



MEETING OF THE  
BOARD OF COMMISSIONERS

HYBRID MEETING

Monday, July 17, 2023

**Webinar Meeting:**

**<https://kcha-org.zoom.us/j/85689058057>**

**Meeting ID: 856 8905 8057**

**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

Monday, July 17, 2023 - 3:00 p.m.

King County Housing Authority – Snoqualmie 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 1
  - A. Board Meeting Minutes – June 29, 2023
- V. Approval of Agenda
- VI. Consent Agenda
  - A. Voucher Certification Reports for May 2023 2
  - B. New Bank Accounts 3
- VII. Resolutions for Discussion
  - A. Resolution No. 5753 – A Resolution Authorizing Conveyance Of Vacant Property Located in Skyway to King County 4

VIII. Briefings & Reports	
A. 2023 Mid-Year Financial Forecast	5
B. Housing Choice Voucher Program (HCV)	6
C. Payment Standards	7
IX. Executive Director Report	
X. Executive Session	
A. To review the performance of a public employee (RCW 42.30.110 (1) g))	
XI. KCHA in the News	8
XII. 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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**SPECIAL  
MEETING MINUTES OF THE  
KING COUNTY HOUSING AUTHORITY  
BOARD OF COMMISSIONERS  
HYBRID MEETING**

**Thursday, June 29, 2023**

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**I. CALL TO ORDER**

The special monthly meeting of the King County Housing Authority Board of Commissioners was held as a hybrid meeting on Thursday, June 29, 2023. There being a quorum, the hybrid meeting was called to order by Chair Barnes at 1:00 p.m.

**II. ROLL CALL**

**Present:** Commissioner Doug Barnes (Chair) (via Zoom), John Welch (via Zoom), Commissioner Regina Elmi (via zoom), Commissioner TerryLynn Stewart (via Zoom) and Commissioner Richard Jackson.

**III. PUBLIC COMMENT**

None.

**IV. APPROVAL OF MINUTES**

A. Board Meeting Minutes – May 22, 2023

On motion by Commissioner TerryLynn Stewart, and seconded by Commissioner Richard Jackson, the Board unanimously approved the May 22, 2023 Meeting Minutes.

**V. APPROVAL OF AGENDA**

On motion by Commissioner John Welch, and seconded by Commissioner TerryLynn Stewart, the Board unanimously approved the June 29, 2023 hybrid Board of Commissioners' meeting agenda.

**VI. CONSENT AGENDA**

- A. Voucher Certification Reports for April 2023
- B. Resolution No. 5750 – Acquisition of Investor Limited Partners' Interests in Fairwood Apartments LLLP.

On motion by Commissioner TerryLynn Stewart, and seconded by Commissioner Richard Jackson, the Board unanimously approved the June 29, 2023 hybrid Board of Commissioners' meeting consent agenda.

## VII. RESOLUTIONS FOR DISCUSSION

**A. Resolution No. 5751** – Resolution Authorizing the Limited Redemption of Accrued Vacation Leave in Excess of Current Maximum Annual Carryover Limits, and Further Authorizing a Change in the Maximum Annual Vacation Carryover Limits and Related Payouts of Accrued Vacation Upon Separation from Employment

Tonya Harlan, Director of Human Resources explained the Resolution and the changes it's asking for approval on.

This Resolution seeks authorization in two areas. First, the ability for staff with accrued annual leave balances above the carryover limit to cash out a portion of this excess leave. Second, a change to the policy formally increasing the annual leave accrued maximum carry over limit.

On motion by Commissioner TerryLynn Stewart, and seconded by Commissioner Regina Elmi, the Board unanimously approved Resolution 5751.

**B. Resolution No. 5752** – A Resolution of the Housing Authority of the County of King, Recognizing Daniel Watson for over 46 Years of Service to the Residents and Communities of King County and to the King County Housing Authority.

Robin Walls, Executive Director/CEO read through the Resolution in its entirety.

On motion by Commissioner TerryLynn Stewart, and seconded by Commissioner John Welch, the Board unanimously approved Resolution 5752.

## VIII. BRIEFINGS & REPORTS

A. 2022 KCHA Resident Characteristics Report Highlights

Annie Pennucci, Director of Impact and Evaluation reported to the Board on our learnings about Resident needs and trends.

There are 1.5 million people in our jurisdiction. Out of that, there are 200,000 that are extremely low income.

- KCHA continues to expand access to housing assistance with access increasing 3% each year, and 20% over 7 years to 18,5000 households.
- Average size of household is 2.3 people.
- New entries to housing outpace exits; the median length of time that a household is on subsidy is seven years.
- Elderly households are KCHA's fastest growing household type.
- KCHA's diverse population reflects communities most impacted by poverty and homelessness.
- There are 59 different languages represented among KCHA households.
- Household incomes are low and not keeping pace with the cost of living. \$13,266 is the median income overall. For those on SSI and SSP, the median income is \$10,551.
- Over half of KCHA households exit for either aging/health-related or neutral reasons.

#### B. Family Self-Sufficiency Program (FSS)

Shawli Hathaway, Director of Resident Services and Grace Adriano, Senior Resident Services Manager presented the program of FSS to the Board and explained how it all works – Increasing Family Economic Independence.

The purpose of the program is goal-oriented. For five years, the program helps families increase their earned income and helps them coordinate other services.

#### C. First Quarter 2023 Executive Dashboard

Andrew Calkins, Director of Policy and Intergovernmental Affairs summarized the Dashboard.

This dashboard runs through the end of March. We are a bit below budget but expecting those numbers to even out as we get further in the year.

#### D. State Legislative Update

Andrew Calkins, Director of Policy and Intergovernmental Affairs

Key priorities during the 2023 legislative session:

- Child Welfare Housing Collaboration

- Expanding PHA Financing Opportunities
- \$400 million invested in the Housing Trust Fund
- 8.7 million invested to support housing authority partnerships with the child welfare system (FUP and FYI vouchers)
- Passage of legislation enabling greater flexibility for housing authorities to pursue public-private development partnerships
- Passage of the Covenant Homeownership Program, which will provide over \$100 million per year in financial support for Washingtonians previously excluded from homeownership due to racially restrictive covenants.

## **IX. EXECUTIVE DIRECTOR REPORT**

Robin Walls, Executive Director/CEO gave news updates.

- In mid-June, Robin attended the Council for Large Public Housing Authorities (CLPHA) mid-year session in Cleveland, OH. One of HUD's focus areas is on reserves for MTW HA's. HUD Secretary Marcia Fudge made it clear that for MTW HA's, and particularly for the 39 original MTW HA's of which KCHA is a part, HUD has a concern regarding the use of Housing Assistance Payments (HAP) reserves. There were originally 39 MTW HA's and over the past five years, that number has expanded to 139 MTW HA's.

The original 39 have a lot more flexibility than the newer MTW HA's with respect to fungibility of funds. Fungibility has allowed the HA's to utilize their funding for things that were not originally intended by HUD.

HAP reserves traditionally were to be used to fund the Housing Voucher Program in the form of Housing Choice Voucher Payments. However, HAS have been allowed to carry reserves over to multiple years and to not use them exclusively for Housing Assistance Payments.

MTW HA's represent 3-4% of HA's in the country. MTW HA's have an outsized amount of reserves. HUD has a public facing dashboard and as of Dec 31, 2022 (the last time the dashboard was open and presented to the public), it showed total reserves of all HA's across the country as \$1.9 Billion, and of those reserves, \$1.79 Billion were controlled by MTW HA's. So, 80% of the reserves of all HA's are held by MTW HA's. Usually, when agencies do not use funding, HUD recapture the funds and then re-allocate them to HA's that have short falls.

KCHA's MTW Contract will be up for renewal in 2028.

