



## **MEETING OF THE BOARD OF COMMISSIONERS**

**October 10, 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 – September 19, 2016 **1**
- V. Approval of Agenda**
- VI. Consent Agenda**
  - A. Voucher Certification Reports for August 2016 **2**
  - B. **Resolution No. 5550:** Acquisition of Investor Member's interest Green River Homes, LLC (Valley Park Apartments) **3**
- VII. Resolutions for Discussion & Possible Action**
  - A. **Resolution No. 5551:** Approval of the King County Housing Authority's Moving to Work Annual Plan for FY 2017 **4**
  - B. **Resolution No. 5552:** Authorizing a change in the Administrative Pay Schedule of 2.3% effective November 12, 2016 **5**
- VIII. Briefings & Reports**
  - A. Bank Accounts **6**

B. Third Quarter CY 2016 Procurement Report 7

C. Mid Year Capital Projects Report CY 2016 8

**D. Executive Session**

a. To review the performance of a public employee (RCW 42.30.110 (1) (g))

E. **Study Session:** KCHA's Research Agenda 9

**F. Executive Director's Report**

G. **KCHA in the News** 10

**H. Commissioner Comments**

**I. 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.

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

**Monday, September 19, 2016**

**I. CALL TO ORDER**

The regular meeting of the Board of Commissioners of the King County Housing Authority was held on Monday, September 19, 2016 at the King County Housing Authority, 700 Andover Park West, Tukwila, WA 98188. There being a quorum, the meeting was called to order by Commissioner Susan Palmer in accordance with KCHA By-laws, stating that in the absence of both the Chair and the Vice-Chair the most senior Commissioner present shall assume the duties of the Chair for that meeting.

**II. ROLL CALL**

**Present:** Commissioner Doug Barnes (joined via phone at 8:30 a.m.),  
Commissioner Susan Palmer, and Commissioner TerryLynn Stewart

**Excused:** Commissioner Michael Brown (Vice-Chair), Commissioner John Welch

**III. PUBLIC COMMENT**

Noke Phoumkeo, Resident, submitted a petition on behalf of the Residents of Wayland Arms to request replacement of old furniture in the common areas at the property located in downtown Auburn.

**IV. APPROVAL OF MINUTES**

On motion by Commissioner Stewart and seconded by Commissioner Barnes, the Board approved the minutes from the Board of Commissioners' meeting of August 18, 2016.

**V. APPROVAL OF AGENDA**

The following items were deferred:

**VII. B.** Resolution No. 5548: Approval of 2017–2021 Environmental Sustainability Plan

**VIII. B.** Calendar Year 2016 Mid Year Capital projects Report

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



On motion by Commissioner Barnes and seconded by Commissioner Stewart, the Board approved the September 19, 2016 Board of Commissioners' meeting agenda as modified.

## **VI. CONSENT AGENDA**

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

On motion by Commissioner Barnes, seconded by Commissioner Stewart, the Board approved the consent agenda.

## **VII. RESOLUTIONS FOR DISCUSSION AND 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**

Executive Director, Stephen Norman provided background information on the negotiations and execution of the extended MTW Agreement. Katie Escudero, Moving to Work Policy Analyst, explained the public process and outreach conducted with stakeholders to solicit feedback on the Agreement. Ms. Escudero mentioned that positive feedback was received from workgroups and stakeholders.

On behalf of the Resident Advisory Committee (RAC), Commissioner Stewart, thanked the Board and staff for an open public process that allowed them to provide feedback on the extended Agreement. The Committee was proud to participate and provide valuable feedback to staff.

Commissioner Barnes stated he is pleased to see this Resolution brought forward and commended staff efforts on the negotiations and execution of the Agreement.

On motion by Commissioner Stewart, seconded by Commissioner Barnes, the Board approved Resolution No. 5547.

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

Jennifer Ramirez-Robson, Director of Resident Services, presented Resolution No. 5549. Ms. Ramirez-Robson stated that approval of this Resolution would allow staff to apply for a Community Block Grant. Ms. Ramirez-Robson mentioned that the grant would fund the YWCA for case management services at Kings Court and Laurelwood Gardens would be utilized as sites to provide individual on-site training.

Commissioner Stewart spoke in favor of the adoption of Resolution No. 5549

On motion by Commissioner Barnes, seconded by Commissioner Stewart, the Board unanimously approved Resolution No. 5549.

## **VIII. BRIEFINGS & REPORTS**

### **A. CY 2017 Draft Moving to Work Plan**

Katie Escudero presented the draft Moving to Work Plan for the calendar year 2017. Ms. Escudero briefed the Board on the status of continued goals, new activities and the public process conducted. Ms. Escudero mentioned that the approval of the 2017 Moving to Work plan will be presented to the Board for consideration at the October meeting.

### **B. CY 2016 Second Quarter Financial Statements**

Craig Violante, Director of Finance, gave a briefing on the financials for the second quarter CY 2016. Mr. Violante discussed quarterly highlights. Mr. Violante also provided an update on cash and investments.

### **C. CY 2016 Second Quarter Executive Dashboard Report**

Megan Hyla, Director of Policy & Intergovernmental Affairs, provided an overview of the Executive Dashboard Report and discussed revenue to budget highlights.

## **X. EXECUTIVE DIRECTOR'S REPORT**

Stephen Norman provided a briefing on current real estate transactions and execution agreement on Highland Village. Mr. Norman also provided an overview on current activities and next steps.

In response to Commissioner Barnes inquiry, John Eliason updated the Board on current activities pertaining to lot sales under contract with Connor Homes.

## **XI. KCHA IN THE NEWS**

None.

## **XII. COMMISSIONER COMMENTS**

Commissioner Stewart mentioned some concerns brought forward by the Resident Advisory Committee in regard to upcoming development for new tenants that have mental health issues and/or categorized as hard to house. Residents

expressed concern about the future of community living and losing the levels of respect currently established within the community.

### **XIII. ADJOURNMENT**

On motion by Commissioner Stewart, seconded by Commissioner Barnes, the Board adjourned the meeting at 9:16 a.m.

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

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**DOUGLAS BARNES**, Chair  
Board of Commissioners

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**STEPHEN J. NORMAN**  
Secretary

# T A B N U M B E R



**To:** Board of Commissioners


**From:** Linda Riley, Controller

**Date:** September 27, 2016

**Re:** **VOUCHER CERTIFICATION FOR AUGUST 2016**

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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  
September 27, 2016

Bank Wires / ACH Withdrawals		8,294,043.01
	<i>Subtotal</i>	<b><i>8,294,043.01</i></b>
Accounts Payable Vouchers		
Key Bank Checks - #304451-#304964		3,556,469.48
Tenant Accounting Checks - #10181-#10219		7,298.19
Commerce Bank Direct Payment		103,762.41
	<i>Subtotal</i>	<b><i>3,667,530.08</i></b>
Payroll Vouchers		
Checks - #90219-#90245		31,885.68
Direct Deposit		1,304,232.67
	<i>Subtotal</i>	<b><i>1,336,118.35</i></b>
Section 8 Program Vouchers		
Checks - #614761-#615064		185,388.60
ACH - #356774-#359578		10,309,427.95
	<i>Subtotal</i>	<b><i>10,494,816.55</i></b>
Purchase Card / ACH Withdrawal		220,108.03
	<i>Subtotal</i>	<b><i>220,108.03</i></b>
	<b>GRAND TOTAL</b>	<b><i>24,012,616.02</i></b>

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

FROM: Wen Xu

SUBJECT: VOUCHER CERTIFICATION FOR AUGUST 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 21, 2016

Property	Wired to Operating Account(s) for Obligations of Property			Notes:
Aug-16	Date	\$	Claim	
<b>Bellevue East</b>	8/4/2016	\$ 11,981.47	A/P & Payroll	
	8/11/2016	\$ 6,002.92	A/P	
	8/18/2016	\$ 19,438.21	A/P & Payroll	
	8/25/2016	\$ 2,448.82	A/P	
<b>Colonial Gardens</b>	8/4/2016	\$ 16,012.07	A/P & Payroll	
	8/11/2016	\$ 5,689.41	A/P	
	8/18/2016	\$ 12,603.79	A/P & Payroll	
	8/25/2016	\$ 5,156.33	A/P	
<b>Cottonwood</b>	8/4/2016	\$ 9,146.25	A/P & Payroll	
	8/11/2016	\$ 7,002.93	A/P	
	8/18/2016	\$ 16,675.59	A/P & Payroll	
	8/25/2016	\$ 13,944.56	A/P	
<b>Cove East</b>	8/4/2016	\$ 47,531.74	A/P & Payroll	
	8/11/2016	\$ 11,993.72	A/P	
	8/18/2016	\$ 37,919.76	A/P & Payroll	
	8/25/2016	\$ 12,701.77	A/P	
<b>Landmark</b>	8/4/2016	\$ 42,551.72	A/P & Payroll	
	8/11/2016	\$ 32,372.85	A/P	
	8/18/2016	\$ 21,751.68	A/P & Payroll	
	8/25/2016	\$ 21,216.32	A/P	
<b>Timberwood</b>	8/4/2016	\$ 24,306.65	A/P & Payroll	
	8/11/2016	\$ 16,452.94	A/P	
	8/18/2016	\$ 44,138.68	A/P & Payroll	
	8/25/2016	\$ 10,167.62	A/P	
<b>Woodland North</b>	8/4/2016	\$ 21,507.42	A/P & Payroll	
	8/11/2016	\$ 15,670.71	A/P	
	8/18/2016	\$ 10,712.31	A/P & Payroll	
	8/25/2016	\$ 10,085.36	A/P	
<b>Woodside East</b>	8/4/2016	\$ 42,542.31	A/P & Payroll	
	8/11/2016	\$ 15,364.15	A/P	
	8/18/2016	\$ 66,638.26	A/P & Payroll	
	8/25/2016	\$ 13,750.17	A/P	
<b>Alpine Ridge</b>	8/11/2016	\$ 7,764.35	A/P & Payroll	
	8/25/2016	\$ 83,312.53	A/P & Payroll	
<b>Aspen Ridge</b>	8/11/2016	\$ 14,119.76	A/P & Payroll	
	8/25/2016	\$ 14,711.38	A/P & Payroll	
<b>Auburn Square</b>	8/11/2016	\$ 36,198.54	A/P & Payroll	
	8/25/2016	\$ 69,080.00	A/P & Payroll	
<b>Carriage House</b>	8/11/2016	\$ 44,748.29	A/P & Payroll	
	8/25/2016	\$ 36,148.10	A/P & Payroll	
<b>Cascadian</b>	8/11/2016	\$ 41,668.39	A/P & Payroll	
	8/25/2016	\$ 46,482.69	A/P & Payroll	
<b>Fairwood</b>	8/11/2016	\$ 65,442.56	A/P & Payroll	
	8/25/2016	\$ 31,176.14	A/P & Payroll	
<b>Heritage Park</b>	8/11/2016	\$ 26,728.11	A/P & Payroll	
	8/25/2016	\$ 28,104.32	A/P & Payroll	
<b>Laurelwood</b>	8/11/2016	\$ 21,432.15	A/P & Payroll	
	8/25/2016	\$ 30,557.72	A/P & Payroll	
<b>Meadows</b>	8/4/2016	\$ 11,641.24	A/P	
	8/11/2016	\$ 41,481.38	A/P & Payroll	
	8/25/2016	\$ 21,924.83	A/P & Payroll	
<b>Newporter</b>	8/11/2016	\$ 25,443.79	A/P & Payroll	
	8/18/2016	\$ 9,000.00	Payroll	
	8/25/2016	\$ 23,267.53	A/P & Payroll	
<b>Parkwood</b>	8/11/2016	\$ 20,895.73	A/P & Payroll	
	8/25/2016	\$ 22,294.72	A/P & Payroll	
<b>Somerset East</b>	8/4/2016	\$ 16,586.25	Debt Service	
	8/11/2016	\$ 20,166.61	A/P & Payroll	
	8/25/2016	\$ 9,288.83	A/P & Payroll	
<b>Somerset West</b>	8/4/2016	\$ 23,064.17	Debt Service	
	8/11/2016	\$ 15,469.25	A/P & Payroll	
	8/25/2016	\$ 60,974.94	A/P & Payroll	
<b>Walnut Park</b>	8/11/2016	\$ 33,147.77	A/P & Payroll	
	8/25/2016	\$ 35,313.64	A/P & Payroll	
<b>Windsor Heights</b>	8/11/2016	\$ 98,749.71	A/P & Payroll	
	8/25/2016	\$ 99,174.05	A/P & Payroll	
<b>Woodridge Park</b>	8/11/2016	\$ 45,676.81	A/P & Payroll	
	8/25/2016	\$ 76,512.33	A/P & Payroll	

<b>Gilman Square</b>	8/10/2016	\$ 27,649.91	A/P & Payroll	
	8/24/2016	\$ 43,984.45	A/P & Payroll	
<b>Meadowbrook</b>	8/10/2016	\$ 38,614.01	A/P & Payroll	
	8/24/2016	\$ 25,066.41	A/P & Payroll	
<b>Villages at South Station</b>	8/10/2016	\$ 33,587.85	A/P & Payroll	
	8/24/2016	\$ 35,490.14	A/P & Payroll	
<b>Vashon Terrace</b>	8/4/2016	\$ 13,988.36	A/P	
	8/24/2016	\$ 4,250.10	A/P	
<b>Rainier View I</b>	8/11/2016	\$ 13,950.29	A/P	
	8/18/2016	\$ 8,612.45	A/P	
<b>Rainier View II</b>	8/11/2016	\$ 12,997.24	A/P	
	8/18/2016	\$ 4,529.39	A/P	
<b>SI View</b>	8/11/2016	\$ 5,713.09	A/P	
	8/18/2016	\$ 5,630.55	A/P	
	8/24/2016	\$ 4,542.94	A/P	
<b>Portfolio Total:</b>		<b>\$2,231,824.28</b>		

# T A B N U M B E R

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**To:** Board of Commissioners

**From:** Tim Walter, Senior Director of Development & Asset Management

**Date:** October 5, 2016

**Re:** **Resolution No. 5550: Acquisition of Investor Member's interest in Green River Homes, LLC (Valley Park Apartments)**

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**Executive Summary**

The attached resolution authorizes the Executive Director to take all actions necessary for KCHA to acquire the investor member's interests in Green River Homes, LLC which owns Valley Park Apartments in Auburn. KCHA is the sole managing member in this tax credit limited liability company. The exit of the investor member results in the termination of their involvement in company and reconveys full ownership of the apartment complex back to KCHA.

**Background**

KCHA currently serves or has served as the managing general partner or managing member of 30 different tax credit partnerships and limited liability companies. KCHA forms these entities to generate equity from the sale of the low income housing tax credits to help finance the development of the affordable housing. The tax credit equity has been an invaluable tool without which the Housing Authority would not have been able to develop most of the housing it has developed or redeveloped over the last 22 years.

The tax credit model is structured to pass through tax credits and tax deductions to passive investors in exchange for their investment of capital into affordable housing. The tax credits are generally distributed over a 10 to 15 year window and it is over this time period the investor expects to receive their full investment return. The basic assumption in the "non-profit managing general partner" investment model is that the investor will make their investment in on day one; a non-profit managing general partner will operate the property for 15 years over which time the investor will claim their tax benefits; and, after the 15-year window, the primary investment return will be realized and the investor will deed the property over to the non-profit general partner ("GP").

In general, for a real estate transaction to be arm's length, partners cannot negotiate up front to sell the property to one or more of the partners at a future point in time at a below market price without creating negative tax consequences to the partnership. There is an exception, however, in the current tax code for non-profit and government

general partners to acquire tax credit properties back from their limited partners ("LP") at no cost other than the simple assumption of the partnership's debt plus a payment to the investor sufficient to cover any tax liability they may incur by exiting. This exemption is not an absolute right of the GP but may be agreed to by the partners and is generally negotiated at the time the partnership agreement is originally executed.

**Staff Recommendation**

The investor in Green River Homes, LLC is an investment fund managed by the tax credit syndicator, NEF Assignment Corporation. The proposed structure of the transfer of the property to KCHA is consistent with the terms of KCHA's prior transactions with NEF and with the current tax code. KCHA anticipates the transfer to occur on or around December 31, 2016. By transferring the property back to KCHA in Year 12 of the compliance period instead of Year 16 as originally planned, KCHA will save on taxes as well as reduce the administrative burden of maintaining the partnership. In addition we will retain approximately \$126,000 in cash and \$170,000 in replacement reserve funds when the investor exits.

Approval of Resolution No. 5550 is recommended.

**THE HOUSING AUTHORITY OF THE COUNTY OF KING**

**RESOLUTION NO. 5550**

*(Project Transfer Resolution – Valley Park Apartments)*

A RESOLUTION of the Housing Authority of the County of King (the “Authority”) authorizing (i) the transfer of the Valley Park Apartments project (the “Project”) to the Authority; (ii) the submission to the Washington State Housing Finance Commission of a request for consent to transfer the Project; (iii) the assignment and assumption by the Authority of the obligations of Green River Homes LLC, a Washington limited liability company (the “Company”), under the Financing Lease pertaining to the Valley Park Apartments project; (iv) the subsequent termination of the leasehold interest of the Company in the Project; (v) the assumption of the other obligations and liabilities of the Company with respect to the Project, including without limitation the Housing Assistance Payments Contracts (“HAP Contracts”); (v) the acquisition of the investor member interest in the Company by the Authority and subsequent dissolution of the Company; and (vi) the Executive Director to approve, execute and deliver all documents necessary to effectuate the foregoing.

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

**WHEREAS**, RCW 35.82.070(2) provides that a housing authority may, among other things, “prepare, carry out, acquire, lease and operate housing projects; . . . .” and

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

**WHEREAS**, RCW 35.82.070(5) provides that a housing authority may, among other things, and if certain conditions are met, “own, hold, and improve real or personal property;” and “sell, lease, exchange, transfer, assign, pledge, or dispose of any real or personal property or any interest therein;” and

**WHEREAS**, RCW 35.82.080(1) provides that a housing authority may, among other things, “make and execute contracts and other instruments, . . . necessary or convenient to the exercise of the powers of the authority; . . . ;” and

**WHEREAS**, the Authority is the managing member (the “Managing Member”) of Green River Homes LLC, a Washington limited liability company (the “Company”), and NEF Assignment Corporation, an Illinois not-for-profit corporation, is the investor member of the Company (“Investor-Member”); and

**WHEREAS**, the Authority is the fee owner of the real property located at 801-1108 L Place SE, Auburn, King County, Washington (the “Property”), and pursuant to the terms of a Financing Lease between the Authority and the LLC dated as of June 29, 2004 (the “Lease”), the Company has a leasehold interest in that certain 60-unit senior low-income apartment complex located on the Property commonly known as Valley Park Apartments (the “Project”); and

**WHEREAS**, the Project was financed in part with low income housing tax credits (“LIHTC”); and

**WHEREAS**, the Project has been operating as “qualified low income housing” pursuant to Section 42 of the Internal Revenue Service Code (“Code”) and, as such, the Company has been receiving LIHTC during the compliance period pursuant to the Code (“Compliance Period”); and

**WHEREAS**, the Compliance Period for the Project will expire December 31, 2018; and

**WHEREAS**, the Authority desires to own the Project and continue its operation as affordable low income housing project; and

**WHEREAS**, the Authority has determined that the Investor Member is considering transferring its interest in the Company (the “Investor Member Interests”) to the Authority and it

is in the best interest of the Authority to acquire such Investor Member Interests and/or to acquire the Company's leasehold interest in the Project; and

**WHEREAS**, the Authority, in its own capacity and as managing member of the Company, desires to take such steps as are reasonably necessary to acquire the leasehold interest of the Company in the Project, or in the alternative, to acquire the Investor Member Interests, for sole consideration of the assumption of the debt encumbering the Project(the "Debt"); and

**WHEREAS**, the Authority, in its own capacity and as managing member of the Company, desires to take such steps as are reasonably necessary to obtain consents necessary to effect the Authority's assumption of the Debt, and to negotiate, execute and deliver such documents as may be required in connection with the foregoing, including, without limitation, any loan assumption documents; and

**WHEREAS**, the Authority, in its own capacity and as managing member of the Company, desires to take such steps as are reasonably necessary to obtain consent of the Authority, in its capacity as a public housing authority (the "PHA"), to the Authority's assumption of the Company's interest in the Housing Assistance Payments Contract No. 2005-GF-0010 ("HAP Contract 1") and the Housing Assistance Payments Contract No. 2005-LP-0002 (HAP Contract 2"), and to negotiate, execute and deliver such documents as may be required by the PHA in connection with the foregoing; and

**WHEREAS**, the Washington State Housing Finance Commission ("Commission") must approve the transfer of the Project from the Company to the Authority; and

**WHEREAS**, the Authority, in its own capacity and as managing member of the Company desires to take such steps as are reasonably necessary to acquire the Investor Member

Interests and cause the dissolution of the Company upon transfer of the Project to the Authority;  
and

**WHEREAS**, the Authority, in its own capacity and as managing member of the Company desires to take such steps, make such reasonable expenditures, including, but not limited to attorney's fees and costs, and to ratify all steps already taken, as are reasonably necessary to transfer the leasehold interest and the Project from the Company to the Authority; to take such steps that are reasonably necessary to obtain the Commission's approval of the transfer of the Project from the Company to the Authority; cause the Authority to assume the Company's leasehold interest in the Project; cause the Authority to assume the Debt and remaining assets of the Company, including the HAP Contracts; cause the Authority to assume the interest of the Investor Member in the Company and cause the dissolution of the Company upon transfer of the Project to the Authority; and

**WHEREAS**, in the alternative, the Authority, desires to take such steps, make such reasonable expenditures, including, but not limited to attorney's fees and costs, and to ratify all steps already taken, as are reasonably necessary to transfer the Investor Member Interests to the Authority; to take such steps that are reasonably necessary to obtain the required consents necessary to transfer the Investor Member Interests; and

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

### **RESOLUTIONS**

**RESOLVED**, that the Authority, in its own capacity and as managing member of the Company is authorized, empowered and directed to take such steps that are reasonably necessary to effectuate the transfer of the leasehold interest and the Project from the Company to the Authority, or in the alternative, to acquire the Investor Member Interest, and to negotiate,

execute, and deliver such documents, and Tax Credit Compliance Indemnity Agreements, as may be reasonably required to effectuate the Project transfer;

**RESOLVED**, that the Authority, in its own capacity and as managing member of the Company, is authorized, empowered and directed to make any reasonable expenditures, including, but not limited to, attorney's fees and costs necessary or required in conjunction with the transfer of the leasehold interest in the Project from the Company to the Authority, or in the alternative, to acquire the Investor Member Interests;

**RESOLVED**, that the Authority, in its own capacity and as managing member of the Company, is authorized, empowered and directed to take such steps as may be necessary or desirable for the Authority to assume all of the Company's obligations with respect to the Debt;

**RESOLVED**, that the Authority, in its own capacity and as managing member of the Company, is authorized, empowered and directed to make any amendments to the Lease or any other documents as may be necessary or desirable in connection with the transactions contemplated by this resolution;

**RESOLVED**, that the Authority, in its own capacity and as managing member of the Company, is authorized, empowered and directed to take such steps as may be necessary or desirable to obtain consent of the lenders of the Debt or other necessary parties, and to negotiate, execute and deliver such documents as may be required by the lenders of the Debt in connection with the foregoing, including, without limitation, any loan assumption documents;

**RESOLVED**, that the Authority in its own capacity and as managing member of the Company, is authorized, empowered and directed to take such reasonable steps as may be necessary to obtain the consent of the PHA to the Authority's assumption of the HAP Contracts,

and to negotiate, execute and deliver such documents as may be required by the PHA in connection with the foregoing;

**RESOLVED**, that the Authority in its own capacity and as managing member of the Company, is authorized, empowered and directed to take such reasonable steps as may be necessary to obtain the Commission's approval of the transfer of the Project from the Company to the Authority, and to negotiate, execute and deliver such documents as may be required by the Commission in connection with the foregoing, including, without limitation, submitting a request to the Commission for the Commission's consent to transfer the Project from the Company to the Authority, and paying the requisite transfer fee to the Commission of approximately \$2,500.00;

**RESOLVED**, that any and all documents in connection with the foregoing, which are authorized to be executed by or on behalf of the Authority, in its own capacity and as managing member of the Company, are authorized to be executed by the Executive Director of the Authority;

**RESOLVED**, that the Executive Director of the Authority, is authorized, empowered and directed to take such further action on behalf of the Authority, in its own capacity and as managing member of the Company, to cause to be done all other acts and to take all further steps and actions, and to deliver all agreements, documents and instruments, and make such reasonable expenditures, as the Executive Director of the Authority, shall deem necessary or desirable to carry out the foregoing resolutions; and

**RESOLVED**, that all steps or actions heretofore taken and/or documents heretofore executed with respect to the foregoing by the Authority, in its own capacity and as managing member of the Company, as contemplated the transactions herein are hereby ratified and affirmed.



