MEETING OF THE
BOARD OF COMMISSIONERS

September 19, 2016 at 8:30 a.m.

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

A G E N D A

I. Call to Order

II. Roll Call

III. Public Comment

IV. Approval of Minutes

Board Meeting Minutes –August 18, 2016 **1**

V. Approval of Agenda

VI. Consent Agenda

A. Voucher Certification Reports for June and July 2016 **2**

VII. Resolutions for Discussion & Possible Action

A. **Resolution No. 5547**: Authorizing the extension of the Moving to Work Agreement with the U.S. Department of Housing and Urban Development through Fiscal Year 2028 **3**

B. **Resolution No. 5548:** Approval of 2017-2021 Environmental Sustainability Plan **4**

C. **Resolution No. 5549:** Authorizing the Application for Federal Way CDBG Community Economic Revitalization Funding Program Year 2017 **5**

VIII. Briefings & Reports

A. CY 2017 Draft Moving to Work Plan **6**
B. CY 2016 Mid Year Capital Projects Report **7**

C. CY 2016 Second Quarter Financial Statements **8**
D. CY 2016 Second Quarter Executive Dashboard Report **9**

IX. Study Session: King County Housing Authority Research Agenda **10**

X. Executive Director's Report

XI. KCHA in the News **11**

XII. Commissioner Comments

XIII. Adjournment

Members of the public who are disabled and require special accommodations or assistance at the meeting are requested to notify the Board Coordinator, Jessica Olives, in writing at 600 Andover Park West, Seattle, WA 98188 or by calling 206-574-1194 prior to the meeting date.

T
A
B

N
U
M
B
E
R

1

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

Thursday, August 18, 2016

I. CALL TO ORDER

The Special Meeting of the Board of Commissioners of the King County Housing Authority was held on Thursday, August 18, 2016 via Conference Call at the King County Housing Authority, 700 Andover Park West, Tukwila, WA 98188. There being a quorum, the meeting was called to order by Vice-Chair Michael Brown at 8:30 a.m.

II. ROLL CALL

Present: Commissioner Doug Barnes (Chair) (joined at 8:40 a.m.), Commissioner Michael Brown (Vice-Chair), Commissioner TerryLynn Stewart, Commissioner Susan Palmer (via telephone)

Excused: Commissioner John Welch

Staff: Stephen Norman (Secretary), Connie Davis, Beth Pearson, Mike Reilly, Monalisa Gonzales, Tim Walter, and Dan Watson

III. PUBLIC COMMENT

None.

IV. APPROVAL OF MINUTES

On motion by Commissioner Stewart and seconded by Commissioner Palmer, the Board approved the minutes from the Board of Commissioners' meeting of July 25, 2016.

V. APPROVAL OF AGENDA

On motion by Commissioner Stewart and seconded by Commissioner Palmer, the Board approved the August 18, 2016 Board of Commissioners' meeting agenda.

VIII. RESOLUTIONS FOR DISCUSSION AND POSSIBLE ACTION

A. Resolution No. 5545: A Resolution authorizing the Authority to obtain financing for energy efficiency improvements at properties owned by the Authority; authorizing the execution of related documents; and determining related matters

Connie Davis, Deputy Executive Director, provided an overview and background on the Authority's Energy Performance Contract. Ms. Davis discussed financing and introduced Beth Pearson, Director of Real Estate Initiatives. Ms. Pearson provided detailed information on the Qualified Energy Conservation Bonds and explained the process for obtaining the bonds as well as next steps.

On motion by Commissioner Palmer, seconded by Commissioner Barnes, the Board approved Resolution No. 5545.

B. Resolution No. 5546: A Resolution relating to the Authority's revolving Line of Credit Revenue Note, 2015 (Tax-Exempt) and revolving Line of Credit Revenue Note, 2015 (Taxable), issued pursuant to Resolution No. 5504; authorizing an increase in combined principal amount, to not to exceed $80,000,000 at any one time outstanding; authorizing the execution of related documents; and determining related matters

Tim Walter, Senior Director of Acquisition and Asset Management presented Resolution No. 5546. Mr. Walter explained that this item authorizes the increase in the Authority's current KeyBank Line of Credit. Mr. Walter explained the conditions and which projects the financing will be used for.

On motion by Commissioner Stewart, seconded by Commissioner Barnes, the Board unanimously approved Resolution No. 5546.

X. EXECUTIVE DIRECTOR'S REPORT

Stephen Norman mentioned a briefing on current real estate transactions and execution agreement on Highland Village. Tim Walter provided an update on Highland Village and also on Abbey Ridge.

XI. KCHA IN THE NEWS

None.

XII. COMMISSIONER COMMENTS

None.

XIII. ADJOURNMENT

On motion by Commissioner Stewart, seconded by Commissioner Palmer, the Board adjourned the meeting at 8:59 a.m.

THE HOUSING AUTHORITY OF THE COUNTY OF KING, WASHINGTON

____
DOUGLAS BARNES, Chair
Board of Commissioners

____
STEPHEN J. NORMAN
Secretary

TAB NUMBER 2

King County Housing Authority

To: Board of Commissioners

From: Linda Riley, Controller

Date: July 29, 2016

Re: **VOUCHER CERTIFICATION FOR JUNE 2016**

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
Linda Riley
Controller
July 29, 2016

Bank Wires / ACH Withdrawals		9,324,175.41
	Subtotal	***9,324,175.41***
Accounts Payable Vouchers		
Key Bank Checks - #303358-#303855		6,969,643.03
Tenant Accounting Checks - #10139-#10161		4,595.15
Commerce Bank Direct Payment		93,997.16
	Subtotal	***7,068,235.34***
Payroll Vouchers		
Checks - #90141-#90177		33,430.72
Direct Deposit		1,277,753.27
	Subtotal	***1,311,183.99***
Section 8 Program Vouchers		
Checks - #614128-#614435		192,373.96
ACH - #351089-#353981		10,035,662.98
	Subtotal	***10,228,036.94***
Purchase Card / ACH Withdrawal		254,172.13
	Subtotal	***254,172.13***
	GRAND TOTAL	***28,185,803.81***

King County Housing Authority

To: Board of Commissioners

From: Linda Riley, Controller

Date: August 30, 2016

Re: **VOUCHER CERTIFICATION FOR JULY 2016**

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
August 30, 2016

Bank Wires / ACH Withdrawals		951,705.76
	Subtotal	***951,705.76***
Accounts Payable Vouchers		
Key Bank Checks - #303856-#304450		4,167,180.62
Tenant Accounting Checks - #10162-#10180		5,416.81
Commerce Bank Direct Payment		80,084.30
	Subtotal	***4,252,681.73***
Payroll Vouchers		
Checks - #90178-#90218		50,656.22
Direct Deposit		1,981,567.27
	Subtotal	***2,032,223.49***
Section 8 Program Vouchers		
Checks - #614436-#614760		442,531.00
ACH - #353982-#356773		10,068,743.64
	Subtotal	***10,511,274.64***
Purchase Card / ACH Withdrawal		170,922.51
	Subtotal	***170,922.51***
	GRAND TOTAL	***17,918,808.13***

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

FROM: Wen Xu

SUBJECT: **VOUCHER CERTIFICATION FOR JUNE 2016**

I, Wen Xu, 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.

Wen Xu

Wen Xu
Director, Managed Assets
July 18, 2016

Property	Wired to Operating Account(s) for Obligations of Property			Notes:
Jun-16	Date	$	Claim	
Bellepark East	6/2/2016	$2,001.48	A/P	
	6/9/2016	$24,811.40	A/P & Payroll	
	6/16/2016	$3,132.98	A/P	
	6/23/2016	$14,684.36	A/P	
	6/23/2016	$7,059.06	Payroll	
	6/30/2016	$2,525.64	A/P	
Colonial Gardens	6/2/2016	$3,017.17	A/P	
	6/9/2016	$8,829.42	A/P & Payroll	
	6/16/2016	$4,356.27	A/P	
	6/23/2016	$3,311.60	A/P	
	6/23/2016	$3,950.38	Payroll	
	6/30/2016	$5,053.51	A/P	
Cottonwood	6/2/2016	$2,873.47	A/P	
	6/9/2016	$16,697.32	A/P & Payroll	
	6/16/2016	$3,496.68	A/P	
	6/23/2016	$3,253.01	A/P	
	6/23/2016	$5,771.49	Payroll	
	6/30/2016	$2,287.80	A/P	
Cove East	6/2/2016	$19,957.14	A/P	
	6/9/2016	$15,579.15	A/P & Payroll	
	6/16/2016	$9,523.91	A/P	
	6/23/2016	$31,059.88	A/P	
	6/23/2016	$16,168.89	Payroll	
	6/30/2016	$13,154.67	A/P	
Landmark	6/9/2016	$31,988.94	A/P & Payroll	
	6/16/2016	$11,558.47	A/P	
	6/23/2016	$12,162.57	Payroll	
	6/30/2016	$11,586.65	A/P	
Timberwood	6/2/2016	$18,176.76	A/P	
	6/9/2016	$36,973.30	A/P & Payroll	
	6/16/2016	$52,584.48	A/P	
	6/23/2016	$24,860.78	A/P	
	6/23/2016	$11,971.51	Payroll	
	6/30/2016	$27,196.90	A/P	
Woodland North	6/2/2016	$19,692.12	A/P	
	6/9/2016	$14,269.89	A/P & Payroll	
	6/16/2016	$5,780.67	A/P	
	6/23/2016	$11,001.98	A/P	
	6/23/2016	$5,784.17	Payroll	
	6/30/2016	$5,194.69	A/P	
Woodside East	6/9/2016	$27,514.38	A/P & Payroll	
	6/16/2016	$30,714.79	A/P	
	6/23/2016	$1,115.57	A/P	
	6/23/2016	$14,467.87	Payroll	
	6/30/2016	$8,738.12	A/P	
Alpine Ridge	6/2/2016	$2,700.87	Payroll	
	6/9/2016	$2,522.49	A/P	
	6/16/2016	$2,759.89	Payroll	
	6/23/2016	$15,516.34	A/P	
	6/24/2016	$1,045.79	A/P	
	6/30/2016	$4,888.12	Payroll & A/P	
Aspen Ridge	6/2/2016	$4,731.84	Payroll	
	6/9/2016	$8,228.32	A/P	
	6/16/2016	$4,936.39	Payroll	
	6/23/2016	$8,320.03	A/P	
	6/24/2016	$1,280.52	A/P	
	6/30/2016	$8,316.99	Payroll & A/P	
Auburn Square	6/2/2016	$7,809.70	Payroll	
	6/9/2016	$21,111.28	A/P	
	6/16/2016	$8,685.25	Payroll	
	6/23/2016	$8,032.17	A/P	
	6/24/2016	$208.92	A/P	
	6/30/2016	$11,850.20	Payroll & A/P	
Carriage House	6/2/2016	$10,273.03	Payroll	
	6/9/2016	$43,280.62	A/P	
	6/16/2016	$10,849.04	Payroll	
	6/23/2016	$23,125.23	A/P	
	6/24/2016	$2,167.10	A/P	
	6/30/2016	$17,102.56	Payroll & A/P	
Cascadian	6/2/2016	$11,711.64	Payroll	
	6/9/2016	$25,125.30	A/P	
	6/16/2016	$11,121.07	Payroll	

	6/23/2016	$5,194.14	A/P	
	6/24/2016	$1,861.20	A/P	
	6/30/2016	$19,773.48	Payroll & A/P	
Fairwood	6/2/2016	$24,325.62	Payroll	
	6/9/2016	$28,067.60	A/P	
	6/16/2016	$43,002.66	Payroll	
	6/23/2016	$25,202.13	A/P	
	6/30/2016	$12,213.48	Payroll & A/P	
Heritage Park	6/2/2016	$4,966.50	Payroll	
	6/9/2016	$10,067.91	A/P	
	6/16/2016	$5,041.36	Payroll	
	6/23/2016	$12,114.58	A/P	
	6/24/2016	$1,766.77	A/P	
	6/30/2016	$8,332.18	Payroll & A/P	
Laurelwood	6/2/2016	$6,331.98	Payroll	
	6/9/2016	$9,557.24	A/P	
	6/16/2016	$6,182.24	Payroll	
	6/23/2016	$19,451.53	A/P	
	6/24/2016	$114.17	A/P	
	6/30/2016	$10,366.12	Payroll & A/P	
Meadows	6/2/2016	$14,803.77	Payroll	
	6/9/2016	$11,581.52	A/P	
	6/16/2016	$8,666.40	Payroll	
	6/23/2016	$15,427.22	A/P	
	6/30/2016	$10,075.34	Payroll & A/P	
Newporter	6/2/2016	$8,256.85	Payroll	
	6/9/2016	$8,728.96	A/P	
	6/16/2016	$8,199.94	Payroll	
	6/23/2016	$6,593.68	A/P	
	6/24/2016	$709.21	A/P	
	6/30/2016	$13,167.65	Payroll & A/P	
Parkwood	6/2/2016	$4,876.03	Payroll	
	6/9/2016	$118,533.90	A/P	
	6/16/2016	$5,110.05	Payroll	
	6/23/2016	$8,540.96	A/P	
	6/24/2016	$1,938.85	A/P	
	6/30/2016	$8,618.83	Payroll & A/P	
Somerset East	6/2/2016	$4,537.47	Payroll	
	6/9/2016	$4,827.70	A/P	
	6/9/2016	$16,586.25	Debt Service	
	6/16/2016	$4,484.50	Payroll	
	6/23/2016	$4,768.30	A/P	
	6/24/2016	$1,490.06	A/P	
	6/30/2016	$6,681.91	Payroll & A/P	
Somerset West	6/2/2016	$5,606.01	Payroll	
	6/9/2016	$9,526.63	A/P	
	6/9/2016	$23,155.00	Debt Service	
	6/16/2016	$5,475.04	Payroll	
	6/23/2016	$5,806.98	A/P	
	6/24/2016	$654.13	A/P	
	6/30/2016	$8,375.63	Payroll & A/P	
Walnut Park	6/2/2016	$7,323.88	Payroll	
	6/9/2016	$31,649.49	A/P	
	6/16/2016	$6,156.57	Payroll	
	6/23/2016	$32,653.22	A/P	
	6/24/2016	$3,048.85	A/P	
	6/30/2016	$12,790.05	Payroll & A/P	
Windsor Heights	6/2/2016	$24,536.54	Payroll	
	6/9/2016	$74,346.73	A/P	
	6/16/2016	$17,033.85	Payroll	
	6/23/2016	$12,555.73	A/P	
	6/24/2016	$1,599.87	A/P	
	6/30/2016	$26,823.74	Payroll & A/P	
Woodridge Park	6/2/2016	$11,285.81	Payroll	
	6/9/2016	$37,952.58	A/P	
	6/16/2016	$11,446.49	Payroll	
	6/23/2016	$34,549.00	A/P	
	6/24/2016	$1,182.00	A/P	
	6/30/2016	$17,679.89	Payroll & A/P	
Gilman Square	6/1/2016	$65,229.35	A/P & Payroll	
	6/15/2016	$58,307.94	A/P & Payroll	
	6/29/2016	$30,220.57	A/P & Payroll	
Meadowbrook	6/1/2016	$ 20,840.12	A/P & Payroll	
	6/15/2016	$ 39,861.83	A/P & Payroll	
	6/29/2016	$ 32,732.20	A/P & Payroll	
Villages at South Station	6/1/2016	$33,247.13	A/P & Payroll	
	6/15/2016	$55,657.61	A/P & Payroll	
	6/29/2016	$60,604.80	A/P & Payroll	
Bellevue Manor	6/15/2016	$6,303.50	A/P	
Patricia Harris	6/15/2016	$4,892.91	A/P	
Vashon Terrace	6/15/2016	$22,165.55	A/P	
Rainier View I	6/8/2016	$10,901.57	A/P	
	6/15/2016	$18,321.27	A/P	
	6/30/2016	$2,414.64	A/P	
Rainier View II	6/8/2016	$8,175.97	A/P	

	6/15/2016	$6,941.22	A/P	
Si View	6/8/2016	$1,735.37	A/P	
	6/15/2016	$6,430.19	A/P	
	6/30/2016	$3,700.48	A/P	
	Portfolio Total:	**$2,346,628.16**		

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

FROM: Wen Xu

SUBJECT: **VOUCHER CERTIFICATION FOR JULY 2016**

I, Wen Xu, 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.

Wen Xu

Wen Xu
Director, Managed Assets
September 12, 2016

Property	Wired to Operating Account(s) for Obligations of Property			Notes:
Jul-16	Date	$	Claim	
Bellepark East	7/7/2016	$9,349.69	A/P & Payroll	
	7/14/2016	$8,942.21	A/P	
	7/21/2016	$45,680.99	A/P & Payroll	
	7/28/2016	$2,296.11	A/P	
Colonial Gardens	7/7/2016	$5,580.63	A/P & Payroll	
	7/14/2016	$5,536.63	A/P	
	7/21/2016	$20,424.51	A/P & Payroll	
	7/28/2016	$3,498.19	A/P	
Cottonwood	7/7/2016	$8,824.63	A/P & Payroll	
	7/14/2016	$2,810.05	A/P	
	7/21/2016	$12,948.26	A/P & Payroll	
	7/28/2016	$2,649.96	A/P	
Cove East	7/7/2016	$31,195.40	A/P & Payroll	
	7/14/2016	$10,187.35	A/P	
	7/21/2016	$21,479.79	A/P & Payroll	
Landmark	7/7/2016	$42,613.25	A/P & Payroll	
	7/21/2016	$100,432.91	A/P & Payroll	
	7/28/2016	$3,360.99	A/P	
Timberwood	7/7/2016	$19,059.18	A/P & Payroll	
	7/14/2016	$40,125.80	A/P	
	7/21/2016	$84,424.16	A/P & Payroll	
	7/28/2016	$24,622.60	A/P	
Woodland North	7/7/2016	$10,048.15	A/P & Payroll	
	7/14/2016	$5,234.45	A/P	
	7/21/2016	$12,094.35	A/P & Payroll	
	7/28/2016	$5,487.82	A/P	
Woodside East	7/7/2016	$16,281.52	A/P & Payroll	
	7/14/2016	$10,681.71	A/P	
	7/21/2016	$51,512.12	A/P & Payroll	
	7/28/2016	$65,925.70	A/P	
Alpine Ridge	7/14/2016	$16,860.43	A/P & Payroll	
	7/28/2016	$11,038.66	A/P & Payroll	
Aspen Ridge	7/14/2016	$24,123.09	A/P & Payroll	
	7/28/2016	$33,895.40	A/P & Payroll	
Auburn Square	7/14/2016	$45,954.49	A/P & Payroll	
	7/28/2016	$29,158.40	A/P & Payroll	
Carriage House	7/14/2016	$31,007.64	A/P & Payroll	
	7/28/2016	$65,187.54	A/P & Payroll	
Cascadian	7/14/2016	$88,101.88	A/P & Payroll	
	7/28/2016	$29,182.51	A/P & Payroll	
Fairwood	7/14/2016	$40,172.23	A/P & Payroll	
	7/28/2016	$42,886.59	A/P & Payroll	
Heritage Park	7/14/2016	$26,396.62	A/P & Payroll	
	7/28/2016	$15,824.45	A/P & Payroll	
Laurelwood	7/14/2016	$20,441.72	A/P & Payroll	
	7/28/2016	$34,414.12	A/P & Payroll	
Meadows	7/7/2016	$3,898.90	A/P	
	7/14/2016	$13,312.92	A/P & Payroll	
	7/28/2016	$24,532.23	A/P & Payroll	
Newporter	7/14/2016	$22,147.38	A/P & Payroll	
	7/28/2016	$47,614.33	A/P & Payroll	
Parkwood	7/14/2016	$20,821.25	A/P & Payroll	
	7/28/2016	$19,017.80	A/P & Payroll	
Somerset East	7/14/2016	$25,969.33	A/P & Payroll	
	7/20/2016	$16,586.25	Debt Service	
	7/28/2016	$8,612.76	A/P & Payroll	
Somerset West	7/14/2016	$36,694.81	A/P & Payroll	
	7/20/2016	$23,064.17	Debt Service	
	7/28/2016	$16,689.60	A/P & Payroll	
Walnut Park	7/14/2016	$51,632.30	A/P & Payroll	
	7/28/2016	$27,458.08	A/P & Payroll	
Windsor Heights	7/14/2016	$81,038.43	A/P & Payroll	
	7/28/2016	$57,831.90	A/P & Payroll	
Woodridge Park	7/14/2016	$53,226.64	A/P & Payroll	
	7/28/2016	$48,371.73	A/P & Payroll	
Gilman Square	7/13/2016	$26,037.75	A/P & Payroll	
	7/27/2016	$27,148.78	A/P & Payroll	
Meadowbrook	7/13/2016	$ 24,437.40	A/P & Payroll	
	7/27/2016	$ 64,133.83	A/P & Payroll	
Villages at South Station	7/13/2016	$30,896.63	A/P & Payroll	
	7/27/2016	$28,958.90	A/P & Payroll	

Bellevue Manor	7/20/2016	$6,767.77	A/P	
Patricia Harris	7/20/2016	$5,372.59	A/P	
Vashon Terrace	7/6/2016	$4,513.74	A/P	
	7/20/2016	$9,195.19	A/P	
Rainier View I	7/13/2016	$10,016.26	A/P	
	7/20/2016	$7,792.29	A/P	
	7/28/2016	$2,709.93	A/P	
Rainier View II	7/13/2016	$13,372.68	A/P	
	7/20/2016	$3,661.67	A/P	
	7/28/2016	$1,503.39	A/P	
SI View	7/13/2016	$4,007.30	A/P	
	7/20/2016	$10,054.69	A/P	
	7/28/2016	$3,573.00	A/P	
	Portfolio Total:	**$2,120,629.48**		

TAB NUMBER 3

To: Board of Commissioners

From: Katie Escudero, Moving To Work Policy Analyst

Date: September 15, 2016

Re: **Resolution No. 5547:** Authorizing the Extension of the Moving to Work Agreement with the U.S. Department of Housing and Urban Development through Fiscal Year 2028

Executive Summary

Resolution No. 5547 authorizes an amendment to the King County Housing Authority's (KCHA) current Moving to Work (MTW) agreement with the U.S. Department of Housing and Urban Development (HUD), which extends the Agreement through fiscal year 2028. As a participant in the MTW demonstration program for public housing authorities, KCHA adheres to an agreement that outlines the program's statutory authorizations, administrative requirements and funding methodology.

Background

For several years, KCHA has been involved in formal negotiations with HUD over the terms and conditions of continued participation in the MTW program.

On April 14, 2016, HUD's Deputy Secretary Nani Coloretti submitted a letter to KCHA that amends the current Amended and Restated MTW Agreement by extending the Agreement for an additional 10 years, through 2028. This amendment is the culmination of significant staff time spent in negotiations, work with Washington's congressional delegation and other advocacy efforts necessary to ensure KCHA's continued programmatic and funding flexibility as provided under the current agreement.

Public Process

While not required by HUD, KCHA has made the agreement available for a public review period of thirty days from August 17th to September 16th. During this time, many opportunities were provided for residents, stakeholders, and the general public to review the agreement. KCHA has:

- Published notice (August 17th) of the date of the Public Hearing on KCHA's website and in local newspapers including the Seattle Times, the Daily Journal of Commerce, and the NW Asian Weekly. The notices are also posted at all KCHA developments in the agency's six most prominent languages: English, Korean, Russian, Spanish, Somali, and Vietnamese.

- Presented the agreement to the Resident Advisory Committee (RAC) (September 6th and 7th).
- Held a formal Public Hearing (August 31st) to inform the public of the extension of KCHA's participation in the MTW program.
- Invited more than fifty partner agencies to attend a meeting (September 12th) to learn more about KCHA's participation in the MTW program.

No written comments were received although KCHA's stakeholders have communicated support for the extension of the Moving to Work agreement.

Staff Recommendation

Approval of Resolution No. 5547 is recommended.

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
THE DEPUTY SECRETARY
WASHINGTON, DC 20410-0050

April 14, 2016

Mr. Stephen J. Norman
Executive Director
King County Housing Authority
600 Andover Park West
Tukwila, WA 98188

Dear Mr. Norman:

In the 20 years since the authorization of the Moving to Work (MTW) Demonstration program, a number of flexibilities, which have been successfully designed and tested by you and other MTW agencies, have been made available to all public housing agencies (PHAs) across the nation. We are pleased that Congress has now extended the Demonstration through 2028, so that we may continue this great work together.

Pursuant to Section 239 of Title II, Division L of the Consolidated Appropriations Act, 2016 (P.L. 114-113) (The Act), King County Housing Authority's (the Agency) current MTW Agreement is hereby modified and extended until the end of the Agency's fiscal year 2028. Further, pursuant to that same act of Congress, and subject to any future acts of Congress, the Agency's Agreement shall be modified to prohibit any statutory offset of any reserve balances equal to four months of operating expenses. Reserve balances that exceed four months of operating expenses shall remain available to the Agency for all permissible purposes under the Agreement unless subject to statutory offset, notwithstanding any contrary term of the Agreement.

Your MTW Agreement shall be modified by the content of the second paragraph of this letter upon receipt of this letter by the Agency. If your Agency would instead prefer to conclude its MTW participation, please follow the process in Section VIII.D. of the Agency's MTW Agreement.

Under the Act, other terms of the Agreement may be modified by mutual agreement between the Agency and HUD. If your Agency would like to discuss modifications to other terms of its MTW Agreement, please contact the Moving to Work Office at mtw-info@hud.gov.

Throughout the next 12 years of the MTW Demonstration, we look forward to learning from the work of MTW Agencies, to improve the programs and services provided to low-income families across the country. We are confident that your locally-driven strategies will continue to identify creative solutions to serve the affordable housing needs of our nation's communities.

Sincerely,

Nani A. Coloretti

THE HOUSING AUTHORITY OF THE COUNTY OF KING
RESOLUTION NO. 5547
AUTHORIZING THE EXTENSION OF THE MOVING TO WORK AGREEMENT WITH THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT THROUGH FISCAL YEAR 2028

WHEREAS, on August 8, 2003, the King County Housing Authority (KCHA) entered into an agreement with the U.S. Department of Housing and Urban Development (HUD) for participation in the Moving to Work (MTW) Demonstration Program; and

WHEREAS, as intended by Congress, the MTW Agreement authorizes KCHA to design and test new ways of providing housing assistance and needed services to low-income households; and

WHEREAS, in 2009 KCHA and HUD executed a Restated and Amended MTW Agreement, extending KCHA's participation in the MTW Demonstration through 2018; and

WHEREAS, HUD has presented KCHA with an amendment to extend the Agency's MTW participation, beyond the current expiration date of December 31, 2018, through fiscal year 2028; and

WHEREAS, this offer will extend the conditions and requirements of participation as outlined in the current Amended and Restated Agreement between HUD and KCHA; and

WHEREAS, public notice of KCHA's intent to continue participation in the MTW program was provided for a period of thirty (30) days and was one of the subjects presented at a recent public hearing held on August 31, 2016; and

WHEREAS, KCHA has given full consideration to all comments received during the public review process regarding the MTW Agreement; and

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

The Board of Commissioners hereby authorizes acceptance of the modification of its Moving to Work Agreement specified in the content of the second paragraph of the letter dated April 14, 2016 from Nani A. Coloretti, Deputy Secretary of the U.S. Department of Housing and Urban Development, to the King County Housing Authority.

ADOPTED AT A REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING THIS 19th DAY OF SEPTEMBER 2016.

THE HOUSING AUTHORITY OF THE COUNTY OF KING, WASHINGTON

____
DOUGLAS J. BARNES, Chair
Board of Commissioners

____
STEPHEN NORMAN
Secretary-Treasurer

TAB NUMBER 4

To:	Board of Commissioners
From:	Jenna Smith, Resource Conservation Manager
Date:	September 15, 2016
Re:	**Resolution No. 5548: Approval of the 2017-2021 Environmental Sustainability Plan**

Executive Summary (2015 Resource Management Plan Results)

The Resource Management Plan (RMP), adopted by the Board in 2011, established KCHA's first sustainability plan designed to reduce utility consumption and utility costs, improve environmental stewardship and enhance KCHA's reputation as a sustainability leader among public housing authorities. The plan included a list of conservation initiatives for staff to implement by year-end 2016, and identified six utility-related sustainability target areas to measure progress towards annual goals:

1. Common area energy-use
2. Portfolio-wide whole-building energy use (common area and resident consumption combined)
3. Water use per resident
4. Avoided utility costs (water and energy)
5. Waste diversion rate (recycling/garbage capacity)
6. Solar energy production capacity

Staff provides an annual report to the Board on the progress made toward fulfilling the goals and mission of the RMP. The year 2015 marks the penultimate year of the plan, where persistent conservation efforts are resulting in steady progress towards meeting 2016 final year-end goals. In 2015, only one target area did not achieve any gains, the goal to increase solar photovoltaic systems at KCHA properties. Most of the other target areas met or exceeded 2015 year-end goals, except for Avoided Utility Costs, which was 80% of its annual goal.

2015 Dashboard:

Sustainability Target Area	2015 Year-End Actual	2016 Year-End Goals	On Target to Meet 2016 Year-End Goals?
Common area energy (Millions of British Thermal Units (MBtu))	6,538 MBtu	8,079 MBtu	Yes
Energy use per square foot (EUI)	34.6 EUI	36.5 EUI	Yes
Gallons of water per person per day (GPD)	48.6 GPD	49.97 GPD	Yes

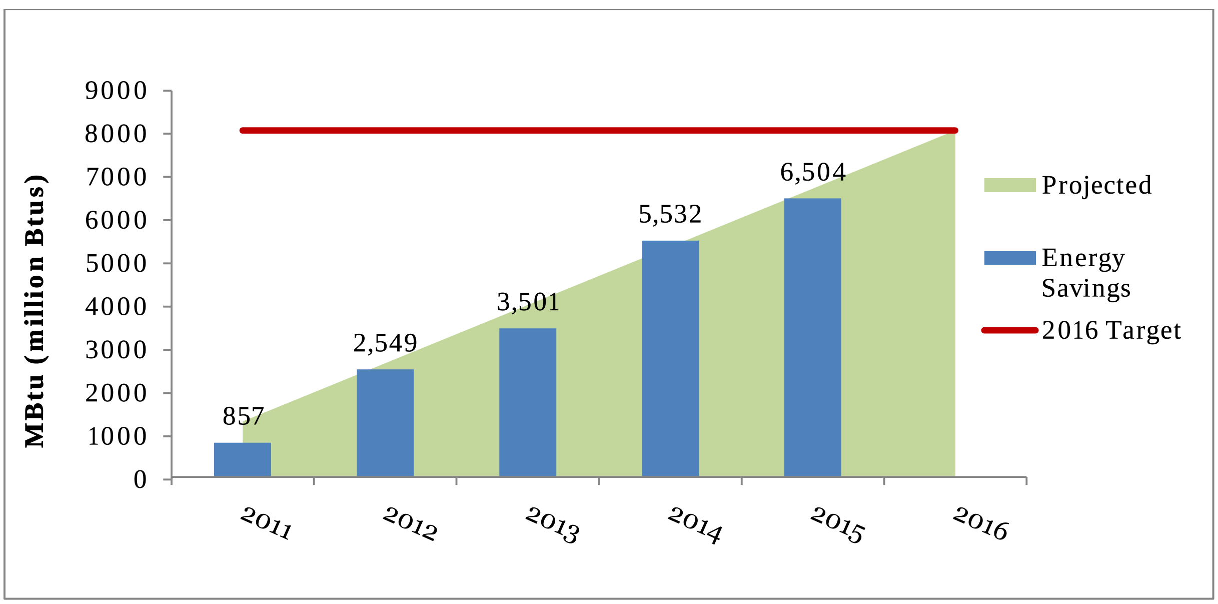
Sustainability Target Area	2015 Year-End Actual	2016 Year-End Goals	On Target to Meet 2016 Year-End Goals?
Avoided utility costs (electricity, gas and water)	$185,410	$278,922	No
Waste diversion rate at KCHA-managed sites	43.2% DR	40% DR	Yes
Solar energy production capacity	98.6 kW	195.5 kW	No

Dashboard Tables of the Six Sustainability Target Areas

The following six tables highlight annual progress towards 2016 year-end goals. The baseline used in the RMP for the six Sustainability Target Areas is 2010 or 2011, except for whole-building energy use, where baseline data was not available until 2012.

Table 1: Common Area Energy Savings

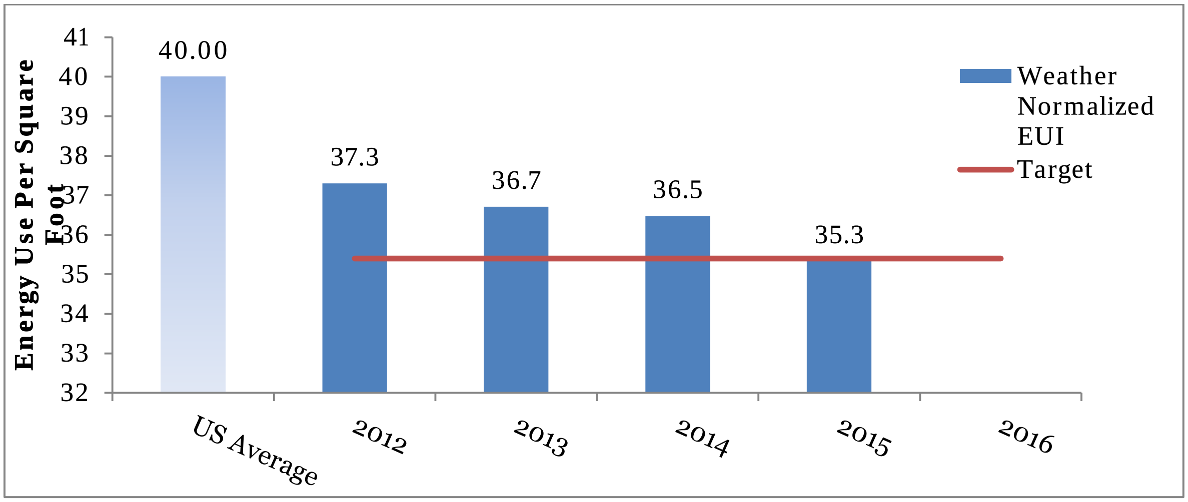
Target: 8,079 MBtu saved (10% increase in savings by year-end 2016)



Target 1: Common Area Energy Savings

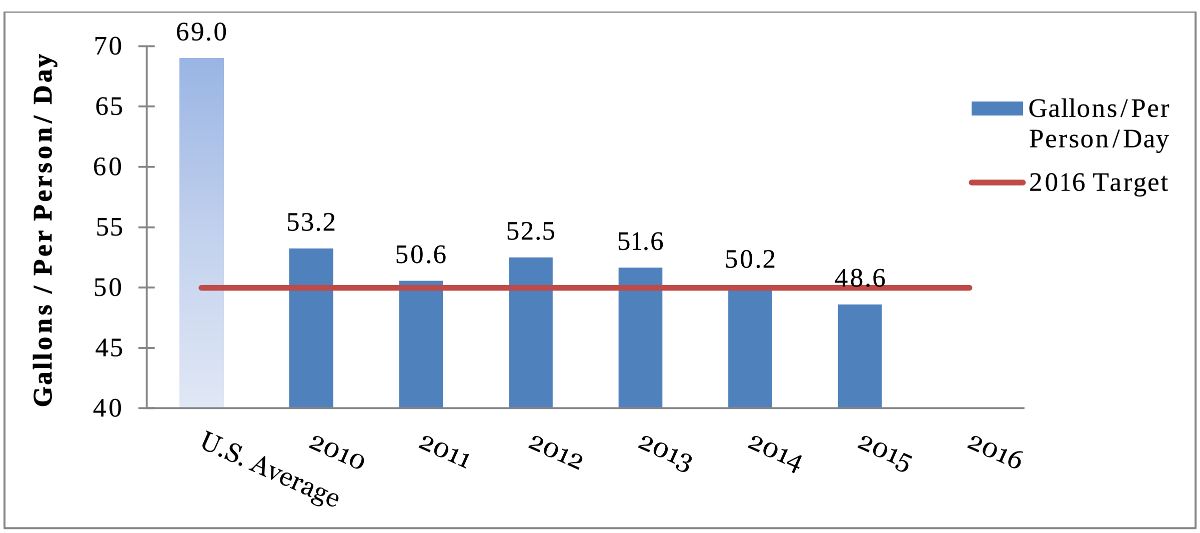
KCHA-paid common area energy savings were 3% lower than 2015 targets (Table 1). Taking advantage of utility rebate programs, 20 interior and exterior lighting improvement projects were completed with an estimated savings of more than 200 thousand kilowatt hours (kWh) per year. These projects also had the added benefit of increasing illumination in hallways, offices and outdoor areas.

Table 2: Whole Building Multifamily Energy Use Index (EUI)
Target: 35.4 EUI (5% reduction by year-end 2016)



Target 2: Whole Building Energy Savings
Table 2 displays portfolio-wide whole-property (common area and resident consumption combined) energy use per square foot (EUI). Since the end of 2014, 67 properties have participated in utility programs to provide free-of-charge water heater pipe wrapping, light bulbs, and power strips for residents. Along with the 20 properties that completed common area lighting upgrades, KCHA's Weatherization department also completed five projects to insulate walls, provide air-sealing, add efficient heating systems and improve in-unit air quality. Based on the first year (2012) dependable EUI data was available, whole property energy use has declined by 5% and surpassed the 2016 year-end goal of 35.4 EUI.

Table 3: KCHA Managed Water Use
Target: 49.97 GPD (5% reduction by year-end 2016)

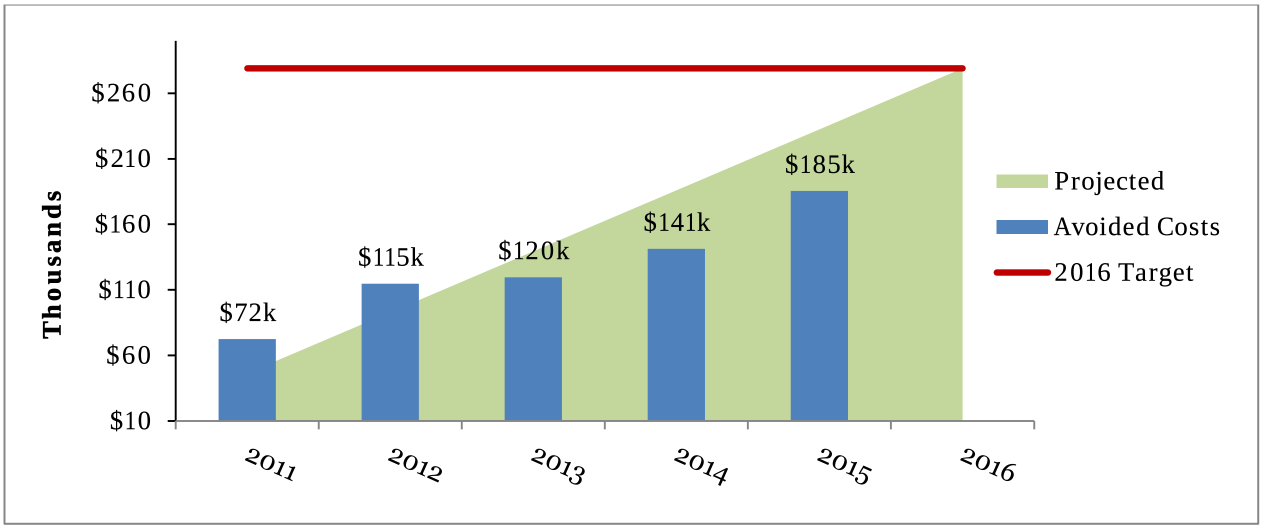


Target 3: Water Savings

Daily per capita water use from KCHA managed properties was 3% lower than the previous year and exceeded its annual target by 3% (Table 3). Staff continues to monitor utility bills, identify and fix leaks and upgrade plumbing fixtures with more water efficient technologies, often with the assistance of utility rebate programs.

Table 4: Avoided Utility Cost

Target: $279k (5% Energy & 10% Water Savings by year-end 2016)

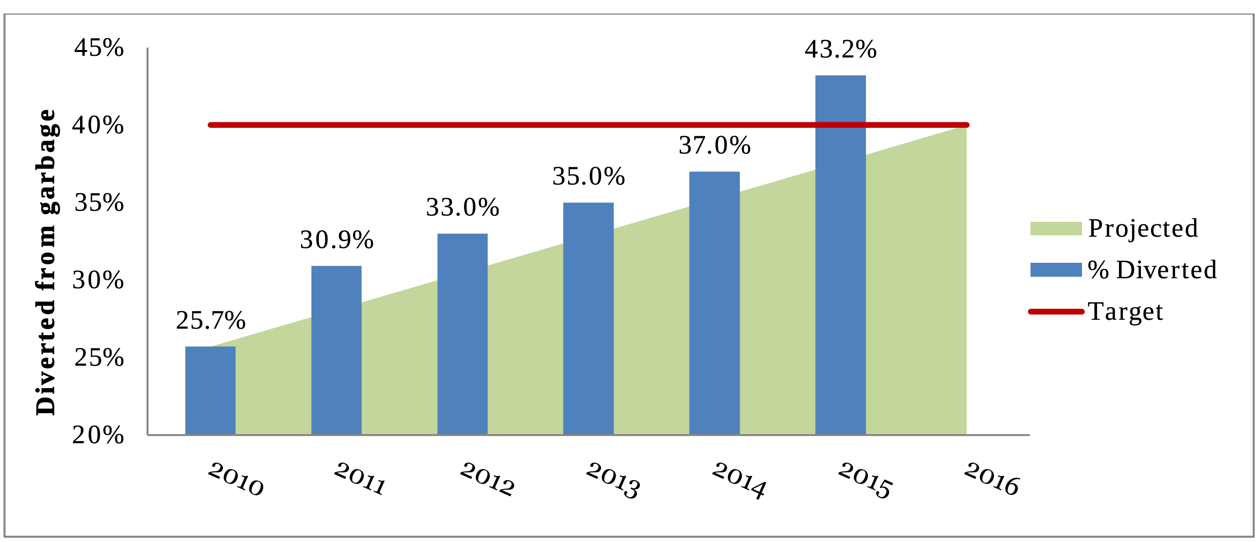


Target 4: Avoided Utility Costs

In 2015, KCHA avoided spending $32 thousand in water and $154 thousand in energy costs compared to the 2010 baseline year (Table 4). Between 2014 and 2015, there was a 31% increase in utility savings, mainly due to reductions in gas consumption resulting from operational improvements. Normalized for weather, electrical energy cost savings remained relatively unchanged; however water utility cost savings, which are not normalized for weather, were 12% higher compared to 2014 and 20% higher compared to 2010.

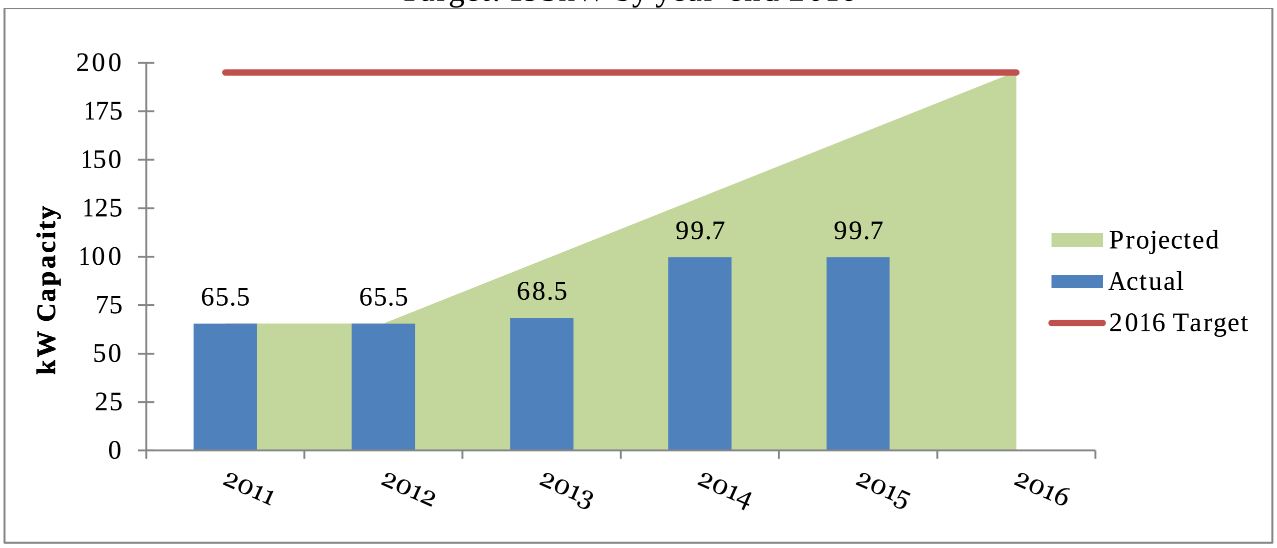
Table 5: Waste Diversion (PH only)

Target: 40% diversion by year-end 2016



Target 5: Waste Diversion
At the end of 2015, KCHA was diverting 43.2% of its waste away from the landfill and into regional recycling and composting programs. This figure surpasses the 2016 goal, which was originally set at 40% and also greatly exceeds the King County average for multifamily diversion, which is around 13%. Currently, 100% of KCHA properties subscribe to recycling service, 35 properties subscribe to organics collection and of those 16 encourage residents to compost food scraps.

Table 6: Solar Energy Capacity
Target: 195kW by year-end 2016



Target 6: Solar Energy Capacity
In 2015, no solar photovoltaic systems were installed mainly due to lack of state and utility financial incentives to help offset the cost of installation. However, the electricity produced during the utility solar program year, from November 2014 to October 2015, saved roughly $10 thousand, and provided an additional annual rebate from the energy utilities of $10 thousand.

Current Initiatives

EnviroStars - KCHA has 42 properties certified by the King County EnviroStars program, which recognizes organizations for outstanding management of hazardous waste. Currently, another 18 properties have submitted applications and are awaiting certification. By the end of 2016, a total of 60 properties will be certified with at least 3 stars under the EnviroStars banner.

Solid Waste - In the ongoing effort to reduce garbage costs and improve diversion rates (the amount of material recycled vs landfilled), KCHA conservation staff typically start by "right-sizing" garbage and recycling capacity at each property. This simple change typically leads to a reduction in garbage capacity and an increase in recycling capacity, plus a utility cost savings for the property. And, as residents' recycling knowledge grows, staff will continue to right-size solid waste services to increase the diversion rate and reduce billing costs. From the beginning of 2015 until mid-year 2016, KCHA has saved about $76 thousand in solid waste utility costs.

Utility Rebate Programs - KCHA continues to assess properties for utility rebates and free-of-charge conservation program opportunities. Currently, staff participates in the Resource Conservation Manager (RCM) program offered by Puget Sound Energy (PSE), which provides annual rebates for energy savings. In 2015, KCHA earned a rebate of $13 thousand. Since the beginning of 2015, 66 properties have partnered with Seattle City Light (SCL) and PSE to provide free indoor LED lighting, power strips, and water heater pipe insulation for residents, 65 properties have been audited to assess opportunities for financial incentives from SCL and PSE, and 28 have participated in common area energy upgrades and received over $300 thousand dollars in rebates.

The Saving Water Partnership and Cascade Water Alliance continue to provide financial incentives to install water efficient toilets, showerheads and aerators. Currently, three properties are replacing toilets that will reduce toilet water use by half.

Weatherization - The work of KCHA's Weatherization Department directly impacts the energy use outcomes tracked by conservation staff. In 2015, Weatherization substantially completed projects at six KCHA properties with a total of 173 residential units. Weatherization work may include wall, floor and attic insulation, as well as air-sealing, the installation of ductless heat pumps and energy recovery ventilation systems. These improvements increase the energy efficiency of our residents' homes while also improving their indoor air quality. In 2016, Weatherization is engaged at nine KCHA properties with five projects slated to be substantially completed by year-end.

Energy Performance Initiative Contract (EPIC) - In January 2016, KCHA entered into an Energy Performance Contract (EPC) with Johnson Controls, Inc. When completed, KCHA expects to have installed approximately $23 million in energy conservation measures, including water and lighting packages at nearly all public housing properties, and ductless heat pumps at 13 public housing properties.

This project is estimated to produce $50 million in energy savings over the next 20 years. HUD regulations allow the Authority to keep 25% of these savings to support its operating and capital needs, while spending the remaining 75% on the project itself, including debt service, replacement reserves and third party monitoring. The project began at Forest Glen in concert with the Capital Construction department's waste line replacement activity. Shelcor is currently underway with Briarwood, Eastside Terrace and Cascade homes slated next on the schedule. Once complete, the EPC should further reduce the Authority's EUI (Target 2) and GPD (Target 3). Future reports will also report annual updates on savings resulting from this project.

Executive Summary (2017-2021 Environmental Sustainability Plan)

Investment in energy and water conservation, as well as solid waste management, continues to be a cost effective strategy for KCHA. In the new five-year Environmental Sustainability Plan (ESP), KCHA will carry forward current initiatives outlined in the original RMP, and will pursue new opportunities to reduce the Authority's environmental footprint and utility costs. The ESP and related Appendices A through C are attached to this memo.

The ESP builds on the original plan, incorporates existing initiatives and expands KCHA's sustainability strategy to include new initiatives and areas of focus. The plan also identifies three special initiatives, Landscape Management, Waste Management and Resident Engagement, that will be explored more thoroughly by the Resource Conservation department during the five years of the Sustainability Plan. Though these special initiatives have been part of ongoing efforts at KCHA, Resource Conservation plans to investigate the behavioral and/or systemic barriers that need to be addressed in order to improve outcomes.

KCHA considered a broad range of environmental initiatives for the new plan, selecting only those that will have a direct or indirect benefit to utility costs, the natural environment, and residents and staff. These initiatives are organized into three categories:

1. **Sustainable Operations –** General administration of KCHA, and the property maintenance and management functions.
2. **Sustainable Development & Renovation –** Construction and development activities.
3. **Sustainable Communities –** Resident engagement activities.