- This month, on Juneteenth, the Racial Equity, Diversity and Inclusion (REDI) committee hosted a joint event with the Asian American Pacific Islander (AAPI) committee, as a courageous spaces event. It was open to all KCHA staff and outside guest speakers were brought in. The speakers were the owners of the Seattle Superhawks professional basketball team. We held a joint event which created multiple synergies. The Seattle Superhawks are potentially future NBA players. The couple that owns the Seattle Superhawks is the first couple where the woman is Asian American (one of the only Asian American owners of a professional sports team in the US) and her husband is African American. One of their themes, as Team Owners, is a focus on development of their players. For example, they require all of their players to go through financial counseling in order to ensure good transmission of social capital (such as how to navigate professional systems and financial systems), so this can be passed down to community members.

**X. KCHA IN THE NEWS**

None.

**XI. COMMISSIONER COMMENTS**

None.

**XII. ADJOURNMENT**

Chair Barnes adjourned the meeting at 3:00 p.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

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**To:** Board of Commissioners  
**From:** Mary Osier, Accounting Manager  
**Date:** April 28, 2023  
**Re:** **VOUCHER CERTIFICATION FOR MARCH 2023**

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.

\_\_\_\_\_  
 Mary Osier  
 Accounting Manager  
 April 28, 2023

Bank Wires / ACH Withdrawals		8,253,894.65
	<i>Subtotal</i>	<b>8,253,894.65</b>
Accounts Payable Vouchers		
Key Bank Checks - #344723-345270		6,350,050.00
Tenant Accounting Checks - #11849-11869		18,356.78
	<i>Subtotal</i>	<b>6,368,406.78</b>
Payroll Vouchers		
Checks - #93360-93384 & 93389-93398		50,590.31
Direct Deposit		3,254,951.64
	<i>Subtotal</i>	<b>3,305,541.95</b>
Section 8 Program Vouchers		
Checks - #642919-643366		229,949.88
ACH - #572242-575013		21,086,143.55
	<i>Subtotal</i>	<b>21,316,093.43</b>
Purchase Card / ACH Withdrawal		497,815.05
	<i>Subtotal</i>	<b>497,815.05</b>
	<b>GRAND TOTAL</b>	<b>\$ 39,741,751.86</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	
SALMON CREEK	05/01/2023	\$ 2,839.85	Bank Monthly Fees	
Bellepark	05/03/2023	\$ 18,301.95	AP & Payroll	
Hampton Greens	05/03/2023	\$ 50,008.00	AP & Payroll	
Kendall Ridge	05/03/2023	\$ 101,083.73	AP & Payroll	
Landmark	05/03/2023	\$ 29,354.77	AP & Payroll	
Riverstone	05/03/2023	\$ 42,152.17	AP & Payroll	
Woodside East	05/03/2023	\$ 33,407.07	AP & Payroll	
ARBOR HEIGHTS	05/04/2023	\$ 9,298.80	AP	
Auburn Square	05/04/2023	\$ 1,957.45	AP	
Carriage House	05/04/2023	\$ 15,345.25	AP	
CASCADIAN	05/04/2023	\$ 74,225.64	AP	
Colonial Gardens	05/04/2023	\$ 3,211.98	AP	
FAIRWOOD	05/04/2023	\$ 2,381.68	AP	
LAURELWOOD	05/04/2023	\$ 2,476.41	AP	
Meadows	05/04/2023	\$ 4,855.58	AP	
Newporter	05/04/2023	\$ 5,387.13	AP	
OVERLAKE	05/04/2023	\$ 15,957.52	AP	
Parkwood	05/04/2023	\$ 7,209.33	AP	
Pinewood Village	05/04/2023	\$ 969.12	AP	
Plum Court	05/04/2023	\$ 7,500.00	AP	
RAINIER VIEW I	05/04/2023	\$ 16,652.73	AP & Debt Services	
RAINIER VIEW II	05/04/2023	\$ 10,862.27	AP & Debt Services	
Salish	05/04/2023	\$ 16,417.39	AP	
Sandpiper East	05/04/2023	\$ 85.25	AP	
SI VIEW	05/04/2023	\$ 8,797.79	AP & Debt Services	
SOUTHWOOD SQUARE	05/04/2023	\$ 2,791.88	AP	
Tall Cedars	05/04/2023	\$ 14,412.38	AP	
Timberwood	05/04/2023	\$ 8,594.36	AP	

Vashon Terrace	05/04/2023	\$ 5,068.96	AP & Debt Services
Walnut Park	05/04/2023	\$ 5,129.40	AP
WINDSOR HEIGHTS	05/04/2023	\$ 7,049.55	AP
Woodridge Park	05/04/2023	\$ 1,944.39	AP
Kirkland Heights	05/05/2023	\$ 7,500.00	OCR
Cottonwood	05/09/2023	\$ 24,033.81	AP & Payroll & OCR
Cove East	05/09/2023	\$ 49,213.21	AP & Payroll & OCR
Juanita View	05/09/2023	\$ 41,823.48	AP & Payroll & OCR
Kirkland Heights	05/09/2023	\$ 56,703.30	AP & Payroll & OCR
Nia	05/09/2023	\$ 53,845.68	AP & Payroll & OCR
SALMON CREEK	05/09/2023	\$ 34,650.00	AP & Payroll & OCR
SALMON CREEK	05/09/2023	\$ 8,608.74	Bank Monthly Fees
SEOLA CROSSING	05/09/2023	\$ 64,075.84	AP & Payroll & OCR
SEOLA CROSSING	05/09/2023	\$ 40,521.77	AP & Payroll & OCR
Argyle	05/10/2023	\$ 120,621.46	AP
Ballinger Commons	05/10/2023	\$ 262,539.73	AP
Bellepark	05/10/2023	\$ 37,475.35	AP
Emerson	05/10/2023	\$ 90,557.48	AP
GILMAN SQUARE	05/10/2023	\$ 51,945.02	AP
Hampton Greens	05/10/2023	\$ 48,041.47	AP
Kendall Ridge	05/10/2023	\$ 25,013.01	AP
Meadowbrook	05/10/2023	\$ 20,656.93	AP
Riverstone	05/10/2023	\$ 55,203.63	AP
Surrey Downs	05/10/2023	\$ 46,720.34	AP
Villages at South Station	05/10/2023	\$ 76,235.86	AP
Woodridge Park	05/10/2023	\$ 3,320.00	AP
ALPINE RIDGE	05/11/2023	\$ 11,386.28	AP & Payroll
ARBOR HEIGHTS	05/11/2023	\$ 42,311.75	AP & Payroll
Aspen Ridge	05/11/2023	\$ 18,927.25	AP & Payroll
Auburn Square	05/11/2023	\$ 22,560.34	AP & Payroll
Carriage House	05/11/2023	\$ 24,778.82	AP & Payroll
Carrington	05/11/2023	\$ 65,663.51	AP & Payroll
CASCADIAN	05/11/2023	\$ 256,600.94	AP & Payroll
Colonial Gardens	05/11/2023	\$ 9,353.50	AP & Payroll
FAIRWOOD	05/11/2023	\$ 45,956.44	AP & Payroll
HERITAGE PARK	05/11/2023	\$ 23,122.23	AP & Payroll
Kirkland Heights	05/11/2023	\$ 13,001.67	AP & Payroll
LAURELWOOD	05/11/2023	\$ 22,515.54	AP & Payroll
Meadows	05/11/2023	\$ 12,116.18	AP & Payroll
Newporter	05/11/2023	\$ 19,969.30	AP & Payroll

