



# **MEETING OF THE BOARD OF COMMISSIONERS**

## **HYBRID MEETING**

**Monday, August 15, 2022**

**Webinar Meeting:**

**[https://kcha-  
org.zoom.us/j/89584533440?pwd=Q2xXeIZyQ0N  
SenN1M2wwWEhxaWswQT09](https://kcha-org.zoom.us/j/89584533440?pwd=Q2xXeIZyQ0NSenN1M2wwWEhxaWswQT09)**

**PASSCODE: 547816**

**Webinar ID: 895 8453 3440**

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

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



# HYBRID MEETING OF THE BOARD OF COMMISSIONERS AGENDA

August 15, 2022 - 8:30 a.m.

King County Housing Authority - West Wing Conference Room  
600 Andover Park West, Tukwila, WA 98188

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**I. Call to Order**

**II. Roll Call**

**III. Public Comment**

**IV. Approval of Minutes**

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A. Board Meeting Minutes – July 18, 2022

**V. Approval of Agenda**

**VI. Consent Agenda**

A. Voucher Certification Reports for June 2022

**2**

B. **Resolution No. 5728** - A Resolution providing for the formation

**3**

A limited liability limited partnership in connection with the rehabilitation of Kirkland Heights Apartments, declaring the Authority's intention to sell tax-exempt obligations to finance the Kirkland Heights Apartments, and providing for other related matters

**VII. Resolutions for Discussion**

**4**

A. **Resolution No. 5729** – Authorizing a Change in the Pay Schedules for Administrative and Building Trade Employees of 6.4% Effective September 12, 2022

## **VIII. Briefings & Reports**

A. Second Quarter CY 2022 Write-Off's	<b>5</b>
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## **IX. Executive Director Report**

X. KCHA in the News	<b>6</b>
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## **XI. Commissioner Comments**

## **XII. Adjournment**

Members of the public who wish to give public comment: We are now accepting public comment during the meeting or written comments. Please send your requests for public comment to the Board Coordinator via email 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  
KING COUNTY HOUSING AUTHORITY  
BOARD OF COMMISSIONERS  
HYBRID MEETING**

**Monday, July 18, 2022**

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**I. CALL TO ORDER**

The monthly meeting of the King County Housing Authority Board of Commissioners was held as a special hybrid meeting on Monday, July 18, 2022. There being a quorum, the hybrid meeting was called to order by Vice-Chair Palmer at 8:35 a.m.

**II. ROLL CALL**

**Present:** Commissioner Susan Palmer (Vice-Chair) (via Zoom), Commissioner Regina Elmi (via phone) and Commissioner TerryLynn Stewart (via Zoom).

**Excused:** Commissioner Doug Barnes (Chair) and Commissioner John Welch

**III. PUBLIC COMMENT**

A. Resident Tashena Sullivan gave public comment.

B. Resident Cindy Ference gave public comment.

**IV. APPROVAL OF MINUTES**

A. Board Meeting Minutes – June 21, 2022

On motion by Commissioner TerryLynn Stewart, and seconded by Commissioner Regina Elmi, the Board unanimously approved the June 21, 2022 Meeting Minutes.

**V. APPROVAL OF AGENDA**

On motion by Commissioner TerryLynn Stewart, and seconded by Commissioner Regina Elmi, the Board unanimously approved the July 18, 2022 hybrid Board of Commissioners' meeting agenda.

**VI. CONSENT AGENDA**

A. Voucher Certification Report for May 2022

B. **Resolution No. 5725** - Authorization to Submit Funding Applications for Rehab & Redevelopment of Kirkland Heights Apartments

On motion by Commissioner TerryLynn Stewart, and seconded by Commissioner Regina Elmi, the Board unanimously approved the July 18, 2022 hybrid Board of Commissioners' meeting consent agenda.

## **VII. RESOLUTIONS FOR DISCUSSION**

### **A. Resolution No. 5726 – Authorizing Higher Payment Standards for the Housing Choice Voucher Program**

Kristy Johnson, Senior Director for Policy, Research and Social Impact Initiatives  
Tyler Shannon, Research and Data Analyst  
Craig Violante, Interim Deputy Executive Director – Chief Administrative Officer

A comprehensive analysis of the effectiveness and impacts of KCHA's multi-tiered payment standards was presented to the Board.

A payment standard is the maximum amount that KCHA will pay to landlords on behalf of tenants participating in the Housing Choice Voucher program. For rental amounts that are within the payment standards, program participants pay a set portion of their income—generally around 30%—and the housing authority pays the balance. However, when rents exceed the payment standard, KCHA pays the landlord only up to the maximum payment standard amount, and the balance is the responsibility of the tenant.

Seventeen years ago, one of KCHA's first Moving to Work activities was to design a customized payment standard system to better meet the needs of residents. One of the goals was to increase affordability for tenants in high-opportunity neighborhoods, while insuring the efficient use of limited resources. This approach allows for the payment of enhanced subsidies in high-opportunity areas in the county, such as the eastside, while not leading the market in less expensive neighborhoods.

This proposal includes increases in all tiers and the movement of one zip code to a higher tier.

Mr. Violante provided some context as to the financial viability of the proposal.

Questions of Commissioners were answered.

On motion by Commissioner TerryLynn Stewart, and seconded by Commissioner Regina Elmi, the Board unanimously approved Resolution 5726.

### **B. Resolution No. 5727 – Changes to the Public Housing Admissions and Continued Occupancy Policy (ACOP) and the Tenant-based and Project-Based Administrative Plans (Ad Plans) relating to Family Eligibility**

Judi Jones, Senior Program Compliance Manager gave a summary of the changes that were made.

Questions of Commissioners were answered.

On motion by Commissioner TerryLynn Stewart, and seconded by Commissioner

Regina Elmi, the Board unanimously approved Resolution 5727.

## **VIII. BRIEFINGS & REPORTS**

### **A. 2022 Mid-Year Financial Forecast**

Windy Epps, Director of Finance, gave a presentation of the changes included in the revised forecast.

Questions of Commissioners were answered.

### **B. First Quarter Financials**

Windy Epps, Director of Finance, gave a briefing on the financial results.

Questions of Commissioners were answered.

### **C. Second Quarter CY 2022 Procurement Report**

Craig Violante, Interim Deputy Executive Director – Chief Administrative Officer, presented the report and highlighted two procurements.

Questions of Commissioners were answered.

### **D. KCHA Reopening Plans**

Tonya Harlan, Director of Human Resources and Craig Violante, Interim Deputy Executive Director – Chief Administrative Officer gave a high level status update on KCHA's pandemic-related re-opening activities.

KCHA is still on track to re-open on September 6, 2022. This is the date employees will begin to return to the office on a limited basis, but the date of re-opening to the public has not yet been set.

Questions of Commissioners were answered.

## **VIII. EXECUTIVE DIRECTOR REPORT**

Executive Director Robin Walls said she was glad to be here, excited and looking forward to continuing the great work of KCHA.

Dan Watson updated the Board on the status of the Federal budget for the next fiscal year, and reported no progress. The Federal government will likely be funded under a continuing resolution for an unknown period of time. The Biden Build Back Better proposal seems to be dead.

KCHA's Emergency Housing Voucher (EHV) leasing rates are among the best in the nation and are currently a bit over 70%. The higher payment standards should certainly play a key role in efforts to achieve 100% leasing.

Mr. Watson reminded the board of the Equity, Diversity and Inclusion retreat that will take place after the August Board meeting.

Mr. Watson gave a report on a KCHA-owned property in Burien called Sunnydale. It is a 16-unit complex and has been leased to a mental health provider for many years. MultiCare recently acquired the mental health provider and has decided to end their participation in the program. A search is underway to find an alternative provider, but the likelihood of success is unclear. The complex is in need of some upgrades.

**IX. KCHA IN THE NEWS**

None.

**X. COMMISSIONER COMMENTS**

None.

