573,469)	1,040,314	(10.9%)	(9,573,469)	(1,040,314)	89.1%	(9)
Acquisition of Capital Assets	(33,399,327)	(1,638,729)	(31,760,598)	1938.1%	(41,687,020)	(11,870,642)	(29,816,377)	251.2%	(11,870,642)	29,816,377	351.2%	
Disposition of Capital Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Change in Suspense	(172,860)	0	(172,860)	n/m	(137,507)	0	(137,507)	n/m	0	137,507	n/m	
Change in Other Assets	(2,042,610)	0	(2,042,610)	n/m	(2,042,610)	0	(2,042,610)	n/m	0	2,042,610	n/m	
Change in Deferrals	114,821	0	114,821	n/m	164,571	0	164,571	n/m	0	(164,571)	n/m	
Increase in LT Debt	50,472,706	12,704	50,460,002	397197.7%	61,654,571	12,982,199	48,672,372	374.9%	12,982,199	(48,672,372)	474.9%	(10)
(Decrease) in LT Debt	(20,290,986)	(1,017,500)	(19,273,486)	1894.2%	(32,840,511)	(15,205,857)	(17,634,654)	116.0%	(15,205,857)	17,634,654	216.0%	(10)
Change in Other Liabilities	0	0	0	n/m	2,023	0	2,023	n/m	0	(2,023)	n/m	
Other Non-Working Capital Income/Expense Items	5,000,887	0	5,000,887	n/m	5,183,886	0	5,183,886	n/m	0	(5,183,886)	n/m	(11)
Non Income/Expense Change in Equity	(4,385,196)	0	(4,385,196)	n/m	(4,385,196)	0	(4,385,196)	n/m	0	4,385,196	n/m	(12)
Total Other Sources/(Uses) of Working Capital	(3,843,388)	(2,282,718)	(1,560,670)	68.4%	(12,692,132)	(11,033,213)	(1,658,919)	15.0%	(11,033,213)	1,658,919	115.0%	
Transfer In from (Out to) Other Funds												
Net Transfer In/(Out)	2,547,721	(134,150)	2,681,871	n/m	1,841,673	(1,010,836)	2,852,509	n/m	(1,010,836)	(2,852,509)	n/m	(13)
Net Change in Working Capital	\$4,450,390	\$1,217,617	\$3,232,773	265.5%	\$5,879,857	\$1,226,857	\$4,653,000	379.3%	\$1,226,857	(\$4,653,000)	479.3%	
Working Capital, Beginning of Period	(237,881)				(1,667,347)							
Working Capital, 12/31/2013	\$4,212,510				\$4,212,510							

- 1) Inclusion of new properties-Chaussee and tax credits
- 2) Includes \$272k of unbudgeted Weatherization grant revenue and \$72k unbudgeted grant revenue from King County for elevator repair at Westminster
- 3) Unbudgeted increase in FMV of 2005 pool interest rate swaps. (\$2M-GAAP adjustment)
- 4) Unbudgeted lighting and electronic upgrades at Bellevue Manor and Patricia Harris Manor.
- 5) Includes \$332k of unbudgeted 2013 Pool financing and legal fees as well as unbudgeted property management fees for Chaussee properties.
- 6) Includes the write-off of previously deferred defeasance costs necessitated by the 4th quarter refinancing of the 1998 pool
- 7) Increase in restricted cash resulting from the acquisition of assets and property from the Tax Credit Partnerships of Alpine Ridge, Heritage Park, and Colonial Gardens.
- 8) Withdrawal from reserve and trustee account balances to pay off the 1998 Pool bonds.
- 9) Acquisition of Laurelwood, Alpine Ridge, Heritage Park, Colonial Gardens, Woodridge Park, and the Chaussee properties.
- 10) Includes new loans of \$63 million (2013 pool) used to pay off the 1998 pool and other debt.
- 11) Transfer of Birch Creek Family Center to fund group 3 (Other Federal -KCHA), capitalization of roofs at various properties, transfer to properly allocate land to the COCC (\$183k).
- 12) Unbudgeted transfer out of Birch Creek Family Center to Misc. Federal Programs (Fund Group 3).
- 13) Unbudgeted transfer in of receivables for Heritage Park, Albino Ridge, and Colonial Gardens plus transfer in of equity related to the transfer of the Birch Creek Family Center to Misc Federal Programs (Fund Group 3).

Local Properties (Other)
Working Capital Budget vs. Actual Report
For the Period Ended 12/31/2013