**RESOLVED**, that any action required by this resolution to be taken by the Executive Director of the Authority may in the absence of such person may be taken by a duly authorized acting Deputy Executive Director of the Authority.

*[CERTIFICATE FOLLOWS ON NEXT PAGE]*

**CERTIFICATE**

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

1. That the foregoing Resolution No. 5550 (the "Resolution") is a true and correct copy of the resolution of the Board of Commissioners of the Authority as adopted at a meeting of the Authority held on October 10, 2016, and duly recorded in the minute books of the Authority.

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

DATED: \_\_\_\_\_ 2016.

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Stephen J. Norman,  
Executive Director of the Authority

# T A B N U M B E R



**To:** Board of Commissioners

**From:** Katie Escudero, Moving To Work Policy Analyst

**Date:** October 5, 2016

**Re: Resolution No. 5551: Approval of the King County Housing Authority's Moving to Work Annual Plan for FY 2017**

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**Executive Summary**

Resolution No. 5551 authorizes the approval of KCHA's fiscal year 2017 Moving to Work (MTW) Annual Plan. As a participant in the Department of Housing and Urban Development's (HUD) MTW demonstration program, KCHA is required to submit a Board approved MTW Annual Plan that outlines the agency's goals, operations, programs, and proposed new MTW activities for HUD's review and approval. As outlined at the Board of Commissioner's meeting on September 19, 2016, KCHA is not proposing any new activities but is making targeted changes or additions to both ongoing initiatives and to use of single fund flexibility including efforts to increase the success of voucher holders leasing up, streamline the move and interim certification process, serve additional households, and improve economic outcomes of residents.

No substantive changes have been made to the Annual Plan since the September briefing.

**Background**

*Summary of Public Comments*

KCHA generally received positive feedback and support for its 2017 MTW Plan. After carefully reviewing and considering the public comments, staff made no substantive changes to the plan. A summary of the comments received follows and a detailed description of the public process can be found in Section VI (starting on page 49) of the plan.

Public Hearing: Despite publishing a notice in three local newspapers, posting flyers in all KCHA properties in multiple languages, and conducting outreach via property managers and service coordinators, the Public Hearing remained unattended. Policy staff, in consultation with Resident Services staff, is exploring alternative ways to increase participation during future public comment periods.

Resident Advisory Committee (RAC) Meetings: RAC members provided comments on KCHA's 2017 capital fund projects, the growing issue of homelessness in King County, the need for youth and young adult employment services, and the agency's energy conservation measures, including the Energy Performance Contract (EPC). In response, staff provided more information on how KCHA is addressing homelessness and how projects are selected for the capital plan. Staff also made note of potential future agenda topics regarding the EPC and workforce development programming.

Service Provider Partner Listening Session: The ten service provider partners in attendance communicated support for KCHA's direction for the upcoming year. Additionally, they shared ideas on a number of the activities KCHA is pursuing in 2017 including, how to support Housing Choice Voucher tenants' success leasing up, leverage resources across local systems to address the needs of low-income households, and streamline the moving and inspection processes. These partners will continue to be consulted as we implement these changes.

Written Comments: One written comment was received from a resident who communicated concern with KCHA's large investments in capital projects, including weatherization and energy conservation. She also expressed the need to revisit the utility allowance calculation after installing energy recovery ventilation systems as part of the EPC project. Finally, she disapproves of the replacement of siding and doors at her place of residence, Northridge. Senior level staff from Capital Construction and Weatherization is meeting with this resident to discuss her comments related to capital projects and their corresponding budget. The EPC project manager has also shared with her more information about how the project is financed and the amount KCHA anticipates saving each year as a result of installing these energy saving measures.

**Staff Recommendation:**

Approval of Resolution No. 5551 is recommended.





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# Moving to Work

FY 2017 ANNUAL PLAN

# KING COUNTY HOUSING AUTHORITY

## BOARD OF COMMISSIONERS

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John Welch

## EXECUTIVE DIRECTOR

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Sean Heron

Craig Violante

Megan Hyla

Tim Walter

Kristy Johnson

Dan Watson

Judi Jones

Wen Xu



# King County Housing Authority

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*Board of Commissioners*  
Doug Barnes, *Chair*  
Michael Brown, *Vice-Chair*  
Susan Palmer  
TerryLynn Stewart  
John Welch

*Executive Director*  
Stephen J. Norman

**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**

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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

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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

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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**

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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**

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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

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### 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.<sup>1</sup> 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-

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<sup>1</sup> 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

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#### 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
<b>Total Public Housing Units to be Added<sup>2</sup></b>								<b>90</b>			

#### *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
<b>Total Number of Units to be Removed</b>		<b>0</b>

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<sup>2</sup> 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***

<b>Property Name</b>	<b>Anticipated Number of New Vouchers to be Project-based</b>	<b>Description of Project</b>
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 <sup>3</sup>	2,655
		Anticipated Total Number of Project-based Vouchers Leased-up or Issued to a Potential Tenant at the End of the Fiscal Year <sup>4</sup>	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)

<sup>3</sup> AHAP and HAP.

<sup>4</sup> 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 <sup>5</sup>	227	2,724
<b>Total Households Projected to be Served</b>	<b>12,476</b>	<b>149,712</b>

<sup>5</sup> 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***

<b>Housing Program</b>	<b>Description of Anticipated Leasing Issues and Possible Solutions</b>
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***

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

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

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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.

<b>Year-Activity #</b>	<b>MTW Activity</b>	<b>Statutory Objective</b>	<b>Page</b>
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***

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**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 <sup>6</sup>
Reduce costs and achieve greater cost effectiveness	CE #2: Total time to complete task in staff hours	0 hours saved	198 hours saved <sup>7</sup>
Increase housing choice	HC #7: Number of households receiving services aimed to increase housing choice	0 households	33 households <sup>8</sup>

### ***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.

<sup>6</sup> 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.

<sup>7</sup> 6 hours saved per every move-in.

<sup>8</sup> 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***

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**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.<sup>9</sup> 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.

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<sup>9</sup> 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"***

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**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.<sup>10</sup> 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

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<sup>10</sup> 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](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***

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**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.<sup>11</sup> 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.<sup>12</sup> 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***

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**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

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<sup>11</sup> Washington State Department of Corrections. Number of Prison Releases by County of Release. <http://www.doc.wa.gov/aboutdoc/docs/msAdmissionsandReleasesbyCounty.pdf>

<sup>12</sup> 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***

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**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***

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**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***

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**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.<sup>13</sup> Countywide, fewer than 15 percent of all apartments are considered affordable to households earning less than 30 percent of AMI.<sup>14</sup> 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.<sup>15</sup>

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<sup>13</sup> 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](http://factfinder.census.gov/bkmk/table/1.0/en/ACS/14_5YR/DP04/0500000US53033).

<sup>14</sup> 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](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.

<sup>15</sup> 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.<sup>16</sup>

**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***

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**MTW STATUTORY OBJECTIVE:** Increase Self-sufficiency

**APPROVAL:** 2008

**IMPLEMENTED:** 2016

**CHALLENGE:** For every household receiving housing subsidy, two others may need assistance.<sup>17</sup> 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.

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<sup>16</sup>Some Public Housing units might be designated MTW Neighborhood Services units over this next year upon approval from the HUD field office.

<sup>17</sup> Worst Case Housing Needs 2015: Report to Congress, page viii.  
[http://www.huduser.org/portal/Publications/pdf/WorstCaseNeeds\\_2015.pdf](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***

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**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***

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**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***

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**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.<sup>18</sup> 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,

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<sup>18</sup> 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](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***

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**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.<sup>19</sup> Not surprisingly, high-opportunity neighborhoods have more expensive rents. According to recent market data, a two-bedroom rental unit at the 40<sup>th</sup> 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.<sup>20</sup> 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

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<sup>19</sup> 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/>).

<sup>20</sup> 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***

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**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.<sup>21</sup> 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)

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<sup>21</sup> 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***

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**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***

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**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***

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**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 20<sup>th</sup> 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***

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**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***

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**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***

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**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 Breyse *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	<b>Total Revenue</b>	<b>\$135,679,000</b>

##### *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	<b>Total Expenses</b>	<b>(\$138,879,000)</b>

### ***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
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Has the PHA implemented a local asset management plan (LAMP)?

Yes
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Has the PHA provided a LAMP in the appendix?

Yes
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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

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#### 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: Listening Session 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: Notice published in the Seattle Times.
  - August 17: Notice published in the Daily Journal of Commerce.
  - August 17: Notice published in the NW Asian Weekly.
  - August 17: Notice and Draft 2017 MTW Plan posted on KCHA's website ([www.kcha.org](http://www.kcha.org)).
  - August 17: Notice posted in KCHA's Public Housing and Project-based Section 8 developments. Plan was made available in the main office and the public hearing site, Seola Gardens.

##### *Comments Received*

##### **Public Hearing**

The Public Hearing did not have any attendants so no comments were received at this meeting.

##### **Resident Advisory Committee Meetings**

The following comments were received at the September 6 and 7 Resident Advisory Committee meetings:

- Residents would like for KCHA to auto-withdraw the rent payment each month.
- A resident would like for KCHA to revisit the capital needs at her property of residence, Northlake House.

- A number of residents expressed further interest in the Energy Performance Contract (EPC) project and shared additional ideas for energy conservation measures at KCHA's properties. Some concern about the air circulation measures was raised.
- Concern for the region's growing homeless population was expressed by a number of residents and asked to learn more about KCHA's efforts to address this issue.
- Support was communicated for the employment of additional services to help voucher holders lease up including the help of a leasing broker and assisting residents through a rent readiness curriculum.
- A question was raised about the "All Other Expenses" line item in KCHA's sources and uses table.
- Residents expressed the need for youth and young adult employment services and had questions about KCHA's programming for this particular demographic group.

KCHA staff shared that an auto-withdraw function is in the works, made note of the interest and questions about the EPC and scheduled it as a future topic at a RAC meeting, gave an overview of KCHA's efforts to address homelessness in King County, provided a further breakdown of "All Other Expenses," and shared how capital projects are selected and prioritized for the next year. This information was provided at the meeting and in follow-up with individual residents.

### **Service Provider Partner Listening Session**

A listening session was held for KCHA's service provide and community partners to share their reactions to the agency's direction and priorities in 2017. The meeting centered around two questions: 1. What resonates with you and the communities you serve or represent? 2. How else can MTW help KCHA address local challenges?

Partners emphasized the following focus areas and initiatives:

- Conducting landlord outreach and engagement.
- Continuing to serve diverse populations with targeted housing services.
- Leveraging resources across systems such as the education, workforce, and social service systems.
- Increasing access to high opportunity areas.
- Streamlining the move process to make it less burdensome for residents.
- Employing a rent readiness program for new voucher holders.

They also brought up these additional ideas:

- Further streamlining the move process and shortening the time it takes to process a move request.
- Exploring shared housing as an approach to housing those experiencing homelessness and potentially targeting Veterans with this model.
- Dedicating resources to landlord incentives and protections such as a damage fund.

- Providing security deposit assistance to voucher holders.
- Making the move-in process seamless and predictable, especially for landlords.
- Exploring additional housing support for those facing the most barriers and ensuring their stability in housing.

Staff will continue to consult these partners throughout the planning and implementation process.

### **Written Comment**

The following comment was received via email from KCHA resident Cindy Ference.

“PUBLIC COMMENT – MTW PLAN 2017

Submitted by Cindy Ference

9/26/16

My comments are based on the MTW Plan provided to the Resident Advisory Committee earlier this month.

Activity 2008-21 Public Housing and Section 8 Allowances

Proposed Changes:

KCHA may visit the utility schedule and set allowances according to a property’s energy usage and upgrade needs.

The EPC project includes installing an Energy Recovery Ventilation system in apartments. These systems run 24 hours a day, 7 days a week, with no on/off switch. The utility cost becomes the burden to the resident. KCHA purports that this will be offset by a savings in heating costs. However, some of our apartments are already so well insulated, our heating costs are minimal. With no ability to control the energy usage, I propose a change to the utility allowance to ease the burden of additional energy costs for residents.

Regarding the Capital budget and ongoing EPC:

Several projects in the 2017 MTW plan entail replacing sliding doors and windows. This includes the Northridge property where I reside. In the 16 years I have lived here, this will be the third sliding door and window and the third toilet. We are being weatherized so tightly, which then creates an unhealthy air quality to the extent that energy recovery systems need to be installed.

Furthermore, proposed changes to Activity 2004 – 12 Energy Service Companies Development is KCHA to benchmark and report its savings every five years as opposed to every year, because these efforts often take place over a number of years with savings being realized later in the life of the project.



This is a Housing Authority. With so many seniors, veterans, families and children living on the street and in shelters, this agency should not be allocating so many resources to energy conservation and weatherization.

With the extended contract of MTW comes a responsibility to Commissioners of King County Housing Authority to ensure the flexibility of the plan does not wander so far astray from getting people off the street and out of shelters.”

Senior level staff from Capital Construction and Weatherization are meeting with this resident to discuss her comments related to capital projects and their corresponding budget. The EPC project manager has also shared with her more information about how the project is financed and the amount KCHA anticipates saving each year (around \$500,000) as a result of installing these energy saving measures.

### **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

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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**

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The signed resolution and certifications begin on the following page.

**THE HOUSING AUTHORITY OF THE COUNTY OF KING**  
**RESOLUTION NO. 5551**  
**APPROVING KCHA'S MOVING TO WORK ANNUAL PLAN**  
**FOR FISCAL YEAR 2017**

---

**WHEREAS**, the King County Housing Authority (KCHA) entered the Department of Housing and Urban Development's (HUD) Moving to Work Demonstration Program (MTW) under a 2003 MTW Agreement with HUD; 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 2016 HUD presented KCHA with an amendment to extend the Agency's MTW participation through fiscal year 2028. KCHA Board of Commissioners adopted the amendment, extending the conditions and requirements of participation as outlined in the current Amended and Restated Agreement (Restated Agreement) between HUD and KCHA; and

**WHEREAS**, the Restated Agreement requires the Authority to develop an MTW Annual Plan (the Plan) that identifies anticipated MTW program resources and expenditures, while outlining ongoing MTW activities and detailing new initiatives that KCHA intends to pursue during the coming fiscal year; and

**WHEREAS**, staff has developed the required MTW Annual Plan covering Fiscal Year 2017 (January 1, 2017 through December 31, 2017) in a manner that is responsive to and complies with the Restated Agreement requirements; and

**WHEREAS**, in developing the FY 2017 MTW Annual Plan, KCHA provided opportunity for public and resident input regarding the Plan components, including two meetings with the KCHA Resident Advisory Council, a listening session with community stakeholders, and a Public Hearing on August 31, 2016; and

**WHEREAS**, the Plan envisions a number of changes in the operational policies and programs which are consistent with the goals of the MTW Demonstration and KCHA's mission; and

**WHEREAS**, a Board Resolution approving the Plan and certifying that the Plan complies with MTW Plan requirements must be included when it is submitted to HUD.

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

1. The Board of Commissioners hereby approves the MTW Plan attached to this resolution and the accompanying memorandum for implementation and submission to HUD.
2. The Board of Commissioners certifies that the Public Hearing requirements have been met and authorizes the Chair of the Board to execute the attached HUD Certification of Compliance with MTW Plan Requirements and Related Regulations.

**ADOPTED AT A MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING THIS 10<sup>th</sup> DAY OF OCTOBER 2016.**

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

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**DOUG BARNES**, Chair  
Board of Commissioners

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**STEPHEN NORMAN**  
Secretary-Treasurer

Form 50900: Elements for the Annual MTW Plan and Annual MTW Report

Attachment B

Certifications of Compliance

Annual Moving to Work Plan  
Certifications of Compliance

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing

Certifications of Compliance with Regulations:  
Board Resolution to Accompany the Annual Moving to Work Plan\*

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the Annual Moving to Work Plan for the PHA fiscal year beginning \_\_\_\_\_, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

1. The PHA published a notice that a hearing would be held, that the Plan and all information relevant to the public hearing was available for public inspection for at least 30 days, that there were no less than 15 days between the public hearing and the approval of the Plan by the Board of Commissioners, and that the PHA conducted a public hearing to discuss the Plan and invited public comment.
2. The PHA took into consideration public and resident comments (including those of its Resident Advisory Board or Boards) before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan.
3. The PHA certifies that the Board of Directors has reviewed and approved the budget for the Capital Fund Program grants contained in the Capital Fund Program Annual Statement/Performance and Evaluation Report, form HUD-50075.1.
4. The PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
5. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
6. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
7. The PHA will affirmatively further fair housing by examining its programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
8. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
9. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
10. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
11. The PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F.
12. The PHA will comply with requirements with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment and implementing regulations at 49 CFR Part 24.

13. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
14. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105( a).
15. The PHA will provide HUD or the responsible entity any documentation needed to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58. Regardless of who acts as the responsible entity, the PHA will maintain documentation that verifies compliance with environmental requirements pursuant to 24 Part 58 and 24 CFR Part 50 and will make this documentation available to HUD upon its request.
16. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
17. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
18. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.
19. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
20. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the Moving to Work Agreement and Statement of Authorizations and included in its Plan.
21. All attachments to the Plan have been and will continue to be available at all times and all locations that the Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its Plan and will continue to be made available at least at the primary business office of the PHA.

\_\_\_\_\_  
PHA Name

\_\_\_\_\_  
PHA Number/HA Code

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

\_\_\_\_\_  
Name of Authorized Official

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\*Must be signed by either the Chairman or Secretary of the Board of the PHA's legislative body. This certification cannot be signed by an employee unless authorized by the PHA Board to do so. If this document is not signed by the Chairman or Secretary, documentation such as the by-laws or authorizing board resolution must accompany this certification.



## **APPENDIX C**

### **ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT**

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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

<b>Part I: Summary</b>					
PHA Name:  HA County of King		Grant Type and Number Capital Fund Program Grant No: <b>WA19P002501-10</b> Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant: 2010 FFY of Grant Approval:
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no: ) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2016 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost <sup>1</sup>	
		Original	Revised <sup>2</sup>	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) <sup>3</sup>				
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.I 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.I Relocation Costs				
17	1499 Development Activities <sup>4</sup>				

<sup>1</sup> To be completed for the Performance and Evaluation Report.

<sup>2</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.


<sup>3</sup> PHAs with under 250 units in management may use 100% of CFP Grants for operations.