OVERLAKE	05/11/2023	\$ 35,203.24	AP & Payroll
Parkwood	05/11/2023	\$ 27,043.67	AP & Payroll
Pinewood Village	05/11/2023	\$ 24,602.26	AP & Payroll
Plum Court	05/11/2023	\$ 13,166.88	AP & Payroll
RAINIER VIEW I	05/11/2023	\$ 7,507.04	AP
RAINIER VIEW II	05/11/2023	\$ 4,688.51	AP
Salish	05/11/2023	\$ 25,110.51	AP & Payroll
Sandpiper East	05/11/2023	\$ 31,613.74	AP & Payroll
SI VIEW	05/11/2023	\$ 4,307.00	AP
SOUTHWOOD SQUARE	05/11/2023	\$ 19,882.74	AP & Payroll
Timberwood	05/11/2023	\$ 25,540.90	AP & Payroll
Vashon Terrace	05/11/2023	\$ 5,641.82	AP
Walnut Park	05/11/2023	\$ 53,089.48	AP & Payroll
WINDSOR HEIGHTS	05/11/2023	\$ 76,483.59	AP & Payroll
Woodridge Park	05/11/2023	\$ 31,060.28	AP & Payroll
Landmark	05/12/2023	\$ 60,012.75	AP
Woodside East	05/12/2023	\$ 69,857.88	AP
Bellepark	05/17/2023	\$ 14,366.04	AP & Payroll
Bellepark	05/17/2023	\$ 7,716.00	EPRAP
Hampton Greens	05/17/2023	\$ 70,557.90	AP & Payroll
Kendall Ridge	05/17/2023	\$ 37,578.95	AP & Payroll
Landmark	05/17/2023	\$ 79,260.10	AP & Payroll
Riverstone	05/17/2023	\$ 90,558.29	AP & Payroll
Woodside East	05/17/2023	\$ 35,875.19	AP & Payroll
ARBOR HEIGHTS	05/18/2023	\$ 8,768.71	AP
Aspen Ridge	05/18/2023	\$ 11,180.75	AP
Auburn Square	05/18/2023	\$ 9,951.18	AP
Carriage House	05/18/2023	\$ 9,306.66	AP
Carrington	05/18/2023	\$ 9,865.33	AP
CASCADIAN	05/18/2023	\$ 15,109.99	AP
FAIRWOOD	05/18/2023	\$ 24,016.98	AP
HERITAGE PARK	05/18/2023	\$ 5,228.52	AP
LAURELWOOD	05/18/2023	\$ 844.07	AP
Meadows	05/18/2023	\$ 7,737.28	AP
Newporter	05/18/2023	\$ 27,798.78	AP
OVERLAKE	05/18/2023	\$ 39,003.77	AP
Parkwood	05/18/2023	\$ 26,256.05	AP
Pinewood Village	05/18/2023	\$ 8,016.94	AP
Plum Court	05/18/2023	\$ 7,127.89	AP
RAINIER VIEW I	05/18/2023	\$ 7,458.62	AP

RAINIER VIEW II	05/18/2023	\$ 1,627.49	AP
Salish	05/18/2023	\$ 9,558.70	AP
Sandpiper East	05/18/2023	\$ 7,262.23	AP
SI VIEW	05/18/2023	\$ 2,538.89	AP
SOUTHWOOD SQUARE	05/18/2023	\$ 2,910.68	AP
Timberwood	05/18/2023	\$ 54,879.22	AP
Walnut Park	05/18/2023	\$ 15,937.88	AP
WINDSOR HEIGHTS	05/18/2023	\$ 151,778.05	AP
Woodridge Park	05/18/2023	\$ 32,135.80	AP
Cottonwood	05/23/2023	\$ 9,498.49	AP & Payroll & OCR
Cove East	05/23/2023	\$ 25,865.78	AP & Payroll & OCR
Nia	05/23/2023	\$ 18,902.48	AP & Payroll & OCR
SALMON CREEK	05/23/2023	\$ 37,412.38	AP & Payroll & OCR
SEOLA CROSSING	05/23/2023	\$ 40,495.09	AP & Payroll & OCR
SEOLA CROSSING	05/23/2023	\$ 22,565.52	AP & Payroll & OCR
Argyle	05/24/2023	\$ 42,060.36	AP & Payroll
Ballinger Commons	05/24/2023	\$ 106,190.71	AP & Payroll
Bellepark	05/24/2023	\$ 14,963.17	AP
Emerson	05/24/2023	\$ 54,422.69	AP & Payroll
GILMAN SQUARE	05/24/2023	\$ 45,270.15	AP & Payroll
Hampton Greens	05/24/2023	\$ 92,501.93	AP & Payroll
Juanita View	05/24/2023	\$ 16,821.85	AP
Kendall Ridge	05/24/2023	\$ 10,088.52	AP
Landmark	05/24/2023	\$ 7,255.30	AP
Meadowbrook	05/24/2023	\$ 53,269.70	AP & Payroll
Riverstone	05/24/2023	\$ 28,559.26	AP
Surrey Downs	05/24/2023	\$ 42,326.29	AP & Payroll
Villages at South Station	05/24/2023	\$ 30,082.29	AP & Payroll
Woodside East	05/24/2023	\$ 19,965.87	AP
ALPINE RIDGE	05/25/2023	\$ 64,546.78	AP & Payroll & OCR & Management Fees
ARBOR HEIGHTS	05/25/2023	\$ 24,543.61	AP & Payroll & OCR & Management Fees
Aspen Ridge	05/25/2023	\$ 44,764.66	AP & Payroll & OCR & Management Fees
Auburn Square	05/25/2023	\$ 41,061.86	AP & Payroll & OCR & Management Fees
Carriage House	05/25/2023	\$ 37,939.02	AP & Payroll & OCR & Management Fees
Carrington	05/25/2023	\$ 26,779.67	AP & Payroll & OCR & Management Fees
CASCADIAN	05/25/2023	\$ 38,032.76	AP & Payroll & OCR & Management Fees
Colonial Gardens	05/25/2023	\$ 26,527.11	AP & Payroll & OCR & Management Fees
FAIRWOOD	05/25/2023	\$ 30,973.77	AP & Payroll & OCR & Management Fees
HERITAGE PARK	05/25/2023	\$ 29,701.21	AP & Payroll & OCR & Management Fees
Kirkland Heights	05/25/2023	\$ 49,066.85	AP & Payroll & OCR & Management Fees

LAURELWOOD	05/25/2023	\$ 20,220.71	AP & Payroll & OCR & Management Fees	
Meadows	05/25/2023	\$ 20,663.72	AP & Payroll & OCR & Management Fees	
Newporter	05/25/2023	\$ 34,965.80	AP & Payroll & OCR & Management Fees	
OVERLAKE	05/25/2023	\$ 55,173.93	AP & Payroll & OCR & Management Fees	
Parkwood	05/25/2023	\$ 16,349.62	AP & Payroll & OCR & Management Fees	
Pinewood Village	05/25/2023	\$ 25,938.02	AP & Payroll & OCR & Management Fees	
Plum Court	05/25/2023	\$ 18,209.61	AP & Payroll & OCR & Management Fees	
RAINIER VIEW I	05/25/2023	\$ 3,608.35	AP	
RAINIER VIEW II	05/25/2023	\$ 2,682.85	AP	
Salish	05/25/2023	\$ 38,808.93	AP & Payroll & OCR & Management Fees	
Sandpiper East	05/25/2023	\$ 53,042.71	AP & Payroll & OCR & Management Fees	
SI VIEW	05/25/2023	\$ 3,133.18	AP	
SOUTHWOOD SQUARE	05/25/2023	\$ 17,205.55	AP & Payroll & OCR & Management Fees	
Timberwood	05/25/2023	\$ 41,595.68	AP & Payroll & OCR & Management Fees	
Vashon Terrace	05/25/2023	\$ 1,222.61	AP	
Walnut Park	05/25/2023	\$ 35,867.06	AP & Payroll & OCR & Management Fees	
WINDSOR HEIGHTS	05/25/2023	\$ 5,645.73	AP & Payroll & OCR & Management Fees	
Woodridge Park	05/25/2023	\$ 28,012.37	AP & Payroll & OCR & Management Fees	
Bellepark	05/31/2023	\$ 13,298.78	AP & Payroll	
Hampton Greens	05/31/2023	\$ 51,791.65	AP & Payroll	
Kendall Ridge	05/31/2023	\$ 22,576.05	AP & Payroll	
Landmark	05/31/2023	\$ 20,688.15	AP & Payroll	
Riverstone	05/31/2023	\$ 31,704.33	AP & Payroll	
Woodside East	05/31/2023	\$ 20,256.86	AP & Payroll	
<b>Total</b>	<b>172 Wires</b>	<b>\$ 5,395,442.24</b>		

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To: Board of Commissioners  
From: Saeed Hajarizadeh, Deputy Executive / Chief Administrative Officer  
Date: July 6, 2023  
Re: New Bank Accounts

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*Since the last Board meeting KCHA opened 4 new bank accounts.*

Bank: Key Bank

- Kirkland Heights Partnership Development Taxable
- Kirkland Heights Partnership Development Tax Exempt

Bank: Bank of America

- New Kirkland Heights LLLP - Depository

Bank: Northwest Bank

- New Kirkland Heights LLLP – Replacement Reserve

Purpose:

The Authority opened Taxable and Tax Exempt development accounts with Key Bank that are full business checking accounts and will be used to pay for rehabilitation expenses. The taxable accounts will be funded by draws on KCHA subordinate and term loans. The tax exempt accounts will be funded by draws from the proceeds of tax exempt bonds issued by KCHA.