Working Capital Budget vs. Actual Report For the Period Ended 12/31/2013											
	Quarter Ended December 31, 2013				Year-to-Date				2013 Annual Budget	Remainder to Receive/ Spend	(n/m= not meaningful) Percent of Annual Budget
	Actual		% Var		Actual		% Var				
	Budget	\$ Var	Budget	% Var	Budget	\$ Var	Budget	% Var			
Revenues											
Tenant Revenue	\$331,943	\$344,141	(\$12,198)	(3.5%)	\$1,368,891	\$1,376,564	(\$7,673)	(0.6%)	\$1,376,564	\$7,673	99.4%
Operating Fund Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Section 8 Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Other Operating Revenue	1,366	329	1,037	315.1%	4,255	1,315	2,940	223.6%	1,315	(2,940)	323.6%
Non-operating Revenue	220,758	221,913	(1,155)	(0.5%)	893,131	887,827	5,304	0.6%	887,827	(5,304)	100.6%
Total Revenues	554,067	566,383	(12,316)	(2.2%)	2,266,277	2,265,706	571	0.0%	2,265,706	(571)	100.0%
Expenses											
Salaries & Benefits	60,776	53,223	7,553	14.2%	241,552	224,976	16,576	7.4%	224,976	(16,576)	107.4%
Routine Maintenance, Utilities, Taxes & Insurance	136,432	130,068	6,364	4.9%	487,621	478,200	9,421	2.0%	478,200	(9,421)	102.0%
Direct Social Service Salaries & Benefits	8,184	8,151	33	0.4%	35,177	35,328	(152)	(0.4%)	35,328	152	99.6%
Other Social Service Support Expenses & HAP	35,083	42,429	(7,346)	(17.3%)	154,230	169,709	(15,479)	(9.1%)	169,709	15,479	90.9%
Administrative Support Expenses	80,902	63,740	17,162	26.9%	259,566	224,930	34,636	15.4%	224,930	(34,636)	115.4%
Non-operating Expenses	152,192	152,391	(199)	(0.1%)	609,267	609,564	(297)	(0.0%)	609,564	297	100.0%
Total Expenses	473,569	450,002	23,567	5.2%	1,787,413	1,742,707	44,706	2.6%	1,742,707	(44,706)	102.6%
Net Income	80,498	116,381	(35,883)	(30.8%)	478,864	522,999	(44,135)	(8.4%)	522,999	44,135	91.6%
Other Sources/(Uses) of Working Capital											
(Increase) in Restricted/Designated Cash	(13,879)	(16,026)	2,146	(13.4%)	(61,007)	(64,102)	3,095	(4.8%)	(64,102)	(3,095)	95.2%
Decrease in Restricted/Designated Cash	190,098	1,352	188,747	13964.8%	190,098	5,406	184,692	3416.2%	5,406	(184,692)	3516.2%
(Increase) in LT Receivables	(103,789)	(104,357)	568	(0.5%)	(425,842)	(417,428)	(8,414)	2.0%	(417,428)	8,414	102.0%
Decrease in LT Receivables	208,287	188,420	19,867	10.5%	538,547	518,681	19,866	3.8%	518,681	(19,866)	103.8%
Acquisition of Capital Assets	(0)	(7,000)	7,000	(100.0%)	(383)	(28,000)	27,617	(98.6%)	(28,000)	(27,617)	1.4%
Disposition of Capital Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Change in Suspense	(303)	0	(303)	n/m	(303)	0	(303)	n/m	0	303	n/m
Change in Other Assets	(134,816)	0	(134,816)	n/m	(134,816)	0	(134,816)	n/m	0	134,816	n/m
Change in Deferrals	(1,250)	0	(1,250)	n/m	489	0	489	n/m	0	(489)	n/m
Increase in LT Debt	0	0	0	n/m	0	0	0	n/m	0	0	n/m
(Decrease) in LT Debt	0	0	0	n/m	(73,054)	(73,054)	0	(0.0%)	(73,054)	(0)	100.0%
Change in Other Liabilities	99,534	108,391	(8,857)	(8.2%)	164,023	176,357	(12,334)	(7.0%)	176,357	12,334	93.0%
Other Non-Working Capital Income/Expense Items	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Non Income/Expense Change in Equity	0	0	0	n/m	(252,385)	0	(252,385)	n/m	0	252,385	n/m
Total Other Sources/(Uses) of Working Capital	243,882	170,780	73,102	42.8%	(54,631)	117,860	(172,491)	n/m	117,860	172,491	n/m
Transfer In from (Out to) Other Funds											
Net Transfer In/(Out)	(70,000)	0	(70,000)	n/m	(70,000)	0	(70,000)	n/m	0	70,000	n/m
Net Change in Working Capital	\$254,381	\$287,161	(\$32,780)	(11.4%)	\$354,233	\$640,859	(\$286,626)	(44.7%)	\$640,859	\$286,626	55.3%
Working Capital, Beginning of Period	(5,589,484)				(5,689,336)						
Working Capital, 12/31/2013	(\$5,335,103)				(\$5,335,103)						

- 1) The Wiley Center CD matured and the funds were used to purchase the JP Morgan Chase and Enterprise interests in the Wiley Center Investment Fund. Unbudgeted.
- 2) Technical accounting equity adjustment

Local Properties Tax Credit GP
Working Capital Budget vs. Actual Report
For the Period Ended 12/31/2013

Revenues	Quarter Ended December 31, 2013				Year-to-Date				2013 Annual Budget	Remainder to Receive/ Spend	(n/m= not meaningful) Percent of Annual Budget
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var			
Tenant Revenue	\$0	\$0	\$0	n/m	\$0	\$0	\$0	n/m	\$0	\$0	n/m
Operating Fund Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Section 8 Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Other Operating Revenue	7,800	270	7,530	2788.9%	550,523	479,078	71,445	14.9%	479,078	(71,445)	114.9%
Non-operating Revenue	873,549	931,068	(57,519)	(6.2%)	3,589,826	3,580,236	9,590	0.3%	3,580,236	(9,590)	100.3%
Total Revenues	881,349	931,338	(49,989)	(5.4%)	4,140,349	4,059,314	81,035	2.0%	4,059,314	(81,035)	102.0%
Expenses											
Salaries & Benefits	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Routine Maintenance, Utilities, Taxes & Insurance	6,569	7,360	(791)	(10.7%)	28,271	29,427	(1,156)	(3.9%)	29,427	1,156	96.1%
Direct Social Service Salaries & Benefits	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Other Social Service Support Expenses & HAP	116	433	(317)	(73.2%)	134	1,701	(1,567)	(92.1%)	1,701	1,567	7.9%
Administrative Support Expenses	126,646	165,285	(38,639)	(23.4%)	595,196	665,403	(70,208)	(10.6%)	665,403	70,208	89.4%
Non-operating Expenses	568,275	771,438	(203,163)	(26.3%)	2,395,998	3,085,752	(689,754)	(22.4%)	3,085,752	689,754	77.6%
Total Expenses	701,607	944,516	(242,910)	(25.7%)	3,019,599	3,782,283	(762,684)	(20.2%)	3,782,283	762,684	79.8%
Net Income	179,742	(13,178)	192,920	n/m	1,120,750	277,031	843,719	304.6%	277,031	(843,719)	404.6%
Other Sources/(Uses) of Working Capital											
(Increase) in Restricted/Designated Cash	(237,975)	(42,500)	(195,475)	459.9%	(871,707)	(170,000)	(701,707)	412.8%	(170,000)	701,707	512.8%
Decrease in Restricted/Designated Cash	1,200,000	30,000	1,170,000	3900.0%	1,224,362	120,000	1,104,362	920.3%	120,000	(1,104,362)	1020.3%
(Increase) in LT Receivables	(20,802)	(22,271)	1,469	(6.6%)	(110,397)	(79,052)	(31,345)	39.7%	(79,052)	31,345	139.7%
Decrease in LT Receivables	13,971,860	1,220,337	12,751,523	1044.9%	17,052,829	1,689,701	15,363,128	909.2%	1,689,701	(15,363,128)	1009.2%
Acquisition of Capital Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Maintenance Projects	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Acquisition of Capital Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Disposition of Capital Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Change in Suspense	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Change in Other Assets	767,976	0	767,976	n/m	789,976	(150,000)	939,976	n/m	(150,000)	(939,976)	n/m
Change in Deferrals	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Increase in LT Debt	44,562	0	44,562	n/m	65,098	0	65,098	n/m	0	(65,098)	n/m
(Decrease) in LT Debt	(13,918,226)	(1,220,337)	(12,697,889)	1040.5%	(16,059,814)	(1,645,972)	(14,413,842)	875.7%	(1,645,972)	14,413,842	975.7%
Change in Other Liabilities	10,490	8,964	1,526	17.0%	31,100	25,824	5,276	20.4%	25,824	(5,276)	120.4%
Other Non-Working Capital Income/Expense Items	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Non Income/Expense Change in Equity	(0)	0	(0)	n/m	0	0	0	n/m	0	0	n/m
Total Other Sources/(Uses) of Working Capital	1,817,886	(25,807)	1,843,693	n/m	2,121,447	(209,499)	2,330,946	n/m	(209,499)	(2,330,946)	n/m
Transfer In from (Out to) Other Funds											
Transfers In from Other Funds	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Transfers Out to Other Funds	(2,911,925)	(60,000)	(2,851,925)	4753.2%	(3,963,930)	(275,000)	(3,688,930)	1341.4%	(275,000)	3,688,930	1441.4%
Net Transfer In/(Out)	(2,911,925)	(60,000)	(2,851,925)	4753.2%	(3,963,930)	(275,000)	(3,688,930)	1341.4%	(275,000)	3,688,930	1441.4%
Net Change in Working Capital	(\$914,297)	(\$98,985)	(\$815,312)	823.7%	(\$721,733)	(\$207,468)	(\$514,265)	247.9%	(\$207,468)	\$514,265	347.9%
Working Capital, Beginning of Period	824,458				631,894						
Working Capital, 12/31/2013	(\$89,839)				(\$89,839)						