**XI. ADJOURNMENT**

Vice-Chair Palmer adjourned the meeting at 10:17 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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**ROBIN WALLS**  
Secretary



# T A B N U M B E R



**To:** Board of Commissioners

**From:** Mary Osier, Accounting Manager

**Date:** July 27, 2022

**Re:** **VOUCHER CERTIFICATION FOR JUNE 2022**

I, Mary Osier, 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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Mary Osier  
Accounting Manager  
July 27, 2022

Bank Wires / ACH Withdrawals		6,012,631.07
	<i>Subtotal</i>	<b>6,012,631.07</b>
Accounts Payable Vouchers		
Key Bank Checks - #340579-340966		3,651,426.54
Tenant Accounting Checks - #11676-11699		6,579.94
	<i>Subtotal</i>	<b>3,658,006.48</b>
Payroll Vouchers		
Checks - #93055-93058 & 93078-93117		65,849.20
Direct Deposit		1,876,455.39
	<i>Subtotal</i>	<b>1,942,304.59</b>
Section 8 Program Vouchers		
Checks - #638826-639282 & 639285-639286 & 639288-639330		261,791.88
ACH - #548002-550690		18,619,888.27
	<i>Subtotal</i>	<b>18,881,680.15</b>
Purchase Card / ACH Withdrawal		393,208.34
	<i>Subtotal</i>	<b>393,208.34</b>
	<b>GRAND TOTAL</b>	<b>\$ 30,887,830.63</b>

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

FROM: Wen Xu, Director of Asset Management

SUBJECT: VOUCHER CERTIFICATION FOR JUNE 2020

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	
ALPINE RIDGE	06/04/2020	\$ 5,027.91		
ARBOR HEIGHTS	06/04/2020	\$ 5,165.40		
Aspen Ridge	06/04/2020	\$ 16,425.45		
Auburn Square	06/04/2020	\$ 30,522.99		
Bellepark	06/04/2020	\$ 8,492.98		
Carriage House	06/04/2020	\$ 13,242.68		
CASCADIAN	06/04/2020	\$ 14,895.13		
FAIRWOOD	06/04/2020	\$ 8,501.76		
Hampton	06/04/2020	\$ 39,519.96		
HERITAGE PARK	06/04/2020	\$ 8,360.71		
Kendall Ridge	06/04/2020	\$ 25,710.22		
Landmark	06/04/2020	\$ 16,935.07		
LAURELWOOD	06/04/2020	\$ 6,003.10		
Meadows	06/04/2020	\$ 6,076.56		
Newporter	06/04/2020	\$ 9,244.43		
OVERLAKE TOD	06/04/2020	\$ 143,364.58		
Parkwood	06/04/2020	\$ 1,041.57		
RAINIER VIEW I	06/04/2020	\$ 8,860.50		
RAINIER VIEW II	06/04/2020	\$ 7,420.75		
Riverstone	06/04/2020	\$ 48,250.51		
SI VIEW	06/04/2020	\$ 5,539.05		
SOUTHWOOD SQUARE	06/04/2020	\$ 19,107.55		
Timberwood	06/04/2020	\$ 12,520.10		
Vashon Terrace	06/04/2020	\$ 1,308.04		
Walnut Park	06/04/2020	\$ 15,897.94		
WINDSOR HEIGHTS	06/04/2020	\$ 28,357.13		
Woodridge Park	06/04/2020	\$ 11,067.20		
Woodside East	06/04/2020	\$ 21,391.12		
Cottonwood	06/09/2020	\$ 18,211.97		
Cove East	06/09/2020	\$ 26,178.46		
Juanita View	06/09/2020	\$ 9,290.40		
Kirkland Heights	06/09/2020	\$ 46,429.36		
Ballinger Commons	06/10/2020	\$ 80,217.15		
Bellepark	06/10/2020	\$ 26,284.66		
Emerson	06/10/2020	\$ 48,386.01		
GILMAN SQUARE	06/10/2020	\$ 79,273.97		
Hampton Greens	06/10/2020	\$ 26,860.37		
Kendall Ridge	06/10/2020	\$ 7,959.94		
Landmark	06/10/2020	\$ 3,223.17		
Meadowbrook Depository	06/10/2020	\$ 20,584.62		
Riverstone	06/10/2020	\$ 2,364.95		
Villages at South Station	06/10/2020	\$ 106,749.88		
Woodside East	06/10/2020	\$ 3,027.61		
ALPINE RIDGE	06/11/2020	\$ 5,902.40		
ARBOR HEIGHTS	06/11/2020	\$ 11,203.19		
Aspen Ridge	06/11/2020	\$ 7,515.20		
Auburn Square	06/11/2020	\$ 22,772.24		
Carriage House	06/11/2020	\$ 27,129.48		
CASCADIAN	06/11/2020	\$ 32,182.51		
Colonial Gardens	06/11/2020	\$ 44,598.81		
FAIRWOOD	06/11/2020	\$ 24,437.69		
HERITAGE PARK	06/11/2020	\$ 25,108.45		
LAURELWOOD	06/11/2020	\$ 12,789.31		
Meadows	06/11/2020	\$ 13,775.80		
Newporter	06/11/2020	\$ 17,261.43		
OVERLAKE TOD	06/11/2020	\$ 65,544.23		
Parkwood	06/11/2020	\$ 23,844.25		
RAINIER VIEW I	06/11/2020	\$ 10,406.53		
RAINIER VIEW II	06/11/2020	\$ 4,098.04		
SI VIEW	06/11/2020	\$ 1,817.49		
SOUTHWOOD SQUARE	06/11/2020	\$ 17,007.86		
Timberwood	06/11/2020	\$ 23,223.99		
Walnut Park	06/11/2020	\$ 26,655.82		

WINDSOR HEIGHTS	06/11/2020	\$	55,987.03	
Woodridge Park	06/11/2020	\$	38,467.75	
Bellepark	06/17/2020	\$	25,078.78	
Hampton Greens	06/17/2020	\$	171,601.96	
Kendall Ridge	06/17/2020	\$	56,070.89	
Landmark	06/17/2020	\$	63,753.72	
Riverstone	06/17/2020	\$	45,208.33	
Tall Cedars	06/17/2020	\$	2,841.07	
Woodside East	06/17/2020	\$	48,004.86	
ALPINE RIDGE	06/18/2020	\$	12,379.74	
ARBOR HEIGHTS	06/18/2020	\$	5,174.07	
ARBOR HEIGHTS	06/18/2020	\$	7,590.78	
Aspen Ridge	06/18/2020	\$	2,147.08	
Auburn Square	06/18/2020	\$	4,270.94	
Carriage House	06/18/2020	\$	6,161.16	
CASCADIAN	06/18/2020	\$	1,070.51	
Colonial Gardens	06/18/2020	\$	2,528.21	
FAIRWOOD	06/18/2020	\$	13,694.27	
HERITAGE PARK	06/18/2020	\$	3,607.29	
LAURELWOOD	06/18/2020	\$	5,065.51	
Meadows	06/18/2020	\$	13,824.67	
Newporter	06/18/2020	\$	23,342.41	
OVERLAKE TOD	06/18/2020	\$	6,649.17	
Parkwood	06/18/2020	\$	2,557.00	
Parkwood	06/18/2020	\$	5,411.61	
RAINIER VIEW I	06/18/2020	\$	9,779.84	
RAINIER VIEW II	06/18/2020	\$	6,961.95	
SI VIEW	06/18/2020	\$	4,410.83	
SOUTHWOOD SQUARE	06/18/2020	\$	7,293.41	
Timberwood	06/18/2020	\$	42,067.59	
Vashon Terrace	06/18/2020	\$	7,251.01	
Walnut Park	06/18/2020	\$	77,474.34	
WINDSOR HEIGHTS	06/18/2020	\$	19,556.45	
Woodland North	06/18/2020	\$	356.54	
Woodridge Park	06/18/2020	\$	22,511.09	
Cottonwood	06/23/2020	\$	10,252.38	
Cove East	06/23/2020	\$	23,645.84	
Juanita View	06/23/2020	\$	29,863.98	
Kirkland Heights	06/23/2020	\$	40,922.75	
Ballinger Commons	06/24/2020	\$	120,874.82	
Bellepark	06/24/2020	\$	7,760.36	
Emerson	06/24/2020	\$	52,891.75	
GILMAN SQUARE	06/24/2020	\$	34,959.06	
Hampton Greens	06/24/2020	\$	23,396.39	
Kendall Ridge	06/24/2020	\$	9,620.43	
Landmark	06/24/2020	\$	29,638.36	
Meadowbrook Depository	06/24/2020	\$	25,933.10	
Riverstone	06/24/2020	\$	11,382.43	
Villages at South Station	06/24/2020	\$	47,225.82	
Woodside East	06/24/2020	\$	14,146.10	
ALPINE RIDGE	06/25/2020	\$	6,783.87	
ARBOR HEIGHTS	06/25/2020	\$	10,728.96	

