

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

May 19, 2014

I. CALL TO ORDER

The meeting of the Board of Commissioners of the King County Housing Authority was called to order by Commissioner Richard Mitchell at 8:32AM on Monday, May 19, 2014, at the King County Housing Authority's Administrative Offices, 700 Andover Park West, Tukwila, Washington.

II. ROLL CALL

Present: Commissioner Richard Mitchell, Commissioner TerryLynn Stewart, Commissioner Susan Palmer and Commissioner Michael Brown arrived at 9:00AM

Excused: Commissioner Doug Barnes, Chair

Staff: Stephen Norman, Marianne Everett, Dan Watson, John Eliason, Kristin Winkel, Gary Leaf, Steve Jefferis, Megan Hyla, Claude DaCorsi, Mike Reilly, Tim Walter, Connie Davis, Beth Pearson, Rhonda Rosenberg, Sean Heron, Bill Cook, Craig Violante, Wen Xu

Guests: Lillie Clinton and Koffi Hoto

III. PUBLIC COMMENT

Commissioner Mitchell announced that members of the public in attendance at the meeting would have five minutes to speak before the Board of Commissioners. Lillie Clinton addressed the Board of Commissioners regarding alleged harassment of herself and her family and the status of a request for information submitted to KCHA.

IV. APPROVAL OF MINUTES

Minutes from the March 24, 2014 Special Board of Commissioners' Meeting were presented for approval. Commissioner Palmer moved for approval of the minutes, with Commissioner Stewart seconding the motion. Commissioner Palmer abstained on the final vote due to her absence from the March 24 meeting. The minutes were unanimously approved.

Minutes from the April 10, 2014 Special Board of Commissioners' Meeting were presented for approval. Commissioner Palmer moved for approval of the minutes, with Commissioner Stewart seconding the motion. Commissioner Stewart abstained on the fi-

nal vote due to her absence from the April 10 meeting. The minutes were unanimously approved.

Minutes from the April 21, 2014 Board of Commissioners' Meeting were presented for approval. Commissioner Palmer moved for approval of the minutes, with Commissioner Stewart seconding the motion. The minutes were unanimously approved.

V. CONSENT AGENDA

March 2014 Voucher Reports

General Properties: Bank Wires/ACH withdrawals for \$2,743,139.95; Accounts Payable checks #239967-240581 for \$4,335,690.40; Payroll vouchers, computer checks #83135-83169 for \$44,728.76; Payroll direct deposit for \$1,190,081.47; Section 8 Program vouchers, ACH withdrawals #266929-270116 for \$9,281,774.58, computer run checks #603856-604272 for \$278,329.21; purchase card/ACH withdrawal \$224,441.28. Total for March 2014 for the General Properties was \$18,098,185.65.

Bond Properties: \$1,696,445.37, related to 30 different properties.

Resolution No. 5469: Authorizing the Executive Director to Enter into an Interlocal Agreement with the Kitsap County Consolidated Housing Authority for Financial Consulting Services

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

VI. RESOLUTIONS FOR DISCUSSION

Resolution No. 5470: Authorizing Execution of a Lease and Other Related Agreements with Vantage Point LLC
Presented by: Tim Walter

Tim Walter briefed the Board of Commissioners on Resolution No. 5470 which will authorize KCHA to lease a 5 acre vacant parcel in Renton to Vantage Point LLC, a tax credit partnership, for the purpose of constructing and operating a 77 unit federally assisted apartment complex for senior/disabled households. This resolution further authorizes KCHA to execute a developer fee agreement and a reimbursement agreement with Vantage Point LLC.

Mr. Walter continued by stating KCHA plans to bring to the Board next month a full financing plan for the project. The financing plan will outline the sources of financing that have been committed as well as those that KCHA is still working to secure. The plan will also detail the potential equity commitment required by KCHA to complete the project and potential sources of repayment, if any. Additionally, Vantage Point LLC is currently in the process of soliciting proposals for a General Contractor/Construction Manager (GC/CM).