- Interest expense on Overlake is less than budgeted. Interest swap contract expired in January and since bonds have variable rate interest payments, interest expense will now fluctuate.
- As a result of the expired Overlake swap contract, a larger portion of the monthly partnership contribution to the Overlake trustee account is being deposited to a restricted cash reserve instead of being recorded as interest expense.
- Unbudgeted transfer of surplus funds to KCHA from Overlake Stabilization Fund.
- Alpine Ridge, Colonial Gardens and Heritage Park tax credit partnerships expired in the 4th quarter resulting in the general partner receivables and offsetting debt being removed from the books.
- Alpine Ridge, Colonial Gardens and Heritage Park tax credit partnerships expired in the 4th quarter resulting in the write-off of the Investment in Low Income Housing Tax Credit Partnerships asset.
- Transfer of assets from expired Tax Credit Partnerships to KCHA-owned Local Property funds.

Local-Development
Working Capital Budget vs. Actual Report
For the Period Ended 12/31/2013

	Quarter Ended December 31, 2013			Year-to-Date			2013 Annual Budget	Remainder to Receive/ Spend	(n/m= not meaningful) Percent of Annual Budget
	Actual	\$	% Var	Actual	\$	% Var			
Revenues									
Tenant Revenue									
Operating Fund Subsidy from HUD	0	0	n/m	0	0	0	0	0	n/m
Section 8 Subsidy from HUD	0	0	n/m	0	0	0	0	0	n/m
Other Operating Revenue	(1,070,027)	(729,733)	(340,794) 46.7%	323,557	374,162	(50,605) (13.5%)	374,162	50,605	86.5% (1)
Non-operating Revenue	(75,594)	4,841	(80,435) n/m	576,228	555,031	21,197 3.8%	555,031	(21,197)	103.8% (2)
Total Revenues	(1,145,620)	(724,392)	(421,228) 58.1%	899,785	929,193	(29,408) (3.2%)	929,193	29,408	96.8%
Expenses									
Salaries & Benefits	12,185	61,845	(49,660) (80.3%)	153,341	263,860	(110,519) (41.9%)	263,860	110,519	58.1% (3)
Routine Maintenance, Utilities, Taxes & Insurance	698	0	698 n/m	1,861	0	1,861 n/m	0	1,861	n/m
Direct Social Service Salaries & Benefits	14,020	30,054	(16,034) (53.4%)	138,071	130,278	7,793 6.0%	130,278	(7,793)	106.0%
Other Social Service Support Expenses & HAP	92,454	105,777	(13,323) (12.6%)	252,241	304,035	(51,794) (17.0%)	304,035	51,794	83.0%
Administrative Support Expenses	(3,417)	20,171	(23,588) n/m	91,386	63,258	28,128 44.5%	63,258	(28,128)	144.5%
Non-operating Expenses	(1,347,379)	3,750	(1,351,129) n/m	1,673	6,747	(5,075) (75.2%)	6,747	5,075	24.8% (4)
Total Expenses	(1,231,440)	221,597	(1,453,037) n/m	638,573	768,178	(129,605) (16.9%)	768,178	129,605	83.1%
Net Income	85,820	(945,989)	1,031,809 n/m	261,213	161,015	100,198 62.2%	161,015	(100,198)	162.2%
Other Sources/(Uses) of Working Capital									
(Increase) in Restricted/Designated Cash	(1,000,008)	(6)	(1,000,002) n/m	(3,537,013)	(2,000,030)	(1,536,983) 76.8%	(2,000,030)	1,536,983	176.8% (5)
Decrease in Restricted/Designated Cash	76,762	488,334	(411,572) (84.3%)	2,305,418	1,030,000	1,275,418 123.8%	1,030,000	(1,275,418)	223.8% (6)
(Increase) in LT Receivables	(473,125)	(425,000)	(48,125) 11.3%	(964,370)	(2,027,000)	1,062,630 (52.4%)	(2,027,000)	(1,062,630)	47.6% (7)
Decrease in LT Receivables	2,626	0	2,626 n/m	334,766	0	334,766 n/m	0	(334,766)	n/m (8)
Acquisition of Capital Assets	129,171	(4,069,914)	4,199,085 n/m	(9,612,114)	(28,672,734)	19,060,620 (66.5%)	(28,672,734)	(19,060,620)	33.5% (9)
Disposition of Capital Assets	0	1,738,531	(1,738,531) (100.0%)	3,849,144	3,849,144	0 (100.0%)	3,849,144	3,849,144	0.0% (10)
Change in Suspense	1,247	0	1,247 n/m	347	0	347 n/m	0	(347)	n/m
Change in Other Assets	0	0	0 n/m	0	0	0 n/m	0	0	n/m
Change in Deferrals	0	0	0 n/m	10,000	0	10,000 n/m	0	(10,000)	n/m
Increase in LT Debt	317,738	11,453,188	(11,135,450) (97.2%)	13,407,466	20,604,166	(7,196,700) (34.9%)	20,604,166	7,196,700	65.1%
(Decrease) in LT Debt	(13,732,953)	0	(13,732,953) n/m	(21,643,617)	(1,244,510)	(20,399,107) 1639.1%	(1,244,510)	20,399,107	1739.1% (11)
Change in Other Liabilities	(833,203)	1,314,529	(2,147,732) n/m	(2,277,106)	2,007,323	(4,284,429) n/m	2,007,323	4,284,429	n/m (12)
Other Non-Working Capital Income/Expense Items	3,137,132	0	3,137,132 n/m	24,894,180	0	24,894,180 n/m	0	(24,894,180)	n/m (13)
Non Income/Expense Change in Equity	18,754	0	18,754 n/m	(238,355)	0	(238,355) n/m	0	238,355	n/m (14)
Total Other Sources/(Uses) of Working Capital	(12,355,858)	10,499,562	(22,855,520) n/m	2,679,603	(6,453,641)	9,133,244 n/m	(6,453,641)	(9,133,244)	n/m
Transfer In from (Out to) Other Funds									
Net Transfer In/(Out)	(1,688,310)	4,212,000	(5,900,310) n/m	(14,321,244)	6,336,506	(20,657,750) n/m	6,336,506	20,657,750	n/m
Net Change in Working Capital	(\$13,958,349)	\$13,765,673	(\$27,724,022) n/m	(\$11,380,428)	\$43,880	(\$11,424,308) n/m	\$43,880	\$11,424,308	n/m
Working Capital, Beginning of Period	2,491,987		(85,934)						
Working Capital, 12/31/2013	(\$11,466,362)		(\$11,466,362)						