Aspen Ridge	06/25/2020	\$	14,456.90		
Auburn Square	06/25/2020	\$	34,647.17		
Carriage House	06/25/2020	\$	25,647.70		
CASCADIAN	06/25/2020	\$	24,460.10		
Colonial Gardens	06/25/2020	\$	11,836.77		
FAIRWOOD	06/25/2020	\$	22,486.51		
HERITAGE PARK	06/25/2020	\$	15,909.05		
LAURELWOOD	06/25/2020	\$	22,594.10		
Meadows	06/25/2020	\$	31,137.18		
Newporter	06/25/2020	\$	19,070.91		
OVERLAKE TOD	06/25/2020	\$	34,967.58		
Parkwood	06/25/2020	\$	20,215.20		
RAINIER VIEW I	06/25/2020	\$	1,841.19		
RAINIER VIEW II	06/25/2020	\$	804.82		
SI VIEW	06/25/2020	\$	3,741.67		
SOUTHWOOD SQUARE	06/25/2020	\$	19,302.40		
Timberwood	06/25/2020	\$	32,388.35		
Vashon Terrace	06/25/2020	\$	4,171.69		
Walnut Park	06/25/2020	\$	23,533.96		
WINDSOR HEIGHTS	06/25/2020	\$	42,558.42		
Woodridge Park	06/25/2020	\$	38,942.48		
<b>136 Wires -Total:</b>		<b>\$</b>	<b>3,225,460.04</b>		

# T A B N U M B E R

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**To:** Board of Commissioners

**From:** Dan Landes, Director of Development

**Date:** August 15, 2022

**Re:** **Resolution 5728:** Providing for the formation of one or more limited liability limited partnerships in connection with the rehabilitation of Kirkland Heights Apartments, declaring the Authority's intention to sell tax-exempt obligations to finance the Kirkland Heights Apartments, and providing for other related matters.

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Resolution 5728 authorizes the Authority to form one or more limited liability partnerships in preparation for a tax credit rehabilitation and redevelopment of the Kirkland Heights Apartments and declares the Authority's intent to issue tax-exempt bonds to finance a portion of the cost. Declaring KCHA's intent to issue tax-exempt bond financing in advance of the actual issuance of the bonds is a requirement by the IRS in order for the Authority to be reimbursed from proceeds of a future bond issue for any development related costs it incurs in advance of the tax-exempt bonds actually being issued.

KCHA acquired the Kirkland Heights Apartments in 2019 from Aero Kirkland Association, a non-profit organization operated by the International Association of Machinists and Aerospace Workers Union District 751. The goal of acquisition was the long-term preservation of these units as affordable housing and to ensure continued receipt of HUD rental assistance for 106 of the 180 units which received project-based Section 8 units under a HAP contract.

The buildings, built in 1971, are in need of significant capital improvements and the site is currently underdeveloped for the current zoning designation. The Authority is conducting its due diligence work in preparation of a comprehensive redevelopment of the site which would include both a rehabilitation of the existing

units as well as the addition of new units. The current zoning will allow KCHA to add up to 96 units which will increase the total number of units to 276.

In order to complete a redevelopment of this size and scale, the financing structure will require the use of tax-exempt bond financing and 4% Low-Income Housing Tax Credits. Staff anticipates providing the Board of Commissioners a comprehensive overview of the proposed redevelopment of the site, including a full financing plan, in early 2023. Subject to Board of Commissioner approval, KCHA anticipates closing on tax-exempt bond financing and closing on the Low-Income Housing Tax Credits with a tax credit investor partner in mid-to late 2023.

Authorization of Resolution 5728 does not commit KCHA to issuing bonds nor obligate the Authority to move forward with the redevelopment of the site but does allow KCHA to establish one or more tax credit limited liability limited partnerships in preparation for a rehabilitation and redevelopment of the site and vests the Authority's ability to reimburse itself from future tax-exempt bond proceeds for any development costs it incurs prior to the issuance of tax-exempt bonds.

Staff recommends passage of Resolution 5728.



HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5728

(KIRKLAND HEIGHTS APARTMENTS)

A RESOLUTION of the Board of Commissioners of the Housing Authority of the County of King providing for the formation one or more limited liability limited partnerships of which the Authority will be the sole general partner in connection with the acquisition, rehabilitation, construction, equipping, and operation of the Kirkland Heights Apartments; declaring the Authority's intention to sell tax-exempt obligations to provide financing to such limited liability limited partnership(s) in connection with the acquisition, rehabilitation, construction, and equipping of the Kirkland Heights Apartments; and providing for other matters properly related thereto.

ADOPTED August 15, 2022

*This document was prepared by:  
FOSTER GARVEY P.C.  
1111 Third Avenue, Suite 3000  
Seattle, Washington 98101  
(206) 447-4400*

# HOUSING AUTHORITY OF THE COUNTY OF KING

## RESOLUTION NO. 5728

### (KIRKLAND HEIGHTS APARTMENTS)

A RESOLUTION of the Board of Commissioners of the Housing Authority of the County of King providing for the formation one or more limited liability limited partnerships of which the Authority will be the sole general partner in connection with the acquisition, rehabilitation, construction, equipping, and operation of the Kirkland Heights Apartments; declaring the Authority's intention to sell tax-exempt obligations to provide financing to such limited liability limited partnership(s) in connection with the acquisition, rehabilitation, construction, and equipping of the Kirkland Heights Apartments; and providing for other matters properly related thereto.

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**BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING**, as follows:

**Section 1.** The Board of Commissioners (the "Board") of the Housing Authority of the County of King (the "Authority") finds and determines that:

(a) The Authority seeks to encourage the provision of housing for low-income persons residing in King County, Washington (the "County").

(b) The Authority is authorized by the Housing Authorities Law (chapter 35.82 RCW) to, among other things: (i) "prepare, carry out, acquire, lease and operate housing projects; to provide for the construction, reconstruction, improvement, alteration or repair of any housing project or any part thereof" (RCW 35.82.070(2)); (ii) "lease or rent any dwellings . . . buildings, structures or facilities embraced in any housing project and . . . to establish and revise the rents or charges therefor" (RCW 35.82.070(5)); (iii) "make and execute contracts and other instruments, including but not limited to partnership agreements" (RCW 35.82.070(1)); (iv) "delegate to one or more of its agents or employees such powers or duties as [the Authority] may deem proper" (RCW 35.82.040); (v) "make . . . loans for the acquisition, construction, reconstruction, rehabilitation, improvement, leasing or refinancing of land, buildings, or developments for housing for persons of low income" (RCW 35.82.070(19)); and (vi) issue bonds, notes or other obligations for any of its corporate purposes (RCW 35.82.020(11) and 35.82.130). The phrase "housing project" is defined by RCW 35.82.020 to include, among other things, "any work or undertaking . . . to provide decent, safe and sanitary urban or rural dwellings, apartments, mobile home parks or other living accommodations for persons of low income."