<sup>4</sup> 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

<b>Part I: Summary</b>					
PHA Name: <b>HA County of King</b>		Grant Type and Number Capital Fund Program Grant No: <b>WA19P002501-10</b> Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant: 2010 FFY of Grant Approval:	
<b>Type of Grant</b> <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:        ) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2016 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost <sup>1</sup>	
		Original	Revised <sup>2</sup>	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 <b>7/25/2016</b>		Signature of Public Housing Director _____	
				Date _____	

<sup>1</sup> To be completed for the Performance and Evaluation Report.

<sup>2</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

<sup>3</sup> PHAs with under 250 units in management may use 100% of CFP Grants for operations.

<sup>4</sup> RHF funds shall be included here.

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

<sup>1</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

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

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<sup>2</sup> To be completed for the Performance and Evaluation Report.

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

<sup>1</sup> 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.





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

<sup>1</sup> 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

<b>Part I: Summary</b>					
PHA Name:  HA County of King		Grant Type and Number Capital Fund Program Grant No: <b>WA19P002501-11</b> Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant: 2011 FFY of Grant Approval:
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:      ) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2016 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost <sup>1</sup>	
		Original	Revised <sup>2</sup>	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) <sup>3</sup>				
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 <sup>4</sup>				

<sup>1</sup> To be completed for the Performance and Evaluation Report.

<sup>2</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.


<sup>3</sup> PHAs with under 250 units in management may use 100% of CFP Grants for operations.

<sup>4</sup> RHP 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

<b>Part I: Summary</b>					
<b>PHA Name:</b> HA County of King		<b>Grant Type and Number</b> Capital Fund Program Grant No: <b>WA19P002501-11</b> Replacement Housing Factor Grant No: Date of CFFP:		<b>FFY of Grant: 2011</b> <b>FFY of Grant Approval:</b>	
<b>Type of Grant</b> <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:        ) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2016 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost <sup>1</sup>	
		Original	Revised <sup>2</sup>	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				
<b>Signature of Executive Director</b> 		<b>Date</b> 7/25/2016		<b>Signature of Public Housing Director</b>	
				<b>Date</b>	

<sup>1</sup> To be completed for the Performance and Evaluation Report.

<sup>2</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

<sup>3</sup> PHAs with under 250 units in management may use 100% of CFP Grants for operations.

<sup>4</sup> RHF funds shall be included here.

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

<sup>2</sup> To be completed for the Performance and Evaluation Report.

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

<sup>1</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.  
<sup>2</sup> To be completed for the Performance and Evaluation Report.

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

<sup>1</sup> 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.





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

<sup>1</sup> 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

<b>Part I: Summary</b>					
<b>PHA Name:</b>  HA County of King		<b>Grant Type and Number</b> Capital Fund Program Grant No: <b>WA19P002501-12</b> Replacement Housing Factor Grant No: Date of CFFP:			<b>FFY of Grant: 2012</b> <b>FFY of Grant Approval:</b>
<b>Type of Grant</b> <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:      ) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2016 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost <sup>1</sup>	
		Original	Revised <sup>2</sup>	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) <sup>3</sup>				
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 <sup>4</sup>				

<sup>1</sup> To be completed for the Performance and Evaluation Report.

<sup>2</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

<sup>3</sup> PHAs with under 250 units in management may use 100% of CFP Grants for operations.

<sup>4</sup> 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  
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 Expires 06/30/2017

<b>Part I: Summary</b>					
PHA Name: <b>HA County of King</b>		Grant Type and Number Capital Fund Program Grant No: <b>WA19P002501-12</b> Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant: 2012 FFY of Grant Approval:	
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no: ) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2016 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost <sup>1</sup>	
		Original	Revised <sup>2</sup>	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 <b>7/25/2016</b>		Signature of Public Housing Director	
				Date	

<sup>1</sup> To be completed for the Performance and Evaluation Report.

<sup>2</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

<sup>3</sup> PHAs with under 250 units in management may use 100% of CFP Grants for operations.

<sup>4</sup> RHF funds shall be included here.

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

<sup>2</sup> To be completed for the Performance and Evaluation Report.

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

<sup>2</sup> To be completed for the Performance and Evaluation Report.

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

<sup>1</sup> 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.





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

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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

<b>Part I: Summary</b>					
PHA Name:  HA County of King		Grant Type and Number Capital Fund Program Grant No: <b>WA19P002501-13</b> Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant: 2013 FFY of Grant Approval:
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:      ) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2016 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost <sup>1</sup>	
		Original	Revised <sup>2</sup>	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) <sup>3</sup>				
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 <sup>4</sup>				

<sup>1</sup> To be completed for the Performance and Evaluation Report.

<sup>2</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

<sup>3</sup> PHAs with under 250 units in management may use 100% of CFP Grants for operations.

<sup>4</sup> 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

<b>Part I: Summary</b>					
PHA Name: <b>HA County of King</b>		Grant Type and Number Capital Fund Program Grant No: <b>WA19P002501-13</b> Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant: 2013 FFY of Grant Approval:	
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no: ) <input type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/31/2016 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost <sup>1</sup>	
		Original	Revised <sup>2</sup>	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 <u>7/25/2016</u>		Signature of Public Housing Director	
				Date	

<sup>1</sup> To be completed for the Performance and Evaluation Report.

<sup>2</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

<sup>3</sup> PHAs with under 250 units in management may use 100% of CFP Grants for operations.

<sup>4</sup> RHF funds shall be included here.

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

[illegible]

<sup>2</sup> To be completed for the Performance and Evaluation Report.

U.S. Department of Housing and Urban Development  
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**Expires 06/30/2017**

<sup>1</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

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 Capital Fund Program, Capital Fund Program Replacement Housing Factor and  
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development  
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 Expires 06/30/2017

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 <sup>1</sup>
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
WA002	09/08/2015		09/08/2017		
					!! FORMTEXT

<sup>1</sup> 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.





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

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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

<b>Part I: Summary</b>					
PHA Name:  HA County of King		Grant Type and Number Capital Fund Program Grant No: <b>WA19P002501-14</b> Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant: 2014 FFY of Grant Approval:
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no: ) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2016 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost <sup>1</sup>	
		Original	Revised <sup>2</sup>	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) <sup>3</sup>				
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 <sup>4</sup>				

<sup>1</sup> To be completed for the Performance and Evaluation Report.

<sup>2</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

<sup>3</sup> PHAs with under 250 units in management may use 100% of CFP Grants for operations.

<sup>4</sup> 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  
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Expires 06/30/2017

<b>Part I: Summary</b>					
<b>PHA Name:</b> HA County of King		<b>Grant Type and Number</b> Capital Fund Program Grant No: <b>WA19P002501-14</b> Replacement Housing Factor Grant No: Date of CFFP:		<b>FFY of Grant: 2014</b> <b>FFY of Grant Approval:</b>	
<b>Type of Grant</b> <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:        ) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2016 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost <sup>1</sup>	
		Original	Revised <sup>2</sup>	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	

<sup>1</sup> To be completed for the Performance and Evaluation Report.

<sup>2</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

<sup>3</sup> PHAs with under 250 units in management may use 100% of CFP Grants for operations.

<sup>4</sup> RHF funds shall be included here.

U.S. Department of Housing and Urban Development  
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**Expires 06/30/2017**

[illegible]

<sup>2</sup> To be completed for the Performance and Evaluation Report.

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

[illegible]

<sup>2</sup> To be completed for the Performance and Evaluation Report.

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

<sup>1</sup> 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.





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OMB No. 2577-0226  
**Expires 06/30/2017**

<sup>1</sup> 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

<b>Part I: Summary</b>					
PHA Name:  HA County of King		Grant Type and Number Capital Fund Program Grant No: <b>WA19P002501-15</b> Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant: 2015 FFY of Grant Approval:
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:      ) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2016 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost <sup>1</sup>	
		Original	Revised <sup>2</sup>	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) <sup>3</sup>				
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 <sup>4</sup>				

<sup>1</sup> To be completed for the Performance and Evaluation Report.

<sup>2</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

<sup>3</sup> PHAs with under 250 units in management may use 100% of CFP Grants for operations.

<sup>4</sup> 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

<b>Part I: Summary</b>					
PHA Name: <b>HA County of King</b>		Grant Type and Number Capital Fund Program Grant No: <b>WA19P002501-15</b> Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant: 2015 FFY of Grant Approval:	
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:        ) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2016 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost <sup>1</sup>	
		Original	Revised <sup>2</sup>	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 <u>7/25/2016</u>		Signature of Public Housing Director	
				Date	

<sup>1</sup> To be completed for the Performance and Evaluation Report.

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

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Page5

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

<sup>1</sup> 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.





U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
OMB No. 2577-0226  
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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

<b>Part I: Summary</b>					
PHA Name:  HA County of King	Grant Type and Number Capital Fund Program Grant No: <b>WA19P002501-16</b> Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2016 FFY of Grant Approval:			
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:      ) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2016 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost <sup>1</sup>	
		Original	Revised <sup>2</sup>	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) <sup>3</sup>				
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 <sup>4</sup>				

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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  
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23	Amount of line 20 Related to Security - Soft Costs				
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25	Amount of line 20 Related to Energy Conservation Measures				
<b>Signature of Executive Director</b> 		<b>Date</b> 7/25/2016		<b>Signature of Public Housing Director</b>	
				<b>Date</b>	

<sup>1</sup> To be completed for the Performance and Evaluation Report.

<sup>2</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

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

[illegible]

<sup>2</sup> To be completed for the Performance and Evaluation Report.

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

<sup>2</sup> 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**

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<sup>1</sup> 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.





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

<sup>1</sup> 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.

**THE HOUSING AUTHORITY OF THE COUNTY OF KING**  
**RESOLUTION NO. 5551**  
**APPROVING KCHA'S MOVING TO WORK ANNUAL PLAN**  
**FOR FISCAL YEAR 2017**

---

**WHEREAS**, the King County Housing Authority (KCHA) entered the Department of Housing and Urban Development's (HUD) Moving to Work Demonstration Program (MTW) under a 2003 MTW Agreement with HUD; 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 2016 HUD presented KCHA with an amendment to extend the Agency's MTW participation through fiscal year 2028. KCHA Board of Commissioners adopted the amendment, extending the conditions and requirements of participation as outlined in the current Amended and Restated Agreement (Restated Agreement) between HUD and KCHA; and

**WHEREAS**, the Restated Agreement requires the Authority to develop an MTW Annual Plan (the Plan) that identifies anticipated MTW program resources and expenditures, while outlining ongoing MTW activities and detailing new initiatives that KCHA intends to pursue during the coming fiscal year; and

**WHEREAS**, staff has developed the required MTW Annual Plan covering Fiscal Year 2017 (January 1, 2017 through December 31, 2017) in a manner that is responsive to and complies with the Restated Agreement requirements; and

**WHEREAS**, in developing the FY 2017 MTW Annual Plan, KCHA provided opportunity for public and resident input regarding the Plan components, including two meetings with the KCHA Resident Advisory Council, a listening session with community stakeholders, and a Public Hearing on August 31, 2016; and

**WHEREAS**, the Plan envisions a number of changes in the operational policies and programs which are consistent with the goals of the MTW Demonstration and KCHA's mission; and

**WHEREAS**, a Board Resolution approving the Plan and certifying that the Plan complies with MTW Plan requirements must be included when it is submitted to HUD.

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

1. The Board of Commissioners hereby approves the MTW Plan for Fiscal Year 2017 attached to this resolution and the accompanying memorandum for implementation and submission to HUD.
2. The Board of Commissioners certifies that the Public Hearing requirements have been met and authorizes the Chair of the Board to execute the attached HUD Certification of Compliance with MTW Plan Requirements and Related Regulations.

**ADOPTED AT A MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING THIS 10<sup>th</sup> DAY OF OCTOBER 2016.**

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

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**DOUG BARNES**, Chair  
Board of Commissioners

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**STEPHEN NORMAN**  
Secretary

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**To:** Board of Commissioners

**From:** Connie Davis, Deputy Executive Director

**Date:** October 5, 2016

**Re: Resolution No. 5552: Authorizing a change in the Administrative Pay schedule of 2.3% effective November 12, 2016**

---

**Executive Summary**

Resolution No. 5552 authorizes an increase in salaries for all Administrative employees of 2.3%, which represents 100% of the Consumer Price Index for Clerical Workers (CPI-W) for the Seattle-Tacoma area annualized for the first six months of 2016.

This Resolution and the related financial discussion do not cover the 78 employees represented by the Seattle-King County Building and Construction Trades Council. Negotiations for a new contract are currently ongoing. Any agreement reached will be brought to the Board for approval at a future meeting.

**Background**

The King County Housing Authority has historically awarded a cost of living adjustment (COLA) effective with the first full pay period occurring entirely in the month of November. The percentage increase has traditionally reflected 100% of the CPI-W for the Seattle-Tacoma area based on first half of the calendar year. The CPI-W reported in June 2016 was 2.3%.

At 2.3%, this COLA is the highest awarded since 2012 and reflects the improving labor market and generally higher prices, especially rents, which are being experienced in the King County area.

Staff has reviewed a snapshot of funding availability for all existing programs for CY 2017. Based on that review, which will be more fully discussed in the 2017 Budget presentations, confidence is high that an increase of 2.3% to the salary base of Administrative employees is sustainable. The higher Housing Assistance Payment inflation factor of 12% given to KCHA in 2016 has resulted in additional block grant reserves which can be used to support employees directly funded through our federal programs, such as public housing and the Housing Choice Voucher (HCV) program, as well as to pay management fees dedicated to indirect overhead costs like administrative salaries. Although program costs, particularly HCV landlord payments,

are likely to increase in the coming year in reaction to rising rents, adequate funding will be available to cover all projected increases in operating costs.

There are currently 286 administrative employees. At current rates of pay, the overall annual impact to base pay of the proposed COLA on the Authority is \$456,540, and averages \$1,596 per employee. This total does not include variable benefits, discussed below.

KCHA continues to fund a merit pool for all eligible employees, calculated at 2% of total base pay. Under our compensation system, individual employees who exceed standards are eligible for up to a 7% increase in pay effective on their anniversary date. Estimates of next year's merit pool are still being developed but it should approximate 2016's merit budget of \$365 thousand.

As KCHA begins assembling its 2017 budget, the following assumptions are informing our projections of personal service costs:

- Total salary expenses for administrative employees are currently \$19.8 million. In addition to this 2.3% COLA for 2016, we are forecasting a 2.5% COLA increase next November, which will impact the last few pay periods in 2017.
- Medical insurance is provided by the Washington State Health Care Authority's Public Employee Benefits Board (PEBB). We have already received our rates for 2017 and unlike the past few years, the plans have a significant increase in costs averaging 11% overall. Plan designs have not changed, but the increasing cost of prescription drugs, notably for Hepatitis-C treatment, and a surcharge on employer group plans such as ours have driven costs up. Employees saw no increase in premiums in 2016, but that can't be sustained in 2017. Several alternatives for sharing premium costs are being developed. The gross average cost of KCHA's medical plans is now \$15,055 per employee household, shared between employee and employer contributions.
- KCHA will continue to offer its popular Deductible Reimbursement Plan or DRP which pays the employee's plan deductible up to \$250 per employee and \$750 per family.
- KCHA's retirement plan, funded through the Public Employee Retirement System (PERS) continues to require higher payments. The rate in 2016 is 11.18% and the state actuary is forecasting an increase on July 1, 2017 to 12.52% for a budgeted blended rate next year of 11.85%. When fully operational, the higher PERS rate will add an additional \$266 thousand to baseline administrative costs. There is a corresponding increase in PERS contributions being requested by Washington State of employees from 6.12% of payroll to 7.38% also effective in July.

**Staff Recommendation**

KCHA is projecting sufficient revenue next year to cover the increase in salary and benefit costs outlined above. The increase in base salaries reflected in the COLA adjustment tracks long standing practices, reflects a rising cost of living in our community and helps keep our compensation packages competitive in an increasingly challenging job market.

Approval of Resolution No. 5552 is recommended.

# Admin Salary Schedule

Effective: 11/12/2016 - 11/10/2017

Range	Type	Minimum	Midpoint	Maximum	Exceptional
O	Annual	128,878.9823	158,360.0494	187,841.1166	207,495.1614
O	Monthly	10,739.9152	13,196.6708	15,653.4264	17,291.2635
O	Hourly	61.9610	76.1346	90.3082	99.7573
N	Annual	117,162.7112	143,524.3211	169,885.9312	187,460.3378
N	Monthly	9,763.5593	11,960.3601	14,157.1609	15,621.6948
N	Hourly	56.3282	69.0021	81.6759	90.1252
M	Annual	109,826.3133	134,537.2339	159,248.1544	175,722.1014
M	Monthly	9,152.1928	11,211.4362	13,270.6795	14,643.5084
M	Hourly	52.8011	64.6814	76.5616	84.4818
L	Annual	104,596.4890	124,208.3306	143,820.1723	156,894.7335
L	Monthly	8,716.3741	10,350.6942	11,985.0144	13,074.5611
L	Hourly	50.2868	59.7155	69.1443	75.4302
K	Annual	95,089.8711	111,136.2871	127,182.7027	137,880.3132
K	Monthly	7,924.1559	9,261.3573	10,598.5586	11,490.0261
K	Hourly	45.7163	53.4309	61.1455	66.2886
J	Annual	86,445.3373	101,032.9882	115,620.6388	125,345.7393
J	Monthly	7,203.7781	8,419.4157	9,635.0532	10,445.4783
J	Hourly	41.5603	48.5736	55.5868	60.2624
I	Annual	78,586.6704	91,848.1710	105,109.6716	113,950.6721
I	Monthly	6,548.8892	7,654.0143	8,759.1393	9,495.8893
I	Hourly	37.7821	44.1578	50.5335	54.7840
H	Annual	68,336.2351	79,867.9749	91,399.7144	99,087.5409
H	Monthly	5,694.6863	6,655.6646	7,616.6429	8,257.2951
H	Hourly	32.8540	38.3981	43.9422	47.6382
G	Annual	59,422.8131	69,450.4129	79,478.0126	86,163.0791
G	Monthly	4,951.9011	5,787.5344	6,623.1677	7,180.2566
G	Hourly	28.5687	33.3896	38.2106	41.4246
F	Annual	51,672.0114	60,391.6633	69,111.3152	74,924.4166
F	Monthly	4,306.0010	5,032.6386	5,759.2763	6,243.7014
F	Hourly	24.8423	29.0345	33.2266	36.0214
E	Annual	46,974.5558	54,020.7391	61,066.9227	65,764.3783
E	Monthly	3,914.5463	4,501.7283	5,088.9102	5,480.3649
E	Hourly	22.5839	25.9715	29.3591	31.6175



# Admin Salary Schedule

Effective: 11/12/2016 - 11/10/2017

Range	Type	Minimum	Midpoint	Maximum	Exceptional
D	Annual	42,704.1417	49,109.7629	55,515.3842	59,785.7983
D	Monthly	3,558.6785	4,092.4802	4,626.2820	4,982.1499
D	Hourly	20.5308	23.6105	26.6901	28.7432
C	Annual	38,821.9470	44,645.2391	50,468.5312	54,350.7258
C	Monthly	3,235.1622	3,720.4366	4,205.7109	4,529.2271
C	Hourly	18.6644	21.4641	24.2637	26.1302
B	Annual	35,292.6791	40,586.5810	45,880.4828	49,409.7507
B	Monthly	2,941.0566	3,382.2151	3,823.3736	4,117.4792
B	Hourly	16.9676	19.5128	22.0579	23.7547
A	Annual	32,083.5304	36,295.3121	40,506.3703	43,312.7661
A	Monthly	2,673.6275	3,024.6093	3,375.5309	3,609.3972
A	Hourly	15.4248	17.4497	19.4742	20.8234

**THE HOUSING AUTHORITY OF THE COUNTY OF KING**

**RESOLUTION NO. 5552**

**AUTHORIZING A CHANGE IN THE ADMINISTRATIVE PAY SCHEDULE OF  
2.3% EFFECTIVE NOVEMBER 12, 2016**

---

**WHEREAS**, the Board of Commissioners annually reviews the salaries and benefits paid to administrative employees of the Housing Authority; and

**WHEREAS**, the Housing Authority has sufficient resources to increase base payroll so that employee wages can be maintained at their current inflation adjusted levels during 2017; and,

**WHEREAS**, Management is recommending that the Board of Commissioners approve a cost of living increase in wages for Administrative employees effective November 12, 2017 equivalent to the CPI-W published by the Bureau of Labor Statistics annualized as of June 2016; and

**WHEREAS**, the CPI-W calculated as of that date was 2.3 percent.

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

**SECTION 1:** The Administrative Salary Schedule is hereby amended to reflect a 2.3 percent cost of living increase in all ranges and as set forth in said Salary Schedule, a copy of which is attached as Exhibit A hereto and made a part hereof.

**SECTION 2:** The rates set forth in the Administrative Salary Schedule will be increased effective at the beginning of the pay period which begins on November 12, 2016.

**ADOPTED BY THE BOARD OF COMMISSIONERS OF THE HOUSING  
AUTHORITY OF THE COUNTY OF KING AT A MEETING THEREOF THIS 10th  
DAY OF OCTOBER 2016.**

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

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**Douglas J. Barnes, Chair**  
Board of Commissioners

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**STEPHEN J. NORMAN**  
Secretary

# T A B N U M B E R

6



**To:** Board of Commissioners

**From:** Craig Violante, Director of Finance

**Date:** October 5, 2016

**Re: New Bank Accounts**

---

*Since the last Board meeting KCHA opened one new bank account.*

**Highland Village Apartments**

- Housing Authority of the County of King – Highland Village – Depository

Bank: Bank of America

Purpose: The Authority opened a full business checking account with Bank of America that will be used to receive and hold property income. The Depository Account will also wire funds to the Operating Account to fund operating expenses.

