



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

**Monday, August 16, 2021**

**Zoom Meeting:**

**<https://zoom.us/j/91909076400?pwd=VVYwakVsTXo1ei9GdzltREpXV28xdz09>**

**PASSCODE: 659945**

**Meeting ID: 919 0907 6400**

Dial by your location  
1 253 215 8782 US (Tacoma)

**King County Housing Authority  
700 Andover Park West  
Tukwila, WA 98188**



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

Monday, Aug 16, 2021  
8:30 a.m.

## **VIRTUAL MEETING**

King County Housing Authority – 700 Andover Park West, Tukwila, WA 98188

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**I. Call to Order**

**II. Roll Call**

**III. Public Comment**

**IV. Approval of Minutes**

**1**

A. Board Meeting Minutes – July 19, 2021

**V. Approval of Agenda**

**VI. Consent Agenda**

**2**

A. Voucher Certification Reports for June 2021

**VII. Study Session**

A. Revised 2021 Housing Choice Voucher Payment Standards

**3**

**VIII. Resolution for Discussion and Possible Action**

**4**

A. **Resolution No. 5698** – Authorizing Higher Payment  
Standards for the Housing Choice Voucher Program

## **IX. Briefings & Reports**

- |   |          |
|---|----------|
| A. Second Quarter CY 2021 Procurement Report                                | <b>5</b> |
| B. Second Quarter CY 2021 Write Offs  | <b>6</b> |
| C. Update on Rent Arrears, Rental Assistance and the<br>Eviction Moratorium | <b>7</b> |

## **X. Executive Director Report**

## **XI. KCHA in the News** **8**

## **XII. Commissioner Comments**

## **XIII. Adjournment**

Members of the public who wish to give public comment: We are only accepting written comments for the time being due to COVID-19. Please send your written comments to [kamir@kcha.org](mailto:kamir@kcha.org) prior to the meeting date. If you have questions, please call 206-574-1206.

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

**Monday, July 19, 2021**

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**I. CALL TO ORDER**

The Annual meeting of the King County Housing Authority Board of Commissioners was held virtually on Monday, July 19, 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).

Introductions:

**Regina Elmi** will be joining the KCHA Board soon. She is a parent, a community member and a non-profit executive with a strong voice and passion for supporting parents in their children's education and for changing systems and Institutions. In 2017 she co-founded a non-profit which and today is known as the Somali Parents Education Board.

Her organization provides workshops and trainings to inform parents about educational policy changes, how to navigate educational systems, and how to work closely with schools and districts to develop culturally-responsive practices to engage families.

She also serves on the Community Leadership Team for the Roadmap Project, a collective impact initiative in Seattle and South King County aimed at improving outcomes for students of color, with an emphasis on immigrant and refugee students.

She is a true champion of community leadership, placing parents in leadership roles, and giving parents a voice at the table.

Regina was welcomed to the Board.

Timeline – Although Regina has been appointed by the King County Executive, ratification by the King County Council is still pending. Efforts will be made to have as a full voting member in September.

**Scarleth Lever Ortiz** will be serving as KCHA's first Senior Director of Equity, Diversity and Inclusion. This is a critical role of the Housing Authority's ongoing journey towards becoming an anti-racist organization. She will be focusing on Authority issues, both internal and external, centered on equity, diversity and social justice.

**III. PUBLIC COMMENT**

No public comment.

#### **IV. APPROVAL OF MINUTES**

A. Board Meeting Minutes – June 21, 2021

B. Board Meeting Minutes – July 12, 2021 – Executive Session

On motion by Commissioner Susan Palmer, and seconded by Commissioner Michael Brown, the Board unanimously approved the June 21, 2021 and July 12, 2021 Executive Session Board of Commissioners' Meeting Minutes.

#### **V. APPROVAL OF AGENDA**

On motion by Commissioner Michael Brown, and seconded by Commissioner Susan Palmer, the Board unanimously approved the July 19, 2021 virtual Board of Commissioners' meeting agenda.

#### **VI. CONSENT AGENDA**

A. Voucher Certification Report for May 2021

B. **Resolution No. 5696** - A Resolution of the Housing Authority of the County of King authorizing the Executive Director to grant a general revenue pledge relating to the State Loan Documents for the Highland Village rental housing project.

Questions of Commissioners were answered.

On motion by Commissioner John Welch, and seconded by Commissioner Michael Brown, the Board unanimously approved the July 19, 2021 virtual Board of Commissioners' meeting consent agenda.

#### **VII. RESOLUTION FOR DISCUSSION AND POSSIBLE ACTION**

**A. Resolution No. 5697** – Authorizing providing for the issuance of the Authority's Workforce Housing Preservation Pooled Refunding Revenue Bonds, 2021 in the aggregate principal amount of not to exceed \$63,000,000, for the purpose of providing all or part of the funds with which to effect the current refunding of certain outstanding obligations of the Authority, and to pay costs of issuing the bonds and the administrative costs of such refunding's, and determining related matters.

This represents the final step of the financing package for the Amazon properties portfolio. The Housing Authority is working with Amazon, who is providing the Housing Authority with below-market financing, plus some grant funds, allowing KCHA to fill the financing gap of the newly-acquired multifamily housing. This partnership allowed KCHA to acquire 1080 units, a bit beyond the agreed-upon target of 1000 units.

Questions of Commissioners were answered.

On motion by Commissioner TerryLynn Stewart, and seconded by Commissioner Susan Palmer, the Board unanimously approved Resolution 5697.

## **VIII. BRIEFINGS AND REPORTS**

### **A. 2021 Midyear Financial Forecast**

Craig Violante, Interim Deputy Executive Director-Chief Administrative Officer presented the details of the forecast which included the effects of revised assumptions and new information not part of the original budget process.

Questions of Commissioners were answered.

### **B. First Quarter 2021 Financial Results**

Windy Epps, Interim Director of Finance, reviewed the results for Commissioners.

First quarter 2021 revenue performance met expectations while expenditures were 10% below budgeted forecasts. Operating revenue was close to target.

Questions of Commissioners were answered.

### **C. New Bank Accounts**

Craig Violante, Interim Deputy Executive Director-Chief Administrative Officer reported that two new bank accounts were opened last month.

### **D. 2020 Annual Resource Conservation Report**

Patrick Malloy, Environmental Sustainability Program Manager and Scott Percival, Sustainability Management Analyst, both presented the various aspects of the 2020 annual Resource Conservation Report.

### **E. Skyway Property Donation**

Dan Watson, Deputy Executive Director/Chief Development Officer updated the Board on the details.

Mr. Watson introduced Ryan Quigtar, Executive Director for Renton Innovation Zone Partnership, who commented that this initiative is something that the community has been wanting for years. This is an amazing opportunity and will strengthens KCHA's presence in Skyway.

KCHA was approached by representatives of King County and the Renton Innovation Zone Partnership about accepting a donation of property from US Bank located right in the core business area of Skyway.

The donation agreement calls for the acceptance of the donated property around the end of August. It will be some time before the Community Center will be built and operational. If the project doesn't move forward within three years, KCHA would be free to use it for other potential Community purposes, such as affordable housing. There is an emphasis on King County reinvesting in Skyway with private and public investments.

KCHA's role is to be the fiscal agent for competitive grants, and to offer technical assistance in financing, development, leasing and operations as needed to move this project forward.

## **IX. STUDY SESSION**

### **A. 2020 Resident Characteristics Report**

Anita Rocha, Data Manager for Social Impact, presented the report.

The Resident Characteristics Report is annual analysis providing detailed demographic information of KCHA residents. The focus of the report is residents in Federally-subsidized housing living within KCHA's geographic boundaries.

Questions of Commissioners were answered.

## **XI. EXECUTIVE DIRECTOR REPORT**

Executive Director Norman echoed the comments from the Board in appreciation of the staff work and presentations today.

There have been three property transactions since the June Board meeting. Two involved the last acquisitions funded through KCHA's partnership with the Amazon Company, bringing total acquisitions under this initiative to seven properties with 1,084 units. Six of the seven properties are in Bellevue and the seventh is adjacent to a planned light rail station in Federal Way. These are strategic purchases that respond to gentrification and projected growth patterns in the region and support our commitment to housing equity and opportunity.

One of these properties is the Illahee, a 36 unit complex on the Bel-Red corridor which we intend to convert to public housing. We have reserved a number of existing vacancies at this property for homeless students in the Bellevue school system and their families. Director Norman thanked Dan Watson for working through an agreement with the Bellevue School District and Youth Eastside to make this possible. We are currently moving families with students who have been identified as homeless into these units. This partnership reflects our longstanding partnership with both the City of Bellevue and the Bellevue School District.

The third transaction this month was the transfer of the Oaks to Catholic Community Services (CCS). KCHA purchased the Oaks, a mothballed nursing facility, at the request of the County and the City of Shoreline. Since KCHA purchased the property it has been operated by Lake City Partners, a local non-profit service provider, as a COVID appropriate men's shelter. Catholic Community Services was subsequently selected by the County to develop the property



as a permanent supportive housing site once the shelter closes. The terms of the acquisition by CCS paid KCHA back fully for its acquisition and holding costs. Tim Walter and Beth Pearson did a tremendous job of working through both the purchase and sale of this property,

Director Norman congratulated the Property Management and Asset Management staff for an uneventful Fourth of July with no fire incidents.

A pressing issue for both the region and the Housing Authority is the looming expiration of Washington State's eviction moratorium. This will be happening in phases and we are closely watching the impact on housing stability for both subsidized and un-subsidized renters and the possibility of a significant growth in homelessness in this housing market.

While we can address this threat effectively in the properties we control, there is real concern regarding subsidized households renting from private landlords. We are messaging tenants and landlords, taking advantage of the Emergency Rental Assistance Funds that the county is just now starting to disburse, and working to facilitate realistic arrearage payment plans.

We are also looking at how the market responds once the prohibition on rent increases expires. There may be a significant jump in rents - which will increase our subsidy costs. KCHA has contracted with Washington State University to survey the market over the next few months. In the event that we see a significant spike in rental costs and this spike is not captured by HUD in next year's Fair Market Rent analysis, we will have the data on hand to challenge the region's HCV inflation factor

Another important focus at the moment is on launching the Emergency Housing Voucher Program in partnership with the Regional Homeless Authority. We anticipate having a signed MOU with the Homeless Authority by the end of the month and receiving our first referrals in August. Kudo's to Kristy Johnson and Pam Taylor for overseeing this process.

On the DC front, there has been a lot of activity this month.

This morning the House Appropriations Committee approved the Sub-Committee's mark-up of the T-HUD bill. It has several provisions of direct interest to us:

- The Administration's proposed language providing the HUD Secretary with discretion to reallocate MTW working capital was not included in the bill.
- The bill calls for 129,000 additional HCV vouchers to be funded next year. This was reduced from the 200,000 additional vouchers initially proposed by the Biden/Harris administration, but is still a very significant increase.
- The bill also calls for a 10% increase in the combined Public Housing operating and capital budget lines.

The Senate has not yet released its schedule for advancing T-HUD appropriations, most likely in late summer or early fall. We are in close contact with Senator Murray's and Senator Cantwell's offices regarding budget particulars.

A second big legislative issue involves the infrastructure bill. The proposal initially floated by the Administration included a \$40 billion capital infusion into the public housing inventory as well as a number of additional housing provisions: expanding the Low Income Housing Tax Credit Program and providing other funds for affordable housing production. All of these housing provisions were stripped out of the bipartisan version of the infrastructure bill. The hope is that these housing provisions will be put into a second "human infrastructure" bill that the administration is proposing to advance through the budget reconciliation process. Our understanding is that there is a commitment by Senate leadership to include housing as part of this package.

## **XII. KCHA IN THE NEWS**

None.

## **XIII. COMMISSIONER COMMENTS**

None.

## **XIV. ADJOURNMENT**

Chair Barnes adjourned the meeting at 10:28 a.m.

**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



**To:** Board of Commissioners

**From:** Ai Ly, Interim Assistant Director of Finance

**Date:** July 28, 2021

**Re:** **VOUCHER CERTIFICATION FOR JUNE 2021**

I, Ai Ly, 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.

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Ai Ly  
Interim Assistant Director of Finance  
July 28, 2021

Bank Wires / ACH Withdrawals			9,962,455.79
		<i>Subtotal</i>	<b>9,962,455.79</b>
Accounts Payable Vouchers			
Key Bank Checks - #335254-#335700			4,282,367.83
Tenant Accounting Checks - #11428-#11458			7,846.37
		<i>Subtotal</i>	<b>4,290,214.20</b>
Payroll Vouchers			
Checks - #92634-92680			33,214.67
Direct Deposit			1,727,195.56
		<i>Subtotal</i>	<b>1,760,410.23</b>
Section 8 Program Vouchers			
Checks - #634607-634887 & 634854-635110			279,992.89
ACH - #515937-518618			17,146,347.34
		<i>Subtotal</i>	<b>17,426,340.23</b>
Purchase Card / ACH Withdrawal			272,515.13
		<i>Subtotal</i>	<b>272,515.13</b>
		<b>GRAND TOTAL</b>	<b>\$ 33,711,935.58</b>

TO:

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

FROM:

Wen Xu, Director of Asset Management

I, Wen Xu, do hereby certify under penalty of perjury that the claims represented by the wire 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

\_\_\_\_\_

Date

Property	Wired to Operating Account for Obligations of Property			Notes:
	Date	Wire Transaction	Claim	
Bellepark	06/02/2021	\$ 7,315.77	Payroll	
Hampton Greens	06/02/2021	\$ 26,699.59	A/P & Payroll	
Kendall Ridge	06/02/2021	\$ 36,399.72	A/P & Payroll	
Landmark	06/02/2021	\$ 45,901.93	A/P & Payroll	
Riverstone	06/02/2021	\$ 22,269.92	A/P & Payroll	
Woodside East	06/02/2021	\$ 53,206.94	A/P & Payroll	
ARBOR HEIGHTS	06/03/2021	\$ 308.85	A/P	
Aspen Ridge	06/03/2021	\$ 30,641.16	A/P	
Auburn Square	06/03/2021	\$ 17,253.81	A/P	
Carriage House	06/03/2021	\$ 4,837.77	A/P	
CASCADIAN	06/03/2021	\$ 8,862.85	A/P	
Colonial Gardens	06/03/2021	\$ 9,884.30	A/P	
FAIRWOOD	06/03/2021	\$ 1,404.12	A/P	
LAURELWOOD	06/03/2021	\$ 1,560.68	A/P	
Meadows	06/03/2021	\$ 9,945.98	A/P	
OVERLAKE TOD	06/03/2021	\$ 84,323.28	A/P	
Parkwood	06/03/2021	\$ 2,424.62	A/P	
Pinewood Village	06/03/2021	\$ 2,648.61	A/P	
RAINIER VIEW I	06/03/2021	\$ 7,418.30	A/P & Debt Service	
RAINIER VIEW II	06/03/2021	\$ 5,377.44	A/P & Debt Service	
Sandpiper East	06/03/2021	\$ 7,500.00	A/P	
SI VIEW	06/03/2021	\$ 3,756.33	A/P & Debt Service	
SOUTHWOOD SQUARE	06/03/2021	\$ 1,369.68	A/P	
Timberwood	06/03/2021	\$ 6,221.88	A/P	
Vashon Terrace	06/03/2021	\$ 1,220.30	A/P	
Walnut Park	06/03/2021	\$ 7,963.66	A/P	
WINDSOR HEIGHTS	06/03/2021	\$ 13,168.04	A/P	

Woodridge Park	06/03/2021	\$ 25,999.89	A/P	
Cottonwood	06/08/2021	\$ 51,623.46	A/P & Payroll & OCR	
Cove East	06/08/2021	\$ 23,744.66	A/P & Payroll & OCR	
Juanita View	06/08/2021	\$ 22,471.21	A/P & Payroll & OCR	
Kirkland Heights	06/08/2021	\$ 75,124.12	A/P & Payroll & OCR	
NIA	06/08/2021	\$ 33,076.33	A/P & Payroll & OCR	
Ballinger Commons	06/09/2021	\$ 50,660.37	A/P & Payroll	
Bellepark	06/09/2021	\$ 7,180.52	A/P	
Carrington	06/09/2021	\$ 7,500.00	A/P	
Emerson	06/09/2021	\$ 40,512.42	A/P & Payroll	
GILMAN SQUARE	06/09/2021	\$ 49,233.47	A/P & Payroll	
Hampton Greens	06/09/2021	\$ 5,736.65	A/P	
Kendall Ridge	06/09/2021	\$ 15,746.61	A/P	
Landmark	06/09/2021	\$ 20,021.69	A/P	
Meadowbrook	06/09/2021	\$ 22,581.23	A/P & Payroll	
Riverstone	06/09/2021	\$ 10,988.60	A/P	
Villages at South Station	06/09/2021	\$ 28,804.87	A/P & Payroll	
Woodside East	06/09/2021	\$ 4,328.33	A/P	
ALPINE RIDGE	06/10/2021	\$ 13,869.59	A/P & Payroll	
ARBOR HEIGHTS	06/10/2021	\$ 13,063.97	A/P & Payroll	
Aspen Ridge	06/10/2021	\$ 9,156.09	A/P & Payroll	
Auburn Square	06/10/2021	\$ 15,847.96	A/P & Payroll	
Carriage House	06/10/2021	\$ 28,108.06	A/P & Payroll	
Carrington	06/10/2021	\$ 3,413.66	A/P & Payroll	
CASCADIAN	06/10/2021	\$ 17,589.30	A/P & Payroll	
Colonial Gardens	06/10/2021	\$ 4,797.80	A/P & Payroll	
FAIRWOOD	06/10/2021	\$ 14,725.50	A/P & Payroll	
HERITAGE PARK	06/10/2021	\$ 19,217.00	A/P & Payroll	
LAURELWOOD	06/10/2021	\$ 12,119.82	A/P & Payroll	
Meadows	06/10/2021	\$ 10,367.68	A/P & Payroll	
Newporter	06/10/2021	\$ 14,681.10	A/P & Payroll	
OVERLAKE TOD	06/10/2021	\$ 44,670.62	A/P & Payroll	
Parkwood	06/10/2021	\$ 24,235.24	A/P & Payroll	
Pinewood Village	06/10/2021	\$ 10,102.95	A/P & Payroll	
RAINIER VIEW I	06/10/2021	\$ 6,528.10	A/P	
RAINIER VIEW II	06/10/2021	\$ 4,409.02	A/P	
SI VIEW	06/10/2021	\$ 2,057.51	A/P	
SOUTHWOOD SQUARE	06/10/2021	\$ 29,380.05	A/P & Payroll	
Timberwood	06/10/2021	\$ 24,619.57	A/P & Payroll	