(c) The Authority expects to participate in the acquisition (for federal tax purposes), development, rehabilitation, construction, equipping, operation and maintenance of a residential rental housing project known as Kirkland Heights Apartments, and located in the vicinity of 13310 NE 133<sup>rd</sup> Street, Kirkland, Washington ("Project"). The total financing for the Project is expected to require the use of various funding sources, including tax-exempt obligations, low-income housing tax

credits, loans from public and private lenders, and grants. Certain of these sources will require the creation of a partnership or limited liability company. The Board further finds and determines that the Partnerships (as defined below) and the Project will provide for the necessary support of the poor within the County.

(d) Based on its consideration of the funding sources available for the Project, the need for affordable housing in the County, and other matters, the Board deems it necessary to proceed with the transactions described in this resolution, and that financing provided by the Authority for the Project is important for the Project's feasibility and is necessary to enable the Authority to carry out its powers and purposes under the Housing Authorities Law.

(e) The Authority anticipates that the Partnerships will request that the Authority issue and sell revenue obligations for the purpose of assisting the Partnerships in financing and/or refinancing the Project, and the Authority desires to provide such assistance, if certain conditions are met.

(f) Treasury Regulations Sections 1.103-8(a)(5) and 1.142-4(b) provide that, if an expenditure for an exempt facility is made before the issue date of the tax-exempt obligations issued to provide financing for that facility, in order for such expenditure to qualify for tax-exempt financing, the issuer must declare an official intent under Treasury Regulations Section 1.150-2 to reimburse such expenditure from the proceeds of those tax-exempt obligations, and one of the purposes of this resolution to satisfy the requirements of such regulations.

**Section 2.** The Authority is authorized to participate in the formation of, and become the sole general partner of one or more Washington limited liability limited partnerships (collectively, the "Partnerships"). The Board intends that the Partnerships will acquire, develop, rehabilitate, construct, equip, operate and maintain the Project, and receive low-income housing tax credits in connection therewith.

**Section 3.** The Authority's Executive Director, any Deputy Executive Director of the Authority, and their respective designees (each, an "Authorized Officer" and, collectively, the "Authorized Officers"), and each of them acting alone, are authorized on behalf of the Authority to: (i) execute, deliver and file (or cause to be executed, delivered and filed), to the extent required by law, a partnership agreement, a certificate of limited partnership, and all such forms, certificates, applications and other documents that are necessary to form each Partnership; (ii) determine the name of each Partnership (it being understood that the words "KCHA Kirkland Heights" should appear in each name to the greatest extent feasible); and (iii) take any other action that they deem necessary and advisable to give effect to this resolution and the transactions contemplated herein. The Authority's Executive Director is delegated the authority to determine the number of Partnerships to be formed, and further to cause, in their discretion, that a Partnership to be created as a Washington limited liability company, in which case all references in this resolution to limited liability limited partnership, partnership agreement, general partner, limited partner, chapter 25.10 RCW, and certificate of limited partnership with respect to such entity shall be deemed to be references to limited liability company, operating agreement, managing member, investor member, chapter 25.15 RCW and certificate of formation, respectively.

**Section 4.** To assist in the financing of the Project, with the public benefits resulting therefrom, the Authority declares its intention, subject to the conditions and terms set forth herein, to issue and sell its revenue bonds or other obligations (the “Bonds”) in a principal amount of not to exceed \$50,000,000, to use the proceeds of the sale of the Bonds to make a loan (the “Loan”) to the Partnerships, and to reimburse itself or to permit each Partnership to reimburse itself, as applicable, from proceeds of the Bonds for expenditures for the Project made by the Authority or such Partnership before the issue date of the Bonds. The proceeds of the Bonds will be used to assist in financing the Project, and may also be used to pay all or part of the costs incident to the authorization, sale, issuance and delivery of the Bonds. The Bonds will be payable solely from sources specified by resolution of the Board of Commissioners of the Authority. The Bonds may be issued in one or more series, and shall bear such rate or rates of interest, payable at such times, shall mature at such time or times, in such amount or amounts, shall have such security, and shall contain such other terms, conditions and covenants as shall later be provided by resolution of the Board of Commissioners of the Authority. The Bonds shall be issued subject to the conditions that (a) the Authority, the applicable Partnership, and the purchaser of the Bonds shall have first agreed to mutually acceptable terms for the Bonds and the sale and delivery thereof and mutually acceptable terms and conditions of the loan or other agreement for the Project, and (b) all governmental approvals and certifications and findings required by laws applicable to the Bonds first shall have been obtained. For purposes of applicable Treasury Regulations, the Authority and each Partnership is authorized to commence financing of the Project and advance such funds as may be necessary therefor, subject to reimbursement for all expenditures to the extent provided herein out of proceeds, if any, of the issue of Bonds authorized herein. The adoption of this resolution does not constitute a guarantee that the Bonds will be issued or that the Project will be financed as described herein. The Board of Commissioners of the Authority shall have the absolute right to rescind this Section 4 at any time if it determines in its sole judgment that the risks associated with the issuance of the Bonds are unacceptable. It is intended that this resolution shall constitute a declaration of official intent to reimburse expenditures for the Project made before the issue date of the Bonds from proceeds of the Bonds, for the purposes of Treasury Regulations Sections 1.103-8(a)(5), 1.142-4(b), and 1.150-2.

**Section 5.** The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority (in its individual capacity and/or in its capacity as the general partner of the Partnership(s)) to: (i) apply for, and enter into contracts relating to, such funding for the Project as they deem necessary or desirable, including without limitation public and/or private sector financing, Community Development Block Grant(s), Washington State Housing Trust Fund grant(s) and/or loan(s), an allocation of private activity bond volume cap from the Washington State Department of Commerce and/or the Washington State Housing Finance Commission, as applicable, and other federal, state and local funds; (ii) apply for any and all necessary approvals from the U.S. Department of Housing and Urban Development in connection with such funding; (iii) lend or grant all or any portion of the money derived from such funding sources to the Partnership(s), and/or cause any contracts relating to such funding to be assigned to the Partnership(s); (iv) apply to the Washington State Housing Finance Commission for an allocation of (or approval of the use of) low income housing tax credits for all or a portion of the Project (depending on whether the Authorized Officers determine to pursue “9%” tax credits, “4%” tax credits), enter into such agreements (including a credit reservation and carryover allocation contract), provide such documents (including cost certifications) necessary to secure such allocation(s) (or approval(s)), and cause such allocation(s) (or any portion(s) thereof) to be

assigned to the Partnership(s) if the allocation(s) initially are made to the Authority; (v) seek and approve investors to serve as subsequent limited partners in the Partnership(s) in connection with the receipt of low income housing tax credits for the Project; (vi) negotiate with potential investors regarding their acquisition of limited partnership interests in the Partnership(s) and, if the Executive Director determines the same to be advisable, limited partner or member interests in limited partnerships and/or limited liability companies formed to finance other Authority tax credit projects; (vii) execute documents pursuant to which Authority funds (including amounts granted or lent to the Authority for the Project) may be lent to the Partnership(s); (viii) prepare all appropriate resolutions for Board review and approval; (ix) prepare all documents required so that the Authority and the Partnership(s) comply with state and federal securities laws; (x) negotiate contracts relating to the use, management and naming of Project buildings; (xi) take all necessary and appropriate actions for the Partnership(s) to acquire all or a portion of the Project by sale or lease from the existing owner thereof (including entering into any option to lease, or lease, necessary to provide the Partnership(s) with control of all or a portion of the Project site); (xii) solicit investment banking firms to serve as the lead underwriter(s) and as members of a selling group (if any) for any publicly offered bonds to be issued for the Project, and select such lead underwriter(s) and the members of any selling group (if the Executive Director determines that a selling group is desirable); (xiii) seek and approve purchasers of any privately placed bonds to be issued for the Project, and negotiate with potential purchasers regarding the terms of such financing; (xiv) apply for ratings of any bonds to be issued by the Authority for the Project (but only if the Authority's Executive Director determines such ratings to be desirable); and (xv) otherwise execute the Authority's rights under the partnership agreement(s).