# T A B N U M B E R

7



**TO:** Board of Commissioners

**FROM:** Tim Baker, Senior Management Analyst

**DATE:** October 5, 2016

**RE: Third Quarter CY 2016 Procurement Report**

---

In order to update the Board concerning KCHA's procurement activities, staff is presenting the attached Quarterly Procurement Report. This report covers all procurement activities from July through September 2016 that involved the award of contracts valued over the amount of \$100,000 and change orders that have cumulatively exceeded 10% of the original or not to exceed contract amount.

**Awarded Contracts Over \$100,000:**

The awarded contracts section of the report lists the issuing department, contract type, the company awarded the contract, the award and estimate/budgeted amounts, procurement process involved, the number of bids received and notes about the procurement.

In the third quarter, there were 23 contracts awarded and valued at more than \$100,000, representing 99% of the contracts executed in the quarter. The largest contract executed for construction work was for \$2,609,229 awarded to Building Resources for the Hidden Village envelope project. There were six contracts awarded for the total value of \$7,920,000 for weatherization services. The largest non-construction contract executed was for \$392,175 to the YMCA for Kent area youth programs.

**Contract Change Orders Exceeding 10%:**

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

the projected total amount of the contract once all the foreseen change orders are completed.

There were 13 “field condition” change or “scope change” orders on contracts whose total value had exceeded 10% of the initial contract amount. The largest one was \$163,049 that was issued to American West Construction for the Corinthian site renovation project. There were 6 change orders issued for the Corinthian project, for a variety of items including countertops, flooring, cabinets and site lighting. Unused contingency funds funded these changes which will result in additional tax credit proceeds from the partnership.

There were 5 anticipated change orders involving the extension of the contract as allowed in the original contract. The largest one was for \$197,897 to the Bellevue Boys and Girls Club for the Bellevue area after school programs.



KING COUNTY HOUSING AUTHORITY  
QUARTERLY PROCUREMENT REPORT

July-September 2016 (Third Quarter)

Awarded Contracts Over \$100,000

Issuing Department	Contract type	Contract Awarded to	Estimate/Budget Amount	Initial Contract Amount	NTE with extensions	Procurement Process	# of bids	Notes
Asset Management	Corinthian site improvements	Accord Construction	\$349,442	\$362,857	\$362,857	sealed bid	4	Contractor has performed several successful projects for KCHA. Section 3 certified (not app for this project)
Asset Management	Corinthian roof replacement	D&D Construction	\$651,357	\$546,144	\$546,144	sealed bid	4	Contractor has performed several successful projects for KCHA. Work scope reduced from original estimate
Cap Const/WX	Evergreen Court mechanical ventilation	UCONS	\$162,600	\$142,230	\$142,230	sealed bid	5	New contractor for KCHA
Cap Const/WX	College Place site improvements	Rainier Asphalt & Concrete	\$290,000	\$231,000	\$231,000	sealed bid	2	New contractor for KCHA
Cap Const/WX	Briarwood site improvements	Rainier Asphalt & Concrete	\$270,955	\$248,850	\$248,850	sealed bid	2	New contractor for KCHA
Cap Const/WX	Valli Kee site upgrades	CE & C. Inc.	\$487,372	\$277,762	\$277,762	sealed bid	4	Contractor has performed several successful projects for KCHA. Work scope reduced from original estimate
Cap Const/WX	Shelcor envelope and roof upgrades	Cadence Const.	\$367,202	\$351,700	\$351,700	sealed bid	4	New contractor for KCHA
Cap Const/WX	Green Leaf roof replacement	Multifactor Group	\$492,458	\$450,000	\$450,000	sealed bid	2	New contractor for KCHA. Minority owned business.
Cap Const/WX	weatherization services	Energy Savers	\$440,000	\$500,000	\$500,000	RFP	6	Contractor has done weatherization work for KCHA for many years. WMBE firm.
Cap Const/WX	weatherization services	Vela Brothers	\$440,000	\$500,000	\$500,000	RFP	6	New contractor for KCHA. Minority owned business.
Cap Const/WX	Woodridge heat pumps	UCONS	\$691,491	\$545,208	\$545,208	sealed bid	4	New contractor for KCHA
Cap Const/WX	weatherization services	Green Built Northwest	\$528,000	\$600,000	\$600,000	RFP	6	New contractor for KCHA. Minority owned business.
Cap Const/WX	Juanita Trace roof replacement	Bates Roofing	\$1,001,205	\$612,101	\$612,101	sealed bid	1	Contractor has performed several successful projects for KCHA. Section 3 certified
Cap Const/WX	Firwood Circle roof replacement	Bates Roofing	\$827,382	\$905,000	\$905,000	sealed bid	1	Contractor has performed several successful projects for KCHA. Section 3 certified
Cap Const/WX	weatherization services	Carrig & Dancer	\$968,000	\$1,100,000	\$1,100,000	RFP	6	Former weatherization contractor for KCHA.
Cap Const/WX	Evergreen Court site improvements	American West	\$1,165,129	\$1,092,439	\$1,092,439	sealed bid	5	Contractor has performed several successful projects for KCHA.
Cap Const/WX	Burndale envelope upgrades	Cadence Const.	\$1,579,365	\$1,500,000	\$1,500,000	sealed bid	5	New contractor for KCHA. Minority owned business.
Cap Const/WX	Hidden Village building envelope	Building Resources	\$2,609,229	\$2,540,000	\$2,540,000	sealed bid	3	New contractor for KCHA
Cap Const/WX	weatherization services	Arrow Insulation	\$2,640,000	\$3,000,000	\$3,000,000	RFP	6	Contractor has done weatherization work for KCHA for many years.
Cap Const/WX	weatherization services	Performance Insulation	\$2,904,000	\$3,300,000	\$3,300,000	RFP	6	New contractor for KCHA
Housing Management-Maint	Manufactured home replacement at Vista Heights	Heritage Home Center	\$117,000	\$123,025	\$123,025	RFP	2	New contractor for KCHA. Woman owned business.
Housing Management-Maint	Intergration technology services	Commercial Entry Systems	\$250,000	\$250,000	\$500,000	RFP	1	Task order contract. New contractor for KCHA.
Resident Services	Kent youth programs	YMCA	\$392,175	\$392,175	\$784,350	RFP	1	Service provider has worked with KCHA on prior youth programs
Totals			\$19,624,362	\$19,570,491	\$20,212,666			

Contracts exceeding 10% cumulative change order-Condition Changes

Issuing Department	Contract type	Contract awarded to	Initial Contract Amount/NTE*	Change Order Amount & No. This Quarter	Total Contract Value to Date	% Change from Original	Notes (Current Quarter Change Orders)
Asset Management	Meadowbrook pool deck replacement	SB Concrete	\$39,450	\$3,885 (1)	\$43,335	10%	curb added to pool to prevent erosion & runoff from hill above the pool
Asset Management	Harrison House exterior painting	Mattila Painting	\$69,437	\$1,517 (2)	\$81,904	18%	Scope expanded due to availability of materials from original project
Asset Management	Corinthian renovations	American West	\$697,900	\$163,049 (1)	\$860,949	23%	SeaTac code requirements and KCHA driven changes to party walls, electrical systems & hot water tanks
Asset Management	Corinthian bath fan replacement	Resicon	\$52,447	\$13,518 (1)	\$65,965	26%	SeaTac plan examiner required modifying bath fans to one hour rating
Asset Management	Corinthian electrical panel replacement	Brink Electric	\$79,000	\$19,561 (2)	\$103,678	31%	electrical feeder conduits needed moving & additional fire stops installed
Asset Management	Corinthian countertop replacement	TopLine Counters	\$61,170	\$32,582 (1)	\$93,752	53%	additional countertops installed due with remaining contingency funds
Asset Management	Corinthian floor replacement	American West	\$154,190	\$87,600 (1)	\$241,790	57%	additional flooring installed with remaining contingency funds
Asset Management	Corinthian cabinet replacement	iBuild, Inc.	\$189,313	\$152,725 (1)	\$342,038	81%	additional cabinets installed with remaining contingency funds
Cap Const/WX	Lake House site improvements	KPFF	\$43,041	\$18,430 (1)	\$61,471	43%	additional funds needed for parking lot & site lighting design, missed in original contract
Housing Management	software development & implementation	Tenmast	\$910,829	\$99,689 (2)	\$1,044,373	15%	changes made to module development and moving work around the different phases
Resident Services	workforce initiative consulting	Applied Inference	\$24,000	\$6,000 (1)	\$30,000	25%	additional funding needed to complete work with 8 resident focus groups
Resident Services	after school and summer learning programs	Southwest Youth & Family Serv.	\$1,170,680	\$7,000 (3)	\$379,170	32%	additional funding provided by Highline schools and Gates Foundation for literacy focused summer prog.
Resident Services	after school and summer learning programs	Neighborhood House	\$194,058	\$4,000 (2)	\$416,397	115%	additional funding provided from the Gates Foundation for literacy focused summer programming
Totals			\$3,685,515		\$3,764,822		

Contracts with contract extensions or other foreseen change orders

Issuing Department	Contract type	Contract awarded to	NTE*	Change Order Amount & No. This Quarter	Current Contract Value	% of NTE*	Notes (Current Quarter Change Orders)
Resident Services	Bellevue after school programs	Bellevue Boys & Girls Club	\$1,151,501	\$197,897 (1)	\$359,913	31%	extension and increased funds for the second year of the contract.
Resident Services	Kent after school programs	Kent School District	\$193,500	\$133,500 (1)	\$193,500	100%	extension and increased funds for the last year of the contract
HOPE VI	land use legal services	JMMK	\$425,000	\$84,000 (3)	\$246,000	58%	anticipated work for Windrose, Greenbridge and Seola Gardens
Housing Management-Maint	elevator service and repair	Olympic Elevator	\$1,070,438	\$112,416 (1)	\$615,600	58%	contract extended four years, change order is for one year of funding
Housing Management-Maint	Seola Gardens landscaping services	Brightview (formerly Brickman)	\$166,145	\$40,155 (4)	\$166,145	100%	last extension to the contract
Totals			\$3,006,584		\$1,581,158		

\*NTE = Not To Exceed

# T A B N U M B E R

8



**TO:** Board of Commissioners

**FROM:** Dan Watson, Deputy Executive Director

**DATE:** September 15, 2016

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

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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%
	<b>Subtotal</b>	<b>29</b>	<b>\$11,296,363</b>	<b>\$4,051,703*</b>	<b>36%</b>
Development	Corinthian	1	\$5,564,253	\$3,129,017	56%
	Spiritwood	1	\$9,880,076	\$3,846,823	39%
	<b>Subtotal</b>	<b>2</b>	<b>\$15,544,329</b>	<b>\$6,975,840</b>	<b>49%</b>
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%
	<b>Subtotal</b>	<b>3</b>	<b>\$1,430,645</b>	<b>\$653,093</b>	<b>46%</b>
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%
	<b>Subtotal</b>	<b>31</b>	<b>\$3,422,000</b>	<b>\$421,039</b>	<b>12%</b>
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%
	<b>Subtotal</b>	<b>252</b>	<b>\$18,882,114</b>	<b>\$4,712,758</b>	<b>25%</b>
<b>All</b>	<b>Total Construction</b>	<b>317</b>	<b>\$50,575,451</b>	<b>\$16,814,433</b>	<b>33%</b>

\*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 4<sup>th</sup> 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
<b>Bond Program</b>	
Cascadian Asphalt	\$48,250
Fairwood Pool Repairs	\$37,950
Gilman Square Roof	\$83,646
Rainier View I Roof	\$16,000
<b>Tax Credit</b>	
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.

# T A B N U M B E R

9





**To:** Board of Commissioners

**From:** Sarah Oppenheimer, Senior Research Analyst

**Date:** September 15, 2016

**Re: Study Session of KCHA'S Research and Evaluation Efforts**

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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?*

Research and Evaluation Study Session

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- *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

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### *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**

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*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**

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*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).

**Research Area C. 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.

- Example: 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**

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*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.

**Research Area A. 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.

- Example: 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).

**Research Area B. 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*

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## 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.





# 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.<sup>1</sup> 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

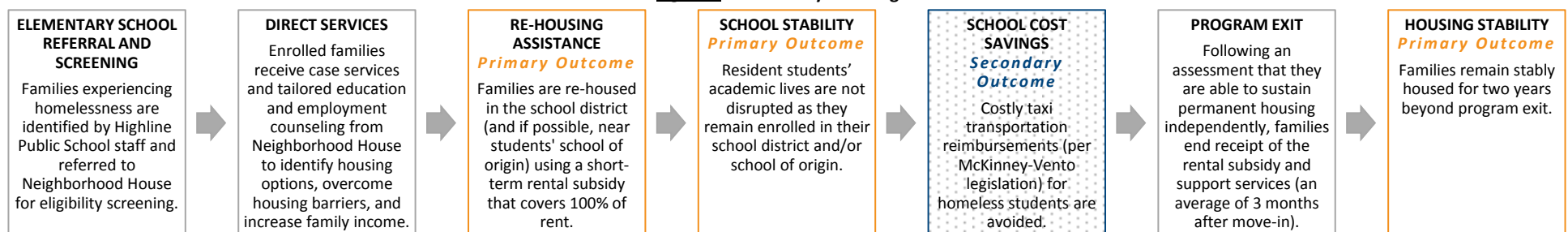
McKinney-Vento is a federal law that ensures immediate enrollment and educational stability for homeless children and youth. The act ensures that homeless children are provided with **transportation to and from their school of origin**, even if it requires costly taxi services. Of note to SFSI, this 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
<b>Highline Public Schools</b>  Identifies McKinney-Vento eligible homeless students and families that may be eligible for SFSI assistance.	<b>King County Housing Authority (KCHA)</b>  Provides funding for short-term housing assistance, program oversight, technical assistance, evaluation, and long-term program support.	<b>Neighborhood House</b>  Provides families with short-term rental assistance and support services including wrap-around case management, housing search, and employment counseling.	<b>Building Changes, United Way, Siemer Foundation</b>  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



<sup>1</sup> 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

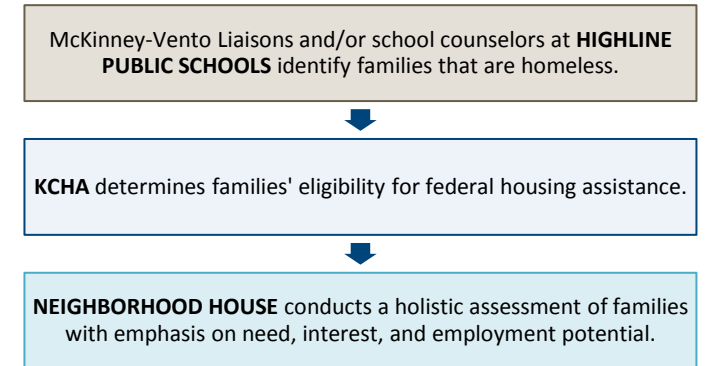
**Eligibility and referral** for SFSI is based on three key family characteristics:

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<sup>2</sup>

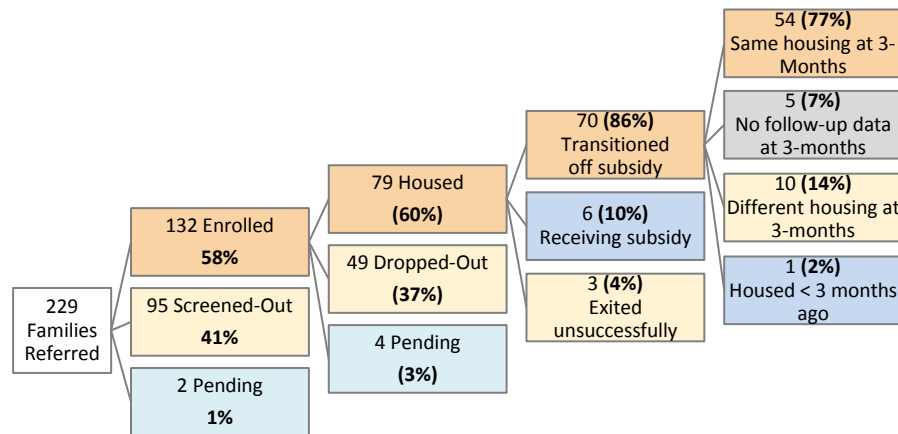
Once referred, program **screening** occurs in a multi-stage approach that includes all three partner agencies (Figure 3). After an in-person screening with Neighborhood House, families are **enrolled** into SFSI and are eligible for short-term rental assistance and wraparound case services to support their long-term stability. Families that are screened-out or choose not to participate in SFSI are referred to other community resources.

In its first two pilot years, SFSI received referrals for 229 families, of which 132 (58%) were enrolled, and 79 (34%) were housed.<sup>3</sup> 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.

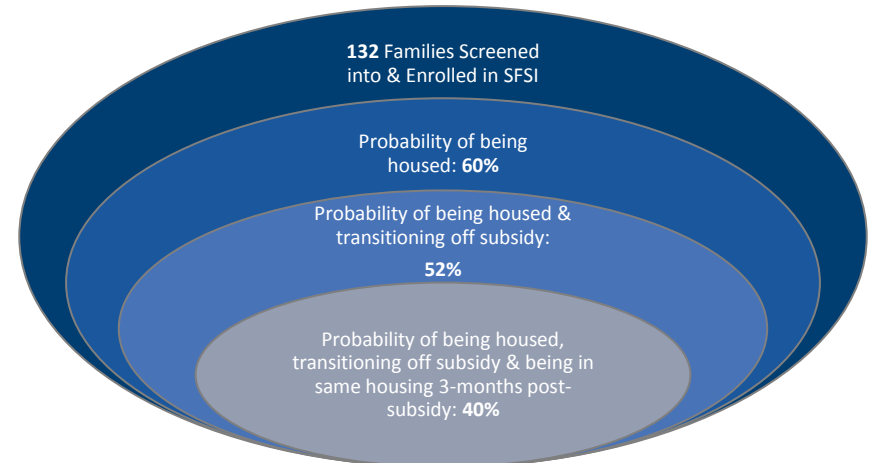
**Figure 3: SFSI Referral and Screening Process**



**Figure 4a: SFSI Outcomes Tree**



**Figure 4b: Cumulative Probability of Enrolled Families Reaching Program Milestones**



<sup>2</sup> 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.

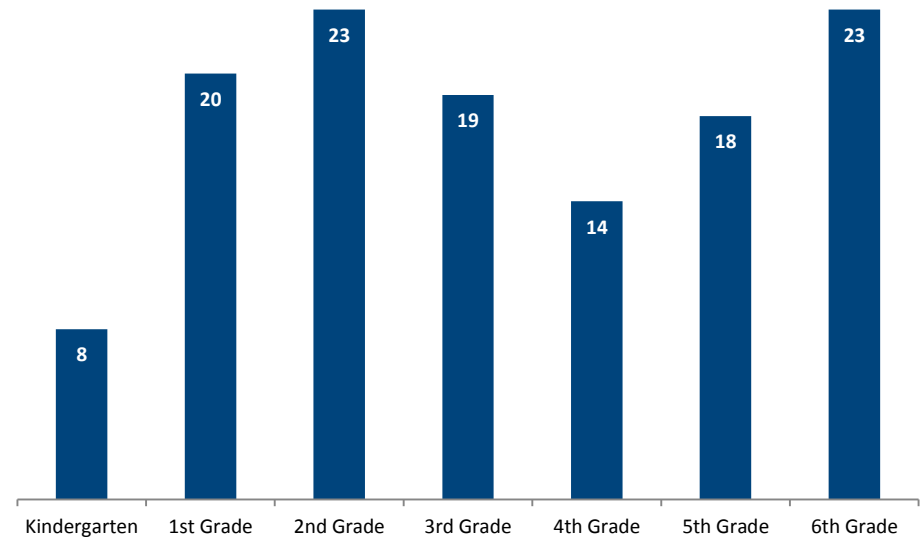
<sup>3</sup> Of the 95 families screened-out, more common reasons included families declining assistance and ineligibility based on work ability. Better understanding reasons for screen-out and non-participation is one of the recommendations for program monitoring and tracking moving forward.