Walnut Park	06/10/2021	\$ 23,033.22	A/P & Payroll	
WINDSOR HEIGHTS	06/10/2021	\$ 104,480.70	A/P & Payroll	
Woodridge Park	06/10/2021	\$ 28,161.27	A/P & Payroll	
Bellepark	06/16/2021	\$ 15,019.03	A/P & Payroll	
Carrington	06/16/2021	\$ 1,729.00	Payroll	
Hampton Greens	06/16/2021	\$ 22,926.43	A/P & Payroll	
Kendall Ridge	06/16/2021	\$ 35,049.31	A/P & Payroll	
Landmark	06/16/2021	\$ 20,000.22	A/P & Payroll	
Riverstone	06/16/2021	\$ 145,906.63	A/P & Payroll	
Sandpiper East	06/16/2021	\$ 10,010.38	A/P & Payroll	
Woodside East	06/16/2021	\$ 18,970.07	A/P & Payroll	
ALPINE RIDGE	06/17/2021	\$ 10,559.83	A/P	
ARBOR HEIGHTS	06/17/2021	\$ 4,236.38	A/P	
Auburn Square	06/17/2021	\$ 2,735.21	A/P	
Carriage House	06/17/2021	\$ 9,314.11	A/P	
Carrington	06/17/2021	\$ 3,322.00	A/P	
CASCADIAN	06/17/2021	\$ 9,289.09	A/P	
Colonial Gardens	06/17/2021	\$ 1,617.90	A/P	
FAIRWOOD	06/17/2021	\$ 2,958.92	A/P	
HERITAGE PARK	06/17/2021	\$ 10,947.70	A/P	
LAURELWOOD	06/17/2021	\$ 1,785.96	A/P	
Meadows	06/17/2021	\$ 9,311.43	A/P	
Newporter	06/17/2021	\$ 22,033.49	A/P	
OVERLAKE TOD	06/17/2021	\$ 27,886.15	A/P	
Parkwood	06/17/2021	\$ 12,439.00	A/P	
Pinewood Village	06/17/2021	\$ 24,118.20	A/P	
RAINIER VIEW I	06/17/2021	\$ 6,522.17	A/P	
RAINIER VIEW II	06/17/2021	\$ 4,131.74	A/P	
Sandpiper East	06/17/2021	\$ 3,162.23	A/P	
SI VIEW	06/17/2021	\$ 2,713.81	A/P	
SOUTHWOOD SQUARE	06/17/2021	\$ 4,941.03	A/P	
Timberwood	06/17/2021	\$ 48,070.00	A/P	
Vashon Terrace	06/17/2021	\$ 5,881.82	A/P	
Walnut Park	06/17/2021	\$ 25,545.93	A/P	
WINDSOR HEIGHTS	06/17/2021	\$ 8,570.98	A/P	
Woodridge Park	06/17/2021	\$ 15,610.31	A/P	
ALPINE RIDGE	06/18/2021	\$ 100,000.00	Distribution	
ARBOR HEIGHTS	06/18/2021	\$ 80,000.00	Distribution	
Aspen Ridge	06/18/2021	\$ 100,000.00	Distribution	

Auburn Square	06/18/2021	\$ 300,000.00	Distribution	
Ballinger Commons	06/18/2021	\$ 700,000.00	Distribution	
Ballinger Commons	06/18/2021	\$ 600,000.00	Distribution	
Bellepark	06/18/2021	\$ 300,000.00	Distribution	
Carriage House	06/18/2021	\$ 300,000.00	Distribution	
CASCADIAN	06/18/2021	\$ 500,000.00	Distribution	
Colonial Gardens	06/18/2021	\$ 100,000.00	Distribution	
Cottonwood	06/18/2021	\$ 25,000.00	Distribution	
Cove East	06/18/2021	\$ 300,000.00	Distribution	
Emerson	06/18/2021	\$ 750,000.00	Distribution	
FAIRWOOD	06/18/2021	\$ 225,000.00	Distribution	
GILMAN SQUARE	06/18/2021	\$ 400,000.00	Distribution	
Hampton Greens	06/18/2021	\$ 500,000.00	Distribution	
Hampton Greens	06/18/2021	\$ 500,000.00	Distribution	
HERITAGE PARK	06/18/2021	\$ 130,000.00	Distribution	
Kendall Ridge	06/18/2021	\$ 500,000.00	Distribution	
Landmark	06/18/2021	\$ 450,000.00	Distribution	
LAURELWOOD	06/18/2021	\$ 40,000.00	Distribution	
Meadowbrook	06/18/2021	\$ 540,000.00	Distribution	
Meadows	06/18/2021	\$ 100,000.00	Distribution	
Newporter	06/18/2021	\$ 400,000.00	Distribution	
Parkwood	06/18/2021	\$ 200,000.00	Distribution	
Pinewood Village	06/18/2021	\$ 250,000.00	Distribution	
Riverstone	06/18/2021	\$ 700,000.00	Distribution	
SOUTHWOOD SQUARE	06/18/2021	\$ 150,000.00	Distribution	
Tall Cedars	06/18/2021	\$ 100,000.00	Distribution	
Timberwood	06/18/2021	\$ 575,000.00	Distribution	
Villages at South Station	06/18/2021	\$ 250,000.00	Distribution	
Villages at South Station	06/18/2021	\$ 200,000.00	Distribution	
Walnut Park	06/18/2021	\$ 400,000.00	Distribution	
WINDSOR HEIGHTS	06/18/2021	\$ 200,000.00	Distribution	
Woodridge Park	06/18/2021	\$ 200,000.00	Distribution	
Woodside East	06/18/2021	\$ 700,000.00	Distribution	
Ballinger Commons	06/23/2021	\$ 187,305.33	A/P & Payroll	
Bellepark	06/23/2021	\$ 8,928.57	A/P	
Cove East	06/23/2021	\$ 43,830.95	A/P & Payroll & OCR	
Emerson	06/23/2021	\$ 41,906.09	A/P & Payroll	
GILMAN SQUARE	06/23/2021	\$ 37,346.54	A/P & Payroll	
Hampton Greens	06/23/2021	\$ 4,542.01	A/P	



Juanita View	06/23/2021	\$ 13,015.24	A/P & Payroll & OCR	
Kendall Ridge	06/23/2021	\$ 9,006.79	A/P	
Kirkland Heights	06/23/2021	\$ 16,181.77	A/P & Payroll & OCR	
Landmark	06/23/2021	\$ 1,950.47	A/P	
Meadowbrook	06/23/2021	\$ 36,615.15	A/P & Payroll	
NIA	06/23/2021	\$ 21,948.14	A/P & Payroll & OCR	
Villages at South Station	06/23/2021	\$ 55,109.59	A/P & Payroll	
Woodside East	06/23/2021	\$ 7,260.82	A/P	
ALPINE RIDGE	06/24/2021	\$ 7,438.51	A/P & Payroll & OCR & Mgmt Fee	
ARBOR HEIGHTS	06/24/2021	\$ 25,790.50	A/P & Payroll & OCR & Mgmt Fee	
Aspen Ridge	06/24/2021	\$ 11,558.20	A/P & Payroll & OCR & Mgmt Fee	
Auburn Square	06/24/2021	\$ 21,552.95	A/P & Payroll & OCR & Mgmt Fee	
Carriage House	06/24/2021	\$ 22,814.44	A/P & Payroll & OCR & Mgmt Fee	
Carrington	06/24/2021	\$ 14,325.23	A/P & Payroll & OCR & Mgmt Fee	
CASCADIAN	06/24/2021	\$ 30,898.07	A/P & Payroll & OCR & Mgmt Fee	
Colonial Gardens	06/24/2021	\$ 7,166.99	A/P & Payroll & OCR & Mgmt Fee	
FAIRWOOD	06/24/2021	\$ 35,932.81	A/P & Payroll & OCR & Mgmt Fee	
HERITAGE PARK	06/24/2021	\$ 14,304.76	A/P & Payroll & OCR & Mgmt Fee	
LAURELWOOD	06/24/2021	\$ 18,420.85	A/P & Payroll & OCR & Mgmt Fee	
Meadows	06/24/2021	\$ 20,780.40	A/P & Payroll & OCR & Mgmt Fee	
Newporter	06/24/2021	\$ 29,506.76	A/P & Payroll & OCR & Mgmt Fee	
OVERLAKE TOD	06/24/2021	\$ 53,703.49	A/P & Payroll & OCR & Mgmt Fee	
Parkwood	06/24/2021	\$ 15,223.52	A/P & Payroll & OCR & Mgmt Fee	
Pinewood Village	06/24/2021	\$ 22,383.17	A/P & Payroll & OCR & Mgmt Fee	
Sandpiper East	06/24/2021	\$ 11,025.84	A/P & Payroll & OCR & Mgmt Fee	
SI VIEW	06/24/2021	\$ 3,825.64	A/P	
SOUTHWOOD SQUARE	06/24/2021	\$ 34,804.23	A/P & Payroll & OCR & Mgmt Fee	
Tall Cedars	06/24/2021	\$ 20,236.50	A/P & Payroll	
Timberwood	06/24/2021	\$ 31,496.88	A/P & Payroll & OCR & Mgmt Fee	
Walnut Park	06/24/2021	\$ 17,294.22	A/P & Payroll & OCR & Mgmt Fee	
WINDSOR HEIGHTS	06/24/2021	\$ 86,719.16	A/P & Payroll & OCR & Mgmt Fee	
Woodridge Park	06/24/2021	\$ 35,586.52	A/P & Payroll & OCR & Mgmt Fee	
Ballinger Commons	06/30/2021	\$ 14,068.13	A/P	
Bellepark	06/30/2021	\$ 14,923.93	A/P & Payroll	
Hampton Greens	06/30/2021	\$ 69,297.99	A/P & Payroll	
Kendall Ridge	06/30/2021	\$ 35,696.97	A/P & Payroll	
Landmark	06/30/2021	\$ 34,603.67	A/P & Payroll	
Riverstone	06/30/2021	\$ 47,129.76	A/P & Payroll	
Tall Cedars	06/30/2021	\$ 9,600.35	A/P & Payroll	

Woodside East	06/30/2021	\$ 37,891.76	A/P & Payroll	
<b><i>TOTAL</i></b>	<b>184 Wires</b>	<b>\$ 15,147,121.86</b>		

# T A B N U M B E R

3



**To:** Board of Commissioners

**From:** Tyler Shannon, Research & Data Analyst

**Date:** August 16, 2021

**Re:** **Resolution No. 5698** Authorizing Higher Payment Standards for the Housing Choice Voucher Program

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### **Executive Summary**

Every night, KCHA supports over 10,800 households across the county through the tenant-based Housing Choice Voucher Program (HCV or Section 8). The payment standard determines the maximum subsidy amount KCHA will provide to a participating household and is a central component of the HCV program. Our system of multi-tiered payment standards ensures that KCHA provides a sufficient subsidy so that households can secure and maintain safe and affordable housing in all regions of the county while controlling program costs. Staff last reviewed payment standard amounts in December 2020. This review resulted in moderately increased payment standards in Tier 1. At the August 2021 Board of Commissioners meeting staff will present a proposal to moderately increase payment standards in all Tiers. The proposed payment standards, combined with previous adjustments and an expected market rent escalation of 6%, are expected to increase annualized housing assistance payments (HAP) for tenant-based vouchers funded through the Moving to Work block grant by \$7.9 million annually at full implementation. The proposed increases are responsible for \$2.8 million of this cost.

### **Background & Methodology**

Payment standards set the maximum amount that a housing authority will provide to a voucher holder, based on household size and market costs, to assist with rent and utilities. While most housing authorities typically have a single payment standard set at a level between 90% and 110% of the area's HUD determined Fair Market Rent, since 1999 KCHA has maintained multiple payment standards. In 2016, the Board expanded the two-tiered system of payment standards (which involved a regular standard and an "exception area" standard that covered East King County) to create a ZIP code-based, multi-tiered structure with five payment standard levels. Since implementation, the Board has approved additional increases in payment standards, and in November 2017 approved the creation of a new (sixth) tier.

The creation of multiple payment standard tiers reflects the reality that King County is not a single housing market and that housing costs vary dramatically from one sub-market to another. The HUD Fair Market Rent is set at the estimated 40<sup>th</sup> percentile of rents for the entire region. KCHA's approach essentially establishes a Fair Market Rent at the 40<sup>th</sup> percentile for each ZIP code in the county, which are then grouped into six tiers.

The Board's initial adoption of multi-tiered payment standards recognized the importance of closely aligning payment standards to local rental sub-markets as a means of achieving four key aims: (1) increasing access to high opportunity areas and affirmatively furthering fair housing goals; (2) containing program costs by "right-sizing" subsidies in lower and middle cost markets; (3) ensuring that new and existing voucher holders can secure and maintain their housing in competitive and increasingly costly rental markets; and (4) limiting the number of households experiencing a housing cost burden and spending more than 40% of their income on rent.

As with prior reviews, we have examined a range of indicators, including: shopping success rates, rents paid by currently leased and newly leased voucher holders, household shelter burden, rent increases requests from landlords, and market rent trends from multiple external data sources. The private rental data company CoStar continues to be our primary source for understanding the rental market and setting payment standards. As with each review of payment standards, we have incorporated feedback from housing specialists and other members of the HCV team.

### **Considerations and Consequences from the COVID-19 Pandemic**

The COVID-19 pandemic continues to impact the rental market in King County. In the spring of 2020, Governor Inslee declared a temporary moratorium on evictions as well as a limit on rent increases. These orders were extended several times, and were ultimately set to expire on June 30th, 2021. On June 30, the governor announced a plan to phase-out the moratorium on evictions. This plan also immediately eliminated the moratorium on rent increases.

In anticipation of the governor's decision, KCHA chose to delay the mid-year payment standard review process by two months in order to incorporate expected rent increases and other changes in the rental market into the analysis. KCHA received several hundred rent increase requests on July 1st, the first day they were allowed under the governor's plan. Due to the advance notice requirement, KCHA voucher holders will begin to see their first rent increases since the beginning of the pandemic on September 1st, 2021. These rent increases were factored into the mid-year analysis and proposals.

Additionally, KCHA was awarded over 700 emergency housing vouchers through the American Rescue Plan Act of 2021, all of which are intended for unhoused families. This fall, these households will begin attempting to secure housing in the King County rental market using the payment standards effective at that time.

### **Findings from the Market Analysis**

#### ***Private Rental Market***

After multiple years of rapid growth in the King County rental market, the onset of the COVID-19 pandemic led to dramatic changes in the market. Over the course of 2020, rents in our highest tiers dropped for the first time since the Great Recession. However, as the state has opened back up, CoStar reports that rents are increasing again in all of our tiers.

Since December, 2020, fortieth percentile rents for two bedroom units have increased by sixteen percent in Tier 5, and by eleven percent in Tier 6, according to CoStar.

Rents continued to increase in more affordable areas of King County throughout the pandemic. In Kent, which is located in Tier 3, rents increased nine percent over the past year and in Auburn, one of the most affordable neighborhoods in King County, there is a historically low vacancy rate of only 2%.<sup>1</sup>

Looking forward, CoStar has projected that rents will continue to increase in all tiers throughout 2022.

***Effectiveness of the Payment Standards for KCHA Voucher Holders***

When market rents exceed allowable subsidy levels provided under the payment standard, the participating HCV household must pay the overage directly out of pocket. Therefore, the failure of the payment standards to reflect rising housing costs directly increases the amount paid by program participants and can also hamper the ability of some households to secure new housing.

Currently, shelter burden (defined as the percentage of gross income dedicated to rent and utilities) remains low, with 12.6 percent of voucher households reporting shelter burdens of above 40% of income. This is expected given the moratorium on rent increases that was in place throughout the last year. Since November 2020, shelter burden rates have dropped in all tiers except Tier 2. Shelter burden in Tier 1, in which we made the sole increase to the payment standards in December 2020, saw the most significant improvement, from 15% of households in November to 9% of households in July, 2021.

KCHA's multi-tiered approach to setting payment standards based on location has broadened geographic choice for families. Currently over 30% of KCHA's federally subsidized families with children (including project-based vouchers and public housing), are living in high opportunity neighborhoods. The success of the Creating Moves to Opportunity (CMTO) pilot, now being replicated nationally, has rested on this approach.

Current shopping success rates (the percentage of newly issued voucher holders leasing up within 240 days of issuance) have also shown positive trends, with vouchers issued within the last twelve months averaging success rates of 77%, nearly achieving the HCV program's stretch goal of 80%. These data points align with on-the-ground reports from HCV staff, who report that households are not facing extreme difficulties finding a unit within the current level of our payment standards.

However, the end of the rent increase moratorium will have a significant impact on our current households. KCHA received hundreds of rent increase requests from landlords in all tiers on July 1st, the first day they were allowed. As of August 1st, approximately three percent of voucher households in each tier have an approved rent increase that will go into effect on September 1st. Although there are still rent requests from July 1st waiting to be processed, approved rent increases are on average approximately a 6% increase over current levels. Households in units that are already at the maximum payment standard amount will pay the entire cost of any increases to rent. If all voucher households received a 6% rent increase, the shelter burden rate would more than double, from 12.6% to 28.7% of households.

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<sup>1</sup> Costar. Kent Multi-Family Submarket Report, August 2021, pages 3, 6; Costar. Auburn Multi-Family Submarket Report, August 2021, page 3.

Additionally, KCHA's receipt of over seven hundred Emergency Housing Vouchers means that hundreds of unhoused families will be trying to find a unit in the current rental market. If these families are unable to lease a unit using the current payment standard, they lose the voucher and will remain unhoused.

Therefore, while current indicators for KCHA voucher holders are generally positive, the end of the rent increase moratorium along with the need for Emergency Housing Voucher holders to secure housing in an increasingly expensive rental market leads us to recommend an increase to the current payment standards.

### Recommended Payment Standard Adjustments

Staff is recommending a moderate increase in payment standard amounts in all tiers and bedroom sizes. This recommendation will limit additional shelter burden on families due to rent increases, while also ensuring that households with Emergency Housing Vouchers will be more successful leasing a unit.

**Payment Standard Amounts:** The proposed payment standard amounts are calculated based on the ZIP code weighted average of the 40<sup>th</sup> percentile rent estimates within each Tier. The increases are then moderated to account for budgetary considerations, expected rent increases, and overall impact on shelter burden.

KCHA will again conduct a payment standards analysis beginning in October 2021, with any potential adjustments effective January 1st, 2022.

