

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

**Monday, April 20, 2015**

**I. CALL TO ORDER**

The meeting of the Board of Commissioners of the King County Housing Authority was held on Monday, April 20, 2015, at the King County Housing Authority Administrative Offices, 700 Andover Park West, Tukwila, WA. There being a quorum, the meeting was called to order by Chair Doug Barnes at 8:32 a.m.

**II. INTRODUCTION OF JOHN WELCH, NEWLY APPOINTED KCHA COMMISSIONER**

Chair Barnes, introduced and welcomed new KCHA Board Commissioner John Welch.

**III. ROLL CALL**

**Present:** Commissioner Doug Barnes (Chair), Commissioner Susan Palmer  
Commissioner Terry Lynn Stewart and Commissioner John Welch

**Excused:** Commissioner Michael Brown, Stephen Norman (Secretary)

**Staff:** Connie Davis, John Eliason, Sean Heron, Megan Hyla, Dan Landes, Gary Leaf, Jessica Olives, Nikki Parrott, Beth Pearson, Kevin Preston, Jennifer Ramirez Robson, Craig Violante, Tim Walter, Dan Watson, and Kristin Winkel

**IV. PUBLIC COMMENT**

Cindy Ference commented on the value and importance of regular Resident Advisory Committee (RAC) meetings and asked that the Agency consider holding RAC meetings more frequently. Ms. Ference also stated her concern that insufficient time had been allocated on the RAC agendas to important issues that would benefit from more resident input.

Ms. Ference asked that KCHA consider holding more frequent community meetings at KCHA managed properties between residents and property management. She stated that this would be particularly valuable at the sites with senior and disabled residents.

**V. APPROVAL OF MINUTES**

On motion by Commissioner Palmer, seconded by Commissioner Stewart, the Board unanimously approved the minutes from the Board of Commissioner's

meeting of March 23, 2015 with the correction that the meeting was held on a Monday not a Tuesday.

**VI. APPROVAL OF AGENDA**

On motion by Commissioner Stewart, seconded by Commissioner Palmer, the Board unanimously approved the April 20, 2015 Board of Commissioners' agenda.

**VII. CONSENT AGENDA**

**A. Voucher Certification Report for February 2015 (General and Bond Properties)**

**February 2015**

**GENERAL PROPERTIES**

Bank Wires / ACH Withdrawals	4,098,776.82
<i>Subtotal</i>	<u><b>4,098,776.82</b></u>
Accounts Payable Vouchers	
Checks - #246872-#247370	3,445,627.55
<i>Subtotal</i>	<u><b>3,445,627.55</b></u>
Payroll Vouchers	
Checks - #83682-#83718	44,167.67
Direct Deposit	1,219,294.65
<i>Subtotal</i>	<u><b>1,263,462.32</b></u>
Section 8 Program Vouchers	
Checks - #608410-#608811	277,201.01
ACH - #301847-#304996	9,485,733.01
<i>Subtotal</i>	<u><b>9,762,934.02</b></u>
Purchase Card / ACH Withdrawal	188,468.54
<i>Subtotal</i>	<u><b>188,468.54</b></u>
	<b>GRAND</b>
	<b>TOTAL</b>
	<u><u><b>18,759,269.25</b></u></u>

**BOND PROPERTIES**

Bond Properties Total (30 different properties)	<b>5,256,751.42</b>
---	---------------------

On motion by Commissioner Palmer, seconded by Commissioner Stewart, the Board unanimously approved the Consent items.

**VIII. RESOLUTIONS FOR DISCUSSION AND POSSIBLE ACTION**

- A. Resolution No. 5501: Authorization for the Executive Director to execute a purchase and sales agreement to sell and dispose of Property 7 (Lots 9-12 Greenbridge Division 2, Lots 3-11 Greenbridge Division 3 and Panel Z-301 Greenbridge Division 3)

John Eliason, Development Director, briefed the Board on Resolution No. 5501 and stated that the approval of the Board would authorize the Executive Director to enter into a purchase and sales agreement with BDR Homes LLC to sell and dispose Greenbridge Property 7. Mr. Eliason mentioned that Kidder Mathews appraised the fair market value of the property for \$1,650,000 and that BDR Homes has offered to purchase the property for more than the appraised value at \$2,110,000.

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

Chair Barnes recused himself from the discussion of this item, due to affiliation with the BDR Homes, but disclosed that he has no financial/beneficial interest in the subject matter.

On motion by Commissioner Stewart, seconded by Commissioner Palmer, the Board approved Resolution No. 5501.

B. Resolution No. 5502: A Resolution authorizing the acquisition of the Corinthian Apartments

Tim Walter, Senior Director of Asset Management and Acquisitions briefed the Board on Resolution No. 5502 and mentioned that this item is in compliance with the Board's short-term and long-term strategies for real estate acquisitions, which was discussed during the 2014 Board Retreat.