All questions raised by the Commissioners were satisfactorily addressed by staff.

MOTION: Moved that Resolution No. 5470: Authorizing Execution of a Lease and Other Related Agreements with Vantage Point LLC.

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

VII. FINANCIAL BRIEFINGS

Report on Status of Previously Committed Moving to Work Working Capital Reserves

Presented by: Connie Davis

Between August and December 2012, the Board of Commissioners approved a series of commitments for Moving to Work working capital. Connie Davis briefed the Commissioners on the current balances of the approximately \$22.7 million it committed in 2012. Questions posed by the Board of Commissioners were satisfactorily addressed.

First Quarter 2014 Financial Statements

Presented by: Craig Violante

Craig Violante briefed the Board of Commissioners on the 1st Quarter 2014 Financial Statements contained in the meeting packets. Mr. Violante noted the 2014 budget assumed a conservative MTW block grant prorate of 94% while the actual higher prorate will result in nearly \$5.8 million of additional revenue for 2014. The Public Housing Operating Fund was budgeted at an 82% prorate while actual cash receipts have also been higher and he estimates KCHA will receive an additional \$620,000. Mr. Violante briefly touched on investment summaries. Questions posed by the Board of Commissioners were satisfactorily addressed.

First Quarter 2014 Summary Write-Offs

Presented by: Craig Violante

Craig Violante briefed the Board of Commissioners on the 1st Quarter 2014 Summary Write-Offs report contained in the meeting packets. Fifty seven percent of the write-offs this quarter involved just two tenants. One tenant had a substantial back rent payment due to KCHA. The other tenant had significant damages to the unit. Questions posed by the Board of Commissioners were satisfactorily addressed.

VIII. BRIEFINGS

Evolution of KCHA's Asset Management Department

Presented by: Dan Watson

Over the last 25 years, KCHA's housing stock has shifted from nearly all HUD assisted low income developments to a more diversified portfolio financed largely with

private debt and equity. This strategic shift required KCHA to develop a different set of organizational competencies traditionally referred to as Asset Management. Several months ago Dan Watson was invited to make a similar presentation at the Ballard Spahr – CSG Western Housing Conference in San Francisco. The conference was titled “*Strategic Shifts in the Production and Preservation of Affordable Housing*”. Questions posed by the Board of Commissioners were satisfactorily addressed.

IX. REPORTS

Dashboard Report

Presented by: Megan Hyla

Megan Hyla briefed the Board of Commissioners on the quarterly Dashboard Report as contained in the meeting packets. Questions posed by the Board of Commissioners were satisfactorily addressed by Ms. Hyla.

X. EXECUTIVE DIRECTOR’S REPORT

Stephen Norman mentioned that, pending confirmation, he believes the next HUD Secretary will be Mayor Castro of San Antonio.

XI. NEW BUSINESS

Commissioner Stewart mentioned the Greenbridge Café recently opened at Greenbridge and encouraged people to stop by.

Rhonda Rosenberg informed the Board there will be a groundbreaking event for the Vantage Point Apartments located in Renton. The likely date for this event will be Friday, August 8, 2014.

XII. COMMISSIONER COMMENTS

Commissioner Stewart stated that she would like the Board to review the start time of the monthly Board meetings with the thought of perhaps changing the start time from 8:30AM to 9:00AM. The other Commissioners present expressed interest in the idea and with was suggested that the proposal should be discussed when all Commissioners are present. Commissioner Stewart also suggested that the date for the Fall Board retreat get scheduled soon.

XIII. ADJOURNMENT

There being no further business, the meeting was officially adjourned at 10:14AM by a motion from Commissioner Brown, seconded by Commissioner Palmer and unanimously passed.

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



DOUGLAS J. BARNES, Chair
Board of Commissioners



STEPHEN J. NORMAN
Secretary