### Proposed Payment Standards to be Effective September 1, 2021

		Studios	1BR	2BR	3BR	4BR*
Tier 1	<i>Current</i>	\$1,190 \$50	\$1,250 \$50	\$1,510 \$70	\$1,950 \$100	\$2,550 \$120
	<b>Proposed</b>	\$1,240	\$1,300	\$1,580	\$2,050	\$2,670
Tier 2	<i>Current</i>	\$1,220 \$60	\$1,280 \$60	\$1,540 \$70	\$2,000 \$100	\$2,700 \$130
	<b>Proposed</b>	\$1,280	\$1,340	\$1,610	\$2,100	\$2,830
Tier 3	<i>Current</i>	\$1,260 \$70	\$1,330 \$60	\$1,590 \$70	\$2,070 \$100	\$2,730 \$130
	<b>Proposed</b>	\$1,330	\$1,390	\$1,660	\$2,170	\$2,860
Tier 4	<i>Current</i>	\$1,410 \$60	\$1,480 \$60	\$1,750 \$70	\$2,280 \$100	\$2,980 \$120
	<b>Proposed</b>	\$1,470	\$1,540	\$1,820	\$2,380	\$3,100
Tier 5	<i>Current</i>	\$1,610 \$40	\$1,690 \$40	\$1,920 \$40	\$2,500 \$60	\$3,260 \$70
	<b>Proposed</b>	\$1,650	\$1,730	\$1,960	\$2,560	\$3,330
Tier 6	<i>Current</i>	\$1,740 \$60	\$1,830 \$60	\$2,140 \$70	\$2,780 \$100	\$3,640 \$120
	<b>Proposed</b>	\$1,800	\$1,890	\$2,210	\$2,880	\$3,760

\* Five and six bedroom payment standards are determined by applying a factor of 1.15 and 1.30 to the four-bedroom payment standard.

Staff will continue to monitor rental costs, shelter burden, and shopping success trends through the remainder of 2021 in advance of our annual review. As with past adjustments, staff is proposing to implement new payment standards on a rolling basis at a households' next interim or annual reexamination.

**Budgetary Impact**

Increasing payment standards involves a substantial investment from the housing authority's budget. In addition to increasing the costs associated with current households and existing rent levels, higher payment standards also raise the ceiling on the amount of HAP costs that KCHA may incur as a result of future rent increases. When modeling the full implementation of the payment standard proposals with expected voucher-level rent increases of 6% across the program, it is expected that HAP costs for tenant-based vouchers will increase by \$7.9 million on an annualized basis. \$2.8 million of this cost is due to the proposed increases.

Approval of Resolution 5698 is recommended.



**APPENDIX A: 2021 Multi-Tiered Payment Standards**

**Proposed Payment Standards Amounts Effective September 1, 2021**

	<b>Studios</b>	<b>1 BR</b>	<b>2 BR</b>	<b>3 BR</b>	<b>4 BR</b>
<b>Tier 1</b>	\$1,240	\$1,300	\$1,580	\$2,050	\$2,670
<b>Tier 2</b>	\$1,280	\$1,340	\$1,610	\$2,100	\$2,830
<b>Tier 3</b>	\$1,330	\$1,390	\$1,660	\$2,170	\$2,860
<b>Tier 4</b>	\$1,470	\$1,540	\$1,820	\$2,380	\$3,100
<b>Tier 5</b>	\$1,650	\$1,730	\$1,960	\$2,560	\$3,330
<b>Tier 6</b>	\$1,800	\$1,890	\$2,210	\$2,880	\$3,760

## **Packet Contents**

- 1. Process & Parameters for the Analysis**
- 2. Internal Rent Indicators**
- 3. Rental Market Indicators**
- 4. Proposed Direction for 2021 Mid-Year Payment Standards**
- 5. Block Grant PUC Projection**

# 1. Mid-Year Review of Payment Standards Process

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KCHA began planning biannual reviews of payment standards in 2018. The purpose of the mid-year review is to check the effectiveness of existing payment standards and ensure that they are not lagging the market to such a degree that voucher holders cannot lease up throughout the remainder of the year. In the past, the mid-year review has not included: 1) Eliminating or adding payment standard tiers, and 2) Moving ZIP codes between tiers.

Due to the expiration of the governor's rent increase moratorium on June 30th, we pushed back the mid-year analysis by two months. This allowed us to address rent increases that came in after the moratorium's end as well as any responses in the rental market when determining the proposals. Voucher holders are currently experiencing relatively low shelter burdens and are able to find units, however due to market shifts we are not fully confident this will continue. A new factor in the analysis this year is the addition of over seven hundred Emergency Housing Vouchers. All of these vouchers are intended for unhoused families, and these families will be using the most recent payment standard when searching for a unit, including any changes we may decide to implement.

## Process for the Mid-Year Payment Standards Review

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**Timeline:** Unlike prior mid-year standard reviews, the bulk of the analysis took place in July, with anticipated board approval of any changes in August. As was anticipated when deciding to postpone the mid-year review, we saw a considerable number of rent increases come in for our households after the moratorium expired on June 30th. Rent increases received on July 1st will subsequently go into effect September 1st.

**Staff Workgroup Meetings:** We conducted three workgroup meetings with approximately 10 HCV staff members, including caseworkers, landlord liaisons, managers, and leadership, to advise on the annual review. We conducted one meeting in May and two additional meetings in July.

**Data Sources:** We analyzed a variety of data sources to understand current rent trends, 40<sup>th</sup> percentile rents by ZIP code and tier, and how the rental market looks to someone using a voucher. These include the following:

- **CoStar:** In late 2019, KCHA secured a contract with CoStar, the leading provider of data on apartment rental rates in our area and around the country. This company uses a variety of means to obtain rents for rental properties. We are confident in their rent levels for properties with 20 or more units. We have used this sample to estimate 40<sup>th</sup> percentile rents and build out our recommendation.
- **Voucher Holder Rents & Shelter Burden Trends:** We look at rents paid by currently leased voucher holders and rents for households who have recently moved. We also pay close attention to shelter burden trends by tier and bedroom size. Shelter burden is defined as households spending more than 40% of their income on rent.
- **Shopping Success:** We also monitor shopping success rates (the percentage of households leasing within 120 and 240 days).
- **Rent Increases:** Unlike past payment standard reviews, we closely analyzed approved rent increase requests from July 1st onward to look for trends by zip code, tier, and unit size.

**COVID-19 Considerations:** Governor Inslee removed most COVID restrictions in the state on June 30th, and as of August 2nd, 70% of King County's 12+ population has had at least one dose of any of the three COVID vaccines. At the time of the 2021 review, it was unclear if and when a vaccine

would be available to the general public. Along with the end of most restrictions, the governor announced a “bridge” plan to phase out the eviction moratorium, which also ended the moratorium on rent increases. We have already seen a large number of rent increases in response to this. Additionally, many high income workers left Seattle and the Eastside to look for larger units to accommodate home offices, which drove up overall rental prices in South King County and led to rental rates well above pre-pandemic levels in traditionally more affordable areas.

## 2. Internal Rent Indicators

### A. Tenant-Based Households by Tier & Unit Bedroom Size

*As of July 1, 2021.*

	0BR	1BR	2BR	3BR	4BR	5BR	6BR	Total	%
<b>Tier 1</b>	2	264	231	65	14	2	0	<b>578</b>	<b>5%</b>
<b>Tier 2</b>	25	1,176	1,118	546	265	55	4	<b>3,189</b>	<b>29%</b>
<b>Tier 3</b>	36	1079	1,288	905	354	76	14	<b>3,752</b>	<b>35%</b>
<b>Tier 4</b>	24	311	273	193	79	13	3	<b>896</b>	<b>8%</b>
<b>Tier 5</b>	5	260	245	140	50	28	6	<b>734</b>	<b>7%</b>
<b>Tier 6</b>	36	594	666	325	48	20	5	<b>1,694</b>	<b>16%</b>
<b>Total</b>	<b>128</b>	<b>3,684</b>	<b>3,821</b>	<b>2,174</b>	<b>810</b>	<b>194</b>	<b>32</b>	<b>10,843</b>	<b>100%</b>

### B. Tenant-Based Median Gross Rents

*As of July 1, 2021, excluding households in KCHA-owned units.*

#### Median Gross Rent of Tenant-Based Voucher Holders by Tier & Unit Bedroom Size

	0BR	1BR	2BR	3BR	4BR
<b>Tier 1</b>	\$933	\$1,228	\$1,479	\$1,859	\$2,174
<b>Tier 2</b>	\$1,162	\$1,245	\$1,540	\$1,940	\$2,379
<b>Tier 3</b>	\$1,161	\$1,298	\$1,612	\$2,065	\$2,587
<b>Tier 4</b>	\$1,198	\$1,458	\$1,781	\$2,255	\$2,723
<b>Tier 5</b>	\$1,537	\$1,654	\$1,870	\$2,487	\$3,010
<b>Tier 6</b>	\$1,708	\$1,752	\$2,104	\$2,722	\$3,142

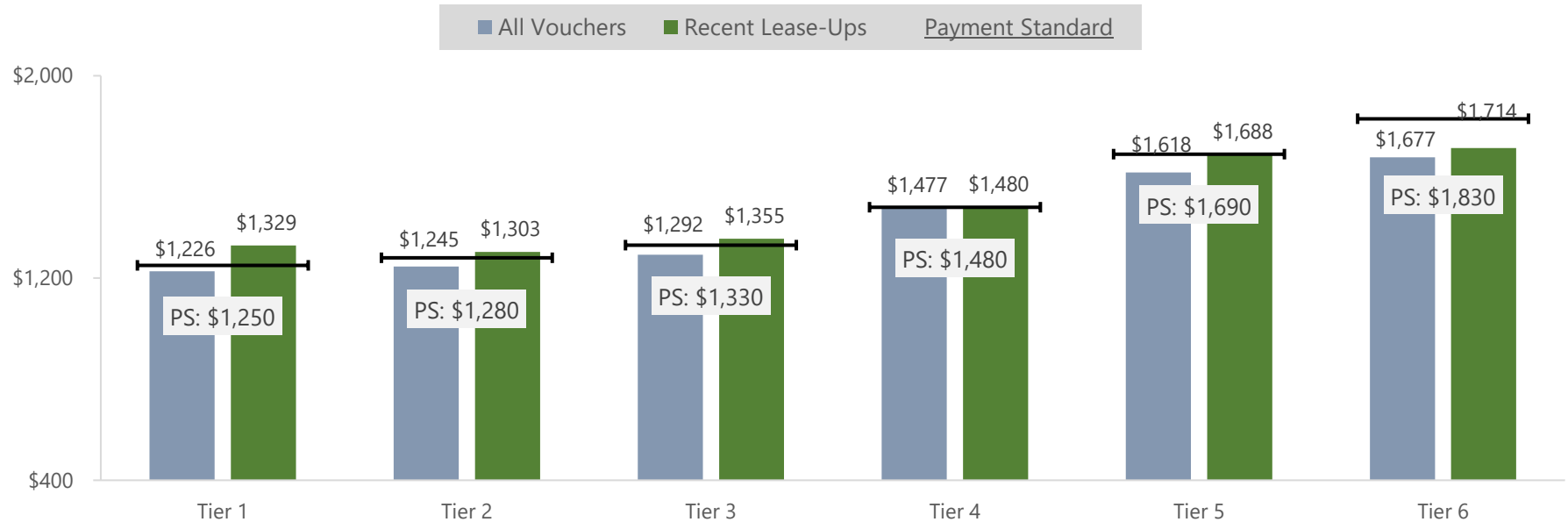
Difference of median rent from payment standard

	0BR	1BR	2BR	3BR	4BR
<b>Tier 1</b>	-\$257	-\$23	-\$31	-\$91	-\$377
<b>Tier 2</b>	-\$58	-\$35	\$0	-\$60	-\$321
<b>Tier 3</b>	-\$99	-\$32	<b>\$22</b>	-\$5	-\$143
<b>Tier 4</b>	-\$212	-\$22	<b>\$31</b>	-\$25	-\$257
<b>Tier 5</b>	-\$73	-\$36	-\$51	-\$13	-\$250
<b>Tier 6</b>	-\$32	-\$78	-\$36	-\$58	-\$499

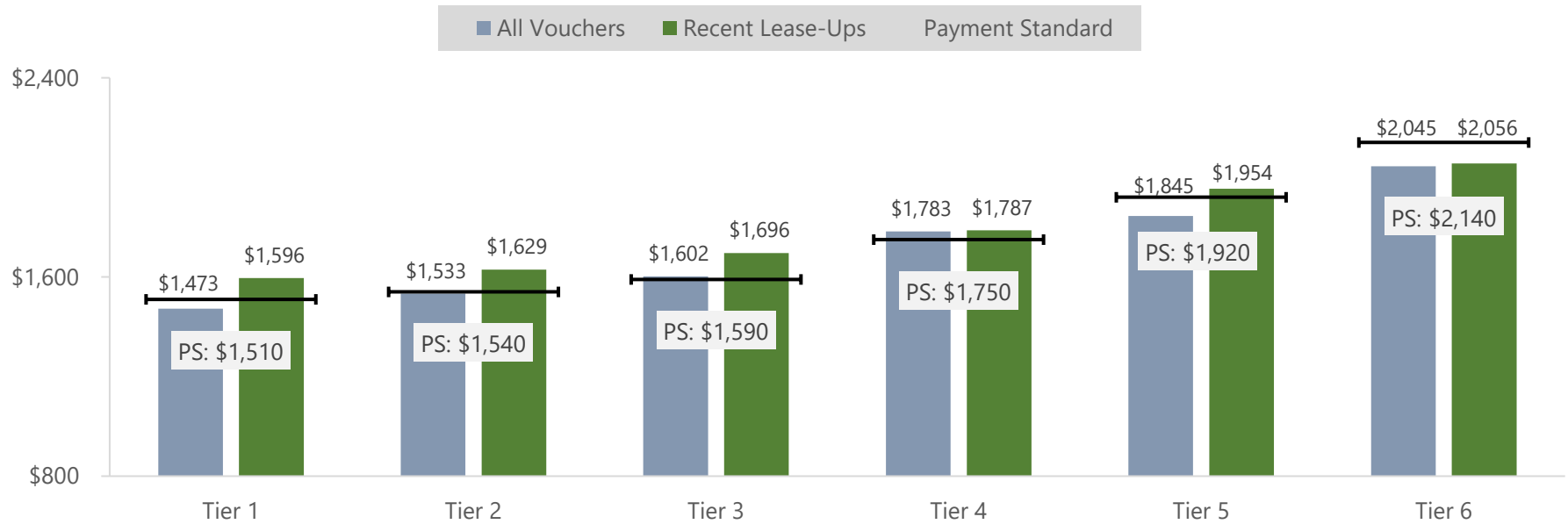
Most voucher holders remain leased below the payment standards

### C. **1 Bedroom Internal Rent Indicators** (As of July 2021)

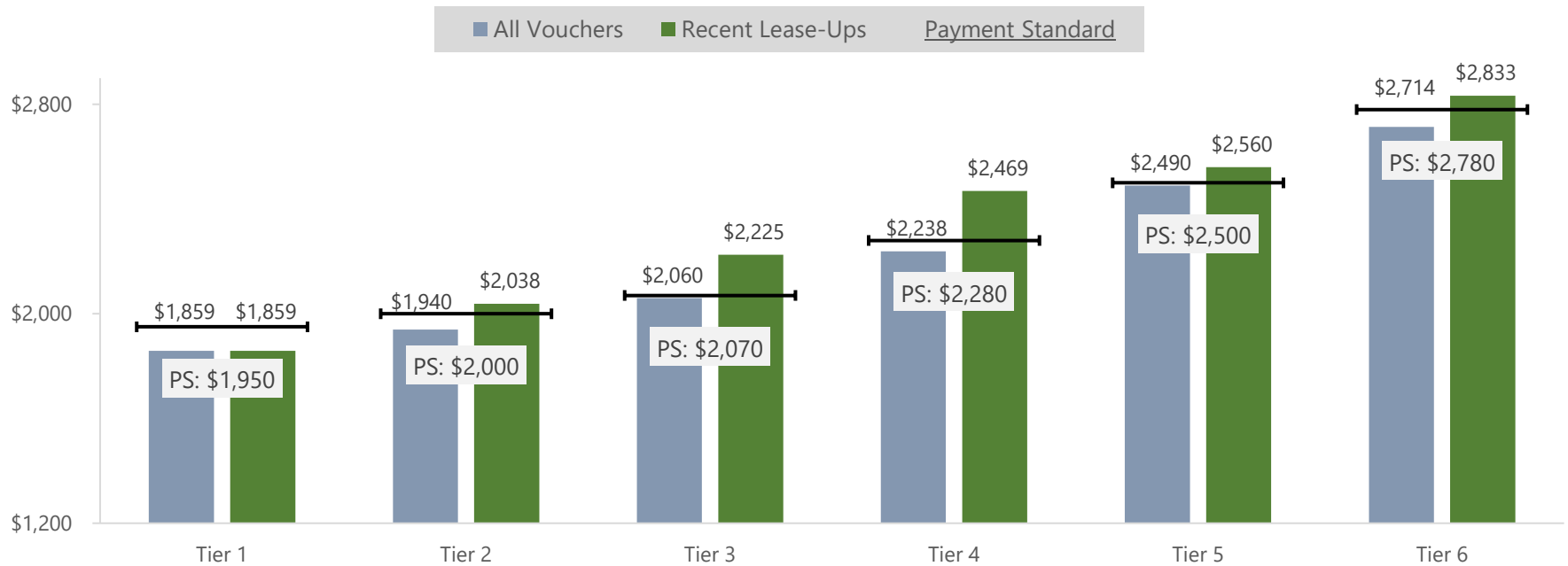
\*Recent lease-up figures include only those that took place after January 2021



## D. 2 Bedroom Internal Rent Indicators (As of July 2021)

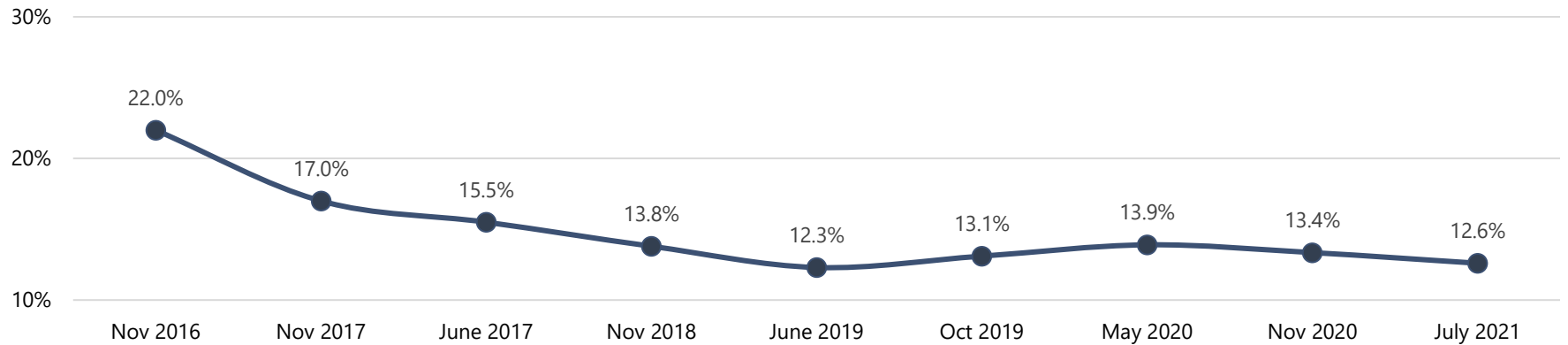


## E. 3 Bedroom Internal Rent Indicators (As of July 2021)



## F. Shelter Burden

**11/1/2016 – 07/1/2021.** Tenant-based households paying more than 40% of income to rent, excluding households in larger bedroom sizes<sup>1</sup> and in KCHA properties.