## FAMILY CHARACTERISTICS

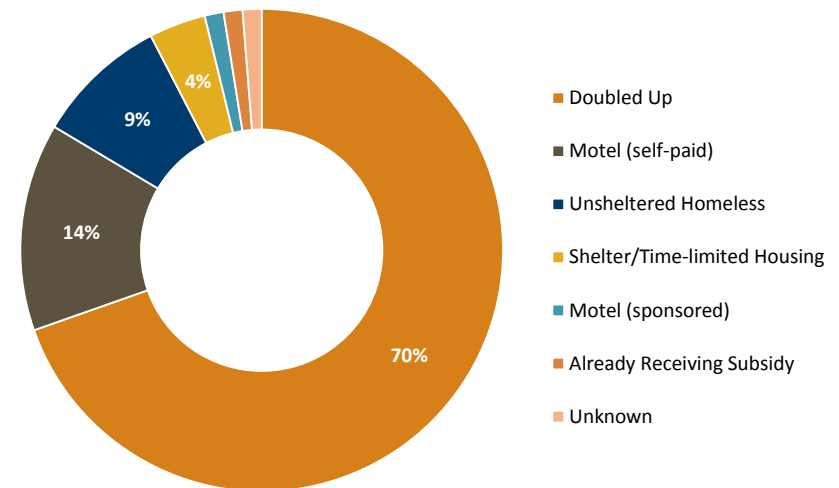
**Two hundred and eighty six (286) persons were housed through SFSI** in the first two pilot years. This includes 116 adults, 125 elementary-aged children, and 45 non-elementary aged children. Housed families had an average household size of 3.6 people (with an average of 2.2 children per family). **Sixty-one 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**



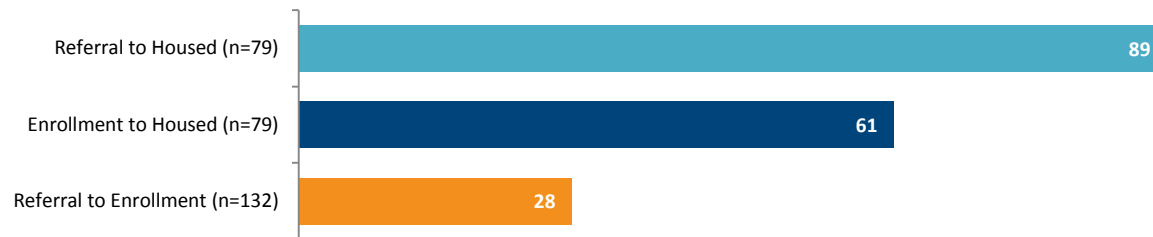
**Figure 6: Families' Housing Status at Referral, n=79**



## 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
<b>Median Subsidy Duration</b>	<b>3.6</b>	<b>3.4</b>
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."<sup>\*</sup> 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 (RRHF) Program.<sup>\*\*</sup> 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%.<sup>\*\*\*</sup>

<sup>\*</sup>[http://www.kingcounty.gov/~media/socialServices/housing/documents/FHIDocs/FINAL\\_PDF\\_RRHF\\_Interim\\_Report\\_7\\_20\\_15.ashx?la=en](http://www.kingcounty.gov/~media/socialServices/housing/documents/FHIDocs/FINAL_PDF_RRHF_Interim_Report_7_20_15.ashx?la=en)

<sup>\*\*</sup><https://www.huduser.gov/portal/rapid-rehousing-program.html>

<sup>\*\*\*</sup> 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).<sup>4</sup> 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.<sup>5</sup>

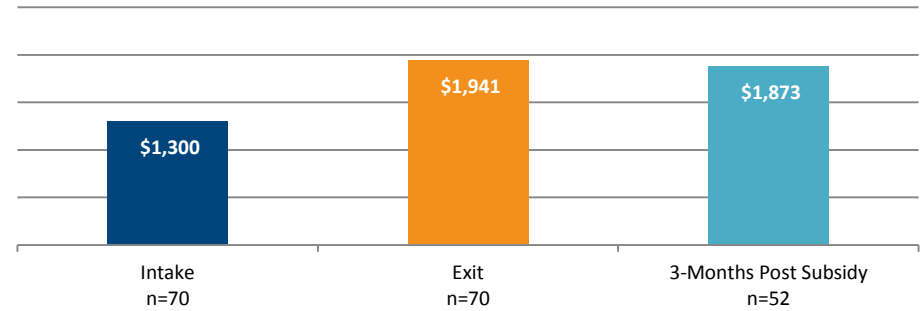
## PERMANENT HOUSING SUCCESS RATES

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).

## 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.

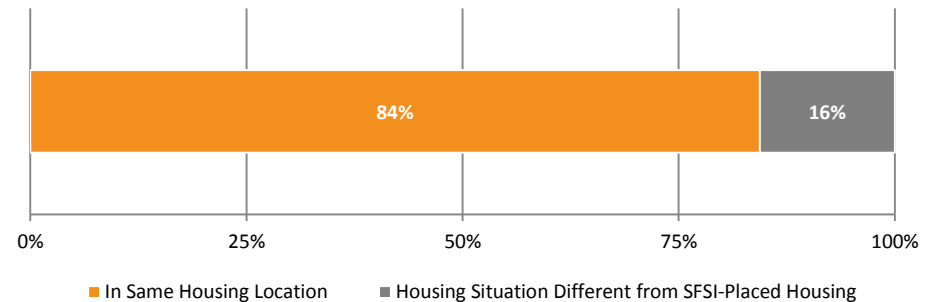
**Figure 9: Median HH Income at Intake, Exit, and 3-Months Post-Subsidy**



**Figure 10: Successful Transition Off Subsidy, n=73**



**Figure 11: Housing Situation 3-Months After Program Exit, n=64**



<sup>4</sup> 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.

<sup>5</sup> 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.

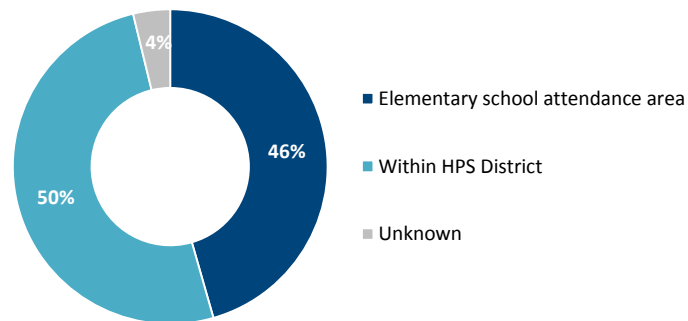
## PUBLIC SCHOOL PARTNERS

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.

## SCHOOL STABILITY

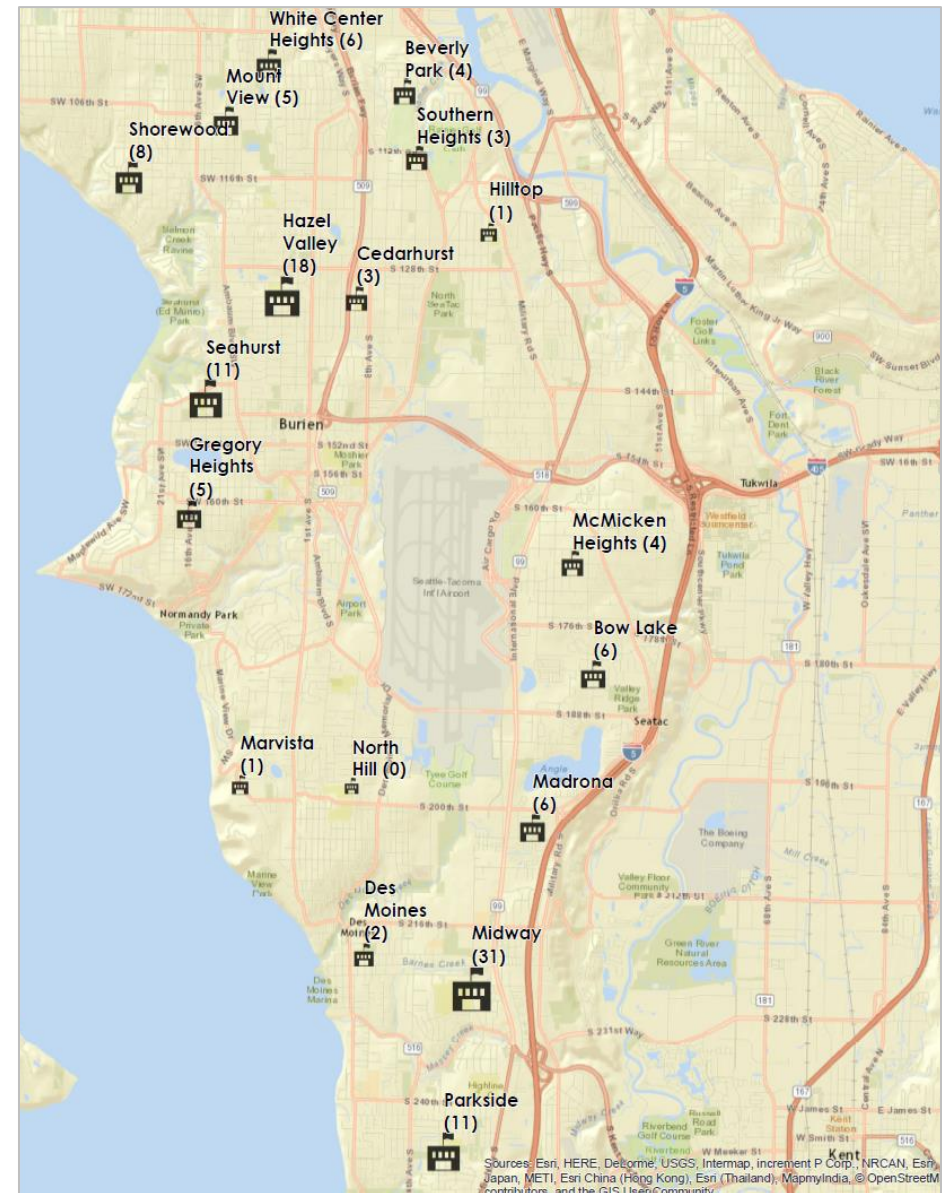
Almost half (46%) of families were housed in elementary students’ school of origin attendance area, with a total of **96% of families remaining within the HPS District**.

**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.<sup>6</sup>

**Figure 12: SFSI Footprint (Housed Students)**



<sup>6</sup> 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.<sup>7</sup> 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%).<sup>8</sup> 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%).<sup>9</sup> A minor amount of KCHA funds were allocated to non-leasing assistance such as moving assistance (\$6,634, 1%).

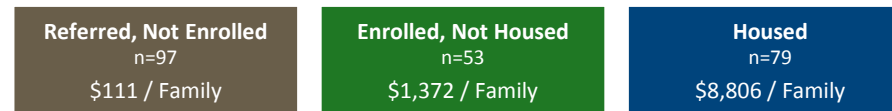
### LEASING ASSISTANCE COSTS

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.

### 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:

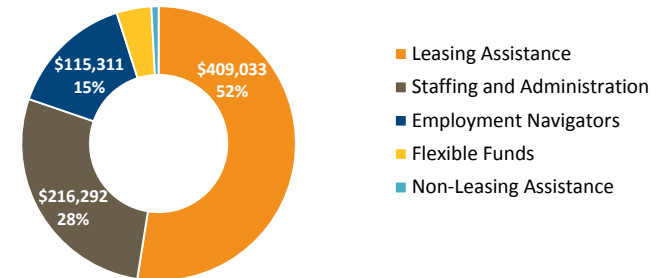
**Figure 16: Cost Per Family Type**



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.

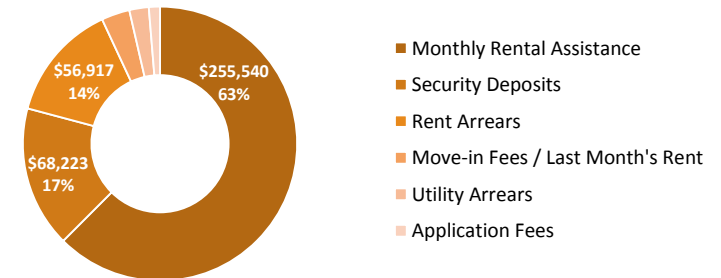
**Figure 14: Total Program Costs**

Total = \$779,172



**Figure 15: Breakdown of Leasing Assistance Costs**

Total = \$409,033



<sup>7</sup> These figures do not include KCHA staffing or administrative expenses.

<sup>8</sup> Employment support services for Pilot Years 1 and 2 were paid for by Building Changes.

<sup>9</sup> 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**.<sup>10</sup> 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<sup>11</sup>**



**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. vulnerability.** While preliminary 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.

<sup>10</sup> 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>

<sup>11</sup> Projections based on the following linear projection equations calculated using the number of students associated with each referred, enrolled, and housed family:  
 $f(\text{enrolled students}) = .659 \times \text{referred students}$  |  $f(\text{housed students}) = .418 \times \text{referred students}$

## 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%
<b>Total Referred</b>	<b>229</b>	<b>100%</b>

**TABLE 2: ENROLLED OUTCOMES**

	#	%
Housed	79	60%
Dropped-Out	49	37%
Enrolled and Pending Housing	4	3%
<b>Total Enrolled</b>	<b>132</b>	<b>100%</b>

**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%
<b>Total Housed</b>	<b>79</b>	<b>100%</b>

**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%
<b>Total Enrolled, Not Housed</b>	<b>53</b>	<b>100%</b>

**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%
<b>Total 3-Month Housing Status</b>	<b>70</b>	<b>100%</b>

## 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
<b>Total</b>	<b>100%</b>	<b>\$ 409,033</b>	<b>100%</b>	<b>\$ 216,292</b>	<b>100%</b>	<b>\$ 115,311</b>	<b>100%</b>	<b>\$ 31,902</b>	<b>100%</b>	<b>\$ 6,634</b>

**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

## 2015 KCHA Resident Characteristics

In 2015, the King County Housing Authority (KCHA) housed over 15,000 households and nearly 38,000 individuals through the federally subsidized Housing Choice Voucher and Public Housing programs. 70% of the households served in 2015 received housing through the Tenant-Based Voucher program, with the remaining 30% of households receiving housing through the Project-Based Voucher and Public Housing programs. Each of these three programs focus on providing safe and stable housing for some of King County's most vulnerable residents, including individuals who are extremely low income, elderly, disabled and previously homeless.

### General Resident Composition<sup>1</sup>



**15,247 Households**



**37,767 Individuals**

**Average length of tenure<sup>2</sup>:** 6.6 years

**Number of children served:** 14,421

**Household categories:**

31% Elderly | 28% Non-Elderly Disabled | 41% Work-able

1,513 households entered in 2015



12,741 households remained in KCHA programming throughout 2015

1,037 households exited in 2015<sup>3</sup>



### Resident Demographics

Comparing race and ethnicity data for KCHA residents to the broader low-income<sup>4</sup> population in King County highlights the under-representation of certain groups in KCHA programs, in particular Asian and Hispanic communities.

#### King County Residents under FPL



#### KCHA Residents



38% of KCHA residents are under the age of 18, including over 3,547 children age 5 and under. 3,859 young adults<sup>5</sup> resided in KCHA programs in 2015, comprising 9% of the total resident population. This age distribution supports the continued need for age-specific services and resources targeted to youth and young adults.

<sup>1</sup> The 2015 report includes Public Housing and Project-Based HH, as well as all Tenant-Based voucher HH living within KCHA's jurisdiction (includes port-in HH and excludes port-out HH).

<sup>2</sup> Length of tenure is the average time (in years) entering and year-long HH have been in KCHA programming.

<sup>3</sup> 44 household entered and exited in 2015. These households are included in both the entry and exit numbers, but are only counted once in the total households served count.

<sup>4</sup> Low-income data includes any County residents living under the Federal Poverty Line.

<sup>5</sup> Individuals between 18-24 years of age are considered young adult.



## Socioeconomic Indicators

**KCHA programs continue to see increased demand for affordable and safe housing for the most vulnerable individuals in King County.**

- In 2015, **50.1%** of households entering KCHA programs reported experiencing **homelessness** prior to enrollment. This percentage is even higher for households with children and single parent households.
- **2,464 households** received access to housing through **population-specific special programs**, such as the VASH, HASP and FUP programs.
- **59%** of KCHA households have a member who is **age 62 and over** or **has a disability**.
- **49%** of the KCHA households with children in 2015 were **headed by a single parent**.

Median Income for  
entering households  
**\$9,036**

**24%**  
of entering households  
reported \$0 income

**85%**  
of entering households  
fall below 30% of AMI

**Households entering KCHA programs in 2015 were extremely low-income.**

Entering households had median household incomes that were **over \$3,000 lower** than the median for all other KCHA households. **24%** of entering households reported **\$0 income** at admission, an increase of 5% over entering households in 2014. Despite this clear economic need, only **49%** of entering households were **receiving benefits** at time of admission.

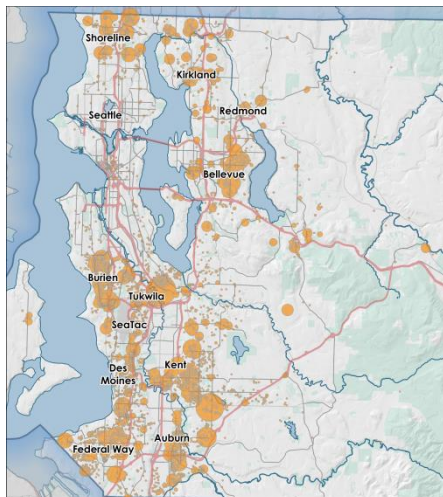
These economic indicators were consistent across all entering households, including those that reported homelessness prior to program entry. Previously homeless households had a median income of \$8,796, with only 22% of these households reporting \$0 income.



**Single parent households are a growing population within KCHA programs.**

In 2015, 58% of entering households with children were headed by a single parent. The median income for single parent households in 2015 was **\$7,100 less** than the median income for multi-adult households with children. The percentage of households **living in extreme poverty** is also higher among single parent households (81%) than multi-adult households with children (68%). Single parent households stay in KCHA programs for an average of **1.3 years less** than multi-adult households with children and have higher rates of **negative move-out reasons**.

## Geographic Distribution



HH Distribution by parcel

**32%**  
of KCHA households live in  
high or very high opportunity  
areas<sup>6</sup>

Residence in high opportunity areas is lower for certain household types, including households with children and households with Black/African American members.

## Success at Exit

**49%** of households exiting in 2015 had **positive move-out reasons**<sup>7</sup>, with the remaining households exiting for negative or aging/health related reasons.

**80%** of all exiting households had **incomes below 30% of AMI**, suggesting the potential for continued economic and housing instability, even among positive exits.

<sup>6</sup> Opportunity areas as defined by the PSRC and Kirwan Institute metrics – [www.psrc.org](http://www.psrc.org)

<sup>7</sup> Positive move out reasons include homeownership, increase household income and moves to non-subsidized rentals.





## 2015 Resident Characteristics Report

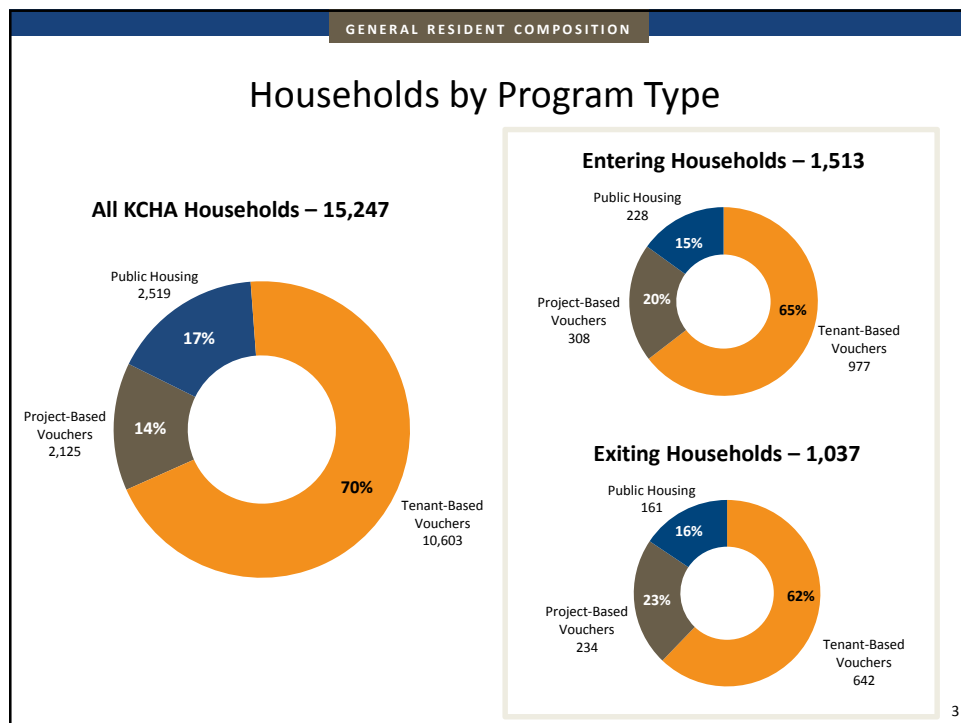
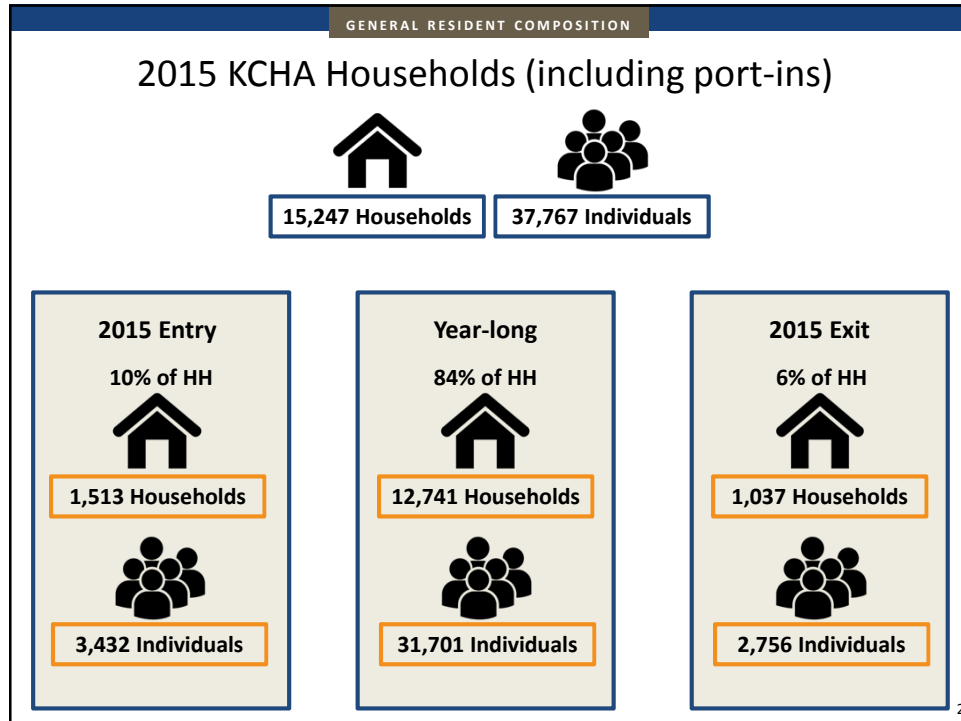
### 2015 Resident Characteristics Report