The Authority opened a depository account with Bank of America that will be used to receive and hold all income for the property and issue wires to the operating accounts which pay the property's expenses.

The Authority has opened a full business checking account with Northwest Bank that will be used to hold replacement reserves for the property. Transactions will include and be limited to deposits from and transfers to the operating account. KCHA practice is to hold non KCHA replacement reserve deposits in a separate bank account.

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**TO:** Board of Commissioners

**FROM:** Tim Walter

**DATE:** July 11, 2023

**RE:** **Resolution No. 5753** - Authorizing conveyance of two vacant Skyway parcels to King County

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Resolution No. 5753 authorizes KCHA to convey two vacant parcels of land located at 5515-5525 S. 129<sup>th</sup> St. in Skyway (unincorporated King County) to King County for use as public green space by its Parks department.

### **Background**

In early 2019, KCHA was approached by a developer who was retiring and wanted to know if KCHA would accept a donation of 6.1 acres of vacant land that he owned in the Skyway neighborhood. This vacant land consisted of three separate tax parcels: Two parcels on the north (approximately 3.2 acres) are contiguous and the third parcel to the south (approximately 2.9 acre) is located between two existing manufactured home developments occupied by low income residents.

The developer originally acquired the property in the 1990's with the intent of developing the three sites into multifamily residential housing; however, after over a decade of engineering, site investigation and pre-development work, he determined he was unable to feasibly develop the sites. The development challenges included steep slopes on the sites, inability to retain and/or discharge storm water, co-location of multiple railway lines and inability to secure easements and tunnel under the rail lines for utility services, proximity to the Duwamish River watershed basin as well as building code, zoning, street/fire and steep slope ingress/egress access and set back difficulties. Given the site challenges and the advanced age of the developer, the developer elected not to pursue any development of the sites and offered instead to donate the property to KCHA, which provided him with a charitable donation deduction to offset his income tax. While KCHA had no specific plans or intended use for the sites, it accepted the donation of the three parcels.

Since accepting the donation, KCHA has completed its own assessment of the sites and has determined that development of the two adjacent parcels would be extremely difficult if not impossible for KCHA for the same reasons encountered by the previous owner. However, the third parcel co-located between two existing affordable low-income mobile home/manufactured home communities could potentially be developed as an affordable manufactured homeownership site but the development would take a number of approvals, modifications and waivers from the

County and participation by the adjacent non-profit low income housing park owner (Manufactured Housing Community Preservationists) in order to do so.

In the meantime, the Parks division of King County received new funding to acquire and preserve green space in areas of unincorporated King County and expressed to KCHA its interest in acquiring the two smaller tax parcels (the “Property”) to steward and maintain as a recreational amenity for the Skyway community. After reviewing the options, KCHA staff believe it is in the best interest of the Authority and the Skyway community for KCHA to convey the two smaller parcels to King County for use as a community park and green space and to attempt to develop the residual larger parcel located between the two existing affordable mobile home/manufactured home communities (Vue and Empire Terrace Mobile Home Parks) as an affordable manufactured housing homeownership site.

### **Strategic Rationale**

The Skyway neighborhood has suffered from underinvestment for several decades and has been trying for many years to provide sufficient affordable housing and services for its growing population as development pressures increase in the region. Community leaders and residents are partnering with governmental entities, such as KCHA and the County, to prevent displacement of existing residents and to expand amenities to this historically underserved area.

KCHA has a long history of working cooperatively with County government and nonprofit groups on housing and housing-related issues. KCHA is currently working with local Skyway community leaders and community members to redevelop a resident resource center in central Skyway and is reviewing other potential projects in the neighborhood to assist the community with the type of growth and expansion they want to realize in Skyway.

The Property is well situated for green space purposes (see below) but needs ongoing investment and management to operate as a safe, user-friendly public open space. The site provides a long term strategic opportunity to develop a new community recreational asset which fits with KCHA’s mission to support healthy and vibrant communities.

### **Property Description**

The property to be transferred to the Parks department is comprised of two tax parcels (217200-0428 and 217200-0430), commonly known as 5515 – 5525 S. 129<sup>th</sup> St. Together, the collective lot area is 139,200 square feet or 3.2 acres. The property is triangular in shape, bordered on the northeast by S. 129<sup>th</sup> St., on the northwest by both an elevated portion of the I-5 freeway and a steep slope dropping down to a set of busy railroad tracks adjacent to the Duwamish River. The site is covered by mature trees with several makeshift trails made by unsheltered persons who have taken up temporary residence on the site and folks who wander onto and through the site. The only road on the site is a dirt road leading directly to a County Wastewater pumping station located on the west side of the property. The site is not fenced and regular dumping and occasional abandonment of vehicles on the site is evident.

## **Status of Negotiations (Purchase Agreement)**

King County has prepared a short sale agreement containing the standard terms discussed between the parties for a vacant land sale, including a 90 day due diligence period for the County to conduct its inspections. The County hopes to close the transfer by 2023 calendar year end.

The County engaged a Washington State certified appraiser to appraise the Property and has proposed a purchase price equivalent to the fair market value determined by the appraisal (approximately \$1 million); however, the price may be reduced or offset depending on the final results of the County's due diligence and the amount of any necessary clean-up costs of the site and related expenses are allocated between the parties.

## **Potential Impediments to Sale**

### **Risk & Mitigation**

(Risk) The primary risk to KCHA is the possibility that the County might determine that the site is unsuitable for acquisition based on any concerns identified during its due diligence process.

(Mitigation) In this case, KCHA would continue to retain ownership of the property.

## **Next Steps**

Subject to Board approval of Resolution 5753, staff will work with King County to finalize the purchase and sale agreement and, if the County waives its due diligence contingency, to consummate the sale.