## G. Shelter Burden by Tier & Bedroom Size

Tenant-based households paying more than 40% of income to rent, excluding households in larger bedroom sizes and in KCHA properties.

	1BR	2BR	3BR	4BR	Overall
<b>Tier 1</b>	5%	17%	8%	0%	<b>9%</b>
<b>Tier 2</b>	12%	15%	10%	13%	<b>13%</b>
<b>Tier 3</b>	11%	16%	15%	13%	<b>14%</b>
<b>Tier 4</b>	11%	12%	19%	17%	<b>14%</b>
<b>Tier 5</b>	6%	11%	25%	13%	<b>12%</b>
<b>Tier 6</b>	8%	13%	11%	14%	<b>10%</b>
<b>All</b>	<b>10%</b>	<b>15%</b>	<b>14%</b>	<b>13%</b>	

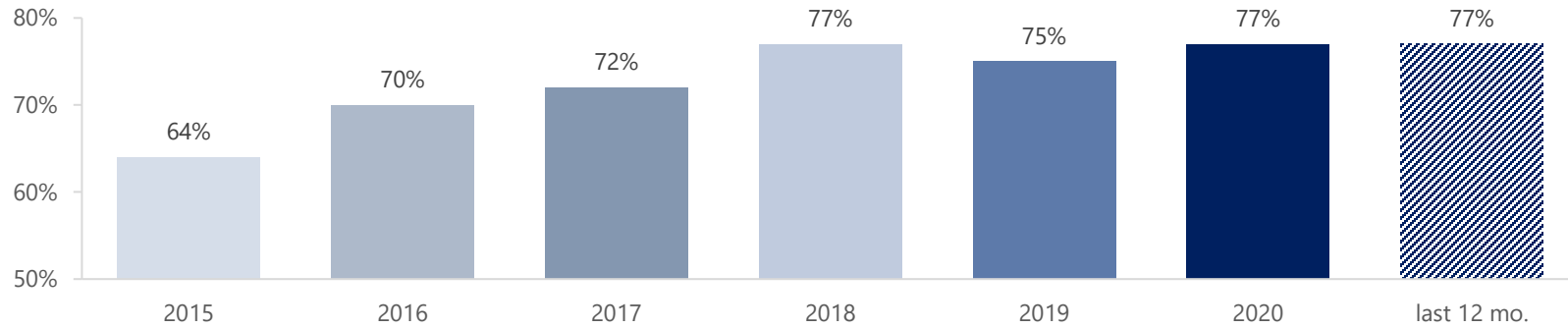
The adjustment to payment standards in Tier 1 at the annual review significantly lowered shelter burden for this Tier.

<sup>1</sup> For shelter burden figures, we exclude households renting units with more bedrooms than our occupancy standards will subsidize. For instance, a family that qualifies for a two-bedroom voucher may choose to lease a three-bedroom unit, thus increasing their shelter burden to pay for the unsubsidized bedroom.

## H. Shopping Success

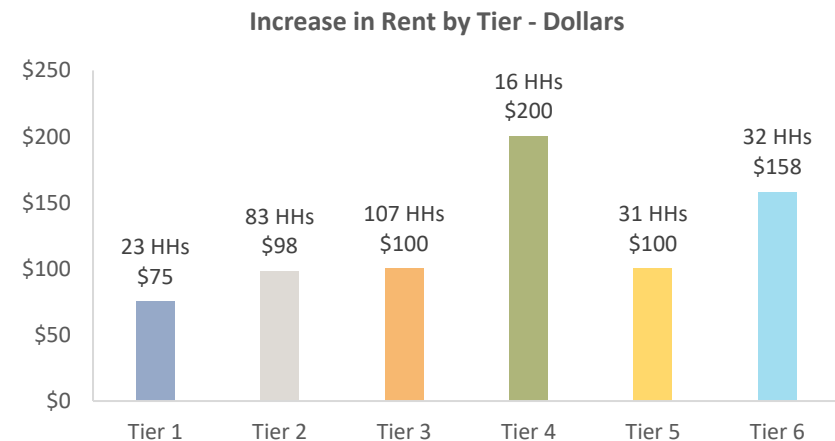
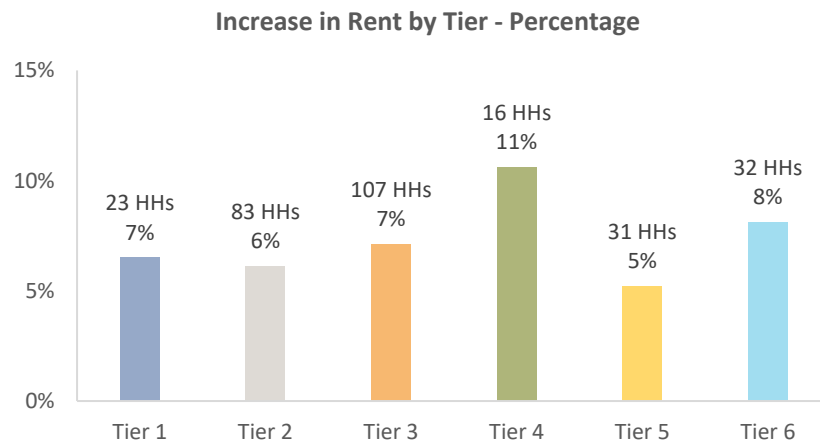
While shopping success did see a small dip in 2019, it has consistently been strong over the last three years, including all of 2020. HCV staff also report that households have had little trouble finding units.

*The percentage of households leasing within 240 days of voucher issuance.*



## I. Rent Increases Requests

On June 30th, the moratorium on rent increases ended. Subsequently, our households will soon experience the first increases since the beginning of the pandemic. Increase requests that were received on July 1st will go into affect on September 1st. So far, approximately three percent of voucher households in each Tier have an approved rent increase for September 1st. Although there are still rent requests from July 1st waiting to be processed, from what we have seen, approved rents are on average approximately a 6% increase.





**Rent Increase Impact on Shelter Burden:** We also estimated the number of households who would become shelter burdened if all rents increased by 6%.

*Number of households that would become shelter burdened with a 6% rent increase.*

	<b>0BR</b>	<b>1BR</b>	<b>2BR</b>	<b>3BR</b>	<b>4BR</b>	<b>5BR</b>	<b>6BR</b>	<b>Total</b>	<b>Shelter Burdened</b>
<b>Tier 1</b>	0	58	34	4	1	0	0	<b>97</b>	<b>29%</b>
<b>Tier 2</b>	2	131	100	46	6	2	1	<b>288</b>	<b>23%</b>
<b>Tier 3</b>	4	144	197	92	43	12	0	<b>492</b>	<b>30%</b>
<b>Tier 4</b>	4	47	43	21	6	2	0	<b>123</b>	<b>33%</b>
<b>Tier 5</b>	0	38	31	15	5	1	0	<b>90</b>	<b>32%</b>
<b>Tier 6</b>	8	73	100	62	4	2	0	<b>249</b>	<b>33%</b>
<b>Total</b>	18	491	505	240	65	19	1	<b>1,339</b>	<b>28.7%</b>

### 3. Rental Market Indicators

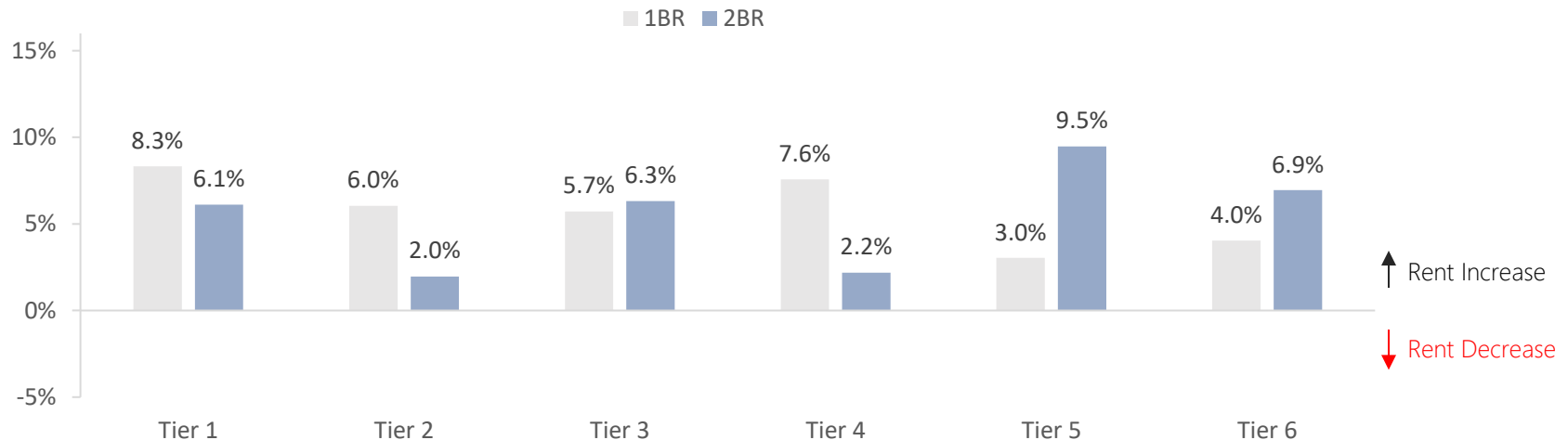
#### A. CoStar Findings – Market Rents

During the annual payment standard review in the fall of 2019, CoStar was a new data source for KCHA. We now have over a year and a half of historical data to review. Over much of 2020, CoStar's 40<sup>th</sup> percentile rent estimates stayed relatively close to our payment standards. Rents in more expensive areas dropped for the first time since the Great Recession. However, Costar reports that rents in higher tiers are once again increasing. Since the beginning of 2021, rent estimates have increased dramatically, to as high as \$360 over they payment standard (two bedrooms in Tier 6 in July). Lower tiers (Tiers 1-3) reported 40<sup>th</sup> percentiles from \$80 to \$180 over our payment standards in July for one bedroom and two bedroom units, and higher tiers were approximately \$200 over the standard. Fortieth percentiles for three bedroom units also began to exceed our payment standards in tiers 3, 5, and 6. CoStar's 40<sup>th</sup> percentile for studios generally stayed below our payment standard.

In the more affordable areas of King County – Tiers 1 through 3 – rents increased throughout 2020 and continue to do so in 2021. The influx of high income residents leaving Seattle and looking for larger units in South King County has led to increased rents in the area and lower vacancies.<sup>2</sup> In Kent, which is located in Tier 3, rents increased nine percent over the past year, and in Auburn, one of the most affordable neighborhoods in King County, there is a historically low vacancy rate of only 2%.<sup>3</sup>

#### Twelve Month Change in 40<sup>th</sup> Percentile Rents (CoStar)

*\*Note: these values are approximations, not precise calculations for determining exact payment standard amounts.*

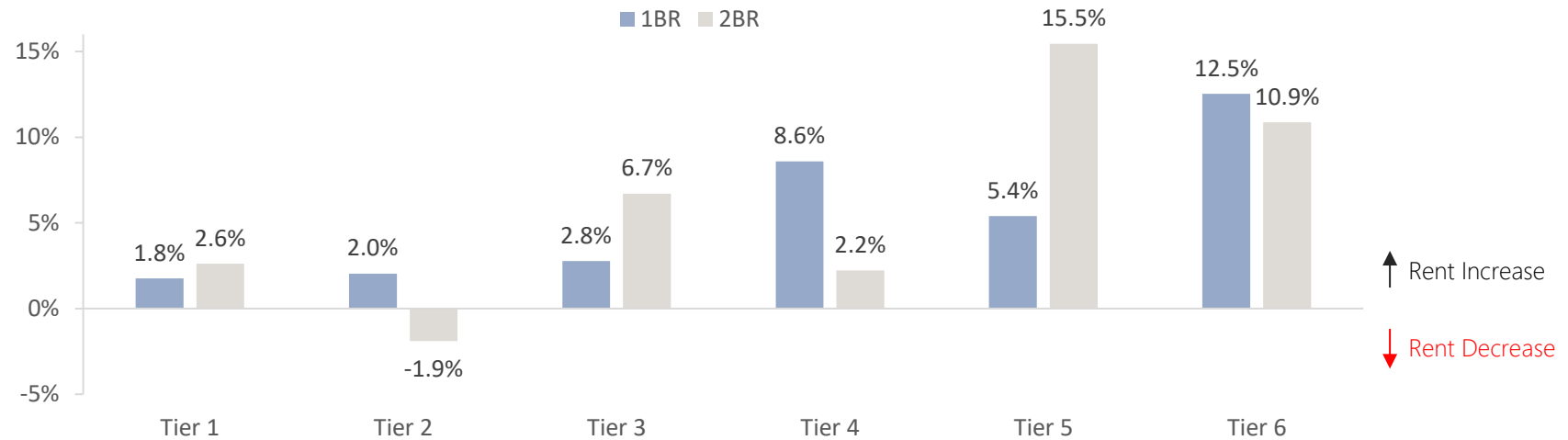


<sup>2</sup> Costar. Kent Multi-Family Submarket Report, August 2021, pages 3, 6.

<sup>3</sup> Costar. Auburn Multi-Family Submarket Report, August 2021, page 3.

## Six Month Change in 40<sup>th</sup> Percentile Rents (CoStar)

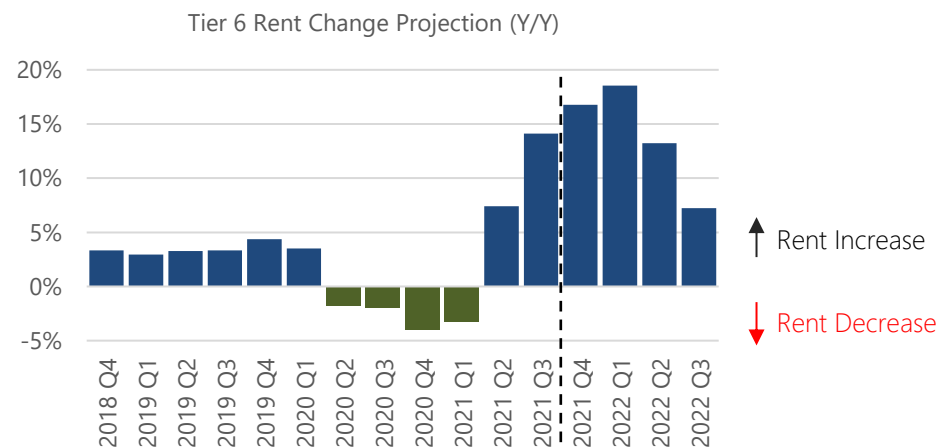
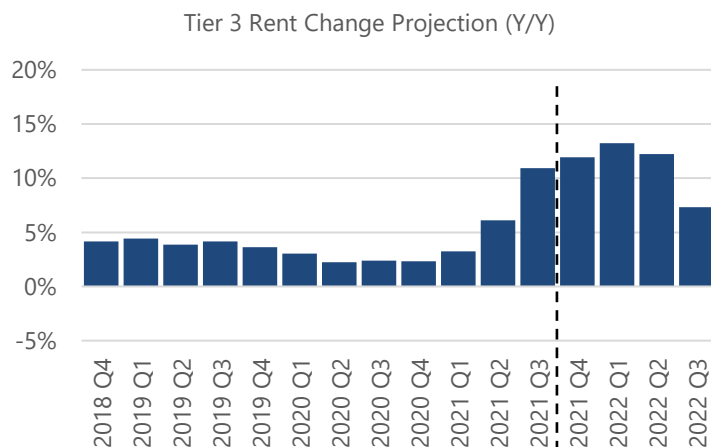
*\*Note: these values are approximations, not precise calculations for determining exact payment standard amounts.*



## B. CoStar Findings – Rent Projections

CoStar predicts that over the next year, rents will continue to increase through 2022 in all Tiers.

### Rent Outlook Projection (CoStar)



## 4. Proposed Direction for 2021 Mid-Year Payment Standards

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### A. Proposed 2021 Tier Configuration

No changes for mid-year analysis.

### B. Factors affecting Proposal

There were several, sometimes competing, considerations taken into account when developing this proposal.

- 1) **The end of the rent increase moratorium and the phasing out of the eviction moratorium.** The end of the eviction moratorium could dramatically change the rental market in unknown ways. We have seen numerous rent requests come in already and can analyze that information, but attempting to predict the overall direction of the rental market, particularly for individual geographies, is less precise than it would have been in pre-pandemic times.
- 2) **Shelter Burden Overall Remains Low, however this could change significantly.** The increased payment standard for Tier 1 made at the 2021 Annual Review has had the intended impact of lowering shelter burden in that tier, and overall shelter burden has decreased as well. However, with rent increases allowed for the first time since the beginning of the pandemic, we are expecting and have already seen a large number of increases for substantial amounts, which will have a significant negative impact on shelter burden if payment standards do not increase.
- 3) **Current lease-up patterns, shopping success, and staff experience suggest that current KCHA voucher holders are faring well.** Discussions with HCV staff revealed that many voucher holders are able to find units throughout the county at the current payment standard levels, and landlords are offering concessions in order to meet our current standards. However, with the eviction moratorium being phased out and the rental market increasing at a concerning pace, we aren't confident that these patterns will continue.
- 4) **Additional Emergency Housing Vouchers mean that hundreds of unhoused families will be trying to find a unit in the current rental market.** If these families do are unable to lease a unit using the current payment standard, they will remain unhoused.

## E. Proposed Payment Standards

Tier	OBR	Δ	1BR	Δ	2BR	Δ	3BR	Δ	4BR	Δ	Percent Increase
Tier 1	\$1,240	\$50	\$1,300	\$50	\$1,580	\$70	\$2,050	\$100	\$2,670	\$120	4%
Tier 2	\$1,280	\$60	\$1,340	\$60	\$1,610	\$70	\$2,100	\$100	\$2,830	\$130	4%
Tier 3	\$1,330	\$70	\$1,390	\$60	\$1,640	\$50	\$2,140	\$70	\$2,820	\$90	4%
Tier 4	\$1,470	\$60	\$1,540	\$60	\$1,790	\$40	\$2,340	\$60	\$3,050	\$70	4%
Tier 5	\$1,650	\$40	\$1,730	\$40	\$1,960	\$40	\$2,560	\$60	\$3,330	\$70	2%
Tier 6	\$1,800	\$60	\$1,890	\$60	\$2,190	\$50	\$2,850	\$70	\$3,730	\$90	3%

### *Comparison to Other Regional Standards*

Tier	OBR	1BR	2BR	3BR	4BR
2022 FMR	\$1,588	\$1,651	\$1,940	\$2,654	\$3,118
SHA (Market, 2018)	\$1,363	\$1,529	\$1,878	\$2,719	\$3,219
SHA (Aff'd, 2019)	\$1,095	\$1,173	\$1,407	\$1,772	\$2,130
RHA, EVHA (2019)	\$1,465	\$1,567	\$1,890	\$2,694	\$3,172
THA (2020)	\$991	\$1,075	\$1,408	\$2,031	\$2,472

## F. Impact on Shelter Burden

This proposal would dramatically reduce shelter burden, dropping from 12.6% to 8.2% of households overall.