**Section 6.** The Authorized Officers, and each of them acting alone, are hereby directed, and granted the discretionary authority, to execute and deliver any and all other certificates, documents, agreements and instruments that are necessary or appropriate in their discretion to give effect to this resolution and to consummate the transactions contemplated herein, including, but not limited to, any development services agreement between the Partnership(s) and the Authority (and/or others) providing for the development of the Project, contracts with architects, engineers and other consultants, and construction contracts. Notwithstanding any other Authority resolution, rule, policy, or procedure, the Authorized Officers, and each of them acting alone, are authorized to create, accept, execute, send, use, and rely upon such tangible medium, manual, facsimile, or electronic documents, records and signatures under any security procedure or platform, as in such Authorized Officer's judgment may be necessary or desirable to give effect to this resolution and to consummate the transactions contemplated herein.

**Section 7.** The Authority is authorized to expend such funds as are necessary to pay for all filing fees, application fees, registration fees and other costs relating to the actions authorized by this resolution. To the extent any fees or predevelopment costs are incurred and payable by the Partnership(s) prior to the time the Authority enters into a formal loan agreement, the Authority may lend money to the Partnership(s) to pay such costs, with the loan bearing interest at such rate that the Executive Director determines, in the Executive Director's discretion (which may be 0% per annum).

**Section 8.** Any action required by this resolution to be taken by the Executive Director of the Authority may, in the absence of the Executive Director, be taken by any Deputy Executive Director of the Authority.

**Section 9.** Any actions of the Authority or its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.

**Section 10.** This resolution shall be in full force and effect from and after its adoption and approval.

**ADOPTED AT THE MEETING OF THE BOARD OF COMMISSIONERS OF THE  
HOUSING AUTHORITY OF THE COUNTY OF KING AT AN OPEN PUBLIC MEETING  
THIS 15<sup>TH</sup> DAY OF AUGUST, 2022.**

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

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

ATTEST:

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**ROBIN WALLS**  
Executive Director/CEO and Secretary-Treasurer

## CERTIFICATE

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

1. That the attached Resolution No. 5728 (the “Resolution”) is a true and correct copy of the resolution of the Board of Commissioners of the Authority as adopted at a regular meeting of the Authority held at the regular meeting place on August 15, 2022 (the “Meeting”), and duly recorded in the minute books of the Authority;

2. That the public was notified of access options for remote participation in the Meeting via the Authority’s website and email to stakeholders; and

3. That the Meeting was duly convened, held, and included an opportunity for public comment, in all respects in accordance with law, and to the extent required by law, due and proper notice of the Meeting was given; that a quorum was present throughout the Meeting, and a majority of the members of the Board of Commissioners of the Authority present at the Meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 15<sup>th</sup> day of August, 2022.

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Robin Walls, Secretary and Executive Director of  
the Authority

[Certificate]

# T A B N U M B E R





**To:** Board of Commissioners

**From:** Craig Violante, Deputy Executive Director/Chief Administrative Officer

**Date:** August 2, 2022

**Re:** **Resolution 5729: Authorizing a change in the Administrative and Building Trades pay schedules of 6.4% effective September 10, 2022**

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**Executive Summary**

Resolution No. 5729 authorizes a 6.4% increase in salaries for all employees, representing 100% of the 8.6% June 2022 Consumer Price Index for Clerical Workers (CPI-W HALF1) for the Seattle-Tacoma area, less 2.2 percentage points that was borrowed from the 2022 COLA and awarded in 2021 in concert with the regular 2021 COLA award. The 2021 awards were done via Resolution 5701 adopted on October 11, 2021 for administrative staff, and Resolution 5714 adopted on January 18, 2022 for Building Trades.

**Background**

The King County Housing Authority has historically awarded a cost of living adjustment (COLA) effective with the first full pay period occurring entirely in the month of November. This adjustment has traditionally reflected 100% of the CPI-W HALF1 metric for the Seattle-Tacoma area. This index compares the average prices from the first six months of one year to the average prices from the first six months of the previous year, resulting in a percentage change. This index has the benefit of smoothing cost of living increases over time, damping the effects of both large price increases and decreases.

When released in July 2021, the index yielded a COLA adjustment of 3.3%, which staff believed was not in step with the large price increases being experienced at that time. Due to the way this index is calculated, much of the effect of the spike that was occurring in mid-2021 wouldn't be reflected until the next CPI-W HALF1 index was released in July of 2022.

To mitigate the effect of this unique situation, the Board voted to advance 2.2% from the anticipated 2022 COLA adjustment and add it to the 2021 Adjustment. The total 2021 COLA adjustment was therefore 3.3% from the 2021 index plus 2.2% advanced from the 2022 index for a total 2021 Adjustment of 5.5%.

The CPI-W HALF1 index for June 2022 reflected a COLA of 8.6%. As 2.2 percentage points of this COLA was awarded in 2021, the 2022 COLA is therefore 6.4%, which is the June 2022 index of 8.6% less the 2.2 percentage points awarded in 2021.

Staff has reviewed 2023 projected funding for all existing programs and confidence is high that an increase of 6.4% to the base salary of all employees is sustainable.

In light of the persistent high inflation seen in the Seattle area, staff also believes that action should be taken to help mitigate the effects by awarding the 2022 COLA earlier than in prior years. While management believes that a November effective date is correct under normal circumstances, it also believes that this is not a normal year, and making the award early, during 2022 only, will have a positive impact on staff.

Therefore, this resolution includes an effective date of September 10, 2022, which is nearly two months earlier than normal, and will coincide with the re-opening date of KCHA offices to staff.

The cost of awarding the 2022 COLA earlier than normal is projected to be approximately \$363,000, while the overall annual fiscal impact, based on current employment levels, is approximately \$2.4 million, or \$5,400 per employee, excluding variable benefits.

**Recommendation**

Approval of Resolution No. 5729 is recommended.

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

## **RESOLUTION NO. 5729**

### **AUTHORIZING A CHANGE IN THE PAY SCHEDULES FOR ADMINISTRATIVE AND BUILDING TRADE EMPLOYEES OF 6.4% EFFECTIVE SEPTEMBER 10, 2022**

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

**WHEREAS** the Housing Authority has sufficient resources to increase base payroll so that employee wages can be maintained at their current inflation-adjusted levels during 2023; and

**WHEREAS** the annual Cost of Living Adjustment (COLA) has historically been awarded on the first day of the first bi-weekly pay period that occurs in the month of November; and

**WHEREAS** current inflation levels are at a 40-year high and are severely affecting all employees; and

**WHEREAS** management believes that it will benefit morale for employees to receive the COLA increase sooner than November 2022, and

**WHEREAS** management is recommending that the Board of Commissioners approve a cost of living increase in wages for all employees effective September 10, 2022; and

**WHEREAS** the index historically used to calculate the cost of living increase is the CPI-W HALF1 as published for June of each year by the Bureau of Labor Statistics (BLS); and

**WHEREAS** the CPI-W HALF1 index for June 2022 was 8.6% and was 3.3% for June 2021, and

**WHEREAS** the Board of Commissioners in 2021 did not believe the 3.3% index as of June 2021 adequately reflected the impact inflation was having on employees at that time; and

**WHEREAS** it was believed that the CPI-W HALF1 index for June 2022 would be significantly higher than the June 2021 index of 3.3%; and

**WHEREAS** it was the intent of the Board of Commissioners to award a 2021 COLA adjustment that mirrored the actual price increases of the region; and

**WHEREAS** a 2021 COLA adjustment that mirrored the actual price increases of the region was achieved by combining the June 2021 CPI-W HALF1 increase of 3.3% with an advance of 2.2 percentage points from the 2022 COLA award to yield an aggregated 2021 COLA adjustment of 5.5%; and

**WHEREAS** the 2022 COLA adjustment is therefore calculated as the CPI-W HALF1 index for June 2022 of 8.6% less the 2.2 percentage points awarded early in 2021 for a total of 6.4%

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

**SECTION 1:** The Administrative and Building Trades Salary Schedules are hereby amended to reflect a 6.4% cost of living increase in all ranges and as set forth in said Salary Schedules, copies of which are attached as Exhibits A and B hereto, and made a part hereof.