Staff recommends passage of Resolution No. 5753



# Empire Parcels









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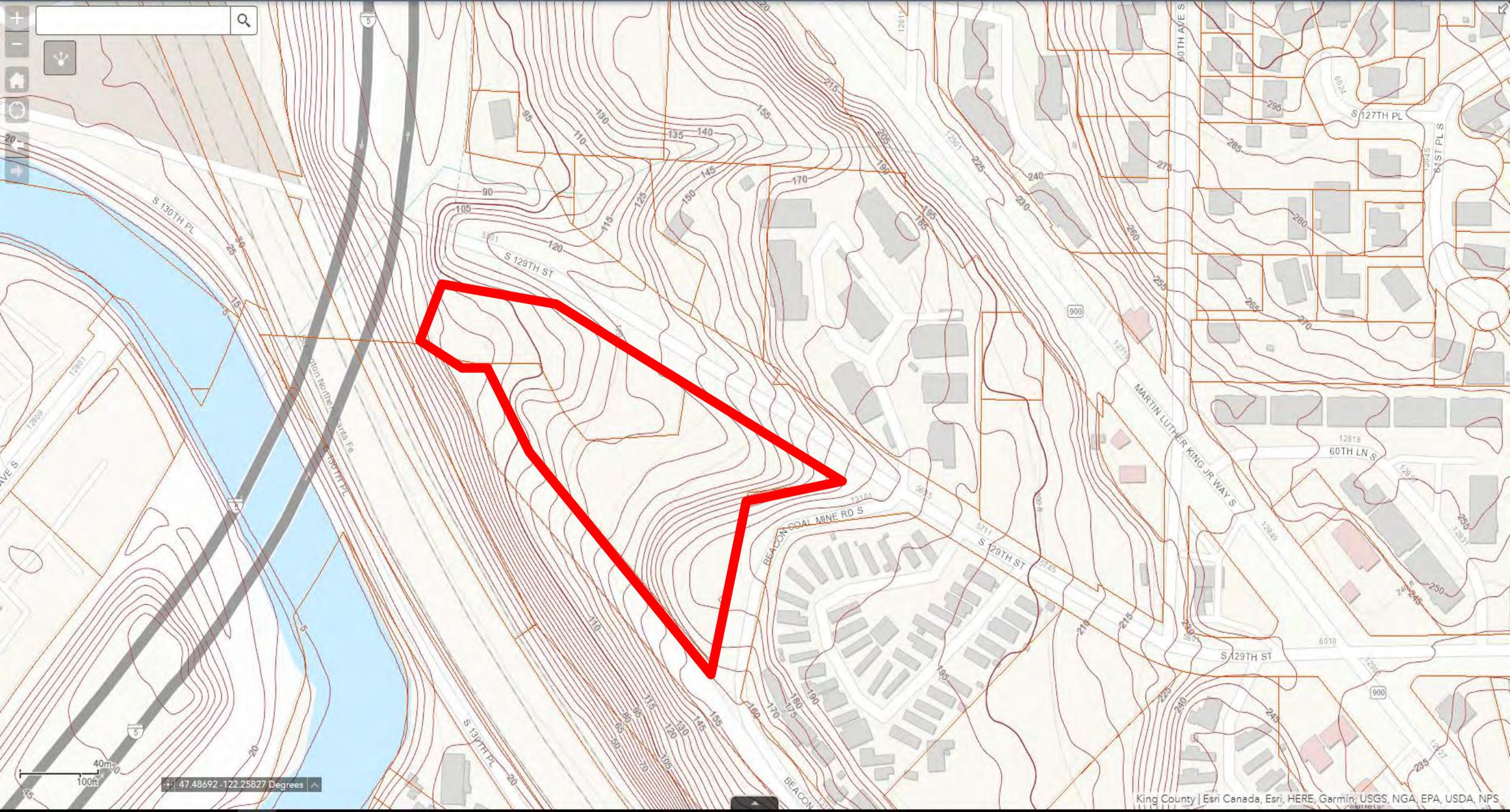
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**THE HOUSING AUTHORITY OF THE COUNTY OF KING**

**RESOLUTION NO. 5753**

**A RESOLUTION AUTHORIZING CONVEYANCE OF VACANT  
PROPERTY LOCATED IN SKYWAY TO KING COUNTY**

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**WHEREAS**, the King County Housing Authority (“Housing Authority”) owns two parcels consisting of approximately 3.2 acres of undeveloped, unimproved, contiguous vacant land located in the Skyway neighborhood of unincorporated King County (King County Parcel numbers 2172000428 and 2172000430), commonly known as 5515 - 5525 S 129th St, Seattle, Washington (the “Property”); and

**WHEREAS**, the Housing Authority has determined that it is infeasible for it to develop the Property as affordable housing; and

**WHEREAS**, access to recreational park and green space uses is an important amenity for residential areas and there are a significant number of low-income households who reside near the Property who will be able to benefit from the preservation of this land as public green space; and

**WHEREAS**, the Housing Authority owns additional undeveloped and unimproved vacant land proximate to the Property, which the Housing Authority desires to develop as affordable housing, but which development would require the removal of certain trees and loss of green space; and

**WHEREAS**, the conveyance of the Property to King County would help offset the impact of the loss of trees by the development of affordable housing on the Housing Authority’s nearby site; and

**WHEREAS**, King County has offered to acquire the Property, for the purpose of preserving the Property in its natural park-like state, at a price that is equivalent to its fair market value after taking into account costs and expenses related to the transfer; and

**WHEREAS**, RCW 35.82.070(5) provides, in part, that a housing authority shall have the power to “sell, ...transfer, assign, pledge, or dispose of any real ...property or any interest therein;”

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

**Section 1:** The Executive Director, Robin Walls, is hereby vested with the authority, and with discretion in the exercise of such authority, to convey the Property to King County for a price determined to be its fair market value as determined by a Washington State certified appraiser and which price may be reduced or offset by costs and expenses incurred by the parties related to the conveyance. In connection with such conveyance, the Board of Commissioners hereby authorizes the Executive Director to take any and all actions necessary to dispose of the Property in accordance with this Resolution, and authorizes and approves the execution of a purchase and sale agreement.

**Section 2:** The Board of Commissioners hereby authorizes the Executive Director, Robin Walls, and in her absence, Deputy Executive Director & Chief Administrative Officer Saeed Hajarizadeh and Senior Director of Development and Asset Management Tim Walter, to execute on behalf of the Housing Authority any and all contracts, agreements, certifications or other documents in connection with the Housing Authority's disposition of the Property pursuant to this Resolution.

**ADOPTED AT A MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING AT AN OPEN PUBLIC MEETING THIS 17<sup>th</sup> DAY OF JULY, 2023.**

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

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

\_\_\_\_\_  
**ROBIN WALLS**  
Executive Director and Secretary-Treasurer

CERTIFICATE

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

1. That the foregoing Resolution No. 5753 (the “Resolution”) is a true and correct copy of the resolution of the Board of Commissioners of the Authority as adopted at a meeting of the Authority held at the Authority’s principal location on July 17, 2023 (the “Meeting”), and duly recorded in the minute books of the Authority;

2. That in accordance with RCW 42.30.080, the public was notified of the Meeting via the Authority’s website and email to stakeholders;

3. That in accordance with RCW 42.30.030(2), in addition to allowing in-person attendance and participation, one or more options were provided for the public to attend and participate in the Meeting remotely through real-time telephonic, electronic, internet, or other readily available means of remote access that do not require an additional cost to access the Meeting; and

4. That Meeting was duly convened and held 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 17<sup>th</sup> day of July, 2023.

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**Robin Walls**

Secretary-Treasurer and Executive Director of the  
Authority

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**To:** Board of Commissioners  
**From:** Wendy Teh – Financial Planning Manager  
**Date:** June 22, 2023  
**Re:** 2023 Midyear Financial Forecast

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## **EXECUTIVE SUMMARY**

The Board adopted the Calendar Year 2023 Operating and Capital Budget (“2023 Budget”) via Resolution 5741 on December 19, 2022. The 2023 Midyear Financial Forecast includes revised assumptions and new information not part of the original budget process.

The 2023 Midyear Financial Forecast includes several adjustments that raise the projected cash balance at 12/31/2023 (including amounts held by HUD) to \$302.6 million, an increase of \$17.0 million in unrestricted or programmatic cash. The core driver of this projected change is due to enhanced Federal revenues.

Exhibit A details the original 2023 Adopted Budget, the Total Forecasted Changes, and the 2023 Revised Projection. Significant adjustments are explained in the Financial Forecast Highlights section.

The Changes to Staffing section discusses newly-planned positions and changes to existing positions. Exhibit B summarizes total positions by department.

## **CONTEXT**

The 2023 Midyear Financial Forecast provides the Board with an overall synopsis of the changes in the current and near-term fiscal outlook for KCHA compared to the Authority's adopted 2023 Budget. Included changes are generally limited to those with an aggregate financial impact of \$1.0 million or greater. Although, those affecting Moving to Work (MTW) funds with an aggregate impact of \$500 thousand or greater are also included, as are other adjustments deemed significant.

Changes to the number of Full-Time Equivalent (FTE) employees are also included in this report to the Board of Commissioners and in the fiscal projection.

