

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

Monday, October 12, 2020

I. CALL TO ORDER

The telephonic meeting of the King County Housing Authority Board of Commissioners was held on Monday, October 12, 2020 at 700 Andover Park West, Tukwila, WA 98188. There being a quorum, the telephonic meeting was called to order by Chair Doug Barnes at 8:31 a.m.

II. ROLL CALL

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

Excused: Commissioner John Welch

III. Public Comment

None.

IV. APPROVAL OF MINUTES

A. Board Meeting Minutes – September 21, 2020

On motion by Commissioner Susan Palmer and seconded by Commissioner Michael Brown, the Board unanimously approved the September 21, 2020 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 12, 2020 telephonic Board of Commissioners' meeting agenda.

VI. CONSENT AGENDA

On motion by Commissioner Michael Brown and seconded by Commissioner TerryLynn Stewart, the Board unanimously approved the October 12, 2020 telephonic Board of Commissioners' meeting consent agenda.

VII. RESOLUTION FOR DISCUSSION AND POSSIBLE ACTION

A. **Resolution No. 5665** - Authorizing a change in the Administrative and Collective Bargaining Unit Pay Schedule of 1.9%, effective November 2020

Craig Violante, Director of finance presented the COLA for KCHA employees.

This Resolution authorizes an increase in salaries for all Administrative and Collective Bargaining Unit employees of 1.9%, 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 2020.

The budget impact for this is \$682,000 and can be supported by KCHA. This COLA has been the lowest that it has been in 5 years, below 2%. This will be in effective November 2020.

On motion by commissioner TerryLynn Stewart and seconded by Commissioner Susan Palmer, the Board unanimously approved Resolution No. 5665.

B. Resolution No. 5666 – A Resolution relating to Employee Compensation; Authorizing Temporary Compensation to All Employees of the Authority; and Directing Implementing Actions

Jill Stanton, Deputy Executive Director for Administration presented the resolution relating to Employee Compensation.

KCHA recognizes that the global pandemic has caused our employees to work in unusual ways and circumstances. We believe they are incurring increased costs and will be compensating \$60 per month for the period of October 2020 through June 2021 with the exemption of Executive Team members.

Questions of commissioners' were answered.

On motion by commissioner TerryLynn Stewart and seconded by Commissioner Michael Brown, the Board unanimously approved Resolution No. 5666.

VIII. BRIEFINGS AND REPORTS

A. VRT Briefing

Jill Stanton, Deputy Executive Director for Administration presented the work that is being done.

- Holding an all staff VRT meeting this week
- Initiatives for employees
- Showcase training videos
- Wellness checks
- Dedicate our program to express our gratitude to staff
- All of our commissioners are welcome to attend
- We have 80 families that have children in school.

We understand that employees will be homeschooling their children while they are working. We are allowing flexible schedules where they can work in the evenings. Installing Wifi in 26 of our offices.

Questions of commissioners' were answered.

B. Second Quarter CY 2020 Financial Report

Windy Epps, Assistant Director of Finance reported out the Second Quarter 2020 Financial Results.

Second quarter financial performance in 2020 was very strong as both operating income and expenses reflected positive variances compared to budget. Cash reserves remain solid, with \$57.1 million in unrestricted and program reserves, and \$142.9 million in designated and restricted cash.

Questions of commissioners' were answered.

C. One Year Extension of the Collective Bargaining Agreement between KCHA & the Seattle/King County Building Construction Trades Council

Jill Stanton, Deputy Executive Director for Administration explained the extension and changes for the contract.

We are at the end of a two year contract for our union members. It is set to expire on October 31, 2020. We have come to an agreement for a one-year extension that will expire on October 31, 2021. The union did take it to a vote and we negotiated a few terms.

- Wages rates will be adjusted by the 1.9% COLA
- Call out roster and standby pay will be increased to \$300 per week
- 2021 employee health premiums will assume the same cost sharing
- Allowances for footwear will increase to \$300

Questions of commissioners' were answered.

D. Revision to KCHA's Mission Statement

Channie Butler, Applications Development Specialist and REDI Team Co-Chair and Ken Nsimbi, Youth Programs Coordinator and REDI Team Co-Chair, presented the background and KCHA's new Mission Statement

We had the Diversity Awareness Team before the REDI Team was created in 2019. The REDI Team is comprised of 11 employees from different departments for representation.

Final KCHA Mission Statement:

As a national leader in affordable housing, KCHA serves to provide innovative, effective, and equitable housing solutions so that all people and communities can prosper.

Questions of commissioners' were answered.

Next step is Courageous Conversations that will be happening across all of KCHA.