*Percentage of tenant-based households that would be paying more than 40% of income to rent, excluding households in larger bedroom sizes and in KCHA properties.*

	1BR	2BR	3BR	4BR	Overall
<b>Tier 1</b>	3%	9%	6%	0%	<b>5%</b>
<b>Tier 2</b>	7%	9%	7%	8%	<b>8%</b>
<b>Tier 3</b>	6%	11%	10%	8%	<b>9%</b>
<b>Tier 4</b>	7%	9%	14%	13%	<b>9%</b>
<b>Tier 5</b>	8%	8%	14%	4%	<b>9%</b>
<b>Tier 6</b>	7%	12%	9%	10%	<b>9%</b>
<b>All</b>	<b>7%</b>	<b>10%</b>	<b>10%</b>	<b>8%</b>	<b>8.2%</b>

342 households would no longer be shelter burdened compared to all households on the current standards. Not all households are on the current payment standard.

**Impact of Proposal on Shelter Burden with a 6% Rent Increase.** With a 6% increase in rents for all tenant-based households, however, shelter burden would increase above current levels.

*Percentage of tenant-based households that would paying more than 40% of income to rent, excluding households in larger bedroom sizes and in KCHA properties.*

	1BR	2BR	3BR	4BR	Overall
<b>Tier 1</b>	10%	16%	9%	13%	<b>12%</b>
<b>Tier 2</b>	14%	18%	11%	12%	<b>15%</b>
<b>Tier 3</b>	14%	28%	22%	21%	<b>21%</b>
<b>Tier 4</b>	18%	30%	27%	21%	<b>23%</b>
<b>Tier 5</b>	15%	25%	35%	29%	<b>23%</b>
<b>Tier 6</b>	16%	30%	25%	29%	<b>23%</b>
<b>All</b>	<b>14%</b>	<b>25%</b>	<b>20%</b>	<b>19%</b>	<b>19.2%</b>

## 5. Block Grant PUC Projection

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### Impact of Proposal on Annualized Block Grant HAP Costs

The proposed payment standard adjustments would increase annualized HAP costs for tenant-based vouchers by \$1.9 million. With assumed 6% rent increases, the proposed adjustments would increase HAP costs for tenant-based vouchers by \$2.8 million. The major driver of HCV HAP costs over the next year is the expected rent increases on households leased in units currently below the payment standard. As these rents increase, KCHA pays the full cost of the increase that is below the payment standard.

### Change From Present Assuming Full Implementation of Payment Standards:

	<b>Current Rent Levels</b> <i>Full Payment Standards Implementation for TBVs</i>	<b>With 6% Rent Increases</b> <i>Full Payment Standards Implementation for TBVs</i>
<b>No Change</b>	<b>+ \$74,976</b>	<b>+ \$5,091,177</b>
<b>Proposal</b>	<b>+ \$1,926,766</b> (+ \$1,851,790)	<b>+ \$7,920,486</b> (+ \$2,829,309)

## Appendix A: Another Option to Fully Meet the Market

This proposal is presented here only for context. It represents an approximation of what payment standards would be to fully meet the market at the 40<sup>th</sup> percentile.

Tier	OBR	Δ	1BR	Δ	2BR	Δ	3BR	Δ	4BR	Δ
<b>Tier 1</b>	\$1,280	<i>\$90</i>	\$1,340	<i>\$90</i>	\$1,610	<i>\$100</i>	\$2,080	<i>\$130</i>	\$2,720	<i>\$170</i>
<b>Tier 2</b>	\$1,300	<i>\$80</i>	\$1,360	<i>\$80</i>	\$1,640	<i>\$100</i>	\$2,130	<i>\$130</i>	\$2,880	<i>\$180</i>
<b>Tier 3</b>	\$1,360	<i>\$100</i>	\$1,430	<i>\$100</i>	\$1,710	<i>\$120</i>	\$2,230	<i>\$160</i>	\$2,940	<i>\$210</i>
<b>Tier 4</b>	\$1,520	<i>\$110</i>	\$1,600	<i>\$120</i>	\$1,940	<i>\$190</i>	\$2,530	<i>\$250</i>	\$3,310	<i>\$330</i>
<b>Tier 5</b>	\$1,710	<i>\$100</i>	\$1,800	<i>\$110</i>	\$2,030	<i>\$110</i>	\$2,650	<i>\$150</i>	\$3,450	<i>\$190</i>
<b>Tier 6</b>	\$1,890	<i>\$150</i>	\$1,980	<i>\$150</i>	\$2,320	<i>\$180</i>	\$3,020	<i>\$240</i>	\$3,950	<i>\$310</i>





# **2021 Mid-Year Payment Standards Review**

## Housing Choice Voucher Program

**Tyler Shannon**  
Research & Data Analyst

Presentation to the Board of Commissioners  
August 16, 2021

# Agenda

**01**

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Background

**02**

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Market Analysis

**03**

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Proposal

**04**

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Block Grant Projections

**05**

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Questions & Discussion

01

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# Background

# Multi-Tiered Payment Standards Goals

Support  
Shopping  
Success



Limit  
Shelter  
Burden



Increase  
Geographic  
Choice



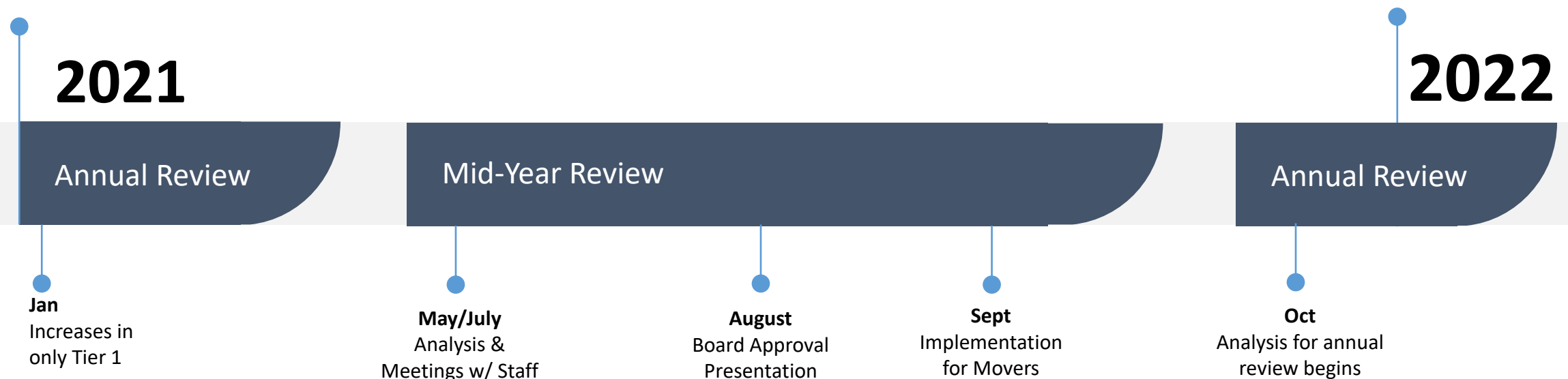
Support Cost  
Containment



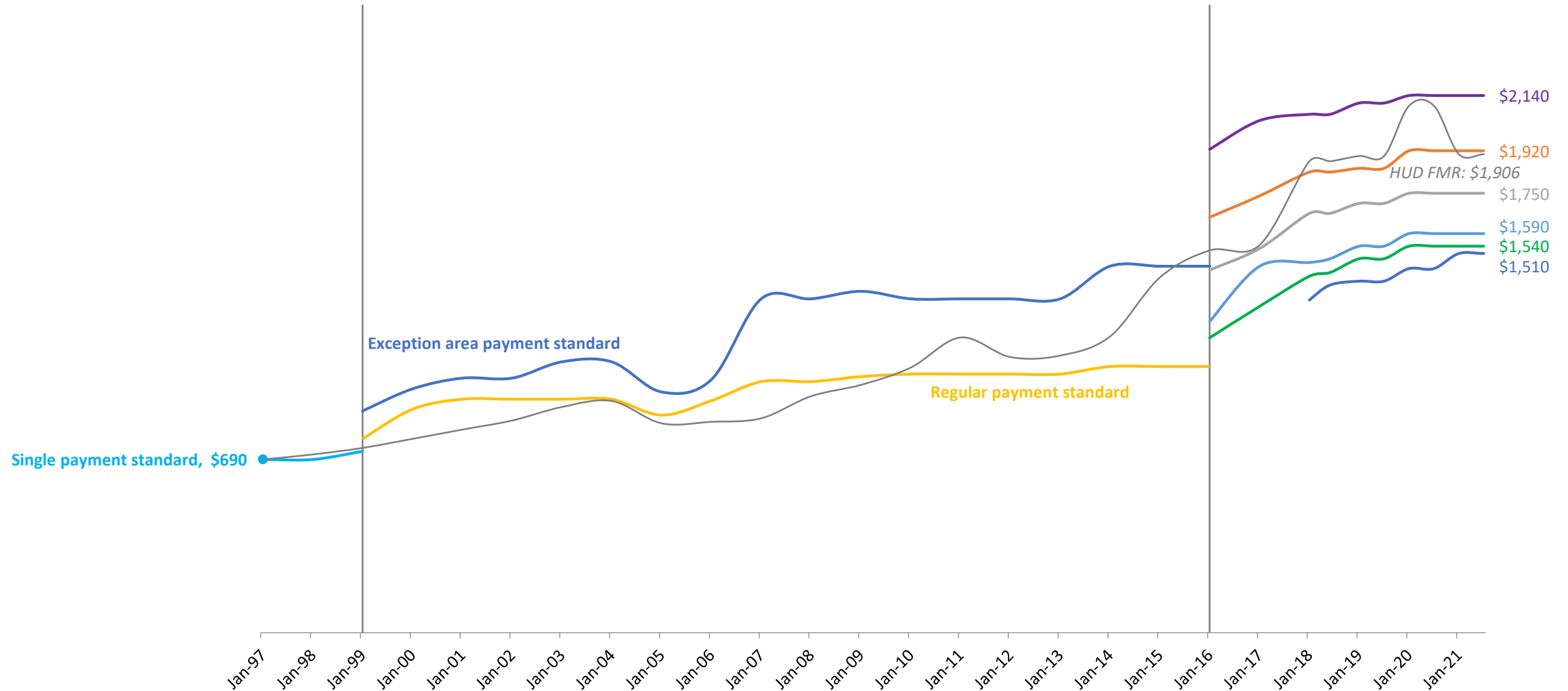
# Parameters for Mid-Year Analysis

For prior mid-year analyses, we have only checked the effectiveness of existing payment standards to ensure that they are not lagging the market and did not consider changes to ZIP code groupings.

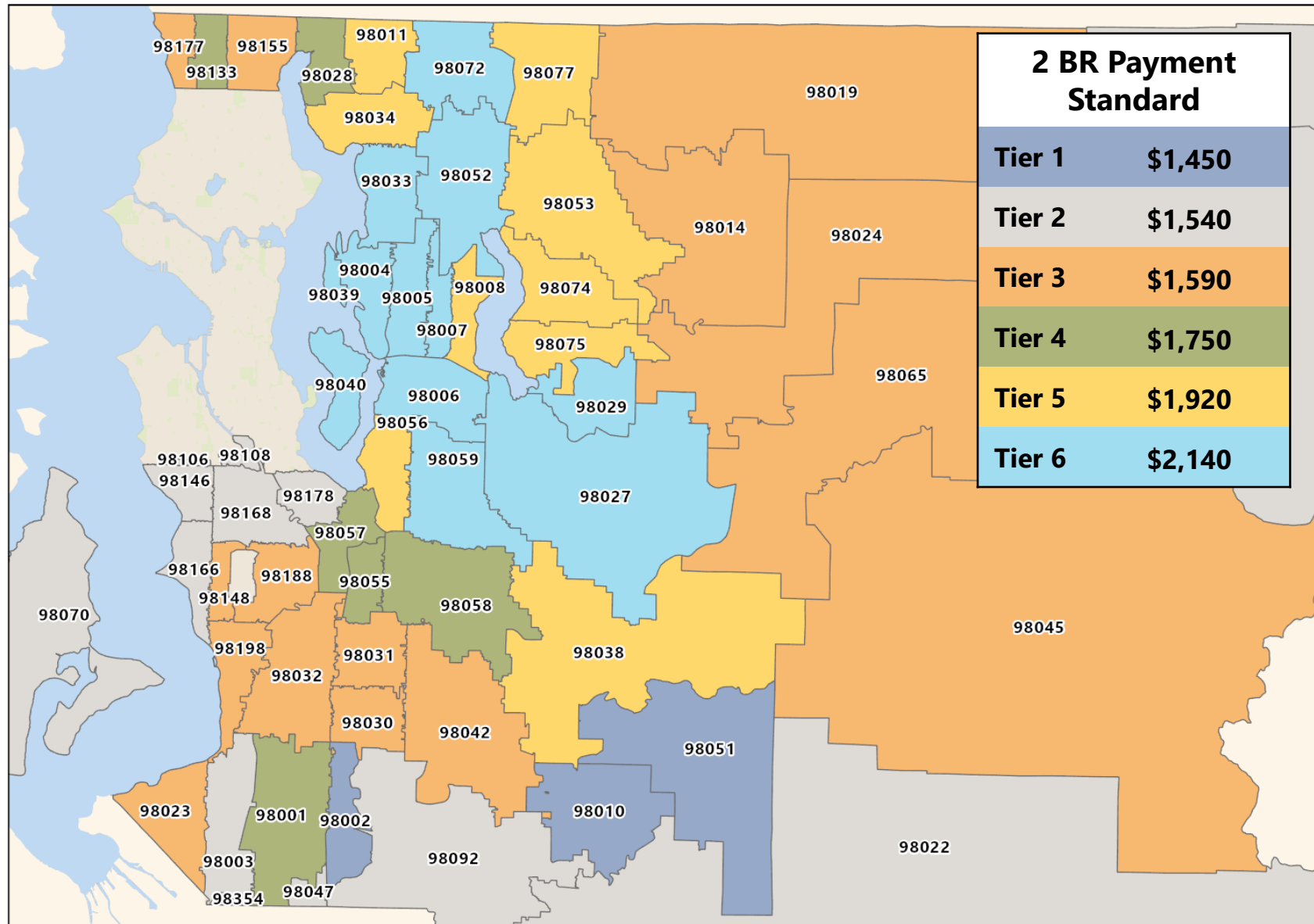
## Timeline



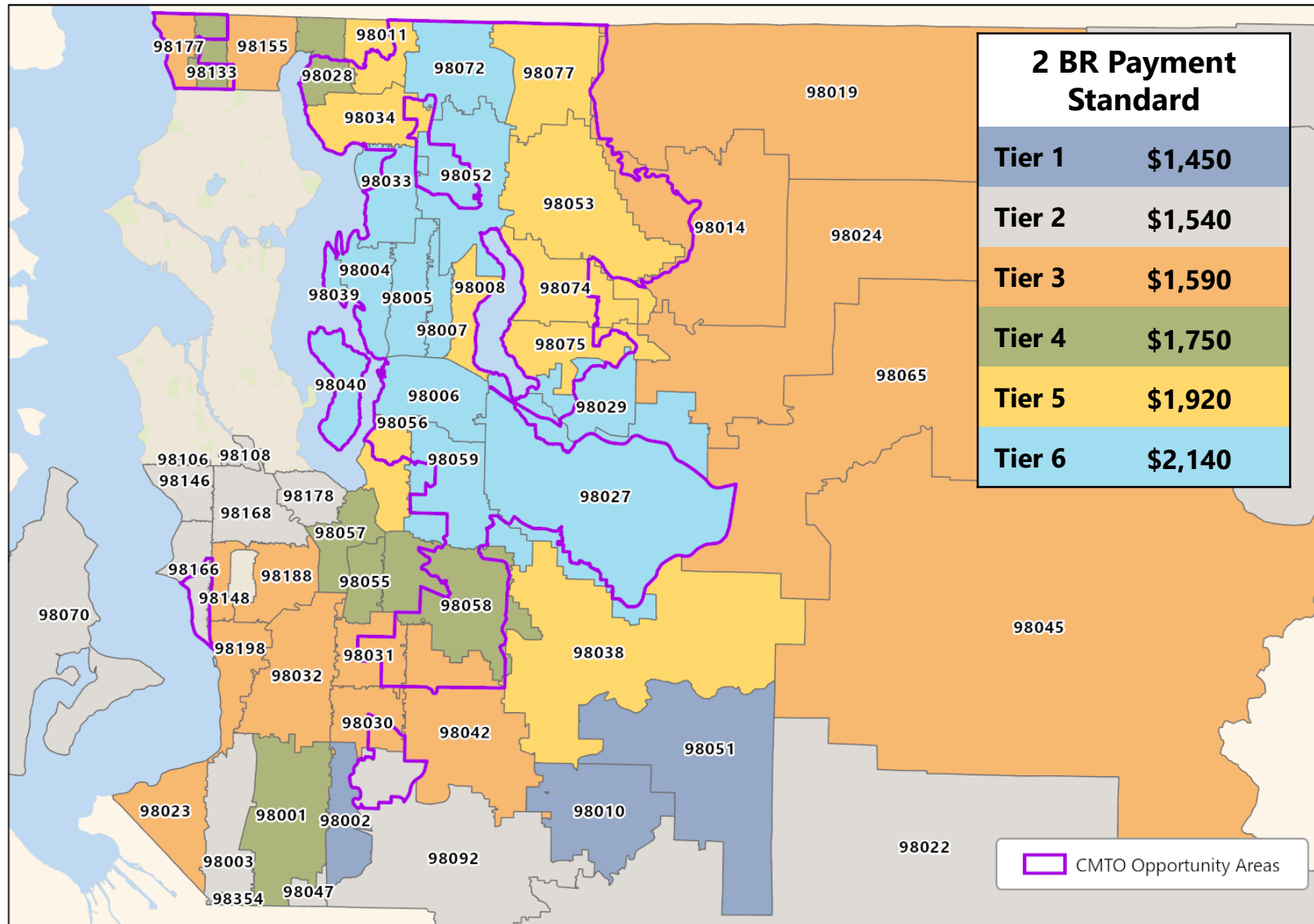
# Payment Standards Over Time



# KCHA 2021 Payment Standards



# KCHA 2021 Payment Standards





# COVID-19 Considerations

- Increased vaccination rates led the governor to lift most COVID restrictions on June 30th.
- The moratorium on rent increases expired on June 30<sup>th</sup>, the statewide moratorium on evictions is being phased out.
- Significant number of rent increase requests came in July 1st, still being processed.
- Hundreds of new Emergency Housing Vouchers for unhoused families who will be searching for a unit this fall.

