

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

Monday, May 17, 2021

I. CALL TO ORDER

The Annual meeting of the King County Housing Authority Board of Commissioners was held virtually on Monday, May 17, 2021. There being a quorum, the virtual meeting was called to order by Chair Doug Barnes at 8:31 a.m.

II. ROLL CALL

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

III. ELECTION OF OFFICERS

- A. Chairperson – Doug Barnes
- B. Vice-Chair – Susan Palmer
- C. Secretary – Stephen Norman

On motion by Commissioner TerryLynn Stewart to elect Commissioner Doug Barnes as Chairperson, Commissioner Susan Palmer as Vice-Chair and Stephen Norman as Secretary, and seconded by Commissioner Michael Brown, the Board unanimously approved the election of officers.

Announcement: Regina Elmi has been appointed by the county Executive to the KCHA Board of Commissioners, but cannot assume the role until she is confirmed by the county council.

IV. PUBLIC COMMENT

No public comment.

V. APPROVAL OF MINUTES

- A. Board Meeting Minutes – April 19, 2021
- B. Board Meeting Minutes – April 26, 2021 – Executive Session
- C. Board Meeting Minutes – May 3, 2021 – Executive Session

On motion by Commissioner TerryLynn Stewart, and seconded by Commissioner Susan Palmer, the Board unanimously approved the April 19, 2021, April 26, 2021 Executive Session and May 3, 2021 Executive Session Board of Commissioners' Meeting Minutes.

VI. APPROVAL OF AGENDA

On motion by Commissioner Michael Brown, and seconded by Commissioner TerryLynn Stewart, the Board unanimously approved the May 17, 2021 virtual Board of Commissioners' meeting agenda.

VII. CONSENT AGENDA

A. Voucher Certification Report for March 2021

B. Resolution No. 5684 – Authorizing the Executive Director to Enter Into an Interlocal Agreement with the Bremerton Housing Authority in Order to Acquire Consulting Services.

C. Resolution No. 5685 - Acquisition of Investor Members' interest in Seola Crossing LLC.

D. Resolution No. 5686 – Acquisition of Investor Members' interest in Salmon Creek Housing LLC.

E. Resolution No. 5687 – Acquisition of Investor Members' interest in Soosette Creek LLC and/or direct acquisition of Soosette Creek LLC.

On motion by Commissioner Susan Palmer, and seconded by Commissioner Michael Brown, the Board unanimously approved the May 17, 2021 virtual Annual Board of Commissioners' meeting consent agenda.

VIII. RESOLUTION FOR DISCUSSION AND POSSIBLE ACTION

A. Resolution No. 5688 – Acceptance of Washington State Auditor's Office Report on Financial Statements and Federal Single Audit (No. 1027396), and the Accountability Audit Report (No. 1028077), both for the Period Ended December 31, 2019.

Windy Epps, Interim Director of Finance gave a summary of the Washington State Auditor's Office Financial Statement and Federal Single Audit Report and Accountability Audit Report and was pleased to report that there were no findings or management letter items.

Thanks were conveyed to Windy and her entire staff. For the first time ever, the audit was conducted completely virtually, adding a new layer of complexity.

On motion by Commissioner John Welch, and seconded by Commissioner TerryLynn Stewart, the Board unanimously approved Resolution 5688.

B. Resolution No. 5689 – Authorizing the Limited Payout of Accrued Vacation Leave in Excess of Maximum Annual Vacation Carryover Balances and a Limited Waiver of the Maximum Annual Vacation Carryover Limitations at the End of 2022.

Craig Violante – Interim Deputy Exec Dir-Chief Administrative Officer discussed the effects of the proposed Resolution. In 2020, the Board authorized a carryover of accrued vacation time in excess of policy limitations at the end of 2020 into 2021, and again from 2021 to 2022.

Currently, 80 employees have an excess of at least 40 hours. The resolution allows employees the limited opportunity to cash in some of these excess hours, and also allows employees to carry 50% of excess accrued hours at the end of 2022 into 2023.