Both new and existing initiatives are listed in the ESP (Appendix A - Goals and Initiatives). Existing initiatives will be evaluated for effectiveness and updated if needed. For example, policies and procedure that were established during the RMP may need to be updated to reflect the current state of sustainability. Some new initiatives may require upfront research, as well as input from stakeholders before implementation.

To measure the environmental impact of the initiatives, seven Sustainability Plan Goals were selected as key overall indicators of performance. Many additional performance metrics have also been identified (Appendix B – Initiatives & Timeline 2017-2021) in the plan. These metrics are indicators of progress, and support main sustainability goals.

Based on 2016 year-end estimates, by the end of 2021 KCHA expects to achieve:

- 10% reduction in gallons per day per resident (GDP) for multifamily properties managed by KCHA (without irrigation)
- 10% reduction in energy use per square foot (EUI) for all multifamily KCHA properties
- 5% reduction in greenhouse gas emissions (GHG) from building electricity and gas consumption
- 195 kW of renewable energy installed
- 55% recycling and organic waste composting diversion rate
- 100% of qualified properties certified with at least 3 stars in the King County EnviroStars program
- 31% of KCHA fleet use alternative fuels

Staff Recommendation

The new five-year ESP will be implemented by KCHA internally as well as coordinated with contracted property management companies. Resource Conservation staff will be responsible for providing oversite of the plan and monitoring progress. Approval of Resolution No. 5548 is recommended.

Appendix C to the Plan describes some of the accomplishments of the Authority in its development as an organization which operates sustainably. The information in this Appendix will be updated to include new and outstanding work, such as Vantage Point, and is intended to be part of KCHA's communication plan to its stakeholders the community.

Environmental Sustainability Plan

2017 – 2021

Jenna Smith and Patrick Malloy
KCHA Resource Conservation Program
September 2016

Table of Contents

Environmental Sustainability Plan:

2017 – 2021

Introduction

King County Housing Authority continues to reduce its environmental footprint with the new 2017 – 2021 Environmental Sustainability Plan. The Plan provides the framework for the housing authority to move to a higher level of sustainability, balancing costs with environmental benefits and the impacts to the people who live and work at KCHA properties.

History of Sustainability at KCHA

KCHA's commitment to environmental sustainability spans more than a decade. Beginning in 2004, the organization began investing resources and developing strategies to reduce its impact on the environment through the following directives:

- The Sustainability Project (O'Brien & Co.) report in 2004
- KCHA Board Resolution 5005 Commitment to Sustainable Communities Through Excellence in Environmental Stewardship in 2005
- Establishment of Resource Conservation Department in 2005
- Resource Management Plan (2011 – 2016)

Sustainability Accomplishments

KCHA's long history of sustainability efforts has resulted in a variety of environmental achievements. Energy and water efficient building upgrades have saved roughly $170 thousand since 2011. 100% of KCHA properties have recycling services, which has saved an estimated $72 thousand per year since 2014. Overall water use per person has dropped by almost 9% since 2010, and since 2012 whole property energy use has been reduced by 5%. KCHA has established green purchasing policies, developed certified green buildings and engaged with residents about utility bill and healthy home management. For more details about KCHA's environmental accomplishments see Appendix C.

The New Sustainability Plan

Building on the success of the Resource Management Plan (2011-2016), the new Environmental Sustainability Plan (2017-2021) incorporates existing initiatives with new ones, and identifies new five-year goals for seven Sustainability Measures (Appendix A). Each measure will be impacted directly or indirectly in the following three general areas within KCHA:

- **Sustainable Operations:** The administrative and property management functions of KCHA continue to show significant gains in reducing energy, water and solid waste utility costs and CO_2 emissions, as well as improving indoor air quality and exposure to harmful chemicals. Over the next 5 years, new initiatives will standardize maintenance and landscaping practices, establish a sustainable property management guide and assessment tool, and meet the State of Washington's upcoming requirement for purchasing only alternative fuel vehicles. KCHA also plans to standardize sustainable preventative maintenance practices in order to extend the life of buildings and their systems.

- **Sustainable Development & Renovation:** KCHA manages a variety of construction and development projects including low-income weatherization for KCHA and private property owners, complete development and redevelopment of properties, and apartment renovation and minor building repair work. Generally, major development and rehab projects utilize Low Impact Development (LID) standards required for funding purposes. For projects not subjected to regulatory standards, KCHA plans to develop LID and construction standards for both staff and private contractors to follow. KCHA also plans to evaluate the effectiveness of environmental design strategies for new construction to improve future construction projects.

- **Sustainable Communities:** KCHA residents play a key role in helping to reduce environmental impacts through the efficient use of utilities and the management of their own living environments. Over the next 5 years and beyond, KCHA plans to work with residents and staff to learn how to help residents reduce utility bills, improve indoor air quality and keep properties litter free.

Sustainability Plan Strategy

To achieve success with so many environmental initiatives, KCHA typically begins by making capital improvements to properties, then focuses on maintenance and management, and lastly works directly with residents to help them save money and improve environmental outcomes. Over the next 5 years, this strategy will continue. KCHA will complete a second Energy Performance Contract (EPC) project in 2017, the Maintenance and Management phase will be emphasized in years 2017-

2019, and Resident Engagement activities will continue throughout the five year period with more focus during the last years of the plan. See Appendix B for additional timeline detail.

Special Initiatives

The plan includes three special initiatives over the coming years, with a focus on exploring the behavioral and systematic barriers that impact environmental outcomes, and establishing a strategy for creating lasting environmental benefits.

- **Landscape Management:** Managing landscapes to be attractive with fewer resources and impacts to the environment.
- **Waste Management:** Reducing, reusing, and recycling all possible waste generated by KCHA.
- **Resident Engagement:** Empowering residents to improve environmental, health and economic outcomes.

How to Read the Sustainability Plan

There are two guiding documents for the 2017-2021 Plan which outline the goals and initiatives and how and when these things will be accomplished. These guides are presented in a tabular format and therefore some guidance in how to read them might be helpful.

1. Sustainability Plan Goals & Initiatives (Appendix A): This document presents two key pieces of information—the seven Sustainability Plan Goals, which will be used to measure the impact of initiatives, and a matrix that shows which initiatives directly or indirectly impact the goals.

2. Sustainability Plan Initiatives & Timeline (Appendix B): This document includes a list of initiatives, deliverables and a timeline for implementing the initiatives. Initiatives are organized within three Target Areas—Sustainable Operations, Sustainable Development & Renovation, and Sustainable Communities. Following is a description of each of the column headers:

- **Initiatives:** Sustainability type activities identified to achieve stated Sustainability Plan Goals over next five years.
- **Steps to Implementation:** General tasks to accomplish initiatives. These include the creation of actual products (a plan, tool, or policy) and/or the day to day work involved. Products are designated with (•) and ongoing work with (**x**).
- **Timeline (2017-2021):** Provides a five year look at when the products (•) will be created and the pre and post task work (**x**) will be accomplished.
- **Products:** The plan, tool, and/or policy that will be developed for a specific initiative.
- **Measurements (Outputs and *Indicators):** Since some initiatives do not directly impact the seven Sustainability Plan Goals, but still have an environmental benefits, tracking and

reporting outputs—things that can be counted, and indicators—visual signals, or cues—provide KCHA another method for gauging success.

- **National/Local Programs (Current or Potential):** Lists national and local programs that are already in existence and that are helping guide the Sustainability Plan initiatives.

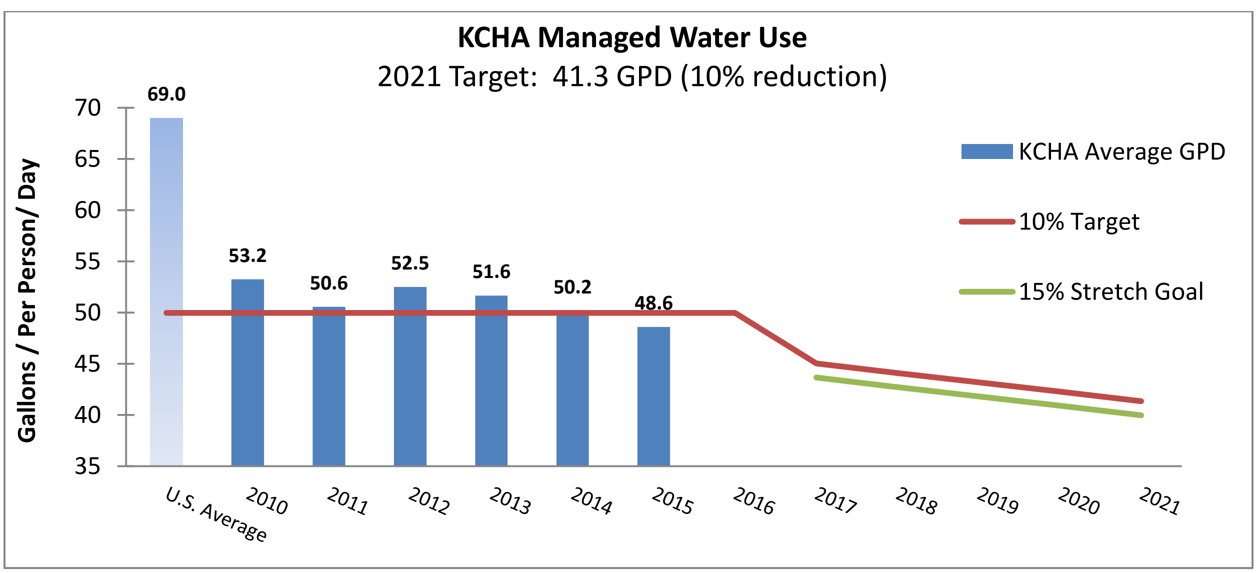
Measuring Success

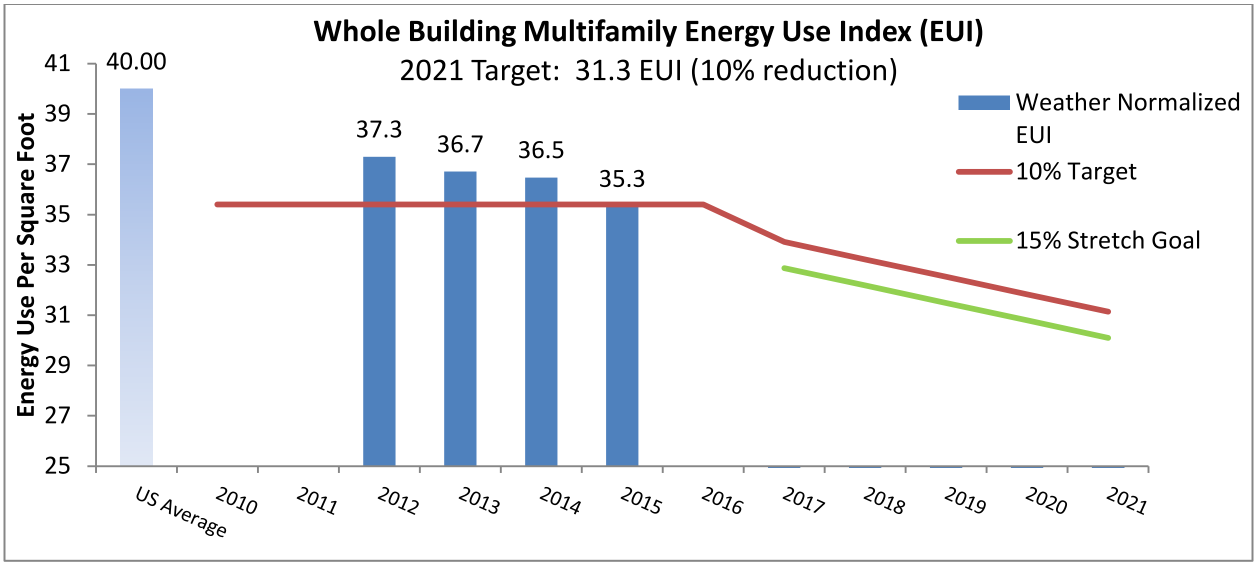
Though each of the initiatives outlined in Appendix A are designed to reduce KCHA's environmental footprint, not all provide a practical means of measurement. The following seven Sustainability Plan Goals were selected to track KCHA's progress towards improved environmental outcomes. By 2021, KCHA plans to achieve the following goals:

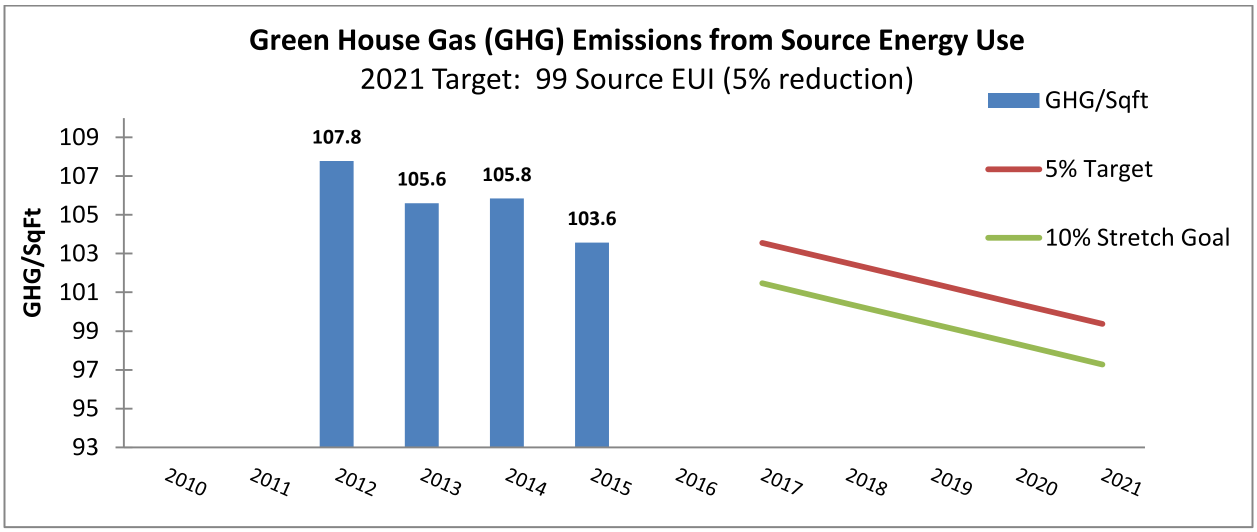
Sustainability Plan Goals

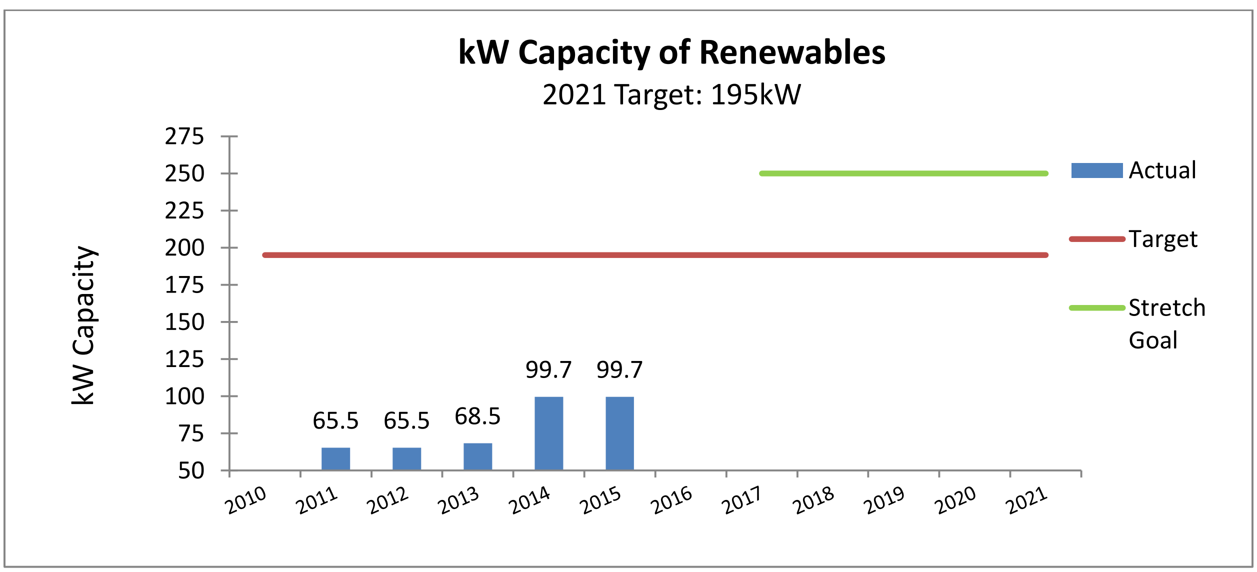
- 10% reduction in gallons per day per resident (GDP) for multifamily properties without irrigation managed by KCHA
- 10% reduction in energy use per square foot (EUI) for all multifamily KCHA properties
- 5% reduction in greenhouse gas emissions (GHG) from building electricity and gas consumption
- 100% increase in capacity of renewable energy systems installed
- 55% recycling and organic waste composting diversion rate
- 100% of qualified properties certified as 3 stars or greater in the King County EnviroStars program
- 31% of KCHA fleet use alternative fuels

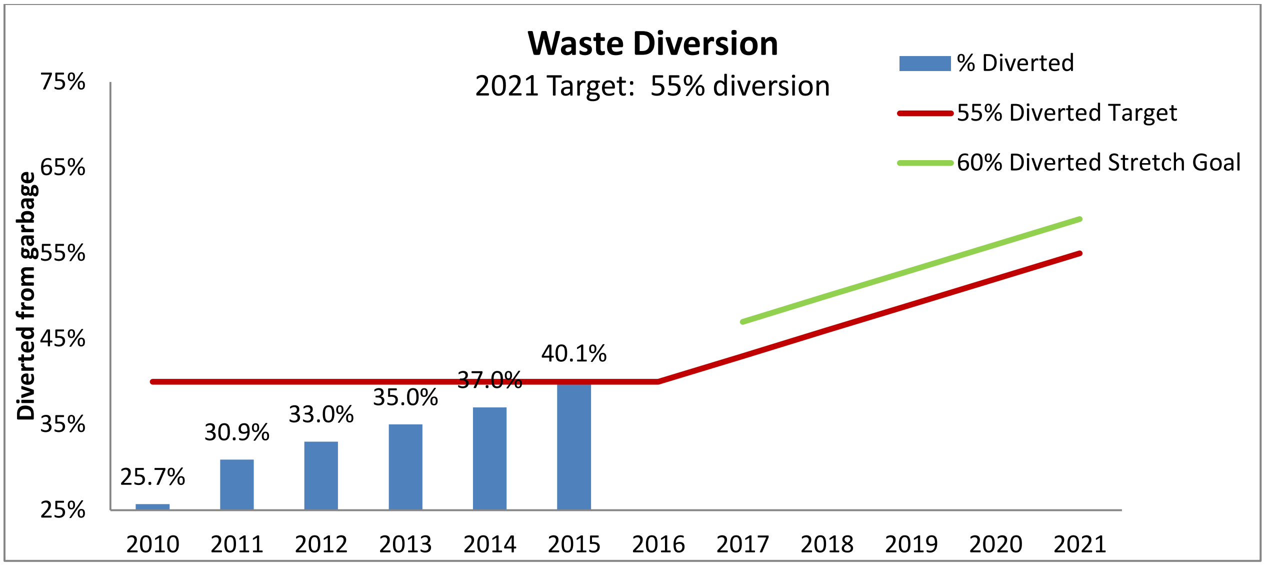
Summary Tables: 7 Sustainability Plan Goals

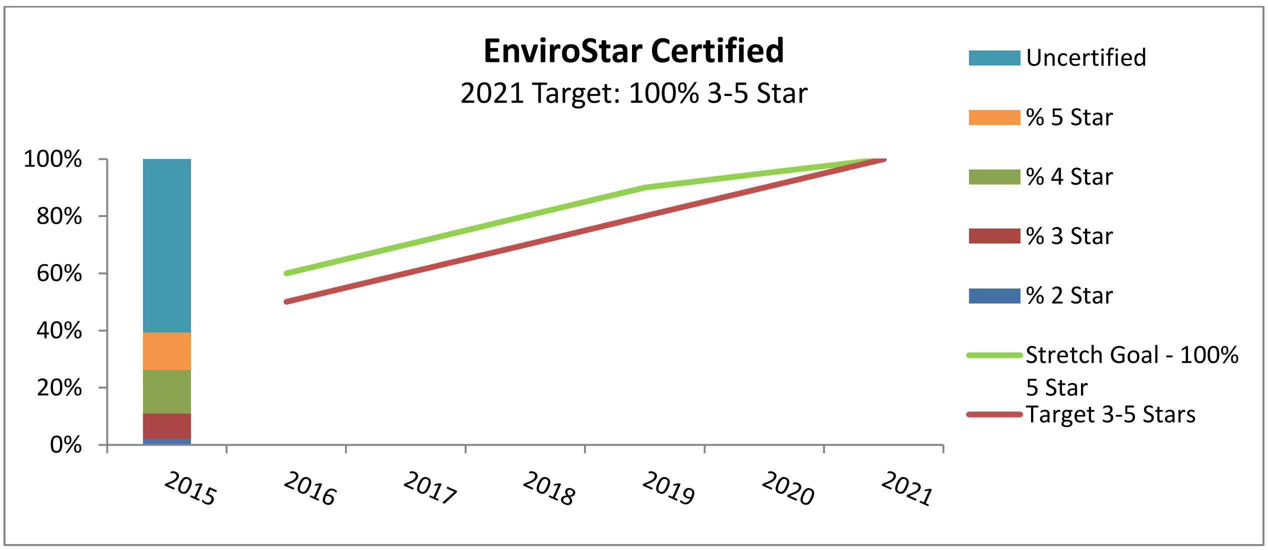


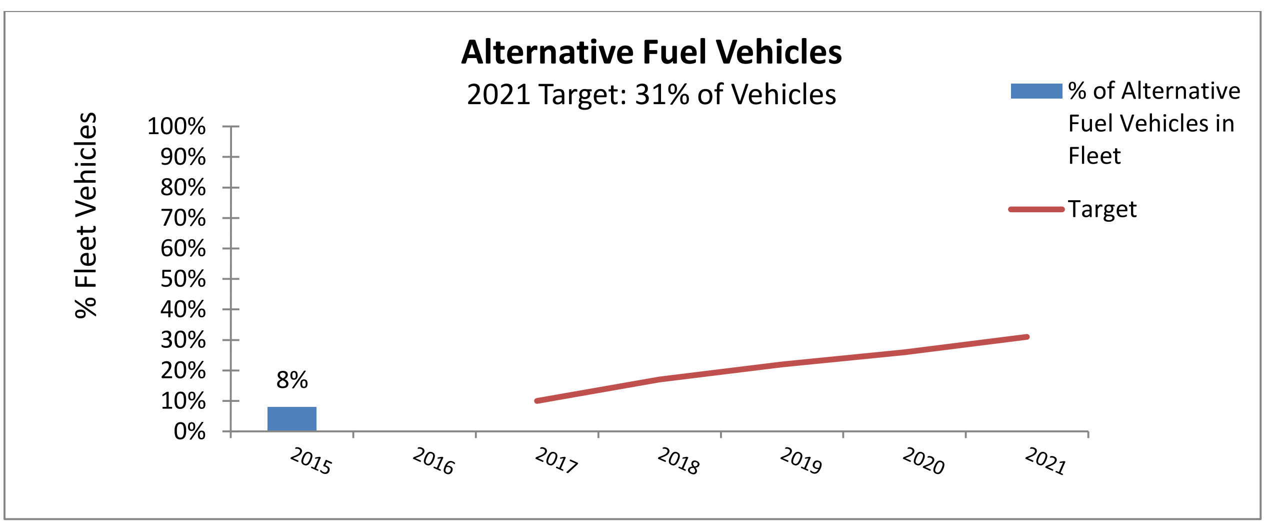

Whole Building Multifamily Energy Use Index (EUI)
2021 Target: 31.3 EUI (10% reduction)
Energy Use Per Square Foot
41
39
37
35
33
31
29
27
25
40.00
37.3
36.7
36.5
35.3
US Average
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
Weather Normalized EUI
10% Target
15% Stretch Goal


Green House Gas (GHG) Emissions from Source Energy Use
2021 Target: 99 Source EUI (5% reduction)
GHG/SqFt
109
107
105
103
101
99
97
95
93
107.8
105.6
105.8
103.6
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
GHG/Sqft
5% Target
10% Stretch Goal


kW Capacity of Renewables
2021 Target: 195kW
kW Capacity
275
250
225
200
175
150
125
100
75
50
65.5
65.5
68.5
99.7
99.7
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
Actual
Target
Stretch Goal


Waste Diversion
2021 Target: 55% diversion
% Diverted
55% Diverted Target
60% Diverted Stretch Goal
Diverted from garbage
75%
65%
55%
45%
35%
25%
25.7%
30.9%
33.0%
35.0%
37.0%
40.1%
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021


EnviroStar Certified
2021 Target: 100% 3-5 Star
Uncertified
% 5 Star
% 4 Star
% 3 Star
% 2 Star
Stretch Goal - 100% 5 Star
Target 3-5 Stars
100%
80%
60%
40%
20%
0%
2015
2016
2017
2018
2019
2020
2021


Alternative Fuel Vehicles
2021 Target: 31% of Vehicles
% of Alternative Fuel Vehicles in Fleet
Target
% Fleet Vehicles
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
8%
2015
2016
2017
2018
2019
2020
2021

Goals & Initiatives 2017 – 2021 (Appendix A)

King County Housing Authority
We transform lives through housing

2017-2021 Year-End Goals							
7 Sustainability Plan Goals	**2016 (Baseline)**	**2017**	**2018**	**2019**	**2020**	**2021**	**2021 Stretch Goal**
10% reduction in gallons per person per day (GPD) for multifamily properties (without irrigation)	45.9 GPD	45.0 GPD	44.1 GPD	43.2 GPD	42.3 GPD	41.3 GPD	39 GPD
10% reduction in normalized energy use per square foot (EUI) for all multifamily properties	34.6 EUI	33.9 EUI	33.2 EUI	32.5 EUI	31.8 EUI	31.1 EUI	30.1 EUI
5% reduction in greenhouse gas emissions (GHG) from all building types (electricity and gas only)	104.6 Source EUI	103.6 Source EUI	102.5 Source EUI	101.5 Source EUI	100.4 Source EUI	99.4 Source EUI	97.3 Source EUI
100% increase in capacity of renewable energy systems installed	98.6 kW	195 kW	195 kW	195 kW	195 kW	195 kW	250 kW
55% recycling and organic waste composting diversion rate	40%	43%	46%	49%	52%	55%	60%
100% qualified properties certified as 3 EnviroStars or greater	50%	60%	70%	80%	90%	100%	100% 5 Stars
31% KCHA vehicles use alternative fuel	8%	10%	17%	22%	26%	31%	40%

2017-2021 Initiatives	Water	Energy	Greenhouse Gas Emissions (buildings)	Renewable Energy	Diversion (recycling & organics)	EnviroStars (Hazardous Waste)	Alternative Vehicles
Sustainable Operations							
KCHA Administration							
Green Team initiatives	x	x			x	x	
RC staff engagement plan	x	x	x		x		
Multifamily resident engagement partnerships	x	x			x		
Resource conservation tracking database	x	x			x		
Commute Trip Reduction (CTR) efforts			x				x
Fleet management			x				x
Property Management							
Sustainable property management guidelines	x	x	x		x	x	
Preventative maintenance checklist and specifications	x	x	x				
Green purchasing policy	x	x	x		x		
Utility bill management and monitoring	x	x			x		
Water							
Water efficiency measures	x						
Energy							
EnergyStar certification		x	x				
Better Building Challenge		x	x				
Install solar or other renewables		x	x	x			
Puget Sound Energy’s RCM program		x	x				
GHG emissions from source EUI		x	x				
Solid Waste							
Residential waste auditing					x		
Self-haul management					x		
Illegal dumping management					x		
Construction and Demolition waste management					x		
Hazardous Waste							
EnviroStar certification program						x	
Landscapes							
Sustainable landscape management	x		x		x	x	

2017-2021 Initiatives	Water	Energy	Greenhouse Gas Emissions (buildings)	Renewable Energy	Diversion (recycling & organics)	EnviroStars (Hazardous Waste)	Alternative Vehicles
Landscape maintenance standards & specifications	x		x		x	x	
Irrigation system management	x						
Irrigation & rainwater harvesting	x						
Storm water & natural drainage systems			x				
Sustainable Development & Renovation							
New Construction, Renovation and Repair							
Low-impact development principals	x	x	x	x			
Standard design and construction specifications	x	x	x		x		
Successful design elements of KCHA developments	x	x					
Energy Performance Contract (EPIC)	x	x					
Energy & water rebates	x	x	x				
Research and evaluation of new and installed technologies	x	x		x			
Unit turns and special projects	x	x			x		
Weatherization							
Weatherization projects		x	x	x			
Sustainable Communities							
Resident Engagement							
Resident engagement	x	x			x		
Resident surveys	x	x					

Initiatives & Timeline 2017 – 2021 (Appendix B)

King County Housing Authority
We transform lives through housing

"X" indicates ongoing implementation of an initiative, "•" indicates a product created by an initiative

Initiatives	Steps to Implementation	2017	2018	2019	2020	2021	Products (•completion year)	Measurements (Outputs and *Indicators)	Guiding Programs (Current or Potential)
Target Area: Sustainable Operations		**Timeline**							
KCHA Administration									
Green Team initiatives	x Quarterly team meetings x Develop projects x Implement projects	x	x	x	x	x		# Outputs from projects	
Resource conservation communication plan to engage staff	• Develop communications plan x Implement communications plan x Evaluate effectiveness of plan	•	x	x	x	x	•RC Communications Plan		
Multifamily resident engagement partnerships	x Identify potential partners (HUD, water and energy utilities, etc.) with interest in multifamily engagement x Connect with partners x Share information to gain broader understanding of target populations	x	x	x	x	x			
Resource conservation project tracking database	• Build RC database x Track RC related activities x Identify new RC activities and evaluate completed projects	•	x	x	x	x	•RC activities database		
Commute Trip Reduction (CTR)	x Implement required WA biennial CTR survey • Develop Commute Trip Reduction Plan x Implement Plan	x	•	x	x	x	•Commute Trip Reduction Plan	% survey response rate % Drive Alone Rate # Vehicle Miles Traveled # employees w/Puget Pass *Available parking at CO	WA requirement - Implement CTR survey
Fleet management	• Develop fleet plan • Develop GHG emissions tracking tool for annual reporting	•					•Sustainable Fleet Plan •GHG fleet tool	# miles per gallon # alternative fuel vehicles # electric vehicle charging stations	WA requirement - Only purchase alternative fuel vehicles by 2018

Initiatives	Steps to Implementation	2017	2018	2019	2020	2021	Products (•completion year)	Measurements (Outputs and *Indicators)	Guiding Programs (Current or Potential)
Sustainable Operations, cont'd		**Timeline**							
Property Management									
Sustainable Property Management	• Develop guide and assessment tool x Guide implementation with property managers		•	x	x	x	•Sustainable Property Management Guide & Assessment Tool	# completed by RC staff/Property Management	
Preventative Maintenance Checklist and Specifications	x Review current maintenance practices • Develop standard preventative maintenance checklist and specifications for repairs x Test in field and update	x	•	x	x	x	•Preventative Maintenance Policy, Checklist and Specs		
Green Purchasing Policy	• Review and update current procurement policy x Communicate policy to staff x Evaluated effectiveness of policy		• x		x		•Sustainable Purchasing Policy	*Green products mostly purchased	
Utility bill monitoring and management	x Manage over 1,000 water, sewer, electric and gas utility accounts • Produce monthly Property Management Monitoring report x Track consumption trends to identify billing errors, high use or data management issues	x•	x•	x•	x•	x•	•Monthly PM Monitoring Report	# properties tracked in Portfolio Manager and Utility Manager	
Water Management									
Water efficiency	x Identify opportunities in residential indoor, outdoor irrigation, commercial and pools x Develop strategies to improve efficiency via behavior change or technology upgrades x Implement programs and/or projects	x	x	x	x	x		# technologies installed # properties participating in programs	WaterSense Products or Partners
Energy Management									
EnergyStar Certification	• Explore feasibility of complying with EnergyStar score and certification requirements x If feasible, certify properties	•	x	x	x	x	• Decision to participate in EnergyStar certification for additional properties	# multifamily, office and other EnergyStar certified	EnergyStar Certified EnergyStar Partner
Better Building Challenge	• Develop implementation plan x Track energy use x Report results	•	x	x	x	x	• Better Building Challenge Implementation Plan	# properties participating	Better Building Challenge

Initiatives	Steps to Implementation	2017	2018	2019	2020	2021	Products (•completion year)	Measurements (Outputs and *Indicators)	Guiding Programs (Current or Potential)
Sustainable Operations, cont'd		**Timeline**							
Energy Management									
Add additional renewables	x Apply for utility and Commerce funding for solar, align goal with KC's Climate Action Plan x Select and install solar x Report results	x	x	x	x	x		# kW capacity of solar installations # rebated projects – Dept. of Commerce grants	Renew 300 – HUD's Renewables Initiative
Puget Sound Energy Resource Conservation Manager program	x Track energy consumption for properties x Implement engagement activities x Complete quarterly checklists	x	x	x	x	x		# $$ received from PSE	PSE's RCM program
GHG emissions from source EUI	x Determine how or what to track, measure and report for GHG emissions from source EUI in Portfolio Manager	x	x	x	x	x		# GHG emissions	King County-Cities Climate Collaboration/KC Strategic Climate Action Plan
Waste Management									
Residential Waste Management	x Waste audits x Right size garbage and resident engagement x Service changes	x	x	x	x	x		# gallons garbage/person % diversion # on-site events # properties w/ food waste services for residents *No recyclables in garbage	
Self-haul Management	x Assess current practices and review billing data • Develop tools, guides x Report impact	x •	x	x	x	x	•Self-Haul Tool and Guidelines		
Illegal dumping Management	x Research current issues • Develop tools, guides x Report impact	x	•	x	x	x	•Illegal Dumping Best Practices Guide	*No items illegally dumped	
Construction and Demolition (C&D) waste management	x Research current practices and data • Develop tools, guides and policy x Evaluated effectiveness of policy	x	•		x		•C&D Waste Management Policy	*C&D being sorted at construction sites	King County Diversion Requirements Ordinance 18166
EnviroStars	x Identify properties x Implement EnviroStars tool x Complete EnviroStars process	x	x	x	x	x		# Certified EnviroStars *Hazardous waste stored properly	EnviroStars

Initiatives	Steps to Implementation	2017	2018	2019	2020	2021	Products (•completion year)	Measurements (Outputs and *Indicators)	Guiding Programs (Current or Potential)
Sustainable Operations, cont'd		**Timeline**							
Landscape Management									
Sustainable Landscape Management	x Train staff x Assess barriers and impact of current Landscape Maintenance Manual practices	x	x	x	x	x		# staff trained # EcoPro certified staff *Beds mulched *Plants pruned properly *Grass mulch mowed *Integrated Pest Mgmt. (IPM) strategies utilized	
Landscape Maintenance Standards & Specifications (LMSS)	x Review current LMSS • Update LMSS x Evaluate LMSS effectiveness	x	•		x		•Landscape Maintenance Standards & Specifications		
Irrigation systems	x Identify properties with irrigation x Audit irrigation systems, calculate efficient schedules, train staff on scheduling techniques x Evaluate impact of efficiency measures	x	x	x	x	x		# irrigation systems tracked # assessed # and type of efficiency measures added *Irrigation schedules documented *Rain sensor installed	
Irrigation & Rainwater harvesting	x Research potential for adding collection systems •Develop rainwater harvesting best practices x If feasible, add rainwater harvesting systems	x	•	x	x	x	•Rainwater Harvesting Best Practices	# p-patch gardens # properties with active gardeners	
Storm water management utilizing natural drainage systems	x Assess opportunities to reduce storm water drainage fee and identify properties with drainage issues • Develop storm water management best practices utilizing natural drainage systems x If feasible, add natural drainage systems	x	•	x	x	x	• Storm Water Management Best Practices	# reduction in storm water fee # natural drainage systems or trees added *No standing water or drainage issues	
New Construction, Renovation and Repair									
Utilize low-impact development principles	x Site assessment/planning x Utilize sustainability design guides x Construction management and inspection	x	x	x	x	x		# BuiltGreen 3 Star certified	Residential: Built Green, Evergreen Certified, Enterprise Certified

Initiatives	Steps to Implementation	2017	2018	2019	2020	2021	Products (•completion year)	Measurements (Outputs and *Indicators)	Guiding Programs (Current or Potential)
Target Area: Sustainable Development & Renovation		**Timeline**							
New Construction, Renovation and Repair									
KCHA Standard Design and Construction Specifications (for projects not subjected to regulatory standards)	x Assess current practices for utilizing design and construction standards • Develop a KCHA design and construction standards	x	x	•			•KCHA Construction Standards	*All projects meet KCHA or regulatory agency standards	Evergreen Sustainable Development Standard – Dept. of Commerce (Housing Trust Fund)
Successful design elements at KCHA properties	x Tour properties with maintenance and property managers post construction, and assess effectiveness of design and quality of construction. • Develop a design guide and/or case studies	x•	x•	x•	x•	x•	•Successful Building and landscape Design Guide/Case Studies	# case studies	
Energy Performance Contract (EPIC)	x 2016 contract completion and construction implementation. • Annual measurement and verification, and potentially on-going increases in scope – 3 years likely longer	x	•	•	•	•	•Annual EPIC measurement and verification reporting for HUD		
Energy & Water rebates	x Select candidates for rebates x Manage projects	x	x	x	x	x		# projects completed # rebate $$ # estimated savings	
Research and evaluation of new and installed technologies	x Identify energy/water/solid waste conservation technologies or projects x Collect data and perform evaluations x Report results	x	x	x	x	x		# technologies reviewed # installed projects evaluated	
New Construction, Renovation and Repair									
Unit turns and special projects	x Review construction specifications • Update construction specifications	x	x	•			•Construction Specification for Contractors	# units upgraded	

Initiatives	Steps to Implementation	2017	2018	2019	2020	2021	Products (•completion year)	Measurements (Outputs and *Indicators)	Guiding Programs (Current or Potential)
Sustainable Development & Renovation, cont'd		**Timeline**							
Weatherization									
Weatherization projects	x Properties selected x Construction x Engagement and evaluation	x	x	x	x	x		# units HA weatherized # estimated savings for residents	HUD – Energy Performance Information Center Report
Target Area: Sustainable Communities		**Timeline**							
Resident Engagement									
Resident engagement (General sustainability measures and EPIC engagement project)	x Research engagement strategy x Pilot engagement initiatives • Develop resident engagement plan and toolkits x Engage residents	x	•	x	x	x	•Resident Engagement Toolkit •Staff Toolkit/Handbook Move-in Packet	# engagement events	
Resident attitude and knowledge survey questions	x Determine usefulness of surveying residents for program planning purposes • Develop survey questions and incorporate into KCHA biennial resident survey	x	•		•		•Resident survey question summary report	# of survey respondents	

Environmental Accomplishments (Appendix C)

KCHA administers a wide range of quality affordable rental and home-ownership programs for residents of King County, Washington. With 142 housing and commercial properties, and 9,359 units of housing, the Authority serves more than 18,000 elderly, disabled and family households, including the Housing Choice Voucher program, on a daily basis. The environmental sustainability of housing and buildings is an important component of KCHA's mission to provide quality affordable housing. The following include highlights of KCHA's environmental accomplishments:

Key Accomplishments

Energy efficiency

- In 1976, KCHA's established the Weatherization Assistance Program with funding from the U.S. Department of Energy to provide low-income property owners free-of-charge weatherization services. Since 1998, KCHA has spent almost $47 million in federal, state and local grant funds to weatherize 10,898 low-income households in the King County area. Of those, 4,681 units were KCHA owned housing.
- Since 2012, KCHA has reduced the entire portfolio's common area and resident combined energy use per square foot (EUI) by 5%, and lowered common area KCHA paid energy consumption by 10%.
- ENERGY STAR appliances are installed in all residential units, and buildings have been retrofitted with better insulation, more energy-efficient windows and high-efficiency boilers.
- LED lighting has replaced both incandescent and older CFLs to save energy, increase illumination and improve security.
- Since 2011, KCHA has installed almost 100 kW of solar photo voltaic (PV) systems at six properties.

Water Quality and Storm Water Management

- In new developments, permeable surfaces, landscape swales and rain gardens have been installed to filter storm water, and reduce runoff.
- Buffer zones around streams have been added to protect water quality and fish habitat.
- Rainwater harvesting cisterns have been installed at community gardens, and landscapes have been designed to be low maintenance and drought tolerant.

Waste reduction

- 100% of KCHA properties have recycling services, and 16 are composting food.

- KCHA manages all files electronically, and encourages two-sided printing.
- Administrative offices provide recycling, food waste composting, plastic bag, Styrofoam and electronic equipment recycling.
- Donation bins are provided on-site at multifamily properties to help divert reusable items from the garbage.

Human Health

- For all new construction and major renovation projects, KCHA uses green-building principles established by the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) rating system, the Master Builders Association of King and Snohomish Counties' Built Green® program, and/or the Evergreen Sustainable Development Standards.
- Often Energy Recovery Ventilation (ERV) systems are installed to improve air quality and reduce the potential for mold.
- Janitorial services are required to use environmentally friendly products and cleaning techniques.
- 42 qualifying properties have been certified by the King County EnviroStars program for exceptional management of hazardous waste materials.
- 100% of properties are smoke-free.
- Many properties have P-Patch community gardens, and often residents are permitted to garden in front of their units or around the property.

Transportation

- KCHA is growing its motor pool and maintenance vehicles fleet of fuel efficient/hybrid vehicles. By 2033, 100% will be non-gasoline powered.
- Transit subsidies are provided to staff and telecommuting options are available to minimize car use. KCHA also offers a guaranteed ride home program for people who commute via vanpool or public transportation.
- Seven electronic vehicle charging stations have been installed at multifamily properties and administrative offices. Six more are planned for the next few years.

Procurement

- We require that the products we purchase have a lesser impact on the environment and human health.
- We urge staff and contractors to reduce consumption in the office, in the management of our properties and during construction.

Resource Conservation

- KCHA employs two full-time resource conservation staff dedicated to implementing the 2011-2016 Resource Management Plan and 2016-2021 Environmental Sustainability Plan. This staff monitors utility bills, assesses properties for environmental improvements, and educates residents and staff about managing utilities and reducing KCHA's impact on the environment.

Property Accomplishments

According to the U.S. Department of Energy, residential and commercial buildings account for 40 percent of the total energy consumed in the U.S. and produce nearly half of the nation's greenhouse gas emissions.

As KCHA develops more efficient new buildings, existing properties are also rehabilitated to reduce their environmental impact. Each KCHA community has its own detailed plan to conserve energy, improve water quality and reduce water consumption. Retrofits have taken place at several properties, including Boulevard Manor in Boulevard Park, Briarwood in Shoreline and Cascade Apartments in Kent.

Not only do these retrofit efforts reduce resource use, they also extend the longevity of buildings and help residents reduce utility costs. Investments in conservation upgrades also reduce the bills to taxpayers by trimming the costs to maintain and operate buildings.

- Weatherization upgrades included insulating roofs and crawl spaces, sealing building exteriors, and installing energy-efficient windows and patio and deck doors.
- ENERGY STAR roofing systems used.
- Obsolete siding replaced with a weather-resistant barrier of rigid insulation covered with fiber cement made from recycled materials.
- Baseboard heaters replaced with high-efficiency heat pumps or boilers.
- Low wattage LED lighting installed.
- Next generation low-flow toilets, faucets and shower heads installed.
- Bath fans installed to improve ventilation and reduce the risk of mold.

Seola Gardens

Seola Gardens in White Center offers sustainable housing that costs less to operate and provides a healthier living environment for families. Replacing the former Park Lake Homes II, an aging public housing complex, Seola includes 172 subsidized rental units and 107 for-sale homes.

The new community is a model of green development, built to strict efficiency standards on energy and water consumption. About half of the rental homes have been strategically sited to be cooled naturally by trees in summer and take advantage of natural light in winter.

- Built to 3-Star Built Green® standards and Evergreen Sustainable Development Standards.
- Units are wired to be solar-ready.
- Rain gardens and a large pond filter surface water before it leaves the site.
- Community design promotes health and wellness of residents with a central park, P-Patch gardens and exercise stations.

Greenbridge

Greenbridge is an award-winning mixed-income, 100-acre sustainable development in White Center. It is a shining example of how green-building principles can be incorporated effectively into a larger residential community.

Greenbridge replaced 569 units of obsolete public housing, originally built for Boeing workers in World War II. When completed, the community will offer over 900 energy-efficient townhomes, cottages, flats, single-family homes and an apartment complex for seniors and persons with disabilities.

The project's environmentally friendly design includes an interconnected network of parks and trails, and a community hub with a new elementary school, early learning center, renovated community center, public library, YWCA adult learning center, public health clinic, fair-trade coffee shop, and neighborhood-scale retail shops.

- The state's largest residential installation of solar panels on roofs of 24 public-housing units.
- All buildings meet the standard of the Master Builders Association of King and Snohomish Counties Certified 3-Star Built Green®
- ENERGY STAR appliances and low-wattage lighting in all rental units.
- Higher density housing for more efficient land use.
- Sidewalks and trails encourage walking and cycling.
- Permeable surfaces emphasized by narrowing streets, sidewalks, driveways and parking areas.
- Environmentally friendly paints, stains and sealants used throughout.
- 50-year roof and siding on all units.
- Drought-tolerant landscaping reduces irrigation requirements.
- Swales installed in landscapes enhance infiltration and reduce runoff.
- Three storm water detention basins filter pollutants and manage excess runoff.
- Special drains collect clean water from roofs and bypass water quality treatment areas.
- Salvaged 8,463 tons of materials during demolition.

Jim Wiley Community Center

Formerly a cheerless structure with poor ventilation and scant natural light, the renovated Wiley Community Center is the heart and soul of Greenbridge.

A celebrated example of adaptive reuse, the 22,600-square-foot facility features a gym, computer lab, classrooms, a commercial kitchen, community rooms and counseling offices. Previously surrounded by parking on all sides, the center now fronts a new plaza that is a dynamic social gathering place where community events, farmers markets and other activities flourish.

- The community center is Certified 3-Star Built Green® by the Master Builders Association of King and Snohomish Counties.
- Solar panels on roof supply renewable energy to the building.
- Low-wattage LED lighting installed throughout the facility.
- Heating and ventilation system lowers energy costs and reduces environmental impact.
- Plaza covers a storm water detention vault that treats pollutants before discharge.
- Non-toxic natural linoleum flooring installed in hallways.
- Carpet tiles are made from recycled materials.
- Energy-efficient windows and skylights conserve energy while inviting in natural light.
- Original hardwood floors were refinished.
- Two tankless water heaters lower operating and energy costs.
- Renovation vs. demolition saved energy and construction material.
- 50-year roof installed on all units.

The 700 Andover Building

Driven by a desire to locate Section 8 offices within KCHA's headquarters, an adjacent retail strip mall was acquired and remodeled. The development goal for the structure focused on refurbishing the 1978 structure in the most energy-efficient way possible within the limited resources available.

The 700 Andover Building has been hailed nationally by ASHRAE (American Society of Heating, Refrigerating and Air Conditioning Engineers). In 2014, the project won second place in the trade organization's annual Technology Awards, which recognizes outstanding energy-efficient design and operation of commercial buildings.

ASHRAE's November 2014 monthly journal included an article about the project. The story concluded, "This project demonstrates how older existing buildings do not have to be demolished in order to make way for more efficient new buildings, and that this level of energy efficiency is accessible within a modest renovation budget."

As it has from the start, the building operates more efficiently than 95 percent of all office buildings locally. It was done with a modest construction budget of $95 per square foot – $14 of those dollars dedicated to the highly efficient 50-zone HVAC system.

- The building has an EUI of 26 kBtu/sf/yr, which puts it at the top 2 percentile of all office buildings nationwide.
- It is Energy Star Certified, with a score of 98.
- The building was designed to save an estimated $35 thousand per year in energy costs compared to a typical office building.
- "Design for Off" technology shuts off lighting and HVAC systems when rooms are not in use.
- Heating and cooling is provided through 50 individually controlled comfort zones.
- Indoor air is exhausted through dedicated outdoor air ventilation system that operates independently from heating and cooling ducts.
- High-performance windows keep the east-facing side of the building cool on sunny mornings.
- Variable Refrigerant Flow (VRF) heat pump system uses variable speeds and low fan power to create high efficiency.
- Triple-glazed skylights bathe the interior corridors with daylight, allowing for interior lighting to remain off during spring and summer.

Birch Creek

The depressing, barrack-like Springwood Apartments in Kent were transformed into a vibrant and attractive new housing community called Birch Creek. The 262 energy-efficient apartment homes, certified as a 4-Star Built Green® project, allow residents to enjoy better amenities with little increase in energy costs.

The redeveloped campus includes two state-of-the art community centers (one certified as LEED Silver) that serve the job training, health, education and recreational needs of Birch Creek families and the greater Kent community.

The campus is built around a central park and boasts a P-Patch community garden, picnic areas and playgrounds. The redevelopment enhanced environmentally sensitive areas, including Soosette Creek, a salmon-bearing stream that bisects the property.

An experiment on sustainability also is being conducted at Birch Creek. One building has been fitted with additional green features including roof-mounted solar panels to pre-heat the water supply, dual-flush toilets and triple-pane windows. KCHA is comparing the energy and water consumption in the building with that in an identically configured building to assess the impact of these stepped-up conservation measures.