- 1) Actual credit amount in the 4th quarter is due to reversing an entry posted in error in the 3rd quarter. The budgeted credit amount in the 4th quarter includes \$1.3M of Cost-of-Goods-Sold which results in the negative budgeted amount of \$729K. (This amount is offset by the budgeted amount of change to the Work-in-Process accounts.) Income from Homeowners Association for salary reimbursement was not received as the reimbursements are processed through another fund beginning in the 4th quarter.
- 2) Credit amount for the 4th quarter is due to adjustments to record revenue on correct line for year-end.
- 3) Salary expense was transferred to the Homeowner Association Reimbursement fund for payment of salaries by the Greenbridge and Seola Gardens Homeowner Associations. The new process of Association salary payment began in the 4th quarter and was not anticipated in the budget. See Footnote 1.
- 4) Credit amount in the 4th quarter is due to reversing an entry posted in error in the 3rd quarter.
- 5) Unbudgeted earnest money deposit of \$1M for acquiring outside King County Chaussee properties plus unbudgeted funds from Seola Gardens endowment.
- 6) Contractor payments out of restricted Green River Homes development accounts were not budgeted in 2013 as it was thought that all would be made in 2012.
- 7) Budget was amended to anticipate a receivable for the Seola Gardens endowment. However, because the endowment funds were drawn in August, there was no actual increase in receivables.
- 8) HomeSight loan payments
- 9) Fairwind construction is completed and the assets have been transferred to the Tax Credit Partnership.
- 10) Related to Hope VI lot sales which have sold a brisker pace than anticipated: Greenbridge \$3.2M, Seola Gardens \$2.4M.
- 11) Reclassification of the Fairwind LOC to short term.
- 12) Unbudgeted payoff of \$1M internal loan made to Seola Gardens from the MTW fund; also, payments on MTW \$15M loan more than anticipated in the budget.
- 13) Technical accounting entry to offset transfer out of resources resulting from Fairwind closing. See also footnote 15.
- 14) Accounting adjustment to prior year Green River Homes 2 activity
- 15) Transfer out of Fairwind-applicable to closing. See also footnote 13.

Local-Other Funds

Working Capital Budget vs. Actual Report
For the Period Ended 12/31/2013

Working Capital Budget vs. Actual Report For the Period Ended 12/31/2013													
Revenues	Quarter Ended December 31, 2013				Year-to-Date				2013 Annual Budget	Remainder to Receive/ Spend	(n/m= not meaningful) Percent of Annual Budget		
	Actual		Budget		Actual		Budget					Year-to-Date	
	\$	% Var	\$	% Var	\$	% Var	\$	% Var				\$	% Var
Tenant Revenue	0		0	n/m	0		0	n/m	0	\$0	n/m		
Operating Fund Subsidy from HUD	0		0	n/m	0		0	n/m	0	0	n/m		
Section 8 Subsidy from HUD	0		0	n/m	0		0	n/m	0	0	n/m		
Other Operating Revenue	1,527,725		690,915	121.1%	836,810	121.1%	4,303,745	7.2%	4,012,971	(290,774)	107.2%		
Non-operating Revenue	0		0	n/m	0	n/m	0	n/m	0	0	n/m		
Total Revenues	1,527,725		690,915	121.1%	836,810	121.1%	4,303,745	7.2%	4,012,971	(290,774)	107.2%		
Expenses													
Salaries & Benefits	234,516		232,406	0.9%	2,110	0.9%	1,011,004	1.5%	995,848	(15,156)	101.5%		
Routine Maintenance, Utilities, Taxes & Insurance	3,368		3,284	2.5%	84	2.5%	13,571	24.9%	10,868	(2,703)	124.9%		
Direct Social Service Salaries & Benefits	27,883		29,237	(4.6%)	(1,354)	(4.6%)	179,062	41.3%	126,764	(52,298)	141.3%		
Other Social Service Support Expenses & HAP	1,059,507		501,485	111.3%	558,022	111.3%	3,038,400	9.3%	2,779,473	(258,927)	109.3%		
Administrative Support Expenses	53,969		28,595	88.7%	25,374	88.7%	129,073	(1.7%)	131,341	2,268	98.3%		
Non-operating Expenses	0		0	n/m	0	n/m	23,067	n/m	0	(23,067)	n/m		
Total Expenses	1,379,242		795,007	73.5%	584,235	73.5%	4,394,177	8.7%	4,044,294	(349,883)	108.7%		
Net Income	148,483		(104,092)	n/m	252,575	n/m	(90,432)	188.7%	(31,323)	59,109	288.7%		
Other Sources/(Uses) of Working Capital													
(Increase) in Restricted/Designated Cash	(400,000)		0	n/m	(400,000)	n/m	(400,000)	n/m	0	400,000	n/m		
Decrease in Restricted/Designated Cash	0		0	n/m	0	n/m	0	n/m	0	0	n/m		
(Increase) in LT Receivables	0		0	n/m	0	n/m	0	n/m	0	0	n/m		
Decrease in LT Receivables	0		0	n/m	0	n/m	0	n/m	0	0	n/m		
Acquisition of Capital Assets	(94)		0	n/m	(94)	n/m	(5,067)	1.9%	(4,974)	93	101.9%		
Disposition of Capital Assets	0		0	n/m	0	n/m	0	n/m	0	0	n/m		
Change in Suspense	0		0	n/m	0	n/m	0	n/m	0	0	n/m		
Change in Other Assets	0		0	n/m	0	n/m	0	n/m	0	0	n/m		
Change in Deferrals	0		0	n/m	0	n/m	0	n/m	0	0	n/m		
Increase in LT Debt	0		0	n/m	0	n/m	0	n/m	0	0	n/m		
(Decrease) in LT Debt	0		0	n/m	0	n/m	0	n/m	0	0	n/m		
Change in Other Liabilities	0		0	n/m	0	n/m	0	n/m	0	0	n/m		
Other Non-Working Capital Income/Expense Items	1,700		0	n/m	1,700	n/m	1,700	n/m	0	(1,700)	n/m		
Non Income/Expense Change in Equity	0		0	n/m	0	n/m	0	n/m	0	(0)	n/m		
Total Other Sources/(Uses) of Working Capital	(398,393)		0	n/m	(398,393)	n/m	(403,367)	8009.5%	(4,974)	398,393	8109.5%		
Transfer in from (Out to) Other Funds													
Net Transfer In/(Out)	45,863		120,116	(61.8%)	(74,253)	(61.8%)	128,214	6.7%	120,116	(8,098)	106.7%		
Net Change in Working Capital	(\$204,047)		\$16,024	n/m	(\$220,071)	n/m	(\$365,585)	n/m	\$83,819	\$449,404	n/m		
Working Capital, Beginning of Period	567,613						729,151						
Working Capital, 12/31/2013	\$363,565						\$363,565						

- 1) Opportunity for a BPA grant project at Ballinger was not anticipated in the budget.
- 2) Midyear budget reduction error resulted in Multi-Family Service Coordinator salary variance.
- 3) Moved funds from Coronado Springs payoff into weatherization reserve account.