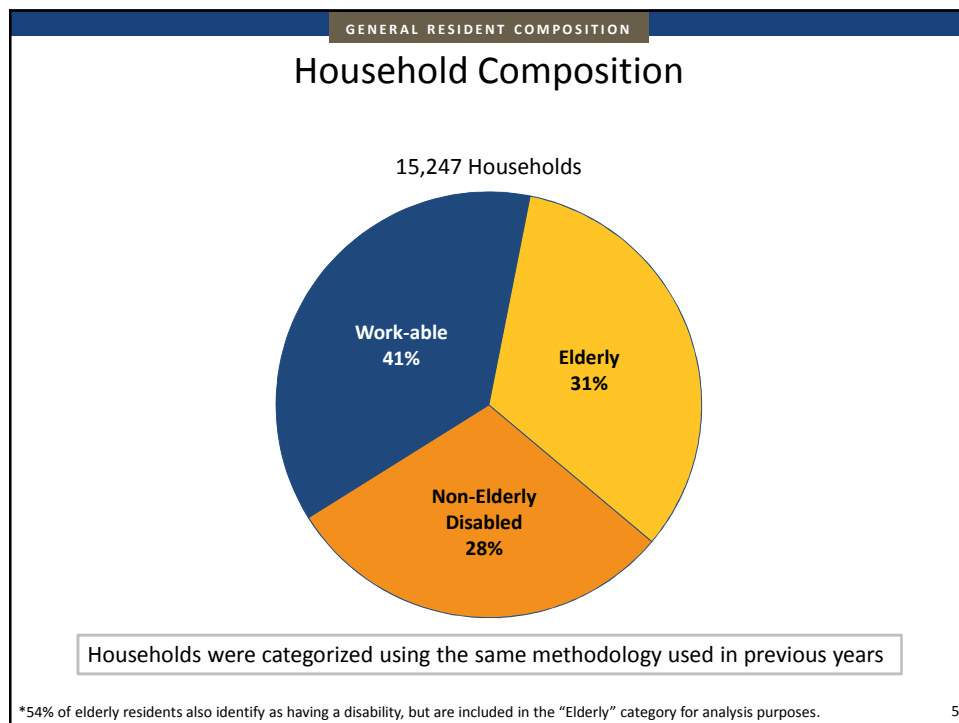
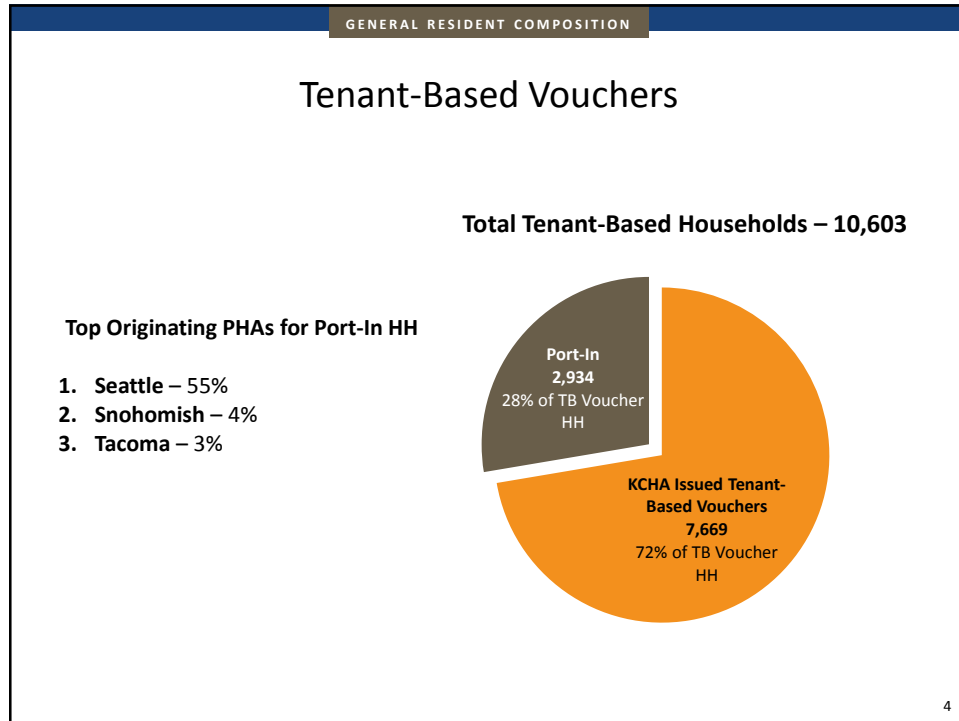
#### Presentation Purpose

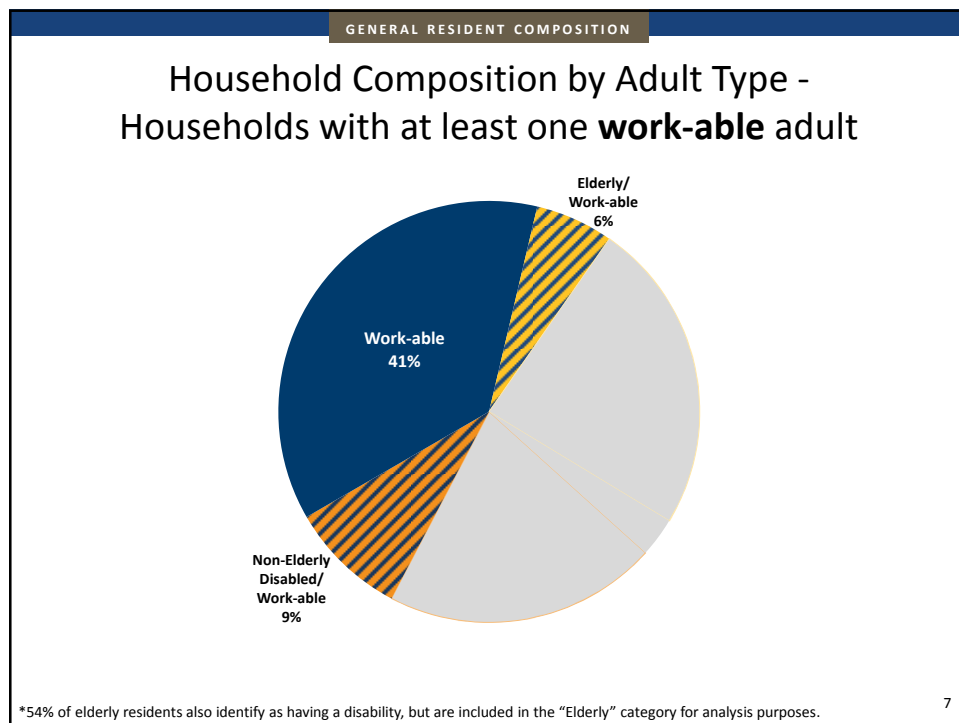
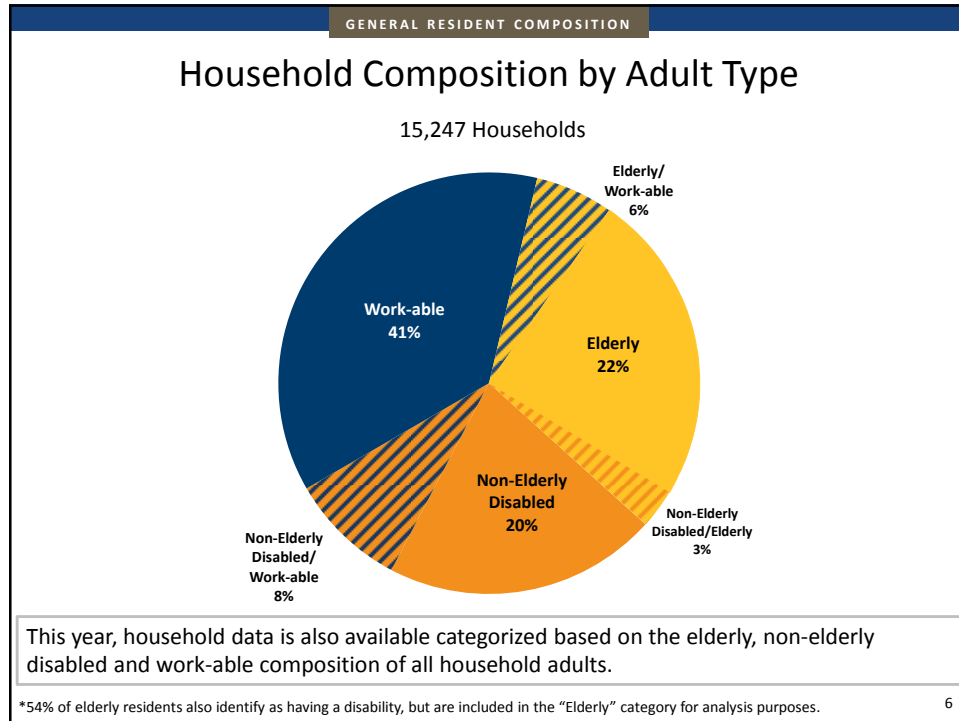
The purpose of today's presentation is to provide a broad overview of the data that is available for the 2015 resident population.

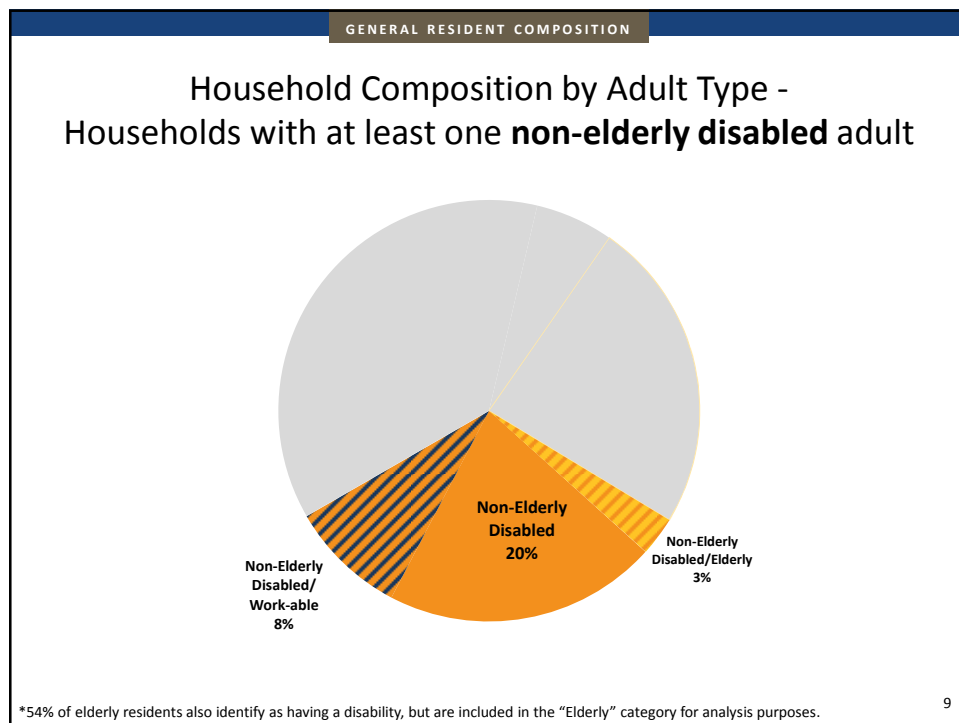
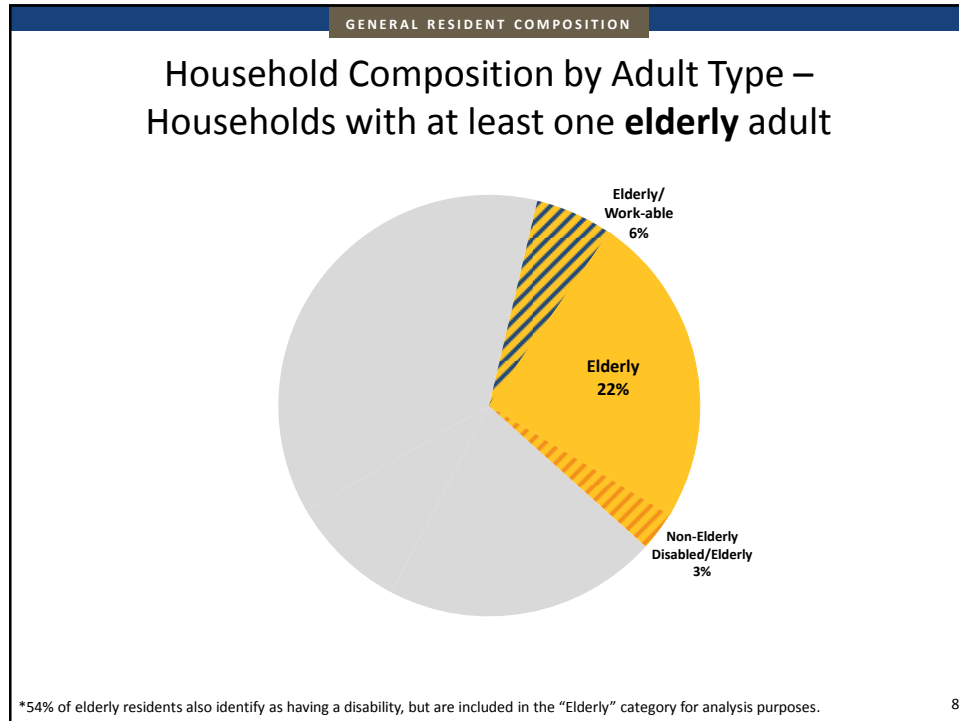
#### Report Sections

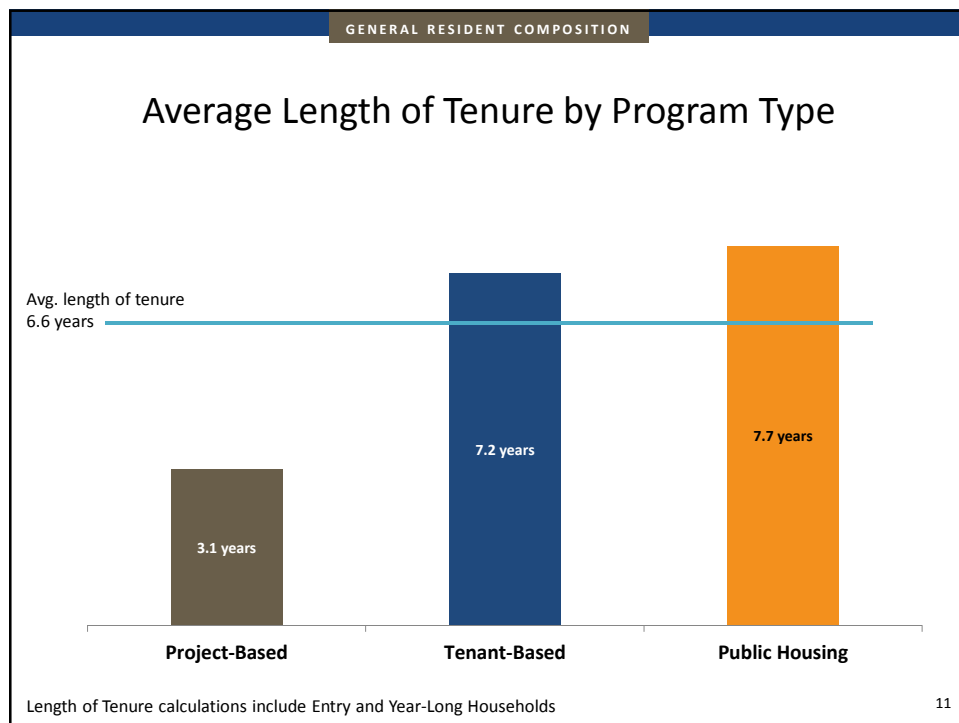
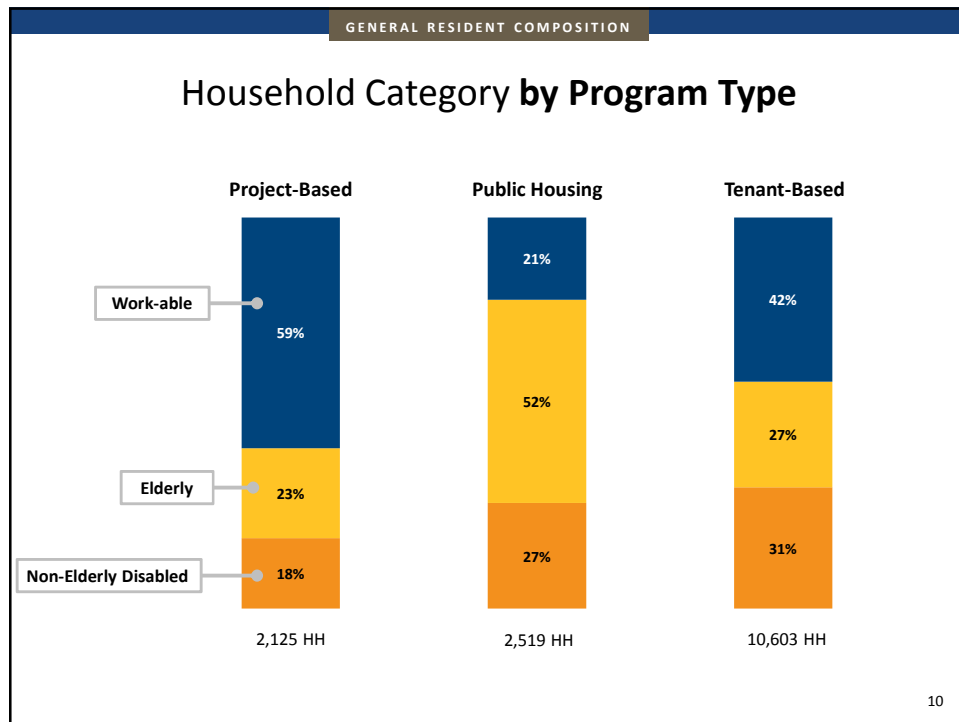
1. General Resident Composition
2. Demographic Characteristics
3. Socioeconomic Characteristics
4. Geographic Characteristics
5. Leaver Characteristics

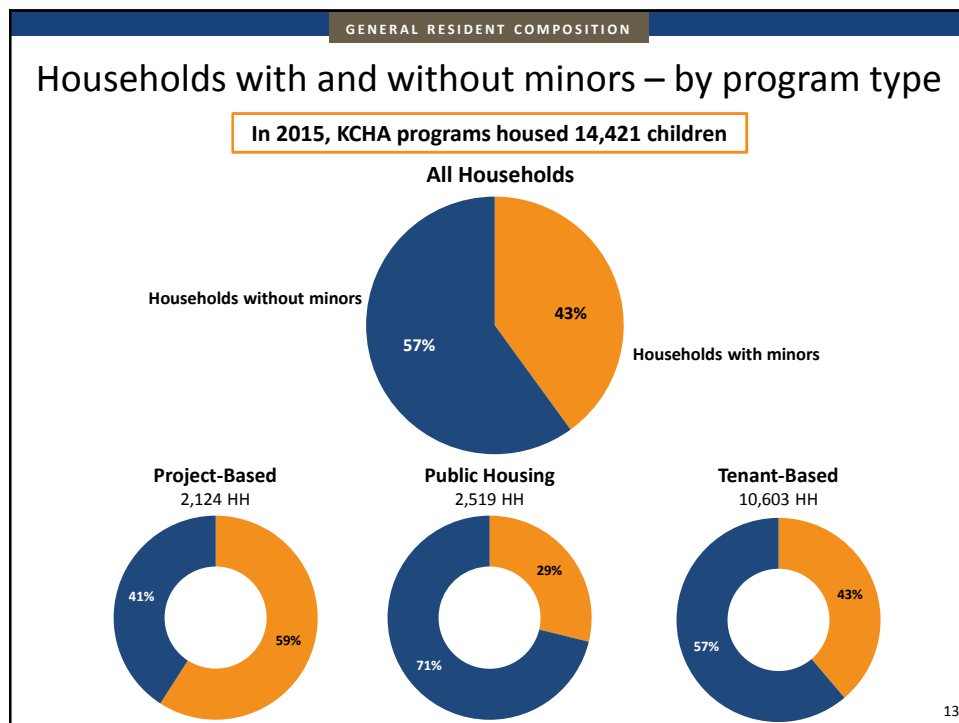
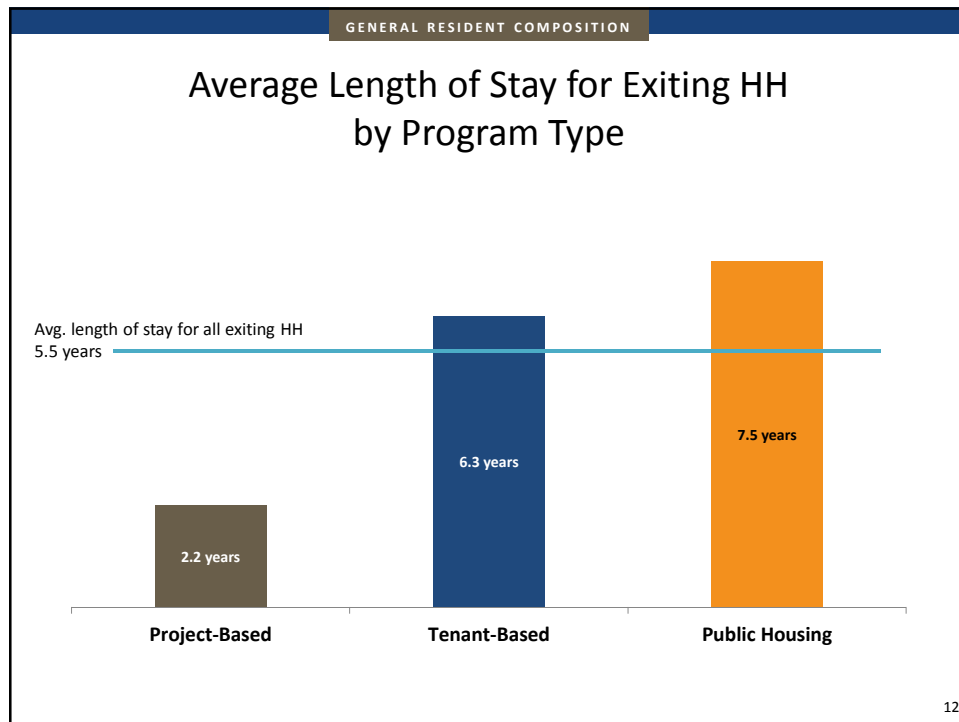