- 2,100 tons of wood, vinyl and piping plus 2,000 tons of concrete were recycled instead of being dumped in the landfill.
- Aged vinyl siding replaced with durable, low-maintenance fiber cement exteriors.
- The ecosystem of Soosette Creek improved through installing landscaped buffers and erecting a pedestrian bridge with creek viewing platforms.
- ENERGY STAR appliances installed in all units.
- Residents use rainwater collected from roofs to irrigate the P-Patch garden.

Birch Creek Youth Center

The 10,800-square-foot Birch Creek Youth Center is one of two innovatively designed community facilities on the Birch Creek campus. It reflects KCHA's commitment to sustainable development.

Built to LEED standards, the youth center includes a gym with a performance stage, a commercial kitchen, a rec room, meeting space and classrooms. The center supports more than 1,200 Kent-area teens through its programs and activities.

The youth center was built on the footprint of a pre-existing community center in order to prevent any

negative environmental impact to the adjacent salmon-bearing stream. As part of the LEED commitment, a large open space behind the building will be maintained for the life of the structure.

- Certified LEED Silver by the U.S. Green Building Council.
- Every product used was screened to minimize exposure to toxic chemicals.
- More than 80 percent of construction waste was diverted from landfills to recycling facilities.
- Majority of space is bathed in natural light, reducing the building's energy load.
- Energy-efficient lighting used and exterior sun-shades installed.
- Low-flow toilets and showerheads and waterless urinals reduce the building's water use by nearly 50 percent.
- Eco-friendly janitorial services promote good indoor air quality, recycling and occupant health.
- Landscaping features native and drought-tolerant plants.

The Village at Overlake Station

The Village at Overlake Station in Redmond is an environmentally conscious mixed-use development that offers an innovative solution to the interrelated problems of high housing costs, suburban sprawl and traffic congestion.

The first bus transit-oriented development in the nation, the 308 units of attractive workforce housing are located in the heart of the Puget Sound region's high-tech corridor, close to many major employers.

The housing is integrated with a child daycare center built above a bus transit station and park-and-ride lot. Tenants literally can step out their front door, drop off their child at the daycare center and then proceed to the transit center or walk to the many nearby stores and businesses.

- Triples the use of the land by building over an underutilized parking lot.
- Residents are encouraged to use cars less and use transit more, helping ease traffic congestion.
- Located within walking and biking distance of hundreds of jobs and services.
- Solar panels on the roof supply renewable energy to hallways, offices, community spaces and the parking garage.
- New LED energy-efficient lighting in parking garage.

THE HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5548

AUTHORIZING HOUSING AUTHORITY STAFF TO IMPLEMENT THE 2017-2021 ENVIRONMENTAL SUSTAINABILITY PLAN

WHEREAS the Federal Government has established a national energy policy designed to promote dependable, affordable and environmentally sound production and distribution of energy for the future; and

WHEREAS the U.S. Department of Housing and Urban Development (HUD) actively supports resource conservation efforts throughout the nation through various programs and written guidance; and

WHEREAS Resolution No. 5005, Commitment to Sustainable Communities through Excellence in Environmental Stewardship, was adopted by the Board of Commissioners on May 8, 2005 and states that the Authority is committed to reducing the environmental impact of its operations and to creating environmentally sustainable communities as part of its core mission; and

WHEREAS Resolution No. 5339, adopted by the Board of Commissioners on August 4, 2011, authorized Housing Authority staff to implement the 2011-2016 Resource Management Plan designed to achieving environmental improvements in five conservation target areas: energy, water, solid waste, hazardous waste and communication and awareness; and

WHEREAS the Authority wishes to continue its efforts with another consistent, aggressive long-term plan for reducing its impact on the environment;

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

The Housing Authority of the County of King adopts the 2017-2021 Environmental Sustainability Plan and Resource Conservation Goals, a copy of which is appended to this Resolution.

ADOPTED AT A REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING THIS 19th DAY OF SEPTEMBER 2016.

THE HOUSING AUTHORITY OF THE COUNTY OF KING, WASHINGTON

____
DOUGLAS J. BARNES, CHAIR
Board of Commissioners

____
STEPHEN J. NORMAN
Board Secretary

T
A
B

N
U
M
B
E
R

5

To: Board of Commissioners

From: Rickie Robinson, Senior Manager, Resident Services

Date: September 15, 2016

Re: **Resolution No. 5549:** Authorizing the Application for Federal Way CDBG Community Economic Revitalization Funding Program Year 2017

Executive Summary

The City of Federal Way is seeking applications for the 2017 program year for U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) funds administered locally by the City of Federal Way. Board approval of Resolution No. 5549 would allow KCHA submit an application for these funds.

Background

Through coordination with KCHA's Resident Services department, the funds would be used to assist Public Housing and Housing Choice Voucher recipients living in the City of Federal Way. The goal of the project is to assist low and moderate income residents to be more economically self-determinant through job training and placement and/or starting their own businesses.

The initial CDBG program duration is 12 months and funding for up to $65,000 would be available. The number of persons receiving training by the end of the year is anticipated to be between 75-100 residents. Currently there are 303 Public Housing and 1,708 Housing Choice Voucher participants living in Federal Way.

Staff Recommendation

The project will involve the King County Housing Authority as lead agency, which will provide project space at Kings Court and Laurelwood Gardens. The YWCA of Seattle – King and Snohomish Counties that will administer job training classes and provide case management and assistance. Highline College will provide entrepreneurial training to residents interested in starting their own businesses and/or provide outreach and assistance to residents interested in further training.

The grant will fund the YWCA for case management services at Kings Court and establish Laurelwood Gardens as a site for individualized on-site training, job search assistance and outreach. Computer equipment currently exists at Kings Court and the computer network at Laurelwood Gardens will be built around surplus computers currently being stored at King's Court. The grant would support KCHA for the purchase of Internet access for both sites and the purchase of a Smart Board to enhance training at Kings Court.

Approval of Resolution 5549 is recommended.

THE HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5549

AUTHORIZING THE APPLICATION FOR FEDERAL WAY CDBG COMMUNITY ECONOMIC REVITALIZATION FUNDING PROGRAM YEAR 2017

WHEREAS, one objective of the King County Housing Authority's Resident Services Department is assisting residents to become more economically self-determinant; and,

WHEREAS, KCHA has been developing a Workforce Development framework and work plan; and,

WHEREAS, KCHA is currently operating a family self-sufficiency program and is now expanding opportunities for employment and job training; and,

WHEREAS, the City of Federal Way has provided a funding opportunity to provide job training and related programs at Federal Way Housing sites for low and moderate income residents; and,

WHEREAS, there are currently 303 Public Housing, and 1,708 Section 8 residents in Federal Way.

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

1. The Executive Director, or his designee, is hereby authorized to sign the cover letter which will contain a copy of the minutes indicating Board approval of this Resolution and be included in the grant application to the City of Federal Way.

2. The Executive Director, or his designee, is authorized, in his discretion to negotiate the specific provisions of the contract for services which will result from the award of the request for funding.

ADOPTED AT THE SEPTEMBER 19TH MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING THIS 19TH DAY OF SEPTEMBER, 2016.

THE HOUSING AUTHORITY OF THE COUNTY OF KING, WASHINGTON

____
DOUGLAS J. BARNES, Chair
Board of Commissioners

____
STEPHEN J. NORMAN
Secretary

TAB NUMBER 6

To: Board of Commissioners

From: Katie Escudero, Moving To Work Policy Analyst

Date: September 14, 2016

Re: **Draft 2017 Moving to Work Plan**

As a participant in the Department of Housing and Urban Development's Moving to Work (MTW) demonstration program, KCHA is required to submit an annual plan. Following the format prescribed by HUD, the draft 2017 MTW Plan (attached) outlines the agency's goals, provides an overview of operational information related to KCHA's federally subsidized programs, summarizes the status of previously approved initiatives, and proposes new uses of KCHA's MTW flexibility for HUD's review and approval.

At the September Board meeting, staff will provide a brief overview of the Draft 2017 Moving to Work Plan and be available to answer questions. A final version of the plan and a request for approval will be presented at a Special Meeting of the Board of Commissioners in October. We will convene earlier in the month to accommodate the timely nature of the plan's submission.

No action is requested of the Board at this time.

New Initiatives and Changes to Ongoing Activities

While KCHA will not be proposing any new activities in 2017, we are modifying a number of ongoing activities and dedicating our single fund to new uses. This next year, KCHA will:

- **Serve an additional 485 families** in the Housing Choice Voucher (HCV) and Public Housing programs by increasing over-leasing of the HCV program, receiving new Veteran Affairs Supportive Housing (VASH) vouchers, and re-issuing project-based Section 8 vouchers that are being replaced by ACC subsidies in KCHA-owned properties.

- **Streamline the move and interim review process** by limiting full income recertifications to a household's regular biennial or triennial review rather than every time a resident requests to move units.

- **Explore ways to increase HCV tenants' success leasing a unit** on the private market. Possible interventions include dedicating resources to the recruitment and retention of landlords, providing security deposit and application fee assistance to special populations, implementing a rent readiness program for new voucher holders, and providing the assistance of a leasing broker.

- **Expand flexible and short-term rental assistance models** to new populations and jurisdictions, including the expansion of the Student and Family Stability Initiative (SFSI).

- **Invest in workforce development planning and programming** targeted at non-elderly, non-disabled adults.

Public Outreach

The public comment period began on August 17th and concludes on September 16th. During this time, KCHA is providing many opportunities for residents, stakeholders, and the general public to review and comment on the draft plan that both meet and exceed HUD's requirements. Consistent with HUD's public comment requirements, KCHA has:

- **Published Public Notices** (August 17th) of the plan's availability and the date of the Public Hearing on KCHA's website and in local newspapers including the Seattle Times, the Daily Journal of Commerce, and the NW Asian Weekly. The notices are also posted at all KCHA developments in the agency's six most prominent languages: English, Korean, Russian, Spanish, Somali, and Vietnamese.

- **Presented the plan to the Resident Advisory Committee (RAC)** and solicited resident feedback (September 6th and 7th).

- **Held a formal Public Hearing** (August 31st) to inform the public of KCHA's plans and proposals for the next fiscal year.

In addition to HUD's requirements, KCHA is conducting or has conducted supplemental outreach to solicit feedback from stakeholders throughout the community:

- **E-mailed notice** of the plan's availability to partner agencies and advocacy groups (August 30th). Stakeholders were also invited to submit comments through an online comment form available on the KCHA website.

- **Invited more than fifty partner agencies to attend a planning meeting** (September 12th) to discuss KCHA's MTW goals and initiatives.

As of the writing of this memo, the comments received have been overwhelmingly supportive of KCHA's 2017 goals and initiatives. A full summary of the public comments received will be presented at the October 10th Board Meeting.

King County Housing Authority

Moving to Work

FY 2017 ANNUAL PLAN

KING COUNTY HOUSING AUTHORITY

BOARD OF COMMISSIONERS

Doug Barnes, Chair

Michael Brown

Susan Palmer

TerryLynn Stewart

John Welch

EXECUTIVE DIRECTOR

Stephen J. Norman

KCHA SENIOR MANAGEMENT

Jeb Best

Bill Cook

Connie Davis

John Eliason

Tonya Harlan

Sean Heron

Megan Hyla

Kristy Johnson

Judi Jones

Gary Leaf

Nikki Parrott

Mike Reilly

Jenn Ramirez Robson

Rhonda Rosenberg

Craig Violante

Tim Walter

Dan Watson

Wen Xu

Prepared By: Katie Escudero

King County Housing Authority

Moving to Work Annual Plan FY 2017

TABLE OF CONTENTS

APPENDIX B: BOARD OF COMMISSIONERS RESOLUTION

APPENDIX C: ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT

Dear Friends and Partners,

As we approach 2017, our region faces a growing homeless population, evaporating housing affordability, and sharpening geographic disparities of race, income, and opportunity. The King County Housing Authority's 2017 Moving to Work Plan outlines our ongoing commitment to address these urgent regional issues in innovative, efficient, and effective ways. In the coming year, we will build on our progress of previous years by ramping up our efforts to eliminate homelessness, improving and refining our existing programs and policies that advance access to opportunity, and expanding support services that promote strong resident outcomes.

Across the Puget Sound, population growth has increased pressure on local rental markets. Vacancy rates have plummeted to 3.4 percent. Average rents grew 9 percent between 2015 and 2016, with rent increases in typically low-cost markets outpacing the county average. Rent burdens continue to be problematic for low-income families. For renting families that earn less than $50,000 a year, 41 percent spend more than 40 percent of their income on rent. Most sobering of all, a recent one-night count of the King County homeless population found 4,505 people lacking any shelter at all – a 19 percent increase over the previous year. This count does not include an additional 6,000 homeless people living in our county's emergency shelters or temporary housing.

Market forces are driving a rapid growth in demand for KCHA's programs while at the same time raising significant leasing barriers, even for households receiving subsidies. The 10-year renewal of our MTW contract, approved by HUD in 2015, is critical to our efforts to expand and evolve our programs in response to these changing market conditions.

Addressing Homelessness and Serving More Families

Over the course of the next year-and-a-half, KCHA plans to add 485 families to our federally subsidized programs. With nearly 50 percent of incoming participants homeless at entry, our increased over-leasing is an effective way to immediately address homelessness. Our ability to expand our programs is directly related to the flexibility afforded by our MTW status, which enables us to develop and leverage program efficiencies.

As part of this commitment, we continue to work with local partners to reach households that often go underserved by traditional homeless programs, such as unstably housed families and unaccompanied youth. In 2017, we will explore the expansion of the Student Family Stability Initiative (SFSI), a Rapid Re-housing partnership between KCHA, Highline School District, and Neighborhood House that provides housing and stabilization services to homeless school children and their families.

We are also combating homelessness by acquiring, developing, and preserving affordable housing across King County. In 2016, King County government agreed to provide KCHA with flexible access to the county's triple-A credit rating to assist us in developing or acquiring as many as 2,200 additional units over the next six years. This financing tool facilitates access to lines of credit from lenders and enables KCHA to act quickly when an opportunity arises to acquire a strategically located property. By securing additional hard units, KCHA is able to preserve long-term affordability and provide housing for Section 8 voucher holders in high-opportunity neighborhoods, which are characterized by high-performing schools, mass transit, and good jobs.

Expanding Housing Choice

In an increasingly competitive rental market, KCHA is committed to removing barriers to voucher holders' success by implementing policies that increase housing options. To expand geographic choice and access to high-opportunity areas, we recently implemented a five-tiered, ZIP code-based payment standard that is fine-tuned to submarket cost variations, yet simple enough for residents, landlords and staff to understand. We continue to monitor tenant lease-up rates and local market conditions, and are committed to keeping up with market changes. A new Renewal Funding Inflation Factor (RFIF) methodology implemented by HUD in 2016 has proven critical in enabling us to continue to promote geographic choice. Continued accurate reflection of actual market costs in the HCV subsidy renewal formula will be critical to our continued efforts.

As 2017 begins, we are exploring a number of new approaches to help residents access the neighborhood of their choice, including:

- **Strengthening Landlord Relationships:** On the market side, we are creating an Owner Liaison staff position dedicated to recruitment, retention and relationship-building with landlords. This necessary investment ensures the strong landlord partnerships critical to the success of the HCV program.
- **Providing Lease-Up Supports:** On the client side, we are dedicating additional resources to assist the many vulnerable households we serve that may be exiting homelessness and struggling with finding a place to live – including our Veterans Affairs Supportive Housing (VASH) recipients. Potential supports include a rent readiness program and discretionary funds for deposits, application fees, and moving costs. For households with children interested in moving to high-opportunity neighborhoods, we will be exploring new approaches to mobility in partnership with a research team headed by Raj Chetty.

Supporting Successful Educational Outcomes

KCHA's federally subsidized programs house close to 14,000 children every night. The academic success of those children is key to preventing or interrupting multi-generational cycles of poverty. To this end, we have: built a network of 15 youth centers and three Head Start facilities; facilitated coordination between teachers, parents, and after school providers; fostered partnerships with three local school districts where significant numbers of KCHA's resident students live; and funded and partnered with local community-based providers to deliver out-of-school time educational programming supported by nationally emerging best practices research. In 2017, we are deepening our commitment to these programs by developing action plans with our school district partners and further connecting housing and education data to monitor our initiatives' impact on student outcomes.

Increasing Efficiency and Measuring Our Effectiveness

MTW challenges us to pilot and evaluate new, more efficient ways of delivering housing assistance. At KCHA, we pursue this through internal innovation and external collaboration with the broader community. An example of this in our HCV program was the use this year of lean process mapping to identify unnecessary "waste" during the interim review process. As a result, we are changing the process to limit full income recertifications to households' biennial or triennial review rather than every time a resident requests to move units. This is saving staff time and simplifying the move process for residents. A long list of additional processes and policies are now under review.

Externally, KCHA continues to be invested in the broader affordable housing sector by sharing what we are learning through evaluation and research. We continue to strengthen our partnerships with external research partners, including the University of Washington, Stanford University, Harvard University and the Urban Institute, in order to advance our evaluation and research agendas. By building internal and external capacity, we are working to innovate, evaluate, and advance effective housing policy that benefits not only our residents but also families that live in affordable housing across the country.

Connecting MTW to Our Success

KCHA's 2017 Moving to Work Plan represents a continued commitment, made possible by the extension of our MTW contract, to providing quality affordable housing and effective services to our region's most vulnerable residents. Our MTW status allows us to design locally tailored programs, serve additional and more vulnerable households, and provide support services that help advance opportunity for our residents. We look forward to using our experience as an MTW agency to inform the program's expansion to 100 additional housing authorities in the coming years.

Sincerely,

Stephen Norman
Executive Director

SECTION I

INTRODUCTION

A. OVERVIEW OF SHORT-TERM MTW GOALS AND OBJECTIVES

In 2017, we will continue to focus on ensuring that our housing assistance reaches those with the greatest need while also dedicating significant resources toward improving educational and economic opportunities for our residents and program participants. This coming year, KCHA intends to:

- **INCREASE THE NUMBER OF EXTREMELY LOW-INCOME HOUSEHOLDS WE SERVE.**
  KCHA employs multiple strategies to expand our reach: property acquisitions; new housing construction; use of banked Annual Contributions Contract (ACC) authority; the lease-up of new incremental vouchers; over-leasing beyond HUD's Section 8 baseline; expansion of flexible, rapid and stepped subsidy programs for special-needs populations; and the designation of some Public Housing units as MTW Neighborhood Services Units dedicated to meeting unique local needs. In 2017, KCHA will increase its capacity to reach an additional 485 families through our federally subsidized programs over a period of 12 to 18 months. A number of approaches mentioned above are enabling this expansion: increased over-leasing; new Veterans Affairs Supportive Housing (VASH) voucher allocations; and the re-issuance of formerly project-based Section 8 vouchers that are being replaced by ACC subsidies in KCHA-owned properties.

- **EXPAND OUR PORTFOLIO OF HOUSING DEDICATED TO LOW-INCOME HOUSEHOLDS.**
  KCHA continues to actively seek out property acquisitions in strategic areas of King County, including current and emerging high-opportunity neighborhoods and transit-oriented development (TOD) sites. Over the past two years, KCHA has acquired or developed more than 600 units of affordable housing, the first steps in a new partnership with King County government that is enabling the acquisition or development of up to 2,000 units of affordable housing over a six-year period.

- **FOSTER PARTNERSHIPS THAT ADDRESS THE MULTI-FACETED NEEDS OF THE MOST VULNERABLE POPULATIONS IN OUR REGION.**
  More than 40 percent of the households entering our federally assisted programs are homeless or living in temporary or emergency housing prior to receiving KCHA assistance. This reflects a diverse population with varying needs: disabled veterans; chronically homeless individuals; youth who are homeless or transitioning out of foster care; and high-need homeless families with children. In 2017,

KCHA will continue to partner with service providers, the U.S. Department of Veterans Affairs, and the behavioral health care system to meet our community's supportive housing needs and advance regional goals for making homelessness rare, brief and one-time.

- **EXPAND ASSISTANCE TO HOMELESS AND AT-RISK HOUSEHOLDS THROUGH FLEXIBLE RENTAL ASSISTANCE PROGRAMS.**

  In addition to expanding our service partnerships, KCHA is experimenting with new ways to effectively use housing assistance dollars to successfully address the needs of our region's growing homeless population. We continue to partner with the Highline School District and its McKinney-Vento liaisons to implement a short-term rental assistance program that addresses the growing number of homeless students in our public schools. A multi-year evaluation by the Urban Institute is underway. Preliminary results have been promising and KCHA is exploring the expansion of this program to other school districts in south King County facing significant and growing homeless student populations.

- **INCREASE HOUSING CHOICES IN HIGH-OPPORTUNITY NEIGHBORHOODS.**

  This multi-pronged initiative includes the use of multi-tiered ZIP code-based payment standards and mobility counseling as well as continued property acquisitions and project-based Section 8 vouchers to increase housing choice in high-opportunity neighborhoods.[1] Currently, 24 percent of KCHA's HUD-subsidized households with children live in high- or very high-opportunity neighborhoods. We are committed to increasing this number to 30 percent by the end of 2020. KCHA has begun a collaboration with the Stanford Center on Poverty and Inequality and a research team headed by Raj Chetty to test new approaches to expand household mobility in the Puget Sound region.

- **DEEPEN PARTNERSHIPS WITH PARENTS AND LOCAL SCHOOL DISTRICTS TO IMPROVE EDUCATIONAL OUTCOMES.**

  Close to 14,000 children are living in KCHA's federally subsidized housing at any given time. Their academic success is the cornerstone of our efforts to prevent multi-generational cycles of poverty and promote social mobility. KCHA continues to make successful educational outcomes an integral element of our core mission by actively partnering with local education stakeholders around shared outcomes. These include improved attendance, better academic performance and higher graduation rates. We continue to focus on helping children start school ready to learn, achieve grade-level competency and develop career paths. This is achieved through early learning, after-

[1] Neighborhood opportunity designations are from the Puget Sound Regional Council and Kirwan Institutes' Opportunity Mapping index (http://www.psrc.org/growth/growing-transit-communities/regional-equity/opportunity-mapping/).

school programs, parental engagement and mentoring.

- **STRENGTHEN OUR RESEARCH AND EVALUATION CAPACITY.**
  KCHA continues to increase our internal capacity as well as our external partnerships in order to enhance data management practices, conduct rigorous program evaluation, advance a long-term research agenda, and partner in regional and national studies. These actions support the intent of the MTW program to implement and learn from innovative approaches that effectively and efficiently address the housing needs and life outcomes of our communities' low-income residents.

- **SUPPORT FAMILIES IN GAINING GREATER ECONOMIC SELF-SUFFICIENCY.**
  In 2017, KCHA anticipates assisting more than 300 Public Housing and Section 8 households through the Family Self-Sufficiency Program. This program supports families' economic self-sufficiency through individualized case management, supportive services and program incentives. We continue to work with our local service partners to develop new approaches to support improved economic outcomes for residents.

- **INVEST IN THE ELIMINATION OF ACCRUED CAPITAL REPAIR AND SYSTEM REPLACEMENT NEEDS IN OUR FEDERALLY SUBSIDIZED HOUSING INVENTORY.**
  In 2017, KCHA will invest close to $15 million in public financing toward our five-year capital plan. This investment improves housing quality, reduces maintenance costs and energy consumption, and extends the life expectancy of our federally assisted housing stock. Inventory recapitalization and repairs by journeyman level in-house crews – initiatives made possible by our MTW flexibility – continue to support exemplary property conditions throughout our inventory. KCHA currently averages a 97.5 percent score on property inspections performed by HUD's Real Estate Assessment Center (REAC), one of the highest in the nation.

- **CREATE MORE COST-EFFECTIVE PROGRAMS BY STREAMLINING BUSINESS PROCESSES, DIGITIZING CLIENT FILES AND LEVERAGING TECHNOLOGY IN CORE BUSINESS FUNCTIONS.**
  KCHA will continue to analyze its core business functions using a continuous improvement framework that engages staff and leverages the functionality of our integrated software system. A number of efficiencies identified through process mapping, including changes to the interim process and other HCV program streamlining measures, will save staff time and reduce intrusion into residents' lives.

- **REDUCE THE ENVIRONMENTAL IMPACT OF KCHA'S PROGRAMS AND FACILITIES.**
  In 2017, KCHA will initiate our new Five-Year Resource Management Plan. The plan includes goals

for reduced energy and water consumption in the approximately 9,400 units of housing that we own, diversion of materials from the waste stream, safe handling and reductions in hazardous waste, and the promotion of conservation awareness among our residents. Increased data sharing with our local utilities will help us identify problem properties and evaluate the efficacy of individual measures. In addition, KCHA will continue to serve as one of the region's primary weatherization program managers, utilizing federal, state and utility funding to install approximately $3.8 million in weatherization measures in government, nonprofit, and private housing.

B. OVERVIEW OF LONG-TERM MTW GOALS AND OBJECTIVES

Through participation in the MTW demonstration program, KCHA is able to address a wide range of affordable housing needs in the Puget Sound region. We use the single-fund and regulatory flexibility provided through MTW to support our overarching strategic goals:

- **STRATEGY 1:** Continue to strengthen the physical, operational, financial and environmental sustainability of our portfolio of approximately 9,400 affordable housing units.
- **STRATEGY 2:** Increase the supply of housing in the region that is affordable to extremely low-income households – those earning below 30 percent of Area Median Income (AMI) – through the development of new housing and the preservation of existing housing, as well as through expansion in the size and reach of our rental subsidy programs.
- **STRATEGY 3:** Provide greater geographic choice for low-income households, including disabled residents, elderly residents with mobility impairments, and families with young children, so that our clients have the opportunity to live in neighborhoods with high-performing schools and convenient access to services, transit and employment.
- **STRATEGY 4:** Coordinate closely with behavioral health and other social services systems to increase the supply of supportive housing for people who have been chronically homeless and/or have special needs, with the goal of making homelessness rare, brief and one-time in King County.
- **STRATEGY 5:** Engage in the revitalization of King County's low-income neighborhoods, with a focus on housing and other services, amenities, institutions and partnerships that create strong, healthy communities.
- **STRATEGY 6:** Work with King County government, regional transit agencies and suburban cities to

support sustainable and equitable regional development by integrating new affordable housing into regional growth corridors aligned with current and planned mass transit investments.

- **STRATEGY 7:** Expand and deepen partnerships with local school districts, Head Start programs, after-school program providers, public health departments, community colleges, the philanthropic community and our residents, with the goal to improve educational and life outcomes for the low-income children and families we serve.
- **STRATEGY 8:** Promote greater economic independence for families and individuals living in subsidized housing by addressing barriers to employment and facilitating access to training and education programs, with the goal of enabling moves to market-rate housing at the appropriate time.
- **STRATEGY 9:** Continue to develop institutional capacity and efficiencies at KCHA to make the most effective use of federal resources.
- **STRATEGY 10:** Continue to reduce KCHA's environmental footprint through energy conservation, renewable energy generation, waste stream diversion, green procurement policies, water usage reduction and fleet management practices.
- **STRATEGY 11:** Develop our capacity as a learning organization that incorporates research and evaluation in decision-making and policy formulation.

SECTION II

GENERAL HOUSING AUTHORITY OPERATING INFORMATION

A. HOUSING STOCK INFORMATION

In 2017, KCHA will use banked Annual Contributions Contract (ACC) subsidies to migrate as many as three previously purchased developments into our Public Housing inventory. The transition of these properties to the Public Housing program will ensure that these units will be available to extremely low-income households over the long term.

Additionally, we may add up to 50 units to our inventory of MTW Neighborhood Services units as opportunities arise to partner with local providers to house high-need populations.

Planned New Public Housing Units to be Added During the Fiscal Year

AMP Name and Number	Bedroom Size							Total Units	Population Type	Fully Accessible	Adaptable
	0	**1**	**2**	**3**	**4**	**5**	**6+**				
Brookside 180	0	14	2	0	0	0	0	**16**	Elderly/Disabled	16	0
Northwood Square 467	0	0	18	6	0	0	0	**24**	Family	0	0
MTW Neighborhood Services Units	TBD	TBD	TBD	TBD	TBD	TBD	TBD	**50**	TBD	TBD	TBD
Total Public Housing Units to be Added[2]								**90**			

Planned Public Housing Units to be Removed During the Fiscal Year

PIC Dev. # / AMP and PIC Dev. Name	Number of Units to be Removed	Explanation for Removal
N/A	0	N/A
	Total Number of Units to be Removed	**0**

[2] These, and other properties yet to be identified, may convert to Public Housing in 2017. Additionally, some Public Housing units might be designated MTW Neighborhood Services units in 2017 upon approval from the HUD field office.

New Housing Choice Vouchers to be Project-based During the Fiscal Year

Property Name	Anticipated Number of New Vouchers to be Project-based	Description of Project
LIHI Renton Commons	26	KCHA is committing 26 project-based vouchers to a new construction project being developed in Renton by the Low Income Housing Institute (LIHI). Twelve units will serve homeless veterans and 14 will serve homeless families. Construction begins in 2017 with occupancy anticipated in 2018.
Imagine Housing 30Bellevue	28	KCHA is dedicating 28 project-based vouchers to a new construction project being developed in Bellevue by Imagine Housing. All 28 units will serve high-need homeless families. Construction is anticipated to begin in 2017 with occupancy in late 2018 or early 2019.
Imagine Housing Velocity	8	KCHA is applying for a competitive PB VASH allocation through the HUD NOFA, PIH 2016-11. If awarded these vouchers, and contingent upon Environmental Review findings, KCHA will enter into a HAP contract with Imagine Housing to serve homeless veterans in these units.
KCHA Villages at South Station	16	KCHA is applying for a competitive PB VASH allocation through the HUD NOFA, PIH 2016-11. If awarded these vouchers, and contingent upon Environmental Review findings, KCHA will enter into a HAP contract to serve homeless veterans in these 16 units.
KCHA Cove East	16	KCHA is applying for a competitive PB VASH allocation through the HUD NOFA, PIH 2016-11. If awarded these vouchers, and contingent upon Environmental Review findings, KCHA will enter into a HAP contract at the Cove East property to serve homeless Veterans in these units.
KCHA Carriage House	21	KCHA is applying for a competitive PB VASH allocation through the HUD NOFA, PIH 2016-11. If awarded these vouchers, and contingent upon Environmental Review findings, KCHA will enter into a HAP contract at the Carriage House property to serve homeless Veterans in these units.
KCHA Timberwood	14	KCHA is applying for a competitive PB VASH allocation through the HUD NOFA, PIH 2016-11. If awarded these vouchers, and contingent upon Environmental Review findings, KCHA will enter into a HAP contract with at the Timberwood property to serve homeless Veterans in these units.
TBD	75	KCHA is applying for a competitive PB VASH allocation through the HUD NOFA, PIH 2016-11. If awarded these vouchers, and contingent upon Environmental Review findings, KCHA will select additional projects in 2017 that may be brought under contract.

Anticipated Total New Vouchers to be Project-based	204	**Anticipated Total Number of Project-based Vouchers Committed at the End of the Fiscal Year[3]**	**2,655**
		Anticipated Total Number of Project-based Vouchers Leased-up or Issued to a Potential Tenant at the End of the Fiscal Year[4]	**2,211**

Other Changes to the Housing Stock Anticipated During the Fiscal Year

KCHA continues to add to its stock of MTW Neighborhood Services Units from both new acquisitions and reclassification of existing Public Housing units.

General Description of All Planned Capital Fund Expenditures During the Plan Year

In 2017, KCHA plans to spend close to $15 million to complete capital improvements critical to maintaining our 81 federally subsidized properties. Expenditures include:

- **UNIT UPGRADES ($4.2 MILLION).** KCHA's ongoing efforts to significantly upgrade the interiors of our affordable housing inventory as units turn over will continue in 2017. KCHA's in-house, skilled workforce will perform the renovations, which include installation of new flooring, cabinets and fixtures that will extend by 20 years the useful life of 150 additional units.
- **SITE IMPROVEMENTS ($2 MILLION).** Forest Glen (Redmond) will receive new site lighting, walkways, handrails, and pedestrian bridge; the parking lots will be repaved; and storm water drainage system will be improved. A second phase of site improvement work at Lake House (Shoreline) will include new site lighting, walkways, retaining walls, site drainage improvements, and repairs to the existing brick patio and planter. At Valli Kee (Kent), second phase site improvement work will include repaving the parking lot and replacing the sidewalks and gutters. The Burien Park Vets House (Burien) drainage system will receive improvements that eliminate the excessive ponding of water near the front entrance.
- **BUILDING ENVELOPE AND RELATED COMPONENTS UPGRADES ($3.4 MILLION).** In 2017, the roofs will be replaced at Burien Parks Vets Housing (Burien) and Kirkland Place (Kirkland)

[3] AHAP and HAP.
[4] HAP only. This projection takes into consideration the slow and unpredictable nature of leasing up at properties with enhanced vouchers. Units turn over to project-based assistance only when current residents decide to move with their tenant protection voucher. Additionally, the projection also accounts for the competitive VASH allocation and the likelihood that many of these units may take a year to two years to become funded, come under contract, and fully lease-up.

while a full envelope project including new siding and windows will be completed at Firwood Circle (Auburn) and Northridge I and II (Shoreline). Planning for the replacement of siding and roofing at College Place (Bellevue) and a new roof at Casa Juanita (Kirkland) will begin in 2017 with the improvements to be constructed in 2018.

- **DOMESTIC WASTE AND WATER LINE WORK ($2.2 MILLION).** Approximately half of Ballinger Homes (Shoreline) waste and water lines, located in the foundation slabs, are leaking and will be replaced in 2017. New water lines will also be installed at Cascade Homes (Kent).
- **"509" INITIATIVE IMPROVEMENTS ($2.2 MILLION).** In 2017, significant capital improvements will be completed at the properties included in the 2013 conversion of 509 scattered-site Public Housing units to Section 8 subsidies. New windows, doors and siding will be installed at Juanita Trace (Kirkland) and Kings Court (Federal Way) while new walkways, curbs, paving and ADA upgrades will be completed at Juanita Court (Kirkland). Design work for site improvements at Wells Wood (Woodinville) and a new roof at Eastridge House (Issaquah) will begin in 2017 with construction anticipated for completion in 2018.
- **OTHER IMPROVEMENTS ($712,000).** A number of properties in the Public Housing portfolio have dated electrical panels with breakers that frequently fail and for which replacement parts are no longer available. These panels will be replaced at Boulevard Manor (Burien) and Yardley Arms (Burien).

B. LEASING INFORMATION

Planned Number of Households Served at the End of the Fiscal Year

MTW Households to be Served through:	Planned Number of Households to be Served	Planned Number of Unit Months Occupied / Leased
Federal MTW Public Housing Units to be Leased	2,400	28,800
Federal MTW Voucher (HCV) Units to be Utilized	9,849	118,188
Number of Units to be Occupied/Leased through Local, Non-traditional, MTW Funded, Property-based Assistance Programs	0	0
Number of Units to be Occupied/Leased through Local, Non-traditional, MTW Funded, Tenant-based Assistance Programs[5]	227	2,724
Total Households Projected to be Served	**12,476**	**149,712**

[5] Sponsor-based Supportive Housing (113), Next Step (9), Coming Up (22), SFSI (50), and Flat Subsidy Households (33).

Reporting Compliance with Statutory MTW Requirements

KCHA is currently in compliance with the statutory MTW requirements.

Description of Any Anticipated Issues Related to Leasing of Public Housing, Housing Choice Vouchers, and/or Local, Non-traditional Units and Possible Solutions

Housing Program	Description of Anticipated Leasing Issues and Possible Solutions
Federal MTW Public Housing	No leasing issues are anticipated for this program in 2017.
Federal MTW Voucher (HCV)	King County is experiencing unprecedented growth, decreasing the affordability of available housing stock and increasing competition among renters. We continue to closely monitor our shopping success rate while establishing more fine-grained payment standards that better match area submarkets. In 2017, we will be exploring additional ways to support our voucher holders in securing a home. Potential interventions include: unit holding fees; expedited lease-up processes for preferred landlords; geographic organization of caseloads to improve customer service to landlords; re-evaluation of payment standards; creation of a new landlord liaison position within KCHA; and flexible funding to assist participants with back rent and utilities, application fees and deposits.
Local, Non-traditional, MTW Funded Tenant-based Assistance	Successfully leasing an apartment and maintaining housing stability in a tightening rental market is a challenge even with a Section 8 voucher. Short-term rental assistance programs that envision housing self-sufficiency after a limited subsidy period may not be realistic approaches for all households in a time of sharply rising rental costs. For populations that face multiple barriers, even sponsor-based housing approaches may not successfully secure housing as landlords' screening criteria tighten. In response, KCHA's non-traditional programs are providing employment navigators, housing search assistance and housing stability support.

C. WAIT LIST INFORMATION

No changes to the organizational structure or policies regarding the wait lists are anticipated in 2017.

Wait List Information Projected for the Beginning of the Fiscal Year

Housing Program	Wait List Type	Number of Households on Wait List	Wait List Open, Partially Open or Closed	Are There Plans to Open the Wait List During 2017?
Section 8 Housing Choice Voucher	Community-wide	1,375	Partially open (*accepting targeted voucher referrals only)*	Yes
Public Housing	Other: Regional	7,500	Open	N/A

Public Housing	Site-based	7,185	Open	N/A
Project-based	Other: Regional	2,545	Open	N/A
Public Housing – Conditional Housing	Program-specific	35	Open	N/A
Local Non-traditional	N/A	N/A	N/A	N/A

Description of Other Wait Lists

- **PUBLIC HOUSING, OTHER**. Applicants are given the choice among three regions, each with its own wait list. The applicant is able to choose two of the three regions. KCHA uses a rotation system between this applicant pool and households entering through specialized program referrals, such as our transitional housing program, when assigning a household to a unit in its region of choice.
- **PROJECT-BASED, OTHER.** This wait list mirrors the Public Housing program's regional wait lists. An applicant is given the opportunity to apply for a number of KCHA's subsidized housing programs. KCHA then pre-screens a cluster of applicants prior to receiving notice of available units from an owner in order to ensure eligibility and increase efficiency.

Description of Partially Open Wait List

- **SECTION 8 HOUSING CHOICE VOUCHER (HCV) PROGRAM.** When the general Section 8 HCV program wait list last opened to the general public in February 2015, more than 22,000 applications for priority placement were received in a two-week period. Of those, 2,500 applicants were selected by lottery and placed on the wait list. KCHA anticipates exhausting this list in the third quarter of 2017 and will re-open one to two months before that happens. When the list is not open, we continue to serve priority populations, such as survivors of domestic violence and those who are facing a terminal illness or homelessness through referrals for vouchers available under targeted programs including Veteran Affairs Supportive Housing (VASH), the Family Unification Program (FUP), and the Housing Access and Services Program (HASP).

SECTION III

PROPOSED MTW ACTIVITIES

KCHA is not proposing any new activities in 2017.

SECTION IV

APPROVED MTW ACTIVITIES

A. IMPLEMENTED ACTIVITIES

The following table provides an overview of KCHA's approved activities, the statutory objectives they aim to meet, and the page number in which more detail can be found.

Year-Activity #	MTW Activity	Statutory Objective	Page
2015-1	Flat Subsidy for Local, Non-traditional Housing Programs	Cost Effectiveness	14
2015-2	Reporting on the Use of Net Proceeds from Disposition Activities	Cost Effectiveness	15
2014-1	Stepped-down Assistance for Homeless Youth	Self-sufficiency	16
2014-2	Revised Definition of "Family"	Housing Choice	17
2013-1	Passage Point Prisoner Re-entry Housing Program	Housing Choice	18
2013-2	Flexible Rental Assistance	Housing Choice	18
2012-2	Community Choice Program	Housing Choice	20
2009-1	Project-based Section 8 Local Program Contract Term	Housing Choice	20
2008-1	Acquire New Public Housing	Housing Choice	21
2008-3	FSS Program Modifications	Self-sufficiency	22
2008-10 & 2008-11	EASY and WIN Rent Policies	Cost Effectiveness Self-sufficiency	23
2008-21	Public Housing and Section 8 Utility Allowances	Cost Effectiveness	24
2007-6	Develop a Sponsor-based Housing Program	Housing Choice	25
2007-14	Enhanced Transfer Policy	Cost Effectiveness	26
2005-4	Payment Standard Changes	Housing Choice	27
2004-2	Local Project-based Section 8 Program	Cost Effectiveness Housing Choice	28
2004-3	Develop Site-based Waiting Lists	Cost Effectiveness Housing Choice	31
2004-5	Modified Housing Quality Standards (HQS) Inspection Protocols	Cost Effectiveness	32
2004-7	Streamlining Public Housing and Section 8 Forms and Data Processing	Cost Effectiveness	33
2004-9	Rent Reasonableness Modifications	Cost Effectiveness	34
2004-12	Energy Services Company (ESCo) Development	Cost Effectiveness	35
2004-16	Section 8 Occupancy Requirements	Cost Effectiveness	36

ACTIVITY 2015-1: Flat Subsidy for Local, Non-traditional Housing Programs

MTW STATUTORY OBJECTIVE: Increase Cost Effectiveness
APPROVAL: 2015
IMPLEMENTED: 2017

CHALLENGE: KCHA's service provider partners estimate that they spend more than 400 additional hours each year in the administration of federal housing rules. These are 400 hours that could be dedicated to case management and client support but instead are spent calculating tenant rent for homeless individuals whose income is very small or non-existent.

SOLUTION: This local, non-traditional housing program revises the administration of a portion of our project-based assistance, allowing our partners to better meet the needs of extremely low-income homeless individuals and families. Under existing policies, the subsidy may be applied to the unit only after an extensive eligibility determination and an income-based rent calculation has been conducted. The administrative costs of determining incomes and calculating tenant rent responsibility are high and often duplicative of the service provider's eligibility determination. Additionally, individuals transitioning out of homelessness typically have extremely low incomes and are highly mobile, adding to the challenges of tracking and managing frequent moves.

Instead, KCHA is providing a flat, per-unit subsidy in lieu of monthly Housing Assistance Payments (HAP) and allowing the service provider to dictate the terms of the tenancy (such as length of stay and the tenant portion of rent). The funding is block-granted based on the number of units authorized under contract and occupied in each program. This flexibility allows KCHA to better support a "Housing First" approach that places high-risk homeless populations in supportive housing programs tailored to meet an individual's needs.

PROPOSED CHANGES TO ACTIVITY: No major modifications are anticipated and no additional authorizations are needed at this time.

CHANGES TO METRICS: KCHA is piloting this approach with a smaller population and will assess the interim outcomes before expanding the model to other populations and projects. The metrics are reduced to reflect this change.

MTW Statutory Objective	Unit of Measurement	Baseline	Benchmark
Reduce costs and achieve greater cost effectiveness	CE #1: Total cost of task in dollars	$0 saved	$6,534 saved[6]
Reduce costs and achieve greater cost effectiveness	CE #2: Total time to complete task in staff hours	0 hours saved	198 hours saved[7]
Increase housing choice	HC #7: Number of households receiving services aimed to increase housing choice	0 households	33 households[8]

ACTIVITY 2015-2: Reporting on the Use of Net Proceeds from Disposition Activities

MTW STATUTORY OBJECTIVE: Increase Cost Effectiveness
APPROVAL: 2015
IMPLEMENTED: 2016

CHALLENGE: The reporting process for the use of net proceeds from KCHA's disposition activities is duplicative and burdensome, taking up to 160 hours to complete each year. The reporting protocol for the MTW program aligns with the Section 18 disposition code reporting requirements, allowing for an opportunity to simplify this process.

SOLUTION: KCHA reports on the use of net proceeds from disposition activities in the annual MTW report. This streamlining activity allows us to realize time-savings and administrative efficiencies while continuing to adhere to the guidelines outlined in 24 CFR 941 Subpart F of Section 18 demolition and disposition code.

We use our net proceeds from the last HOPE VI disposition, Seola Gardens, in some of the following ways, all of which are accepted uses under Section 18(a)(5):

1. Repair or rehabilitation of existing ACC units.

2. Development and/or acquisition of new ACC units.

3. Provision of social services for residents.

4. Implementation of a preventative and routine maintenance strategy for specific single-family scattered-site ACC units.

---

[6] This figure was calculated by multiplying the median hourly wage and benefits ($33) of the staff member who oversees this activity by the number of hours saved. This number represents a hypothetical estimate of the dollar amount that could be saved in staff hours by implementing this activity.
[7] 6 hours saved per every move-in.
[8] Friends of Youth (10 subsidies) and Hopelink (23 subsidies).

5. Modernization of a portion of a residential building in our inventory to develop a recreation room, laundry room or day-care facility for residents.

7. Leveraging of proceeds in order to partner with a private entity for the purpose of developing mixed-finance Public Housing under 24 CFR 905.604.

We report on the proceeds' uses, including administrative and overhead costs, in the MTW reports. The net proceeds from this project are estimated to be $5 million.

PROPOSED CHANGES TO ACTIVITY: No major modifications are anticipated and no additional authorizations are needed at this time.

CHANGES TO METRICS: There are no changes to this activity's metrics.

ACTIVITY 2014-1: Stepped-down Assistance for Homeless Youth

MTW STATUTORY OBJECTIVE: Increase Self-sufficiency
APPROVAL: 2014
IMPLEMENTED: 2014

CHALLENGE: During the January 2016 point-in-time homeless count in King County, 824 youth and young adults were identified as homeless or unstably housed, a 6 percent increase from 2014.[9] Local service providers have identified the need for a short-term, gradually diminishing rental subsidy structure to meet the unique needs of these youth.

SOLUTION: KCHA has implemented a flexible, "stepped-down" rental assistance model in partnership with local youth service providers. Our service provider partners find that a short-term rental subsidy, paired with supportive services, is the most effective way to serve homeless youth as a majority of them do not require extended tenure in a supportive housing environment. By providing limited-term rental assistance and promoting graduation to independent living, more youth can be served effectively through this program model. As part of this initiative, KCHA currently partners with the YMCA to administer Next Step, and Valley Cities Counseling and Consultation to operate the Coming Up program. These programs offer independent housing opportunities to young adults (ages 18 to 25) who are either exiting homelessness or currently living in service-rich transitional housing. Participants secure their apartment, sign a lease and work with a resource specialist to assure longer-term housing stability.

[9] Count Us In 2016: King County's Point-in-Time Count of Homeless & Unstably Housed Young People. http://allhomekc.org/wp-content/uploads/2016/03/Count-Us-In-2016-Report-final-1.pdf

PROPOSED CHANGES TO ACTIVITY: In 2017, KCHA will engage in a strategic planning process to create a framework for the agency's investments in homeless youth housing services. Following the creation of this framework, we may change aspects of our programming. We cannot anticipate specific changes at this time.

CHANGES TO METRICS: There are no changes to this activity's metrics.

ACTIVITY 2014-2: Revised Definition of "Family"

MTW STATUTORY OBJECTIVE: Increase Housing Choice
APPROVAL: 2014
IMPLEMENTED: 2014

CHALLENGE: According to a January 2015 point-in-time count, 3,069 families with children were living unsheltered or in temporary housing in King County.[10] Thousands more elderly and disabled people, many with severe rent burdens, are on our waiting lists with no new federal resources anticipated.

SOLUTION: This policy directs KCHA's limited resources to populations facing the greatest need: elderly, near-elderly and disabled households; and families with minor children. We modified the eligibility standards outlined in the Public Housing Admissions and Continued Occupancy Policy (ACOP) and Section 8 Administrative Plans to limit eligible households to those that include at least one elderly or disabled individual or a minor/dependent child. The current policy affects only admissions and does not affect the eligibility of households currently receiving assistance. Exceptions will be made for participants in programs that target specialized populations such as domestic violence victims or individuals who have been chronically homeless.

PROPOSED CHANGES TO ACTIVITY: Currently, no modifications are anticipated in 2017 and no additional authorizations are needed at this time.

CHANGES TO METRICS: There are no changes to this activity's metrics

[10] HUD's 2015 Continuum of Care Homeless Assistance Programs Homeless Populations and Subpopulations (WA-500). https://www.hudexchange.info/resource/reportmanagement/published/CoC_PopSub_CoC_WA-500-2015_WA_2015.pdf.

ACTIVITY 2013-1: Passage Point Prisoner Re-entry Housing Program

MTW STATUTORY OBJECTIVE: Increase Housing Choice
APPROVAL: 2013
IMPLEMENTED: 2013

CHALLENGE: In 2015, 1,416 individuals in King County returned to the community after a period of incarceration.[11] Nationally, more than half of all inmates are parents who will face barriers to securing housing and employment upon release due to their criminal record or lack of job skills.[12] Without a home or employment, many of these parents are unable to reunite with their children.

SOLUTION: Passage Point is a unique supportive housing program that serves parents trying to reunify with their children following a period of incarceration. KCHA provides 46 project-based Section 8 vouchers while the YWCA provides property management and supportive services. YWCA identifies eligible individuals through outreach to prisons and correctional facilities. In contrast to typical transitional housing programs that have strict 24-month occupancy limits, Passage Point participants may remain in place until they have completed the reunification process, are stabilized in employment and can demonstrate their ability to succeed in a less service-intensive environment. Passage Point participants who complete the program and regain custody of their children may apply to KCHA's Public Housing program and receive priority placement on the wait list.

PROPOSED CHANGES TO ACTIVITY: No major modifications are anticipated and no additional authorizations are needed at this time.

CHANGES TO METRICS: There are no changes to this activity's metrics.

ACTIVITY 2013-2: Flexible Rental Assistance

MTW STATUTORY OBJECTIVE: Increase Housing Choice
APPROVAL: 2013
IMPLEMENTED: 2013

CHALLENGE: The one-size-fits-all approach of traditional housing programs does not provide the flexibility needed to quickly and effectively meet the needs of low-income individuals facing distinct housing crises, such as homelessness and domestic violence. In many of these cases, a short-term rental

[11] Washington State Department of Corrections. Number of Prison Releases by County of Release. http://www.doc.wa.gov/aboutdoc/docs/msAdmissionsandReleasesbyCounty.pdf
[12] Glaze, L E and Maruschak, M M (2008). Parents in Prison and Their Minor Children. http://www.bjs.gov/index.cfm?ty=pbdetail&iid=823

subsidy paired with responsive, individualized case management can help a family out of a crisis situation and into safe, stable housing.