Mr. Walter further explained that staff has identified two Transit Oriented Development (TOD) acquisition opportunities that are very close the Tukwila light rail station. Both properties meet the Board's goal that access to transportation be a key consideration when reviewing acquisition opportunities, which meets the Boards' goal that public transportation be an over-arching consideration when reviewing all real estate acquisition and development opportunities. Mr. Walter provided details on the history of the Corinthian Apartments, rationale for the acquisition and proposed financing.

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

On motion by Commissioner Palmer, seconded by Commissioner Stewart, the Board unanimously approved Resolution No. 5502.

C. Resolution No. 5503: A Resolution authorizing the acquisition of the Villages at South Station

Tim Walter explained that the Villages at South Station has been identified as a second Transit Oriented Development acquisition opportunity, and is conveniently located adjacent to the Tukwila light rail station. Mr. Walter

highlighted the property details and rents currently paid by tenants. Mr. Walter explained that rents are nearing levels that exceed affordability to households earning 80% of the area median income and that KCHA's acquisition of the property would ensure rents would remain affordable to households as well as allow the property to be a resource for Section 8 voucher holders.

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

On motion by Commissioner Stewart, seconded by Commissioner Palmer, the Board unanimously approved Resolution No. 5503.

- D. Resolution No. 5504: Authorization for the Executive Director to establish a \$50,000,000 Line of Credit with KeyBank for general development purposes and related actions including the issuance of the Authority's Revolving Line of Credit Revenue Notes, 2015; authorizing the execution and delivery of the notes and related documents; creating a note fund; and approving the sale of the notes to KeyBank National Association

Tim Walter also briefed the Board on Resolution No. 5504 and noted the primary terms of the Line of Credit with KeyBank. Mr. Walter mentioned that the interest rate with KeyBank is the lowest rate KCHA has negotiated for a Line of Credit.

*Executive Session was moved on the agenda to follow item XII. KCHA in the News.*

## **IX. BRIEFINGS & REPORTS**

### A. 2014 Investment Recap

Craig Violante, Director of Finance, provided a briefing on the 2014 investments split between the Washington State Local Government Investment Pool (LGIP), the KCHA Internal Pool, cash held by trustees/held in traditional saving and checking accounts and loans to housing partners. Mr. Violante explained investment structure, average yields and the strategy for 2015.

### B. New Bank Accounts

Mr. Violante mentioned that KCHA issued a Request for Proposal for general corporate banking services in 2014 and received three responses. After review of all proposals, KeyBank had been selected and will maintain most of the service previously provided by US Bank. Mr. Violante provided a brief overview of the different types of bank accounts used by the Agency.

C. 2014 Procurement Report (4<sup>th</sup> Quarter)

Connie Davis, Deputy Executive Director, reported on the procurement activities for the period October 2014 through December 2014 and discussed the most notable activity. Ms. Davis reminded the Board that the report represents the activity involved in the award of contracts over the amount of \$100,000 and change orders that cumulatively exceed 10% of the original contract amount.

D. Executive Dashboard Report (4<sup>th</sup> Quarter)

Megan Hyla briefed the Board on the Quarterly Executive Dashboard Report for the quarter ending 2014. Chair Barnes asked about the program exits and for additional on this topic to be provided to the Board at a future meeting.

**X. EXECUTIVE DIRECTOR'S REPORT**

Megan Hyla gave a presentation on legislative activities and funding. Ms. Hyla also provided an update on the visit to the Washington DC Legislature offices with Board members scheduled for later in the week.

**XI. KCHA in the News**

Commissioner Stewart commented on the article titled: 'Dear Landlord'.

**XII. EXECUTIVE SESSION**

Chair Barnes called for an Executive Session at 9:53 a.m. to review the performance of a public employee (RCW 42.30.110 (1) (g))

Chair Barnes reconvened the meeting at 10:08 a.m.

Following Executive Session, Chair Barnes announced Board consideration of Resolution No. 5505: Authorizing Payment of a Retention And Accomplishment Incentive for the Executive Director for Calendar Year 2014 and a Base Salary Increase.

On motion by Commissioner Palmer, seconded by Commissioner Welch, the Board unanimously approved Resolution No. 5505.

**XIII. COMMISSIONER COMMENTS**

None.

**XIV. ADJOURNMENT**

On motion by Commissioner Palmer, seconded by Commissioner Stewart, the Board adjourned the meeting at 10:22 a.m.

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

  
**DOUGLAS J. BARNES**, Chair  
Board of Commissioners

  
**STEPHEN J. NORMAN**  
Secretary