**SECTION 2:** The rates set forth in the Salary Schedules shall be increased effective on the beginning of the pay period which begins on September 10, 2022.

**ADOPTED AT THE MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING AT AN OPEN PUBLIC MEETING THIS 15<sup>TH</sup> DAY OF AUGUST, 2022.**

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

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

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**ROBIN WALLS**  
Executive Director/CEO and Secretary-Treasurer

# T A B N U M B E R

5



**TO:** Board of Commissioners

**FROM:** Mary Osier, Accounting Manager

**DATE:** July 25, 2022

**RE:** 2nd Quarter 2022 Summary Write-Offs

During the second quarter of 2022, tenant accounts totaling \$14,505 were deemed uncollectable and written off. This represents a 6% decrease from the previous quarter. Overall, past due rents owed to KCHA accounted for \$904 (7%) of the total and cleaning/damage charges accounted for \$4,821 (34%) of the total. Security deposits in the amount of \$1,082 were retained to offset 8% of the total charges. Per policy, all accounts with a balance owed of \$100 or more will be forwarded to KCHA's contracted collection agency. \$466 was recovered by the collection agency during the second quarter for payments to accounts that were sent to the collection agency.

	<b>Total WRITE-OFFS</b>	<b>YTD WRITE-OFFS</b>
Rent Balance Forward to Vacate Month	\$ 5,120.12	\$ 15,712.06
Retro Rent Write-offs	\$ -	\$ -
<b><u>VACATE CHARGES:</u></b>		
Rent Delinquent in Vacate Month	904.13	2,433.00
Cleaning & Damages	4,821.11	8,013.13
Paper Service & Court Costs	-	-
Miscellaneous Charges	3,659.80	3,659.80
Total Charges	<u>9,385.04</u>	<u>14,105.93</u>
Total All Charges	<u>14,505.16</u>	<u>29,817.99</u>
<b><u>CREDITS:</u></b>		
Security Deposits	(1,082.00)	(2,557.00)
Miscellaneous Payments & Credits	(5,723.91)	(6,332.13)
Total Credits	<u>(6,805.91)</u>	<u>(8,889.13)</u>
<b>Total Net Write-offs</b>	<b><u>\$ 7,699.25</u></b>	<b><u>\$ 20,928.86</u></b>
<b>Net Write-offs by Portfolio</b>		
KCHA	3,168.29	16,170.35
Green River II	-	-
Soosette Creek	594.49	744.79
Zephyr	-	-
Fairwind	3,936.47	3,965.18
Vantage Point	-	48.54
Spiritwood Manor	-	-
	<b><u>\$ 7,699.25</u></b>	<b><u>\$ 20,928.86</u></b>

**Write-off and Collection Summary  
2020 - 2022**

	<b>NET WRITE-OFFS</b>		
	<b>2020</b>	<b>2021</b>	<b>2022</b>
January to March	15,086.25	12,832.74	13,229.61
April to June	7/25/2022	10,693.56	7,699.25
July to September	7,239.24	10,129.97	
During the second quarter	16,311.82	22,866.78	
<b>TOTAL</b>	<b>83,404.31</b>	<b>56,523.05</b>	

	<b>NET COLLECTIONS</b>		
	<b>2020</b>	<b>2021</b>	<b>2022</b>
January to March	3,068.43	826.80	3,256.04
April to June	499.08	282.75	466.06
July to September	377.00	2,802.50	
October to December	1,382.11	1,558.05	
<b>TOTAL</b>	<b>5,326.62</b>	<b>5,470.10</b>	

# T A B N U M B E R

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# **KCHA IN THE NEWS**

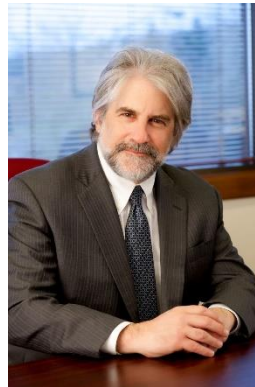
**August 15, 2022**

## Longtime King County Housing Authority leader accused of racial, gender-based discrimination

Aug. 5, 2022 at 6:00 am Updated Aug. 5, 2022 at 8:00 am



Stephen Norman, then executive director of the King County Housing Authority, stands in 2004 at the Arbor Heights apartment building in White... (Steve Ringman / The Seattle Times, file)



Shown here in 2012, Stephen Norman was the executive director of KCHA

By [Anna Patrick](#) *Project Homeless engagement reporter*

The King County Housing Authority, along with former Executive Director Stephen Norman, are being sued in federal court by three former high-ranking female staff members there who say they were discriminated against based on their gender, race or both.

The plaintiffs — Helen Howell, Jill Stanton and Jennifer Ramirez Robson — are claiming that under Norman’s leadership both he and the housing authority violated state and federal laws that protect people from racial and gender-based discrimination. They are seeking damages for the harm they have received, equitable compensation for women and racial or ethnic minority staff members, and other remedial actions.

“The three most senior women executives in leadership at the Housing Authority brought this federal case to hold it and its longtime Executive Director Stephen Norman accountable under anti-retaliation and discrimination laws and to protect the rights of current and future employees for equal pay, equal treatment, and equal opportunity,” said Victoria Vreeland, an attorney representing the plaintiffs on the case.

Norman is a well-known affordable-housing leader in the region and was employed as executive director of the authority from 1997 until his retirement at the end of 2021.

The case, if it makes it to trial, is currently scheduled to appear in U.S. District Court for the Western District of Washington in September 2023. It was originally filed in court in May and an amended complaint was submitted in July.

King County Housing Authority’s interim executive director at the time, Dan Watson, described the case as “truly unfortunate” upon the initial filing.

“While we can certainly continue to improve our culture, these claims by valued former team members were thoroughly investigated and are simply not supported by the facts,” Watson said.

Within the 42-page complaint, the three plaintiffs — two, Howell and Ramirez Robson, are women of color — list examples of disparagement, pay disparities, personal attacks, a hostile work environment and retaliation they experienced under Norman’s leadership.

Howell, who is African American, was heavily recruited to join the authority’s staff as a member of its Executive Leadership Team, the complaint says, making her the only person of color on the team at the time.

The lawsuit claims that shortly after beginning at the authority, “Howell observed an agency-wide culture of fear exhibited by women and people of color, and lack of equality and respect toward women and people of color including promotional favoritism.”

The suit claims that this culture was perpetuated and modeled by Norman as its top leader.

Stanton started at the authority in 2018. The lawsuit claims that within two months of beginning her new job, Stanton received complaints from 20 people who shared concerns about Norman’s mistreatment of women and some advised her that “the only way to avoid or deflect his abuse was to humor him, to flatter him to ingratiate herself, and to even act flirtatious.”

Before Stanton and Howell left the authority, they sent formal communications to Norman and the authority’s executive team, reporting on some of the issues they observed related to racial and gender bias, pay inequities and more.

The authority said in a news release published on their website in May that after Norman received Howell and Stanton’s communications, he forwarded them to the board of directors. As a result, the board hired a third-party law firm to investigate the claims. The board also hired a human resources consulting firm to conduct an audit of the authority’s compensation policies and practices, specifically looking at race and gender equity.

Following the firm’s audit, the authority said that it “found no pattern of gender or racial discrimination in compensation,” but it did identify two pay disparities to be addressed, though it didn’t elaborate on who is affected by those pay disparities.

Secondly, the law firm hired to explore Howell and Stanton’s claims found “no violations of the law, no violation of [King County Housing Authority]’s standards of conduct, no evidence of discriminatory treatment or harassment, and no retaliation against Howell, Stanton or Ramirez Robson by the agency or its leadership,” according to the same news release.

The lawsuit paints a much different picture, describing a largely white leadership team running an entity that largely serves people of color.