SOLUTION: This activity, developed with local service providers, offers flexible housing assistance to families in crisis. KCHA provides flexible financial assistance, including time-limited rental subsidy, security deposits, rent arrears and funds to cover move-in costs, while our partners provide individualized services. Participants work with a caseworker during and after the program to secure and maintain housing. Two housing programs make up this initiative. The first is the Student and Family Stability Initiative (SFSI) that pairs short-term rental assistance with housing stability and employment navigation services for families experiencing or on the verge of homelessness. School-based McKinney-Vento liaisons identify and connect these families with community-based service providers while caseworkers have the flexibility to determine the most effective approach to quickly stabilize participants in housing. The second program, Domestic Violence Housing First, quickly identifies and secures housing for survivors of domestic violence. Like SFSI, a case manager works with families to determine and administer support that addresses their most immediate needs.

PROPOSED CHANGES TO ACTIVITY: KCHA is considering developing a term-limited rental subsidy aimed specifically at homeless young adults seeking postsecondary education. We also continue to consider the application of the Rapid Re-housing approach to other populations or jurisdictions as we learn more about the effectiveness of this model.

CHANGES TO METRICS: In 2017, we will continue to expand the SFSI program and aim to serve more homeless families in the Highline School District. The annual benchmarks are adjusted upwards to account for this change.

MTW Statutory Objective	Unit of Measurement	Baseline	Benchmark
Increase housing choices	HC #5: Number of households able to move to a better unit	0 households	50 households
Increase housing choices	HC #7: Number of households receiving services aimed to increase housing choice	0 households	100 households

ACTIVITY 2012-2: Community Choice Program

MTW STATUTORY OBJECTIVE: Increase Housing Choice
APPROVAL: 2012
IMPLEMENTED: 2013

CHALLENGE: Research increasingly demonstrates that a person's health, employment status and educational success are influenced enormously by where they grow up. Currently, 24 percent of KCHA's families with children live in the high-opportunity neighborhoods of King County that can help promote positive life outcomes. High-opportunity neighborhoods are characterized by lower poverty rates, better educational and employment opportunities, and proximity to major transportation hubs. These neighborhoods also have higher rents. For a wide variety of reasons, low-income families are more likely to live in communities with higher overall poverty and less access to these benefits.

SOLUTION: This initiative aims to encourage and enable Housing Choice Voucher households with young children to relocate to areas of the county with higher achieving school districts. In addition to formidable barriers accessing these neighborhoods, many households are not aware of the link between location and educational and employment opportunities. Through collaboration with local nonprofits and landlords, the Community Choice Program offers one-on-one counseling to households deciding where to live, along with ongoing support once a family moves to a new neighborhood.

PROPOSED CHANGES TO ACTIVITY: KCHA is considering expanding the move-in jurisdiction to increase housing options available to families in the program as well as reflect broader measures of opportunity. Additional authorizations are not needed to implement this change.

CHANGES TO METRICS: There are no changes to this activity's metrics.

ACTIVITY 2009-1: Project-based Section 8 Local Program Contract Term

MTW STATUTORY OBJECTIVE: Increase Housing Choice
APPROVAL: 2009
IMPLEMENTED: 2009

CHALLENGE: Prior to 2009, our nonprofit development partners faced difficulties securing private financing for the development and acquisition of affordable housing projects. Measured against banking and private equity standards, the Housing Assistance Payments (HAP) contract term set by HUD is too short and hinders underwriting debt on affordable housing projects.

SOLUTION: This activity extends the length of the allowable term for Section 8 project-based contracts to as high as 15 years. This change in term assists our partners in underwriting and leveraging private financing for development and acquisition projects. The longer-term commitment from KCHA signals to lenders and underwriters that these partner agencies have sufficient resources to take on the debt acquired through the new development of affordable housing units.

PROPOSED CHANGES TO ACTIVITY: No major modifications are anticipated and no additional authorizations are needed at this time.

CHANGES TO METRICS: There are no changes to this activity's metrics.

ACTIVITY 2008-1: Acquire New Public Housing

MTW STATUTORY OBJECTIVE: Increase Housing Choice
APPROVAL: 2008
IMPLEMENTED: 2008

CHALLENGE: In King County, about half of all renter households spend more than 30 percent of their income on rent.[13] Countywide, fewer than 15 percent of all apartments are considered affordable to households earning less than 30 percent of AMI.[14] In context of these challenges, KCHA's Public Housing wait lists continue to grow. Given the gap between available affordable housing and the number of low-income renters, KCHA must continue to increase the inventory of units affordable to extremely low-income households.

SOLUTION: KCHA's Public Housing ACC is currently below the Faircloth limit in the number of allowable units. These "banked" Public Housing subsidies allow us to add to the affordable housing supply in the region by acquiring new units. This approach is challenging, however, because Public Housing units cannot support debt. We continue our innovative use of MTW working capital, with a particular focus on the creation or preservation of units in high-opportunity neighborhoods.[15]

---

[13] US Census Bureau, ACS 2014 5-year estimates: 47.9% of King County renter households pay 30% or more of household income on gross rent. http://factfinder.census.gov/bkmk/table/1.0/en/ACS/14_5YR/DP04/0500000US53033.
[14] US Census Bureau, ACS 2014 5-year estimates: 14.4% of King County rental units have gross rents under $750. http://factfinder.census.gov/bkmk/table/1.0/en/ACS/14_5YR/DP04/0500000US53033.HUD FY2014 Income Limits Documentation System: 30% AMI for a household of four is $26,450. For a household making $26,450 per year, spending no more than 30% of income on rent translates to $661.25 or less in asking rent.
[15] Neighborhood opportunity designations are from the Puget Sound Regional Council and Kirwan Institutes' Opportunity Mapping index (http://www.psrc.org/growth/growing-transit-communities/regional-equity/opportunity-mapping/).

We are working to further simplify the acquisition and addition of units to our Public Housing inventory by partnering with the local HUD field office to streamline the information needed to add these units to the PIC system and obtain operating and capital subsidies. We also are establishing a process for self-certification of neighborhood suitability standards and Faircloth limits, necessitating the flexibility granted in Attachment D, Section D of our MTW Agreement.[16]

PROPOSED CHANGES TO ACTIVITY: No major modifications are anticipated and no additional authorizations are needed at this time.

CHANGES TO METRICS: There are no changes to this activity's metrics.

ACTIVITY 2008-3: FSS Program Modifications

MTW STATUTORY OBJECTIVE: Increase Self-sufficiency
APPROVAL: 2008
IMPLEMENTED: 2016

CHALLENGE: For every household receiving housing subsidy, two others may need assistance.[17] To serve more households with limited resources, subsidized households need to be supported in their efforts to achieve economic self-sufficiency and cycle out of the program. HUD's standard Family Self-Sufficiency (FSS) program may not provide the full range of services and incentives needed to support greater self-sufficiency among participants.

SOLUTION: KCHA is exploring possible modifications to the FSS program that could increase incentives for resident participation and income growth. These outcomes could pave the way for residents to realize a higher degree of economic independence. The program currently includes elements that unintentionally act as disincentives by punishing higher income earners, the very residents who could benefit most from additional incentives to exit subsidized housing programs. To address these issues, KCHA is considering modifying the escrow calculation so as to not unintentionally punish higher earning households.

[16] Some Public Housing units might be designated MTW Neighborhood Services units over this next year upon approval from the HUD field office.
[17] Worst Case Housing Needs 2015: Report to Congress, page viii.
http://www.huduser.org/portal//Publications/pdf/WorstCaseNeeds_2015.pdf

This activity is part of a larger strategic planning process with local service providers that seeks to increase positive economic outcomes for residents.

PROPOSED CHANGES TO ACTIVITY: No major modifications are anticipated and no additional authorizations are needed at this time.

CHANGES TO METRICS: There are no changes to this activity's metrics.

ACTIVITY 2008-10 and 2008-11: EASY and WIN Rent Policies

MTW STATUTORY OBJECTIVE: Increase Cost Effectiveness and Self-sufficiency
APPROVAL: 2008
IMPLEMENTED: 2008

CHALLENGE: The administration of rental subsidies under existing HUD rules can be complex and confusing to the households we serve. Significant staff time was being spent complying with federal requirements that do not promote better outcomes for residents, safeguard program integrity or save taxpayer money. The rules regarding deductions, annual reviews and recertifications, and income calculations were cumbersome and often hard to understand, especially for the elderly and disabled people we serve. These households live on fixed incomes that change only when there is a Cost of Living Adjustment (COLA), making annual reviews superfluous. For working households, HUD's rent rules include complicated earned-income disregards that can manifest as disincentives to income progression and employment advancement.

SOLUTION: KCHA has two rent reform policies. The first, EASY Rent, simplifies rent calculations and recertifications for elderly and disabled households that derive 90 percent of their income from a fixed source (such as Social Security, Supplemental Security Income [SSI] or pension benefits), and are enrolled in our Public Housing, Housing Choice Voucher or project-based Section 8 programs. Rents are calculated at 28 percent of adjusted income with deductions for medical- and disability-related expenses in $2,500 bands and a cap on deductions at $10,000. EASY Rent streamlines KCHA operations and simplifies the burden placed on residents by reducing recertification reviews to a three-year cycle and rent adjustments based on COLA increases in Social Security and SSI payments to an annual cycle.

The second policy, WIN Rent, was implemented in FY 2010 to encourage increased economic self-sufficiency among households where individuals are able to work. WIN Rent is calculated on a series of income bands and the tenant's share of the rent is calculated at 28.3 percent of the lower end of each income band. This tiered system – in contrast to existing rent protocols – does not punish increases in earnings, as the tenant's rent does not change until household income increases to the next band level. Additionally, recertifications are conducted biennially instead of annually, allowing households to retain all increases in earnings during that time period without an accompanying increase to the tenant's share of rent. The WIN Rent structure also eliminates flat rents, income disregards and deductions (other than childcare for eligible households), and excludes the employment income of household members under age 21. Households with little or no income are given a six-month reprieve during which they are able to pay a lower rent or, in some cases, receive a credit payment. Following this period, a WIN Rent household pays a minimum rent of $25 regardless of income calculation.

In addition to changes to the recertification cycle, we also have streamlined processing and reviews. For example, we limit the number of tenant-requested reviews to reduce rent to two occurrences in a two-year period in the WIN Rent program. We estimate that these policy and operational modifications have reduced the relevant administrative workloads in the Section 8 and Public Housing programs by 20 percent.

PROPOSED CHANGES TO ACTIVITY: KCHA is considering increasing the amount of wage income a senior or disabled household can earn and remain eligible for the EASY Rent program.

CHANGES TO METRICS: There are no changes to this activity's metrics.

ACTIVITY 2008-21: Public Housing and Section 8 Utility Allowances

MTW STATUTORY OBJECTIVE: Increase Cost Effectiveness
APPROVAL: 2008
IMPLEMENTED: 2010

CHALLENGE: KCHA would spend almost $22,000 annually in additional staff time to administer utility allowances under HUD's one-size-fits-all national guidelines. HUD's national approach fails to capture average consumption levels in the Puget Sound area.

SOLUTION: This activity simplifies the HUD rules on Public Housing and Section 8 Utility Allowances by applying a universal methodology that reflects local consumption patterns and costs. Before this policy change, allowances were calculated for each individual unit and household type with varied rules under the Section 8 and Public Housing programs. Additionally, HUD required an immediate update of the allowances with each cumulative 10 percent rate increase made by utility companies. Now, KCHA provides allowance adjustments annually when the Consumer Price Index produces a change (decrease or increase) of more than 10 percent rather than each time an adjustment is made to the utility equation. We worked with data from a Seattle City Light study completed in late 2009, allowing us to identify key factors in household energy use and therefore project average consumption levels for various types of units in the Puget Sound region. We used this information to set a new utility schedule that considers various factors: type of unit (single vs. multi-family), size of unit, high-rise vs. low-rise units, and the utility provider. We also modified allowances for units where the resident pays water and/or sewer charges. KCHA's Hardship Policy, adopted in July 2010, allows KCHA to respond to unique household or property circumstances and documented cases of financial hardship, including utility rate issues.

PROPOSED CHANGES TO ACTIVITY: Upon implementation of the new energy performance contract's efficiency measures, KCHA may revisit the utility schedule and set allowances according to a property's energy usage and upgrade needs. The methodology used to calculate the allowance remains the same as outlined in this activity.

CHANGES TO METRICS: There are no changes to this activity's metrics.

ACTIVITY 2007-6: Develop a Sponsor-based Housing Program

MTW STATUTORY OBJECTIVE: Increase Housing Choice
APPROVAL: 2007
IMPLEMENTED: 2007

CHALLENGE: According to a January 2015 point-in-time count, 823 individuals in King County were chronically homeless.[18] Many landlords are hesitant to sign a lease with an individual who has been chronically homeless, usually due to that person's poor or non-existent rental history, lack of consistent employment or criminal background. Most people who have been chronically homeless require additional support, beyond rental subsidy, to secure and maintain a safe, stable place to live.

SOLUTION: In the sponsor-based housing program, KCHA provides housing funds directly to service provider partners, including Sound Mental Health, Navos Mental Health Solutions, and Valley Cities Counseling and Consultation. These providers use the funds to secure private market rentals that are then subleased to program participants. The programs operate under the "Housing First" model of supportive housing, which couples quick placement in permanent, scattered-site housing with intensive,

[18] CoC Dashboard Report (WA-500). 2015 Continuum of Care Homeless Assistance Programs Homeless Populations and Subpopulations. https://www.hudexchange.info/resource/reportmanagement/published/CoC_PopSub_CoC_WA-500-2015_WA_2015.pdf

individualized services that help residents maintain long-term housing stability. Recipients of this type of support are referred from the mental health and criminal justice systems, street outreach teams, and providers serving homeless youth and young adults referred through King County's Coordinated Entry and Assessment system. Once a resident is stabilized and ready for a more independent living environment, KCHA may offer transition to a tenant-based Section 8 subsidy.

PROPOSED CHANGES TO ACTIVITY: No major modifications are anticipated and no additional authorizations are needed at this time.

CHANGES TO METRICS: In 2016, Valley Cities Counseling and Consultation's Coming Up program (22 units) transitioned to a stepped-rent model. The program is now reported solely under MTW Activity 2014-1: Stepped-down Assistance for Homeless Youth and the metrics reflect this change.

MTW Statutory Objective	Unit of Measurement	Baseline	Benchmark
Increase housing choices	HC #1: Number of new units made available for households at or below 80% AMI	0 units	113 units
Increase housing choices	HC #5: Number of households able to move to a better unit	0 households	113 households
Increase self-sufficiency	SS #5: Number of households receiving services aimed to increase self-sufficiency	0 households	113 households

ACTIVITY 2007-14: Enhanced Transfer Policy

MTW STATUTORY OBJECTIVE: Increase Cost Effectiveness
APPROVAL: 2007
IMPLEMENTED: 2007

CHALLENGE: HUD rules restrict a resident from moving from Public Housing to Section 8 or from Section 8 to Public Housing, which hampers our ability to meet the needs of our residents. For example, project-based Section 8 residents may need to move if their physical abilities change and they no longer can access their second story, walk-up apartment. A Public Housing property may have an accessible unit available. Under traditional HUD regulations, this resident would not be able to move into this available unit.

SOLUTION: Under existing HUD guidelines, a resident cannot transfer between the Section 8 and Public Housing programs, regardless of whether a more appropriate unit for the resident is available in the other program. This policy allows a resident to transfer among KCHA's various subsidized programs and expedites access to Uniform Federal Accessibility Standards (UFAS)-rated units for mobility-impaired households. In addition to mobility needs, a household might grow in size and require a larger unit with more bedrooms. The enhanced transfer policy allows a household to move to a larger unit when one becomes available in either program. In 2009, KCHA took this one step further by actively encouraging over-housed or under-housed residents to transfer when an appropriately sized unit becomes available. The flexibility provided through this policy allows us to swiftly meet the needs of our residents by housing them in a unit that suits their situation best, regardless of which federal subsidy they receive.

PROPOSED CHANGES TO ACTIVITY: No major modifications are anticipated and no additional authorizations are needed at this time.

CHANGES TO METRICS: There are no changes to this activity's metrics.

ACTIVITY 2005-4: Payment Standard Changes

MTW STATUTORY OBJECTIVE: Increase Housing Choice
APPROVAL: 2005
IMPLEMENTED: 2005

CHALLENGE: Currently, 30 percent of KCHA's tenant-based voucher households live in high-opportunity neighborhoods of King County, which means 70 percent are unable to reap the benefits that come with residing in such an area. These benefits include improved educational opportunities, increased access to public transportation and greater economic opportunities.[19] Not surprisingly, high-opportunity neighborhoods have more expensive rents. According to recent market data, a two-bedroom rental unit at the 40th percentile in East King County – typically a high-opportunity area – costs $506 more than the same unit in South King County, which includes several high-poverty neighborhoods.[20] To move to high-opportunity areas, voucher holders need sufficient resources, which are not available under traditional payment standards. Conversely, broadly applied payment standards that encompass multiple housing markets – low and high – result in Section 8 rents "leading the market" in lower priced areas.

SOLUTION: This initiative develops local criteria for the determination and assignment of payment standards to better match the local rental market, with the goals of increasing affordability in high-opportunity neighborhoods and ensuring the best use of limited financial resources. We develop our

[19] Neighborhood opportunity designations are from the Puget Sound Regional Council and Kirwan Institutes' Opportunity Mapping index (http://www.psrc.org/growth/growing-transit-communities/regional-equity/opportunity-mapping/).
[20] Dupree & Scott, 2016 King County Rental Data

payment standards through an annual analysis of local submarket conditions, trends and projections. This approach means that we can provide subsidy levels sufficient for families to afford the rents in high-opportunity areas of the county and not have to pay market-leading rents in less expensive neighborhoods. As a result, our residents are not squeezed out by tighter rental markets and we can increase the number of voucher tenants living in high-opportunity neighborhoods. In 2005, KCHA began applying new payment standards at the time of a resident's next annual review. In 2007, we expanded this initiative and allowed approval of payment standards of up to 120 percent of Fair Market Rent (FMR) without HUD approval. In early 2008, we decoupled the payment standards from HUD's FMR calculations entirely so that we could be responsive to the range of rents in Puget Sound's submarkets. In 2016, KCHA implemented a multi-tiered payment standard system based on ZIP codes. We arrived at a five-tiered payment standard system after analyzing recent tenant lease-up records, consulting local real estate data, holding forums with residents and staff, reviewing other small area FMR payment standard systems implemented by other housing authorities, and conducting financial analyses. In designing the new system, we sought to have enough tiers to account for submarket variations but not so many tiers that the new system becomes burdensome to staff and residents.

PROPOSED CHANGES TO ACTIVITY: We are continuing to explore additional policy changes that may increase access to high-opportunity areas, such as increasing the 40 percent limit on the proportion of household income that could be spent on housing costs to 45 percent of gross income.

CHANGES TO METRICS: There are no changes to this activity's metrics.

ACTIVITY 2004-2: Local Project-based Section 8 Program

MTW STATUTORY OBJECTIVE: Increase Cost Effectiveness and Housing Choice
APPROVAL: 2004
IMPLEMENTED: 2004

CHALLENGE: Current project-basing regulations are cumbersome and present multiple obstacles to serving high-need households, partnering effectively and efficiently with nonprofit developers, and promoting housing options in high-opportunity areas. Some private-market landlords refuse to rent to tenants with imperfect credit or rental history, especially in tight rental markets such as ours. In many suburban jurisdictions in King County, it is legal to refuse to rent to Section 8 voucher holders, as these jurisdictions have not enacted legislation prohibiting discrimination based on source of income.

Meanwhile, nonprofit housing acquisition and development projects that would serve extremely low-income households require reliable sources of rental subsidies. The reliability of these sources is critical for the financial underwriting of these projects and successful engagement with banks and tax-credit equity investors.

SOLUTION: The ability to streamline the process of project-basing Section 8 subsidies is an important tool for addressing the distribution of affordable housing in King County and coordinating effectively with local initiatives. KCHA places project-based Section 8 subsidies in high-opportunity areas of the county in order to increase access to these desirable neighborhoods for low-income households.[21] We also partner with nonprofit community service providers to create housing targeted to special needs populations, opening new housing opportunities for chronically homeless, mentally ill or disabled individuals, and homeless young adults and families traditionally not served through our mainstream Public Housing and Section 8 programs. We also are coordinating with county government and suburban jurisdictions to underwrite a pipeline of new affordable housing developed by local nonprofit housing providers. MTW flexibility granted by this activity has helped us implement the following policies.

CREATE HOUSING TARGETED TO SPECIAL-NEEDS POPULATIONS BY:

- Assigning Project-based Section 8 (PBS8) subsidy to a limited number of demonstration projects not qualifying under standard policy in order to serve important public purposes. (FY 2004)
- Modifying the definition of "homeless" to include overcrowded households entering transitional housing to align with entry criteria for nonprofit-operated transitional housing. (FY 2004)

SUPPORT A PIPELINE OF NEW AFFORDABLE HOUSING BY:

- Prioritizing assignment of PBS8 assistance to units located in high-opportunity census tracts, including those with poverty rates lower than 20 percent. (FY 2004)
- Waiving the 25 percent cap on the number of units that can be project-based on a single site for transitional, supportive or elderly housing, and for sites with fewer than 20 units. (FY 2004)
- Allocating PBS8 subsidy non-competitively to KCHA-controlled sites and transitional units, or using an existing local government procurement process for project-basing Section 8 assistance. (FY 2004)

[21] Neighborhood opportunity designations are from the Puget Sound Regional Council and Kirwan Institutes' Opportunity Mapping index (http://www.psrc.org/growth/growing-transit-communities/regional-equity/opportunity-mapping/).

- Allowing owners and agents to conduct their own construction and/or rehab inspections, and having the management entity complete the initial inspection rather than KCHA, with inspection sampling at annual review. (FY 2004)
- Modifying eligible unit and housing types to include shared housing, cooperative housing, transitional housing and high-rise buildings. (FY 2004)
- Allowing PBS8 rules to defer to Public Housing rules when used in conjunction with a mixed finance approach to housing preservation or when assigned to a redeveloped former Public Housing property. (FY 2008)
- Partnering with Bellevue, Redmond and other East King County municipalities to develop a local competitive process that pairs PBS8 subsidy, aimed at households earning 30 percent of AMI or less, with local zoning incentives. This process will help ensure that a portion of affordable units set aside through incentive programs are available to extremely low-income households. (FY 2016)

IMPROVE PROGRAM ADMINISTRATION BY:

- Allowing project sponsors to manage project wait lists as determined by KCHA. (FY 2004).
- Using KCHA's standard HCV process for determining Rent Reasonableness for units in lieu of requiring third-party appraisals. (FY 2004)
- Allowing participants in "wrong-sized" units to remain in place and pay the higher rent, if needed. (FY 2004)
- Assigning standard HCV payment standards to PBS8 units, allowing modification with approval of KCHA where deemed appropriate. (FY 2004)
- Offering moves to Public Housing in lieu of a Section 8 HCV exit voucher. (FY 2004)
    - Exception: Tenant-based HCV could be provided for a limited period as determined by KCHA in conjunction with internal Public Housing disposition activity. (FY 2012)
- Allowing KCHA to modify the HAP contract to ensure consistency with MTW changes. (FY 2004)
- Using Public Housing preferences for PBS8 units in place of HCV preferences. (FY 2008)
- Allowing KCHA to inspect units at contract execution rather than contract proposal. (FY 2009)
- Modifying the definition of "existing housing" to include housing that could meet Housing Quality Standards within 180 days. (FY 2009)
- Allowing direct owner referral to a PBS8 vacancy when the unit has remained vacant for more than 30 days. (FY 2010)

- Waiving the 20 percent cap on the amount of HCV budget authority that can be project-based, allowing KCHA to determine the size of our PBS8 program. (FY 2010)

PROPOSED CHANGES TO ACTIVITY: No major modifications are anticipated and no additional authorizations are needed at this time.

CHANGES TO METRICS: There are no changes to this activity's metrics.

ACTIVITY 2004-3: Develop Site-based Waiting Lists

MTW STATUTORY OBJECTIVE: Increase Cost Effectiveness and Housing Choice
APPROVAL: 2004
IMPLEMENTED: 2004

CHALLENGE: Under traditional HUD wait list guidelines, an individual can wait more than two-and-a-half years for a Public Housing unit. For many families, this wait is too long. Once a unit becomes available, it might not meet the family's needs or preferences, such as proximity to a child's school or access to local service providers.

SOLUTION: Under this initiative, we have implemented a streamlined waitlist system for our Public Housing program that provides applicants additional options for choosing the location where they want to live. In addition to offering site-based wait lists, we also maintain regional wait lists and have established a list to accommodate the needs of graduates from the region's network of transitional housing facilities for homeless families. In general, applicants are selected for occupancy using a rotation between the site-based, regional and transitional housing applicant pools, based on an equal ratio. Units are not held vacant if a particular wait list is lacking an eligible applicant. Instead, a qualified applicant is pulled from the next wait list in the rotation.

PROPOSED CHANGES TO ACTIVITY: No major modifications are anticipated and no additional authorizations are needed at this time.

CHANGES TO METRICS: There are no changes to this activity's metrics.

ACTIVITY 2004-5: Modified Housing Quality Standards (HQS) Inspection Protocols

MTW STATUTORY OBJECTIVE: Increase Cost Effectiveness
APPROVAL: 2004
IMPLEMENTED: 2004

CHALLENGE: HUD's HQS inspection protocols often require multiple trips to the same neighborhood, the use of third-party inspectors and blanket treatment of diverse housing types, adding more than $93,000 to annual administrative costs. Follow-up inspections for minor "fail" items impose additional burdens on landlords, who in turn may resist renting to families with Section 8 vouchers.

SOLUTION: Through a series of Section 8 program modifications, we have streamlined the HQS inspection process to simplify program administration, improve stakeholder satisfaction and reduce administrative costs. Specific policy changes include: (1) allowing the release of HAP payments when a unit fails an HQS inspection due to minor deficiencies (applies to both annual inspections and initial move-in inspections); (2) geographically clustering inspections to reduce repeat trips to the same neighborhood or building by accepting annual inspections completed eight to 20 months after initial inspection, allowing us to align inspection of multiple units in the same geographic location; and (3) self-inspecting KCHA-owned units rather than requiring inspection by a third party. KCHA also has implemented a risk-based inspection model that places well-maintained, multi-family apartment complexes on a biennial inspection schedule. Developments must meet the following criteria in order to qualify for biennial inspections: initial inspection rating is average or higher; no record of building code violations; owner and tenant have no history of non-compliance that resulted in rent abatement or termination; and no record of substantiated complaints regarding the owner's failure to maintain units in compliance with HQS. If a development falls out of compliance with these standards, it will be reverted to an annual inspection cycle.

PROPOSED CHANGES TO ACTIVITY: KCHA is continuing to look into different strategies for streamlining its HQS inspection protocols, including ways to simplify the process for landlords and residents.

CHANGES TO METRICS: There are no changes to this activity's metrics.

ACTIVITY 2004-7: Streamlining Public Housing and Section 8 Forms and Data Processing

MTW STATUTORY OBJECTIVE: Increase Cost Effectiveness
APPROVAL: 2004
IMPLEMENTED: 2004

CHALLENGE: Duplicative recertifications, complex income calculations and strict timing rules cause unnecessary intrusions into the lives of the people we serve and expend limited resources for little purpose.

SOLUTION: After analyzing our business processes, forms and verification requirements, we have eliminated or replaced those with little or no value. Through the use of lean engineering techniques, KCHA continues to review office workflow and identify ways that tasks can be accomplished more efficiently and intrude less into the lives of program participants, while still assuring program integrity and quality control. Under this initiative, we have made a number of changes to our business practices and processes for verifying and calculating tenant income and rent.

CHANGES TO BUSINESS PROCESSES:

- Modify Section 8 policy to require notice to move prior to the 20th of the month in order to have paperwork processed during the month. (FY 2004)
- Allow applicant households to self-certify membership in the family at the time of admission. (FY 2004)
- Modify HQS inspection requirements for units converted to project-based subsidy from another KCHA subsidy, and allow the most recent inspection completed within the prior 12 months to substitute for the initial HQS inspection required before entering the HAP contract. (FY 2012)
- Modify standard PBS8 requirements to allow the most recent recertification (within last 12 months) to substitute for the full recertification when tenant's unit is converted to a PBS8 subsidy. (FY 2012)
- Allow Public Housing applicant households to qualify for a preference when household income is below 30 percent of AMI. (FY 2004)
- Streamline procedures for processing interim rent changes resulting from wholesale reductions in state entitlement programs. (FY 2011)
- Modify the HQS inspection process to allow streamlined processing of inspection data. (FY 2010)
- Establish a local release form that replaces the HUD form 9986 and is renewed every 40 months. (FY 2014)

CHANGES TO VERIFICATION AND INCOME CALCULATION PROCESSES:

- Exclude payments made to a landlord by the state Department of Social and Health Services (DSHS) on behalf of a tenant from the income and rent calculation under the Section 8 program. (FY 2004)
- Allow Section 8 residents to self-certify income of $50 or less received as a pass-through DSHS childcare subsidy. (FY 2004)
- Extend to 180 days the term over which verifications are considered valid. (FY 2008)
- Modify the definition of "income" to exclude income from assets with a value less than $50,000, and income from Resident Service Stipends less than $500 per month. (FY 2008)
- Apply any decrease in Payment Standard at the time of the next annual review or update, rather than using HUD's two-year phase-in approach. (FY 2004)
- Allow Section 8 residents who are at $0 HAP to self-certify income at the time of review. (FY 2004)

PROPOSED CHANGES TO ACTIVITY: KCHA will aim to further streamline the interim recertification process in the HCV program by eliminating the full recertification of income each time a resident requests to move between his or her recertification date. Instead, income verifications will be limited to the two- or three-year regular certification cycle.

CHANGES TO METRICS: There are no changes to this activity's metrics.

ACTIVITY 2004-9: Rent Reasonableness Modifications

MTW STATUTORY OBJECTIVE: Increase Cost Effectiveness
APPROVAL: 2004
IMPLEMENTED: 2004

CHALLENGE: Under current HUD regulations, a housing authority must perform an annual Rent Reasonableness review for each voucher holder. If a property owner is not requesting a rent increase, however, the rent does not fall out of federal guidelines and does not necessitate a review.

SOLUTION: KCHA now saves close to 1,000 hours of staff time annually by performing Rent Reasonableness determinations only when a landlord requests an increase in rent. Under standard HUD regulations, a Rent Reasonableness review is required annually in conjunction with each recertification completed under the program. After reviewing this policy, we found that if an owner had not requested a rent increase, it was unlikely the current rent fell outside of established guidelines. In response to this analysis, KCHA eliminated an annual review of rent levels. By bypassing this burdensome process, we intrude in the lives of residents less and can redirect our resources to more pressing needs. Additionally, KCHA performs Rent Reasonableness inspections at our own properties, rather than contracting with a third party, allowing us to save additional resources.

PROPOSED CHANGES TO ACTIVITY: No major modifications are anticipated and no additional authorizations are needed at this time.

CHANGES TO METRICS: There are no changes to this activity's metrics.

ACTIVITY 2004-12: Energy Service Companies (ESCo) Development

MTW STATUTORY OBJECTIVE: Increase Cost Effectiveness
APPROVAL: 2004
IMPLEMENTED: 2004

CHALLENGE: KCHA could recapture up to $4 million in energy savings per year if provided the upfront investment necessary to make efficiency upgrades to its aging housing stock.

SOLUTION: KCHA employs energy conservation measures and improvements through the use of Energy Performance Contracts (EPC) – a financing tool that allows PHAs to make needed energy upgrades without having to self-fund the upfront necessary capital expenses. The energy services partner (in this case, Johnson Controls [JCI]) identifies these improvements through an investment-grade energy audit that is then used to underwrite loans to pay for the measures. Project expenses, including debt service, are then paid for out of the energy savings while KCHA and its residents receive the long-term savings and benefits. Upgrades may include: installation of energy-efficient light fixtures, solar panels, and low-flow faucets, toilets and showerheads; upgraded appliances and plumbing; and improved irrigation and HVAC systems. In 2016, we extended the existing EPC for an additional eight years and implemented a new 20-year EPC for incremental Public Housing properties to make needed improvements.

PROPOSED CHANGES TO ACTIVITY: These efforts often take place over a number of years with savings being realized later in the life of a project. For this reason, KCHA proposes to benchmark and report its savings every five years as opposed to every year.

CHANGES TO METRICS: There are no changes to this activity's metrics.

ACTIVITY 2004-16: Section 8 Occupancy Requirements

MTW STATUTORY OBJECTIVE: Increase Cost Effectiveness
APPROVAL: 2004
IMPLEMENTED: 2004

CHALLENGE: More than 20 percent of tenant-based voucher households move two or more times while receiving subsidy. Moves can be beneficial if they lead to gains in neighborhood or housing quality for the household, but moves also can be burdensome to residents because they incur the costs of finding a new unit through application fees and other moving expenses. KCHA also incurs additional costs in staff time through processing moves and working with families to locate a new unit.

SOLUTION: Households may continue to live in their current unit when their family size exceeds the standard occupancy requirements by just one member. Under standard guidelines, a seven-person household living in a three-bedroom unit would be considered overcrowded and thus be required to move to a larger unit. Under this modified policy, the family may remain voluntarily in its current unit, avoiding the costs and disruption of moving. This initiative reduces the number of processed annual moves, increases housing choice among these families, and reduces our administrative and HAP expenses.

PROPOSED CHANGES TO ACTIVITY: No major modifications are anticipated and no additional authorizations are needed at this time.

CHANGES TO METRICS: There are no changes to this activity’s metrics.

B. NOT YET IMPLEMENTED ACTIVITIES

Activities listed in this section are approved but have not yet been implemented.

ACTIVITY 2010-1: Supportive Housing for High-need Homeless Families
APPROVAL: 2010

This activity is a demonstration program for up to 20 households in a project-based Family Unification Program (FUP)-like environment. The demonstration program currently is deferred, as our program partners opted for a tenant-based model this upcoming fiscal year. It might return in a future program year, however.

ACTIVITY 2010-9: Limit Number of Moves for a Section 8 Participant
APPROVAL: 2010

This policy aims to increase family and student classroom stability and reduce program administrative costs by limiting the number of times an HCV participant can move per year or over a set time. Reducing household and classroom relocations during the school year is currently being addressed through a counseling pilot. This activity currently is deferred for consideration in a future year, if the need arises.

ACTIVITY 2010-10: Implement a Maximum Asset Threshold for Program Eligibility
APPROVAL: 2010

This activity limits the value of assets that can be held by a family in order to obtain (or retain) program eligibility. We are deferring for consideration in a future year, if the need arises.

ACTIVITY 2010-11: Incentive Payments to Section 8 Participants to Leave the Program
APPROVAL: 2010

KCHA may offer incentive payments to families receiving less than $100 per month in HAP to voluntarily withdraw from the program. This activity currently is not needed in our program model but may be considered in a future fiscal year.

ACTIVITY 2008-5: Allow Limited Double Subsidy between Programs (Project-based Section 8/Public Housing/Housing Choice Vouchers)
APPROVAL: 2008

This policy change facilitates program transfers in limited circumstances, increases landlord participation and reduces the impact on the Public Housing program when tenants transfer. Following the initial review, this activity was placed on hold for future consideration.

ACTIVITY 2008-17: Income Eligibility and Maximum Income Limits

APPROVAL: 2008

This policy would cap the income that residents may have and also still be eligible for KCHA programs. Income limits might be considered in future years if the WIN Rent policy does not efficiently address client needs.

C. ACTIVITIES ON HOLD

There are no activities on hold.

D. CLOSED-OUT ACTIVITIES

Activities listed in this section are closed out, meaning that we currently do not have plans to implement them in the future or they are completed.

ACTIVITY 2013-3: Short-term Rental Assistance Program
APPROVAL: 2013
CLOSEOUT YEAR: 2015

In partnership with the Highline School District, KCHA implemented a program called the Student and Family Stability Initiative (SFSI), a Rapid Re-housing demonstration program. Using this evidence-based approach, our program pairs short-term rental assistance with housing stability and employment connection services for families experiencing or on the verge of homelessness. This activity has been combined with Activity 2013-2: Flexible Rental Assistance as the program models are similar and enlist the same MTW flexibilities.

ACTIVITY 2012-4: Supplemental Support for the Highline Community Healthy Homes Project
APPROVAL: 2012
CLOSEOUT YEAR: 2012

This project provided supplemental financial support to low-income families not otherwise qualified for the Healthy Homes project but who required assistance to avoid loss of affordable housing. This activity is completed. An evaluation of the program by Breysse *et al* was included in KCHA's 2013 Annual MTW Report.

ACTIVITY 2011-1: Transfer of Public Housing Units to Project-based Subsidy
APPROVAL: 2011
CLOSEOUT YEAR: 2012

By transferring Public Housing units to Project-based subsidy, KCHA preserved the long-term viability of 509 units of Public Housing. By disposing these units to a KCHA-controlled entity, we were able to leverage funds to accelerate capital repairs and increase tenant mobility through the provision of tenant-based voucher options to existing Public Housing residents. This activity is completed.

ACTIVITY 2011-2: Redesign the Sound Families Program
APPROVAL: 2011
CLOSEOUT YEAR: 2014

KCHA developed an alternative model to the Sound Families program that combines HCV funds with DSHS funds. The goal was to continue the support of at-risk, homeless households in a FUP-like model after the completion of the Sound Families demonstration. This activity is completed and the services have been incorporated into our existing conditional housing program.

ACTIVITY 2010-2: Resident Satisfaction Survey

APPROVAL: 2010
CLOSEOUT YEAR: 2010

KCHA developed an internal Satisfaction Survey in lieu of a requirement to comply with the Resident Assessment Subsystem portion of HUD's Public Housing Assessment System. *Note: KCHA continues to survey Public Housing households, Section 8 households and Section 8 landlords on an ongoing basis.*

ACTIVITY 2009-2: Definition of Live-in Attendant

APPROVAL: 2009
CLOSEOUT YEAR: 2014

In 2009, KCHA considered a policy change that would redefine who is considered a "Live-in Attendant." This policy is no longer under consideration.

ACTIVITY 2008-4: Combined Program Management

APPROVAL: 2008
CLOSEOUT YEAR: 2009

This activity streamlined program administration through a series of policy changes that ease operations of units converted from Public Housing to project-based Section 8 subsidy or those located in sites supported by mixed funding streams.

ACTIVITY 2008-6: Performance Standards

APPROVAL: 2008
CLOSEOUT YEAR: 2014

In 2008, KCHA investigated the idea of developing performance standards and benchmarks to evaluate the MTW program. We worked with other MTW agencies in the development of the performance standards now being field-tested across the country. This activity is closed out as KCHA continues to collaborate with other MTW agencies on industry metrics and standards.

ACTIVITY 2007-4: Section 8 Applicant Eligibility

APPROVAL: 2007
CLOSEOUT YEAR: 2007

This activity increased program efficiency by removing eligibility for those currently on a federal subsidy program.

ACTIVITY 2007-8: Remove Cap on Voucher Utilization
APPROVAL: 2007
CLOSEOUT YEAR: 2014

This initiative allows us to award Section 8 assistance to more households than permissible under the HUD-established baseline. Our savings from a multi-tiered payment standard system, operational efficiencies and other policy changes have been critical in helping us respond to the growing housing needs of the region's extremely low-income households. Despite ongoing uncertainties around federal funding levels, we intend to continue to use MTW program flexibility to support housing voucher issuance levels above HUD's established baseline. This activity is no longer active as agencies now are permitted to lease above their ACC limit.

ACTIVITY 2007-9: Develop a Local Asset Management Funding Model
APPROVAL: 2007
CLOSEOUT YEAR: 2007

This activity streamlined current HUD requirements to track budget expenses and income down to the Asset Management Project level. This activity is completed.

ACTIVITY 2007-18: Resident Opportunity Plan (ROP)
APPROVAL: 2007
CLOSEOUT YEAR: 2016

An expanded and locally designed version of FSS, ROP's mission was to advance families toward self-sufficiency through the provision of case management, supportive services and program incentives, with the goal of positive transition from Public Housing or Section 8 into private market rental housing or home ownership. KCHA implemented this five-year pilot in collaboration with community partners, including Bellevue College and the YWCA. These partners provided education and employment-focused case management, such as individualized career planning, a focus on wage progression and asset-building assistance. In lieu of a standard FSS escrow account, each household received a monthly deposit into a savings account, which continued throughout program participation. Deposits to the household savings account were made available to residents upon graduation from Public Housing or Section 8 subsidy. The final year of the five-year pilot was 2015. After a multi-year evaluation revealed mixed outcomes, KCHA decided to close out the program and re-evaluate the best ways to assist the families we serve in achieving economic independence.

ACTIVITY 2006-1: Block Grant Non-mainstream Vouchers

APPROVAL: 2006
CLOSEOUT YEAR: 2006

This policy change expanded KCHA's MTW Block Grant by including all non-mainstream program vouchers. This activity is completed.

ACTIVITY 2005-18: Modified Rent Cap for Section 8 Participants

APPROVAL: 2005
CLOSEOUT YEAR: 2005

This modification allowed a tenant's portion of rent to be capped at up to 40 percent of gross income upon initial lease-up rather than 40 percent of adjusted income. *Note: KCHA may implement a rent cap modification in the future to increase mobility.*

ACTIVITY 2004-8: Resident Opportunities and Self-sufficiency (ROSS) Grant Homeownership

APPROVAL: 2004
CLOSEOUT YEAR: 2006

This grant funded financial assistance through MTW reserves with rules modified to fit local circumstances, modified eligibility to include Public Housing residents with HCV, required minimum income and minimum savings prior to entry, and expanded eligibility to include more than first-time homebuyers. This activity is completed.

SECTION V

SOURCES AND USES OF MTW FUNDS

A. SOURCES AND USES OF MTW FUNDS

Estimated Sources of MTW Funding for the Fiscal Year

FDS Line Item	FDS Line Item Name	Dollar Amount
70500 (70300+70400)	Total Tenant Revenue	$5,109,000
70600	HUD PHA Operating Grants	$122,745,000
70610	Capital Grants	$3,627,000
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	$0
71100+72000	Interest Income	$318,000
71600	Gain or Loss on Sale of Capital Assets	$0
71200+71300+71310+71400+71500	Other Income	$3,880,000
70000	**Total Revenue**	**$135,679,000**

Estimated Uses of MTW Funding for the Fiscal Year

FDS Line Item	FDS Line Item Name	Dollar Amount
91000 (91100+91200+91400+91500+91600+91700+91800+ 91900)	Total Operating - Administrative	($13,764,000)
91300+91310+92000	Management Fee Expense	($4,544,000)
91810	Allocated Overhead	$0
92500 (92100+92200+92300+92400)	Total Tenant Services	($7,579,000)
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	($2,294,000)
93500+93700	Labor	$0
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	($2,714,000)
95000 (95100+95200+95300+95500)	Total Protective Services	($121,000)
96100 (96110+96120+96130+96140)	Total Insurance Premiums	($414,000)
96000 (96200+96210+96300+96400+96500+96600+96800)	Total Other General Expenses	($204,000)
96700 (96710+96720+96730)	Total Interest Expense and Amortization Cost	($8,000)
97100+97200	Total Extraordinary Maintenance	($2,521,000)

97300+97350	Housing Assistance Payments + HAP Portability-in	($90,833,000)
97400	Depreciation Expense	($3,200,000)
97500+97600+97700+97800	All Other Expenses	($10,683,000)
90000	**Total Expenses**	**($138,879,000)**

Description of Activities Using Only MTW Single-fund Flexibility

KCHA strives to make the very best and most creative uses of our single-fund flexibility under MTW, while also adhering to the statutory requirements of the program. Our ability to blend funding sources gives us the freedom to implement new approaches to program delivery in response to the varied and challenging housing needs of low-income people in the Puget Sound region. MTW enables us to become a leaner, more nimble and financially stronger agency. With MTW flexibility, we assist more of our county's households – and, among those, the most vulnerable and poorest households – than would be possible under HUD's traditional funding and program constraints.

KCHA's MTW initiatives, described below, demonstrate the value and effectiveness of single-fund flexibility in practice:

- **KCHA'S SPONSOR-BASED PROGRAM.** Formerly known as provider-based, this program was implemented in 2007 and gives the county's most vulnerable households access to safe, secure housing with wraparound supportive services – much of it under a Housing First model. This population includes people with chronic mental illness, people with criminal justice involvement and young adults who are homeless. These households are unlikely to secure housing successfully on the private market utilizing traditional tenant-based vouchers. As the regional vacancy rate drops and landlords grow increasingly more selective in choosing tenants, this program design becomes even more critical for housing our most at-risk clients.
- **HOUSING STABILITY FUND.** This fund provides emergency financial assistance to qualified residents to cover housing costs, including rental assistance, security deposits and utility support. Under the program design, a designated agency partner disburses funding to qualified program participants, screening for eligibility according to the program's guidelines, which were revised in 2015. We assist up to 100 households through the awarding of emergency grants. As result of this assistance, families are able to maintain their housing, avoiding the far greater safety net costs that could occur if they become homeless.

- **EDUCATION INITIATIVES.** KCHA continues to actively partner with local education stakeholders to improve outcomes for the nearly 14,000 children who live in our federally assisted housing. Educational outcomes, including improved attendance, grade-level performance and graduation are an integral part of our core mission. By investing in the next generation, we are working to close the cycle of poverty that persists among the families we serve.
- **REDEVELOPMENT OF DISTRESSED PUBLIC HOUSING.** With MTW's single-fund flexibility, KCHA continues to undertake the repairs necessary to preserve more than 3,000 units of federally subsidized housing over the long term. For example, this flexibility enables effective use of the initial and second five-year increments of Replacement Housing Factor (RHF) funds from the former Springwood and Park Lake I and II developments, and the disposition of 509 scattered-site public housing units to finance the redevelopment of the Birch Creek and Green River complexes. Following HUD disposition approval in 2012, KCHA is using MTW flexibility to successfully address the substantial deferred maintenance needs of 509 former Public Housing units in 22 different communities. Utilizing MTW authorizations, we have transitioned these properties to the project-based Section 8 program and have leveraged $18 million from the Federal Home Loan Bank (FHLB) on extremely favorable terms for property repairs. As the FHLB requires such loans to be collateralized by cash, investments and/or underlying mortgages on real property, we continue to use a portion of our MTW working capital as collateral for this loan.
- **ACQUISITION AND PRESERVATION OF AFFORDABLE HOUSING.** We use MTW resources to preserve affordable housing that is at risk of for-profit development and create additional affordable housing opportunities in partnership with state and local jurisdictions. Where possible, we have been acquiring additional housing adjacent to existing KCHA properties in emerging and current high-opportunity neighborhoods where banked Public Housing subsidies can be utilized.
- **RAPID RE-HOUSING.** We continue to partner with the Highline School District and its McKinney-Vento liaisons to provide a Rapid Re-housing program, the Student and Family Stability Initiative, in response to the growing number of homeless students in our public schools. This program provides short-term rental assistance and employment stabilization services to homeless families who do not require long-term rental assistance. The program is the subject of an ongoing evaluation that measures the effectiveness of this approach to ending homelessness for targeted households.

- **LONG-TERM VIABILITY OF OUR GROWING PORTFOLIO.** KCHA uses our single-fund flexibility to reduce outstanding financial liabilities and protect the long-term viability of our inventory. Single-fund flexibility allows us to make loans in conjunction with Low Income Housing Tax Credit (LIHTC) financing to recapitalize properties in our federally subsidized inventory. MTW working capital continues to support the redevelopment of the Greenbridge HOPE VI site through infrastructure financing that will be retired with proceeds from land sales as the build-out of this 100-acre, 900-unit site continues. MTW funds also support energy conservation measures as part of our EPC project, with energy savings over the life of the contract repaying the loan. MTW working capital also provides an essential backstop for outside debt, addressing risk concerns of lenders, enhancing our credit worthiness and enabling our continued access to private capital markets.
- **ENSURING A VOUCHER HOLDER'S SUCCESS IN LEASING UP.** We are committed to our voucher holders' continued success securing housing in an increasingly competitive and constrained private housing market. To sustain our positive shopping success rate, KCHA is dedicating staff time and MTW resources to recruit and retain landlords and build mutually beneficial relationships with them. Some retention and recruitment strategies may include incentive payments, damage-claim funds, a preferred-owners program, and/or priority placement in advertising materials. We also will consider interventions that could assist a resident in leasing up, including security deposit and application fee assistance, allowing double subsidy during a move, providing the assistance of a leasing broker, and implementing a rent readiness program for new voucher holders.
- **REMOVAL OF THE CAP ON VOUCHER UTILIZATION.** This initiative allows us to award Section 8 assistance to more households than permissible under the HUD-established baseline. Our savings from a multi-tiered payment standard, revised occupancy standards, operational efficiencies and other policy changes have been critical in helping us respond to the growing housing needs of extremely low-income households in our region. Despite ongoing uncertainties around federal funding levels, we intend to continue to use MTW program flexibility to support housing voucher issuance levels above HUD's established baseline for as long as feasible.
- **HOMEOWNERSHIP STABILITY FUND FOR SENIORS.** This fund provides housing assistance to qualified, extremely low-income residents living in KCHA's senior manufactured housing developments. Under the program design, KCHA staff disburse funding to residents, screening

for eligibility according to the program's guidelines. As a result of this assistance, these senior residents are able to maintain their housing stability.