On motion by Commissioner Susan Palmer, and seconded by Commissioner TerryLynn Stewart, the Board unanimously approved Resolution 5689.

C. Resolution No. 5690 – A Resolution Granting the Executive Director the Authority to Extend Temporary Compensation to All Employees of the Authority.

Craig Violante, Interim Deputy Exec Dir-Chief Administrative Officer, discussed this Resolution.

On October 12, 2020, the Board approved Resolution No. 5666 which authorized the payment of a \$60 monthly stipend to help offset costs that employees were incurring during the pandemic. This authorization expires at the end of June 2021. The Resolution authorizes the Executive Director to extend the monthly stipend.

On motion by Commissioner John Welch, and seconded by Commissioner TerryLynn Stewart, the Board unanimously approved Resolution 5690.

D. Resolution No. 5691 – Resolution Authorizing Issuance of One or More Series of the Authority's Non-Revolving Line of Credit Revenue Notes, 2021, in the Combined Principal Amount of Not to Exceed \$250,000,000, to Finance or Refinance the Acquisition, Construction, Rehabilitation and Equipping of Housing and Related Improvements and Facilities and Costs of Issuing the Notes, and Determining Related Matters.

Tim Walter, Senior Director of Development and Asset Management discussed the details of this resolution.

This Resolution authorizes an interim financing arrangement with KeyBank that will allow the Housing Authority to quickly close on new property acquisitions, such as those related to the Amazon partnership. Permanent financing will follow. Closing on new properties is expected in the coming months.

On motion by Commissioner TerryLynn Stewart, and seconded by Commissioner Michael Brown, the Board unanimously approved Resolution 5691.

E. Resolution No. 5692 – A Resolution Authorizing Acquisition of the Surrey Downs Apartments.

Tim Walter, Senior Director of Development and Asset Management presented details about this property.

Surrey Downs is a 122 unit complex located near Factoria in Bellevue, and its acquisition will fulfill the commitment to Amazon to acquire 1,000 new housing units. Closing is scheduled for July 1.

Thanks were expressed to Wen Xu and her entire team for all the work on this acquisition, and also to Stephen and Dan for opening the doors with Amazon and Microsoft.

On motion by Commissioner Susan Palmer, and seconded by Commissioner TerryLynn Stewart, the Board unanimously approved Resolution 5692.

IX. BRIEFINGS AND REPORTS

A. First Quarter 2021 Write-off report

Bill Cook, Director of Property Management shared the update of write-off's.

Bill reported that he is cautiously optimistic as some indicators are stabilizing. The rental assistance program will have a big impact going forward. \$13,000 was written-off during the first quarter.

Questions of Commissioners were answered.

B. Fourth Quarter 2020 Financial Reports

Windy Epps, Interim Director of Finance gave a summary of the report.

C. New Bank Accounts

Craig Violante, Interim Deputy Exec Dir-Chief Administrative Officer reported that three new bank accounts were opened during the month.

Questions of Commissioners were answered.

X. EXECUTIVE SESSION

- A. To receive and evaluate complaints or charges brought against a public officer or employee (RCW 42.30.110 (1) (f)) and to review the performance of public employees (RCW 42.30.110 (1) (g)).

9:15 a.m. – Board meeting was suspended for the Executive Session.

9:54 a.m. – Board meeting was re-convened.

XI. EXECUTIVE DIRECTOR REPORT

Executive Director Norman echoed the Board in thanking staff for the work reflected in today's agenda.

He noted the success of Tim Walter, Wen Xu and their teams in negotiating this year's tax credit partnership exits. Investor exits from LIHTC partnerships have become an increasingly challenging issue. The Development and Asset management teams have done an extraordinary job in managing the capital accounts to minimize exit tax liabilities and in assuring that operating and replacement reserves are transferred over with the property.