COCC

Working Capital Budget vs. Actual Report
For the Period Ended 12/31/2013

Revenues	Quarter Ended December 31, 2013				Year-to-Date				2013 Annual Budget	Remainder to Receive/ Spend	(n/m= not meaningful) Percent of Annual Budget
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var			
	\$0	\$0	\$0	n/m	\$0	\$0	\$0	n/m	\$0	\$0	n/m
Tenant Revenue	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Operating Fund Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Section 8 Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Other Operating Revenue	3,683,388	2,625,552	1,057,836	40.3%	11,736,491	10,902,055	834,436	7.7%	10,902,055	(834,436)	107.7%
Non-operating Revenue	329,116	33,523	295,593	881.8%	519,718	126,936	392,782	309.4%	126,936	(392,782)	409.4%
Total Revenues	4,012,504	2,659,075	1,353,429	50.9%	12,256,209	11,028,991	1,227,218	11.1%	11,028,991	(1,227,218)	111.1%
Expenses											
Salaries & Benefits	2,036,311	2,096,627	(60,316)	(2.9%)	8,707,980	9,035,772	(327,792)	(3.6%)	9,035,772	327,792	96.4%
Routine Maintenance, Utilities, Taxes & Insurance	412,304	432,627	(20,323)	(4.7%)	1,744,375	1,637,460	106,915	6.5%	1,637,460	(106,915)	106.5%
Direct Social Service Salaries & Benefits	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Other Social Service Support Expenses & HAP	1,377	0	1,377	n/m	1,377	0	1,377	n/m	0	(1,377)	n/m
Administrative Support Expenses	496,127	478,410	17,717	3.7%	1,750,761	2,200,852	(450,091)	(20.5%)	2,200,852	450,091	79.5%
Non-operating Expenses	223,555	26,290	197,265	750.3%	320,920	105,160	215,760	205.2%	105,160	(215,760)	305.2%
Total Expenses	3,169,674	3,033,954	135,719	4.5%	12,525,413	12,979,244	(453,831)	(3.5%)	12,979,244	453,831	96.5%
Net Income	842,831	(374,879)	1,217,710	n/m	(269,204)	(1,950,254)	1,681,049	(86.2%)	(1,950,254)	(1,681,049)	13.8%
Other Sources/(Uses) of Working Capital											
(Increase) in Restricted/Designated Cash	0	(252)	252	(100.0%)	(11,406,888)	(12,001,005)	594,117	(5.0%)	(12,001,005)	(594,117)	95.0%
(Increase) in Restricted/Designated Cash	0	9,002,739	(9,002,739)	(100.0%)	582,637	9,033,110	(8,450,473)	(93.5%)	9,033,110	8,450,473	6.5%
(Increase) in LT Receivables	(78,000)	(2,104,567)	2,026,567	(96.3%)	(18,078,000)	(3,179,567)	(14,898,433)	468.6%	(3,179,567)	14,898,433	568.6%
Decrease in LT Receivables	223,742	33,276	190,466	572.4%	323,316	133,104	190,212	142.9%	133,104	(190,212)	242.9%
Acquisition of Capital Assets	(35,443)	(5,500)	(29,943)	544.4%	(232,980)	(147,000)	(85,980)	58.5%	(147,000)	85,980	158.5%
Maintenance Projects	(51,820)	0	(51,820)	n/m	(66,382)	(60,000)	(6,382)	10.6%	(60,000)	6,382	110.6%
Acquisition of Capital Assets	(87,263)	(5,500)	(81,763)	1486.6%	(299,362)	(207,000)	(92,362)	44.6%	(207,000)	92,362	144.6%
Disposition of Capital Assets	47,692	0	47,692	n/m	47,692	0	47,692	n/m	0	(47,692)	n/m
Change in Suspense	8,052	0	8,052	n/m	7,152	0	7,152	n/m	0	(7,152)	n/m
Change in Other Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Change in Deferrals	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Increase in LT Debt	6,276,485	0	6,276,485	n/m	24,276,485	0	24,276,485	n/m	0	(24,276,485)	n/m
(Decrease) in LT Debt	(6,502,997)	(44,599)	(6,458,398)	14481.0%	(6,641,163)	(178,396)	(6,462,767)	3622.7%	(178,396)	6,462,767	3722.7%
Change in Other Liabilities	(383,476)	(2,739)	(380,737)	13900.6%	(393,795)	(10,956)	(382,839)	3494.3%	(10,956)	382,839	3594.3%
Other Non-Working Capital Income/Expense Items	(57,519)	0	(57,519)	n/m	(240,519)	0	(240,519)	n/m	0	240,519	n/m
Non Income/Expense Change in Equity	(4,814)	0	(4,814)	n/m	247,571	0	247,571	n/m	0	(247,571)	n/m
Total Other Sources/(Uses) of Working Capital	(558,100)	6,878,358	(7,436,458)	n/m	(11,574,874)	(6,410,710)	(5,164,164)	80.6%	(6,410,710)	5,164,164	180.6%
Transfer In from (Out to) Other Funds											
Transfers In from Other Funds	2,084,550	430,000	1,654,550	384.8%	4,101,557	2,170,577	1,930,980	89.0%	2,170,577	(1,930,980)	189.0%
Transfers Out to Other Funds	(782,024)	(4,436,141)	3,654,117	(82.4%)	(1,146,913)	(5,356,268)	4,209,355	(78.6%)	(5,356,268)	(4,209,355)	21.4%
Net Transfer In/(Out)	1,302,526	(4,006,141)	5,308,667	n/m	2,954,644	(3,185,691)	6,140,335	n/m	(3,185,691)	(6,140,335)	n/m
Net Change in Working Capital	\$1,587,257	\$2,497,338	(\$910,081)	(36.4%)	(\$8,889,435)	(\$11,546,655)	\$2,657,220	(23.0%)	(\$11,546,655)	(\$2,657,220)	77.0%
Working Capital, Beginning of Period	12,115,887				22,592,578						
Working Capital, 12/31/2013	\$13,703,144				\$13,703,144						

1) YTD Variance due to budgeting error.

2) Variance is mostly due to the CO remodel being budgeted as an expense but being capitalized instead while some administrative contracts are under budget.