B. LOCAL ASSET MANAGEMENT PLAN

Has the PHA allocated costs within statute during the plan year?	No
Has the PHA implemented a local asset management plan (LAMP)?	Yes
Has the PHA provided a LAMP in the appendix?	Yes

In FY 2008, as detailed in the MTW Annual Plan for that year and adopted by our Board of Commissioners under Resolution No. 5116, KCHA developed and implemented our own local funding model for Public Housing and Section 8 using our MTW block grant authority. Under our current agreement, KCHA's Public Housing Operating, Capital and Section 8 Housing Choice Voucher funds are considered fungible and may be used interchangeably. In contrast to 990.280 regulations, which require transfers between projects only after all project expenses are met, KCHA's model allows budget-based funding at the start of the fiscal year from a central ledger, not other projects. We maintain a budgeting and accounting system that gives each property sufficient funds to support annual operations, including allowable fees. Actual revenues include those provided by HUD and allocated by KCHA based on annual property-based budgets. As envisioned, all block grants are deposited into a single general ledger fund.

No changes will be made to the LAMP in 2017.

SECTION VI

ADMINISTRATIVE

A. BOARD OF COMMISSIONERS RESOLUTION

Attached as Appendix B.

B. PUBLIC REVIEW PROCESS

MTW Plan Public Review Period

August 17, 2016, to September 16, 2016

- **MEETINGS AND HEARINGS**
  - August 31: Public Hearing
  - September 6 and 7: Resident Advisory Committee Meetings
  - September 12: Meeting with Service Provider Partners
- **MAILING**
  - Shared draft plan via email with stakeholders, partners and the Resident Advisory Committee, accompanied by a request for participation in the hearings.
- **PUBLISHING AND POSTING**
  - August 17: Seattle Times
  - August 17: Daily Journal of Commerce
  - August 17: NW Asian Weekly
  - August 17: Posted on KCHA website (www.kcha.org)
  - August 17: Posted notice in KCHA's Public Housing and Project-based Section 8 developments; available in main office and public hearing site, Seola Gardens.

Comments Received

The public review period is still underway as of the publishing of this draft.

C. RESULTS OF LATEST KCHA-DIRECTED EVALUATIONS

N/A

D. ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT

Attached as Appendix C.

APPENDIX A

KCHA'S LOCAL ASSET MANAGEMENT PLAN

As detailed in KCHA's FY 2008 MTW Annual Plan and adopted by the Board of Commissioners under Resolution No. 5116, KCHA has implemented a Local Asset Management Plan that considers the following:

- KCHA will develop its own local funding model for Public Housing and Section 8 using its block grant authority. Under its current agreement, KCHA can treat these funds and CFP dollars as fungible. In contrast to 990.280 regulations, which require transfers between projects after all project expenses are met, KCHA's model allows budget-based funding at the start of the fiscal year from a central ledger, not other projects. KCHA will maintain a budgeting and accounting system that gives each property sufficient funds to support annual operations, including allowable fees. Actual revenues will include those provided by HUD and allocated by KCHA based on annual property-based budgets. As envisioned, all block grants will be deposited into a single general ledger fund. This will have multiple benefits.

    - KCHA gets to decide subsidy amounts for each public housing project. It's estimated that HUD's new funding model has up to a 40% error rate for individual sites. This means some properties get too much, some too little. Although funds can be transferred between sites, it's simpler to determine the proper subsidy amount at the start of the fiscal year rather than when shortfalls develop. Resident services costs will be accounted for in a centralized fund that is a sub-fund of the single general ledger, not assigned to individual programs or properties.

    - KCHA will establish a restricted public housing operating reserve equivalent to two months' expenses. KCHA will estimate subsidies and allow sites to use them in their budgets. If the estimate exceeds the actual subsidy, the difference will come from the operating reserve. Properties may be asked to replenish this central reserve in the following year by reducing expenses, or KCHA may choose to make the funding permanent by reducing the unrestricted block grant reserve.

- Using this approach will improve budgeting. Within a reasonable limit, properties will know what they have to spend each year, allowing them autonomy to spend excess on "wish list" items and carefully watch their budgets. The private sector doesn't wait until well into its fiscal year to know how much revenue is available to support its sites.

- Reporting site-based results is an important component of property management and KCHA will continue accounting for each site separately; however, KCHA, as owner of the properties will determine how much revenue will be included as each project's subsidy. All subsidies will be properly accounted for under the MTW rubric.

- Allowable fees to the central office cost center (COCC) will be reflected on the property reports, as required. The MTW ledger won't pay fees directly to the COCC. As allowable under the asset management model, however, any subsidy needed to pay legacy costs, such as pension or terminal leave payments and excess energy savings from the Authority's ESCO, may be transferred from the MTW ledger or the projects to the COCC.

- Actual Section 8 amounts needed for housing assistance payments and administrative costs will be allotted to the Housing Choice Voucher program, including sufficient funds to pay asset management fees. Block grant reserves and their interest earnings will not be commingled with Section 8 operations, enhancing budget transparency. Section 8 program managers will become more responsible for their budgets in the same manner as public housing site managers.

- Block grant ledger expenses, other than transfers out to sites and Section 8, will be those that support MTW initiatives, such as the South County Pilot or resident self-sufficiency programs. Isolating these funds and activities will help KCHA's Board of Commissioners and its management keeps track of available funding for incremental initiatives and enhances KCHA's ability to compare current to pre-MTW historical results with other housing authorities that do not have this designation.

- In lieu of multiple submissions of Operating Subsidy for individual Asset Management Projects, KCHA may submit a single subsidy request using a weighted average project expense level (WAPEL) with aggregated utility and add-on amounts.

APPENDIX B

BOARD OF COMMISSIONERS RESOLUTION AND CERTIFICATIONS OF COMPLIANCE

The signed resolution and certifications begin on the following page.

APPENDIX C

ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT

The report begins on the following page.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary

PHA Name: HA County of King	Grant Type and Number Capital Fund Program Grant No: WA19P002501-10 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2010 FFY of Grant Approval:

Type of Grant
☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)
☒ Performance and Evaluation Report for Period Ending: 06/30/2016 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised[2]	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) [3]				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	4,376,681.00	4,376,681.00	4,376,681.00	4,376,681.00
16	1495.1 Relocation Costs				
17	1499 Development Activities [4]				

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary

PHA Name: HA County of King	Grant Type and Number Capital Fund Program Grant No: **WA19P002501-10** Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2010 FFY of Grant Approval:

Type of Grant

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)

☒ Performance and Evaluation Report for Period Ending: 06/30/2016 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment	642,905.00	642,905.00	642,905.00	642,905.00
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	5,019,586.00	5,019,586.00	5,019,586.00	5,019,586.00
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				

Signature of Executive Director	Date 7/25/2016	Signature of Public Housing Director	Date

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part II: Supporting Pages								
PHA Name: HA County of King		**Grant Type and Number** Capital Fund Program Grant No: **WA19P002501-10** CFFP (Yes/ No): Replacement Housing Factor Grant No:			**Federal FFY of Grant: 2010**			
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

[2] To be completed for the Performance and Evaluation Report.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part II: Supporting Pages

PHA Name: HA County of King	**Grant Type and Number** Capital Fund Program Grant No: **WA19P002501-10** CFFP (Yes/ No): Replacement Housing Factor Grant No:	**Federal FFY of Grant: 2010**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Part III: Implementation Schedule for Capital Fund Financing Program					
PHA Name: HA County of King					**Federal FFY of Grant: 2010**
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
WA002	07/14/2012	02/15/2012	07/14/2014		

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part III: Implementation Schedule for Capital Fund Financing Program					
PHA Name: HA County of King					**Federal FFY of Grant: 2010**
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary

PHA Name: HA County of King	Grant Type and Number Capital Fund Program Grant No: WA19P002501-11 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2011 FFY of Grant Approval:

Type of Grant
☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)
☒ Performance and Evaluation Report for Period Ending: 06/30/2016 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised[2]	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) [3]				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	3,736,161.00	3,736,161.00	3,736,161.00	3,736,161.00
16	1495.1 Relocation Costs				
17	1499 Development Activities [4]				

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

form HUD-50075.1 (07/2010)

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary

PHA Name: HA County of King	**Grant Type and Number** Capital Fund Program Grant No: **WA19P002501-11** Replacement Housing Factor Grant No: Date of CFFP:	**FFY of Grant: 2011** **FFY of Grant Approval:**

Type of Grant

☐ **Original Annual Statement** ☐ **Reserve for Disasters/Emergencies** ☐ **Revised Annual Statement (revision no:)**

☒ **Performance and Evaluation Report for Period Ending: 06/30/2016** ☐ **Final Performance and Evaluation Report**

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment	642,380.00	642,380.00	642,380.00	642,380.00
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	4,378,541.00	4,378,541.00	4,378,541.00	4,378,541.00
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				

Signature of Executive Director	**Date** 4/25/2016	**Signature of Public Housing Director**	**Date**

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

form **HUD-50075.1** (07/2010)

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part II: Supporting Pages

PHA Name: HA County of King	**Grant Type and Number** Capital Fund Program Grant No: **WA19P002501-11** CFFP (Yes/ No): Replacement Housing Factor Grant No:	**Federal FFY of Grant: 2011**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part II: Supporting Pages

PHA Name: HA County of King	**Grant Type and Number** Capital Fund Program Grant No: **WA19P002501-11** CFFP (Yes/ No): Replacement Housing Factor Grant No:	**Federal FFY of Grant: 2011**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part III: Implementation Schedule for Capital Fund Financing Program

PHA Name: HA County of King					**Federal FFY of Grant: 2011**
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
WA002	08/02/2013	07/03/2013	08/02/2015		
		‼ FORMTEXT			

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part III: Implementation Schedule for Capital Fund Financing Program					
PHA Name: HA County of King					**Federal FFY of Grant: 2011**
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
			‼ FORMTEXT		

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary

PHA Name: HA County of King	Grant Type and Number Capital Fund Program Grant No: WA19P002501-12 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2012 FFY of Grant Approval:

Type of Grant
☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)
☒ Performance and Evaluation Report for Period Ending: 06/30/2016 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised[2]	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) [3]				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	4,050,127.00	4,050,127.00	4,050,127.00	4,050,127.00
16	1495.1 Relocation Costs				
17	1499 Development Activities [4]				

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary

PHA Name: HA County of King	Grant Type and Number Capital Fund Program Grant No: **WA19P002501-12** Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2012 FFY of Grant Approval:

Type of Grant

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)

☒ Performance and Evaluation Report for Period Ending: 06/30/2016 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	4,050,127.00	4,050,127.00	4,050,127.00	4,050,127.00
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				

Signature of Executive Director	Date 7/25/2016	Signature of Public Housing Director	Date

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part II: Supporting Pages								
PHA Name: HA County of King	**Grant Type and Number** Capital Fund Program Grant No: **WA19P002501-12** CFFP (Yes/ No): Replacement Housing Factor Grant No:			**Federal FFY of Grant: 2012**				
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part II: Supporting Pages								
PHA Name: HA County of King		**Grant Type and Number** Capital Fund Program Grant No: **WA19P002501-12** CFFP (Yes/ No): Replacement Housing Factor Grant No:				**Federal FFY of Grant: 2012**		
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part III: Implementation Schedule for Capital Fund Financing Program					
PHA Name: HA County of King					**Federal FFY of Grant: 2012**
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
WA002	03/11/2014		3/11/2016		
	‼ FORMTEXT				

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part III: Implementation Schedule for Capital Fund Financing Program					
PHA Name: HA County of King					**Federal FFY of Grant: 2012**
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary		
PHA Name: HA County of King	Grant Type and Number Capital Fund Program Grant No: WA19P002501-13 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2013 FFY of Grant Approval:

Type of Grant
☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)
☒ Performance and Evaluation Report for Period Ending: 06/30/2016 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised[2]	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) [3]				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	3,162,965.00	3,162,965.00	3,162,965	520,213.66
16	1495.1 Relocation Costs				
17	1499 Development Activities [4]				

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary

PHA Name: HA County of King	Grant Type and Number Capital Fund Program Grant No: **WA19P002501-13** Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2013 FFY of Grant Approval:

Type of Grant

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)

☐ Performance and Evaluation Report for Period Ending: 06/31/2016 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	3,162,965.00	3,162,965.00	3,162,965.00	520,213.66
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				

Signature of Executive Director	Date 7/25/2016	Signature of Public Housing Director	Date

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part II: Supporting Pages

PHA Name: HA County of King	**Grant Type and Number** Capital Fund Program Grant No: **WA19P002501-13** CFFP (Yes/ No): Replacement Housing Factor Grant No:	**Federal FFY of Grant: 2013**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

form **HUD-50075.1** (07/2014)

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part II: Supporting Pages

PHA Name: HA County of King	**Grant Type and Number** Capital Fund Program Grant No: **WA19P002501-13** CFFP (Yes/ No): Replacement Housing Factor Grant No:	**Federal FFY of Grant: 2013**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Part III: Implementation Schedule for Capital Fund Financing Program					
PHA Name: HA County of King					**Federal FFY of Grant: 2013**
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
WA002	09/08/2015		09/08/2017		
					FORMTEXT

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

Part III: Implementation Schedule for Capital Fund Financing Program					
PHA Name: HA County of King					**Federal FFY of Grant: 2013**
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
		‼ FORMTEXT			

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary

PHA Name: HA County of King	Grant Type and Number Capital Fund Program Grant No: WA19P002501-14 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2014 FFY of Grant Approval:

Type of Grant
☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)
☒ Performance and Evaluation Report for Period Ending: 06/30/2016 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised[2]	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) [3]				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	3,684,067.00	3,684,067.00	3,684,067	368,406.70
16	1495.1 Relocation Costs				
17	1499 Development Activities [4]				

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary

PHA Name: HA County of King	Grant Type and Number Capital Fund Program Grant No: **WA19P002501-14** Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2014 FFY of Grant Approval:

Type of Grant

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)

☒ Performance and Evaluation Report for Period Ending: 06/30/2016 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	3,684,067.00	3,684,067.00	3,684,067	368,406.70
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				

Signature of Executive Director	Date	Signature of Public Housing Director	Date

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part II: Supporting Pages

PHA Name: HA County of King	**Grant Type and Number** Capital Fund Program Grant No: **WA19P002501-14** CFFP (Yes/ No): Replacement Housing Factor Grant No:	**Federal FFY of Grant: 2014**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Part II: Supporting Pages

PHA Name: HA County of King	**Grant Type and Number** Capital Fund Program Grant No: **WA19P002501-14** CFFP (Yes/ No): Replacement Housing Factor Grant No:	**Federal FFY of Grant: 2014**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

[2] To be completed for the Performance and Evaluation Report.

Part III: Implementation Schedule for Capital Fund Financing Program

PHA Name: HA County of King					**Federal FFY of Grant: 2014**
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
WA002	05/12/2016		05/12/2018		

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part III: Implementation Schedule for Capital Fund Financing Program					
PHA Name: HA County of King					**Federal FFY of Grant: 2014**
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary

PHA Name: HA County of King	Grant Type and Number Capital Fund Program Grant No: WA19P002501-15 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2015 FFY of Grant Approval:

Type of Grant
☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)
☒ Performance and Evaluation Report for Period Ending: 06/30/2016 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised[2]	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) [3]				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	3,795,767.00	3,795,767.00	379,576.70	379,576.70
16	1495.1 Relocation Costs				
17	1499 Development Activities [4]				

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary

PHA Name: HA County of King	Grant Type and Number Capital Fund Program Grant No: **WA19P002501-15** Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2015 FFY of Grant Approval:

Type of Grant

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)

☒ Performance and Evaluation Report for Period Ending: 06/30/2016 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	3,795,767.00	3,795,767.00	379,576.70	379,576.70
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				

Signature of Executive Director	Date 7/25/2016	Signature of Public Housing Director	Date

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part II: Supporting Pages

PHA Name: HA County of King	**Grant Type and Number** Capital Fund Program Grant No: **WA19P002501-15** CFFP (Yes/ No): Replacement Housing Factor Grant No:	**Federal FFY of Grant: 2015**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

[2] To be completed for the Performance and Evaluation Report.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part II: Supporting Pages

PHA Name: HA County of King

Grant Type and Number
Capital Fund Program Grant No: **WA19P002501-15**
CFFP (Yes/ No):
Replacement Housing Factor Grant No:

Federal FFY of Grant: 2015

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

[2] To be completed for the Performance and Evaluation Report.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part III: Implementation Schedule for Capital Fund Financing Program

PHA Name: HA County of King					**Federal FFY of Grant: 2015**
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
WA002	04/12/2017		04/12/2019		

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

Part III: Implementation Schedule for Capital Fund Financing Program

PHA Name: HA County of King					Federal FFY of Grant: 2015
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary

PHA Name: HA County of King	Grant Type and Number Capital Fund Program Grant No: WA19P002501-16 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2016 FFY of Grant Approval:

Type of Grant
☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)
☒ Performance and Evaluation Report for Period Ending: 06/30/2016 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised[2]	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) [3]				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	3,900,241.00	3,900,241.00	390,024.10	0.00
16	1495.1 Relocation Costs				
17	1499 Development Activities [4]				

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary		
PHA Name: HA County of King	Grant Type and Number Capital Fund Program Grant No: **WA19P002501-16** Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2016 FFY of Grant Approval:

Type of Grant

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)

☒ Performance and Evaluation Report for Period Ending: 06/30/2016 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	3,900,241.00	3,900,241.00	390,024.10	0.00
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				

Signature of Executive Director	Date 7/25/2016	Signature of Public Housing Director	Date

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part II: Supporting Pages

PHA Name: HA County of King

Grant Type and Number
Capital Fund Program Grant No: **WA19P002501-16**
CFFP (Yes/ No):
Replacement Housing Factor Grant No:

Federal FFY of Grant: 2016

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Part II: Supporting Pages

PHA Name: HA County of King	**Grant Type and Number** Capital Fund Program Grant No: **WA19P002501-16** CFFP (Yes/ No): Replacement Housing Factor Grant No:	**Federal FFY of Grant: 2016**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

[2] To be completed for the Performance and Evaluation Report.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part III: Implementation Schedule for Capital Fund Financing Program

PHA Name: HA County of King					**Federal FFY of Grant: 2016**
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
WA002	04/12/2018		04/12/2020		

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

Part III: Implementation Schedule for Capital Fund Financing Program					
PHA Name: HA County of King					**Federal FFY of Grant: 2016**
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

TAB NUMBER 7

King County Housing Authority

TO: Board of Commissioners

FROM: Dan Watson, Deputy Executive Director

DATE: September 15, 2016

RE: **2016 Mid-Year Capital Expenditure Report**

This report provides a detailed summary of construction related capital expenditures through mid-year.

The total amount budgeted in 2016 for capital construction projects planned and managed by various KCHA departments is $50,575,451. The actual construction related capital expenditures to date is $16,814,433 or 33%of budget. A summary of expenditures to date by the various categories of projects and for major projects in 2016 is as follows:

Dept.	Project Category	No. of projects	2016 Budget	2016 YTD Expenditures	% Expended
Construction	Public Housing	23	$8,486,863	$3,253,739	38%
Construction	509 Properties	4	$1,830,183	$769,375	42%
Construction	Other	2	$979,317	$28,589	3%
	Subtotal	**29**	**$11,296,363**	**$4,051,703***	**36%**
Development	Corinthian	1	$5,564,253	$3,129,017	56%
	Spiritwood	1	$9,880,076	$3,846,823	39%
	Subtotal	**2**	**$15,544,329**	**$6,975,840**	**49%**
HOPE VI	Greenbridge land dev.	1	$995,155	$551,868	55%
HOPE VI	Wind Rose	1	$227,290	$101,225	46%
HOPE VI	Retail TI	1	$208,200	$0	0%
	Subtotal	**3**	**$1,430,645**	**$653,093**	**46%**
Asset Mgmt.	Bond Properties	26	$2,925,000	$216,985	7%
Asset. Mgmt.	Tax Credit Prop.	2	$400,000	$204,054	51%
Asset Mgmt.	Nike	3	$97,000	$0	0%
	Subtotal	**31**	**$3,422,000**	**$421,039**	**12%**
Housing Mgmt.	Unit Upgrades	150	$4,053,279	$2,679,300	66%
Housing Mgmt.	Small repairs	101	$1,828,835	$1,032,165	75%
Housing Mgmt.	EPC	1	$13,000,000	$1,001,293	8%
	Subtotal	**252**	**$18,882,114**	**$4,712,758**	**25%**
All	**Total Construction**	**317**	**$50,575,451**	**$16,814,433**	**33%**

*Does not include $900,000 in unbudgeted weatherization expenditures to date on KCHA buildings.

It should be noted that although there was no formal budget revision in 2016, two project categories were reforecast, reducing overall capital expenditures anticipated at year end by a total of $8.1 million. As a result, total December 31, 2016 construction costs are reforecast to be $42,475,451.

Overall Construction Progress

As explained in more detail below, the relatively low percentage of budgeted funds spent to date (33%) is heavily influenced by Asset Management's decision to defer 19 projects to 2017 and Housing Management's decision renegotiate and rebid some of EPC work which has delayed the start of the $23 million project. It should be noted that Asset Management reduced their budget for expected 2016 spending by approximately $2.1 million in the second quarter of this year. Capital Construction's percentage of budget expended to date (38%) is low for this point in the year but the department has obligated a significant amount of the remaining 2016 budget and expects to complete most of the scheduled work by year end. The per cent expended by Capital Construction does not account for cost savings (bids coming in under budget) and for the expenditure of unbudgeted weatherization funds for related energy conservation work on KCHA buildings. Adjusting for these factors puts the per cent spent on planned work at around 50%.

Capital Construction

The Capital Construction department primarily handles major renovation projects and construction of community facilities within existing KCHA managed housing developments. The department is responsible for identifying, prioritizing, planning and scoping capital repairs and improvements for KCHA's federally assisted and locally owned housing inventory.

Of the 29 projects planned for 2016, 23 involve construction activity while the remainder involve design and scope development for projects where construction will start in 2017. Major completed projects include:

Project	Project Cost
Burndale Site Improvements	$646,139
Firwood Circle Site Improvements	$670,787
Lakehouse Site Upgrades	$259,962
Northridge Bridge	$107,497
Wells Wood Envelope	$525,138
Valli Kee PSE Gas Lines	$133,836

Major projects still to be completed in 2016 are:

- Briarwood Site Improvements
- College Place Site Improvements
- Evergreen Court Envelope Upgrades
- Firwood Circle Roof Replacement
- Forest Glen Waste and Water Line Replacement
- Greenleaf Roof Replacement
- Juanita Trace Roof Replacement
- Valli Kee Site Improvements

Projected vs. Planned Expenditures in 2016

Despite experiencing under-expenditures in some projects completed to date, the Capital Construction department expects to expend most of its 2016 budget by year end, barring unforeseen delays in the remaining projects. The Burndale, Firwood Circle, and Lake House Site Improvement projects benefited from favorable bids saving approximately $1,104,500 compared to budget. Evergreen Court, Forest Glen, Juanita Trace, and Wells Wood also received $375,500 in energy conservation improvements funded with discretionary Weatherization funds, allowing for either reductions in KCHA's capital expenditures or opportunities to increase scopes of work.

HOPE VI

HOPE VI's capital budget for 2016 is $1,430,645. Although comparable to last year, the 2016 budget includes no capitalized costs for Seola Gardens since the project is nearing completion and now involves only noncapital administrative expenses.

In April, KCHA sold Greenbridge Property 7 for $2,110,000 to BDR. Construction on Property 7 is currently under way for both single family homes and the alley. Capital expenditures have been delayed for the Nia Tenant Improvement (TI) project due to the opportunity to design the space for a new tenant. Staff is working to complete a lease with the tenant so that design work for the TI can begin in November of this year. Wind Rose permits are proceeding with an anticipated completion in the first quarter of 2017. Abatement of the last 2 remaining Park Lake 1 structures was completed with demolition anticipated in the fall of this year. The HomeSight Phase 3 project is nearing completion of the NEPA approval and design is anticipated to start this month. The closing for HomeSight Phase 3 is now anticipated to be in the first quarter of 2017 and will generate $350,000 in land sales revenue. Engineering for Parcels 9, 10 and 11 located along the west side of 4th Ave SW has started including street improvements for 4th Avenue SW with permits planned to be issued 4th quarter of 2017.

Expenditures are anticipated to increase in the 2nd half of 2016 with design work at both Wind Rose and at Property 9, 10 and 11 approximately matching projected budgets for 2016. The Nia TI expenditures will be lower than anticipated due to the delay to allow design to begin with an agreement with a new tenant.

Home Sales at Greenbridge and Seola Gardens by Richmond American Homes and BDR resulted in closing 31 homes so far in 2016. KCHA realized $275,424 in profit participation revenue for the homes sold. Staff projects that Richmond American Homes will complete the remaining 11 home sales at Seola Gardens by the 2nd quarter of 2017.

Conner Homes has waived contingencies on the purchase of bulk Parcel 5 on the west periphery of Greenbridge and is moving forward with plat design, site engineering and permitting of infrastructure. The closing of the land sale and the start of site development work is expected in June 2017.

Asset Management

The Asset Management department has a three person construction management staff that typically oversees smaller repair jobs such as roof replacement, siding replacement, deck repairs, painting, asphalt/concrete repair, plumbing upgrades and similar repairs and replacements within the Asset Management department portfolios.

In a departure from prior years, Asset Management's construction management staff was tasked with contracting and overseeing two major renovation projects: Corinthian and Spiritwood. The critical importance of completing these two tax credit projects totaling $15.5 million by year end has taken precedence over the smaller repair projects in the bond properties portfolio. Asset management also lost a key senior manager due to resignation for personal reasons. Consequently, the department reduced its budgeted spending projections by approximately $2 million in the second quarter of this year and cancelled 19 of its 26 2016 small projects deferring them to 2017.

Completed projects for 2016 are as follows:

Project	Project Cost
Bond Program	
Cascadian Asphalt	$48,250
Fairwood Pool Repairs	$37,950
Gilman Square Roof	$83,646
Rainier View I Roof	$16,000
Tax Credit	
Harrison House Exterior Painting	$81,904

Other projects still to be completed in 2016 are:

- Meadowbrook Pool repairs
- Carriage House Fire Alarm System
- Windsor Heights Fire Alarm System

KCHA is essentially acting as the General Contactor at Corinthian and is bidding all of the work out to 19 specialty contractors and vendors. At Spiritwood, KCHA has retained a strong General Contractor, CEC Inc. Both projects are progressing close to their original schedules. Corinthian has expended 56% of its budget and is expected to complete planned work by year end. Spiritwood suffered a slight delay due to City of Bellevue permitting issues and is attempting to catch up but is constrained by the need to relocate residents and vacate each building before work can begin within a particular building. Project management is confident that most all of the work will be completed by year end but there remains a possibility that some site work will be carried forward into 2017.

Housing Management

The unit upgrade crew has completed interior upgrades in 100 units and is on pace to reach the budgeted goal of 150 units. The per unit cost is approximately $26,800 which is in-line with projections.

Housing management also completed 82 of the originally planned 99 small projects. Because costs were less than budgeted, Housing Management has spent an additional $340,000 of its budget on 99 special projects requested by property management staff.

The Energy Performance Contract (EPC) work has been delayed due to renegotiations with Johnson Controls Inc. (JCI). These negotiations and rebidding of some energy conservation measures has reduced the overall cost of the original scope of work from an estimated $22 million to approximately $14 million. The $8 million in cost saving will be applied to new measures. Because of the delays, the mid year forecast reduced the expected EPC expenditures to $7 million; however, current thinking is that the year end number may be closer to $5 million which is considerably less than $13 million budget amount. It should be noted that HUD is has recently determined that some of the measures undertaken under the EPC such as the installation of ductless heat pumps are considered "rehabilitation" and are thus subject to Environmental Review under NEPA. This ruling may further impact the construction schedule.

TAB NUMBER 8

To: Board of Commissioners

From: Craig Violante, Director of Finance

Date: August 31, 2016

Re: **Second Quarter 2016 Financial Statements**

EXECUTIVE SUMMARY

The funding outlook for 2016 continues to be positive as KCHA received a 12% inflation adjustment for the Housing Choice Voucher (HCV) program. When combined with an actual prorate of 99.582% vs. the budget of 99.0%, KCHA's 2016 funding has increased by $12.5 million over 2015 and will be $13.8 million greater than anticipated in the budget.

A large portion of the increased revenue is being directed toward higher HAP costs resulting from the new payment standards adopted earlier this year and towards an increase in voucher overleasing. A chart depicting the steady rise in average HAP payment per voucher for the past two years can be found on page 5.

Overall KCHA working capital (the difference between the agency's current assets and current liabilities) increased by $8.9 million during the quarter, driven almost exclusively by the receipt of $8.6 million of block grant funding that is requested separately from normally-scheduled HUD payments.

QUARTERLY HIGHLIGHTS

Operating income through June was 1.8% above budget projections, while operating expenses were under target by 1.9%. The revenue variance is due predominantly to HCV port-in revenue exceeding budget by $1.5 million as there have been 822 more unit months than included in the budget, and the average PUC has been $919 vs. the budget of $875. This increase in port income is offset by a like increase in expenses and has no net effect on KCHA. The expense variance results from several factors, the most common being unfilled positions, lower than budgeted professional services and contracts, maintenance costs not yet incurred and differences in timing regarding construction management fees charges.

Harrison House transitioned into KCHA's portfolio during the quarter after an early exit from tax credit ownership. Its partnership assets included cash and replacement reserves of approximately $580,000. KCHA paid a one-time fee of $50,000 for the early exit.

A capital grant of $1 million was received from King County for Patricia Harris Manor, Vashon Terrace and Northwood Square. This funding was budgeted in 2015 but not rolled into 2016 due to uncertain timing. $877,000 of this was received in the second quarter and the remainder in July.

Greenbridge Property #7 was sold to BDR Homes LLC for $2.11 million. The 2.4 acre site will accommodate 13 single family residences and 22 attached townhomes. The approved site design includes an alley to allow rear loading of homes fronting on the swale opposite the Educate Center.

An outstanding $3.6 million bond at Somerset Gardens carrying an interest rate of 5.41% was paid off using a line of credit carrying a current rate of 1.12%. The current plan is for this property to be re-syndicated within the next 2-3 years.

Due to certain debt covenants, KCHA must maintain a debt service coverage ratio of 1.1 or better. The debt service coverage ratio is calculated by dividing net operating income by the annual required debt service payments and is a measure of the ability of a borrower to meet current debt obligations. A ratio of 1.0 or greater means the borrower has sufficient income to cover its obligations. For the first six months of 2016, KCHA's ratio is 1.59. The status of this ratio will be reported to the Board quarterly.

CASH AND INVESTMENT SUMMARIES

Overall cash balances increased by $8.6 million during the quarter, driven by the $8.6 million block grant receipt previously discussed. For a complete report on KCHA's overall cash position at the end of the second quarter, please see page 9.

Investment Summaries (in millions)	Amount	Yield	% of Total
Invested in the Local Government Investment Pool	$33.5	0.43%	24.6%
Invested by KCHA	54.1	1.09%	39.7%
Cash held by trustees	16.3	0.10% *	11.9%
Cash held in checking and savings accounts	26.7	0.10% *	19.6%
Invested by KCHA	$130.6	0.59%	95.9%
Cash loaned for low income housing purposes	5.6	4.89%	4.1%
Loaned by KCHA	5.6	4.89%	4.1%
Total	$136.2	0.77%	100.0%

*Estimate

The overall Return on Investment (ROI) on KCHA investments, including loans made for low income housing purposes, was 0.77%, up from 0.75% last quarter. The Washington State Treasurer's Local Government Investment Pool (LGIP) average interest rate for the quarter was 0.43%.

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

MTW Reserve Balances
(in millions of dollars)

MTW Cash, Beginning of Quarter	$8.4	
Quarterly change:		
Standard Block Grant cash receipts from HUD	20.6	(1)
Quarterly Block Grant HAP payments	(20.8)	
Quarterly Block Grant administrative fees paid to Section 8	(1.9)	
Additional Section 8 HAP funding requested and received from HUD	8.6	
Vantage Point Bridge Loan Repayment	4.3	
Partial repayment of internal Greenbridge loan	1.9	
Additional subsidy transferred to Public Housing properties	(0.6)	
Capital construction projects	(1.5)	
Unit Upgrades	(0.6)	
Direct social service expenses	(1.7)	
Administrative expenses	(0.5)	
Other net changes	(0.2)	
MTW Cash, End of Quarter	$16.0	
Less Reserves:		
Restricted Reserve-Green River Collateral	(7.8)	
HAP Reserve ($4.8 million is pledged as FHLB collateral)	(6.9)	
MTW Working Capital Cash, End of Quarter	($1.7)	

1) Beginning in July, HUD increased the standard monthly block grant cash payment to also include an amount for administrative fees which will reduce the amount of KCHA's general float each month

COCC Reserve Balances
(in millions of dollars)

COCC Cash, Beginning of Quarter	$34.6
Quarterly change:	
Excess cash transferred in from tax credit partnerships and bond properties	1.9
Other net change	(0.3)
COCC Cash, End of Quarter	$36.2
Less Reserves:	
Liquidity Reserves for King County credit enhancement	(9.0)
COCC Working Capital Cash, End of Quarter	$27.2

CAPITAL INVESTMENTS (Including tax credit partnerships)

The following schedule shows the budget versus actual costs of both KCHA-owned properties and KCHA-managed tax credit partnerships' capital projects through the second quarter.

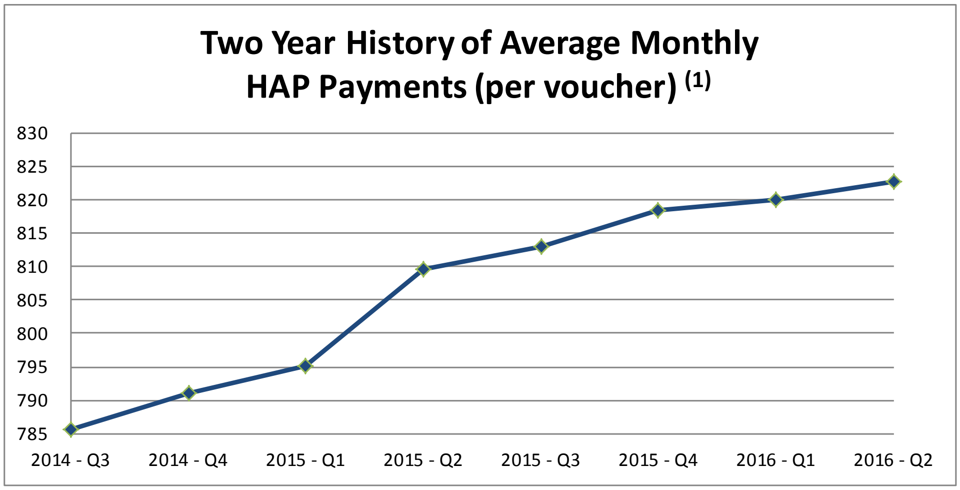
	Actuals Thru 6/30/2016		Budget Thru 6/30/2016	YTD Variance	Percent of Annual Budget	2016 Annual Budget
CONSTRUCTION ACTIVITIES						
Managed by Capital Construction Department						
Public Housing	$2,196,258	(1)	$4,929,550	($2,733,292)	25.9%	$8,486,863
509 Properties	648,973		680,693	(31,720)	35.5%	1,830,183
Other Properties	87,919		252,320	(164,401)	9.0%	979,317
	2,933,150		5,862,563	(2,929,413)	26.0%	11,296,363
Managed by Housing Management Department						
Unit Upgrade Program	1,941,234		2,026,650	(85,416)	47.9%	4,053,279
Other Projects	780,373	(1)	1,320,465	(540,092)	25.6%	3,045,986
	2,721,607		3,347,115	(625,508)	38.3%	7,099,265
Managed by Asset Management Department						
Bond Properties-managed by KCHA staff	90,923		371,300	(280,377)	16.8%	540,950
Bond Properties-managed by external property mgt	3,484,421	(1)	5,669,774	(2,185,353)	31.4%	11,103,447
	3,575,344		6,041,074	(2,465,730)	30.7%	11,644,397
Subtotal Construction Activities	**9,230,101**		**15,250,752**	**(6,020,651)**	**30.7%**	**30,040,025**
DEVELOPMENT ACTIVITY						
Managed by Hope VI Department						
Seola Gardens	89,698		-	89,698	N/A	-
Greenbridge	367,166	(1)	502,678	(135,512)	36.9%	995,155
Salmon Creek/Nia	-		40,100	(40,100)	0.0%	208,200
	456,863		542,778	(85,915)	38.0%	1,203,355
Managed by Development Department						
Vantage Point	33,082		112,701	(79,619)	25.6%	129,065
Spiritwood	3,753,533	(1)	5,643,062	(1,889,529)	12.5%	30,144,927
Notch	81,648		110,487	(28,839)	24.9%	327,290
	3,868,263		5,866,250	(1,997,987)	12.6%	30,601,282
Subtotal Development Activity	**4,325,126**		**6,409,028**	**(2,083,902)**	**13.6%**	**31,804,637**
TOTAL CONSTRUCTION & DEVELOPMENT	**$13,555,228**		**$21,659,780**	**($8,104,553)**	**21.9%**	**$61,844,662**
PROPERTY ACQUISITIONS & OTHER ASSETS						
Acquisitions	32,084,013	(2)				
Software	189,200					
Other Assets	865,627					
TOTAL PER WORKING CAPITAL REPORT	**$46,694,068**					

1) Rate of activity will increase as the year progresses. This has been a pattern in most years as work tends to be done during months with better weather.
2) Acquisition of Spiritwood capital assets by the Spiritwood tax credit partnership and Harrison House by KCHA.

PROGRAM ACTIVITIES

HOUSING CHOICE VOUCHERS

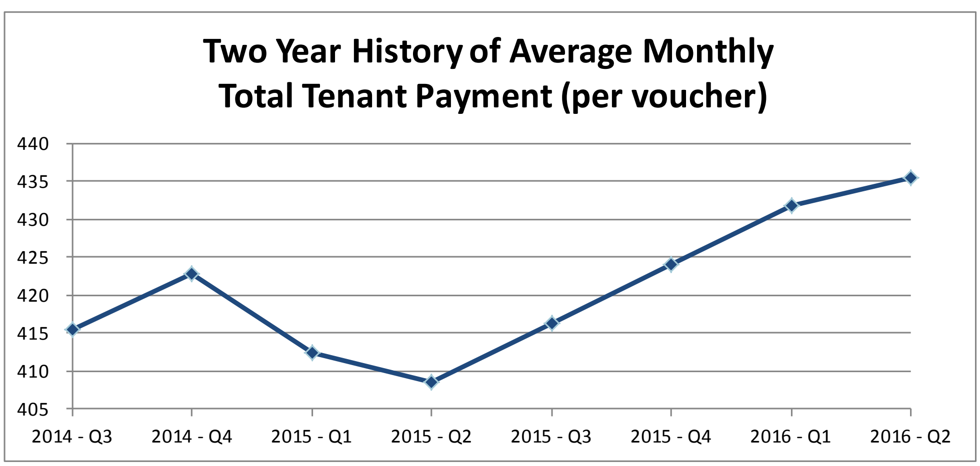
The average quarterly HAP payment to landlords for all HCV vouchers was $822.85, compared to $820.04 last quarter and $809.58 one year ago.



(1) Average HAP expenses from October 2015 through December 2015 include some extrapolated estimates as certain Tenmast data was not available

KCHA's average HAP cost steadily rose throughout 2015 and into 2016, influenced by new payment standards adopted by the Board in December 2014. With the implementation of new multi-tiered payment standards in February 2016 and steadily rising market rents, the increase in average HAP costs is expected to continue.

Total Tenant Payment (TTP) is the tenant's monthly contribution towards rent and utilities and is benchmarked at 28.3% of their income. Average TTP during the quarter was $435.41, up from $431.72 the previous quarter, increasing despite the recent change in payment standards.



Based on KCHA's experience with the December 2014 payment standard increase, it will be several more months before the TTP declines as tenants move to the new standards only as a result of annual reviews, rent changes, moves, and hardship requests.

Data pertaining to the number of families who are paying more than 30%, 40% and 50% of their income towards rent is not yet available from the Tenmast. The issue has been elevated in importance with the software developer and continues to be worked on by the Authority.

MTW PROGRAM

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

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

Even though KCHA drew all block grant funding available in the first half of the year the amount was still below budgeted levels due to HUD cash management procedures.

(In thousands of dollars)	Actual	Budget	Variance	%Var	
HCV Block Grant Revenue	$50,274.8	$51,360.4	($1,085.6)	(2.1%)	(1)
Funding of HAP Payments to Landlords	(41,854.1)	(42,012.1)	(158.0)	0.4%	
Funding of Section 8 Administrative Costs	(3,881.8)	(3,874.6)	7.3	(0.2%)	
Excess of HCV Block Grant Funding over Expenses	$4,538.8	$5,473.7	($934.8)	(17.1%)	(2)

1) Standard monthly block grant payments from HUD are based on prior years leasing levels. Additional amounts are requested by KCHA as HUD receives specific funding authority.
2) This excess is used to fund the other programs listed below

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

Through the first two quarters, the transfer of MTW funds to subsidize Public Housing operations has been on target.

(In thousands of dollars)	Actual	Budget	Variance	%Var
Additional Transfers (to) PH AMPs Based on Need	($1,090.4)	($1,090.5)	($0.0)	0.0%
Net Flow of Cash(from)/to MTW from/(to) PH	($1,090.4)	($1,090.5)	($0.0)	0.0%

3. *Expenditures for homeless and resident service programs*

MTW dollars support nearly all resident service programs and various initiatives designed to alleviate and prevent homelessness:

(In thousands of dollars)	Actual	Budget	Variance	%Var	
Public Housing Subsidy earmarked for resident services	$191.5	$185.7	$5.8	3.1%	
Homeless Initiatives	(800.9)	(1,433.6)	$632.7	(44.1%)	(1)
Resident Services	(2,453.8)	(2,545.7)	$91.9	(3.6%)	
Net Use of MTW Funds for Special Programs	($3,063.2)	($3,793.6)	$730.4	(19.3%)	

1) Large staffing changes at partner agency resulted in fewer housings than anticipated with the Highline Rapid Rehousing program. Slow billing by partner agencies such as PACT and Housing First also contributed to the variance. The Flat Rent PBA program was expected to begin in April but has not yet begun.

4. *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	($3,271.7)	($6,755.9)	$3,484.2	(106.5%)	(1)
Misc. Other Uses	(152.8)	(142.0)	(10.9)	7.1%	
	($3,424.5)	($6,897.8)	$3,473.3	(101.4%)	

1) Some construction projects have been delayed but construction activity is expected to catch up to budget in the third and fourth quarters.

5. *Costs to administer the MTW program*

Administrative costs are primarily salaries and benefits of those who manage or analyze MTW-funded programs, with year-to-date expenses of $348,800 or 0.69% of program gross revenues. Expenses are below the budget of $486,570 due mainly to timing issues.

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, as Regional Maintenance activity is accounted for in a separate fund and is not considered part of KCHA's general overhead.

(In thousands of dollars)

	YTD Actual	YTD Budget	Variance	%Var	
Revenues					
Management fees	3,954.3	4,505.4	($551.1)	(13.9%)	(1)
Cash transferred-in from local properties	2,787.4	2,857.6	(70.2)	(2.5%)	
Investment income	720.5	713.5	7.0	1.0%	
Other income	574.5	516.7	57.8	10.1%	
	$8,036.8	$8,593.2	($556.4)	(6.9%)	
Expenses					
Salaries & Benefits	4,626.0	4,722.0	($96.0)	(2.1%)	
Administrative Expenses	1,014.4	1,577.9	(563.5)	(55.6%)	(2)
Occupancy Expenses	111.6	97.3	14.3	12.8%	
Other Expenses	300.4	308.7	(8.3)	(2.8%)	
	$6,052.4	$6,705.9	($653.6)	(10.8%)	
Net Change in Available COCC Resources	$1,984.4	$1,887.3	$97.1		

1) Construction management fee revenue was budgeted for June butwas not billed until August. In addition, management fees related to MTW-funded projects have been lower than budget due to the timing of the projects
2) Administrative contracts and professional services have been less than anticipated in the budget but are expected to increase as the year progresses

REPORTS TABLE OF CONTENTS

Summary Reports

Budget vs. Actual Reports

King County Housing Authority
Consolidated Cash Report
As of 6/30/2016

	KCHA-Owned Cash					
	Oper Cash & State Pool 6/30/2016	Outside Investments 6/30/2016	Other Cash Accounts 6/30/2016	Total Cash 6/30/2016	Total Cash 3/31/2016	Cash of Other Entities 6/30/2016
Cash-Unrestricted						
COCC	$10,538,737	$16,640,098	$50	$27,178,884	$25,572,692	$0
Other Funds	(4,685,310)	2,501,751	18,829,643	16,646,083	18,467,225	3,034,524
Total Cash-Unrestricted	5,853,426	19,141,848	18,829,693	43,824,967	44,039,917	3,034,524
Cash for Use Within Specific Programs						
MTW	(4,920,498)	3,111,068	0	(1,809,431)	(10,016,794)	0
Public Housing	5,106,793	0	0	5,106,793	4,828,970	404,721
Section 8	(1,848,185)	0	1,919,349	71,164	(275,014)	0
Other Funds	2,672,197	1,000,000	0	3,672,197	3,793,093	0
Total Cash for Use Within Specific Programs	1,010,307	4,111,068	1,919,349	7,040,724	(1,669,745)	404,721
Cash Set-aside to Pay Short-term Debt (P & I Reserves)						
Other Funds	2,247,758	239,763	905,635	3,393,156	3,766,110	0
Total Cash Set-aside to Pay Short-term Debt	2,247,758	239,763	905,635	3,393,156	3,766,110	0
Cash Dedicated for Specific Purposes						
MTW	3,053,515	2,113,882	0	5,167,397	6,119,050	0
Section 8	36,346	0	0	36,346	36,346	0
COCC	2,008,676	7,006,732	0	9,015,409	9,034,567	0
Other Funds	15,733,060	16,297,990	3,200,000	35,231,049	34,440,303	1,315,019
Total Cash Dedicated for Specific Purposes	20,831,597	25,418,604	3,200,000	49,450,201	49,630,266	1,315,019
Cash Restricted by Outside Entities						
MTW	66,833	4,786,118	7,762,571	12,615,522	12,336,480	0
Public Housing	193,574	0	0	193,574	197,356	9,100
Section 8	1,077,334	0	0	1,077,334	782,041	0
COCC	0	0	6,801	6,801	6,801	0
Other Funds	2,262,037	443,871	10,303,660	13,009,568	12,879,657	2,543,620
Total Cash Restricted by Outside Entities	3,599,778	5,229,989	18,073,032	26,902,799	26,202,335	2,552,720
TOTAL CASH BALANCES	$33,542,866	$54,141,272	$42,927,709	$130,611,847	$121,968,883	$7,306,984

Detail of Cash Dedicated for Specific Purposes		
Rehab Reserves	$645,748	$927,874
Cash at Former PH Sites-Set Aside for Future Use	6,488,000	6,488,000
Project Reserves	3,200,000	3,200,000
Exit Tax Designation-Reserves	6,052,827	6,052,827
HAP Reserves*	2,113,882	2,398,855
Program Income from Hope VI Loans	930,647	743,666
Program Income from Hope VI Lot Sales	5,250,502	5,250,502
Not currently used	51,904	51,183
Replacement Reserves	13,181,640	12,654,126
Operations Reserves	75,529	0
Technology Reserves	481,396	600,219
Liquidity Reserves	9,006,732	9,006,732
Supportive Housing Reserves	1,926,371	2,192,102
State Gas Tax Rebate	8,676	27,835
HASP	36,346	36,346
Total Cash-Dedicated for Specific Purposes	$49,450,201	$49,630,266

Detail of Restricted Cash		
Excess Cash Reserves-Overlake	$2,267,643	2,470,923
Endowment Reserves	183,853	196,802
Replacement Reserves	7,386,619	7,086,071
Operations Reserves	63,975	63,943
Bond Reserves-1 Yr Payment	636,200	632,146
Residual Receipt Reserves	564,899	564,899
FSS-Reserves	851,748	844,147
Collateral Reserves	7,762,571	7,773,229
HAP Reserves Used as Collateral*	4,786,118	4,501,145
Non-block Grant Vouchers	292,419	0
HASP	0	0
Security Deposits & Escrow Accounts	2,106,753	2,069,031
Total Restricted Cash	$26,902,799	$26,202,335

*Of the total HAP reserve of $6.9 million committed by Board action, $4,786,118 is also pledged as collateral with the FHLB

KING COUNTY HOUSING AUTHORITY
Statements of Financial Position
(In $1,000's; excludes non-KCHA-managed component units)
For the Period Ended June 30, 2016

	FEDERALLY-SUPPORTED PROGRAMS (managed by KCHA)						LOCAL PROGRAMS						
	Public Housing		Other Housing		Other Programs		KCHA	Outside	Tax Credit				**Memo:**
ASSETS	KCHA	Outside	KCHA	Outside	Section 8	MTW	Owned	Owned	Gen Prtnr	Develop			**KCHA**
Working Capital Assets	Owned	Owned	Owned	Owned	Program	Program	Housing	Housing	Activity	Activity	Other	COCC	**COMBINED**
Cash-Unrestricted	$ (30.5)	$ (4,052.9) **(1)**	$ 6,668.1	$ 3,149.3	$ -	$ -	$ 11,568.2	$ 1,156.0	$ (336.8)	$ 147.0	$ 1,245.3	$ 27,178.9	$ 46,692.6
Cash-Restricted Within Program	5,377.3	404.8	0.0	0.0	71.2	(1,809.4) **(3)**	0.0	0.0	0.0	2,844.9	557.1	0.0	7,445.8
Cash-Restricted for WC Purposes	0.0	0.0	0.0	2,487.5	0.0	0.0	830.2	0.0	75.4	0.0	0.0	0.0	3,393.2
Accounts Receivables	(15.2)	3,702.5	7.1	1,983.0	1,069.3	11,575.0	155.9	309.8	1,211.0	80.9	620.0	1,897.6	22,596.8
Prepaid Assets & Inventory	48.8	41.6	33.9	50.9	21.6	0.4	374.2	8.0	5.1	0.3	2.7	54.8	642.1
Total Working Capital Assets	5,380.4	95.9	6,709.1	7,670.8	1,162.0	9,766.0	12,928.5	1,473.8	954.6	3,073.0	2,425.0	29,131.3	80,770.5
Liabilities Offsetting Working Capital Assets													
Accounts Payable	(120.7)	(205.9)	(177.3)	(804.1)	(512.5)	(15.2)	(448.2)	(21.0)	(27.3)	(144.4)	(1,430.6)	(44.8)	(3,951.9)
Payroll Liabilities	(205.0)	(116.4)	(54.1)	(166.9)	(480.7)	(272.1)	(31.4)	(27.8)	0.0	(9.9)	(395.0)	(1,322.0)	(3,081.3)
Accrued Liabilities	(20.5)	(192.3)	(36.4)	(480.9)	(47.5)	(621.2)	(440.0)	(82.4)	(56.9)	(576.2)	(166.4)	0.0	(2,720.6)
Deferrals	(21.3)	(56.7)	(99.1)	0.0	0.0	0.0	(86.0)	0.0	(75.1)	(1,600.0)	(775.4)	0.0	(2,713.6)
Current Portion of Long-term debt	(180.3)	(3,206.0)	(279.8)	(4,519.3) **(2)**	0.0	0.0	(5,289.4) **(4)**	0.0	(250.0)	(12,975.0) **(6)**	0.0	(900.0)	(27,599.8)
Total Offsetting Liabilities	(547.8)	(3,777.2)	(646.7)	(5,971.1)	(1,040.7)	(908.5)	(6,295.0)	(131.2)	(409.3)	(15,305.5)	(2,767.4)	(2,266.8)	(40,067.2)
Working Capital	4,832.6	(3,681.3)	6,062.4	1,699.6	121.3	8,857.5	6,633.5	1,342.6	545.3	(12,232.4)	(342.3)	26,864.5	40,703.2
Other Assets													
Cash-Designated	0.0	3,300.6	3,290.3	10,990.8	36.3	5,167.4	12,719.3	0.0	0.0	6,233.1	0.0	9,015.4	50,753.2
Cash-Restricted	246.3	1,380.2	1,248.7	731.2	1,077.3	12,615.5	9,125.1	252.0	2,267.6	530.6	0.0	6.8	29,481.5
Receivables	0.0	128,673.9	0.0	72,853.0	0.0	13,746.5	536.9	17,490.1	76,023.4	363.2	209.6	20,872.7	330,769.4
Capital Assets	93,289.4	84,847.3	52,826.8	163,784.4	0.0	0.0	175,465.2	5,787.6	(0.0)	55,608.1	0.0	14,038.7	645,647.4
Work-in-Process	5,690.4	235.5	992.0	1,778.9	1.5	1,798.0	565.9	0.0	(59.0)	18,739.2	514.6	0.8	30,257.8
Suspense	0.0	(0.0)	0.1	(0.5)	(190.8)	0.0	20.5	0.0	0.0	0.0	(76.5)	(2.8)	(250.0)
Other Assets	0.0	2,270.3	0.0	851.0	0.0	0.0	(2,386.3) **(5)**	26.7	36.5	193.9	0.0	0.0	992.2
Total Other Assets	99,226.1	220,707.8	58,357.8	250,988.7	924.4	33,327.5	196,046.7	23,556.4	78,268.5	81,668.2	647.7	43,931.6	1,087,651.4
TOTAL ASSETS (net of WC offsets)	$ 104,058.7	$ 217,026.5	$ 64,420.2	$ 252,688.4	$ 1,045.7	$ 42,185.0	$ 202,680.1	$ 24,899.1	$ 78,813.9	$ 69,435.8	$ 305.4	$ 70,796.2	$ 1,128,354.6
LIABILITIES & EQUITY													
Other Liabilities													
Deferrals-Related to Restr Cash	$ 180.6	$ 73.5	$ 153.5	$ 100.6	$ 784.9	$ 66.8	$ 1,688.7	$ 17.5	$ -	$ 50.0	$ (9.8)	$ 6.8	3,113.1
Debt	142.3	82,384.3	12,968.6	120,246.6	0.0	0.0	185,600.9	10,228.4	44,104.1	43,694.3	0.0	14,612.9	513,982.5
Other Liabilities	15.4	8,805.9	1,157.7	2,013.5	0.0	0.0	536.9	936.7	326.7	10,281.0	0.0	0.0	24,073.8
	338.3	91,263.7	14,279.8	122,360.7	784.9	66.8	187,826.5	11,182.6	44,430.8	54,025.3	(9.8)	14,619.7	541,169.4
Equity													
Equity	103,720.4	125,762.8	50,140.3	130,327.7	260.8	42,118.1	14,853.6	13,716.4	34,383.1	15,410.4	315.2	56,176.5	587,185.2
	103,720.4	125,762.8	50,140.3	130,327.7	260.8	42,118.1	14,853.6	13,716.4	34,383.1	15,410.4	315.2	56,176.5	587,185.2
TOTAL LIAB & EQ (net of curr liab)	$ 104,058.7	$ 217,026.5	$ 64,420.2	$ 252,688.4	$ 1,045.7	$ 42,185.0	$ 202,680.1	$ 24,899.1	$ 78,813.9	$ 69,435.8	$ 305.4	$ 70,796.2	$ 1,128,354.6

1) As general partner, KCHA loaned the Vantage Point partnership $6.2m in the second quarter. In June, the Authority received $6 .2m back from the partnership. The general partner received $1.2m from the payment with the remaining balance going to the MTW p rogram. $3m is expected from the state and county to replenish the general partner's deficit and another$1m has been requested from the state,
2) $2.4m Birch Creek bonds; $671k Birch Creek Lease; $863k Green River Homes II bonds. Expected funding sources include a combin ation CFP, site cash flow, MTW and investor equity currently held in reserve. Also includes the current portion of the loan due to KCHA from MKCRF.
3) Primarily due to outstanding portion of the Vantage Point Bridge Loan.
4) Current portion of bond payments; source of funding will be P & I reserves.
5) Fair market value of derivatives is a negative $2.4m-required by Generally Accepted Accounting Principles (GAAP). This is not a cash transaction.
6) Vantage Point Bridge loan which will be repaid with tax credit equity contributions expected in 2016.