Director Norman thanked Craig Violante, Windy Epps and the finance team for the clean audit results presented today. He noted that these audits, given the complexity of our books, are always a challenge, further complicated this year by the virtual nature of the review and a relatively new SAO audit team. He thanked Commissioners Barnes and Stewart for attending the exit interview and getting a sense of KCHA's working relationship with the SAO.

He acknowledged Tim Walter, Beth Pearson and the Asset Management team's work on the current series of property acquisitions. These are strategic acquisitions that look to the future.

He welcomed Steven Le to the Development team and introduced Pam Taylor as the new Director of the Housing Choice Voucher Program. Pam is a 17-year veteran at KCHA and is replacing Jeb Best, who has an almost 40 year history at the housing authority. He noted that Pam is coming into this role at a critical point. The program administers housing for over 13,000 households and is poised to grow significantly over the next several years.

This includes 756 vouchers just awarded to KCHA under the Emergency Housing Voucher program, the largest single voucher award in KCHA's 80-year history. These vouchers present an incredible opportunity to help address homelessness in our region.

KCHA is working on this initiative with the coordinated entry system and the regional Continuum of Care, which is currently in transition from Seattle and King County governments to the new Regional Homeless Authority. Given the additional vouchers funded in this year's HUD budget, including VASH, non-elderly disabled, and homeless vouchers, there is a chance that KCHA will break the 1,000 new voucher mark in 2021.

The Director thanked the Board for approving today's resolutions providing additional support for employees during the pandemic. KCHA is doing everything it can to support employees and the Board's support and encouragement is very much appreciated.

He congratulated John Eliason and his team on closing the agreement with Connor Homes for the first stage of a three-phase sale of remaining home ownership lots at Greenbridge. The Greenbridge development has been a two decade effort and John has been involved from day one, as have Tim and Dan. This is an important moment to look back and acknowledge how much good work has gone on in bringing us to this point. Time Magazine recently cited Greenbridge as a national model for what the future of public housing should look like.

The Director also briefed the Board on the Authority's work in Skyway – this is an unincorporated area of the County wedged between Renton and Seattle. It is one of the most underserved communities in the County. The new County Council representative for that council district, Councilmember Zahilay, has singled Skyway out as a priority and we are working with his office. Mr. Norman reminded Commissioners that KCHA was donated a vacant parcel in Skyway two years ago. KCHA has offered this land up for possible development by a partnership between the community and the County. They are currently assessing feasibility.

KCHA is also working with the County to evaluate the purchase of a privately owned two-acre multifamily site currently on the market. KCHA would hold the parcel until the County was ready to move forward with a non-profit developer. In addition, KCHA is assisting the County and the community with the possible conversion of a vacant US Bank branch office in the Skyway commercial center into a community resource center. The State legislature has provided \$400,000 in support of this effort and KCHA is serving as the administrative agent in partnership with the Renton Impact Zone and other local partners. Dan Watson is leading up the negotiations on this.

Mr. Norman also acknowledged Dan Watson's work in developing a partnership with the Bellevue School District and Youth Eastside to refer homeless families with children attending Bellevue schools to KCHA. The families are being housed in vacant units at the recently acquired Illahee Apartments. He thanked Bill Cook, Judi Jones and the property management staff for their work in making this a success. The first families referred through this partnership have already been housed.

Questions from the Commissioners were answered.

XII. KCHA IN THE NEWS

None.

XIII. COMMISSIONER COMMENTS

None.

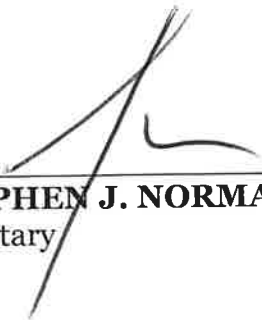
XIV. ADJOURNMENT

Chair Barnes adjourned the meeting at 10:11 a.m.

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



DOUGLAS J. BARNES, Chair
Board of Commissioners



STEPHEN J. NORMAN
Secretary