

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

**Monday, October 14, 2019**

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**I. CALL TO ORDER**

The meeting of the King County Housing Authority Board of Commissioners was held on Monday, October 14, 2019 at 700 Andover Park West, Tukwila, WA 98188. There being a quorum, the meeting was called to order by Chair Doug Barnes at 8:29 a.m.

**II. ROLL CALL**

**Present:** Commissioner Doug Barnes (Chair), Commissioner Susan Palmer (Vice-Chair), Commissioner Michael Brown and Commissioner TerryLynn Stewart.

**Excused:** Commissioner John Welch

**III. Public Comment**

Resident Cindy Ference gave public comment via telephone regarding MTW.

**IV. APPROVAL OF MINUTES**

A. Board Meeting Minutes – September 16, 2019

On motion by Commissioner Susan Palmer with revisions to the Executive Directors report and seconded by Commissioner Michael Brown, the Board unanimously approved the September 16, 2019 Board of Commissioners' Meeting Minutes.

**V. APPROVAL OF AGENDA**

On motion by Commissioner TerryLynn Stewart and seconded by Commissioner Susan Palmer, the Board unanimously approved the October 14, 2019 Board of Commissioners' meeting agenda.

**VI. CONSENT AGENDA**

A. Voucher Certification Report for August 2019

On motion by Commissioner TerryLynn Stewart and seconded by Commissioner Susan Palmer, the Board unanimously approved the consent agenda.

## VII. RESOLUTIONS FOR DISCUSSION & POSSIBLE ACTION

**A. Resolution No. 5632** – Authorizing a change in the Administrative & Collective Bargaining Unit Pay Schedule of 2.2%, effective November 2019.

Craig Violante, Director of finance, presented the proposed change in salary schedules for all employees.

Historically, KCHA has awarded a cost of living adjustment (COLA) effective with the first full pay period of November. The Consumer Price Index for Clerical Workers (CPI-W) reported in June 2019 was 2.2%. This is the same metric that we have been using in years past and is lower than last year.

This is for all employees – some years that is not the case, as there might be collective bargaining going on.

The cost of living is one of the array of benefits that are offered to KCHA Employees.

Questions of Commissioners' were answered.

On motion by Commissioner TerryLynn Stewart and seconded by Commissioner Michael Brown, the Board unanimously approved Resolution No. 5632.

**B. Resolution No. 5633** – Approval of the King County Housing Authority's Moving to Work Annual Plan for Fiscal Year 2020.

Katie Escudero, Moving to Work and Health Policy Manager explained the final Annual Plan.

KCHA is required to submit a board approved annual plan that outlines the agency's goals, operations, programs, and proposed new MTW activities for HUD's review and approval. We are not proposing any new activities but we are making targeted changes or additions to ongoing initiatives and investments of the single fund, including efforts to serve additional households and improve outcomes of residents.

Questions of Commissioners' were answered.

On motion by Commissioner Michael Brown and seconded by Commissioner TerryLynn Stewart, the Board unanimously approved Resolution No. 5633.

**C. Resolution No. 5634**-Resolution providing for the Issuance of the Authority's Affordable Housing Preservation Tax-Exempt Housing Revenue Note, 2019, in the principal amount of not to exceed \$60,000,000, the proceeds of which will be used to

refinance a portion of the cost of acquiring some or all of the Emerson Apartments, the Kendall Ridge Apartments, the Riverstone Apartments, the Kirkland Heights Apartments, and/or the Juanita View Apartments, and determining related matters.

Tim Walter, Senior Director of Development and Asset Management explained Resolution No. 5634.

We are excited about resolution 5634, which is to authorize the issuance of a tax exempt bond of \$60,000,000 million which will provide a portion of the financing for the properties listed above.

We have always identified, when bringing acquisitions to the Board for approval, that the properties themselves cannot generate sufficient revenue to fund 100% of the cost of the debt. The housing authority has been seeking a partner(s) to provide mezzanine financing at a very low rate of interest for a period of time and that is what Microsoft has stepped up to provide.