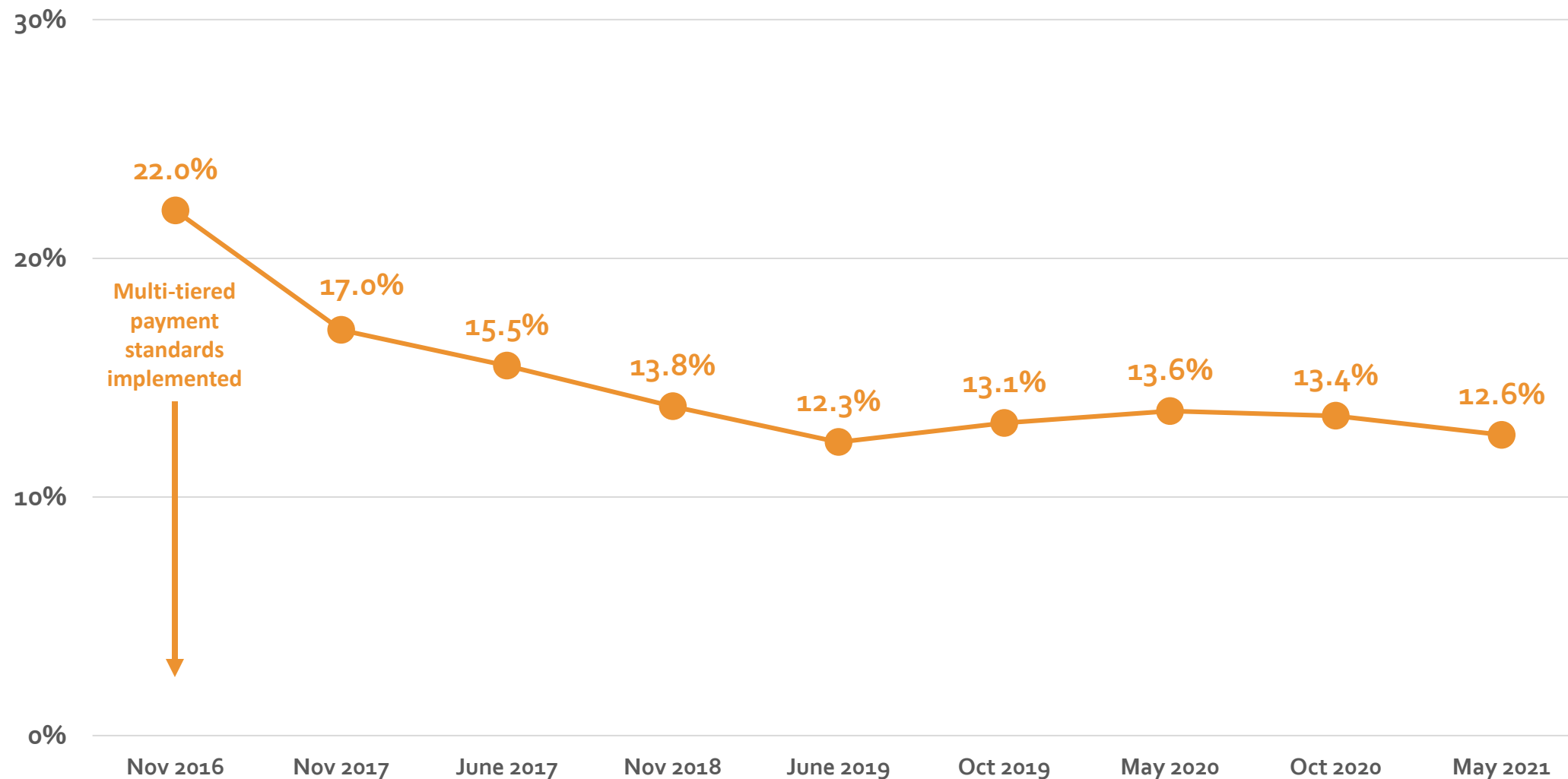
**02**

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# **Market Analysis**

# Shelter burden dropping since 2020 mid-year review

Percentage of tenant-based households spending more than 40% of income on rent, excluding those in larger bedrooms.

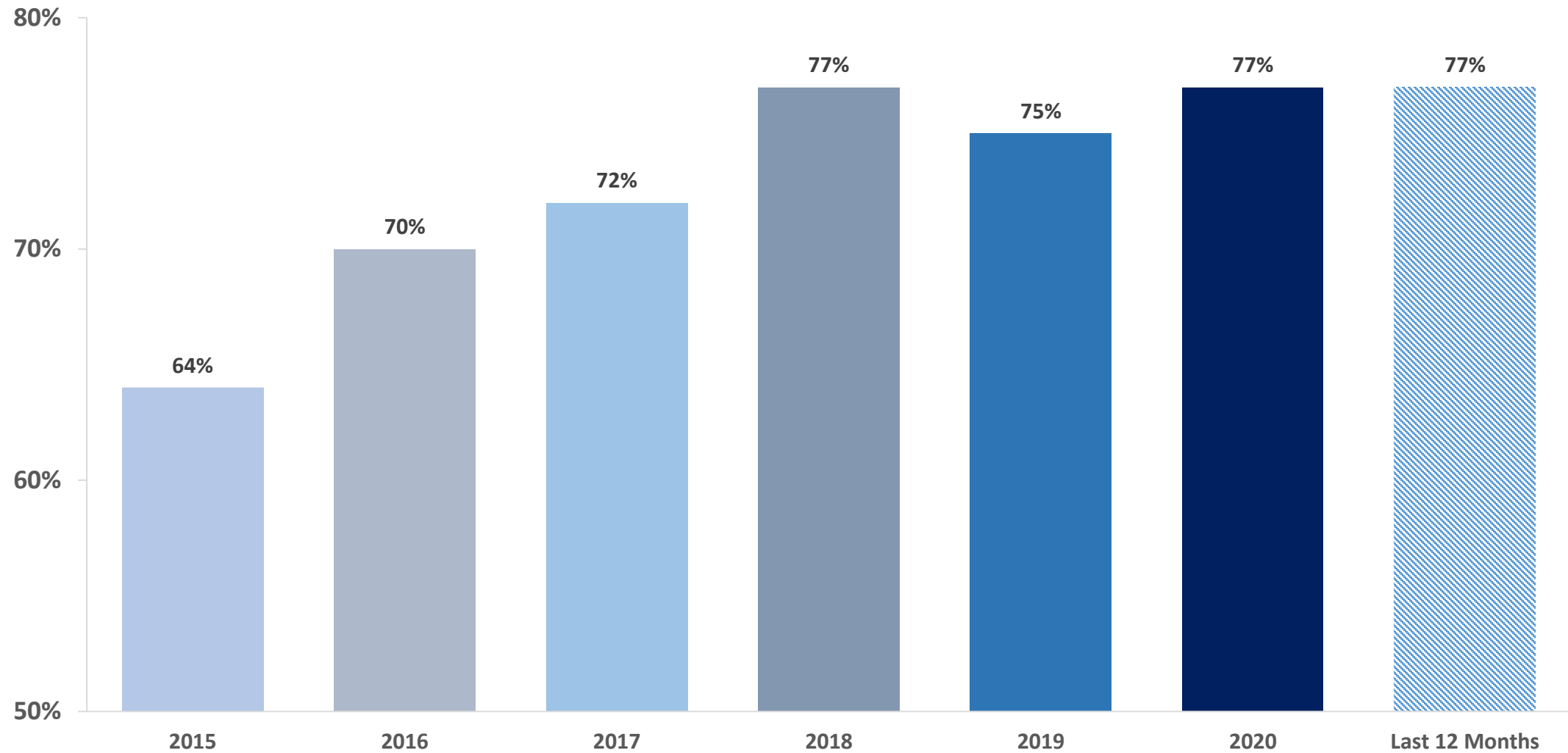


# Shelter burdens have improved in almost every Tier

	Total Households	Percent of households shelter burdened	Change in shelter burden from 2021 Annual Review
Tier 1	578	9%	-5.3%
Tier 2	3,189	13%	0.3%
Tier 3	3,752	14%	-0.5%
Tier 4	896	14%	-0.5%
Tier 5	734	12%	-1.8%
Tier 6	1,694	10%	-2.1%

# Shopping success strong throughout pandemic

The percentage of households leasing within 240 days of voucher issuance.



# Rent Increase Requests

## Number of Requests

- 3% of households in each Tier have a rent increase from July 1<sup>st</sup> that has been processed and approved.
- Many rent requests from July still need to be processed.

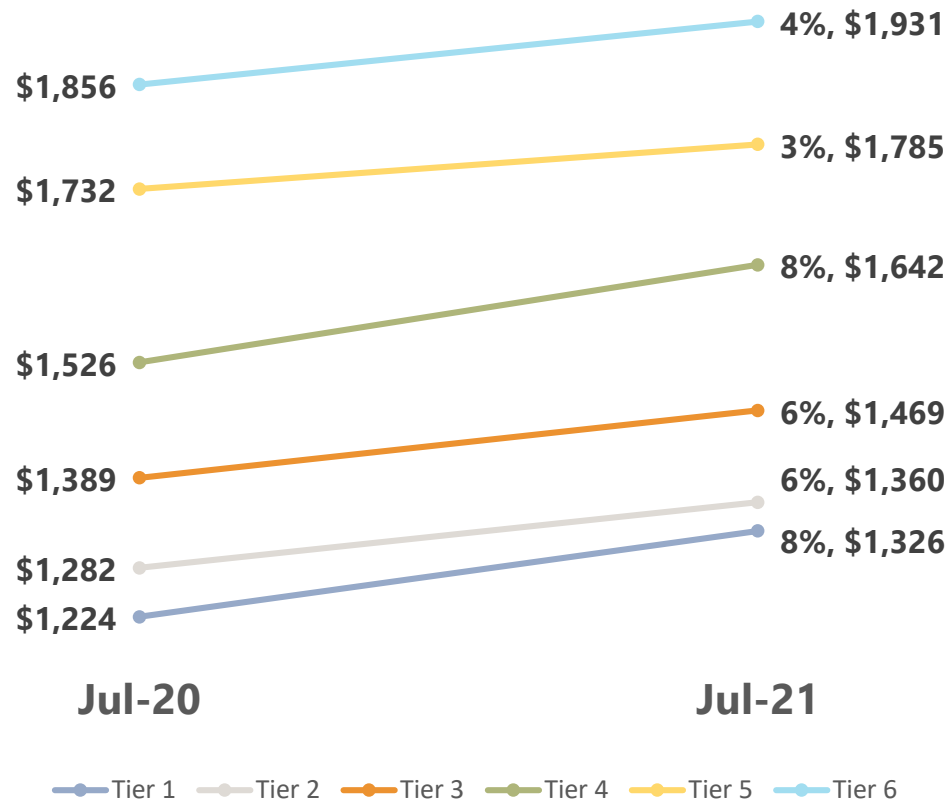
## Increases in Rent Amounts

- Rent increase requests are on average 6% of current rent.
- The dollar amount of increases are on average about \$100.
- If trends continue it could lead to a significant jump in the number of shelter-burdened households.

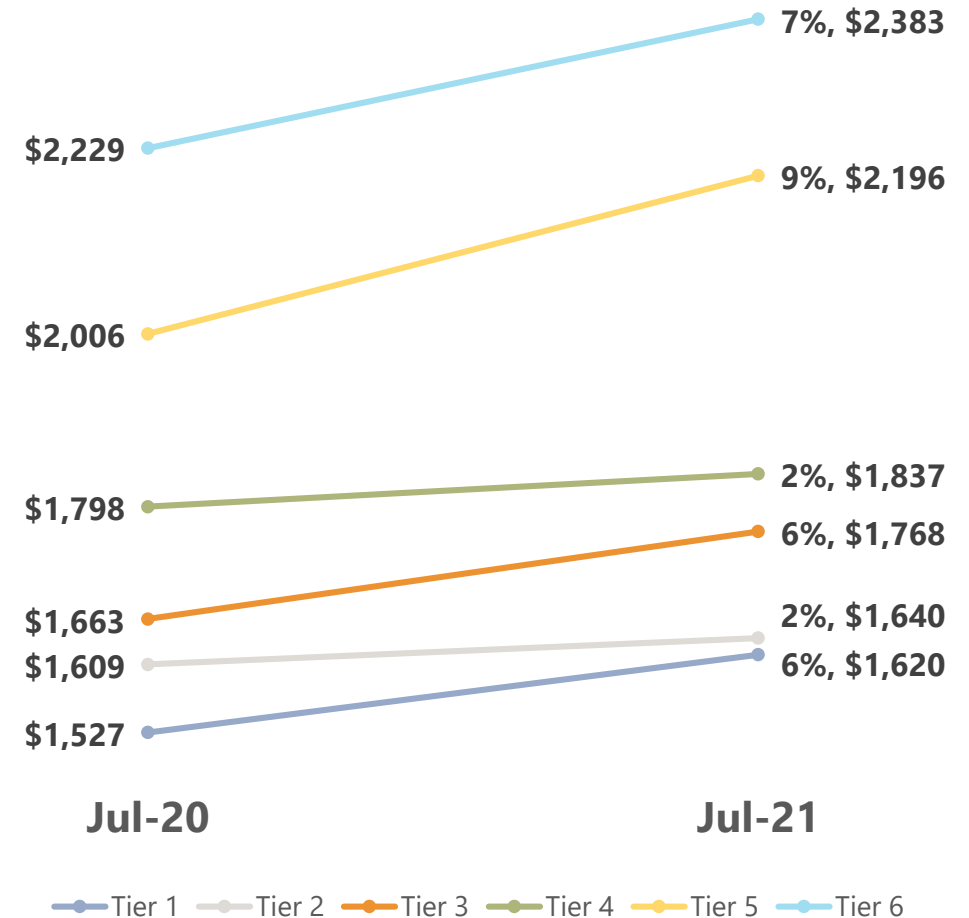
# 40<sup>th</sup> Percentile Rents have increased in every tier over the past year

Change in CoStar 40<sup>th</sup> percentile rent between July 2020 and July 2021

## 1 BR Units



## 2 BR Units



**03**

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# **Proposals for 2021 Mid-Year Payment Standard Adjustments**



# Framework for Proposals

## The Present



- We are in the second year of pandemic, with continued **unprecedented market conditions**
- **Shopping success** remains high
- **Cost burden** is at virtually an all-time low
- Voucher rent prices are generally staying **below the payment standard**

## The Future



- **Many rent increases** have already come in since the end of the moratorium
- The **rental market is becoming significantly more expensive** all over King County
- **Hundreds of new families** will be looking for housing for the first time using EHV's
- **Cost burdens will increase dramatically** when rents go up

# Proposed Increase in All Tiers

*Implementation September 1st*

Tier	0BR	Δ	1BR	Δ	2BR	Δ	3BR	Δ	4BR	Δ	Percent Increase	
<b>Tier 1</b>	\$1,240	\$50	\$1,300	\$50	\$1,580	\$70	\$2,050	\$100	\$2,670	\$120	<b>Tier 1</b>	<b>4%</b>
<b>Tier 2</b>	\$1,280	\$60	\$1,340	\$60	\$1,610	\$70	\$2,100	\$100	\$2,830	\$130	<b>Tier 2</b>	<b>4%</b>
<b>Tier 3</b>	\$1,330	\$70	\$1,390	\$60	\$1,640	\$50	\$2,140	\$70	\$2,820	\$90	<b>Tier 3</b>	<b>4%</b>
<b>Tier 4</b>	\$1,470	\$60	\$1,540	\$60	\$1,790	\$40	\$2,340	\$60	\$3,050	\$70	<b>Tier 4</b>	<b>4%</b>
<b>Tier 5</b>	\$1,650	\$40	\$1,730	\$40	\$1,960	\$40	\$2,560	\$60	\$3,330	\$70	<b>Tier 5</b>	<b>2%</b>
<b>Tier 6</b>	\$1,800	\$60	\$1,890	\$60	\$2,190	\$50	\$2,850	\$70	\$3,730	\$90	<b>Tier 6</b>	<b>3%</b>

Shelter Burden with Full Implementation	Households no longer Shelter Burdened	<b>Additional</b> Cost with 6% Rent Increase	Shelter Burden with 6% Rent Increase
<b>8.2%</b>	<b>341</b>	<b>\$2.9 Million</b>	<b>19.7%</b>

# In Summary

*Although shelter burden is low and shopping success is high:*

- The rent increase moratorium has **ended**
- Market rental rates are **increasing** in all tiers
- **Hundreds of unhoused families** with Emergency Housing Vouchers will soon be looking for housing

04

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# Block Grant Projections

# Annualized Cost Projections

	Current Rent Levels Full Payment Standards Implementation	With 6% Rent Increases Full Payment Standards Implementation
No Change	+ \$75 k	+ \$5.1 mil
Proposed Increase	+ \$1.9 mil (+ \$1.8 mil)	+ \$8.0 mil (+ \$2.9 mil)

# Previous Payment Standard Increases

	Additional Cost over Current Standard with Assumed Rent Increases
<b>2021 Annual (Dec 2020)</b>	\$88 k
<b>2020 Annual</b>	\$7.3 mil
<b>2019 Annual</b>	\$7.4 mil

**05**

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# **Questions & Discussion**

# T A B N U M B E R



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

**RESOLUTION No. 5698**

**AUTHORIZING HIGHER PAYMENT STANDARDS FOR THE  
HOUSING CHOICE VOUCHER PROGRAM**

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**WHEREAS**, the Housing Choice Voucher payment standards are the maximum subsidy levels used to calculate the housing assistance a household will receive under the Housing Choice Voucher program; and

**WHEREAS**, the Housing Authority's Board of Commissioners authorized implementation of a multi-tiered payment standard system with five tiers by passing Resolution No. 5531 dated the 16th of February 2016; and

**WHEREAS**, the Housing Authority's Board of Commissioners increased the multi-tiered payment standard system to six tiers by passing Resolution No. 5576 dated the 20<sup>th</sup> of November 2017; and

**WHEREAS**, the Housing Authority has committed to reviewing the multi-tiered payment standards system and the configuration of ZIP codes therein at least once a year; and

**WHEREAS**, the Housing Authority last made adjustments to the grouping of ZIP codes in December 2019 and last increased payment standards in December 2020; and

**WHEREAS**, it has been determined that an additional increase in payment standards is necessary to keep pace with regional rental market trends and limit shelter burden; and

**WHEREAS**, the Housing Authority has sufficient resources to fund higher payment standards in 2021; and,

**WHEREAS**, increased payment standard amounts will Affirmatively Further Fair Housing objectives in the Seattle Metropolitan region;

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

The Payment Standards for the Housing Authority's Housing Choice Voucher program are hereby adjusted in accordance with the proposed recommendations, set forth at the August 16<sup>th</sup> Board of Commissioners meeting and attached hereto, and effective September 1, 2021.