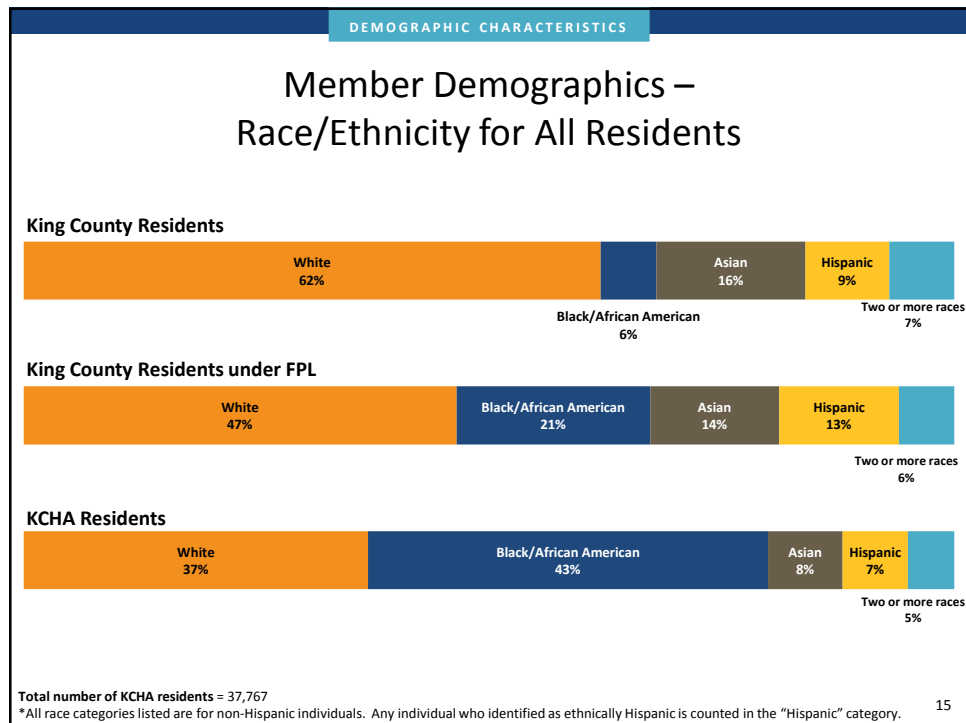
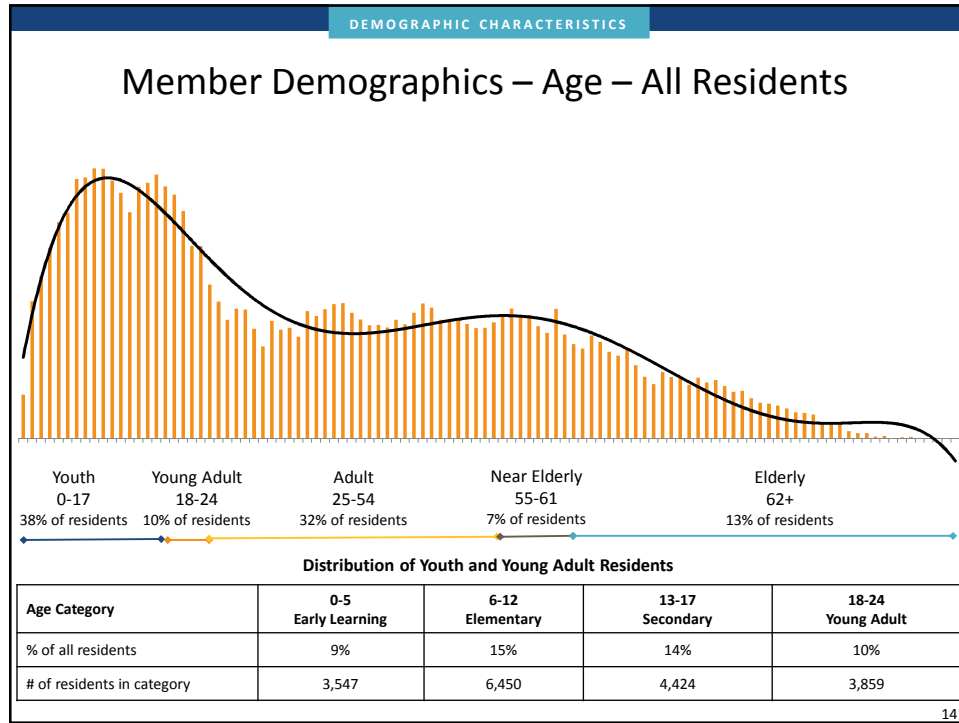




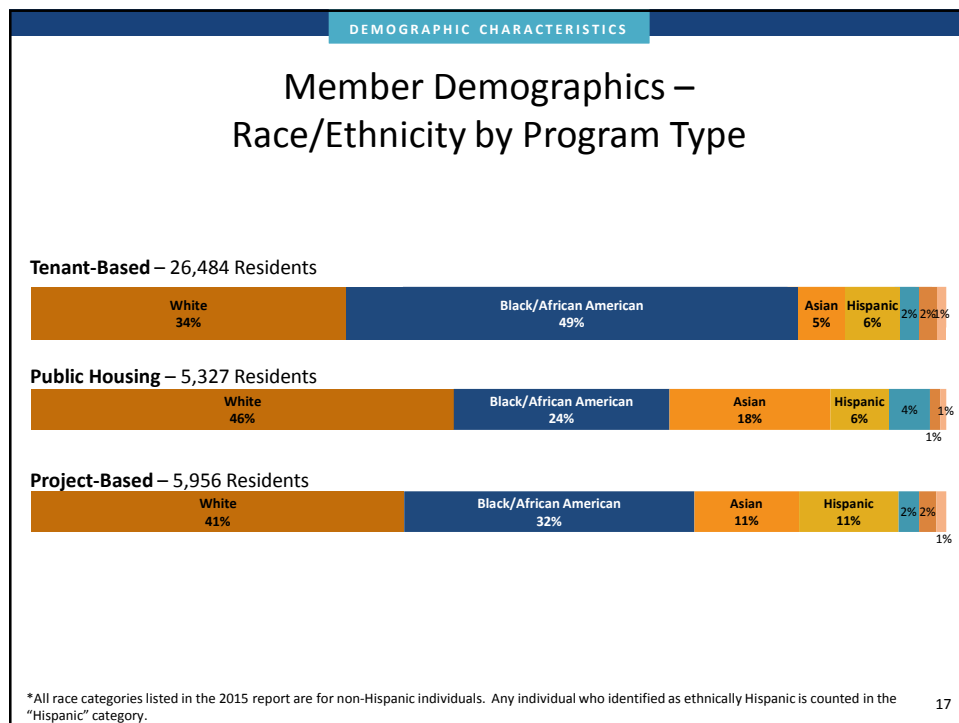
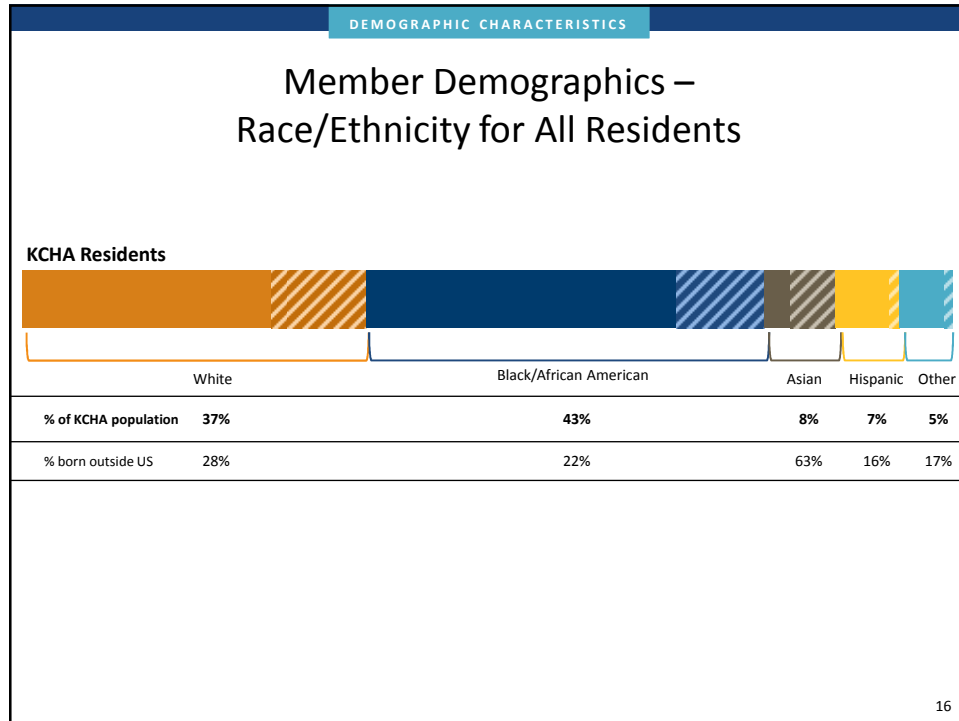


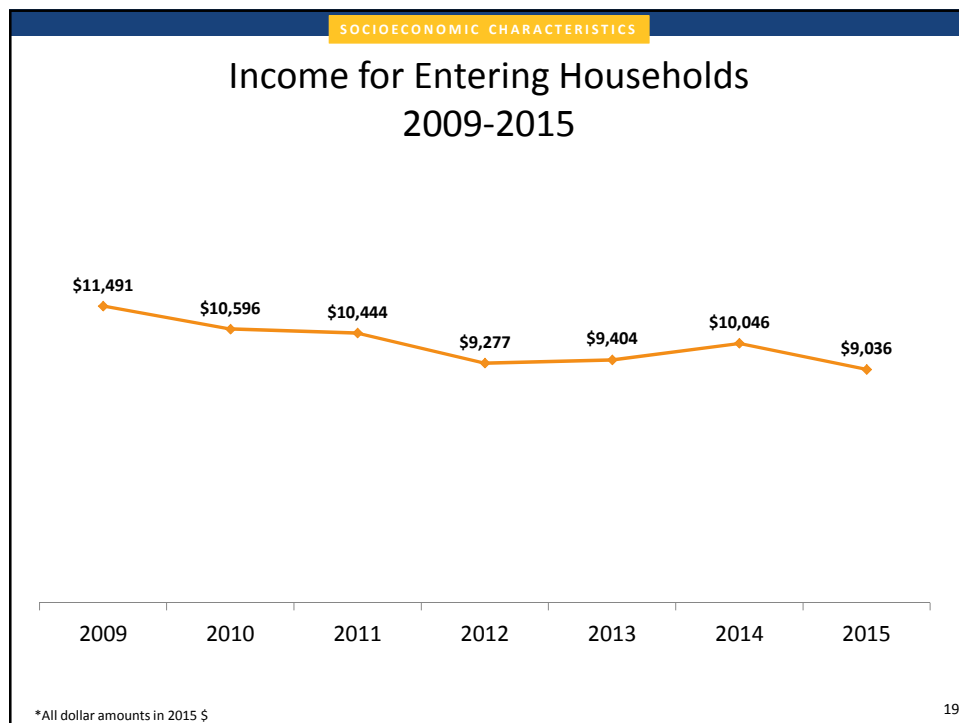
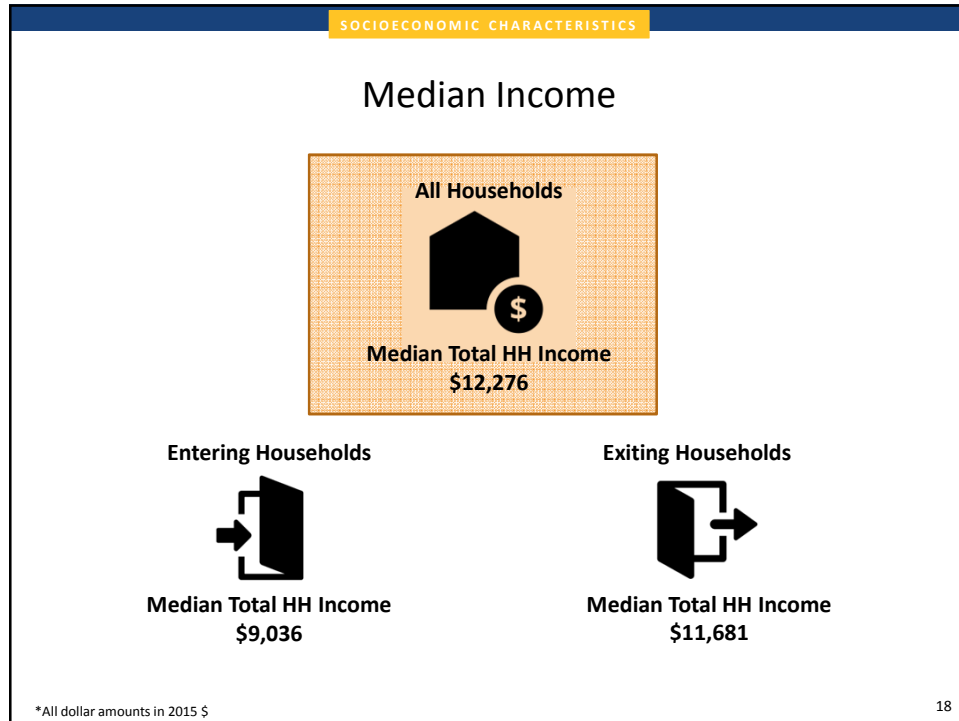


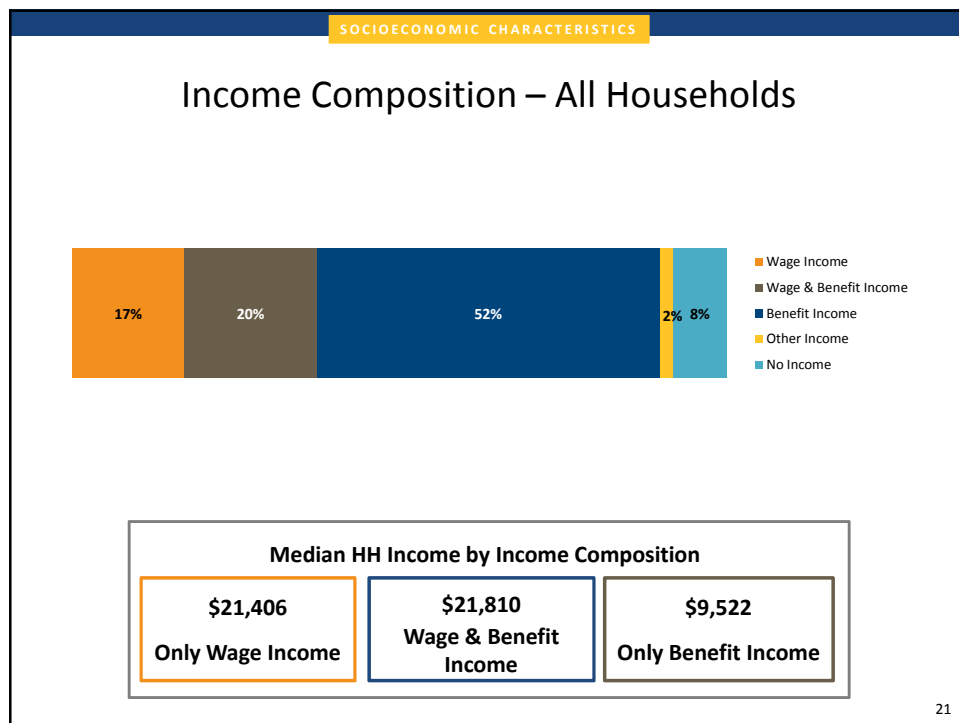
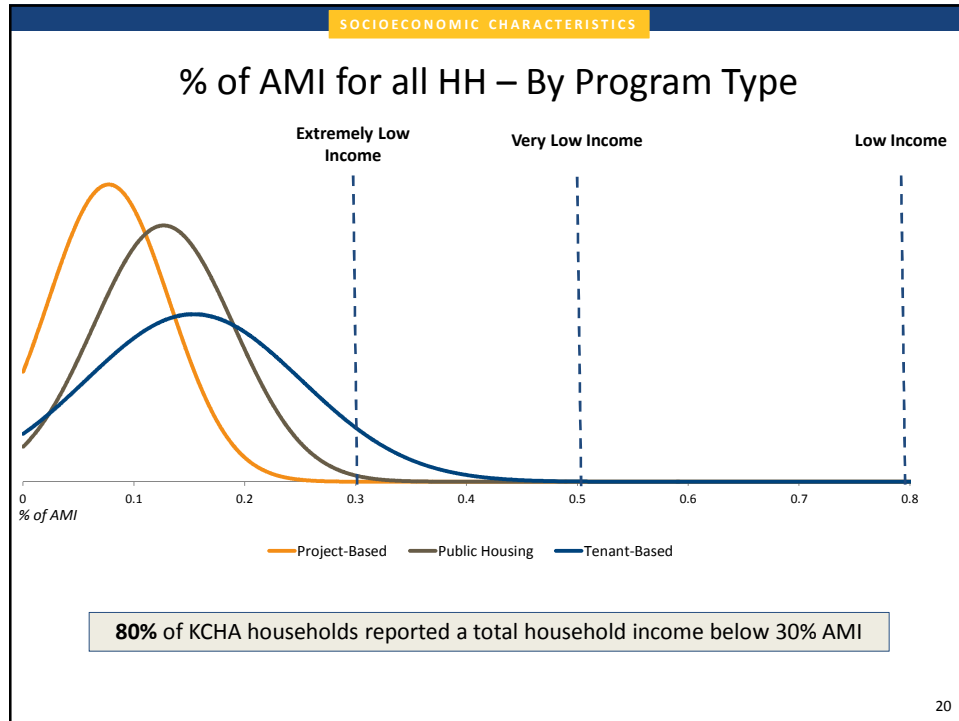