They are providing \$60,000,000 in the form of a 1% interest only, 15 year tax exempt bond. That will provide the majority of the gap financing for these properties.

King County has awarded KCHA \$20,000,000 in gap financing that will be a 1% interest only, 50 year term.

These two things along with bonds that we will issue this week, will provide 100% of the financing to acquire these properties.

Questions of Commissioners' were answered.

On motion by Commissioner TerryLynn Stewart and seconded by Commissioner Susan Palmer the Board unanimously approved Resolution No. 5634.

## **VIII. BRIEFINGS AND REPORTS**

### **A. Weatherization Report**

Nikki Parrott, Director of Capital Construction and Weatherization presented an overview of the Low-Income Weatherization Assistance (LIWA) Program.

KCHA has administered this program for the past 37 years. The Program is usually administered by Community Action Agencies but KCHA is one of two Housing Authorities in Washington that administers this Program.

This program is intended to serve low income households, preserve housing that people already live in and have positive environmental impacts.

Weatherization is a combination of energy conservation and indoor air quality initiatives that are accomplished by ventilation.

Questions of Commissioners' were answered.

**B. Video of Burien Veterans**

Video of Burien Veterans was shown for the Board of Commissioners.

**IX. EXECUTIVE DIRECTOR REPORT**

The big news on the Washington, DC front is that the Senate version of the HUD appropriations bill has come out. The numbers are not quite as high as the house numbers in some categories, but they are acceptable numbers.

Equally important, there were text changes included in the bill that struck out some of the language that HUD attempted to insert which would have limited our MTW Flexibility and additional language was inserted that prohibited HUD from making unilateral changes to the Housing Authority annual contributions contract under the argument that these contracts were actually grants. The proposed appropriations bill now goes to the full Senate and then to conference with the House.

Chair Barnes, Helen Howell, Andrew Calkins and myself will be going to DC later this week. Meetings are scheduled with six members of our delegation - four Representatives and Washington State's two senators. The main messages include saying thank you for proposed appropriation levels and for the changes in bill language that we had requested; educating members about the growing level of housing need, both in individual districts and state wide; talking about the need for additional housing vouchers; and highlighting the importance of tax code changes in order to increase housing tax credit availability in support of additional affordable housing development in the region. It is timely to reconnect the KCHA Board with our delegation.

More locally – we have now purchased the last of the properties approved by the Board for acquisition this year. We closed on the Kendall Ridge property at the beginning of October and are moving quickly to issue bonds and finalize the agreement for private placement for a portion of the debt with Microsoft. Everything is moving forward and we will keep the Board apprised as we take the bonds to market.

The Administration's proposed Public Charge rule - which we are very concerned about – a rule that essentially jeopardizes the immigration status of many individuals who are living public housing or receiving a Section 8 voucher simply

because they are receiving housing assistance, has been stayed in the courts. That stay will be appealed and may well end up at the Supreme Court.

We are going out late winter/early spring to re-open the Section 8 waiting list.

Helen Howell will be leading this charge and making sure that under-represented populations are appropriately and proportionally reflected in the applications that we receive. Primary target groups are Latino, Native American and Pacific Islanders. We cannot, however, tell folks that the public charge issue has gone away – we need to be clear as to where this issue stands - but it's an excellent idea to make sure that our outreach efforts focus on underserved populations and reflect our region's demographics. More on this as it unfolds.

At the State Level, there may be some possible asks on funding for specific projects KCHA is involved with. We are also looking at a possible statutory exemption from the real estate excise tax for the purchase and preservation of multifamily housing by Housing Authorities and non-profit housing providers.

#### **X. KCHA IN THE NEWS**

There was an article in the Editorial section of the Seattle Times.

#### **XI. COMMISSIONER COMMENTS**

None.

#### **XII. ADJOURNMENT**

Chair Barnes adjourned the meeting at 9:41 a.m.

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



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



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**STEPHEN J. NORMAN**  
Secretary