KING COUNTY HOUSING AUTHORITY
Working Capital Statements
(In $1,000's; excludes non-KCHA-managed component units)
For the Period Ended June 30, 2016

	FEDERALLY-SUPPORTED PROGRAMS (managed by KCHA)						LOCAL PROGRAMS						
	Public Housing		Other Housing		Other Programs								**Memo:**
	KCHA	Outside	KCHA	Outside	Section 8	MTW	KCHA Owned	Outside Owned	Tax Credit Gen Prtnr	Develop			**KCHA**
Revenues	Owned	Owned	Owned	Owned	Program	Program	Housing	Housing	Activity	Activity	Other	COCC	**COMBINED**
Tenant Revenue	$2,495.4	$1,021.0	$2,802.1	$6,577.2	$40.0	$0.0	$24,033.5	$739.9	$2.5	$2.9	$0.0	$0.0	$ 37,715
Operating Fund Subsidy from HUD	2,124.6	3,039.1	-	-	-	191.5	-	-	-	-	195.1	-	5,550.23
Section 8 Subsidy from HUD	-	-	205.0	-	51,850.0	4,538.8	-	-	-	-	-	-	56,593.85
Other Operating Revenue	32.0	97.9	255.0	785.3	15,839.3	5.4	70.1	84.7	1,406.8	3.3	1,864.4	6,070.4	26,514.60
Non-operating Revenue	164.0	2,010.9	745.5	1,372.3	-	183.2	257.2	420.1	24,980.3 (6)	294.1	-	765.5	31,193.21
Total Revenues	4,815.9	6,168.9	4,007.6	8,734.8	67,729.4	4,919.0	24,360.8	1,244.7	26,389.7	300.3	2,059.5	6,835.9	157,566.5
Expenses													
Salaries & Benefits	971.3	414.2	331.6	744.1	2,909.8	776.8	2,065.5	133.6	107.2	252.8	476.1	5,136.3	14,319.4
Routine Maintenance, Utilities, Taxes & Insurance	2,092.4	1,094.3	797.5	1,670.6	130.0	0.1	5,469.4	234.1	41.8	2.4	7.7	858.8	12,398.9
Direct Social Service Salaries & Benefits	-	-	-	-	56.3	930.0	-	-	-	20.5	26.5	-	1,033.4
Other Social Service Support Expenses & HAP	49.0	2,111.7	25.1	20.3	62,076.1	1,739.4	59.8	38.4	0.1	30.4	1,822.6	0.0	67,972.8
Administrative Support Expenses	1,104.3	495.6	313.8	654.5	1,851.2	158.9	2,145.9	157.3	213.3	10.3	41.7	1,124.0	8,270.8
Non-operating Expenses	32.0	1,346.6	187.2	2,653.3	-	-	3,381.8	317.9	290.9	184.3	-	300.3	8,694.2
Total Expenses	4,248.9	5,462.4	1,655.2	5,742.8	67,023.4	3,605.2	13,122.4	881.3	653.3	500.7	2,374.6	7,419.4	112,689.5
Net Income	567.0	706.5	2,352.4	2,992.1	705.9	1,313.8	11,238.5	363.4	25,736.3	(200.4)	(315.2)	(583.5)	44,876.9
Other Sources/(Uses) of Working Capital													
(Increase) in Restricted/Designated Cash	(5.7)	(101.8)	(547.8)	(121.5)	(383.2)	(16.2)	(712.0)	(29.8)	(335.5)	(495.3)	.0	(9.8)	(2,758.5)
Decrease in Restricted/Designated Cash	7.2	.3	11.0	484.3	56.6	1,303.7	433.0	466.7	319.8	123.8	.0	34.3	3,240.6
(Increase) in LT Receivables	.0	(7,597.2) (1)	.0	(157.3)	.0	(212.5)	.0	(128.4)	(43,731.2) (7)	(.4)	.0	(26.2)	(51,853.2)
Decrease in LT Receivables	.0	320.2	.0	1,191.8	.0	2,029.6	.0	5,263.7	620.0	.0	.0	347.9	9,773.3
Acquisition of Capital Assets	(3,275.1)	(333.0)	(6,364.6)	(1,307.5)	.0	(193.9)	(3,378.2)	(.1)	(125.5)	(30,932.1) (9)	(510.1)	(274.1)	(46,694.1)
Disposition of Capital Assets	.0	.0	2,959.6	.0	.0	.0	1,528.0	5,513.7	10,006.9 (8)	1,992.1	.0	7.3	22,007.6
Change in Suspense	.0	.6	(.1)	.5	190.8	.0	(20.5)	.0	.0	.0	76.5	58.7	306.6
Change in Other Assets	.0	14.0	.0	(.0)	.0	.0	(.2)	71.0	.0	.0	.0	.0	84.9
Change in Deferrals	(7.7)	(.5)	10.0	(34.8)	(2.2)	17.4	(59.7)	(19.0)	(19.8)	10.0	(9.8)	.0	(116.1)
Increase in LT Debt	.0	.0	750.0	.4	.0	.0	3,605.0	.0	5,382.7	36,407.5 (9)	.0	.0	46,145.6
(Decrease) in LT Debt	(77.5)	(102.6)	(139.3)	(3,636.5) (2)	.0	.0	(3,924.4) (4)	(4,925.4) (5)	(175.0)	.0	.0	(450.0)	(13,430.8)
Change in Other Liabilities	(10.5)	735.4	47.3	46.8	.0	.0	.1	(1,098.8)	10.4	(1,855.7)	.0	.0	(2,125.1)
Other Non-Working Capital Inc/Exp	.0	.0	.0	.0	.0	.0	.0	.0	85.9	14.6	.0	.0	100.4
Non Income/Expense Change in Equity	.0	.0	.0	.0	.0	.0	(.0)	(.2)	.0	34.9	.0	.0	34.7
Total Other Sources/(Uses) of Working Capital	(3,369.3)	(7,064.7)	(3,273.8)	(3,533.7)	(137.9)	2,928.2	(2,529.0)	5,113.4	(27,961.3)	5,299.3	(443.4)	(311.9)	(35,284.1)
Transfer In from (Out to) Other Funds													
Transfers In from Other Funds	3,297.8	1,090.4	5,473.5	182.2	-	-	68.9	-	2,959.4	187.0	476.8	2,787.4	16.5
Transfers Out to Other Funds	-	(187.0)	(2,959.4)	(182.2)	-	(4,495.3)	(1,679.8)	(5,516.9)	(890.1)	-	(469.8)	(142.8)	(16.5)
Net Transfer In/(Out)	3,297.8	903.5	2,514.1	-	-	(4,495.3)	(1,610.9)	(5,516.9)	2,069.3	187.0	7.0	2,644.6	-
Net Change in Working Capital	495.4	(5,454.7) (1)	1,592.7	(541.7) (2)	568.0	(253.3) (3)	7,098.6	(40.1) (5)	(155.6) (7)	5,285.9	(751.6) (10)	1,749.1	9,592.8
Working Capital, 12/31/2015	4,337.2	1,773.4	4,469.7	2,241.3	(446.7)	9,110.8	(465.2)	1,382.8	700.9	(17,518.4)	409.2	25,115.4	31,110.4
Working Capital, 6/30/2016	$4,832.6	$(3,681.3)	$6,062.4	$1,699.6	$121.3	$8,857.5	$6,633.5	$1,342.6	$545.3	$(12,232.4)	$(342.3)	$26,864.5	$40,703.2

1) Primarily due to a $6.2m permanent loan to the Vantage Point partnership. and accrued interest on other long-term receivables.
2) Due to payments on the Birch Creek bond and financing lease.
3) Primarily due to ongoing costs related to the implementation of the new tenant accounting software as well as the booking of an internal loan to Development.
4) Due to payoff of Charter House line of credit and 2013 pool principal payments.
5) Write-off of Harrison House KCHA loans as the Authority acquired the property from the tax credit partnership.
6) Gain on sale of assets to Spiritwood tax credit partnership.
7) New leases related to Corinthian ($13.1m) and Spiritwood ($30m) tax credit partnerships.
8) Disposition of Corinthian assets as part of sale to tax credit partnership.
9) Acquisition of Spiritwood assets by the Spiritwood tax credit partnership development fund through a $26.5m capital lease and $3.1m in subordinate loans. Long-term debt also includes a $6.2m loan from KCHA to the Vantage Point tax credit partnership.
10) Primarily due to costs related to the Energy Performance Contract as debt funding has not yet been obtained. Also due to costs related to initiatives associated with the Gates Foundation grant where reimbursement is expected in the third quarter.

KCHA Combined
Working Capital Budget vs. Actual Report
For the Period Ended 6/30/2016

	Quarter Ended June 30, 2016				Year-to-Date				2016 Annual	Remainder to Receive/	(n/m= not meaningful) Percent of Annual	
Revenues	Actual	Budget	$ Var	% Var	Actual	Budget	$ Var	% Var	Budget	Spend	Budget	
Tenant Revenue	$18,791,465	$18,589,711	$201,754	1.1%	$37,714,567	$37,154,153	$560,414	1.5%	$74,681,873	$36,967,306	50.5%	
Operating Fund Subsidy from HUD	2,749,836	2,650,963	98,873	3.7%	5,550,234	5,301,929	248,305	4.7%	10,603,838	5,053,604	52.3%	
Section 8 Subsidy from HUD	32,674,499	28,625,523	4,048,976	14.1%	56,593,847	57,150,303	(556,456)	(1.0%)	114,691,622	58,097,775	49.3%	
Other Operating Revenue	13,081,415	12,598,740	482,675	3.8%	26,514,598	24,444,253	2,070,345	8.5%	58,413,458	31,898,860	45.4%	
Non-operating Revenue	3,791,880	2,844,572	947,308	33.3%	31,135,700	8,677,476	22,458,224	258.8%	15,152,538	(15,983,162)	205.5%	(1)
Total Revenues	71,089,094	65,309,509	5,779,585	8.8%	157,508,945	132,728,114	24,780,831	18.7%	273,543,329	116,034,384	57.6%	
Expenses												
Salaries & Benefits	7,217,203	7,343,921	(126,718)	(1.7%)	14,319,382	14,726,142	(406,760)	(2.8%)	30,926,142	16,606,760	46.3%	
Routine Maintenance, Utilities, Taxes & Insurance	6,749,833	6,688,511	61,322	0.9%	12,398,927	12,978,546	(579,619)	(4.5%)	26,600,243	14,201,316	46.6%	
Direct Social Service Salaries & Benefits	522,340	531,749	(9,409)	(1.8%)	1,033,351	1,063,504	(30,153)	(2.8%)	2,304,260	1,270,909	44.8%	
Other Social Service Support Expenses & HAP	34,552,762	34,238,923	313,839	0.9%	67,972,816	67,665,533	307,283	0.5%	138,192,415	70,219,599	49.2%	
Administrative Support Expenses	4,201,747	4,872,046	(670,299)	(13.8%)	8,270,848	9,618,128	(1,347,280)	(14.0%)	18,459,566	10,188,718	44.8%	(2)
Non-operating Expenses	4,071,286	4,367,934	(296,648)	(6.8%)	8,636,707	8,639,878	(3,171)	(0.0%)	18,931,835	10,295,128	45.6%	
Total Expenses	57,315,171	58,043,084	(727,913)	(1.3%)	112,632,031	114,691,731	(2,059,700)	(1.8%)	235,414,461	122,782,430	47.8%	
Net Income	13,773,923	7,266,425	6,507,498	89.6%	44,876,914	18,036,383	26,840,531	148.8%	38,128,868	(6,748,046)	117.7%	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	(1,834,439)	(489,793)	(1,344,646)	274.5%	(2,758,516)	(3,197,905)	439,389	(13.7%)	(4,185,544)	(1,427,028)	65.9%	(3)
Decrease in Restricted/Designated Cash	2,046,028	1,669,368	376,660	22.6%	3,240,603	4,207,249	(966,646)	(23.0%)	9,119,637	5,879,034	35.5%	(4)
(Increase) in LT Receivables	(12,942,637)	(1,104,640)	(11,837,997)	1071.7%	(51,853,239)	(2,279,232)	(49,574,007)	2175.0%	(12,006,484)	39,846,755	431.9%	(1)
Decrease in LT Receivables	9,356,739	2,883,395	6,473,344	224.5%	9,773,258	3,315,087	6,458,171	194.8%	4,793,467	(4,979,791)	203.9%	(1)
Acquisition of Capital Assets	(15,203,512)	(15,433,086)	229,574	(1.5%)	(46,694,068)	(28,729,708)	(17,964,360)	62.5%	(75,693,037)	(28,998,969)	61.7%	(1)
Disposition of Capital Assets	7,579,455	1,010,000	6,569,455	650.4%	22,007,578	1,010,000	20,997,578	2079.0%	2,020,000	(19,987,578)	1089.5%	(1)
Change in Suspense	142,660	0	142,660	n/m	306,580	0	306,580	n/m	0	(306,580)	n/m	
Change in Other Assets	57,592	(500,000)	557,592	n/m	84,858	(1,000,000)	1,084,858	n/m	(2,000,000)	(2,084,858)	n/m	(5)
Change in Other Deferrals	(12,026)	0	(12,026)	n/m	(116,082)	0	(116,082)	n/m	0	116,082	n/m	
Increase in LT Debt	18,488,632	3,250,181	15,238,451	468.8%	46,145,583	6,500,362	39,645,221	609.9%	35,826,553	(10,319,030)	128.8%	(1)
(Decrease) in LT Debt	(9,960,362)	(5,102,675)	(4,857,687)	95.2%	(13,430,753)	(7,152,032)	(6,278,721)	87.8%	(19,649,062)	(6,218,309)	68.4%	(6)
Change in Other Liabilities	(2,665,044)	(321,508)	(2,343,536)	728.9%	(2,125,107)	446,980	(2,572,087)	n/m	1,433,951	3,559,058	n/m	
Other Non-Working Capital Income/Expense Items	100,428	0	100,428	n/m	100,428	0	100,428	n/m	0	(100,428)	n/m	
Non Income/Expense Change in Equity	15,148	0	15,148	n/m	34,740	0	34,740	n/m	15,279,104	15,244,364	0.2%	
Total Other Sources/(Uses) of Working Capital	(4,831,337)	(14,138,758)	9,307,421	(65.8%)	(35,284,137)	(26,879,199)	(8,404,938)	31.3%	(45,061,415)	(9,777,278)	78.3%	
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	10,759,298	7,217,138	3,542,160	49.1%	16,523,429	12,645,494	3,877,935	30.7%	26,479,485	9,956,056	62.4%	(7)
Transfers Out to Other Funds	(10,759,298)	(7,217,138)	(3,542,160)	49.1%	(16,523,429)	(12,645,494)	(3,877,935)	30.7%	(26,479,485)	(9,956,056)	62.4%	(7)
Net Transfer In/(Out)	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Net Change in Working Capital	$8,942,585	($6,872,333)	$15,814,918	n/m	$9,592,777	($8,842,816)	$18,435,593	n/m	($6,932,547)	($16,525,324)	n/m	
Working Capital, Beginning of Period	31,760,631				31,110,440							
Working Capital, 6/30/2016	$40,703,217				$40,703,217							

1) Due to the timing of the Spiritwood and Corinthian tax credit partnership transactions, the gain on sale of the assets, disposition of the assets and booking of related debt and receivables were not included in the budget. This includes a $23.6m gain on the sale of the Spiritwood assets, $43.9m of leases and subordinate loans between KCHA and the partnerships, and the addition of $26.5m of assets to the Spiritwood partnership development fund. The acquisition of Harrison House assets ($5.5m) by KCHA in the second quarter and associated transactions related to write-offs of related debt and receivables ($5.2m) was also unbudgeted due to timing.
2) Various categories are under target but are expected to catch up in the second half of the year.
3) Due to the addition of Harrison House cash subsequent to acquiring the property, the restriction of HAP reserves, and deposits restricted for use in the rehabilitation of Spiritwood. Unbudgeted.
4) Budgeted 1st quarter draws from replacement reserve funds are expected to made in the 4th quarter when the related projects are completed.
5) $500k per quarter was budgeted for investment in the Regional Equitable Development Initiative Fund to support future affordable housing projects. However, actual investment in the Fund is dependent upon the Fund, administered by Enterprise Partners, actually making loans. Is now anticipated that KCHA will not be making any such investment in 2016.
6) Unbudgeted pay-off of the Charter House line of credit related to the sale of the property.
7) Variance related to acquisition of Harrison House assets by KCHA from the tax credit partnership. Unbudgeted.

Public Housing (KCHA)
Working Capital Budget vs. Actual Report
For the Period Ended 6/30/2016

	Quarter Ended June 30, 2016				Year-to-Date				2016 Annual	Remainder to Receive/	Percent of Annual	
Revenues	Actual	Budget	$ Var	% Var	Actual	Budget	$ Var	% Var	Budget	Spend	Budget	
Tenant Revenue	$1,246,398	$1,185,545	$60,853	5.1%	$2,495,377	$2,371,112	$124,265	5.2%	$4,742,215	$2,246,838	52.6%	
Operating Fund Subsidy from HUD	1,087,211	1,038,775	48,436	4.7%	2,124,566	2,077,553	47,013	2.3%	4,155,095	2,030,529	51.1%	
Section 8 Subsidy from HUD	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Other Operating Revenue	13,125	6,325	6,800	107.5%	31,969	12,652	19,317	152.7%	39,857	7,888	80.2%	(1)
Non-operating Revenue	12,785	1,830	10,955	598.6%	163,985	3,677	160,308	4359.7%	7,341	(156,644)	2233.8%	(2)
Total Revenues	2,359,519	2,232,475	127,044	5.7%	4,815,897	4,464,994	350,903	7.9%	8,944,508	4,128,611	53.8%	
Expenses												
Salaries & Benefits	$509,002	$493,546	15,456	3.1%	$971,337	$987,080	(15,743)	(1.6%)	$2,091,139	1,119,802	46.5%	
Routine Maintenance, Utilities, Taxes & Insurance	1,208,944	1,098,141	110,803	10.1%	2,092,382	2,076,739	15,643	0.8%	4,424,177	2,331,795	47.3%	
Direct Social Service Salaries & Benefits	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Other Social Service Support Expenses & HAP	25,338	29,382	(4,044)	(13.8%)	48,974	58,774	(9,800)	(16.7%)	117,546	68,572	41.7%	
Administrative Support Expenses	623,333	1,056,286	(432,953)	(41.0%)	1,104,268	1,742,728	(638,460)	(36.6%)	3,027,343	1,923,075	36.5%	(3)
Non-operating Expenses	4,883	3,587	1,296	36.1%	31,951	7,177	24,774	345.2%	14,346	(17,605)	222.7%	
Total Expenses	2,371,501	2,680,942	(309,441)	(11.5%)	4,248,913	4,872,498	(623,585)	(12.8%)	9,674,551	5,425,638	43.9%	
Net Income	(11,982)	(448,467)	436,485	(97.3%)	566,984	(407,504)	974,488	n/m	(730,043)	(1,297,027)	n/m	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	(2,824)	($2,790)	(34)	1.2%	(5,664)	(5,580)	(84)	1.5%	(11,160)	(5,496)	50.8%	
Decrease in Restricted/Designated Cash	4,028	$0	4,028	n/m	7,192	-	7,192	n/m	-	(7,192)	n/m	
(Increase) in LT Receivables	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Decrease in LT Receivables	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Acquisition of Capital Assets	(2,213,103)	(3,229,194)	1,016,091	(31.5%)	(3,275,111)	(6,230,578)	2,955,467	(47.4%)	(11,208,456)	(7,933,345)	29.2%	(4)
Disposition of Capital Assets	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Change in Suspense	0	$0	0	n/m	0	-	0	n/m	-	(0)	n/m	
Change in Other Assets	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Change in Deferrals	(3,953)	$0	(3,953)	n/m	(7,694)	-	(7,694)	n/m	-	7,694	n/m	
Increase in LT Debt	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
(Decrease) in LT Debt	(46,647)	($48,743)	2,096	(4.3%)	(77,494)	(97,483)	19,989	(20.5%)	(194,957)	(117,463)	39.7%	
Change in Other Liabilities	(5,297)	($5,535)	238	(4.3%)	(10,543)	(11,070)	527	(4.8%)	(22,140)	(11,597)	47.6%	
Other Non-Working Capital Income/Expense Items	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Non Income/Expense Change in Equity	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Total Other Sources/(Uses) of Working Capital	(2,267,796)	(3,286,262)	1,018,466	(31.0%)	(3,369,314)	(6,344,711)	2,975,397	(46.9%)	(11,436,713)	(8,067,399)	29.5%	
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	2,334,542	3,494,299	(1,159,757)	(33.2%)	$3,297,757	$6,708,219	(3,410,462)	(50.8%)	12,166,756	8,868,999	27.1%	(5)
Transfers Out to Other Funds	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Net Transfer In/(Out)	2,334,542	3,494,299	(1,159,757)	(33.2%)	3,297,757	6,708,219	(3,410,462)	(50.8%)	12,166,756	8,868,999	27.1%	
Net Change in Working Capital	$54,764	($240,430)	$295,194	n/m	$495,427	($43,996)	$539,423	n/m	$0	($495,427)	n/m	
Working Capital, Beginning of Period	4,777,839				4,337,177							
Working Capital, 6/30/2016	$4,832,604				$4,832,604							

1) Due to unbudgeted cell tower lease income.
2) An unbudgeted draw for a Valli Kee capital project was made from CFP to meet grant drawdown requirements. Funding for the Valli Kee project was originally projected to come from MTW. See also footnote 3.
3) Neither the annual COCC construction management fee charge to each Public Housing program or the related draw from the CFP grant to pay for the charge occurred during the quarter due to new HUD procedures surrounding the cash draw. The new requirements were met in August and the draw was successfully made. Although the 10% management fee expense was budgeted, the related CFP revenue draw was inadvertently excluded from the budget, explaining the low budget amount on the Other Revenue line.
4) The Valli Kee site improvement project is under budget by $560k as the project won't begin until September.
5) Transfers of MTW funds for unit upgrades and other capital projects was less than anticipated in the budget. Some projects were completed under budget while the Valli Kee site improvements won't begin until September.

	Quarter Ended June 30, 2016				Year-to-Date				2016 Annual Budget	Remainder to Receive/ Spend	Percent of Annual Budget	
Revenues	Actual	Budget	$ Var	% Var	Actual	Budget	$ Var	% Var				
Tenant Revenue	$506,455	$481,894	$24,561	5.1%	$1,020,992	$963,804	$57,188	5.9%	$1,927,606	$906,614	53.0%	
Operating Fund Subsidy from HUD	1,464,780	1,423,055	41,725	2.9%	3,039,053	2,846,111	192,942	6.8%	5,692,215	2,653,162	53.4%	
Section 8 Subsidy from HUD	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Other Operating Revenue	74,437	90,748	(16,311)	(18.0%)	97,947	91,865	6,082	6.6%	93,494	(4,453)	104.8%	
Non-operating Revenue	995,806	1,020,083	(24,277)	(2.4%)	2,010,933	2,034,509	(23,576)	(1.2%)	4,171,547	2,160,614	48.2%	
Total Revenues	3,041,477	3,015,780	25,697	0.9%	6,168,924	5,936,289	232,635	3.9%	11,884,862	5,715,938	51.9%	
Expenses												
Salaries & Benefits	$205,293	$255,673	(50,380)	(19.7%)	$414,192	$511,343	(97,151)	(19.0%)	$1,086,201	672,009	38.1%	(1)
Routine Maintenance, Utilities, Taxes & Insurance	621,378	539,762	81,616	15.1%	1,094,288	1,037,379	56,909	5.5%	2,177,846	1,083,558	50.2%	(2)
Direct Social Service Salaries & Benefits	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Other Social Service Support Expenses & HAP	993,750	1,000,382	(6,632)	(0.7%)	2,111,719	1,997,501	114,218	5.7%	3,995,116	1,883,397	52.9%	
Administrative Support Expenses	239,054	223,226	15,828	7.1%	495,619	471,951	23,668	5.0%	936,244	440,625	52.9%	
Non-operating Expenses	700,585	676,887	23,698	3.5%	1,346,607	1,353,772	(7,165)	(0.5%)	2,666,117	1,319,510	50.5%	
Total Expenses	2,760,059	2,695,930	64,129	2.4%	5,462,424	5,371,946	90,478	1.7%	10,861,524	5,399,100	50.3%	
Net Income	281,418	319,850	(38,432)	(12.0%)	706,500	564,343	142,157	25.2%	1,023,338	316,838	69.0%	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	(50,891)	($50,946)	55	(0.1%)	(101,832)	(101,892)	60	(0.1%)	(203,784)	(101,952)	50.0%	
Decrease in Restricted/Designated Cash	250	$0	250	n/m	250	-	250	n/m	-	(250)	n/m	
(Increase) in LT Receivables	(6,886,341)	($710,090)	(6,176,251)	869.8%	(7,597,240)	(1,420,184)	(6,177,056)	434.9%	(2,840,361)	4,756,879	267.5%	(3)
Decrease in LT Receivables	220,220	$183,391	36,829	20.1%	320,220	283,391	36,829	13.0%	398,391	78,171	80.4%	
Acquisition of Capital Assets	(264,731)	(479,924)	215,193	(44.8%)	(333,002)	(980,714)	647,712	(66.0%)	(2,090,706)	(1,757,704)	15.9%	(4)
Disposition of Capital Assets	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Change in Suspense	0	$0	0	n/m	574	-	574	n/m	-	(574)	n/m	
Change in Other Assets	(13,427)	$0	(13,427)	n/m	14,019	-	14,019	n/m	-	(14,019)	n/m	
Change in Deferrals	(250)	$0	(250)	n/m	(479)	-	(479)	n/m	-	479	n/m	
Increase in LT Debt	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
(Decrease) in LT Debt	(1,542)	($1,612)	70	(4.3%)	(102,562)	(103,223)	661	(0.6%)	(221,444)	(118,882)	46.3%	
Change in Other Liabilities	373,986	$319,307	54,679	17.1%	735,379	638,611	96,768	15.2%	1,277,219	541,840	57.6%	(5)
Other Non-Working Capital Income/Expense Items	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Non Income/Expense Change in Equity	0	$0	0	n/m	0	-	0	n/m	15,279,104	15,279,104	0.0%	
Total Other Sources/(Uses) of Working Capital	(6,622,726)	(739,874)	(5,882,852)	795.1%	(7,064,673)	(1,684,011)	(5,380,662)	319.5%	11,598,419	18,663,092	n/m	
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	545,220	569,224	(24,004)	(4.2%)	$1,090,446	$1,130,451	(40,005)	(3.5%)	2,389,093	1,298,647	45.6%	
Transfers Out to Other Funds	(186,982)	(95,000)	(91,982)	96.8%	(186,982)	(95,000)	(91,982)	96.8%	(1,295,000)	(1,108,018)	14.4%	(6)
Net Transfer In/(Out)	358,238	474,224	(115,986)	(24.5%)	903,464	1,035,451	(131,987)	(12.7%)	1,094,093	190,629	82.6%	
Net Change in Working Capital	($5,983,070)	$54,200	($6,037,270)	n/m	($5,454,708)	($84,217)	($5,370,491)	6377.0%	$13,715,850	$19,170,558	n/m	
Working Capital, Beginning of Period	2,301,735				1,773,373							
Working Capital, 6/30/2016	($3,681,335)				($3,681,335)							

1) Due to various position vacancies at the Egis properties throughout the first half of the year.
2) Unbudgeted $73k purchase of interior furnishings at Vantage Point.
3) $6.2m permanent loan to Vantage Point from KCHA. Unbudgeted in 2016 due to uncertainty of timing.
4) Energy Performance Contract projects were budgeted throughout the year but will not commence until the third quarter.
5) Vantage Point permanent loan interest. Unbudgeted.
6) Salmon Creek, Nia, and Seola Crossing Hope VI loan interest payments to the Notch Project are based on Net Cash Flow and wer e greater than anticipated in the budget.

Other Federally-supported (KCHA)
Working Capital Budget vs. Actual Report
For the Period Ended 6/30/2016

	Quarter Ended June 30, 2016				Year-to-Date				2016 Annual	Remainder to Receive/	Percent of Annual	
Revenues	Actual	Budget	$ Var	% Var	Actual	Budget	$ Var	% Var	Budget	Spend	Budget	
Tenant Revenue	$1,297,480	$1,333,495	($36,015)	(2.7%)	$2,802,116	$2,667,747	$134,369	5.0%	$5,335,506	$2,533,390	52.5%	
Operating Fund Subsidy from HUD	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Section 8 Subsidy from HUD	112,314	102,784	9,530	9.3%	204,968	205,569	(601)	(0.3%)	411,138	206,170	49.9%	
Other Operating Revenue	87,652	100,581	(12,929)	(12.9%)	254,982	201,161	53,821	26.8%	407,037	152,055	62.6%	
Non-operating Revenue	730,476	8,653	721,823	8341.9%	745,517	17,298	728,219	4209.8%	34,622	(710,895)	2153.3%	(1)
Total Revenues	2,227,922	1,545,513	682,409	44.2%	4,007,583	3,091,775	915,808	29.6%	6,188,303	2,180,720	64.8%	
Expenses												
Salaries & Benefits	$180,894	$166,852	14,042	8.4%	$331,614	$333,702	(2,088)	(0.6%)	$708,500	376,886	46.8%	
Routine Maintenance, Utilities, Taxes & Insurance	449,784	413,138	36,646	8.9%	797,452	836,042	(38,590)	(4.6%)	1,722,229	924,777	46.3%	
Direct Social Service Salaries & Benefits	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Other Social Service Support Expenses & HAP	11,269	17,405	(6,136)	(35.3%)	25,147	26,401	(1,254)	(4.8%)	52,800	27,653	47.6%	
Administrative Support Expenses	157,748	124,161	33,587	27.1%	313,818	250,334	63,484	25.4%	500,659	186,841	62.7%	(2)
Non-operating Expenses	93,857	91,555	2,302	2.5%	187,154	184,671	2,483	1.3%	368,413	181,259	50.8%	
Total Expenses	893,551	813,111	80,440	9.9%	1,655,184	1,631,150	24,034	1.5%	3,352,601	1,697,417	49.4%	
Net Income	1,334,370	732,402	601,968	82.2%	2,352,399	1,460,625	891,774	61.1%	2,835,702	483,303	83.0%	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	(510,642)	($35,109)	(475,533)	1354.4%	(547,766)	(70,218)	(477,548)	680.1%	(140,436)	407,330	390.0%	(3)
Decrease in Restricted/Designated Cash	10,416	$2,499	7,917	316.8%	11,005	4,998	6,007	120.2%	10,000	(1,005)	110.1%	
(Increase) in LT Receivables	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Decrease in LT Receivables	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Acquisition of Capital Assets	(5,988,250)	(569,101)	(5,419,149)	952.2%	(6,364,571)	(830,504)	(5,534,067)	666.4%	(2,099,681)	4,264,890	303.1%	(4)
Disposition of Capital Assets	14,856	$0	14,856	n/m	2,959,603	-	2,959,603	n/m	-	(2,959,603)	n/m	
Change in Suspense	0	$0	0	n/m	(60)	-	(60)	n/m	-	60	n/m	
Change in Other Assets	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Change in Deferrals	10,781	$0	10,781	n/m	9,955	-	9,955	n/m	-	(9,955)	n/m	
Increase in LT Debt	750,000	$0	750,000	n/m	750,000	-	750,000	n/m	-	(750,000)	n/m	
(Decrease) in LT Debt	(70,654)	($73,831)	3,177	(4.3%)	(139,311)	(145,042)	5,731	(4.0%)	(290,771)	(151,460)	47.9%	
Change in Other Liabilities	66,531	($20,435)	86,966	n/m	47,330	(40,871)	88,201	n/m	(81,742)	(129,072)	n/m	
Other Non-Working Capital Income/Expense Items	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Non Income/Expense Change in Equity	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Total Other Sources/(Uses) of Working Capital	(5,716,963)	(695,977)	(5,020,986)	721.4%	(3,273,816)	(1,081,637)	(2,192,179)	202.7%	(2,602,630)	671,186	125.8%	
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	5,404,007	282,808	5,121,199	1810.8%	$5,473,495	$326,105	5,147,390	1578.4%	$1,073,944	(4,399,551)	509.7%	(4)
Transfers Out to Other Funds	-	(20,170)	20,170	(100.0%)	(2,959,410)	(40,339)	(2,919,071)	7236.3%	(80,676)	2,878,734	3668.3%	
Net Transfer In/(Out)	5,404,007	262,638	5,141,369	1957.6%	2,514,085	285,766	2,228,319	779.8%	993,268	(1,520,817)	253.1%	
Net Change in Working Capital	$1,021,415	$299,063	$722,352	241.5%	$1,592,667	$664,754	$927,913	139.6%	$1,226,340	($366,327)	129.9%	
Working Capital, Beginning of Period	5,040,951				4,469,699							
Working Capital, 6/30/2016	$6,062,366				$6,062,367							

1) King County grants received in April by Patricia Harris Manor ($520k) and Northwood Square ($195k) were budgeted in 2015 and not rolled over to 2016 due to uncertainty of timing.
2) The management fee paid to external property managers at Bellevue Manor, Patricia Harris & Northwood Square was higher than budgeted as the budget assumed KCHA would manage these properties for all of 2016. The Housing Management assumed responsibility on August 1.
3) Harrison House Replacement Reserves, Operating Reserves, and Security Deposits were acquired from the tax credit partnership. Unbudgeted
4) Variance related to acquisition of Harrison House assets from tax credit partnership (Fund Group 8). Unbudgeted.

Other Federally-supported (Other)
Working Capital Budget vs. Actual Report
For the Period Ended 6/30/2016

	Quarter Ended June 30, 2016				Year-to-Date				2016 Annual	Remainder to Receive/	Percent of Annual	
Revenues	Actual	Budget	$ Var	% Var	Actual	Budget	$ Var	% Var	Budget	Spend	Budget	
Tenant Revenue	$3,330,249	$3,364,841	($34,592)	(1.0%)	$6,577,193	$6,730,119	($152,926)	(2.3%)	$13,459,681	$6,882,488	48.9%	
Operating Fund Subsidy from HUD	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Section 8 Subsidy from HUD	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Other Operating Revenue	389,242	388,505	737	0.2%	785,341	777,700	7,641	1.0%	2,692,230	1,906,889	29.2%	
Non-operating Revenue	392,110	309,388	82,722	26.7%	1,372,295	3,647,065	(2,274,770)	(62.4%)	4,944,137	3,571,842	27.8%	(1)
Total Revenues	4,111,601	4,062,734	48,867	1.2%	8,734,830	11,154,884	(2,420,054)	(21.7%)	21,096,048	12,361,218	41.4%	
Expenses												
Salaries & Benefits	$386,958	$379,266	7,692	2.0%	$744,052	$758,545	(14,493)	(1.9%)	$1,605,649	861,597	46.3%	
Routine Maintenance, Utilities, Taxes & Insurance	950,698	907,007	43,691	4.8%	1,670,573	1,701,734	(31,161)	(1.8%)	3,646,164	1,975,591	45.8%	
Direct Social Service Salaries & Benefits	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Other Social Service Support Expenses & HAP	19,991	6,164	13,827	224.3%	20,324	12,327	7,997	64.9%	24,650	4,326	82.4%	
Administrative Support Expenses	334,511	311,082	23,429	7.5%	654,487	629,939	24,548	3.9%	1,252,978	598,491	52.2%	
Non-operating Expenses	1,347,597	1,313,090	34,507	2.6%	2,653,317	2,626,181	27,136	1.0%	6,392,541	3,739,224	41.5%	
Total Expenses	3,039,755	2,916,609	123,146	4.2%	5,742,753	5,728,726	14,027	0.2%	12,921,982	7,179,229	44.4%	
Net Income	1,071,847	1,146,125	(74,278)	(6.5%)	2,992,077	5,426,158	(2,434,081)	(44.9%)	8,174,066	5,181,989	36.6%	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	(61,789)	($64,656)	2,867	(4.4%)	(121,506)	(1,969,312)	1,847,806	(93.8%)	(2,098,624)	(1,977,118)	5.8%	(2)
Decrease in Restricted/Designated Cash	484,326	$0	484,326	n/m	484,326	700,000	(215,674)	(30.8%)	950,000	465,674	51.0%	(3)
(Increase) in LT Receivables	(72,543)	($66,441)	(6,102)	9.2%	(157,289)	(132,883)	(24,406)	18.4%	(265,766)	(108,477)	59.2%	
Decrease in LT Receivables	1,191,786	$1,191,786	(0)	(0.0%)	1,191,786	1,191,786	(0)	(0.0%)	1,191,786	0	100.0%	
Acquisition of Capital Assets	(719,832)	(681,318)	(38,514)	5.7%	(1,307,458)	(1,393,539)	86,081	(6.2%)	(3,456,410)	(2,148,952)	37.8%	
Disposition of Capital Assets	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Change in Suspense	0	$0	0	n/m	512	-	512	n/m	-	(512)	n/m	
Change in Other Assets	(0)	$0	(0)	n/m	(0)	-	(0)	n/m	-	0	n/m	
Change in Deferrals	98	$0	98	n/m	(34,770)	-	(34,770)	n/m	-	34,770	n/m	
Increase in LT Debt	181	$181	(0)	(0.0%)	362	362	(0)	(0.0%)	724	362	50.0%	
(Decrease) in LT Debt	(3,502,060)	($3,281,585)	(220,475)	6.7%	(3,636,492)	(3,427,569)	(208,923)	6.1%	(4,583,173)	(946,681)	79.3%	
Change in Other Liabilities	(37,966)	$84,746	(122,712)	n/m	46,781	169,493	(122,712)	(72.4%)	338,985	292,204	13.8%	(4)
Other Non-Working Capital Income/Expense Items	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Non Income/Expense Change in Equity	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Total Other Sources/(Uses) of Working Capital	(2,717,799)	(2,817,287)	99,488	(3.5%)	(3,533,749)	(4,861,662)	1,327,913	(27.3%)	(7,922,478)	(4,388,729)	44.6%	
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	67,231	264,598	(197,367)	(74.6%)	$182,246	$470,899	(288,653)	(61.3%)	2,841,609	2,659,363	6.4%	(5)
Transfers Out to Other Funds	(67,231)	(412,231)	345,000	(83.7%)	(182,246)	(824,461)	642,215	(77.9%)	(2,676,161)	(2,493,915)	6.8%	(6)
Net Transfer In/(Out)	0	(147,633)	147,633	(100.0%)	0	(353,562)	353,562	(100.0%)	165,448	165,448	0.0%	
Net Change in Working Capital	($1,645,952)	($1,818,795)	$172,843	(9.5%)	($541,672)	$210,934	($752,606)	n/m	$417,036	$958,708	n/m	
Working Capital, Beginning of Period	3,345,586				2,241,306							
Working Capital, 6/30/2016	$1,699,634				$1,699,634							

1) CFP grant draw totaling $3m was budgeted to finance the Birch Creek semi-annual bond payment. However, the actual CFP draw was only $653k as MTW funds were used instead.
2) The transfer of the 2015 Birch Creek net cash flow distribution to the Excess Cash reserve was budgeted in the first quarter but was delayed until after the midyear financial forecast was completed. The transfer was made in August.
3) The draw from restricted loan proceeds held by MKCRF to reimburse KCHA for construction costs at MKCRF properties was less than originally budgeted due to project timing. Six MKCRF unit upgrades have been completed through June with 25 units budgeted throughout year. Upgrades are dependent upon unit availability.
4) The year-to-date budget represents the budgeted increase of interest payable from the Birch Creek and Green River Homes 2 partnerships to KCHA. The actual increase is on target but is netted against an unbudgeted net cash flow distribution of $122k from the Green River Homes 2 Partnership.
5) Various site improvement and building envelope projects related to unit upgrades at MKCRF properties were less than anticipated in the budget resulting in fewer unit upgrade transfers. See note # 3 .
6) The budgeted transfer from the Spiritwood partnership operating fund to fund the payment of the financing lease is not expected to occur in 2016. The payment is expected to be made from net cash flow distribution in March 2017.

Section 8
Working Capital Budget vs. Actual Report
For the Period Ended 6/30/2016

	Quarter Ended June 30, 2016				Year-to-Date				2016 Annual	Remainder to Receive/	Percent of Annual	
Revenues	Actual	Budget	$ Var	% Var	Actual	Budget	$ Var	% Var	Budget	Spend	Budget	
Tenant Revenue	$15,601	$31,800	($16,199)	(50.9%)	$40,011	$63,600	($23,589)	(37.1%)	$127,200	$87,189	31.5%	(1)
Operating Fund Subsidy from HUD	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Section 8 Subsidy from HUD	26,183,920	26,007,739	176,181	0.7%	51,850,041	51,471,074	378,967	0.7%	105,289,140	53,439,099	49.2%	
Other Operating Revenue	8,021,085	7,142,123	878,962	12.3%	15,839,298	14,250,966	1,588,332	11.1%	28,635,080	12,795,782	55.3%	(2)
Non-operating Revenue	-	6	(6)	(100.0%)	-	14	(14)	(100.0%)	26	26	0.0%	
Total Revenues	34,220,606	33,181,668	1,038,938	3.1%	67,729,351	65,785,654	1,943,697	3.0%	134,051,446	66,322,095	50.5%	
Expenses												
Salaries & Benefits	$1,458,685	$1,431,895	26,790	1.9%	$2,909,806	$2,896,167	13,639	0.5%	$6,143,960	3,234,154	47.4%	
Routine Maintenance, Utilities, Taxes & Insurance	64,222	62,918	1,304	2.1%	130,023	126,339	3,684	2.9%	253,173	123,150	51.4%	
Direct Social Service Salaries & Benefits	28,153	28,265	(112)	(0.4%)	56,299	56,530	(231)	(0.4%)	122,481	66,182	46.0%	
Other Social Service Support Expenses & HAP	31,001,227	30,772,855	228,372	0.7%	62,076,075	60,970,530	1,105,545	1.8%	124,349,116	62,273,041	49.9%	(2)
Administrative Support Expenses	938,518	868,387	70,131	8.1%	1,851,217	1,765,929	85,288	4.8%	3,509,663	1,658,446	52.7%	
Non-operating Expenses	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Total Expenses	33,490,805	33,164,320	326,485	1.0%	67,023,419	65,815,495	1,207,924	1.8%	134,378,393	67,354,974	49.9%	
Net Income	729,801	17,348	712,453	4106.8%	705,931	(29,841)	735,772	n/m	(326,947)	(1,032,878)	n/m	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	(346,816)	$0	(346,816)	n/m	(383,162)	-	(383,162)	n/m	-	383,162	n/m	(3)
Decrease in Restricted/Designated Cash	51,524	$0	51,524	n/m	56,634	-	56,634	n/m	-	(56,634)	n/m	
(Increase) in LT Receivables	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Decrease in LT Receivables	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Acquisition of Capital Assets	0	(128)	128	(100.0%)	0	(10,255)	10,255	(100.0%)	(10,508)	(10,508)	0.0%	(4)
Disposition of Capital Assets	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Change in Suspense	78,637	$0	78,637	n/m	190,835	-	190,835	n/m	-	(190,835)	n/m	(5)
Change in Other Assets	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Change in Deferrals	2,874	$0	2,874	n/m	(2,236)	-	(2,236)	n/m	-	2,236	n/m	
Increase in LT Debt	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
(Decrease) in LT Debt	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Change in Other Liabilities	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Other Non-Working Capital Income/Expense Items	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Non Income/Expense Change in Equity	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Total Other Sources/(Uses) of Working Capital	(213,782)	(128)	(213,654)	166917.5%	(137,930)	(10,255)	(127,675)	1245.0%	(10,508)	127,422	1312.6%	
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	-	-	0	n/m	$0	$0	0	n/m	-	0	n/m	
Transfers Out to Other Funds	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Net Transfer In/(Out)	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Net Change in Working Capital	$516,019	$17,220	$498,799	2896.6%	$568,002	($40,096)	$608,098	n/m	($337,455)	($905,457)	n/m	
Working Capital, Beginning of Period	(394,702)				(446,686)							
Working Capital, 6/30/2016	$121,316				$121,316							

1) Collection of retro-rents have been less than anticipated in the budget.
2) Both revenue and expenses are over budget as there have been 1,055 more unit months related to incoming ports than anticipat ed in the budget.
3) Due to restriction of HAP reserves for non-Block Grant Vouchers ($292k) and creation of new HASP reserve ($36k). Unbudgeted
4) 700 Building monument sign budgeted for the 1st quarter was delayed until later in the year.
5) Refunds received from owners who had been overpaid are posted to suspense until related Tenmast issue is resolved.