3) FHLB loan interest was not budgeted.

4) Restriction on former AIDS Housing reserves was removed in April (\$559K); \$9M of cash was expected to be reclassified from restricted to unrestricted with the pledging of a KCHA/MKCRF note in lieu of the pledged \$9M. However, this won't happen until 2014.

5) Budget reflects internal COCC loan to Greenbridge (\$1.5M) and Seola Gardens (\$1.4M). Loans have not been made YTD; MKCRF loan moved to COCC (\$18M) not reflected in budget.

6) Land transferred from fund 500 to properly allocate it to the COCC (\$183K). This is partially offset by unbudgeted WIP related to the CO Buildings (\$232K)

7) Addition of MKCRF FHLB loan; COCC portion of 2013 Pool booked in November. Amount does not reflect the final allocation and is expected to change in early 2014.

8) Payoff of 700 building LOC with 2013 Pool funds. Also includes unbudgeted MKCRF FHLB loan payment of \$150K.

9) Write-off of deferred credit from AIDS Housing of Washington.

10) Land transferred from fund 500 to properly allocate it to the COCC (\$183K).

11) Surplus funds from Overlake Stabilization account were transferred to KCHA in the 4th quarter.

12) \$4.2M was budgeted to be an equity contribution toward the Chaussee acquisition. However, no funds were required as the acquisition was completely debt financed.

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KING COUNTY HOUSING AUTHORITY

TO: Board of Commissioners

FROM: Craig Violante

DATE: March 5, 2013

RE: 2013 Investment Recap

Executive Summary

At December 31, 2013, KCHA had \$127.8 million in cash and investments, split between the Washington State Local Government Investment Pool (LGIP), the KCHA Internal Pool and cash held by KCHA and outside trustees:

	Amounts	Yield @ 12/31/13
Cash Invested in Internal KCHA Pool	\$45,913,310	0.74%
Cash Held in the LGIP	52,199,875	0.12%
Cash Held by KCHA & Outside Trustees	29,649,745	0.15% *
	<u>\$127,762,930</u>	

* Estimate

For all of 2013, the KCHA's internal pool average yield was **0.70%** while the LGIP's was **0.14%**, increasing the agency's total investment return by \$257,000.

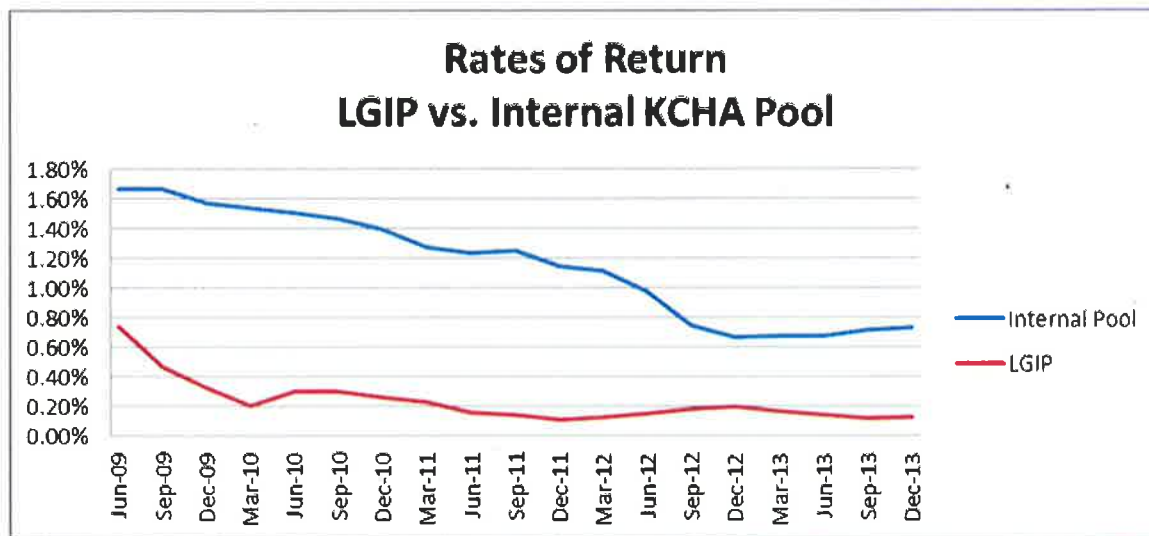
Historical Context

At the beginning of 2009, KCHA invested most excess funds in the Local Government Investment Pool. The LGIP is an investment vehicle operated by the State Treasurer, and is open to all local governments. Its strength lies in its combination of liquidity and security. It has a policy of purchasing AAA-rated securities and maintaining a weighted average maturity of 60 days or less.

With the goal of increasing investment yields, in March 2009 KCHA embarked on a strategy to invest in securities outside of the Local Government Investment Pool. These securities could have a maturity of up to three years and were comprised primarily of securities from Government Sponsored Entities (GSEs) such as the Federal Home Loan Bank (FHLB), Federal Home Loan Mortgage Corporation (FHLMC—also known as Freddie Mac), Government National Mortgage Association (GNMA—also known as Ginnie Mae) and the Federal National Mortgage Association (FNMA—also known as Fannie Mae). At the time KCHA embarked on this new strategy, it was projected that there would be a marginal increase in investment returns over a six-year horizon (2009-

2014) of \$530,000 and that the internal pool would beat the LGIP by an average of 32 basis points. Built into these projections was the assumption that rates would rise sometime over those six years.

From 2009 through 2011, the KCHA Internal Pool performed exceptionally well, beating the LGIP by an average of 114 basis points. Starting in 2012, the Federal Reserve's monetary policy of Quantitative Easing, intended to keep medium and long-term rates low and stimulate the economy, has had a deleterious effect on KCHA's Internal Investment Pool. Even so, the Internal Pool beat the LGIP by an average of 56 basis points during 2013.



Investing in a Low-rate Environment

A risk when investing in a low-rate environment is being locked into lower-yielding securities when rates start to rise, resulting in an under-performing portfolio. To mitigate that risk, KCHA has a significant stake in “step” investments, which are securities that will increase interest payments to the investor at pre-determined levels and times. As most step investments have a maturity of longer than three years (the maximum maturity previously allowed under the KCHA Investment Policy) the Board has specifically authorized the investment in 5-year steps. The most recent authorization occurred in April 2012 when the percentage of the portfolio that could be invested in 5-year steps was increased from 30% to 50%.

As of December 31, 2013, a total of \$45.9 million was invested in the internal pool: \$18.4 million (40%) in 5-year steps and \$27.5 (60%) million in fixed securities. The weighted average yield of the steps was 78 basis points while the fixed investments returned 71 basis points.

The other main characteristic of the internal pool is whether or not the investments have features that allow them to be prepaid or “called” prior to their stated maturity. Typically, the issuing agency pays a premium of 5 to 10 basis points for the right to call bonds early.