IX. EXECUTIVE DIRECTOR REPORT

Director Norman thanked the Board for passing the resolutions for the COLA and Supplemental Pandemic Pay.

He noted that KCHA, like many other organizations, is very concerned about employee stress and burnout. Uncertainty as to where this pandemic is heading, isolation from the work team, challenges around childcare and child education are all contributing to this. Staff are doing a terrific job in the face of all this in continuing to deliver essential services and serve our community.

Jill and the Virus Response Team conducted an employee survey – particularly focused on staff with children - to better understand these challenges. The results, and the realities of what employees are dealing with were truly compelling. This is what motivated leadership to come to the Board with this compensation proposal.

The Director acknowledged Craig Violante's role in putting the supplemental compensatic. package together. Both legal counsel and the State Auditor's office were consulted to assure that this approach was permissible. Kudos go to Craig and Jill for working through the complex questions involved.

He noted that there is a fair amount of ongoing uncertainty regarding the overall impact of the pandemic on our revenues and expenses. KCHA is monitoring a whole range of metrics carefully. Accounts receivable continue to increase in our public housing and workforce housing portfolios. We have so far been able to use CARES Act funding to offset additional expenses and decreased revenues in the HUD programs. It is encouraging that additional support for the public housing and housing choice voucher programs has been included in both the House and Senate versions of any potential next relief bill.

Director Norman noted that while it was unlikely that an additional relief bill would be approved before the election. He expressed confidence that a bill would eventually be passed and that there would be supplemental money included to address public housing and Housing Choice Voucher program financial shortfalls.

One key factor in looking at next year's revenue projections is the HUD inflation factor for the Housing Choice Voucher program. HUD has reset the region's Fair Market Rents (FMR) for 2021 at a number 10% below the 2020 levels. We have chosen not to challenge this recalibration at the present time given the uncertainty in the market. We will commission a new market study during the upcoming year and look for a significant increase in 2022.

The Governor has extended the state-wide eviction and utility shut-off moratoriums until the end of December 2020. This reflects the economic reality confronting our low income communities and hopefully will prevent major housing insecurity until economic relief for rent burdened households becomes available from the federal government.

This moratorium is less an issue for KCHA's clients, as we are not evicting residents, as it is for unsubsidized low income households in the community.

Executive Director Norman asked Director's for updates on several initiatives.

John Eliason, the HOPE VI Development Director reported on the current land offering at Greenbridge:

Home sale volume and pricing in the Puget Sound region continue to be robust. The timing on the Authority's current offering is fortunate and we have seen a good market response:

- Property went on the market July 30.
- 20 tours of the property have been conducted with home builders.
- Top builders in the region are interested in the property.
- Offers are due on October 15th
- Staff will review proposals and intends to bring a recommendation to the Board in November.

Director Norman noted that John and his team have done a magnificent job in procuring necessary permits and structuring a very attractive offering.

Tim Walter, Senior Director of Development and Asset Management reported on a number of previously authorized real estate transactions:

LifeWire Acquisition of the Firs – LifeWire has filed applications with the County and the regional REDI Fund for acquisition financing. They have been approved for sufficient financing to acquire the property without any assistance from KCHA. We are ready to step in with short term financing if they run into any last minute issues.

Oaks at Forest Bay Nursing Home – This project is continuing to move forward. This is a complex transaction involving partnerships with the County, the City of Shoreline and a local community group, Lake City Partners. As the initial proposed use of the site is as a low barrier shelter, there is an active conversation going on in the neighborhood. There is both community support and some vocal community issues being voiced. The Shoreline Council is generally supportive but has raised some concerns to the County. We will continue to work with all parties.

X. KCHA IN THE NEWS

None.

XI. COMMISSIONER COMMENTS

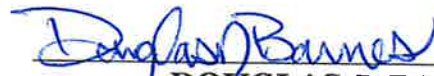
Commissioner Stewart is concerned regarding communication for residents for Board meetings. We will look into that and circle back. If there is a way that they can call in and not write in as we haven't heard from residents in a while.

Commissioner Palmer commented that there is a lot of of good work that is still going on and proud to be a part of KCHA.

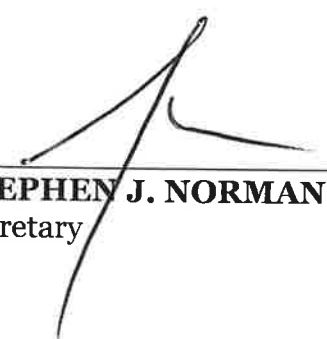
XII. ADJOURNMENT

Chair Barnes adjourned the meeting at 9:42 a.m.

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



DOUGLAS J. BARNES, Cha.
Board of Commissioners



STEPHEN J. NORMAN
Secretary