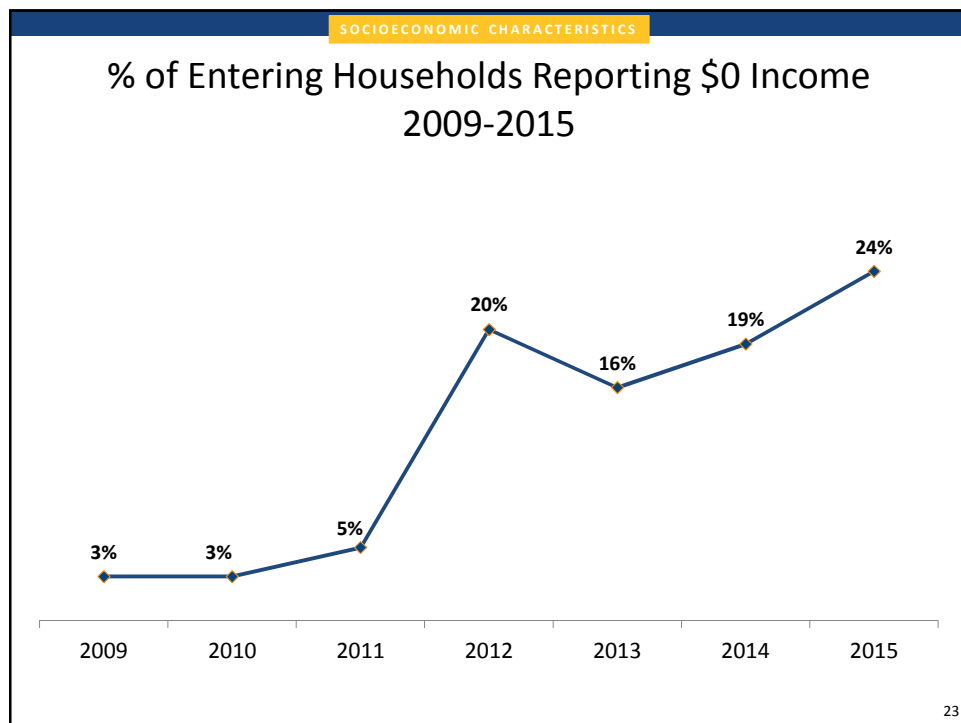




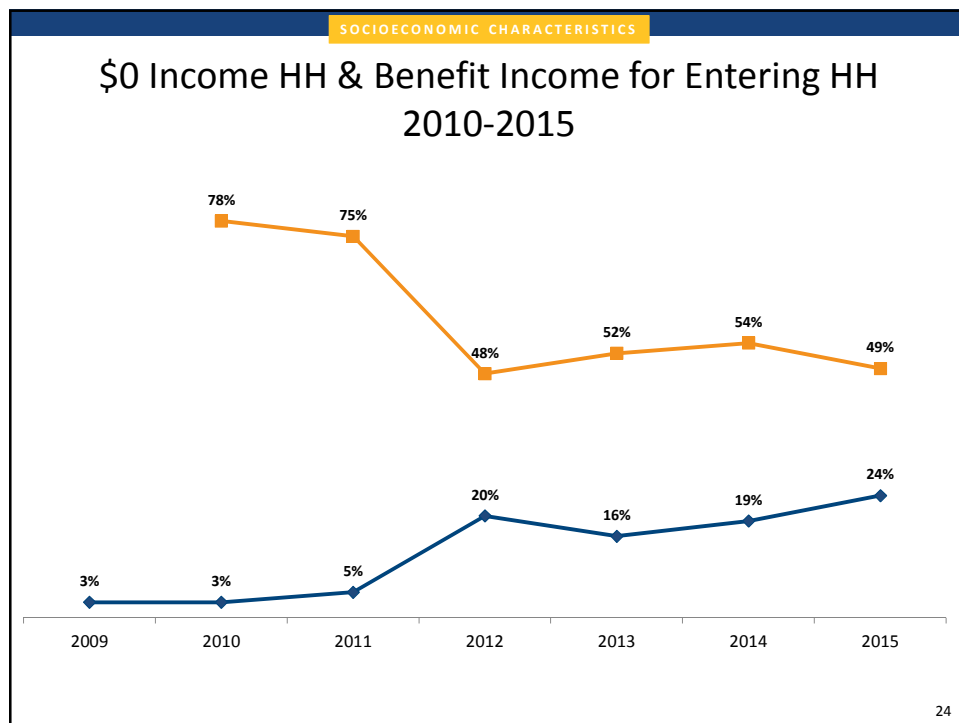
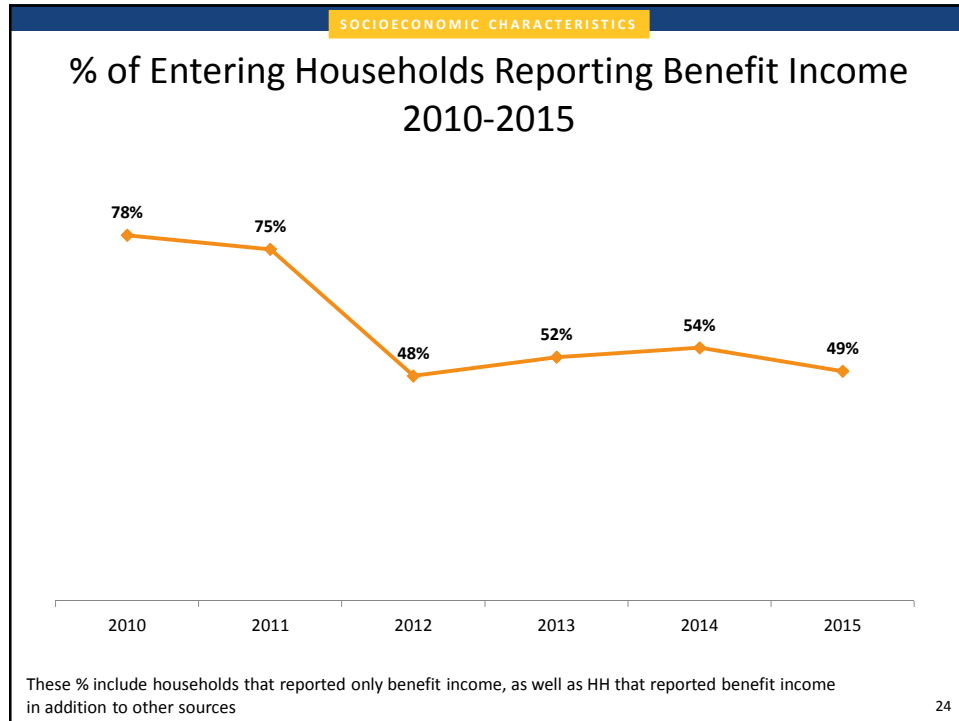


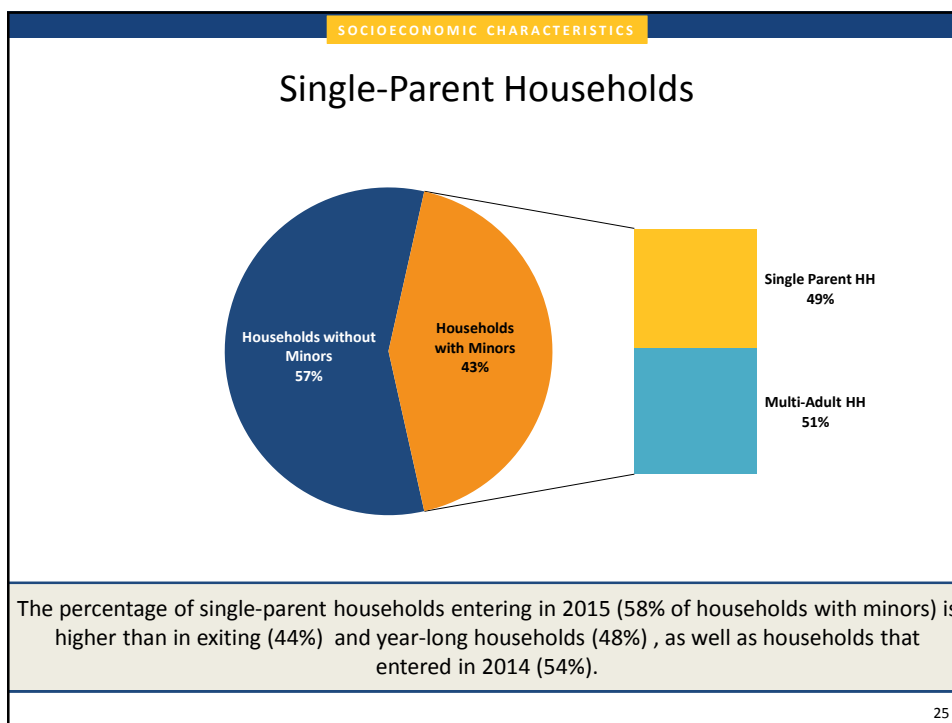
SOCIOECONOMIC CHARACTERISTICS			
Income Indicators for Entering, Year-long and Exiting HH			
	Entering HH	Year-long HH	Exiting HH
Median Income	\$9,036	\$12,528	\$11,681
% with wage income	20%	17%	17%
% with benefit income	43%	53%	57%
% with wage and benefit income	6%	22%	19%
% below 30% AMI	85%	79%	80%
% with zero income	24%	6%	6%

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**SOCIOECONOMIC CHARACTERISTICS**

### Comparing Single-Parent and Multi-Adult HH with Minors

	Single-Parent HH (3,190)	Multi-Adult HH with Minors (3,368)
Average Length of Stay in KCHA programs	5.5 years	6.8 years
% of move outs with negative reasons	52%	24%
Income at or below 30% of AMI	81%	68%
Some form of wage income	57%	63%
Some form of benefit income	64%	50%
Median Household Income	\$12,219	\$19,340

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## SOCIOECONOMIC CHARACTERISTICS

## Homelessness Among Entering Households

**50.1%**

of new households in 2015 reported experiencing homelessness prior to entering KCHA programs

**52%**

of entering **HH with children** were previously homeless

**82%**

of HH entering through **special programs** were previously homeless

**78%**

of previously homeless entering HH reported some form of income

\* Homelessness data does not include port-in households

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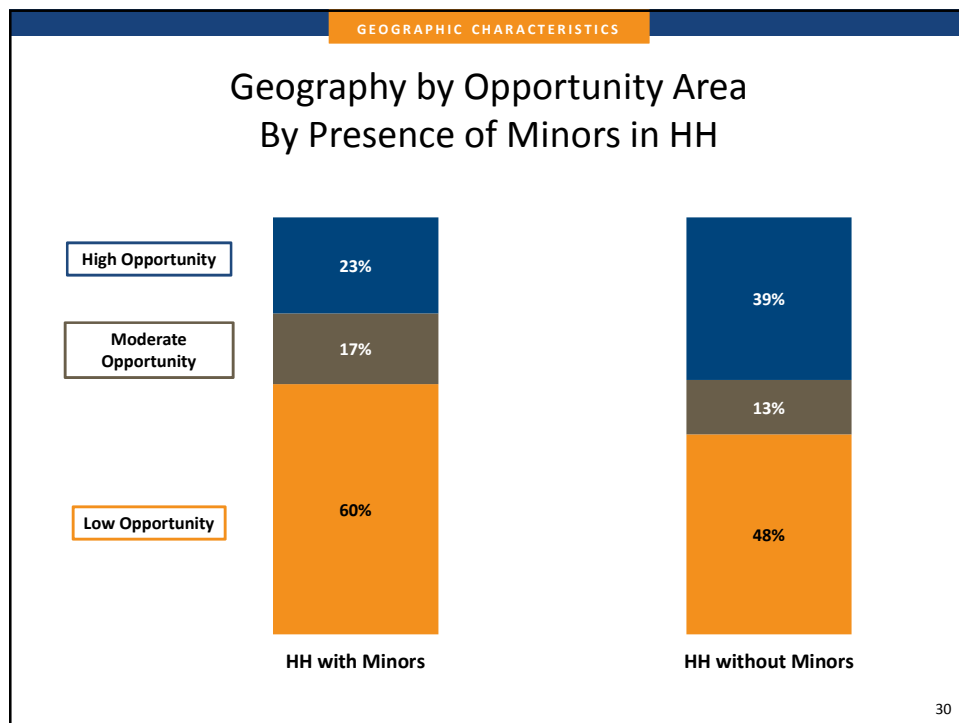
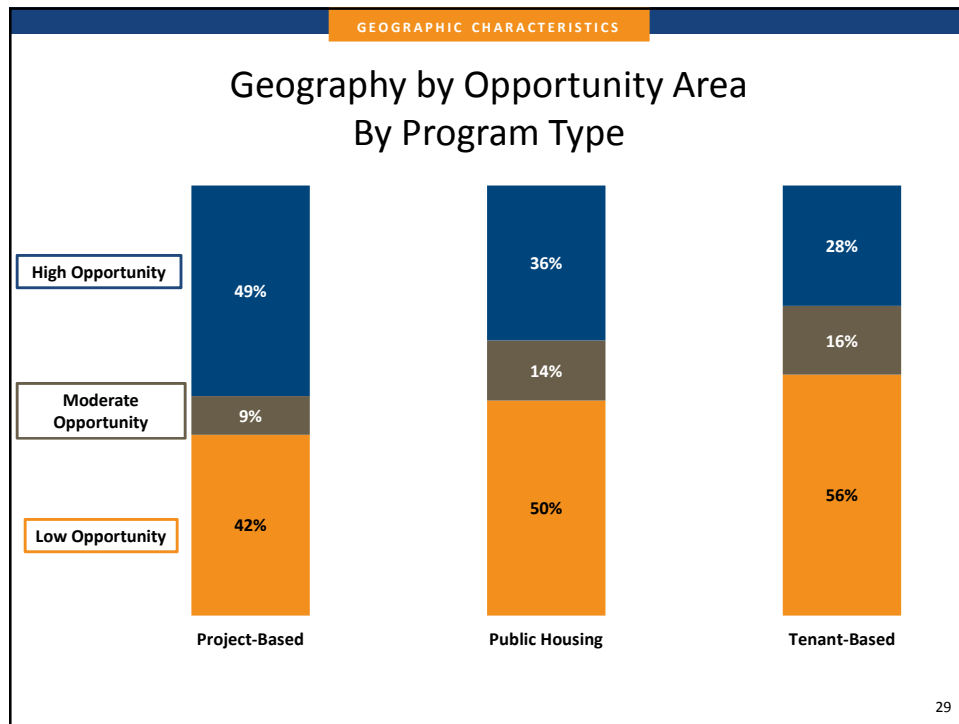
## SOCIOECONOMIC CHARACTERISTICS

### Income Indicators

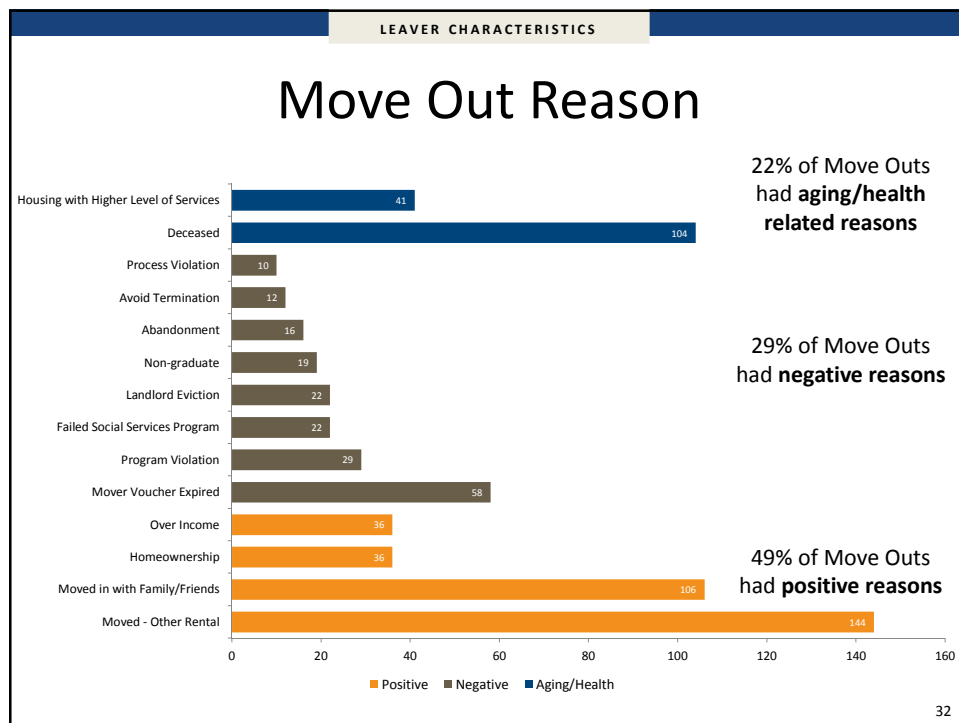
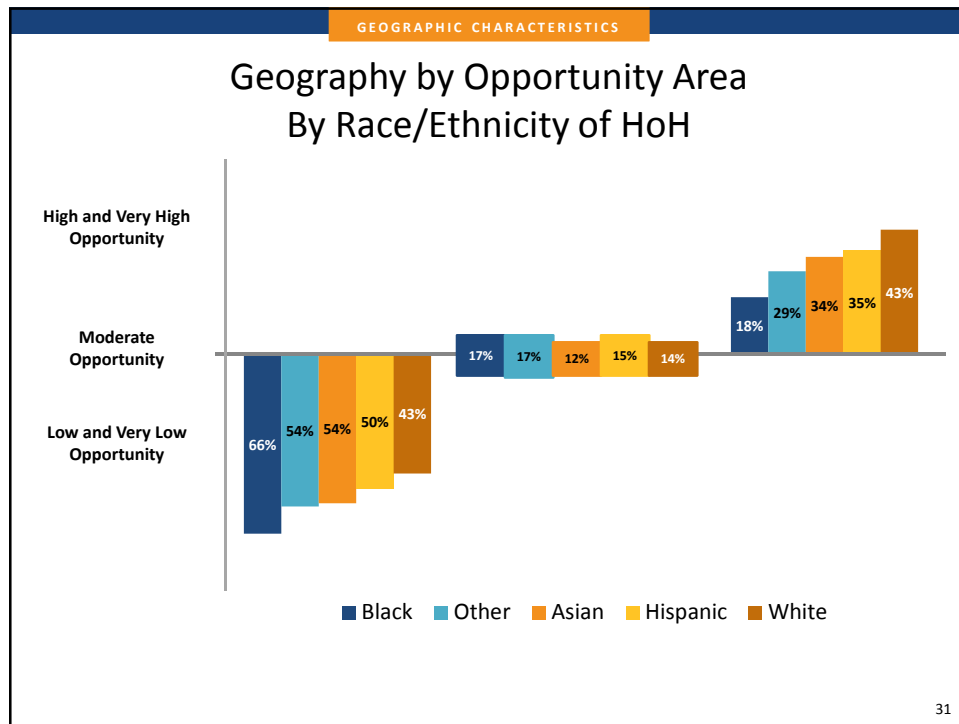
#### Entering HH Reporting Previous Homelessness

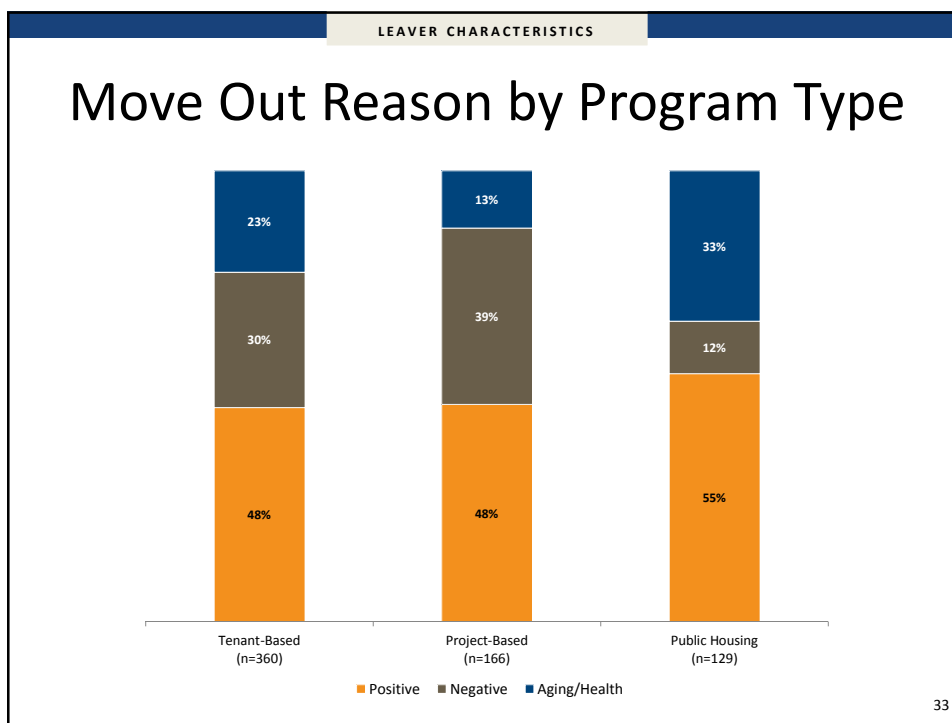
	Previously Homeless HH	All Other Entering HH
Median Income	\$8,796	\$9,516
% zero income	22%	26%
% with wage income	22%	28%
% with benefit income	53%	45%

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## 2015 Key Findings

### General Composition

- **Total households served:** 15,247 | Total individuals served: 37,767
- **Household Categories:**  
31% Elderly HH | 28% Non-Elderly Disabled HH | 41% Work-able HH
- **Average length of tenure:** 6.6 years

### Demographic Characteristics

- Nearly half of KCHA residents are under the age of 25. This age distribution supports the continued need for age-specific services and resources for youth and young adults.
- Comparing racial, ethnic and country of birth data for KCHA residents to low-income King County residents highlights the under-representation of certain groups in KCHA programs, in particular **Hispanic and Asian communities**.

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## 2015 Key Findings - continued

### Socioeconomic Characteristics

- Households **entering** KCHA in 2015 had **lower incomes** and **benefit access rates** than year-long and exiting households.
- Over **half of households entering KCHA programs in 2015 reported homelessness** prior to entry. Economic indicators were consistent across all entering households, regardless of homelessness status.
- **Single-parent households** are a growing population within KCHA programs. These households have a **higher rate of economic and housing instability** than multi-adult HH with children.

### Geographic Distribution

- Less than 1/3 of KCHA households live in high/very high opportunity areas. Certain household types have **very high concentrations in low/very low opportunity areas**.

### Leaver Characteristics

- 80% of exiting households reported total income below 30% of AML. This suggests the potential for **continued economic and housing instability**, even among households with positive exits.

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## Next Steps

- You will receive a digital copy of this presentation, the one-sheet summary and the full-length report
- We will reach out to you to identify any additional presentations you would like for your department staff
- 2016 report will be completed in Q1 of 2017

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# T A B N U M B E R

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# **KCHA IN THE NEWS**

# Veterans select name for MSC's Veterans Housing Project



An artist's rendering of the now-named William J. Wood Veterans House on Pacific Highway near Dash Point Road. Construction is scheduled to be complete in November. — *Image Credit: Contributed Photo*

Sep 19, 2016 at 1:07PM

A focus group comprised of veterans (and some current-duty service members) recently selected “William J. Wood Veterans House” as the name of the Multi-Service Center’s Veterans Housing Project being built on Pacific Highway near Dash Point Road in Federal Way.

The selection committee represented a diverse group of veterans from all branches of the military. Name suggestions were solicited from the community at large, then narrowed down to 10 names for the selection committee to choose from.

The roughly \$13 million housing facility will offer 44 one-, two- and three-bedroom units to homeless veterans and their families. All units will be fully furnished and eligible for rental subsidies through

the HUD VASH Program in collaboration with King County Housing Authority. The building should be completed in November 2016.

William J. Wood was a tireless advocate for veterans. He served in the Army as a warrant officer during the Vietnam War. Wood was a longtime member of the Vietnam Veterans of America, an organization based on the principle, "Never again will one generation of veterans abandon another." The organization advocates for full access to quality health care, particularly for care of disabling injuries and illnesses incurred during military service.

In 2005, Wood was part of a group of veterans that advocated for a local property tax levy to fund additional services for veterans. Later that year, the residents of King County overwhelmingly passed an initiative creating the King County Veterans and Human Services Levy, which provides a broad array of services for veterans, their families and others in need.

After retiring, Wood, with another veteran, created the Veterans Incarcerated Program that assists veterans who are having issues with the criminal justice system. The program helps the inmates obtain VA benefits and provides counseling to address service-related problems. Wood died in Seattle in 2014.

MSC is seeking donations and sponsorships for the William J. Wood Veterans House. A donation of \$500 or more will get your name on the wall in the lobby of the building. Limited room sponsorships ranging from \$5,000-\$15,000 are also available. For more information, contact MSC's Sarah Villian at sarahv@mchelps.org or 253-835-7678 ext. 104.

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