As of December 31, 70% of the internal pool was invested in securities with callable features and were returning 79 basis points. Fixed investments made up 30% of the pool and were returning 61 basis points.

Total Rate of Return Investing

To date, only one trade has been made under the Total Rate of Return Investing initiative that was presented to the Board in June 2013 and therefore there is insufficient data to report any results. As mentioned above, “step” investments comprise 40% of the internal pool. Unfortunately, they are poor candidates for Total Rate of Return investing as they generally sell in the secondary market at a discount. Even so, with their risk-hedging features and slightly higher rates of return, they remain a key component of a diversified portfolio in a low-rate environment.

Recommendations for 2014

At the January 2014 Federal Open Market Committee meeting, the committee “reaffirmed its view that a highly accommodative stance of monetary policy will remain appropriate for a considerable time”, meaning that interest rates will continue to be depressed.

It is therefore recommended that KCHA:

- Continue to invest up to 60% of investible cash in the Internal Pool
- Maintain the level of 5-year steps in the portfolio between 33% and 50%.
- Continue to purchase approximately 70% to 75% of investments with call features

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KING COUNTY HOUSING AUTHORITY

TO: Board of Commissioners
FROM: Craig Violante
DATE: March 3, 2014
RE: **New Bank Accounts**

Since the last Board meeting KCHA has opened 5 new bank accounts.

- **KCHA Kenmore Storm Drain Escrow**

Bank: US Bank

Purpose: This new commercial savings account will be used to hold a construction deposit for a storm drain being built on an easement across KCHA Shadrach property. The funds in the account were provided by Value Driven LLC and can be drawn on by KCHA in the event of any damage to KCHA property during the next three-year period. The contract states that the funds would be held in a separate bank account.

The remaining 4 accounts are necessary as KCHA has acquired Charter House in Bremerton as part of the Chaussee property acquisition. All accounts are necessary for operations of this new property.

- **KCHA Charter House Replacement Reserve Account**

Bank: Bank of America

Purpose: This new commercial checking account will be used to hold replacement reserve funds for Charter House. This account was needed due to a HUD requirement. Transactions will include transfers to and from the Operating Account.

- **KCHA Charter House Depository Account**

Bank: Bank of America

Purpose: This new commercial checking account is set up in the name of KCHA only, and will be used to collect payments from tenants. After outside property managers present invoices to KCHA, funds will be transferred from this account to the Operating Account, from which the

property management company can make disbursements to pay the invoices. Transactions will include tenant deposits, wire transfers to the Operating Account and check writing for excess cash to KCHA.

- **KCHA Charter House Security Deposit Account**

Bank: Bank of America

Purpose: This new commercial checking account will be used to hold tenant security deposits. Transactions will include and be limited to deposits from the Depository Account and transfers to the Operating Account. KCHA policy requires tenant security deposits and the practice is to hold security deposits in separate bank accounts.

- **KCHA Charter House Operating Account**

Bank: Bank of America

Purpose: This new commercial checking account will be used for ongoing operations of the property. After invoices are presented to KCHA, funds are transferred from the Depository Account into the Operating Account and disbursements are then made out of the Operating Account to pay the invoices. Transactions will include deposits, check writing and wire transfers from the Depository Account.

T A B N U M B E R

10



KING COUNTY HOUSING AUTHORITY

TO: Board of Commissioners

FROM: Tim Baker

DATE: January 2, 2014

RE: **Fourth Quarter CY 2013 Procurement Report**

In order to update the Board concerning KCHA's procurement activities, staff is presenting its Quarterly Procurement Report. This report covers all procurement activities from October through December 2013 that involved the award of contracts valued over \$100,000 and change orders that have cumulatively exceeded ten percent (10%) of initial contract value.

In the awarded contracts section, the Report lists the issuing department, contract type, company awarded the contract, the award and estimate/budgeted amounts, procurement process involved, the number of bids received and notes about the procurement. In the fourth quarter, there were 10 contracts valued at more than \$100,000 representing 90% of the contracts executed in the quarter. The largest contract was awarded to Nakano Associates for \$750 thousand; this is a task order contract for landscape architecture services.

KCHA's internal procedures require heightened oversight and review once a contract has incurred change orders valued at more than 10% of the original contract amount. The change order section of the Report includes the issuing department, contract type, company awarded the contract, the original award amount, number of change orders and the amounts of the total change orders to date expressed both in dollars and percentages above the original contract value, and notes about the procurement. At the Board's request, this section was divided between change orders issued in response to unforeseen field conditions or expanded project scopes, and change orders which were foreseen at the time the initial contract was let (primarily through contract extensions on multi-year contracts). The not-to-exceed total for the "foreseen" change order section is the projected total amount of the contract once all the foreseen change orders are completed.

There were 7 total "field condition" or "scope change" orders on contracts whose total value had exceeded 10% of the initial contract amount in the fourth quarter.

The largest single change order was for \$135,330, which was for the roofing replacement project at the Meadowbrook development. This change order was also the largest percentage change order for the quarter. The project had a major roof redesign after the contract was awarded and additional flashing, venting and plywood were needed to accommodate the design change.

There were four anticipated change orders involving contract extensions as allowed in the original contract plus one which added a discovery phase necessary to design the implementation of the Section 8 scanning project. This had been anticipated in the original RFP.