**ADOPTED AT A REGULAR MEETING OF THE BOARD OF THE COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING AT AN OPEN PUBLIC MEETING THIS 16<sup>th</sup> DAY OF AUGUST 2021.**

**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**  
Executive Director and Secretary-Treasurer

## **APPENDIX A: 2021 Multi-Tiered Payment Standards**

### **Proposed Payment Standards Amounts Effective September 1, 2021**

	<b>OBR</b>	<b>1BR</b>	<b>2BR</b>	<b>3BR</b>	<b>4BR</b>	<b>5BR</b>	<b>6BR</b>
<b>Tier 1</b>	\$1,240	\$1,300	\$1,580	\$2,050	\$2,670	\$3,070	\$3,480
<b>Tier 2</b>	\$1,280	\$1,340	\$1,610	\$2,100	\$2,830	\$3,250	\$3,670
<b>Tier 3</b>	\$1,330	\$1,390	\$1,660	\$2,170	\$2,860	\$3,280	\$3,710
<b>Tier 4</b>	\$1,470	\$1,540	\$1,820	\$2,380	\$3,100	\$3,570	\$4,030
<b>Tier 5</b>	\$1,650	\$1,730	\$1,960	\$2,560	\$3,330	\$3,830	\$4,330
<b>Tier 6</b>	\$1,800	\$1,890	\$2,210	\$2,880	\$3,760	\$4,330	\$4,890

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**TO:** Board of Commissioners

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

**DATE:** July 22, 2021

**RE:** **Second Quarter CY 2021 Procurement Report**

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The second quarter procurement report includes all activity from April through June 2021 that met one the following criteria:

- New contracts with values of \$100,000 or greater
- Change orders that resulted in revised contract values in excess of 110% of either the original value or the not-to-exceed contract amount
- Contracts with extensions or other foreseen changes

It is a best practice to keep KCHA's governing body informed of all significant procurement activity.

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

The second quarter saw a significant rise in newly-procured services. KCHA entered into 32 new contracts with an aggregated value of \$18.7 million compared to 14 in the first quarter with a total value of \$14.5 million. These 32 contracts accounted for 98% of the contracts executed in the quarter.

The largest construction contract was \$889,734, awarded to R.C. Zeigler for the Meadowbrook elevator renovations project to be managed by the Asset Management department. 14 task order contracts executed, with amounts ranging from \$150k to \$1.0 million. Six were issued for civil engineering services, five for architectural services and three for maintenance services.

The largest non-construction contract award was a six-year commitment to the YMCA in the amount of \$1,001,102. This contract will support after-school learning programs and was issued by the Social Impact department.

### **Contract Change Orders**

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 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 executed (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.

***Change Orders Exceeding 10%:***

There were 17 condition change orders issued, including thirteen by Asset Management and two by Capital Construction. Activity at the Abbey Ridge and Bellevue Manor renovation projects drove eight of the change orders due to unknown conditions at the time of contract execution and owner-directed upgrades.

***Change Orders with Contract Extensions or Other Foreseen Circumstances:***

There were three change orders issued in the quarter due to foreseen conditions. Two were issued by the Maintenance Department for fire suppression and asbestos abatement services, going through their renewals as planned by the contracts.

**KING COUNTY HOUSING AUTHORITY  
QUARTERLY PROCUREMENT REPORT  
April-June 2021 (Second 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
Administrative Services	Fair market rent survey	WSU	\$106,000	\$106,927	\$500,000	Sole source	n/a	WSU has been conducting the surveys for several years for KCHA.
Asset Management	Riverstone fire restoration	BCN	\$115,525	\$114,400	\$114,400	Sealed bid	6	Contractor has performed several successful jobs for KCHA.
Asset Management	Woodland North asphalt replacement	Becker Blacktop	\$154,678	\$120,460	\$120,460	Sealed bid	5	New contractor for KCHA.
Asset Management	Bellevue Manor solar installation	Puget Sound Solar	\$155,505	\$193,511	\$123,511	RFP	4	Contractor has performed several successful jobs for KCHA.
Asset Management	Landscaping, multiple sites	Judah of Lion	\$250,000	\$255,000	\$255,000	RFP	2	Contractor has performed many successful jobs for KCHA.
Asset Management	Abbeve Ridge solar installation	Puget Sound Solar	\$271,025	\$275,709	\$275,709	RFP	4	Contractor has performed several successful jobs for KCHA.
Asset Management	Riverstone fire restoration, building 29	BCN	\$564,185	\$502,200	\$502,200	Sealed bid	5	Contractor has performed several successful jobs for KCHA.
Asset Management	asphalt paving-multiple locations	Lakeridge	\$782,722	\$555,425	\$555,425	Sealed bid	4	New contractor for KCHA.
Asset Management	Meadowbrook elevator modifications	R.C. Zeidler	\$1,077,844	\$884,734	\$884,734	Sealed bid	3	Contractor has performed several successful jobs for KCHA.
Capital Construction	Northlake elevator renovations	R.C. Zeidler	\$425,122	\$491,404	\$491,404	Sealed bid	1	Contractor has performed several successful jobs for KCHA.
Capital Construction	Kirkland Place envelope upgrades	Green Built NW	\$546,773	\$537,000	\$537,000	Sealed bid	2	Contractor has performed many successful jobs for KCHA.
Capital Construction	Architectural services	ARC	\$1,000,000	\$1,000,000	\$1,000,000	RFQ	6	Architects have done prior work for KCHA.
Capital Construction	Architectural services	Lanthead	\$1,000,000	\$1,000,000	\$1,000,000	RFQ	6	Architects have done prior work for KCHA.
Capital Construction	Architectural services	NEXUS	\$1,000,000	\$1,000,000	\$1,000,000	RFQ	6	Architects have done prior work for KCHA.
Capital Construction	Architectural services	SHKS	\$1,000,000	\$1,000,000	\$1,000,000	RFQ	6	Architects have done prior work for KCHA.
Capital Construction	Architectural services	Schemata	\$1,000,000	\$1,000,000	\$1,000,000	RFQ	6	Architects have done prior work for KCHA.
Capital Construction	Civil services	Kram	\$1,000,000	\$1,000,000	\$1,000,000	RFQ	6	Engineers have done prior work for KCHA.
Capital Construction	Civil services	DEA	\$1,000,000	\$1,000,000	\$1,000,000	RFQ	6	Engineers have done prior work for KCHA.
Capital Construction	Civil services	Goldsmith	\$1,000,000	\$1,000,000	\$1,000,000	RFQ	6	Engineers have done prior work for KCHA.
Capital Construction	Civil services	KPFF	\$1,000,000	\$1,000,000	\$1,000,000	RFQ	6	Engineers have done prior work for KCHA.
Capital Construction	Civil services	PACE	\$1,000,000	\$1,000,000	\$1,000,000	RFQ	6	Engineers have done prior work for KCHA.
Capital Construction	Civil services	RHz	\$1,000,000	\$1,000,000	\$1,000,000	RFQ	6	Engineers have done prior work for KCHA.
Communications	Graphic design services	Vivitiv	\$200,000	\$200,000	\$200,000	RFP	2	Vendor has successfully performed the services for KCHA for several years. Woman owned company.
Housing Management-maint	Locksmith & door hardware services	Puget Sound Locksmith	\$180,000	\$125,000	\$250,000	Cooperative	n/a	New contractor for KCHA.
Housing Management-maint	Landscaping-north end sites	Brighthouse	\$420,000	\$250,000	\$1,000,000	RFP	2	Contractor has performed many successful jobs for KCHA.
Housing Management-maint	Landscaping-south end sites	Evergreen	\$250,000	\$150,000	\$1,000,000	RFP	2	New contractor for KCHA.
Housing Management-maint	Painting and drvwll services	Premium Valley	\$475,000	\$475,000	\$1,000,000	RFP	2	New contractor for KCHA.
Housing Management-Sec 8	Kiosks for Central Campus	SHI	\$150,000	\$145,540	\$145,540	Cooperative	n/a	New vendor for KCHA.
Resident Services	Tenant assistance	Full Life Care	\$360,000	\$360,000	\$360,000	Sole source	n/a	Provider uniquely qualified to provide these tenant supportive services.
Social Impact	Housing locator services	Interim	\$201,350	\$201,350	\$201,350	Sole source	n/a	Provider has managed the program for 3 years and can rapidly ramp up services.
Social Impact	After school learning programs	YMCA	\$1,001,102	\$1,001,102	\$1,001,102	Sole source	n/a	6 year contract. Provider has managed the program for 2 previous contract cycles.
Weatherization	Villa Capri mechanical & electrical upgrades	Resicon	\$538,686	\$602,923	\$602,923	Sealed bid	1	Contractor has performed many successful jobs for KCHA.
<b>Total</b>			<b>\$19,377,567</b>	<b>\$18,682,685</b>	<b>\$21,435,758</b>			

**Contracts exceeding 10% cumulative change order-Condition Changes**

Issuing Department	Contract type	Contract awarded to	Initial Contract Amount/NTE*	Prior Change Orders	Change Orders this Quarter	# of Change Orders this Quarter	Total Contract Value to Date	% Excess Over Initial Contract	Notes (Current Quarter Change Orders)
Asset Management	Abbeve Ridge renovations	Allied	\$19,745,000	\$3,220,468	\$1,184,575	4	\$24,149,944	22%	Unexpected deterioration at walls & windows. Asbestos abatement. Additional lighting/outlets.
Asset Management	Bellevue Manor interior renovations	CDK	\$2,035,193	\$262,457	\$1,770,523	4	\$4,068,173	100%	Seismic, exterior, lighting & electrical upgrades. Doors, valves, signage. Fire alarms. Plumbing.
Asset Management	Kirkland Heights A&E services	SMR	\$32,000	\$0	\$19,889	2	\$51,889	62%	Additional design work for permitting and third floor feasibility analysis.
Asset Management	Woodland North retaining wall renovations	A - Landscaping	\$3,144,000	\$405,273	\$235,795	2	\$4,055,068	30%	Sidewalk & drainage reconfigurations. Sink hole repairs. Fire hydrant replacements.
Asset Management	Landmark roof replacement	North Sound	\$37,400	\$0	\$9,619	1	\$47,019	26%	Unanticipated deterioration of misc. wood items.
Capital Construction	UV air treatment devices	Morgan Mech.	\$562,308	\$0	\$73,501	2	\$635,809	13%	Installing additional units in KCHA staff offices.
HOPE VI	Greenbridge infrastructure improvements	Road Const. NW	\$2,694,000	\$699,759	\$30,335	1	\$3,354,094	28%	Misc. unknown site conditions coupled with weather related issues.
Housing Management-maint	Street sweeping and parking lot cleaning	Pro-Vac	\$250,000	\$250,000	\$10,350	1	\$510,350	104%	Adding snow removal services per field staff requests.
<b>Total</b>			<b>\$28,409,901</b>	<b>\$4,837,857</b>	<b>\$3,634,588</b>	<b>17</b>	<b>\$36,882,346</b>		

**Contracts with contract extensions or other foreseen change orders**

Issuing Department	Contract type	Contract awarded to	NTE*	Prior Contract Value	Contract Extensions this Quarter	# of Contract Extensions this Quarter	Current Contract Value	% of NTE*	Notes (Current Quarter Change Orders)
Housing Management-maint	Fire suppression testing services	Smith Fire	\$915,000	\$465,000	\$450,000	1	\$915,000	100%	One year extension per contract terms.
Housing Management-maint	Abatement services	CGI	\$1,000,000	\$475,000	\$725,000	1	\$1,000,000	100%	Two year extension per contract terms.
Social Impact	Transportation services	Kent ISD	\$55,000	\$45,200	\$5,000	1	\$50,000	91%	Fourth extension to the contract.
<b>Total</b>			<b>\$1,970,000</b>	<b>\$785,000</b>	<b>\$1,180,000</b>	<b>3</b>	<b>\$1,965,000</b>		

\*NTE = Not To Exceed

# T A B N U M B E R

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**TO:** Board of Commissioners

**FROM:** Ai Ly, Interim Assistant Director of Finance

**DATE:** August 4, 2021

**RE:** 2nd Quarter 2021 Summary Write-Offs

During the second quarter of 2021, tenant accounts totaling \$12,606 were deemed uncollectable. This represents an 18% decrease from the previous quarter. Overall, past due rents owed to KCHA accounted for \$5,377 (43%) of the total charges and cleaning/damage charges accounted for \$7,228 (57%) of the total charges. Security deposits in the amount of \$1,050 were retained and payments made to accounts in the amount of \$862 were also applied to offset 15% of the total charges, resulting in \$10,694 in total amount written off for the quarter. Per policy, all accounts with a balance owed of \$100 or more will be forwarded to KCHA's contracted collection agency. \$283 was recovered by the collection agency during the second quarter.

	<b>Total WRITE-OFFS</b>	<b>YTD WRITE-OFFS</b>
Rent Balance Forward to Vacate Month	\$ 4,248.87	\$ 10,250.71
Retro Rent Write-offs	\$ -	\$ -
<b><u>VACATE CHARGES:</u></b>		
Rent Delinquent in Vacate Month	1,128.45	3,933.22
Cleaning & Damages	7,228.24	13,729.37
Paper Service & Court Costs	-	-
Miscellaneous Charges	-	-
Total Charges	<u>8,356.69</u>	<u>17,662.59</u>
Total All Charges	<u>12,605.56</u>	<u>27,913.30</u>
<b><u>CREDITS:</u></b>		
Security Deposits	(1,050.00)	(3,025.00)
Miscellaneous Payments & Credits	(862.00)	(1,362.00)
Total Credits	<u>(1,912.00)</u>	<u>(4,387.00)</u>
<b>Total Net Write-offs</b>	<b><u>\$ 10,693.56</u></b>	<b><u>\$ 23,526.30</u></b>
<b>Net Write-offs by Portfolio</b>		
KCHA	10,693.56	23,313.72
Green River	-	-
Green River II	-	-
Egis	-	-
Soosette Creek	-	212.58
Zephyr	-	-
Fairwind	-	-
Vantage Point	-	-
Spiritwood Manor	-	-
	<b><u>\$ 10,693.56</u></b>	<b><u>\$ 23,526.30</u></b>

**Write-off and Collection Summary  
2019 - 2021**

<b>NET WRITE-OFFS</b>			
	<b>2019</b>	<b>2020</b>	<b>2021</b>
January to March	42,166.82	15,086.25	12,832.74
April to June	8/3/2021	32,185.06	10,693.56
July to September	74,632.34	7,239.24	
October to December	24,730.55	16,311.82	
<b>TOTAL</b>	<b>185,940.71</b>	<b>70,822.37</b>	<b>23,526.30</b>

<b>NET COLLECTIONS</b>			
	<b>2019</b>	<b>2020</b>	<b>2021</b>
January to March	273.57	3,068.43	826.80
April to June	2,449.81	499.08	282.75
July to September	3,655.74	377.00	
October to December	1,812.32	1,382.11	
<b>TOTAL</b>	<b>8,191.44</b>	<b>5,326.62</b>	<b>1,109.55</b>

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**TO:** KCHA Board of Commissioners; Stephen Norman

**FROM:** Bill Cook, Andrew Calkins, Wen Xu, Shawli Hathaway, and Pam Taylor

**DATE:** August 16, 2021

**RE:** Update on Rent Arrears, Rental Assistance and the Eviction Moratorium

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The COVID-19 pandemic has adversely impacted most households but many of KCHA's renter households have been particularly hard hit. Faced with catastrophic job and income losses, an eviction moratorium and rental assistance programs were enacted by federal, state and local governments early in 2020. KCHA quickly instituted a robust list of waivers and rent reductions for its subsidized participants that included, for example, "instant" rental amount changes for those experiencing loss of income. Residents in the unsubsidized workforce/affordable housing portfolio managed by Asset Management either had to pay the full rent due each month or defer rent payments and rely on federal rental assistance funds distributed by King County to eventually pay back rent.

While the various eviction moratoriums that have been in place have kept residents stably housed, predictably, a significant contingent of KCHA residents and Housing Choice Voucher (HCV) participants have either been unable to pay their rent on a consistent basis or have chosen not to pay rent owed in anticipation of receiving future rental assistance.

With the last tranche of rental assistance about to be distributed by King County and the end of the eviction moratorium on the horizon, staff will be reporting on the status of past due rent, the impact of forthcoming rental assistance from King County, and possible consequences of ending the eviction moratorium as it relates to each of KCHA's core programs: public housing, workforce housing and the HCV program.

# T A B N U M B E R

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# **KCHA IN THE NEWS**

**August 16, 2021**

# NEW PROGRAM AIMS TO HELP VETERANS EXPERIENCING HOUSELESSNESS FIND HOMES

July 29, 2021 by Elizabeth Turnbull



The U.S. Department of Veterans Affairs (VA), and the King County Housing Authority (KCHA) launched a program in June that works to connect veterans who are experiencing houselessness with new housing opportunities and additional resources.

Organizers are calling the pilot program a first of its kind in the U.S. as it administers federal housing vouchers for veterans, which provide rental assistance, while also providing participants with supportive services from the King County Veterans Program (KCVP). Caseworkers at KCVP's Tukwila and Northgate locations are working on the program, which aims to help more than 140 local veterans.

According to Sherry Hamilton, the communications director for King County, the program will be paid for through existing county, federal, and housing authority resources and will be staffed by existing case managers who currently help veterans connect to housing. Once the program has used the current allotment of vouchers, they hope to make the program a permanent part of KCVP.

"Nobody who serves in our military, risking their lives to defend us and our country, should experience homelessness," Secretary of Veterans Affairs Denis McDonough said [in a statement](#) published on July 13. "I hope this collaboration can serve as a nationwide model for

preventing and ending Veterans [*sic*] homelessness, and VA looks forward to implementing similar partnerships in communities across America.”

In 2018, Washington was one of five states in the nation where over half of the veterans experiencing homelessness were unsheltered, and the Seattle/King County area had the third-highest number of veterans experiencing homelessness in the country, according to [federal data](#). The same year however, the number of veterans experiencing homelessness in Washington State decreased 21.8%.

Even though veterans are usually eligible for federal housing assistance vouchers, many of these vouchers go unused because of problems that can compound with homelessness.

Through KCVP, the program intends to help veterans overcome obstacles they face to finding stable housing by combining these vouchers with employment and training resources, access to physical and behavioral health services, and assistance with emergency food and other assistance.

Case managers at KCVP will also partner directly with KCHA to identify units that accept the federal housing vouchers. Organizers are hoping that this approach will help participants obtain and maintain housing opportunities.

One local veteran, Rebecca Murch, executive director of the organization The Seattle Stand Down, which aims to end homelessness for veterans, is optimistic about the program’s effectiveness and potential.

“It only makes sense that these two programs can partner to better and more efficiently serve our veterans in need of housing and a multitude of other wrap-around services,” Murch told the *Emerald*. “The partnering of these two agencies should enable them to house veterans much quicker, thus saving money in the long run and taking the burden off of other social service programs and the community.”