The authority’s Section 8 housing voucher and public housing programs report that 58% of its households identify as Black, Indigenous or other people of color. But when female heads of households are counted, according to Rhonda Rosenberg, spokesperson for the authority, that number increases to 86%.

The King County Housing Authority receives money from the U.S. Department of Housing and Urban Development, and its current budget is more than \$400 million, according to Rosenberg. It employs about 450 employees and provides rental housing and rental assistance to approximately 23,400 households.

After leaving the housing authority, Howell took over as interim director of Seattle’s Human Services Department and is now the deputy CEO for the King County Regional Homelessness Authority.

# The Seattle Times

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## Keep Seattle's progress toward affordable housing to end homelessness transparent

Aug. 1, 2022 at 2:34 pm Updated Aug. 1, 2022 at 2:34 pm



The city of Seattle will use nearly \$80 million in new revenues generated by the JumpStart payroll tax to secure more than 1,700 units of... (Daniel Kim / The Seattle Times, 2021)

By [The Seattle Times editorial board](#)

Recent announcements from Seattle city leaders and the King County Regional Homelessness Authority show welcome progress in the region's fight against homelessness.

But ongoing transparency will be key to ensuring that public money and other resources are being used effectively. That means disclosing expectations and performance measures, and holding partners accountable for results.

Seattle City Councilmember Teresa Mosqueda [recently announced](#) the city will use nearly \$80 million in new revenues generated by the JumpStart payroll tax to secure more than 1,700 units of affordable rental housing.

City council members passed the payroll tax on businesses that pay high salaries in 2020, dedicating two-thirds of the funds to affordable housing investments. The controversial tax was projected to generate about \$200 million in annual revenues, but reaped \$231 million in the inaugural year.

The money earmarked for affordable rental housing will be distributed to a diverse group of community partners to help fund new permanent supportive and affordable housing projects. Those projects are being led by the Chief Seattle Club, Low Income Housing Institute, El Centro de la Raza, New Hope Community Development Institute, Community Roots Housing, Downtown Emergency Service Center, Filipino Community of Seattle, Seattle Chinatown International District Preservation and Development Authority, Mount Baker Housing, TAP Collaborative and BRIDGE Housing.

JumpStart funds will also be used to preserve existing affordable units at The YWCA's 5th Avenue and Seneca Street property, Interim CDA's NP/Eastern Rehab property, the Low Income Housing Institute's Jensen Block and Plymouth Housing's Pacific Hotel.

In other promising news, the King County Regional Homelessness Authority recently announced that it is [finally working through](#) a bottleneck of federal housing choice vouchers that were received by local housing authorities more than a year ago. According to the RHA, 786 of more than 1,300 federal vouchers allocated to the King County Housing Authority, Seattle Housing Authority, and Renton Housing Authority had been distributed as of mid-July.

These and other positive steps toward addressing the region's homelessness emergency should be reflected in Seattle Mayor Bruce Harrell's [online homelessness dashboard](#), which tracks city spending and progress in tackling homelessness. The tracker, which went live this spring, includes a list of available shelter and housing, tracking progress toward Harrell's promise to stand up 2,000 new units this year. Administration officials have promised quarterly updates to the dashboard, expecting to publish the first batch of new figures this week.

In addition to housing, the dashboard tracks the city's spending on responses to homelessness, including health care and services, garbage cleanup and encampment removal. It quantifies public-safety issues associated with some encampments, including medical-response calls, fires and firearms.

But most important, it offers a clear, composite picture of the multifaceted effort to tackle housing insecurity and homelessness — and hard data to show whether policies and investments are working.

That's exactly the high level of transparency and accountability residents expect and deserve.

*The Seattle Times editorial board members are editorial page editor Kate Riley, Frank A. Blethen, Luis Carrasco, Alex Fryer, Jennifer Hemmingsen, Mark Higgins, Derrick Nunnally and William K. Blethen (emeritus).*





**AFFORDABILITY, HOUSING, RENTERS** *July 29, 2022*

# Big Rent Increases Are Coming For Some Affordable Housing Residents

*By Katie Wilson*

It's no secret that rents are rising. Landlords are making up for lost time after pandemic-era rent freezes, and passing inflation-driven cost increases on to tenants. After a brief exodus from urban areas, many renters who left have now returned. Climbing interest rates are forcing potential homebuyers to wait, crowding the rental market.

With all these pressures driving up market-rate rents, it must feel great to live in an affordable, rent-restricted apartment right now. Right?

Maybe not. A quiet wave of large rent hikes is coming. For some, it's already here. Earlier this month, seniors at a building operated by Mercy Housing in Bellingham **hit the streets** to protest a 9 percent rent increase that left some residents owing more than 60 percent of their monthly income to their nonprofit landlord—twice as much as the US Department of Housing and Urban Development (HUD)'s **definition** of “affordable” housing.

Every April, HUD releases income and rent limits for certain types of affordable housing, based on area median income. Once upon a time, these limits might rise in King County by 1 or 2 percent a year, but starting in 2017, the annual increase jumped as high as 7 percent. The pandemic briefly slowed this ascent, but the increase announced this April is truly startling: In HUD's calculation, King County's median family income rose by 16.3 percent from 2021 to 2022. That means rents at properties governed by HUD's formulas may also rise by 16.3 percent this year—or even more, if a unit wasn't already priced at its upper limit.

Of course, the fact that King County's median household is now pulling in \$134,600 instead of \$115,700 doesn't mean that lower-income households suddenly have more money to spend on rent. Seniors and people with disabilities living on fixed incomes, working families earning near the minimum wage—they're not getting raises like that. Therein lies the problem.

Although many types of affordable housing are protected from large rent increases, many buildings financed with federal low income housing tax credits (LIHTC) and tax-

exempt bonds are not. The same is true for most units whose rents are restricted through state and local multifamily tax exemptions (MFTE) and programs like incentive zoning and Seattle's **Mandatory Housing Affordability** program.

When the HUD limits began rising sharply several years ago, the city of Seattle changed the rules for new MFTE units so that maximum rents wouldn't go up more than 4.5 percent a year. That change has kept rent hikes within reason for more than 200 units so far, but tenants living in older MFTE units—about 5,600—are subject to the escalating HUD limits.

That's how Fatima ended up with a rent increase of over \$600 a month. (We've changed the names of renters to protect their privacy).

More than a year ago, Fatima moved into an MFTE unit in North Seattle thanks to a rapid rehousing program run by a domestic violence organization. (Rapid rehousing is a form of temporary rent subsidy that helps low-income renters pay for housing). The rent was \$1,500 for a 2-bedroom—significantly less than the going rent for the area, possibly because there **weren't many takers during the pandemic slump**.

*Fatima's housing advocate said the building's owners assured her the rent wouldn't go up by much—\$100, or maybe \$300. When they got the final lease papers, they were shocked: The new rent was more than \$2,100 a month, an increase of more than 40 percent.*

Fatima said her landlord assured her that the rent wouldn't go up drastically. After the rapid rehousing support ended, she was selected for an emergency housing voucher, a federal COVID relief program similar to Section 8 (now known as Housing Choice) that pays for a portion of a tenant's rent.

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"We said, hold on, you told us it wouldn't be that much. They said, you know, it's based on the market," said the housing advocate. "That put it over the [rent] limit for her voucher."

This week, Fatima's landlord agreed to lower her rent to fit her voucher limit, allowing her to stay in her home. But not every renter is able to negotiate that kind of agreement.

Seniors on fixed incomes are an especially vulnerable group. King County's area median income has been rising faster than social security payments for some time now. When the rent rises beyond seniors' means, "we simply have nowhere else to go," said Sarah, who lives in a senior housing complex in Seattle.

Sarah's building was financed through the federal LIHTC program, and up until four years ago, it was run by a nonprofit. "Rent increases were minimal, and management



was responsive to tenants' needs," she said. Then a national for-profit company bought the building. By that time, many tenants were also voucher holders, seeking out lower-cost units as market-rate rents rose beyond what their vouchers would cover. The corporation quickly showed itself to be all business.