MTW
Working Capital Budget vs. Actual Report
For the Period Ended 6/30/2016

	Quarter Ended June 30, 2016				Year-to-Date				2016 Annual Budget	Remainder to Receive/ Spend	Percent of Annual Budget	
Revenues	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	98,000	92,864	5,136	5.5%	191,503	185,728	5,775	3.1%	371,455	179,952	51.6%	
Section 8 Subsidy from HUD	6,378,265	2,515,000	3,863,265	153.6%	4,538,838	5,473,660	(934,822)	(17.1%)	8,991,344	4,452,506	50.5%	(1)
Other Operating Revenue	2,723	2,722	1	0.0%	5,445	5,445	0	0.0%	10,890	5,445	50.0%	
Non-operating Revenue	96,799	89,399	7,400	8.3%	183,235	178,795	4,440	2.5%	319,097	135,862	57.4%	
Total Revenues	6,575,786	2,699,985	3,875,801	143.5%	4,919,021	5,843,628	(924,607)	(15.8%)	9,692,786	4,773,765	50.7%	
Expenses												
Salaries & Benefits	$408,979	$427,826	(18,847)	(4.4%)	$776,765	$862,616	(85,851)	(10.0%)	$1,818,771	1,042,006	42.7%	(2)
Routine Maintenance, Utilities, Taxes & Insurance	82	-	82	n/m	82	-	82	n/m	-	(82)	n/m	
Direct Social Service Salaries & Benefits	470,959	480,586	(9,627)	(2.0%)	930,027	961,175	(31,148)	(3.2%)	2,082,546	1,152,519	44.7%	
Other Social Service Support Expenses & HAP	1,187,545	1,250,356	(62,811)	(5.0%)	1,739,405	2,370,253	(630,848)	(26.6%)	4,908,816	3,169,411	35.4%	(3)
Administrative Support Expenses	106,553	140,631	(34,078)	(24.2%)	158,897	295,623	(136,726)	(46.3%)	599,965	441,068	26.5%	(4)
Non-operating Expenses	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Total Expenses	2,174,118	2,299,399	(125,281)	(5.4%)	3,605,175	4,489,667	(884,492)	(19.7%)	9,410,098	5,804,923	38.3%	
Net Income	4,401,669	400,586	4,001,083	998.8%	1,313,846	1,353,961	(40,115)	(3.0%)	282,688	(1,031,158)	464.8%	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	(16,234)	$0	(16,234)	n/m	(16,234)	-	(16,234)	n/m	-	16,234	n/m	
Decrease in Restricted/Designated Cash	688,844	$618,123	70,721	11.4%	1,303,672	1,236,246	67,426	5.5%	4,236,120	2,932,448	30.8%	
(Increase) in LT Receivables	(212,465)	($247,164)	34,699	(14.0%)	(212,465)	(494,327)	281,862	(57.0%)	(988,653)	(776,188)	21.5%	(5)
Decrease in LT Receivables	2,010,976	$819,999	1,190,977	145.2%	2,029,646	839,997	1,189,649	141.6%	1,679,991	(349,655)	120.8%	(6)
Acquisition of Capital Assets	(103,049)	(88,630)	(14,419)	16.3%	(193,851)	(173,659)	(20,192)	11.6%	(281,060)	(87,209)	69.0%	
Disposition of Capital Assets	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Change in Suspense	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Change in Other Assets	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Change in Deferrals	7,883	$0	7,883	n/m	17,417	-	17,417	n/m	-	(17,417)	n/m	
Increase in LT Debt	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
(Decrease) in LT Debt	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Change in Other Liabilities	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Other Non-Working Capital Income/Expense Items	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Non Income/Expense Change in Equity	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Total Other Sources/(Uses) of Working Capital	2,375,956	1,102,328	1,273,628	115.5%	2,928,185	1,408,257	1,519,928	107.9%	4,646,398	1,718,213	63.0%	
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	-	-	0	n/m	$0	$0	0	n/m	-	0	n/m	
Transfers Out to Other Funds	(2,933,149)	(4,151,564)	1,218,415	(29.3%)	(4,495,347)	(7,964,464)	3,469,117	(43.6%)	(15,542,871)	(11,047,524)	28.9%	(7)
Net Transfer In/(Out)	(2,933,149)	(4,151,564)	1,218,415	(29.3%)	(4,495,347)	(7,964,464)	3,469,117	(43.6%)	(15,542,871)	(11,047,524)	28.9%	
Net Change in Working Capital	$3,844,476	($2,648,650)	$6,493,126	n/m	($253,316)	($5,202,246)	$4,948,930	(95.1%)	($10,613,785)	($10,360,469)	2.4%	
Working Capital, Beginning of Period	5,013,014				9,110,805							
Working Capital, 6/30/2016	$8,857,490				$8,857,490							

1) Standard monthly block grant payments from HUD are based on prior year's leasing level. Additional amounts are requested by KCHA as HUD receives specific funding authority. An extra $6.5m was requested and received in the second quarter.
2) MTW salaries are under budget by $56k due to various vacant positions including Senior Administrative Program Manager and Management Analyst. Also, two Policy positions were budgeted starting in January, but were filled in February and March.
3) The 2016 Homeless program expenses were below target due to timing of invoicing and delay in getting contracts executed for new programs (Flat Rent PBA and PACT II)
4) Invoicing for professional evaluation services of Student Family Stability Initiative & Place Based Evaluation are expected to be paid in August.
5) The budgeted MTW funding for the Greenbridge internal loan has been deferred to the third quarter.
6) A payment of $2.0m funded by lot sales proceeds was received on the internal loan to Greenbridge. $1.6m of payments were budgeted evenly over the second and third quarters.
7) Transfers-out are under target due to delays in some construction projects. Construction activity is expected to increase in the 3rd and 4th quarters.

Local Properties (KCHA)
Working Capital Budget vs. Actual Report
For the Period Ended 6/30/2016

	Quarter Ended June 30, 2016				Year-to-Date				2016 Annual Budget	Remainder to Receive/ Spend	Percent of Annual Budget	
Revenues	Actual	Budget	$ Var	% Var	Actual	Budget	$ Var	% Var				
Tenant Revenue	$12,019,977	$11,829,918	$190,059	1.6%	$24,033,522	$23,633,336	$400,186	1.7%	$47,640,797	$23,607,275	50.4%	
Operating Fund Subsidy from HUD	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Section 8 Subsidy from HUD	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Other Operating Revenue	29,751	47,500	(17,749)	(37.4%)	70,098	96,508	(26,410)	(27.4%)	233,494	163,396	30.0%	
Non-operating Revenue	189,921	103,636	86,285	83.3%	257,226	195,694	61,532	31.4%	389,067	131,841	66.1%	(1)
Total Revenues	12,239,648	11,981,054	258,594	2.2%	24,360,846	23,925,538	435,308	1.8%	48,263,358	23,902,512	50.5%	
Expenses												
Salaries & Benefits	$1,085,675	$1,132,613	(46,938)	(4.1%)	$2,065,550	$2,138,240	(72,690)	(3.4%)	$4,259,064	2,193,514	48.5%	
Routine Maintenance, Utilities, Taxes & Insurance	2,884,255	3,108,413	(224,158)	(7.2%)	5,469,378	6,099,625	(630,247)	(10.3%)	12,011,330	6,541,952	45.5%	(2)
Direct Social Service Salaries & Benefits	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Other Social Service Support Expenses & HAP	31,048	36,180	(5,132)	(14.2%)	59,753	70,360	(10,607)	(15.1%)	141,270	81,517	42.3%	
Administrative Support Expenses	1,016,227	1,037,012	(20,785)	(2.0%)	2,145,937	2,244,784	(98,847)	(4.4%)	4,327,877	2,181,940	49.6%	
Non-operating Expenses	1,421,839	1,535,081	(113,242)	(7.4%)	3,381,752	3,023,251	358,501	11.9%	6,178,943	2,797,191	54.7%	(3)
Total Expenses	6,439,044	6,849,299	(410,255)	(6.0%)	13,122,370	13,576,260	(453,890)	(3.3%)	26,918,484	13,796,114	48.7%	
Net Income	5,800,604	5,131,755	668,849	13.0%	11,238,476	10,349,278	889,198	8.6%	21,344,874	10,106,398	52.7%	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	(381,969)	($319,777)	(62,192)	19.4%	(711,951)	(640,123)	(71,828)	11.2%	(1,277,975)	(566,024)	55.7%	
Decrease in Restricted/Designated Cash	7,905	$739,245	(731,340)	(98.9%)	433,030	1,919,003	(1,485,973)	(77.4%)	3,397,513	2,964,483	12.7%	(4)
(Increase) in LT Receivables	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Decrease in LT Receivables	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Acquisition of Capital Assets	(2,172,725)	(3,977,008)	1,804,283	(45.4%)	(3,378,224)	(6,085,528)	2,707,304	(44.5%)	(11,724,505)	(8,346,281)	28.8%	(5)
Disposition of Capital Assets	0	$0	0	n/m	1,527,967	-	1,527,967	n/m	-	(1,527,967)	n/m	(6)
Change in Suspense	0	$0	0	n/m	(20,541)	-	(20,541)	n/m	-	20,541	n/m	
Change in Other Assets	0	$0	0	n/m	(180)	-	(180)	n/m	-	180	n/m	
Change in Deferrals	(10,697)	$0	(10,697)	n/m	(59,652)	-	(59,652)	n/m	-	59,652	n/m	(7)
Increase in LT Debt	3,605,000	$0	3,605,000	n/m	3,605,000	-	3,605,000	n/m	-	(3,605,000)	n/m	(8)
(Decrease) in LT Debt	(1,189,014)	($1,398,795)	209,781	(15.0%)	(3,924,449)	(2,730,606)	(1,193,843)	43.7%	(6,572,918)	(2,648,469)	59.7%	(9)
Change in Other Liabilities	54	$0	54	n/m	54	-	54	n/m	-	(54)	n/m	
Other Non-Working Capital Income/Expense Items	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Non Income/Expense Change in Equity	0	$0	0	n/m	(3)	-	(3)	n/m	-	3	n/m	
Total Other Sources/(Uses) of Working Capital	(141,445)	(4,956,335)	4,814,890	(97.1%)	(2,528,951)	(7,537,254)	5,008,303	(66.4%)	(16,177,885)	(13,648,934)	15.6%	
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	34,445	34,450	(5)	(0.0%)	$68,906	$68,906	0	0.0%	137,810	68,904	50.0%	
Transfers Out to Other Funds	(839,888)	(854,836)	14,948	(1.7%)	(1,679,786)	(1,709,670)	29,884	(1.7%)	(3,419,324)	(1,739,538)	49.1%	
Net Transfer In/(Out)	(805,443)	(820,386)	14,943	(1.8%)	(1,610,880)	(1,640,764)	29,884	(1.8%)	(3,281,514)	(1,670,634)	49.1%	
Net Change in Working Capital	$4,853,716	($644,966)	$5,498,682	n/m	$7,098,645	$1,171,260	$5,927,385	506.1%	$1,885,475	($5,213,170)	376.5%	
Working Capital, Beginning of Period	1,779,739				(465,191)							
Working Capital, 6/30/2016	$6,633,454				$6,633,455							

1) $163k capital grant received from King County for Vashon Terrace was budgeted in 2015 but not rolled over to 2016 due to uncertainty of timing.
2) Most maintenance categories are under budget in the first half of the year but expected to catch up to budget as the year pr ogresses.
3) Due to technical accounting entry related to the sale of Charter House.
4) Some budgeted non-routine maintenance expenditures to be funded by replacement reserves have been delayed to 2017.
5) Maintenance projects at Carriage House, Vantage Glen, Walnut Apartments, and Windsor Heights Apartments are below target due to late start and lack of unit availability but expected to catch up in the fourth quarter.
6) The Charter House land and building was disposed of through a sale to the Bremerton Housing Authority. Unbudgeted.
7) A Vantage Glen 2015 Tenmast security deposit transaction error was corrected in 2016.
8) Due to pay-off of the Rasmussen loan using a line of credit. Unbudgeted.
9) Pay-off of the Charter House line of credit as the property was sold to the Bremerton Housing Authority. Unbudgeted.

Local Properties (Other)
Working Capital Budget vs. Actual Report
For the Period Ended 6/30/2016

	Quarter Ended June 30, 2016				Year-to-Date				2016 Annual Budget	Remainder to Receive/ Spend	Percent of Annual Budget	
Revenues	Actual	Budget	$ Var	% Var	Actual	Budget	$ Var	% Var				
Tenant Revenue	$372,859	$362,218	$10,641	2.9%	$739,912	$724,435	$15,477	2.1%	$1,448,868	$708,957	51.1%	
Operating Fund Subsidy from HUD	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Section 8 Subsidy from HUD	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Other Operating Revenue	61,915	33,507	28,408	84.8%	84,661	67,012	17,649	26.3%	137,994	53,333	61.4%	
Non-operating Revenue	179,702	198,886	(19,184)	(9.6%)	378,523	397,761	(19,238)	(4.8%)	795,524	417,001	47.6%	
Total Revenues	614,475	594,611	19,864	3.3%	1,203,096	1,189,208	13,888	1.2%	2,382,386	1,179,290	50.5%	
Expenses												
Salaries & Benefits	$63,332	$71,501	(8,169)	(11.4%)	$133,606	$143,003	(9,397)	(6.6%)	$304,881	171,275	43.8%	
Routine Maintenance, Utilities, Taxes & Insurance	114,283	124,747	(10,464)	(8.4%)	234,121	230,404	3,717	1.6%	495,384	261,263	47.3%	
Direct Social Service Salaries & Benefits	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Other Social Service Support Expenses & HAP	19,349	30,667	(11,318)	(36.9%)	38,381	61,334	(22,953)	(37.4%)	122,668	84,287	31.3%	(1)
Administrative Support Expenses	49,358	58,103	(8,745)	(15.1%)	157,272	116,356	40,916	35.2%	232,557	75,285	67.6%	(2)
Non-operating Expenses	123,473	150,342	(26,869)	(17.9%)	276,325	300,683	(24,358)	(8.1%)	601,360	325,035	45.9%	
Total Expenses	369,795	435,360	(65,565)	(15.1%)	839,705	851,780	(12,075)	(1.4%)	1,756,850	917,145	47.8%	
Net Income	244,681	159,251	85,430	53.6%	363,391	337,428	25,963	7.7%	625,536	262,145	58.1%	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	(13,267)	($16,506)	3,239	(19.6%)	(29,789)	(33,012)	3,223	(9.8%)	(66,024)	(36,235)	45.1%	
Decrease in Restricted/Designated Cash	466,662	$0	466,662	n/m	466,662	-	466,662	n/m	160,000	(306,662)	291.7%	(3)
(Increase) in LT Receivables	(19,490)	($38,946)	19,456	(50.0%)	(128,380)	(147,837)	19,457	(13.2%)	(365,616)	(237,236)	35.1%	
Decrease in LT Receivables	5,263,651	$214,937	5,048,714	2348.9%	5,263,651	214,937	5,048,714	2348.9%	214,937	(5,048,714)	2448.9%	(4)
Acquisition of Capital Assets	0	(28,546)	28,546	n/m	(65)	(39,383)	39,318	(99.8%)	(114,184)	(114,119)	0.1%	(5)
Disposition of Capital Assets	5,513,730	$0	5,513,730	n/m	5,513,730	-	5,513,730	n/m	-	(5,513,730)	n/m	(6)
Change in Suspense	(39,801)	$0	(39,801)	n/m	0	-	0	n/m	-	0	n/m	
Change in Other Assets	71,019	$0	71,019	n/m	71,019	-	71,019	n/m	-	(71,019)	n/m	(6)
Change in Deferrals	(18,941)	$0	(18,941)	n/m	(19,022)	-	(19,022)	n/m	-	19,022	n/m	
Increase in LT Debt	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
(Decrease) in LT Debt	(4,925,445)	($73,109)	(4,852,336)	6637.1%	(4,925,445)	(73,109)	(4,852,336)	6637.1%	(273,109)	4,652,336	1803.5%	(7)
Change in Other Liabilities	(1,211,845)	($176,952)	(1,034,893)	584.8%	(1,098,799)	(63,905)	(1,034,894)	1619.4%	162,185	1,260,984	n/m	(8)
Other Non-Working Capital Income/Expense Items	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Non Income/Expense Change in Equity	(158)	$0	(158)	n/m	(158)	-	(158)	n/m	-	158	n/m	
Total Other Sources/(Uses) of Working Capital	5,086,116	(119,122)	5,205,238	n/m	5,113,405	(142,309)	5,255,714	n/m	(281,811)	(5,395,216)	n/m	
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	-	-	0	n/m	$0	$0	0	n/m	-	0	n/m	
Transfers Out to Other Funds	(5,516,942)	(217,502)	(5,299,440)	2436.5%	(5,516,942)	(217,502.00)	(5,299,440)	2436.5%	(217,502)	5,299,440	2536.5%	(9)
Net Transfer In/(Out)	(5,516,942)	(217,502)	(5,299,440)	2436.5%	(5,516,942)	(217,502)	(5,299,440)	2436.5%	(217,502)	5,299,440	2536.5%	(9)
Net Change in Working Capital	($186,146)	($177,373)	($8,773)	4.9%	($40,146)	($22,383)	($17,763)	79.4%	$126,223	$166,369	n/m	
Working Capital, Beginning of Period	1,528,767				1,382,767							
Working Capital, 6/30/2016	$1,342,622				$1,342,622							

1) Service providers have been slow in billing for Harrison House support services .
2) Harrison House partnership exit fee of $50k paid to the limited partner. Unbudgeted.
3) Transfer of Harrison House restricted deposits (to Fund Group 2) upon acquisition of the property by KCHA from the tax credit partnership.
4) Write-off of Harrison House lease receivable as KCHA acquired the property from the tax credit partnership.
5) The Valley Park exterior painting projects were budgeted in the 2nd quarter. However, the Harrison House project is expected to be completed in the third quarter while the Valley Park project has been deferred to 2017.
6) Disposal of Harrison House assets as KCHA acquired the property from the tax credit partnership.
7) Write-off of Harrison House KCHA loans ($4.175 million) and transfer of the King County loan ($700K) as KCHA acquired the property from the tax credit partnership.
8) Write-off of interest payable on KCHA loans ($856K) and transfer (to Fund Group 2)interest payable on King County loan ($85K) as KCHA acquired Harrison House property from the tax credit partnership.
9) Transfer of the Harrison House net assets as KCHA acquired the property from the tax credit partnership.

Local Properties Tax Credit GP
Working Capital Budget vs. Actual Report
For the Period Ended 6/30/2016

	Quarter Ended June 30, 2016				Year-to-Date				2016 Annual Budget	Remainder to Receive/ Spend	Percent of Annual Budget	
Revenues	Actual	Budget	$ Var	% Var	Actual	Budget	$ Var	% Var				
Tenant Revenue	$886	$0	$886	n/m	$2,501	$0	$2,501	n/m	$0	($2,501)	n/m	
Operating Fund Subsidy from HUD	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Section 8 Subsidy from HUD	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Other Operating Revenue	314,381	136,348	178,033	130.6%	1,406,820	136,348	1,270,472	931.8%	7,282,048	5,875,228	19.3%	(1)
Non-operating Revenue	588,078	742,280	(154,202)	(20.8%)	24,980,342	1,461,832	23,518,510	1608.8%	3,009,518	(21,970,824)	830.0%	(2)
Total Revenues	903,345	878,628	24,717	2.8%	26,389,663	1,598,180	24,791,483	1551.2%	10,291,566	(16,098,097)	256.4%	
Expenses												
Salaries & Benefits	$52,594	$52,720	(126)	(0.2%)	$107,247	$105,444	1,803	1.7%	$226,504	119,257	47.3%	
Routine Maintenance, Utilities, Taxes & Insurance	8,275	2,937	5,338	181.7%	41,781	5,880	35,901	610.6%	11,759	(30,022)	355.3%	(3)
Direct Social Service Salaries & Benefits	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Other Social Service Support Expenses & HAP	32	-	32	n/m	65	-	65	n/m	-	(65)	n/m	
Administrative Support Expenses	110,511	107,690	2,821	2.6%	213,315	211,372	1,943	0.9%	416,155	202,840	51.3%	
Non-operating Expenses	188,126	177,506	10,620	6.0%	290,906	332,289	(41,383)	(12.5%)	849,083	558,177	34.3%	(4)
Total Expenses	359,539	340,853	18,686	5.5%	653,315	654,985	(1,670)	(0.3%)	1,503,501	850,186	43.5%	
Net Income	543,806	537,775	6,031	1.1%	25,736,348	943,195	24,793,153	2628.6%	8,788,065	(16,948,283)	292.9%	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	(96,720)	$0	(96,720)	n/m	(335,452)	(300,000)	(35,452)	11.8%	(300,000)	35,452	111.8%	(5)
Decrease in Restricted/Designated Cash	300,000	$300,000	0	0.0%	319,780	300,000	19,780	6.6%	300,000	(19,780)	106.6%	
(Increase) in LT Receivables	(5,735,701)	($6,687)	(5,729,014)	85673.9%	(43,731,248)	(13,376)	(43,717,872)	326838.2%	(7,154,838)	36,576,410	611.2%	(6)
Decrease in LT Receivables	495,043	$286,588	208,455	72.7%	620,043	411,588	208,455	50.6%	561,588	(58,455)	110.4%	(7)
Acquisition of Capital Assets	(3,000)	0	(3,000)	n/m	(125,513)	0	(125,513)	n/m	0	125,513	n/m	
Disposition of Capital Assets	51,521	$0	51,521	n/m	10,006,930	-	10,006,930	n/m	-	(10,006,930)	n/m	(8)
Change in Suspense	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Change in Other Assets	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Change in Deferrals	0	$0	0	n/m	(19,780)	-	(19,780)	n/m	-	19,780	n/m	
Increase in LT Debt	5,382,708	$0	5,382,708	n/m	5,382,708	-	5,382,708	n/m	5,895,000	512,292	91.3%	(9)
(Decrease) in LT Debt	0	$0	0	n/m	(175,000)	(125,000)	(50,000)	40.0%	(2,979,570)	(2,804,570)	5.9%	(10)
Change in Other Liabilities	5,198	$5,198	(0)	(0.0%)	10,395	10,396	(1)	(0.0%)	20,791	10,396	50.0%	
Other Non-Working Capital Income/Expense Items	85,869	$0	85,869	n/m	85,869	-	85,869	n/m	-	(85,869)	n/m	
Non Income/Expense Change in Equity	0	$0	0	n/m	1	-	1	n/m	-	(1)	n/m	
Total Other Sources/(Uses) of Working Capital	484,918	585,099	(100,181)	(17.1%)	(27,961,266)	283,608	(28,244,874)	n/m	(3,657,029)	24,304,237	764.6%	
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	-	-	-	n/m	$2,959,410	$0	2,959,410	n/m	-	(2,959,410)	n/m	(11)
Transfers Out to Other Funds	(890,099)	(890,099)	0	0.0%	(890,099)	(890,099)	0	0.0%	(890,099)	0	100.0%	
Net Transfer In/(Out)	(890,099)	(890,099)	0	0.0%	2,069,311	(890,099)	2,959,410	n/m	(890,099)	(2,959,410)	n/m	
Net Change in Working Capital	$138,625	$232,775	($94,150)	(40.4%)	($155,607)	$336,704	($492,311)	n/m	$4,240,937	$4,396,544	n/m	
Working Capital, Beginning of Period	406,679				700,910							
Working Capital, 6/30/2016	$545,304				$545,303							

1) Developer fee income from Spiritwood and Corinthian partnerships was budgeted to be received in the fourth quarter. However, part of the developer fee income was earned when the financing leases were signed in the first quarter. The balance of developer fee income is expected in late 2016 when final development costs have been determined. Also, due to unbudgeted GP m anagement fee received from Southwood net cash flow distribution.
2) Gain on sale of Spiritwood and Corinthian capital assets to the tax credit partnership under a capital lease agreement. Unbud geted.
3) 2015 Corinthian apartments maintenance and utility invoices received and paid in 2016. The invoices were not accrued in 2015 by the property management company.
4) Due to favorable loan terms, interest on the Spiritwood Partnerships line of credit interest was less than anticipated in the budget.
5) The annual budget of $300k for Overlake excess cash reserves deposit was budgeted entirely in the first quarter. However, th e actual monthly deposits are expected to be made through out the year and are expected to exceed budget.
6) Variance due to new Spiritwood and Corinthian capital leases. Unbudgeted.
7) Higher than anticipated payment from partnership net cash flow distribution to Overlake CTED and Arbor Heights weatherization loans.
8) Unbudgeted disposal of Corinthian capital assets. The capital assets were transferred to the partnership under a capital leas e agreement.
9) Due to draw from the new Spiritwood and Corinthian LOC . Unbudgeted.
10) Due to unbudgeted repayment of $50k on the Corinthian KeyBank line of credit.
11) Spiritwood cash was transferred in from old fund group (#3) to this group.

Local-Development
Working Capital Budget vs. Actual Report
For the Period Ended 6/30/2016

	Quarter Ended June 30, 2016				Year-to-Date				2016 Annual	Remainder to Receive/	Percent of Annual	
Revenues	Actual	Budget	$ Var	% Var	Actual	Budget	$ Var	% Var	Budget	Spend	Budget	
Tenant Revenue	$1,562	$0	$1,562	n/m	$2,944	$0	$2,944	n/m	$0	($2,944)	n/m	
Operating Fund Subsidy from HUD	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Section 8 Subsidy from HUD	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Other Operating Revenue	(23,750)	-	(23,750)	n/m	3,266	-	3,266	n/m	711,731	708,465	0.5%	(1)
Non-operating Revenue	241,228	12,509	228,719	1828.4%	294,107	25,018	269,089	1075.6%	50,041	(244,066)	587.7%	(2)
Total Revenues	219,039	12,509	206,530	1651.1%	300,317	25,018	275,299	1100.4%	761,772	461,455	39.4%	
Expenses												
Salaries & Benefits	$118,963	$141,947	(22,984)	(16.2%)	$252,802	$283,896	(31,094)	(11.0%)	$608,751	355,949	41.5%	
Routine Maintenance, Utilities, Taxes & Insurance	2,252	-	2,252	n/m	2,370	-	2,370	n/m	-	(2,370)	n/m	
Direct Social Service Salaries & Benefits	9,988	9,349	639	6.8%	20,546	18,699	1,847	9.9%	40,515	19,969	50.7%	
Other Social Service Support Expenses & HAP	15,200	15,200	(0)	(0.0%)	30,400	30,400	0	0.0%	60,800	30,400	50.0%	
Administrative Support Expenses	3,889	74,003	(70,114)	(94.7%)	10,254	148,009	(137,755)	(93.1%)	296,014	285,760	3.5%	(3)
Non-operating Expenses	47,632	214,505	(166,873)	(77.8%)	184,305	431,719	(247,414)	(57.3%)	978,264	793,959	18.8%	(4)
Total Expenses	197,925	455,004	(257,079)	(56.5%)	500,677	912,723	(412,046)	(45.1%)	1,984,344	1,483,667	25.2%	
Net Income	21,114	(442,495)	463,609	n/m	(200,360)	(887,705)	687,345	(77.4%)	(1,222,572)	(1,022,212)	16.4%	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	(353,287)	($9)	(353,278)	3925314.2%	(495,311)	(68,018)	(427,293)	628.2%	(68,041)	427,270	728.0%	(5)
Decrease in Restricted/Designated Cash	12,915	$3,501	9,414	268.9%	123,768	7,002	116,766	1667.6%	14,004	(109,764)	883.8%	(6)
(Increase) in LT Receivables	(206)	$0	(206)	n/m	(413)	-	(413)	n/m	-	413	n/m	
Decrease in LT Receivables	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Acquisition of Capital Assets	(3,172,328)	(3,129,115)	(43,213)	1.4%	(30,932,064)	(6,265,302)	(24,666,762)	393.7%	(31,487,035)	(554,971)	98.2%	(7)
Disposition of Capital Assets	1,992,071	$1,010,000	982,071	97.2%	1,992,071	1,010,000	982,071	97.2%	2,020,000	27,929	98.6%	(8)
Change in Suspense	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Change in Other Assets	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Change in Deferrals	10,000	$0	10,000	n/m	10,000	-	10,000	n/m	-	(10,000)	n/m	
Increase in LT Debt	8,750,743	$0	8,750,743	n/m	36,407,513	-	36,407,513	n/m	16,930,829	(19,476,684)	215.0%	(9)
(Decrease) in LT Debt	0	$0	0	n/m	0	-	0	n/m	(3,633,120)	(3,633,120)	0.0%	
Change in Other Liabilities	(1,855,705)	($527,837)	(1,327,868)	251.6%	(1,855,705)	(255,674)	(1,600,031)	625.8%	(261,347)	1,594,358	710.1%	(10)
Other Non-Working Capital Income/Expense Items	14,559	$0	14,559	n/m	14,559	-	14,559	n/m	-	(14,559)	n/m	
Non Income/Expense Change in Equity	0	$0	0	n/m	34,900	-	34,900	n/m	-	(34,900)	n/m	
Total Other Sources/(Uses) of Working Capital	5,398,763	(2,643,460)	8,042,223	n/m	5,299,320	(5,571,992)	10,871,312	n/m	(16,484,710)	(21,784,030)	n/m	
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	186,982	300,929	(113,947)	(37.9%)	$186,982	$506,858	(319,876)	(63.1%)	909,780	722,798	20.6%	(11)
Transfers Out to Other Funds	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Net Transfer In/(Out)	186,982	300,929	(113,947)	(37.9%)	186,982	506,858	(319,876)	(63.1%)	909,780	722,798	20.6%	
Net Change in Working Capital	$5,606,859	($2,785,026)	$8,391,885	n/m	$5,285,942	($5,952,839)	$11,238,781	n/m	($16,797,502)	($22,083,444)	n/m	
Working Capital, Beginning of Period	(17,839,292)				(17,518,375)							
Working Capital, 6/30/2016	($12,232,434)				($12,232,433)							

1) Variance due to correction made in the second quarter to reclassify the New Market Tax Credit management fee to the proper fu nd group.
2) Lot sales price participation higher than anticipated.
3) Professional services below budget due to timing of projects and delayed activities.
4) Spiritwood lease interest was initially budgeted as an expense but was later determined to be capitalized cost as part of th e Spiritwood Partnership Development.
5) Increase in restricted account from Spiritwood partnership loan proceeds to fund rehabilitation of the project. Unbudgeted. Also, deposit to Hope VI restricted program income as the Gr eenbridge lot sales resulted in higher than budgeted proceeds.
6) Draws from Greenbridge endowment reserves were budgeted in 2015 but occurred in 2016.
7) Spiritwood capital assets were acquired by the Spiritwood partnership under a $26.5m capital lease agreement.
8) The cost of lot sales for Greenbridge Parcel 7 was budgeted evenly through out the year. During the second quarter , Parcel 7 was sold and related cost of lot sales totaling $1.9 million was released.
9) Increase in long term debt due to Spiritwood acquisition and development financing loans. Unbudgeted.
10) Repayment of Greenbridge internal loan from proceeds of lots sales. Unbudgeted.
11) The budgeted transfer from the Spiritwood partnership operating fund to fund the payment of the financing lease is not expec ted to occur in 2016. The payment is expected to be made from net cash flow distribution in March 2017.

Local-Other Funds
Working Capital Budget vs. Actual Report
For the Period Ended 6/30/2016

	Quarter Ended June 30, 2016				Year-to-Date				2016 Annual	Remainder to Receive/	Percent of Annual	
Revenues	Actual	Budget	$ Var	% Var	Actual	Budget	$ Var	% Var	Budget	Spend	Budget	
Tenant Revenue	$0	$0	$0	n/m	$0	$0	$0	n/m	$0	$0	n/m	
Operating Fund Subsidy from HUD	99,845	96,269	3,576	3.7%	195,112	192,537	2,575	1.3%	385,073	189,961	50.7%	
Section 8 Subsidy from HUD	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Other Operating Revenue	1,048,668	1,240,257	(191,589)	(15.4%)	1,864,351	2,371,516	(507,165)	(21.4%)	5,831,710	3,967,359	32.0%	(1)
Non-operating Revenue	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Total Revenues	1,148,513	1,336,526	(188,013)	(14.1%)	2,059,463	2,564,053	(504,590)	(19.7%)	6,216,783	4,157,320	33.1%	
Expenses												
Salaries & Benefits	$239,878	$248,899	(9,021)	(3.6%)	$476,132	$497,798	(21,666)	(4.4%)	$1,066,653	590,521	44.6%	
Routine Maintenance, Utilities, Taxes & Insurance	5,129	2,166	2,963	136.8%	7,727	4,427	3,300	74.5%	8,949	1,222	86.3%	
Direct Social Service Salaries & Benefits	13,240	13,549	(309)	(2.3%)	26,480	27,100	(620)	(2.3%)	58,718	32,238	45.1%	
Other Social Service Support Expenses & HAP	1,248,008	1,080,332	167,676	15.5%	1,822,560	2,067,653	(245,093)	(11.9%)	4,419,633	2,597,073	41.2%	(1)
Administrative Support Expenses	27,598	29,150	(1,552)	(5.3%)	41,720	48,269	(6,549)	(13.6%)	104,598	62,878	39.9%	
Non-operating Expenses	-	51,043	(51,043)	(100.0%)	-	71,459	(71,459)	(100.0%)	265,417	265,417	0.0%	(2)
Total Expenses	1,533,854	1,425,139	108,715	7.6%	2,374,618	2,716,706	(342,088)	(12.6%)	5,923,968	3,549,350	40.1%	
Net Income	(385,341)	(88,613)	(296,728)	334.9%	(315,155)	(152,653)	(162,502)	106.5%	292,815	607,970	n/m	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Decrease in Restricted/Designated Cash	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
(Increase) in LT Receivables	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Decrease in LT Receivables	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Acquisition of Capital Assets	(507,703)	(3,250,024)	2,742,321	(84.4%)	(510,139)	(6,500,048)	5,989,909	(92.2%)	(13,000,096)	(12,489,957)	3.9%	(3)
Disposition of Capital Assets	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Change in Suspense	76,539	$0	76,539	n/m	76,539	-	76,539	n/m	-	(76,539)	n/m	
Change in Other Assets	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Change in Deferrals	(9,820)	$0	(9,820)	n/m	(9,820)	-	(9,820)	n/m	-	9,820	n/m	
Increase in LT Debt	0	$3,250,000	(3,250,000)	(100.0%)	0	6,500,000	(6,500,000)	(100.0%)	13,000,000	13,000,000	0.0%	(4)
(Decrease) in LT Debt	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Change in Other Liabilities	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Other Non-Working Capital Income/Expense Items	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Non Income/Expense Change in Equity	15,305	$0	15,305	n/m	0	-	0	n/m	-	0	n/m	
Total Other Sources/(Uses) of Working Capital	(425,679)	(24)	(425,655)	1773562.3%	(443,420)	(48)	(443,372)	923692.4%	(96)	443,324	461896.2%	
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	239,381	288,223	(48,842)	(16.9%)	$476,800	$576,446	(99,646)	(17.3%)	1,152,892	676,092	41.4%	
Transfers Out to Other Funds	(235,880)	(284,723)	48,843	(17.2%)	(469,798)	(569,446)	99,648	(17.5%)	(1,138,892)	(669,094)	41.3%	
Net Transfer In/(Out)	3,501	3,500	1	0.0%	7,002	7,000	2	0.0%	14,000	6,998	50.0%	
Net Change in Working Capital	($807,519)	($85,137)	($722,382)	848.5%	($751,573)	($145,701)	($605,872)	415.8%	$306,719	$1,058,292	n/m	
Working Capital, Beginning of Period	465,179				409,234							
Working Capital, 6/30/2016	($342,339)				($342,339)							

1) Weatherization Matchmaker grant spending and draws are under target due to timing. The funds remain available until June 30, 2017.
2) As the Energy Performance Contract debt has not yet been issued, the related interest expense has yet to occur. See note # 4. Debt will be issued in the third quarter.
3) Due to delay of the Energy Performance Contract projects, most of the project expenses will begin in the latter half of the year. The actual target for 2016 was reforecast from $13m to $7m.
4) The Energy Performance Contract debt has not yet been issued.

COCC
Working Capital Budget vs. Actual Report
For the Period Ended 6/30/2016

	Quarter Ended June 30, 2016				Year-to-Date				2016 Annual Budget	Remainder to Receive/ Spend	Percent of Annual Budget	
Revenues	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	n/m	-	-	0	n/m	-	0	n/m	
Section 8 Subsidy from HUD	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Other Operating Revenue	3,062,186	3,410,124	(347,938)	(10.2%)	6,070,420	6,433,080	(362,660)	(5.6%)	12,337,893	6,267,473	49.2%	(1)
Non-operating Revenue	364,976	357,902	7,074	2.0%	749,537	715,813	33,724	4.7%	1,431,618	682,081	52.4%	
Total Revenues	3,427,162	3,768,026	(340,864)	(9.0%)	6,819,956	7,148,893	(328,937)	(4.6%)	13,769,511	6,949,555	49.5%	
Expenses												
Salaries & Benefits	$2,506,950	$2,541,183	(34,233)	(1.3%)	$5,136,279	$5,208,308	(72,029)	(1.4%)	$11,006,069	5,869,790	46.7%	
Routine Maintenance, Utilities, Taxes & Insurance	440,532	429,282	11,250	2.6%	858,753	859,977	(1,224)	(0.1%)	1,849,232	990,479	46.4%	
Direct Social Service Salaries & Benefits	-	-	0	n/m	-	-	0	n/m	-	0	n/m	
Other Social Service Support Expenses & HAP	5	-	5	n/m	14	-	14	n/m	-	(14)	n/m	
Administrative Support Expenses	594,446	842,315	(247,869)	(29.4%)	1,124,045	1,692,834	(568,789)	(33.6%)	3,255,513	2,131,468	34.5%	(2)
Non-operating Expenses	143,295	154,338	(11,043)	(7.2%)	284,388	308,676	(24,288)	(7.9%)	617,351	332,963	46.1%	
Total Expenses	3,685,226	3,967,118	(281,892)	(7.1%)	7,403,479	8,069,795	(666,316)	(8.3%)	16,728,165	9,324,686	44.3%	
Net Income	(258,064)	(199,092)	(58,972)	29.6%	(583,523)	(920,902)	337,379	(36.6%)	(2,958,654)	(2,375,131)	19.7%	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	(0)	$0	(0)	n/m	(9,849)	(9,750)	(99)	1.0%	(19,500)	(9,651)	50.5%	
Decrease in Restricted/Designated Cash	19,159	$6,000	13,159	219.3%	34,284	40,000	(5,716)	(14.3%)	52,000	17,716	65.9%	
(Increase) in LT Receivables	(15,891)	($35,312)	19,421	(55.0%)	(26,204)	(70,625)	44,421	(62.9%)	(391,250)	(365,046)	6.7%	(3)
Decrease in LT Receivables	175,064	$186,694	(11,630)	(6.2%)	347,913	373,388	(25,475)	(6.8%)	746,774	398,861	46.6%	
Acquisition of Capital Assets	(58,792)	(98)	(58,694)	59892.2%	(274,070)	(220,198)	(53,872)	24.5%	(220,396)	53,674	124.4%	(4)
Disposition of Capital Assets	7,276	$0	7,276	n/m	7,276	-	7,276	n/m	-	(7,276)	n/m	
Change in Suspense	27,286	$0	27,286	n/m	58,722	-	58,722	n/m	-	(58,722)	n/m	
Change in Other Assets	0	($500,000)	500,000	(100.0%)	0	(1,000,000)	1,000,000	(100.0%)	(2,000,000)	(2,000,000)	0.0%	(5)
Change in Deferrals	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Increase in LT Debt	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
(Decrease) in LT Debt	(225,000)	($225,000)	0	0.0%	(450,000)	(450,000)	0	0.0%	(900,000)	(450,000)	50.0%	
Change in Other Liabilities	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Other Non-Working Capital Income/Expense Items	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Non Income/Expense Change in Equity	0	$0	0	n/m	0	-	0	n/m	-	0	n/m	
Total Other Sources/(Uses) of Working Capital	(70,900)	(567,716)	496,816	(87.5%)	(311,929)	(1,337,185)	1,025,256	(76.7%)	(2,732,372)	(2,420,443)	11.4%	
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	1,947,489	1,982,607	(35,118)	(1.8%)	$2,787,387	$2,857,610	(70,223)	(2.5%)	5,807,601	3,020,214	48.0%	
Transfers Out to Other Funds	(89,127)	(291,013)	201,886	(69.4%)	(142,819)	(334,513)	191,694	(57.3%)	(1,218,960)	(1,076,141)	11.7%	(6)
Net Transfer In/(Out)	1,858,362	1,691,594	166,768	9.9%	2,644,568	2,523,097	121,471	4.8%	4,588,641	1,944,073	57.6%	
Net Change in Working Capital	$1,529,398	$924,786	$604,612	65.4%	$1,749,116	$265,010	$1,484,106	560.0%	($1,102,385)	($2,851,501)	n/m	
Working Capital, Beginning of Period	25,335,137				25,115,418							
Working Capital, 6/30/2016	$26,864,535				$26,864,535							

1) Management fees related to the CFP grants were budgeted to be received from the public housing properties in June but were received in August.
2) Various categories are under budget (Professional Services, Administrative Contracts) but are expected to see more activity in the third and fourth quarters.
3) A $50k Greenbridge HomeSight internal loan was budgeted in the first and second quarters but is now expected to occur later in the year.
4) Variance due to an unplanned vehicle purchase. A vehicle that was scheduled to be replaced in 2017 was replaced in 2016 in lieu of repairs.
5) $500k per quarter was budgeted for investment in the Regional Equitable Development Initiative Fund to support future affordable housing projects. However, actual investment in the Fund is dependent upon the Fund, administered by Enterprise Partners, actually making loans. Is now anticipated that KCHA will not be making any such investment in 2016.
6) Transfers for Spiritwood construction activity is less than anticipated in the budget, but expected to increase in the 3rd and 4th quarters.

TAB NUMBER 9

King County Housing Authority Executive Dashboard

2nd Quarter Dashboard: April 1 - June 31, 2016

		actuals apr '13 - jun '16	Jun-16	target	3-yr avg	3-yr high	3-yr low
Finance							
LGIP Rate[1]			0.49%	0.18%	0.17%	0.49%	0.09%
Non-LGIP Investment Rate			1.09%	0.65%	0.91%	1.10%	0.67%
Revenue to Budget (Budgeted $124,154,153)	●		102%	100%	100%	105%	96%
Expenditures to Budget (Budgeted $106,051,853)			99%	100%	98%	100%	97%
Property Management							
Public Housing Occupancy Rate (3,666 units)[2]			98.3%	98.0%	98.7%	99.3%	97.9%
Local Program Occupancy Rate (5,465 units)			98.8%	96.5%	98.7%	100.0%	97.8%
KCHA Units Owned[3]	●		9,367	9,590	9,040	9,397	8,647
Section 8 Operations							
Utilization Rate[4] (Vouchers Leased: 9,574)			102%	101%	103%	106%	99.7%
Households Paying >40% Income to Rent (n = 2,637)	●		22%	<25%	21%	24%	19%
Exit Data							
Positive Exits			30%	>25%	32%	64%	15%
Negative Exits			28%	<20%	21%	39%	9%
Total Monthly Exits			47	–	54	113	26

● Denotes indicators of interest.

[1] Washington State no longer publishes target LGIP rates as of 4/1/2016.

[2] Excludes some units in portfolio where turnover is not tracked monthly.

[3] Projected total units by 12/31/16.

[4] Adjusted for 12-month incremental lease-up of new vouchers.

T
A
B

N
U
M
B
E
R

10

King County Housing Authority

To: Board of Commissioners

From: Sarah Oppenheimer, Senior Research Analyst

Date: September 15, 2016

Re: Study Session of KCHA'S Research and Evaluation Efforts

The Policy and Research Department will be leading a study session on KCHA's recent research and evaluation activities. The session will provide an overview of these activities including our current focus areas and how this work is connected to policy and program development. Information will be shared on agency research efforts and partnerships, recent shifts in agency evaluations, and capacity-building activities for continuous measurement and learning. Specific examples of the Department's research and evaluation work including an Interim Outcomes Assessment of the Student and Family Stability Initiative (SFSI) and the development of an agency Data Management Plan.

Following this presentation, the study session will include discussion of the research questions and priority areas KCHA should explore to inform future policy and program development.

The following questions may be helpful to consider in advance for the study session discussion:

- *What questions would you like to see explored and answered in order to move KCHA's programs and policies forward?*

- *KCHA's current research agenda is focused on four broad areas: (1) resident characteristics and patterns, (2) innovative rental assistance models, (3) intersections between housing and education, and (4) intersections between housing and health. What questions would you like to see explored in each these areas over the next three years?*

- *Are there other broad categories, not currently captured in the research agenda, that you would like to see KCHA's research and evaluation energies focused on?*

- *Would you like to see emerging evidence – both that specific to KCHA's programs and about broader affordable housing and homelessness policy research – brought to the Board? If so, what form/format would be most useful?*

For advance context, two documents relevant to this study session are attached: (1) a copy of the 2015-2018 KCHA Research Agenda, and (2) the SFSI Outcomes Assessment.

KING COUNTY HOUSING AUTHORITY (KCHA) 2016-2019 RESEARCH AGENDA

Purpose and Objectives

The 2016-2019 KCHA Research Agenda identifies the agency's research priorities for the coming years, providing a roadmap for key research questions to be asked in this period and the expected program/policy implications of this focus. The Research Agenda is a cross-departmental resource that aligns with both KCHA's overarching mission and with broader scientific and policy dialogues on affordable housing and homelessness. It is intended to be broad enough to absorb new research and learning opportunities that may emerge in 2016-2019, while at the same time, to provide guidance and alignment for KCHA's research activities. Ultimately, this and future Research Agendas will support KCHA in advancing an intentional, thoughtful, and comprehensive research strategy, as well as support internal and external collaborations in this work.

The Research Agenda is laid out according to four central foci:

1. Understanding characteristics and needs of KCHA residents
2. Identifying the impact of innovative housing assistance on housing outcomes and income
3. Exploring intersections between housing and education
4. Exploring intersections between housing, health, and wellness

These four focus areas are described in greater detail below, including clarification of guiding research questions, program and policy implications, and concrete examples of how evidence from this work may directly impact agency operations.

Focus 1. Understanding characteristics and needs of KCHA residents

Motivation: There is a foundational need for KCHA to use existing administrative data to identify the characteristics and needs of persons eligible for and served by its housing programs. These descriptive analyses can then be used to inform future research studies including potential longitudinal tracking and more explicit comparison group analyses, as well as to indicate more immediate population trends (including gaps) that KCHA programs and policies should take into account.

Research Area A. What are the demographic, family composition, and socioeconomic characteristics of KCHA residents?

- How do these patterns vary by housing program type?
- How do these patterns vary by geographic area, and in particular, between opportunity index areas?
- How do these patterns vary across time?

Program/Policy Implications: Information from this work will provide information on who KCHA is serving, and whether household characteristics differ by program, geography, and/or time. This data will be used to justify and direct data-driven program design and service targeting. This foundational data will be communicated in a systematic manner that is accessible and useful across all agency programs and departments. It will provide key insights about who KCHA serves so as to increase data-driven decision-making and programming.

- Example: Differences in the family composition of Housing Choice Voucher (HCV) residents as compared to public housing residents may warrant further investigation of why this pattern is occurring and/or opportunities for service development to match current program composition.

Research Area B. How do current residents' demographic, family composition, and socioeconomic characteristics compare with those of a) all King County residents; b) KCHA waitlist applicants; c) residents in other area PHA programs; and d) homeless service users in King County?

Program/Policy Implications: These results will provide an indication of who KCHA programs are not serving and if inconsistent with other population trends, whether this is a potential indicator of unintended policy consequences and/or a need for targeting strategies to engage underserved groups.

- Example: If KCHA is serving disproportionately fewer limited English proficiency (LEP) households, it may warrant further exploration as to why this is (e.g., is this a consequence of current outreach and enrollment policies?) and/or service strategies to better engage this population.

Research Area C. Who are KCHA leavers and what happens after they exit KCHA housing assistance?

Program/Policy Implications: To supplement current exit data, studies in this area will take a deeper look at the characteristics and experiences of KCHA leavers (both 'positive' and 'negative' leavers). Administrative data will provide information on who leavers are and their residency and income patterns prior to exit. Comparisons may be made between leavers and stayers and/or between positive and negative leavers. Additional data to be collected (surveys, qualitative interview data, etc.) will provide new information on why families describe leaving as well as their location and circumstances related to housing stability and self-sufficiency after exit.

- Example: This data may provide an indication of how KCHA can better support positive exits, and conversely, prevent negative exits (e.g., transition assistance, eviction prevention). These results will also provide an indication of how informative ‘positive’ and ‘negative’ exit categorizations are for understanding the longer-term circumstances of leavers.

Research Area D. What are the characteristics and circumstances of KCHA movers?