## **FINANCIAL FORECAST HIGHLIGHTS**

### Federal Programs

#### ***Block Grant and Special Purpose Vouchers***

##### *Revenue*

KCHA historically uses conservative estimates of the HCV Renewal Funding Inflation Factor (RFIF) and prorate to derive budgeted block grant and special purpose voucher (SPV) revenue. As announced earlier in the year by HUD, actual 2023 RFIF and prorate levels are better than budgeted estimates. The 2023 RFIF of 17.505% surpassed the original projection of 5.0%, resulting in \$22.3 million in additional block grant revenue. The 2023 prorate of 100% versus the budget of 99.0% added an additional \$1.9 million. Combined, the effect on the SPV funding results in an additional \$4.2 million of revenue.

In 2023 KCHA was awarded an additional 32 Emergency Housing Vouchers (EHV) through the American Rescue Plan Act to assist individuals and families experiencing homelessness or at risk of homelessness for a total of 794 EHV's. Revised leasing rates, combined with the additional vouchers, results in an increase of \$527 thousand in additional revenue.

##### *Expense*

To date, the Per Unit Cost (PUC) for Housing Assistance Payments in the HCV program has been more than forecast in the budget. The 2023 Midyear Financial Forecast assumes an annualized increase of 7% in the PUC between now and the end of the year for all KCHA SPV programs. The PUC for the remainder of the year for the block grant was projected using HUD's two-year tool. The current forecast at 12/31/2023 is now \$1,465.52, up from \$1,418.90 in the original budget.

In addition to the projected increase in block grant PUC, total unit months leased (UML) are also projected to increase. Block grant UML for the remainder of the year were projected using HUD's two-year tool including current anticipated lease up rates, port absorptions, and attrition. After adjusting the UML in the two-year tool for FUP, NED, and VASH, the revised UML projection for the block grant is estimated at 10,238 versus the original budget of 8,769.

The higher PUC costs and UML levels for the block grant results in an increase of \$13.5 million in projected HAP costs. In aggregate, the revised projections for PUC and UML for the SPV results in a decrease of HAP expenses of \$1.5 million. HAP Expense for the EHV's is projected to decrease by \$1.9 million mostly due to lower than anticipated PUC, slightly offset by an increase in UML attributable to the additional vouchers received 2023.

##### ***Ports-In***

The 2023 Midyear Financial Forecast reflects an increase of \$4.6 million of operating revenue related to HCV "Ports-In," clients from other housing authorities who have moved into KCHA's

area of service. Although it is anticipated UMLs will decline due to planned absorptions, the higher PUC is causing HAP revenue to increase. Offsetting this increase in revenue will be an equal increase in HAP expense.

### ***Public Housing***

Through June, HUD has used an interim proration of 92.15% for the Public Housing Operating Fund Subsidy vs. the budget of 92.0%, resulting in little change to the revenue forecast. Budgeted gross eligibility was estimated at \$13 million, whereas actual gross eligibility is \$14.8 million. After the current estimated prorate is applied, the operating fund subsidy revenue has increased by \$1.6 million

## **CHANGES TO STAFFING**

The financial effects of midyear personnel changes is anticipated to be approximately \$3.6 million including benefits. The proposed personnel changes are presented here to provide clarity regarding agency staffing needs.

- Social Impact is adding two grant funded Resident Interns to provide employment opportunities those currently housed in our programs as well as a Digital Equity Coordinator to manage and coordinate Education-specific initiatives.
- Executive level positions are needed to bolster the agency's ability to achieve its goals and objectives as it continues to expand its stock of affordable housing. New roles include an Executive Vice President of Information Technology, an Executive Vice President of Human Resources, an Executive Vice President of Intergovernmental Affairs/Policy/Social Impact and a Senior Vice President of Public Relations/Communications.
- Human Resources is adding two new Recruitment Coordinators to assist with the agency's continued growing staffing needs.
- Administrative Services is adding a new Procurement Manager to support agency-wide procurement requirements, public records requests and records management. In addition, the department is increasing the hours of a current Management Analyst from 0.5 FTE to 1.0 FTE.
- Finance is adding two new temporary Senior Accounting Technicians/Accountants to assist with financial and payroll system implementations that have started this year. These additions, along with four temporary out of class assignments, will be part of the department's overall strategy to manage the implementations with little disruption to current workloads as well as provide succession planning opportunities to staff.
- Asset Management is adding a temporary Asset Manager to assist with workload while two current Asset Managers are out on temporary leave.
- Resident Services is adding a new 0.5 FTE Resident Assistant as well as converting three current 0.5 FTE Resident Interns to three 0.5 FTE Resident Assistants to support agency's goal to provide employment opportunities for our federally subsidized housing residents. In addition, a new temporary Resident Services Coordinator is needed to assist

the North and East Regions due to staff assigned to out of class capacities.

- Housing Management is adding one Administrative Project Manager to assist with the complex Yardi implementation project, an Administrative Specialist and Senior Management Analyst to assist with growing compliance needs and a Management Analyst Procurement Specialist to assist with the significant increase in task order contracts.
- Housing Choice Vouchers is adding one Housing Quality Inspector Lead, two Housing Quality Inspectors, one Senior Housing Program Manager and two Senior Housing Specialists. These positions are needed to lower the current caseload ratios as well as help ease the increase in intermittent staff absences.

Please see Exhibit B for authorized staffing and midyear changes by department.

2023 Midyear Financial Forecast  
 July 17, 2023 Board Meeting  
 Page 5 of 6

**EXHIBIT A**

	2023 Adopted Budget	Forecasted Changes	2023 Midyear Budget
<b>King County Housing Authority</b>			
Beginning Balance, Unrestricted Cash	\$162,971.9	\$ .0	\$162,971.9
<b>Revenues</b>			
Tenant Revenue	\$159,706.3	\$ .0	\$159,706.3
Operating Fund Subsidy from HUD	12,013.7	.0	12,013.7
Section 8 Subsidy from HUD	243,263.2	35,372.0	278,635.1
Other Operating Revenue	88,733.4	.0	88,733.4
Total	503,716.6	35,372.0	539,088.5
<b>Expenses</b>			
		.0	
Salaries & Benefits	(75,742.1)	(3,728.7)	(79,470.7)
Routine Maintenance, Utilities, Taxes & Insurance	(42,822.5)	.0	(42,822.5)
Other Social Service Support Expenses & HAP	(268,019.3)	(14,666.7)	(282,686.0)
Administrative Support Expenses	(36,055.5)	.0	(36,055.5)
Total	(422,639.3)	(18,395.4)	(441,034.7)
Net Operating Income	81,077.3	16,976.5	98,053.8
Non-operating Revenue	24,081.7	.0	24,081.7
Non-operating Expenses	(36,146.6)	.0	(36,146.6)
Net Income	69,012.3	16,976.5	85,988.9
<b>Other Sources/(Uses) of Cash</b>			
Capital Projects and Acquisitions	(28,536.6)	.0	(28,536.6)
Changes in Designated Cash	(1,395.2)	.0	(1,395.2)
Changes in Restricted Cash	2,153.2	.0	2,153.2
Changes in Receivables	2,087.1	.0	2,087.1
Changes in Other Assets	81.7	.0	81.7
Changes in Debt	(36,757.5)	.0	(36,757.5)
Changes in Other Liabilities	(1,422.8)	.0	(1,422.8)
Changes in Equity	.0	.0	.0
Total	(63,790.1)	.0	(63,790.1)
<b>Transfer In from (Out to) Other Funds</b>			
Transfers In from Other Funds	50,150.4	.0	50,150.4
Transfers Out to Other Funds	(59,549.6)	.0	(59,549.6)
Net Transfer In/(Out)	(9,399.3)	.0	(9,399.3)
Net Change in Unrestricted Cash	(4,177.0)	16,976.5	12,799.5
Ending Balance, Unrestricted Cash	\$158,794.9	\$16,976.5	\$175,771.4
Ending Balance, Designated Cash	\$92,886.3	\$ .0	\$92,886.3
Ending Balance, Restricted Cash	\$33,931.1	\$ .0	\$33,931.1
Total Ending Balance, All Cash	\$285,612.3	\$16,976.5	\$302,588.8