"A tenant association begun under previous ownership was not allowed to use common rooms for meetings," said Sarah, and a manager threatened to evict a tenant who started a Facebook group for residents. The corporation also tried to require electronic rent payments, until residents pointed out that this is illegal in Seattle.

Now some tenants are facing rent increases of \$175 a month, surpassing some residents' voucher limits. "Because some voucher holders have disabilities involving psychological difficulties, this situation caused much anguish," said Sarah. "All tenants, including those with vouchers, know that buildings like ours are their only answer—they are shut out of market-rate housing and waiting lists for low-income apartments are years long."

Not every resident of affordable housing is in trouble. Programs that receive federal operating funds typically limit the amount of rent tenants must pay to 30 percent of the person's income; this includes many buildings owned and managed by the King County Housing Authority and the Seattle Housing Authority. Housing Choice voucher holders are similarly protected—as long as they live in units with rent low enough that a voucher will pay for them. Many nonprofit housing providers also receive operating funds from other sources that come with limits on rent hikes.

"The city of Seattle is a funder in most of our buildings," said Michelle House, director of compliance at Community Roots Housing. "This year, Seattle restricted [rent increases] to 4.2 percent. We did follow that guideline for most of our apartments."

Susan Boyd, CEO of Bellwether Housing, says that rent increases at their properties depend "on the building and which entities regulate the building, if any." But Bellwether made a decision this year to limit rent hikes to an average of 3 percent.

"Notwithstanding ever-increasing rents in the market and significant inflation in operation costs, this will be the first year since 2019 that we have raised rents at all. We are very careful to ensure that our residents do not get overwhelmed by steep rent increases, regardless of what is happening with the HUD rent levels," she said.

Renters in some other King County cities may be in an even more precarious position. Seattle, at least, has passed some protections designed to mitigate the harm caused by large rent increases. Landlords must now give 6 months' notice of any rent increase and, as of July 1, renters making up to 80 percent of area median income (around \$76,000 for a household of two) can get [relocation assistance](#) if they move after a rent increase of 10 percent or more. Most other jurisdictions in King County require no more than the statewide standard of 60 days notice, and none mandate relocation assistance.

Shoreline currently has 473 MFTE units that are bound only by the HUD limits. For-profit developers have built a number of LIHTC properties in South King County. And according to Lindsay Masters, executive director of A Regional Coalition for Housing (ARCH), the eastside could be in trouble, too. ARCH is a partnership of King County and East King County cities that oversees the cities' covenants with property owners that have rent-restricted units.

“ARCH currently monitors roughly 2,000 affordable rental units located in privately owned properties throughout East King County,” said Masters. ARCH uses the HUD benchmark to calculate maximum rents for these units, which it [released earlier this month](#). The coalition also oversees about 3,500 units controlled by nonprofit and public entities, which, Masters said, “are more likely to have rent policies that try to balance the needs of tenants with the financial needs of maintaining the properties.”

Spurred by concerns over upcoming rent increases in those privately owned units, ARCH took an unusual step. In April, ARCH wrote a letter to its member cities encouraging them to pass several renter protections to mitigate the impacts of large rent increases, not just for residents of rent-restricted units but for all renters: 120 days’ notice for rent increases greater than 3 percent and 180 days for rent increases greater than 10 percent; a cap on late fees at 1.5 percent of monthly rent; and a cap on move-in fees equivalent to one month’s rent, with the right to pay in installments.

*Washington could follow the lead of Oregon and California, and pass a rent stabilization law limiting rent increases across the board. It could also repeal our state’s ban on [rent control](#) and let local jurisdictions try things out.*

These three renter protections are part of a larger set being recommended to cities around King County by [Stay Housed Stay Healthy](#), a coalition I’m involved in through my work with the Transit Riders Union. The city of Kenmore [already passed all three](#) (along with other protections) back in March, and more this week; in July of last year, the King County Council [passed a similar package](#) of renter protections for unincorporated areas of the county like Skyway and White Center.

There are encouraging signs that eastside cities are hearing the call. On July 19, the Redmond City Council passed the ARCH-recommended protections, plus a couple more. The Kirkland City Council is expected to take up similar legislation on August 3.

Beyond stronger renter protections, what can be done? Masters said ARCH is getting input from stakeholders about new policies that could help keep housing affordable, with the goal of “ensuring that future developments will operate in a way that better preserves affordability and promotes housing stability for tenants, while still promoting feasible development projects.” For example, cities with MFTE programs could follow Seattle’s lead and impose a more stringent cap on rent increases for new units.

There’s much more the state legislature could do, too. Washington could follow the lead of Oregon and California, and pass a rent stabilization law limiting rent increases across the board. It could also repeal our state’s ban on [rent control](#) and let local jurisdictions try things out.

But there are also politically easier steps the state could take, focusing only on rent-restricted units. In Oregon, for example, if LIHTC properties (and many others that benefit from state funds) want to raise rents more than 5 percent a year, they [must apply for approval](#) from a state agency.

Alternatively, state and local governments could focus public resources on housing models that aren’t so subject to market forces. For 43rd LD representative Frank

Chopp, this wave of large rent increases in supposedly affordable units “shows flaws in the MFTE program and similar types of programs.”

“The MFTE program definitely siphons money out of the public coffers and into the private landlords’ pockets,” he said. “This is one of the main reasons why we need to do more social housing, like [Initiative I-135](#),” which could be on Seattle voters’ ballots next February. “If you have the same amount of money that’s flowing into these for-profit units and put that into social housing, you get a far better return on investment for the people,” Chopp said.

# Nearly 800 homeless to be permanently housed in King County

- By Spencer Pauley | The Center Square  
Jul 19, 2022



Photo courtesy of the King County Regional Homelessness Authority

(The Center Square) – The King County Regional Homelessness Authority says 786 households have recently been permanently housed in King County.

Over 1,300 federally funded emergency housing vouchers were accepted in May 2021 by KCRHA, the Seattle Housing Authority and Renton Housing Authority. The vouchers were funded through American Rescue Plan.

The vouchers were created to assist persons and households experiencing homelessness, at risk of experiencing homelessness, fleeing, or attempting to flee domestic violence, sexual assault, stalking, or human trafficking; or are at high risk of housing instability, according to KCRHA.

Six months after the vouchers were distributed, only 10 people had used them to move into permanent housing. Now, nearly 800 families have moved into permanent housing, according to KCRHA.

Marc Dones, the CEO of KCRHA, noted in a press release that the current homeless response system is on track to move 5,000 to 7,000 people who are homeless into permanent housing on an annual basis.

“This proves that yes we can house people on purpose,” Dones said in a statement. “The bigger problem is that our region hasn’t addressed the root causes: rising rents and stagnant wages, structural racism and access to health care that are pushing more people into homelessness every day.”

The efforts by KCHA, the Seattle Housing Authority and Renton Housing Authority to move people into permanent housing is what Kristy Johnson, King County Housing Authority’s senior director of policy, research and social impact initiatives, would call “nothing short of remarkable.”

“As of this morning, 577 or 76% of KCHA’s allocation of 762 emergency housing vouchers have successfully been leased,” Johnson added.

People cannot just receive emergency housing vouchers. Service providers must first refer people to the Regional Housing Authority for assessment and completing applications. Then public housing authorities evaluate the applicant and issue vouchers.

Once a voucher recipient finds housing, the housing authorities pay the rental subsidy with federal funds until they no longer need it. Newly issued funding opportunities by the Regional Housing Authority help support housing search and ongoing tenancy support services, as well.

According to the most recent point in time count by the King County Regional Homelessness Authority in May 2022, the number of people experiencing homelessness has risen 13.8% over the last two years, while the percentage of sheltered homeless is down 10%.

The portion of homeless with shelter is 43%, according to the point-in-time count. Two years prior, the percentage of homeless that had access to shelter consistently was 53%.

## ***Corrections and Clarifications***

This story has been edited since its initial publication to correct the agencies Johnson was referring to in her comment about housing agencies.