KING COUNTY HOUSING AUTHORITY
QUARTERLY PROCUREMENT REPORT

Oct-Dec 2013 Fourth Quarter

Awarded contracts over \$100,000

NTE = not to exceed

NTE = not to exceed								
Issuing dept	Contract type	Contract awarded to	Estimate/budget amount	Original Contract amount	not to exceed with extensions	Procurement Process	# of bids	notes
Capital Construction	civil engineering services	RH2 Engineering	\$120,000	\$117,000	\$117,000	RFQ	2	multiple contracts to be awarded for civil engineering services at various sites
Capital Construction	Glenview Heights civil upgrades	Accord Contractors	\$266,669	\$178,490	\$178,490	sealed bid	4	contractor self performing most work lowering cost
Capital Construction	Cedarwood air quality upgrades/roofing	Lloyd A Lynch	\$310,702	\$210,286	\$210,286	sealed bid	6	Specialty contractor self performing most work with no GC markup
Capital Construction	Green Leaf drainage	Road Construction	\$288,601	\$281,350	\$281,350	sealed bid	4	contractor has performed several successful jobs with KCHA
Capital Construction	Yarrow Affair roofing	Queen City Sheetmetal & Roofing	\$572,616	\$527,489	\$527,489	sealed bid	6	woman owned company, has performed successfully on several KCHA projects
Capital Construction	landscape architecture services	Nakano Associates	\$750,000	\$750,000	\$750,000	RFQ	5	minority owned company, task order contract for small as-needed projects
Capital Construction	rent assistance program	YMCA	\$210,000	\$210,000	\$210,000	RFQ	4	procurement administered by United Way
Homeless Housing Initiatives	residential counseling	Multi-Service Center	\$180,000	\$208,451	\$208,451	RFQ	3	agency working with KCHA on its stability/mobility counseling program
Resident Services	counseling of Section 8 participants	Capital Heating & Cooling	\$420,000	\$191,019	\$191,019	sealed bid	5	estimate based on single family per unit install without multifamily economies of scale
Weatherization	Wall Koe Umbrellas							
Total			\$3,118,788	\$2,874,065				
Contracts exceeding 10% cumulative change order-Condition Changes								
Issuing dept	Contract type	Contract awarded to	Original contract amount/NTE	change order amount & no. this quarter	total contract value to date	% change from original	notes regarding current quarter change orders	
Asset Management	Landmark roof replacement	D&D Construction	\$43,890	\$4,644 (1)	\$48,534	11%	upgraded plywood decking needed due to roof deterioration	
Asset Management	Meadowbrook roof replacement	McDonald & Wille	\$240,847	\$155,330 (1)	\$476,177	40%	roof resealed, additional plywood, rigid insulation, flashing	
Capital Construction	Vista Heights building envelope repairs	Westcoast Contracting	\$440,946	\$12,843 (3)	\$987,243	124%	added deck and stair railings for safety and consistent look	
HOPE VI	Sedra Gardens site signs	Stuart Nakamura	\$15,000	\$150 (3)	\$25,771	72%	needed to add rebar to new north entrance sign	
Housing Management-maint	fire alarm monitoring and testing	Fire Protection, Inc.	\$179,130	\$16,300 (6)	\$395,188	73%	temporary extension to continue service while new provider will be solicited	
Resident Services	education initiatives	Normstar Education Network	\$10,000	\$2,000 (1)	\$12,000	20%	funding additional work at the K-3 Academy Program	
Resident Services	youth programs	Kent Youth and Family Center	\$600,000	\$50,000 (9)	\$1,049,135	75%	additional funds needed to continue operations due to unsuccessful grant applications	
Contracts with contract extensions or other foreseen change orders								
Issuing dept	Contract type	Contract awarded to	not to exceed budget/contract	change order amount this quarter (for. no. of CO's)	current contract value	% of NTE	notes regarding current quarter change orders	
Information Technology	On-Basis document management services	Hyland Software	\$84,465	\$32,937 (2)	\$84,465	100%	added discovery phase to plan implementation of Section 8 scanning project, anticipated in original RFP	
Housing Management-maint	asbestos abatement	CGI	\$540,000	\$90,000 (4)	\$540,000	100%	last year to extend contract, will rebid in 2014	
Housing Management-maint	Sedra Gardens landscaping services	Brookman Group	\$138,038	\$57,029 (1)	\$103,375	74%	first option to extend contract, additional work for HOA areas included	
Human Resources	employee assistance services	AP's Healthcare	\$60,000	\$30,000 (1)	\$60,000	100%	3 year renewal as per contract terms	
Resident Services	family child care technical assistance	Child Care Resources	\$156,600	\$21,600 (1)	\$156,600	100%	last year to extend contract, will rebid in 2014	
Total			\$980,103	\$455,331	\$944,440			

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King County Housing Authority Executive Dashboard

4th Quarter Dashboard: October 1 - December 31, 2013

	actuals dec 10 - dec 13	dec 2013	target	3-yr avg	3-yr high	3-yr low
Finance						
LGIP Rate		0.13%	0.10%	0.16%	0.30%	0.11%
Non-LGIP Investment Rate		0.74%	0.65%	0.96%	1.40%	0.67%
Revenue to Budget ¹ (Budgeted \$210m)		102%	100%	99%	104%	93%
Expenditures to Budget ¹ (Budgeted \$187m)		99%	100%	96%	100%	93%
Property Management						
Public Housing Occupancy Rate (3,047 units)		98.6%	98.0%	98.6%	99.2%	97.9%
Local Program Occupancy Rate (4,893 units)		100.0%	96.5%	98.2%	100.0%	97.0%
KCHA Units Owned Online		8,795	8,735 ²	8,535	8,795	8,380
Section 8 Operations						
Utilization Rate ³ (Vouchers Leased: 9,282)		105%	100%	102%	106%	96.2%
Shopping Success Rate (New vouchers issued 3rd Q '13: 280)		100%	>85%	90%	100%	78%
Households Paying >40% Income to Rent (n = 2,309)		21%	<26%	20%	23%	18%
Exit Data						
Positive Exits		27%	>25%	31%	50%	9%
Negative Exits		27%	<20%	20%	31%	9%
Total Monthly Exits		73	-	60	109	32

● Denotes indicators of interest

¹ Not reflective of mid-year adjustments

² Projected total units by 12/31/13

³ Adjusted for 12-month incremental lease-up of new vouchers

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TerryLynn Stewart has been named as a King County Housing Authority commissioner

03/03/2014 updated 3 hours ago

information from KCHA

King County Executive Dow Constantine has appointed TerryLynn Stewart to serve as a King County Housing Authority commissioner. Stewart was unanimously approved on Feb. 19 by the Metropolitan King County Council. Stewart replaces Commissioner Terry McLarky, who died in July 2013.

Stewart is a long-term resident in KCHA-assisted housing first at Park Lake Homes in White Center, and subsequently, once redevelopment was completed, in the Greenbridge community. She has an extensive history of working with the Housing Authority on behalf of its residents. From 1985 to 2003, Stewart served on the Park Lake Community Council, the last six years as president. Stewart has been a member of the Neighborhood House board of directors, serving as 2nd vice president in 2002; served as a commissioner for Metro Access; and is a member of Threads of Love. She currently participates as a member of KCHA's South Resident Advisory Committee.

"Ms. Stewart has long played a key role in representing resident concerns and working with the Housing Authority, and I'm delighted to welcome her to the board," said Executive Director Stephen Norman. "We especially appreciated her help during the design and tenant relocation phases of the Park Lake Homes redevelopment, as well as her work on the Community Council, in partnership with Neighborhood House, in delivering resident education and service programs."

As one of five commissioners, Stewart will help guide KCHA's policies and priorities. KCHA, an independent municipal corporation established under state law, assists over 18,000 households in the Seattle metropolitan region on a daily basis. The Authority administers rental housing assistance, develops and manages affordable housing and works closely with community stakeholders to address local priorities such as ending homelessness, improving educational outcomes for the region's low-income youth and assuring that disabled and elderly households can live with dignity.

"I am proud to have been chosen to serve on the board," said Stewart. "I appreciate the opportunity to continue to serve my fellow residents and contribute to bettering our communities. I'm thrilled and overwhelmed," she said.

SHARE



Patrick Robinson
TerryLynn Stewart has been named to serve as a King County Housing Administration commissioner for a five year term by King County Executive Dow Constantine.

West Seattle Herald
March 3, 2014