- Are serial movers more likely to reflect specific demographic, family composition, and/or socioeconomic characteristics? How do these compare to one-time and non-mover households?
- What are the geographic patterns of program movers? How do move patterns track across opportunity neighborhoods?

Program/Policy Implications: These results will provide a clearer picture on the characteristics of both one-time and serial movers within KCHA housing programs, including where movers go, the frequency and timing of moves, the reasons that households move, and the extent to which moves are an indicator of housing instability. Given national policy momentum on understanding the implications of housing instability on health and education outcomes, this data will provide an indication of how much housing authorities should focus on (and potentially intervene in) residents’ move patterns.

- Example: This data will provide a preliminary indication of how KCHA services can be developed to support positive moves and prevent destabilizing moves.

Focus 2. Identifying the impact of innovative housing assistance on housing outcomes and income

Motivation: Results from this focus area will identify best practices and potential target populations to be served by innovative housing program models, as well as potential impacts and efficiencies of these initiatives. Though the majority of KCHA housing assistance is in the form of long-term rental subsidies, recently the agency has begun experimenting with provision of short-term rental assistance in the form of rapid rehousing and stepped rental assistance programs. There is a need to better understand which populations this type of assistance may be most appropriate for as well as the long-term impacts of short-term assistance on housing stability and economic outcomes. Additionally, KCHA is implementing multi-tiered payment standards as a strategy to accurately reflect diverse rental markets and to support voucher-holders’ access to opportunity areas.

Research Area A. Do households that receive short-term housing assistance experience long-term housing stability?

- Do these outcomes vary by household characteristics (including prior housing status)?
- Do these outcomes vary by service engagement levels?
- How does long-term housing stability among short-term rental assistance recipients compare with housing outcomes for recipients of long-term subsidized housing and/or KCHA housing applicants?

Program/Policy Implications: Information from this work will provide insights into whether short-term assistance supports long-term housing stability; this evidence is critical to both agency-level and national dialogues on the efficacy of short-term assistance models. It will also help to illustrate whether and how short-term approaches should be targeted toward particular populations. Evaluation of the relative impacts of short-term assistance on housing outcomes as compared to long-term housing assistance will also indicate which elements of short-term rental assistance models are key and whether continued service engagement plays a role in long-term housing stability.

- Example: If 3-year follow-up from KCHA's rapid rehousing program indicates positive housing stability for formerly doubled-up families, it is suggestive of how this model could be scaled-up as an alternative assistance option for doubled-up waitlist applicants.

Research Area B. What proportion of households that receive short-term housing assistance return to homelessness?

Program/Policy Implications: Results from this study area will provide evidence on the effectiveness of short-term assistance in ending homelessness (another key debate in both local and national dialogues on the efficacy of short-term assistance). This information also provides a key opportunity for linking PHA and HMIS data which has important regional implications for demonstrating the utility of data linkages.

- Example: If we see that a significant proportion of households in the youth stepped rental assistance program eventually return to using homeless services, it will provide new evidence on what may not be working about the stepped rental assistance model and will warrant additional needs assessment to tailor subsequent program development to prevent such churn.

Research Area C. Do households that receive short-term housing assistance demonstrate income stability/increases over time?

- Do these outcomes vary by household characteristics (including prior housing status)?
- Do these outcomes vary by service engagement levels?
- How do economic outcomes among short-term rental assistance recipients compare with economic outcomes for recipients of long-term subsidized housing?

Program/Policy Implications: Similar to the results from the housing stability questions, this evidence will provide insights into whether short-term assistance recipients demonstrate particular trends in income stabilization/growth. If so, this information may be complementary to data on housing stability and will provide new insights into the role of short-term housing assistance in supporting economic self-sufficiency.

- Example: If we see that KCHA rapid rehousing program recipients that engage in employment services have better income/employment outcomes than those that do not, KCHA should consider how to build these services into future short-term housing assistance models.

Research Area D. What are the process, geographic, housing, and cost implications of KCHA's shift to small area payment standards?

- How did KCHA implement small-area payment standards and what lessons were learned through this process?
- How did the shift to small-area payment standards impact: a) residents' geographic location, b) residents' move patterns, c) shopping success rates, and d) overall housing assistance payments?

Program/Policy Implications: This evidence will detail how KCHA implemented a broad policy shift involving multiple stakeholders, and will provide evidence on how to communicate about opportunity neighborhoods and housing assistance options with diverse groups. Additionally, these analyses will provide insights into the preliminary influence of revised payment standards on agency costs, and on residents' geographic choices; this has implications for subsequent agency strategies related to mobility and housing assistance.

- Example: If we see that personalized texts are the most effective means to prompt opportunity moves, subsequent agency communication strategies will reflect this approach.

Focus 3. Exploring intersections between housing and education

Motivation: Housing is increasingly understood as a key component of and platform for improved educational outcomes; inversely, educational outcomes are tied to economic self-sufficiency and the need for housing assistance. Research questions within this focus area take a deeper look at the effectiveness of current educational initiatives, as well as provide foundational evidence as to the intersections between housing and education that can be used to guide future policies and programs.

Research Area A. How do educational outcomes of KCHA students residing in high-opportunity areas compare with those of KCHA students residing in lower-opportunity areas?

- Do these outcomes vary by neighborhood tenure?

Program/Policy Implications: These results will provide important baseline information as to how educational outcomes (according to a variety of metrics) vary by families' residence in opportunity neighborhoods.

- Example: If differences are more pronounced for some outcomes (e.g., disciplinary action rates are higher (or lower) for students in high-opportunity neighborhoods as compared to those in lower-opportunity neighborhoods) this suggests the need for future work to understand how neighborhood and school effects are tied to these outcomes and also where there are opportunities to develop more targeted services and policies to support positive outcomes.

Research Area B. Are educational outcomes of students receiving place-based supports better than those of students that do not reside in areas with place-based educational initiatives?

- How do educational outcomes vary across KCHA's place-based initiatives sites?

Program/Policy Implications: Though KCHA has preliminary trend data on student outcomes in place-based initiatives districts, these results will provide more compelling evidence on the impact of place-based initiatives on student participants. This work will also provide new evidence that could support cross-sector collaborations between KCHA and school districts, including possible cost-sharing opportunities.

- Example: Because place-based initiatives are being administered by different service providers, if the results indicate varied outcome by site, it could provide evidence on the effectiveness of some place-based models over others (and in turn, which program elements should be scaled-up or expanded on).

<u>Research Area C</u>. How do families describe their decisions around where to move and to what extent is school quality and/or school stability a part of this decision?

Program/Policy Implications: Results from this research will provide important context on families' perceptions on why they move and whether/how school quality and/or school stability plays a part in these choices. This work will contribute to broader scientific dialogue around neighborhood selection. It will also provide evidence in debates on the intersections between mobility and education and will provide a tighter conceptual framework to undergird KCHA's future program/policy development in this area.

- <u>Example</u>: If families identify school stability as being more important than moving to higher quality school districts, it could help to explain possible move 'resistance' among KCHA residents as well as emphasize the need for place-based (over mobility) initiatives.

Focus 4. Exploring intersections between housing, health, and wellness

Motivation: Similar to the motivation for exploring intersections between housing and education, there is a need to better understand the nexus between housing, health, and wellness. This is a particularly salient research area as seniors and younger disabled persons are increasingly reflected in subsidized housing services. It will also speak to broader dialogue about housing as a critical social determinant of health and on possible programming and services that housing authorities may adopt to improve health and wellness among its residents.

<u>Research Area A</u>. What are the health needs and health service use patterns among KCHA's senior and younger disabled populations?

- Do health needs and service use vary by length of housing assistance?
- Do health needs and service use vary by household characteristics?

Program/Policy Implications: Given expected growth in senior residents over the next decade, it is important to consider this group's health needs and service use patterns. This research will provide critical baseline evidence for KCHA to make data-informed decisions about current and future service needs for enhancing residents' health, quality of life, and ability to age in place. While this particular area focuses on seniors and younger disabled residents, it will also establish a framework and metrics for exploring health and housing intersections among other resident populations in future studies.

- <u>Example</u>: Should the data show that depression rates are pronounced among disabled populations who have been in public housing for two years or longer, it suggests the need for more targeted programming to address mental health in this population subgroup (including considerations of Medicaid-supported service models).

<u>Research Area B</u>. What are the neighborhood health characteristics in areas of King County where KCHA residents reside?

- What is the spatial distribution of physical neighborhood attributes (and possible correlations with physical health outcomes)?
- What is the spatial distribution of social/community neighborhood attributes (and possible correlations with stress and psychosocial outcomes)?

- What is the spatial distribution of provider and service networks (and possible correlations with service options and utilization)?
- How do neighborhood health characteristics vary according to high- and lower-opportunity neighborhood areas?

Program/Policy Implications: This evidence will fit with broader work around opportunity neighborhoods and more specific debates about neighborhood effects on health. KCHA's suburban location makes it a particularly compelling case; evidence from this work has implications for thinking about property siting, mobility counseling/assistance, and potential partnership opportunities as part of place-based initiatives.

- Example: Should the evidence show mental health provider shortages in areas with a high proportion of KCHA residents, it may help to explain possible service under-utilization patterns as well as a potential opportunity for KCHA to foster new partnerships to expand these service networks. Maps of area health characteristics could also be used as an important outreach and mobility resource for residents.

STUDENT FAMILY STABILITY INITIATIVE (SFSI)
INTERIM OUTCOMES ASSESSMENT

MAY 2016

REPORTING PERIOD

Pilot Years 1 and 2 | 2013 – 2015

PREPARED FOR

King County Housing Authority, Homeless Housing Program Team

PREPARED BY

David Forte, *Research Analyst*

Sarah Oppenheimer, *Senior Research Analyst*

OUTCOMES ASSESSMENT OVERVIEW

This assessment offers an interim look at SFSI program outcomes in order to inform future program strategy and decision making. Data used in this assessment span the first two pilot school years: 2013 – 2014 and 2014 – 2015.* A broader evaluation of Pilot Years 1-3 is currently being conducted by the Urban Institute; a final report from this effort will be published in February 2017.

* This sample includes all families that were referred to the program between 9/1/13 and 8/31/15. Data points for this sample have been incorporated through 5/31/16.

King County Housing Authority

We transform lives through housing

SFSI AT-A-GLANCE | PILOT YEARS 1 & 2 | 2013-2015

Except where noted, all statistics are based on the 79 families housed during this period.

49%

MEDIAN FAMILY MONTHLY INCOME INCREASE

An increase from $1,300 at entry to $1,941 at exit.*

71%

FAMILIES EARNING WAGE INCOME AT PROGRAM EXIT

An increase from 65% at program entry.*

---

89 DAYS

MEDIAN TIME FROM PROGRAM REFERRAL TO HOUSING

Timeline and corresponding services are client driven; families may choose employment counseling before housing search.

3.6 MONTHS

TYPICAL SUBSIDY DURATION

96%

FAMILIES RE-HOUSED WITHIN THE HIGHLINE PUBLIC SCHOOL DISTRICT

SFSI minimizes the negative effects of academic mobility due to out-of-district moves.

*Income data based on 70 of 73 families who ended subsidy. Three families did not report income data at program exit.

286

INDIVIDUALS HOUSED

116 adults | 170 children

96%

HOUSED FAMILIES THAT TOOK OVER RENTAL PAYMENTS INDEPENDENTLY AFTER SUBSIDY END

Based on 70 of 73 families who ended subsidy (6 were still receiving subsidy).

84%

FAMILIES HOUSED IN SAME LOCATION 3-MONTHS AFTER SUBSIDY END

Based on a 93% response rate (64 of 69 families eligible for the 3-month follow up survey).

70%

DOUBLED-UP FAMILIES AT PROGRAM REFERRAL

SFSI prevents families from potentially using emergency shelter, becoming unsheltered, or experiencing other acute homelessness.

61%

SINGLE PARENT HOUSEHOLDS

2.2

AVERAGE NUMBER OF CHILDREN PER FAMILY

ABOUT THE STUDENT FAMILY STABILITY INITIATIVE (SFSI)

Highline Public Schools (HPS) served 1,069 homeless students in the 2013-14 school year.[1] This was a 95% increase in the number of homeless students in HPS since the 2007-2008 school year and represented an all-time high. In response to this trend, SFSI was launched during the 2013-14 school year as a promising practice to end family homelessness. SFSI is based on a short-term assistance model comprised of short-term rental assistance and comprehensive wrap-around housing and employment services. SFSI's primary goals are to **quickly re-house homeless families** and to **ensure long-term housing stability.**

SFSI is one of the first short-term assistance programs to intentionally partner with a public school district to identify homeless families via district McKinney-Vento Liaisons and school counselors. This collaborative structure facilitates students' and families' access to the program and supports **academic consistency** by re-housing families in the students district of origin, and whenever possible, within their school of origin attendance area. This approach also suggests a secondary outcome of **reducing public school district costs** by avoiding transportation reimbursements for McKinney-Vento students. The SFSI partnership structure involves four distinct agents with unique roles:

A NOTE ABOUT THE **MCKINNEY-VENTO** EDUCATION OF HOMELESS CHILDREN AND YOUTH ASSISTANCE ACT

McKinney-Vento is a federal law that ensures immediate enrollment and educational stability for homeless children and youth. The act ensures that homeless children are provided with **transportation to and from their school of origin**, even if it requires costly taxi services. Of note to SFSI, this act also sets a **broader definition of homelessness** to include families who lack a fixed, regular, and adequate nighttime residence *including* families who are **doubled up** with family or friends. Under this definition, SFSI has served a large portion of families who are doubled up and not eligible for other housing and homeless services that use narrower eligibility definitions. **By serving doubled-up families, SFSI may prevent homeless families from becoming unsheltered or having to stay in emergency shelter**.

Figure 1: SFSI Partner Structure

PUBLIC SCHOOL PARTNER	PUBLIC HOUSING AUTHORITY	COMMUNITY BASED ORGANIZATION	PHILANTHROPIC FLEXIBLE FUNDING
Highline Public Schools	**King County Housing Authority (KCHA)**	**Neighborhood House**	**Building Changes, United Way, Siemer Foundation**
Identifies McKinney-Vento eligible homeless students and families that may be eligible for SFSI assistance.	Provides funding for short-term housing assistance, program oversight, technical assistance, evaluation, and long-term program support.	Provides families with short-term rental assistance and support services including wrap-around case management, housing search, and employment counseling.	Provides funding for flexible assistance to support families' access to housing.

The **theory of change** below describes the SFSI program design and outcome milestones leading to housing stability.

Figure 2: SFSI Theory of Change

ELEMENTARY SCHOOL REFERRAL AND SCREENING	DIRECT SERVICES	RE-HOUSING ASSISTANCE *Primary Outcome*	SCHOOL STABILITY *Primary Outcome*	SCHOOL COST SAVINGS *Secondary Outcome*	PROGRAM EXIT	HOUSING STABILITY *Primary Outcome*
Families experiencing homelessness are identified by Highline Public School staff and referred to Neighborhood House for eligibility screening.	Enrolled families receive case services and tailored education and employment counseling from Neighborhood House to identify housing options, overcome housing barriers, and increase family income.	Families are re-housed in the school district (and if possible, near students' school of origin) using a short-term rental subsidy that covers 100% of rent.	Resident students' academic lives are not disrupted as they remain enrolled in their school district and/or school of origin.	Costly taxi transportation reimbursements (per McKinney-Vento legislation) for homeless students are avoided.	Following an assessment that they are able to sustain permanent housing independently, families end receipt of the rental subsidy and support services (an average of 3 months after move-in).	Families remain stably housed for two years beyond program exit.

[1] Office of the Superintendent of Public Instruction (OSPI). Education of Homeless Children and Youth Data Collection and Reports. Accessed March 2016. http://www.k12.wa.us/HomelessEd/Data.aspx.

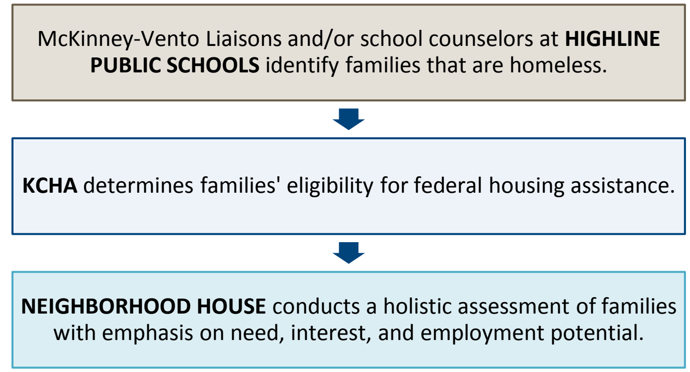
THE SFSI PROGRAM EXPERIENCE

Eligibility and referral for SFSI is based on three key family characteristics:

1. At least one child is enrolled at an elementary school within the HPS district
2. At least one child is eligible for McKinney-Vento homeless services
3. At least one work-able parent can earn a wage that sustains monthly rent post-subsidy[2]

Once referred, program **screening** occurs in a multi-stage approach that includes all three partner agencies (Figure 3). After an in-person screening with Neighborhood House, families are **enrolled** into SFSI and are eligible for short-term rental assistance and wraparound case services to support their long-term stability. Families that are screened-out or choose not to participate in SFSI are referred to other community resources.

Figure 3: SFSI Referral and Screening Process



In its first two pilot years, SFSI received referrals for 229 families, of which 132 (58%) were enrolled, and 79 (34%) were housed.[3] Figure 4a depicts these families' progression through SFSI during the pilot years. During this period, **70 families transitioned off the subsidy successfully**. Three months post-subsidy, 93% of eligible families (64 of 69) participated in a follow-up interview, of which **84% (54 of 64) reported residing in the same housing**. Figure 4b offers cumulative probabilities for families' likelihood of reaching program milestones after being enrolled (based on the proportions in Figure 4a), indicating a 40% probability that enrolled families will ultimately obtain housing, transition off subsidy, and be housing consistent three months after subsidy end. Additional tables detailing this process are available in the Appendix.

Figure 4a: SFSI Outcomes Tree

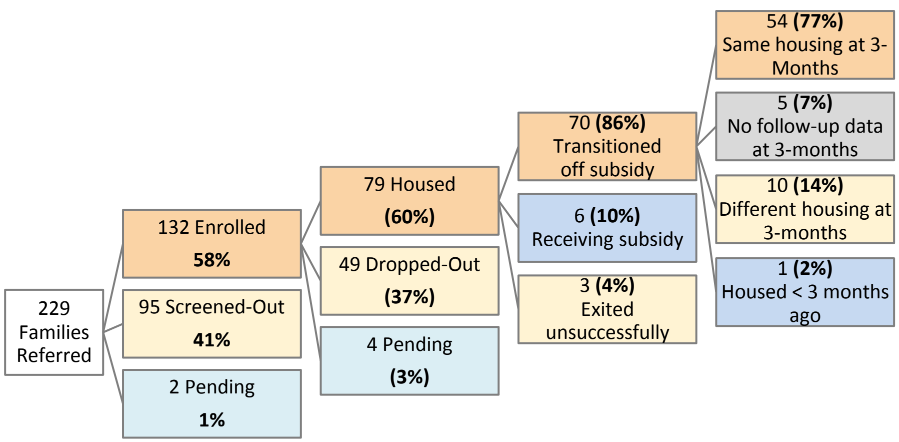
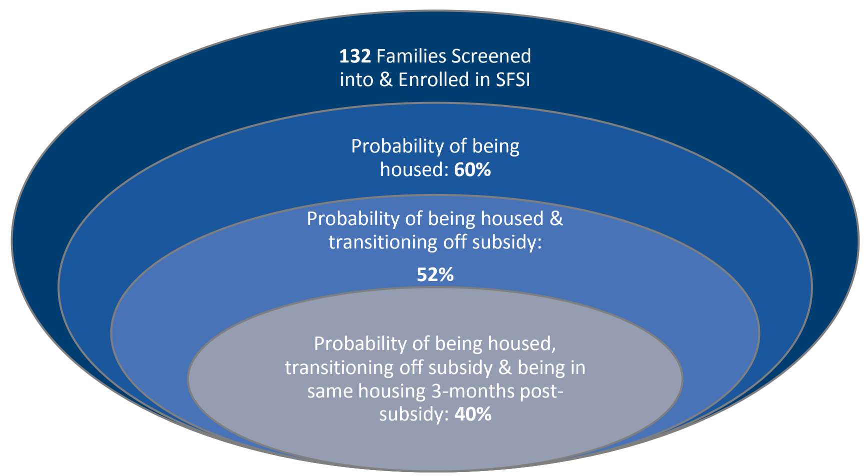


Figure 4b: Cumulative Probability of Enrolled Families Reaching Program Milestones



[2] At the time of this report, families' work and income potential were identified by Neighborhood House case managers using both written assessments as well as interview conversations. Moving forward, one program recommendation is to further operationalize how work and earnings potentials are assessed to ensure systematic approaches across staff.

[3] Of the 95 families screened-out, more common reasons included families declining assistance and ineligibility based on work ability. Better understanding reasons for screen-out and non-participation is one of the recommendations for program monitoring and tracking moving forward.

FAMILY CHARACTERISTICS

Two hundred and eighty six (286) persons were housed through SFSI in the first two pilot years. This includes 116 adults, 125 elementary-aged children, and 45 non-elementary aged children. Housed families had an average household size of 3.6 people (with an average of 2.2 children per family). **Sixty-one percent of housed families were single-parent headed households**. The average age of housed household heads was 34.7 years, ranging from 23 years to 59 years. The average age of elementary school children housed through SFSI was 8 years. Figure 5 indicates the grade-level distribution of elementary-aged children housed through the program.

Among families who were housed through SFSI in Pilot Years 1 and 2, **the majority (70%) were doubled-up at the time of program referral**. Nearly all of these families identified as being in an unstable and/or overcrowded situation, but would otherwise have been ineligible for housing assistance based on narrower homelessness definitions. As such, **SFSI may have provided a preventative intervention to end these families' homelessness prior to their having to utilize emergency shelter, becoming unsheltered, or experiencing other, more acute homelessness**. The prior housing circumstance of all other housed families is illustrated in Figure 6.

Figure 5: Elementary Children Housed by Estimated Grade Level, n=125

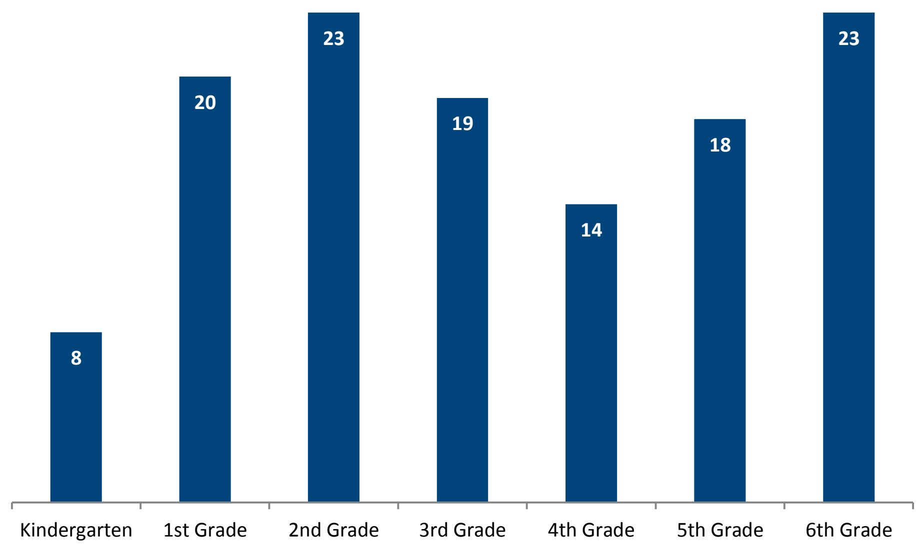
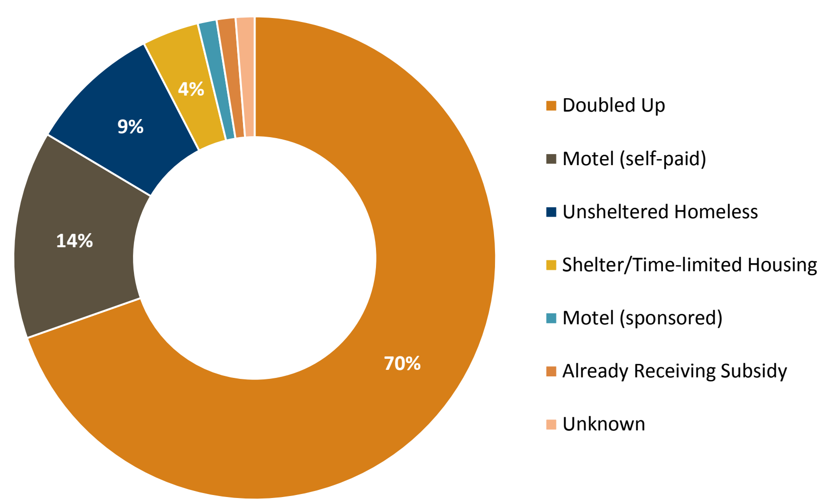


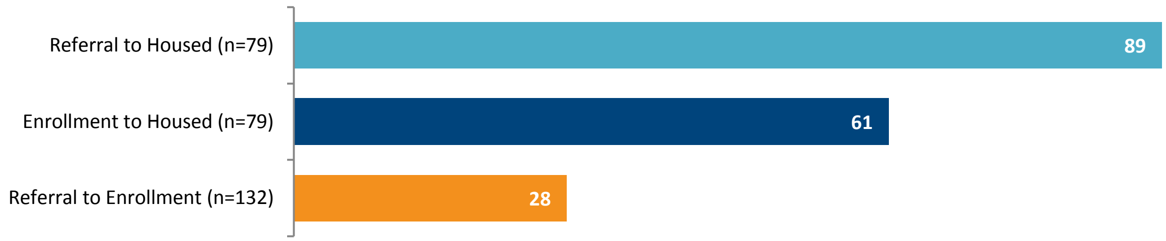
Figure 6: Families' Housing Status at Referral, n=79



PROGRAM RESPONSE TIME

As a short-term assistance program, SFSI aims to re-house families quickly and to ensure that their experience with homelessness is as brief as possible. **Time between referral and housing is approximately three months**; however, housing search assistance is client driven and in some cases families choose to engage in employment counseling before signing a new lease. As noted in the figure below, the referral to enrollment period is less than a month. The majority of the pre-housing timeline is spent on housing search (enrollment to housed period which is approximately 2 months) and is an indicator of the tight rental market in which the SFSI program operates.

Figure 7: Median Rapidity of Response (Units: Days)



LENGTH OF SUBSIDY ASSISTANCE

During the pilot period, SFSI provided families with three months of rental assistance to cover 100% of their rental costs. Residents received additional months of rental assistance on a case-by-case basis after assessment with Neighborhood House staff indicating that such support was necessary to help families maintain housing stability. On a whole, SFSI families are able to achieve this 3-month ideal, with a **median subsidy duration for all families and families housed in the same location 3-months post-subsidy being 3.6 and 3.4 months**, respectively.

Figure 8: Housing Subsidy Duration (Units: Months)

	All Families n=73	**Families Housed in Same Location 3-Months Post-Subsidy** n=54
Minimum Subsidy Duration	0.10	0.1
Median Subsidy Duration	**3.6**	**3.4**
Maximum Subsidy Duration	9.63	7.03

COMPARATIVE PERSPECTIVES ON **RAPIDITY OF RESPONSE**

Preliminary evidence indicating 89 days between referral to housing for SFSI participants are the same as (if not slightly better) than timelines for similar groups searching in King County's exceptionally tight rental market. In their 2015 interim evaluation, the King County Rapid Re-Housing for Families pilot program found that "more than 60% of families housed moved in to permanent housing within **3-months** of enrolling."* Another comparative metric that demonstrates the competitiveness of the area rental market is KCHA's Housing Choice Voucher lease-up times, which on average range between **100 and 120 days** for new voucher holders.

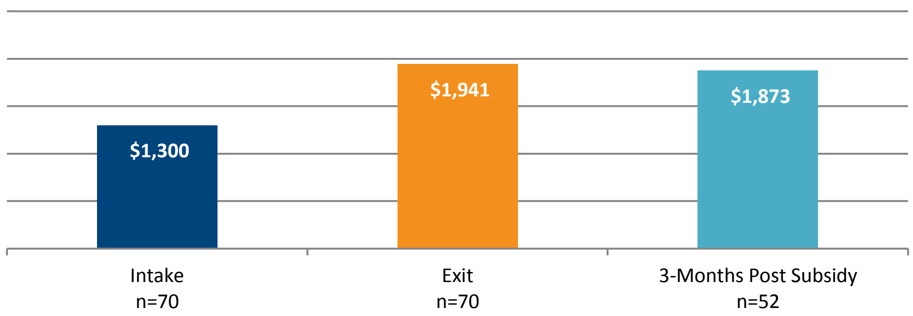
The importance of local context and considerations for how local housing markets may impact programmatic outcomes is emphasized in HUD's recent evaluation of the Rapid Rehousing for Homeless Families (RRHD) Program.** Local factors SFSI families face during their housing search include rapidly increasing rental costs (average rents increased by 34% between 2011 and 2015), area wages that have not kept pace with housing costs (a mere 2.7% increase in renter incomes between 2009 and 2014), and extremely low rental vacancy rates which fell to 3.4% in King County in 2015 compared to a national rate of 6.8%.***

*http://www.kingcounty.gov/~/media/socialServices/housing/documents/FHIDocs/FINAL_PDF_RRHF_Interim_Report_7_20_15.ashx?la=en
**https://www.huduser.gov/portal/rapid-rehousing-program.html
*** Dupre and Scott Report, September 2015

HOUSEHOLD INCOME

Household income is tracked at program intake, exit, and each quarterly post-program interview. Among families that exited SFSI after being housed, **median monthly household income increased by 49% between housing entry and exit** ($1,300 vs. $1,941 – see Figure 9).[4] At the 3-month post-subsidy milestone, these higher income levels appear to persist. **Fifty-five percent (55%) of positive income shifts are attributable to increases in head of household employment income**; the remainder of income shifts are mainly attributable to increases in other family member-contributed income.[5]

Figure 9: Median HH Income at Intake, Exit, and 3-Months Post-Subsidy



PERMANENT HOUSING SUCCESS RATES

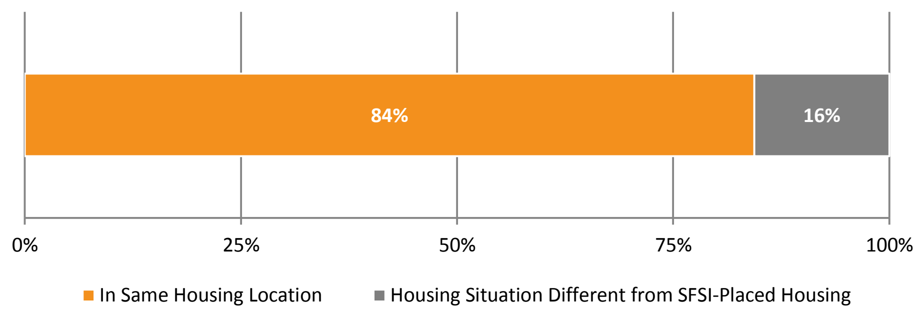
Within the reporting period, 73 of the 79 families housed during Pilot Years 1 and 2 exited the program. Seventy of these families were considered successful exits to permanent housing; in these cases, Neighborhood House Case Managers assessed families' housing and income status before subsidy end and determined that families would be able to maintain their housing situation independently upon exit. This amounts to **a 96% rate of permanent housing exit** (see Figure 10).

Figure 10: Successful Transition Off Subsidy, n=73

LONG-TERM HOUSING STABILITY

KCHA intends to monitor families' long-term housing stability two years following families' exit from SFSI. While preliminary, this assessment offers an early look at families' housing stability. With a **93% response rate** (64 of 69 eligible families), **84% of families (54 of 64) remained housed in the same location 3-months following program exit** (see Figure 11). The remaining 10 respondents (16%) had moved to a family/friend's house (6), were living in a motel (1), had moved to transitional housing (1), or had moved to a new rental unit (2). As KCHA continues its post-program interviews, we hope to obtain a more comprehensive picture of families' long-term housing stability following SFSI assistance.

Figure 11: Housing Situation 3-Months After Program Exit, n=64



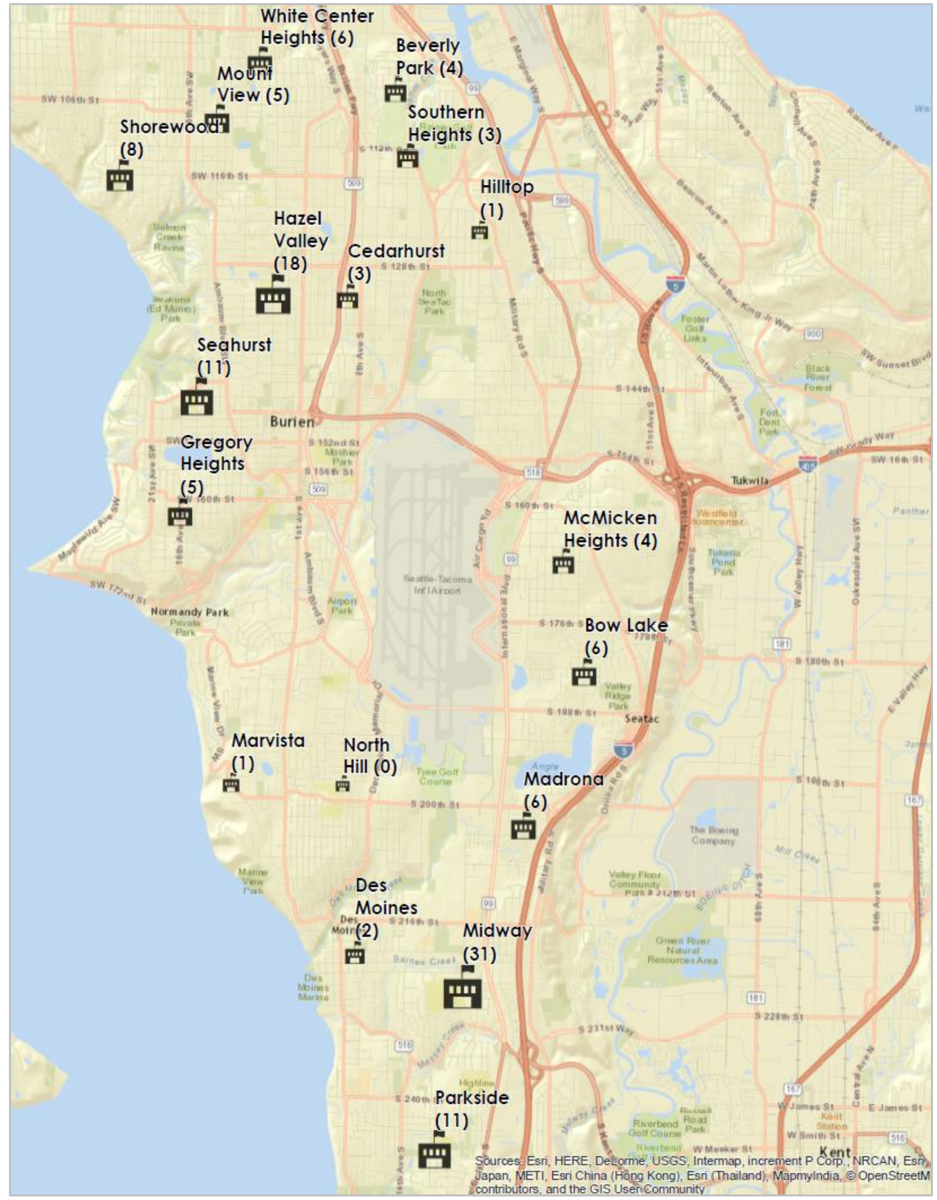
[4] Intake and exit samples in Figure 9 are based on 70 of 73 families who ended subsidy, including both successful exits and non. This excludes 3 families that did not report income data at program exit. The 3-Month Post Subsidy sample is based on 52 of 64 families reporting income data during their 3-month follow-up.

[5] Though these results are promising, median monthly income post-placement (an estimated annual income of $23,292) is still below 30% of Area Median Income (HUD's definition of extremely low income), which equals $24,400 for a family of three and $27,100 for a family of four.

PUBLIC SCHOOL PARTNERS

SFSI has a presence within **all 18 elementary schools in HPS** – a scale that has grown from an initial eight target elementary schools since SFSI's inception in school year 2013 – 2014. This broad district coverage enables an increased number of families to be served and is an indicator of the strong buy-in of HPS as a partner in this program. Figure 12 indicates the distribution of elementary schools across HPS and illustrates the broad geography covered by the program (including a variety of housing submarkets) as well as the magnitude of the SFSI footprint at each school as it pertains to students housed.

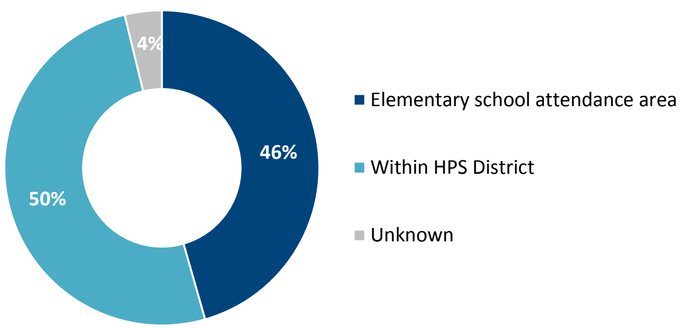
Figure 12: SFSI Footprint (Housed Students)



SCHOOL STABILITY

Almost half (46%) of families were housed in elementary students' school of origin attendance area, with a total of **96% of families remaining within the HPS District**.

Figure 13: Housing Placement within Highline Public Schools, n=79



By prioritizing housing access within HPS (and when possible, within students' school of origin attendance area), an additional goal of SFSI is to minimize the negative effects of academic mobility that students might experience due to an out-of-district move. Based on 3-month follow up interviews, **91% of families reported that their children did not experience a change in schools** since being housed by SFSI.[6]

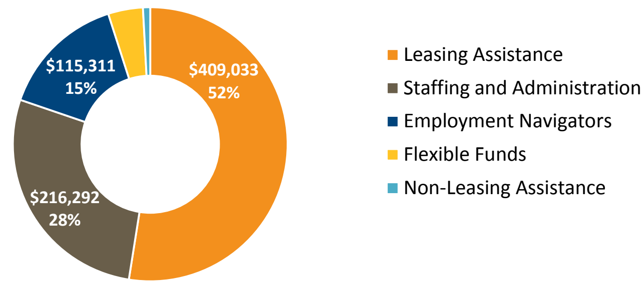
[6] Based on a 93% response rate (64 of 69 eligible families).

PROGRAM COSTS

TOTAL PROGRAM COSTS

In Pilot Years 1 and 2, the total program costs for SFSI were $779,172.[7] Figure 14 illustrates how total program costs were allocated in the program period. Over half of total program costs ($409,033, 52%) were spent on leasing assistance costs covered by KCHA. The other two major expenses were related to supportive services and included Neighborhood House staffing and administration ($216,292, 28%) and employment navigation support ($115,311, 15%).[8] Smaller though no less critical funds were provided by external program partners for flexible funding to cover such expenses as transportation costs, clothing and personal items necessary for obtaining employment ($31,902, 4%).[9] A minor amount of KCHA funds were allocated to non-leasing assistance such as moving assistance ($6,634, 1%).

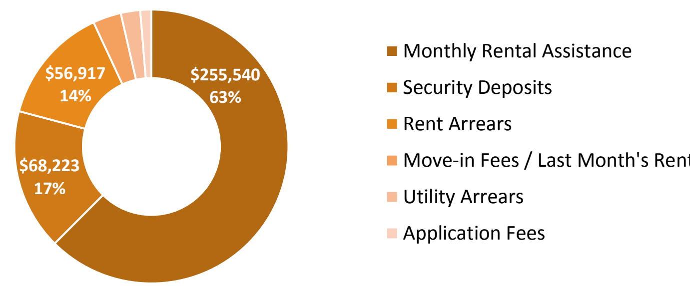
Figure 14: Total Program Costs
Total = $779,172



LEASING ASSISTANCE COSTS

Figure 15 provides a breakdown of leasing assistance costs. Though the majority was spent on direct rental assistance ($255,540, 62%), significant amounts were also spent on other areas such as security deposits ($68,223, 17%) and covering rental arrears ($56,917, 14%). Based on this breakdown, **it is clear that families have myriad housing-related expenses that include but are not limited to rental assistance**. Flexibility in how leasing assistance is allocated appears to benefit families and increase their access to private market housing.

Figure 15: Breakdown of Leasing Assistance Costs
Total = $409,033



ESTIMATED COST PER FAMILY

Estimated cost per family housed can be calculated in relation to families that were i) referred, not enrolled (97), ii) enrolled, not housed (53), and iii) housed (79) during Pilot Years 1 and 2. Based on the services received and time spent engaged with each family type, the following cost per family estimations can be made:

Figure 16: Cost Per Family Type

Referred, Not Enrolled	Enrolled, Not Housed	Housed
n=97	n=53	n=79
$111 / Family	$1,372 / Family	$8,806 / Family

In this cost estimation, 1.4%, 9.3%, and 89.3% of program costs are appropriated to families i) referred, not enrolled, ii) enrolled, not housed, and iii) housed, respectively. Cost and process efficiencies are being explored as the SFSI pilot model continues to be refined, as are approaches for comparing SFSI per intervention costs to the costs of long-term housing assistance models. Appendix B: Estimated Costs Per Family offers a detailed explanation of how program costs are distributed across these three family types.

[7] These figures do not include KCHA staffing or administrative expenses.
[8] Employment support services for Pilot Years 1 and 2 were paid for by Building Changes.
[9] These funds were provided by program partners including The Siemer Institute for Family Stability, United Way of King County, and Building Changes.

WHAT'S NEXT

This Outcomes Assessment represents an interim look at SFSI outcomes over the first two years of the pilot. One area missing from this assessment are outcomes pertaining to potential transportation cost savings of the public school partner due to relocating McKinney-Vento students near their school of origin. KCHA is currently working with the Urban Institute to conduct a full evaluation of Pilot Years 1 – 3, which will be available in February 2017, and will include more robust process and outcomes analyses. The findings reflected in this report suggest several areas for future consideration, including:

Use of linear projections to set housing goals. Based on the number and percentage of students referred, enrolled, and housed through SFSI in the first two years, projections can be made to estimate outreach and housing necessary for SFSI to decrease elementary student homelessness by certain percentages within a given year. For example, in the 2014 – 2015 school year, there were **521 homeless elementary students enrolled at HPS**.[10] If this number were to remain fairly consistent in the short-term, projections can be made to guide future decisions around target outputs and corresponding impacts. Examples of how these projections could be modeled are included below.

Figure 17: Projecting SFSI's Impact on Elementary Student Homelessness within HPS[11]

Operationalizing assessment and eligibility criteria. Pilot Years 1 and 2 gave important insights into the tools and strategies used by SFSI partners to screen and assess potential participants. Future work should consider further operationalizing screening criteria, including how to ensure fidelity in determining employment and income potential, as well as the determination of when to transition families off subsidy assistance.

Follow-up tracking. Results from this assessment emphasize the importance of follow-up data to track SFSI's goal of helping families achieve long-term housing stability. The program has set an ambitious goal to track follow-up metrics on housing and school stability for two years following program exit. To ensure high response rates moving forward, additional strategies to collect this information should be explored including refined outreach protocols, use of incentives, alternative modes of communication, and potential matching against other administrative data systems.

Distinguishing housing stability vs. vunerability. While preliminarily data suggest being in the same housing situation at 3-months may be an indicator of long-term housing stability, it does not offer strong insights into the complexities of broader housing vulnerability. Stable families may be in new locations, and families in the same location may be experiencing housing vulnerability. As follow up efforts are refined, a more nuanced approach to defining and determining housing vulnerability and stability should be explored.

Understanding reasons for non-participation. As noted earlier, future work may benefit from further understanding and exploration of the reasons why families may screen-out or opt-out of participating in SFSI, and when these decisions occur.

[10] Office of the Superintendent of Public Instruction (OSPI). Education of Homeless Children and Youth Data Collection and Reports. Accessed March 2016. http://www.k12.wa.us/HomelessEd/Data.aspx

[11] Projections based on the following linear projection equations calculated using the number of students associated with each referred, enrolled, and housed family:

$f(enrolled\ students) = .659 \times referred\ students \mid f(housed\ students) = .418 \times referred\ students$

APPENDIX A: PROGRAM PROBABILITY OUTCOMES TABLES

TABLE 1: REFERRAL OUTCOMES

	#	%
Enrolled	132	58%
Referred, Not Enrolled	95	41%
Decline Assistance (NH Phone)	21	9%
Decline Assistance (NH In-person)	18	8%
Screen-out (NH Phone)	16	7%
Screen-out (HPS)	14	6%
Screened-out (NH In-person)	14	6%
Decline Assistance (HPS)	10	4%
Screen-out (KCHA)	2	1%
Pending	2	1%
Total Referred	**229**	**100%**

TABLE 2: ENROLLED OUTCOMES

	#	%
Housed	79	60%
Dropped-Out	49	37%
Enrolled and Pending Housing	4	3%
Total Enrolled	**132**	**100%**

TABLE 3: HOUSING OUTCOMES

	#	%
Transitioned off Subsidy	70	89%
Actively Receiving Subsidy	6	8%
Lack of progress on employment plan	1	1%
Moved out of District	1	1%
Lease violations	1	1%
Total Housed	**79**	**100%**

TABLE 4: ENROLLED, NOT HOUSED OUTCOMES

	#	%
Lack of follow up with case manager	30	57%
Voluntary withdrawal	15	28%
Moved out of District	4	8%
Enrolled and Pending Housing	4	8%
Total Enrolled, Not Housed	**53**	**100%**

TABLE 5: HOUSING STATUS 3-MONTHS AFTER SUBSIDY
Families who transitioned off subsidy

	#	%
Housing Situation Same as SFSI-Placed Housing	54	84%
Housing Situation Unknown (no follow-up data)	5	31%
Housing Situation Different from SFSI-Placed Housing	10	12%
Recently Housed (ineligible for 3-month follow-up)	1	3%
Total 3-Month Housing Status	**70**	**100%**

APPENDIX B: ESTIMATED COSTS PER FAMILY

TABLE 6: ESTIMATED COST PER FAMILY TYPE BY PROGRAM COST CATEGORY

Family Type	Leasing Assistance		Staffing and Administration		Employment Navigators		Flexible Funds		Non Leasing Assistance	
	% of costs	*Costs*	*% of costs*	*Costs*	*% of costs*	*Costs*	*% of costs*	*Costs*	*% of costs*	*Costs*
Referred, Not Enrolled	0%	$ -	5%	$ 10,815	0%	$ -	0%	$ -	0%	$ -
Enrolled, Not Housed	0%	$ -	20%	$ 43,258	20%	$ 23,062	20%	$ 6,380	0%	$ -
Housed	100%	$ 409,033	75%	$ 162,219	80%	$ 92,249	80%	$ 25,522	100%	$ 6,634
Total	**100%**	**$ 409,033**	**100%**	**$ 216,292**	**100%**	**$ 115,311**	**100%**	**$ 31,902**	**100%**	**$ 6,634**

TABLE 7: ESTIMATED TOTAL AND PER FAMILY TYPE ASSOCIATED COSTS

	Referred, Not Enrolled	Enrolled, Not Housed	Housed
Number of Families	97	53	79
Estimated Total Associated Costs	$ 10,815	$ 72,701	$ 695,656
Estimated Associated Costs Per Family	$ 111	$ 1,372	$ 8,806

TAB NUMBER 11

KCHA IN THE NEWS

New affordable housing for seniors breaks ground in Kirkland

From left, Executive Director of Imagine Housing Chris Jowell, Rep. Roger Goodman; Ankrom Moisan Architects David Kelley, Kirkland Mayor Amy Walen, King County Executive Dow Constantine, King County Councilmember Claudia Balducci, Chuck Weinstock, JPMorgan Chase & Co.; Matt Parent, Venture General Contracting; and Kevin Kilbane, Raymond James Tax Credit Funds, Inc. *Contributed photo*

— *Image Credit:*

Sep 9, 2016 at 3:44PM

Kirkland-based nonprofits Imagine Housing and Red Vines 1 broke ground on a new community in Kirkland on Friday. Athene, located in the Totem Lake neighborhood next to Imagine Housing's existing Francis Village, will provide 91 new studio, one- and two-bedroom apartments for seniors earning up to 60 percent of area median income. Twenty apartments will be reserved for seniors experiencing homelessness.

"We are proud to partner with supporters and experts who share an understanding that building quality, affordable housing strengthens the Eastside and allows all members to thrive," said Executive Director of Imagine Housing and Red Vines 1 Chris Jowell. "We look forward to opening

Athene to provide more of our senior neighbors the opportunity for quality housing in their chosen community."

The nonprofit partners have been building supportive affordable housing in the area for 29 years.

With construction underway, Athene plans to begin leasing in the spring of 2017. The sustainably built community will feature a free common area wi-fi and access to Eastside shopping, services and transportation. On-site supportive services will enhance health, wellness and community engagement. The new community will help serve the many seniors who, despite living and working in the community for years, can no longer afford Eastside rents.

Funding for the development of Athene is provided by: JP Morgan Chase Community Investment Banking, Raymond James Tax Credit Funds, Inc., Washington State Department of Commerce, King County, Washington Community Reinvestment Association, Washington State Housing Finance Commission, Impact Capital, and King County Housing Authority. Funding is also provided by the Eastside Housing Trust Fund, administered by A Regional Coalition for Housing with funding from the cities of Bellevue, Clyde Hill, Hunts Point, Issaquah, Kenmore, Kirkland, Medina, Mercer Island, Newcastle, Redmond, Sammamish, Woodinville, and Yarrow Point.

For more information, visit www.imaginehousing.org.