## EXHIBIT B

	2023 Authorized FTEs	Midyear Changes	Inter- Department al Transfers	2023 Midyear Forecast	% Change
<b>King County Housing Authority</b>					
<b>Office of the Executive Director</b>					
Communications	2.00	-	-	2.00	0.0%
Equity Diversity & Inclusion	3.00	-	-	3.00	0.0%
Executive	6.25	4.00	1.00	11.25	80.0%
Human Resources	12.00	2.00	-	14.00	16.7%
Information Technology	18.00	-	-	18.00	0.0%
Social Impact	23.38	3.00	7.00	33.38	42.8%
<b>Total</b>	<b>64.63</b>	<b>9.00</b>	<b>8.00</b>	<b>81.63</b>	<b>26.3%</b>
<b>Construction &amp; Weatherization</b>					
Capital Construction	19.00	-	-	19.00	0.0%
Weatherization	16.00	-	-	16.00	0.0%
<b>Total</b>	<b>35.00</b>	<b>-</b>	<b>-</b>	<b>35.00</b>	<b>0.0%</b>
<b>Asset Management &amp; Development</b>					
Asset Management	24.50	1.00	-	25.50	4.1%
Development	3.25	-	-	3.25	0.0%
Greenbridge	3.00	-	-	3.00	0.0%
<b>Total</b>	<b>30.75</b>	<b>1.00</b>	<b>-</b>	<b>31.75</b>	<b>3.3%</b>
<b>Administrative Services</b>					
Administrative Services	13.50	1.50	-	15.00	11.1%
Finance	26.50	2.00	-	28.50	7.5%
<b>Total</b>	<b>40.00</b>	<b>3.50</b>	<b>-</b>	<b>43.50</b>	<b>8.8%</b>
<b>Housing Management</b>					
Housing Choice Vouchers	111.50	6.00	(0.50)	117.00	4.9%
Housing Management	10.50	4.00	1.50	16.00	52.4%
Property Management	191.49	-	(1.00)	190.49	-0.5%
Resident Services	39.50	1.50	(8.00)	33.00	-16.5%
Safety & Security	2.00	-	-	2.00	0.0%
<b>Total</b>	<b>354.99</b>	<b>11.50</b>	<b>(8.00)</b>	<b>358.49</b>	<b>1.0%</b>
<b>KCHA Total</b>	<b>525.37</b>	<b>25.00</b>	<b>-</b>	<b>550.37</b>	<b>4.8%</b>
<b>Sedro-Woolley Housing Authority</b>					
Cedar Grove/Hillsview	2.16	-	-	2.16	0.0%
<b>SWHA Total</b>	<b>2.16</b>	<b>-</b>	<b>-</b>	<b>2.16</b>	<b>0.0%</b>
<b>Combined Total Workforce</b>					
King County Housing Authority	525.37	25.00	-	550.37	4.8%
Sedro Woolley Housing Authority	2.16	-	-	2.16	0.0%
<b>TOTAL</b>	<b>527.53</b>	<b>25.00</b>	<b>-</b>	<b>552.53</b>	<b>4.7%</b>

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**To:** Board of Commissioners

**From:** Anneliese Gryta, Deputy Executive Director – Housing Assistance Programs

**Date:** July 7, 2023

**Re:** Housing Choice Voucher Program Overview & Update Presentation

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At the July 17, 2023 KCHA Board of Commissioners Meeting, Anneliese Gryta, Deputy Executive Director – Housing Assistance Programs and Pam Taylor – Director of the Housing Choice Voucher Program will provide a high-level overview of the department’s activities. We will also provide an update as to the major trends impacting the department in 2023. Please see the following presentation slides for your review.

# Housing Choice Voucher Program Overview & Update

Pam Taylor, Director, Housing Choice Voucher Program  
Anneliese Gryta - Deputy Executive Director, Housing  
Assistance Programs



July 17, 2023

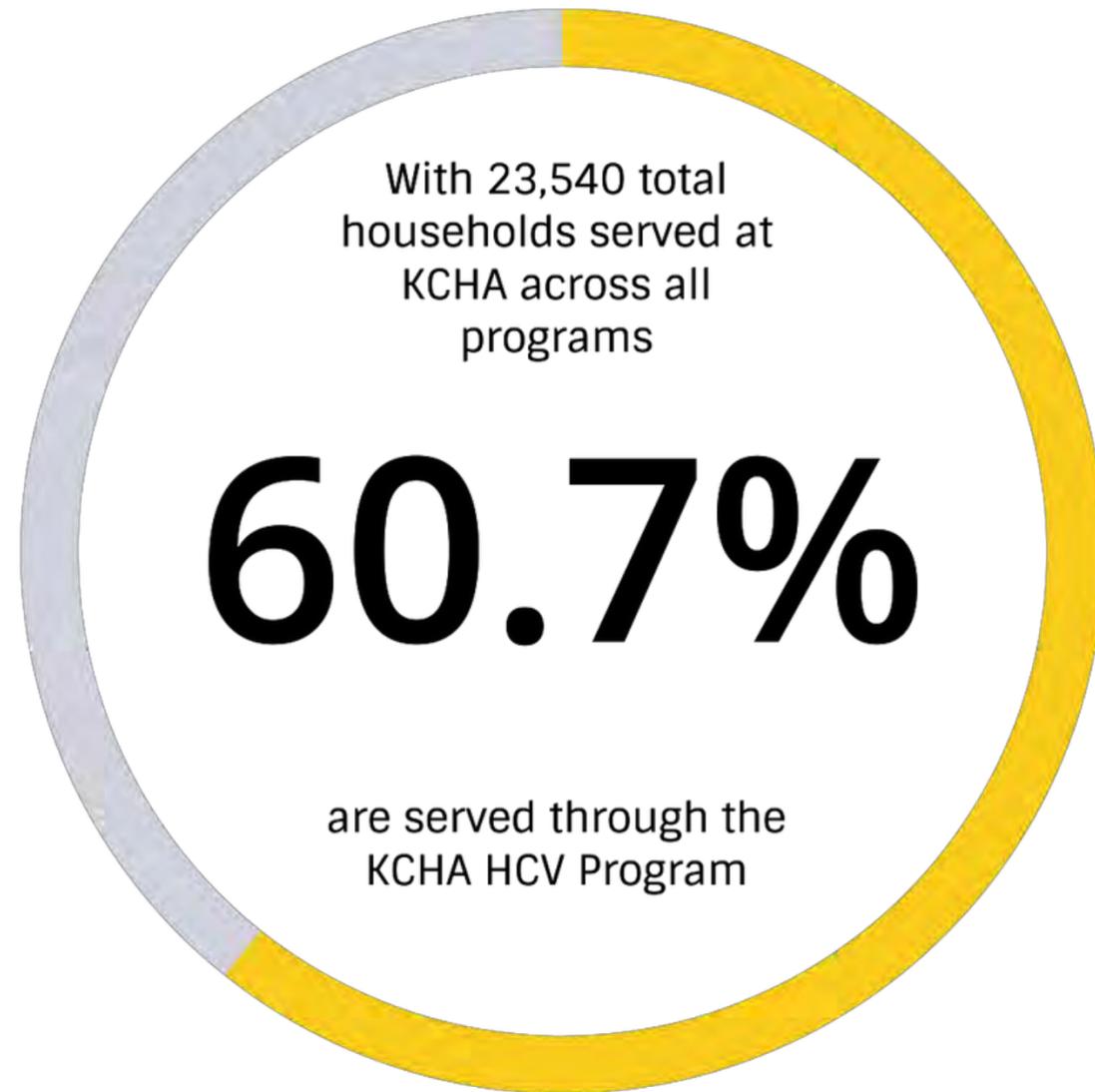
**We transform lives  
through housing**