# WestsideSeattle

## Make the trip to the Greenbridge Cafe in White Center; A hidden gem with a world class chef

Thursday, August 5, 2021



Chef Blanca Rodriguez is the former Executive Chef for Nordstrom and also owns Pimienta Bistro in Federal Way. The skills and some of the recipes she developed for the 251 food and drink restaurants for the department store chain are available at the Greenbridge Cafe in White Center. Her attention to detail, from sourcing to presentation reflect her heritage and experience.  
Photo by Patrick Robinson

If you've ever had lunch at a Nordstrom store you know how fine tuned and unique the flavor combinations are. Believe it or not, that same sense of ingredients, flavors, preparation and presentation are available in White Center.

The Greenbridge Cafe 9901 8th Ave SW may be just bit out of the way but the trip is worth it. Where else in the West Seattle/White Center area will you find a Turkey and Honey Smoked Bacon sandwich? Or a Cuban Pork sandwich? Or grits (blended with polenta) and Poblano sauce?

This is world class food a couple of miles from you.



The turkey and honey smoked bacon sandwich is very lightly toasted with great texture.  
Photo by Patrick Robinson

One note, drive down 8th SW and look for the clock tower, and you've found it, and there's lots of parking too.

The chef is the former executive chef for Nordstrom stores Chef Blanca Rodriguez.

Her journey is fascinating.

Born in Guadalajara, Mexico, she grew up in a family of restaurateurs that loved to entertain and had a passion for food. Growing up, she often helped her mother Felipa prepare meals for their family and was a natural as she learned from her mother - techniques and flair.

But her career began almost accidentally. She got a job as a cashier in a Nordstrom store cafe at the age of 21 and someone called in sick. After two hours as a cashier she was moved into the kitchen, literally learning the way they made food. "I started learning how to make pot pie and other things that were not in my culture," Blanca said.

She began reading cookbooks and then slowly introduced her family cooking knowledge to the Nordstrom menu. "The next thing I know I'm making Cuban Black Bean Soup," she said laughing. She explained that the textures and flavors she learned as a girl were getting infused across the menu in the cafe. Then she moved on to what she called "Super special sandwiches," and really began to blossom as a chef.

She would go on to create more than 550 recipes for Nordstrom, and become the regional chef, managing five states. Many of the same recipes she created there she still makes today though with her signature elements now. Even the famous Magic Bar dessert is available at Greenbridge (though it's a tiny bit different too).

She's grateful to all her mentors along the way.

She traveled through Europe spending time in Italy and France and absorbed even more cooking knowledge, falling in love with French cooking and then chose to open her own restaurant, the popular and well reviewed Pimienta Bistro & Bar in Federal Way.

She jokes that it's the "last building in King County" since it's near the Pierce County line and that's interesting because with the Greenbridge Cafe she's very near the King County /Seattle border too.

The location polarity is reflected in the hours and even the food offered. The Greenbridge serves brunch (now with Mimosas) and lunch while Pimienta is strictly a dinner house. That location is also managed by her son Josh.

That proved to be crucial to staying open during the darkest days of the pandemic. "I didn't want to close so we kept it strictly family and kept making food," Blanca said.

While things have eased a bit on that front they still follow all the health protocols and her family is vaccinated.

But it's the food people come for and she offers an array of menu choices unlike anywhere else in West Seattle or White Center.

Everything is made from scratch and sourced as locally as possible.

On the lunch menu you'll find a Steak Sandwich on Telera bread, with cheese crema, seasonal greens a tomato slice and a crispy onion ring, and for vegetarians a Grilled Vegetable Flatbread with Zucchini, peppers, caramelized onions, asparagus, tomatoes, goat cheese (optional) , and a balsamic drizzle.

But her top three sellers are led off by Eggs Benedict with roasted house made Poblano sauce, breakfast potatoes, poached eggs, and smoked ham, or butternut squash, or squash and mushroom or Chorizo and Spinach.

The other two popular items are Grits (blended with polenta) and house made Poblano Sauce, and the Blackened Chicken Sandwich on Foccacia bread, with smoked jalapeno aioli, roasted peppers, avocado caramelized onions, and Provolone cheese.

"I love the community of White Center, but I'd love to be noticed more," Blanca said and noted about her time with Nordstrom that from them she learned the values of sourcing, presentation, attention to detail and above all customer service. All things she tries to accomplish every day.

They are open from 10am to 2pm daily and you will likely not be surprised, they offer high quality catering for your event or party too.



The Poblano sauce is so popular It is available by the jar at the café.



Grits (blended with polenta for texture and flavor) topped with the house made Poblano sauce are remarkable



Fish tacos are crispy fish, topped w/ purple cabbage for a crunch and delicious meal.



Look for the Greenbridge Café at the base of the clocktower on 8<sup>th</sup> Ave SW in the Greenbridge development.

# The paradox of renter protections: Misguided policies worsen housing shortage

July 23, 2021 at 1:48 pm Updated July 23, 2021 at 3:18 pm

By [Cory Brewer](#) *Special to The Times*



A recent Op-Ed I wrote argued that legislative attempts at renter-protection policies are counterproductive to the stated goal of helping resolve our region’s housing issues [[“The unintended consequences of rent controls and eviction moratoriums,”](#) June 7, Opinion]. In the weeks that followed, my work was questioned in public city council meetings and in a three-part series [published by Crosscut](#) that suggested — erroneously — that I did not provide “a shred of evidence” to support my claims. Let me be more specific.

Many of the policy goals billed as “renter protection” draw primarily from anecdote, speculation and, worst of all, ideologically driven narrative. Such goals are effective in swaying voter bases and work well as reelection campaign slogans. The policies, however, exacerbate our [housing shortage](#), as reflected in [a recent report](#) by the Turner Center for Housing Innovation at UC Berkeley.

Much of the rental housing in and around Greater Seattle comes in the form of single-family homes, commonly provided by “mom-and-pop” landlords. These almost exclusively are the clients of my property management firm. These homes are the

only practical choice for many renters in our community who come from all walks of life, some choosing to rent for convenience and others out of necessity.

Here are three criticisms and what they fail to address:

**The false narrative:** There is no data behind the claim that mom-and-pop providers are selling their rentals and thereby depleting the rental-housing supply. If some are, the number is negligible, and Seattle has added rentals over the past 50 years.

**The numbers:** In addition to the statistics that I cited in June, I gathered data from a dozen other property managers covering 10 counties across Washington state. Last year, their clients collectively sold off 229 rental homes. Midway through 2021, their clients have sold 159 homes, on pace for a 38% increase by year's end.

In Seattle, the availability of three-plus bedroom rentals on the Northwest Multiple Listing Service (NWMLS) so far this year is down 7.5% from the previous five-year average. Even using the most minimal estimation of rental homes selling due to legal changes, more than 350 single-family renter households are displaced annually in Seattle due to rental protections. Other [reports](#) estimate it could be 2,500 or more. How do these displaced households feel about such policies? In February, the Housing Justice Project provided me a chart documenting thousands of new rental units added to the Seattle market since 1970. At the time, I asked how it compared to overall population growth and for the mix of new apartments compared to new houses. The answers must not be very convenient to the narrative, because I have yet to receive them. This is a particular problem because, though the COVID-19 pandemic is temporary, legislators are using it to craft permanent changes to fundamental contract laws that are eroding the housing supply. If anything is certain going forward, the work-from-home trend will continue to draw people away from in-city apartments and toward suburban single-family homes.

**The false narrative:** Greedy landlords are jacking up rents. Evictions are the leading cause of homelessness. Government intervention is necessary.

**The numbers:** July apartment rents in Seattle [are down](#) 3.9% from this time last year and down further still [compared to early 2020 pre-pandemic levels](#). The argument for rent control assumes that housing materializes spontaneously and costs nothing to maintain. In the real world, it has been widely reported that 91% of rent collected [goes toward operating costs](#). Policies masquerading as “stability measures” not only diminish an already limited housing supply but also discourage future investment.

A [popular study](#) by Dr. Tim Thomas at the University of Washington correlates a dramatic rise in the state's homeless population with a loss of affordable housing and a decline in evictions. As the group [Challenge Seattle recently reported](#), Seattle-King County saw a 42% annual increase in its homeless population despite a statewide eviction moratorium. Some legislators do understand all of this, but it is frustrating to watch others fail to grasp the most basic housing concepts, not to mention existing state law. A Seattle City Council staffer recently explained “the need for government to get



involved in the (lease) transaction” in support of a rent-control proposal. This line of thinking reminds me of another ominous number — “1984.”

Regarding evictions, it should be noted that government housing projects have a reputation for a reason: King County Housing Authority is the No. 1 evictor in the state, with Seattle’s not far behind, according to a [2019 report by the King County Bar Association](#).

**The false narrative:** A mortgage is 30-year rent control for a homeowner.

**The numbers:** Cute analogy. Whoever came up with it must have never seen a property-tax bill. Housing providers are financially responsible for maintenance (and utilities if unpaid by a tenant). Halfway through 2021, the average three-bedroom rental in Seattle offered through NWMLS was \$3,371 a month. Meanwhile the purchase of the average three-bedroom home in Seattle would cost \$3,598 a month on a 30-year fixed mortgage at 3.25% interest and 10% down payment, plus ever-increasing tax, insurance and maintenance. Relatively speaking, the affordable family housing in modern-day Seattle is provided by mom-and-pop house rentals.

Marilyn Yim is a fellow Rental Housing Association member and co-founder of Seattle Grassroots Landlords, a group dedicated to bringing these issues forward with elected officials. She helped me gather data and is also one of many small mom-and-pop property owners affected by recent legislation. Experiencing this all firsthand, she views the policies as more “anti-landlord” than “pro-tenant.” So much so that she, like a growing number of others, has chosen to leave her rental vacant for the time being due to dramatically increased risk. She would be bankrolling someone to occupy her property if they failed to pay not only the rent, but also their utility consumption. In talking with other Rental Housing Association members, she laments that every small landlord she knows “has an exit strategy.” Yim, who resides in the triplex with her rental unit, is currently prohibited from the following in her own home:

- Running a criminal-background check on a prospective tenant.
- Denying tenancy to anyone who claims a “relationship” with an existing tenant, including [violent ex-boyfriends](#).
- Enforcing lease terms such as behavior and payment.

“Renter protection” has been a hot topic, but are these policies even legal? In July 2020, the city council in St. Paul, Minnesota, passed similar laws, which a [federal judge overturned](#) in April. This seems a predictable outcome for the recent legislation passed by the Seattle City Council, despite receiving legal advice that the bills were unlikely to withstand legal challenge.

The byproduct of all this policy is that mom-and-pop housing providers have been largely cast aside. They cannot absorb the risk or lost rental income. In my 10-plus years representing them, I have seen time again how tenant relationships are developed and valued. I have seen how our clients provide vital rental-housing options. I have seen them cover utilities and waive rents for struggling tenants. Renters ultimately lose when corporations and government housing replace these mom-and-pop providers. Housing

stability is a high priority, and believe me, tenant turnover can often be a tedious and expensive process that we'd just as soon avoid. These owners are small-business operators — don't drive them away. Once they sell, it's a virtual guarantee the home will never be offered as a rental again.

How does all this affect you? Do you aspire to grow your household someday and move into a larger residence? If you rent a house in the Seattle area, what would you do if it were sold in the coming year? Are there suitable options available in your neighborhood at a comparable price? Have you applied for rental housing recently, only to find that the market is competitive, and you lost out? Election season is coming up — where does your candidate stand on a housing-stability policy that works for you, now and in the future?

There are renters who need help and ways to help them, like financial assistance. The help should be targeted toward those in need, not a broad stroke that negatively impacts the majority of housing providers and renters alike. There are also ways to preserve and expand future supply through zoning, rather than penalizing current supply.

Thomas' study concludes that 1.8% of the adult population in Washington state has experienced eviction. When coupled with a 2019 King County Bar Association study, we can surmise that many were evicted from government housing and/or low-income corporate apartments. Does this warrant the crippling of our region's single-family rental housing supply?

*Cory Brewer is vice president of residential operations at Windermere Property Management/Lori Gill & Associates and serves on the Rental Housing Association of WA board of directors and is a member of the National Association of Residential Property Managers' governmental affairs committee.*

To the editor:

In his op-ed, Cory Brewer ("The paradox of renter protections: Misguided policies worsen housing shortage", July 25, Opinion) misleadingly stated that the King County Housing Authority is the "No. 1 evictor in the state" citing data from a 2019 report by the King County Bar Association to support his claim.

Unfortunately, Mr. Brewer is presenting conclusions not supported by the facts. KCHA owns and/or manages 11,000 units of housing, making it by far the largest landlord in the state. These properties have an overall annual eviction rate of one-half of 1 percent. This is extremely low. By comparison, the bar association report shows that private landlords evict tenants at rates 18 to 40 times higher than KCHA. An eviction rate is the percent of units experiencing evictions and provides a more statistically valid way to compare evictions across landlords.

KCHA's screening criteria are designed to provide access to stable housing for people experiencing homelessness and other significant barriers -- households typically screened out by private landlords. This lowered bar to housing, and the fact that we do not pursue "informal" evictions (which keeps the private landlord rate artificially low), makes our low eviction rate all the more remarkable.

KCHA has received national recognition for its efforts to keep its residents stably housed, and sees eviction as an absolute last resort.

Accurate information about eviction filings in King County in 2019 can be found at: <https://www.kcba.org/For-the-Public/Free-Legal-Assistance/Housing-Justice-Project/Explore-Data>.

Sincerely,

**Rhonda R. Rosenberg** | Director of Communications  
600 Andover Park W., Seattle, WA 98188  
Phone: 206-574-1185 | TTY: 7-1-1 | [www.kcha.org](http://www.kcha.org)

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# Council Roundup: Eastside Men's Shelter and other housing projects funding approved

*Published July 22 2021*

## Plus, Human Services recommendations, Environmental Stewardship progress report, and code amendment for East Bellevue parking minimums

On Monday evening the City Council unanimously approved funding for three housing efforts in Bellevue, including the Eastside Men's Shelter, Eastgate Permanent Supportive Housing and the acquisition of Illahee Apartments to preserve those affordable housing units.



Funding from Bellevue of \$3.6 million to support cost increases on the men's shelter construction at the Eastgate Master Development was approved on the consent calendar.

Two other resolutions were unanimously approved to authorize the City Manager to use existing city affordable housing funds in the amount of \$400,000 to support the Eastgate Permanent Supportive Housing project cost increases and \$4 million for the Illahee Apartments acquisition by the King County Housing Authority to preserve existing affordable housing.

More information is in the meeting materials for Resolution 9971 (Eastside Men's Shelter), Resolution 9972 (Eastgate Permanent Supportive Housing), and Resolution 9973 (Illlahee Apartments) and the full discussion can be viewed on [Bellevue Television replay](https://youtu.be/3ufWlp7OjIw?list=PLNOMjqsB9eldGZEnpnef-kkQzc8iP5WAc&t=8307). (<https://youtu.be/3ufWlp7OjIw?list=PLNOMjqsB9eldGZEnpnef-kkQzc8iP5WAc&t=8307>).

## Human Services recommendations

Councilmembers also reviewed recommendations from the Human Services Commission to fund behavioral health, supportive services and rental assistance programs as part of a House Bill 1590 (HB1590) affordable housing and related services sales tax increase, approved by the State legislature in 2020 and expected to generate about \$8.5 million for Bellevue in 2021.

The bill aims to preserve and create affordable housing for low-income residents, but also to provide behavioral and mental health treatment programs to support housing stability and successful transitions from homelessness. The tenth of a percent tax increase went into effect Jan. 1, 2021. 20% of the revenue generated is dedicated to human services funding, which equals \$1.66 million in Bellevue this year.

The commission prioritized equity in the process of selecting agencies to fund, doing additional outreach to agencies supporting diverse populations and offering technical assistance to complete the grant applications. 25 applications for funding were received and discussed during two rounds of review, with 19 programs recommended to receive funding. Seven of those programs were new to the city.

During the vote to direct staff to prepare an ordinance allocating funding in alignment with the commission's recommendation, councilmembers Jared Nieuwenhuis and Janice Zahn recused themselves from the vote because they serve on boards for agencies that had applied for funding. The remaining councilmembers unanimously approved moving forward with allocating the funding in line with the recommendation.

The council will discuss in an upcoming meeting how to allocate the remaining 2021 HB1590 funding to capital projects to create affordable housing. More information on the human services component of the action is available in the [meeting materials](https://bellevue.legistar.com/LegislationDetail.aspx?ID=5032707&GUID=FA3D449A-550E-43F4-910F-2ABB5D6A451B) (<https://bellevue.legistar.com/LegislationDetail.aspx?ID=5032707&GUID=FA3D449A-550E-43F4-910F-2ABB5D6A451B>).

## Environmental Stewardship progress report

Later, councilmembers received an informational update on the city's progress as part of the newly updated Environmental Stewardship Initiative.

The report highlighted the impacts of COVID-19 on the community's key environmental metrics, which improved due to less business activity and reduced driving and energy use during the pandemic. Emissions decreased by 19%, per capita vehicle miles driven dropped 31% and electricity use went down by 22%. The city's municipal operations also saw a decrease in emissions of 20%, lower building energy use and fossil fuel use reduction due to fleet vehicles not being used. There was also a reduction in energy use for traffic signals and street lights due to an LED lighting upgrade that is nearly completed.

In the second quarter of 2021, the city will undertake several lighting and HVAC upgrades thanks to an energy efficiency grant awarded by the Dept. of Commerce. The city is also using a donation from the business community to start a tree planting program and was recognized by What Works Cities for excellence in data management and sharing data with the public. All of the key metrics being tracked to show how the city is progressing in its Environmental Stewardship Initiative are at [www.BellevueWA.gov/esiperformance](http://www.bellevuewa.gov/esiperformance) (<http://www.bellevuewa.gov/esiperformance>).

## Code amendment for East Bellevue parking minimums

Also on Monday, the council enacted a Land Use Code Amendment (LUCA) to establish different parameters for reduced minimum parking standards for certain multifamily developments near frequent transit in the East Bellevue Community Council (EBCC) area to align with state statutes.

The EBCC disapproved a prior ordinance passed by the City Council amending the Land Use Code to establish reduced minimum parking standards. The council established that certain multifamily developments may be eligible for reduced parking requirements when located within one-half mile of a transit stop with service at least four times per hour for 12 hours per day. One-half mile was selected instead of one-quarter mile, the minimum under state statutes, in order to make housing development more feasible and anticipating the impact of future light rail service. The EBCC LUCA would limit eligibility to one-quarter mile from any frequent transit stop for eligible residential development located within the EBCC jurisdictional area.

More details on the LUCA are available in the meeting [agenda item](https://bellevue.legistar.com/LegislationDetail.aspx?ID=5032715&GUID=A2A21DAF-0B12-4288-A3AF-1AF164038061) (<https://bellevue.legistar.com/LegislationDetail.aspx?ID=5032715&GUID=A2A21DAF-0B12-4288-A3AF-1AF164038061>).