# Agenda

1. Introduction
2. Housing Choice Voucher Program Overview
3. 2023 Trends & Updates
4. Questions & Discussion



# KCHA Housing Choice Voucher Program: By the Numbers



Total Vouchers Currently Administered: 14,291

- Includes port-ins to King County (2,979)
- Does not include port-outs (602)

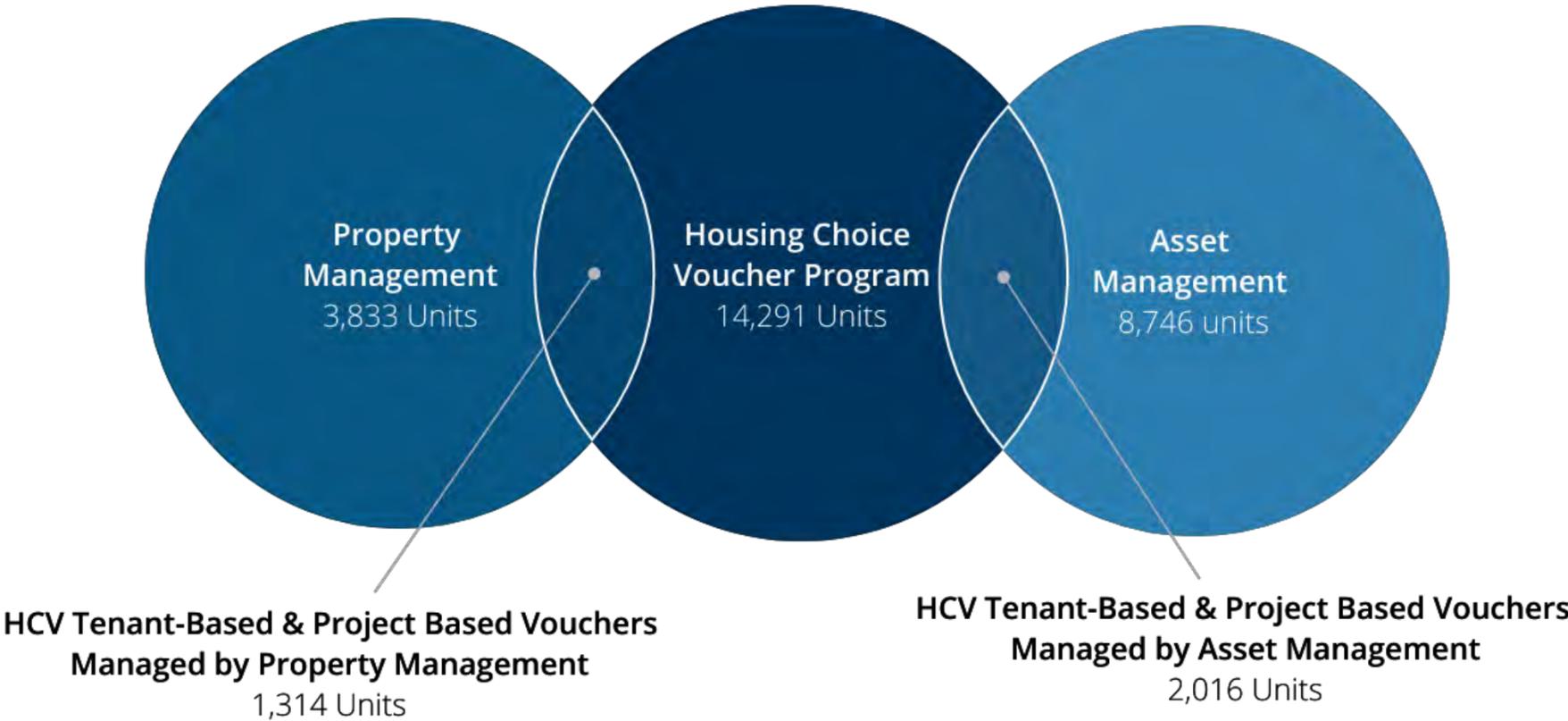
\*Total vouchers up from 13,562 at last update to KCHA Board of Commissioners in Feb. '22 (5.4% increase).

\*Denominator based on 8,746 units/households under Asset Management, 3,833 unit/households under Property Management, subtracting the vouchers in both progrms and total vouchers administered (14,291).

# KCHA Program Overlap

KCHA's strategic use of financing means that some programs can overlap with each other.

This diagram shows how the KCHA Housing Choice Voucher program interacts with KCHA's Property Management and Asset Management inventory, helping to preserve and expand high quality affordable housing in King County.



# KCHA Housing Choice Voucher Program Team



**Anneliese Gryta**

Deputy Executive Director  
Housing Assistance Programs



**Pam Taylor**

Director  
Housing Choice Voucher Program



**Karen House**

Associate Director  
Housing Choice Voucher Program



**Candy Halamuda**

Associate Director  
Housing Choice Voucher Program

**Total 2022  
HCV Staff: 104.5**

# KCHA Housing Choice Voucher Program Team



**Anneliese Gryta**  
Deputy Executive Director  
Housing Assistance Programs



**Pam Taylor**  
Director  
Housing Choice Voucher Program



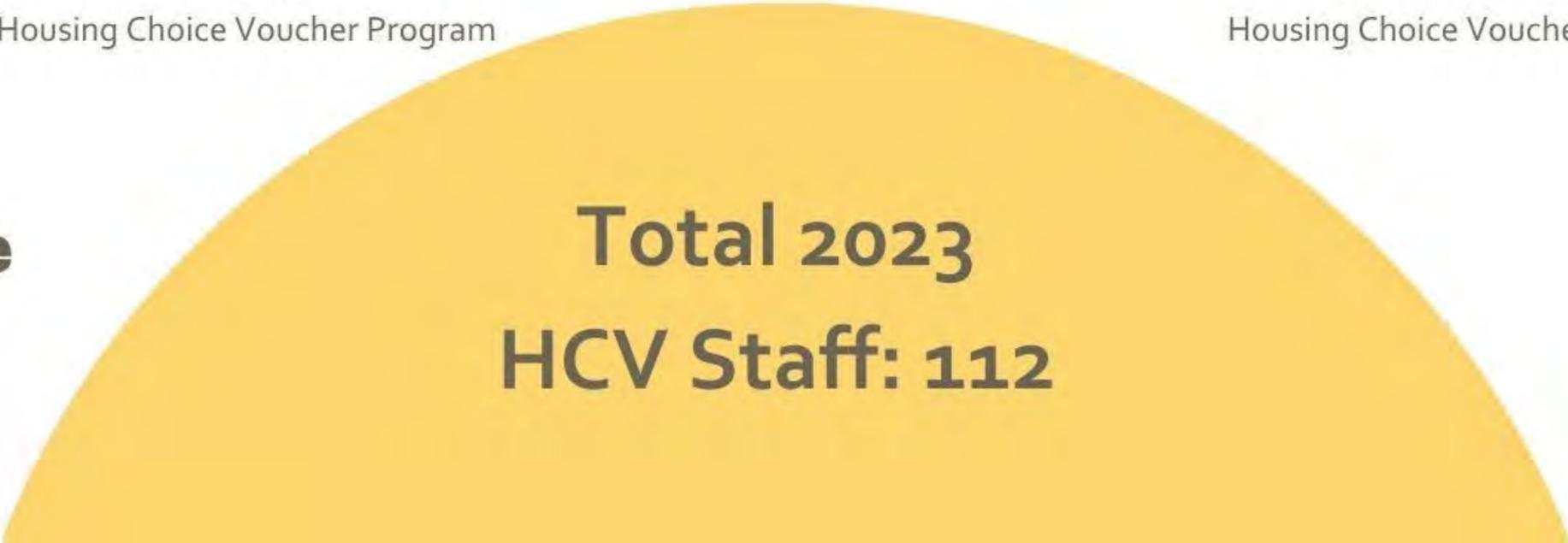
**Karen House**  
Associate Director  
Housing Choice Voucher Program



**Candy Halamuda**  
Associate Director  
Housing Choice Voucher Program



**7.2% Increase**



**Total 2023  
HCV Staff: 112**

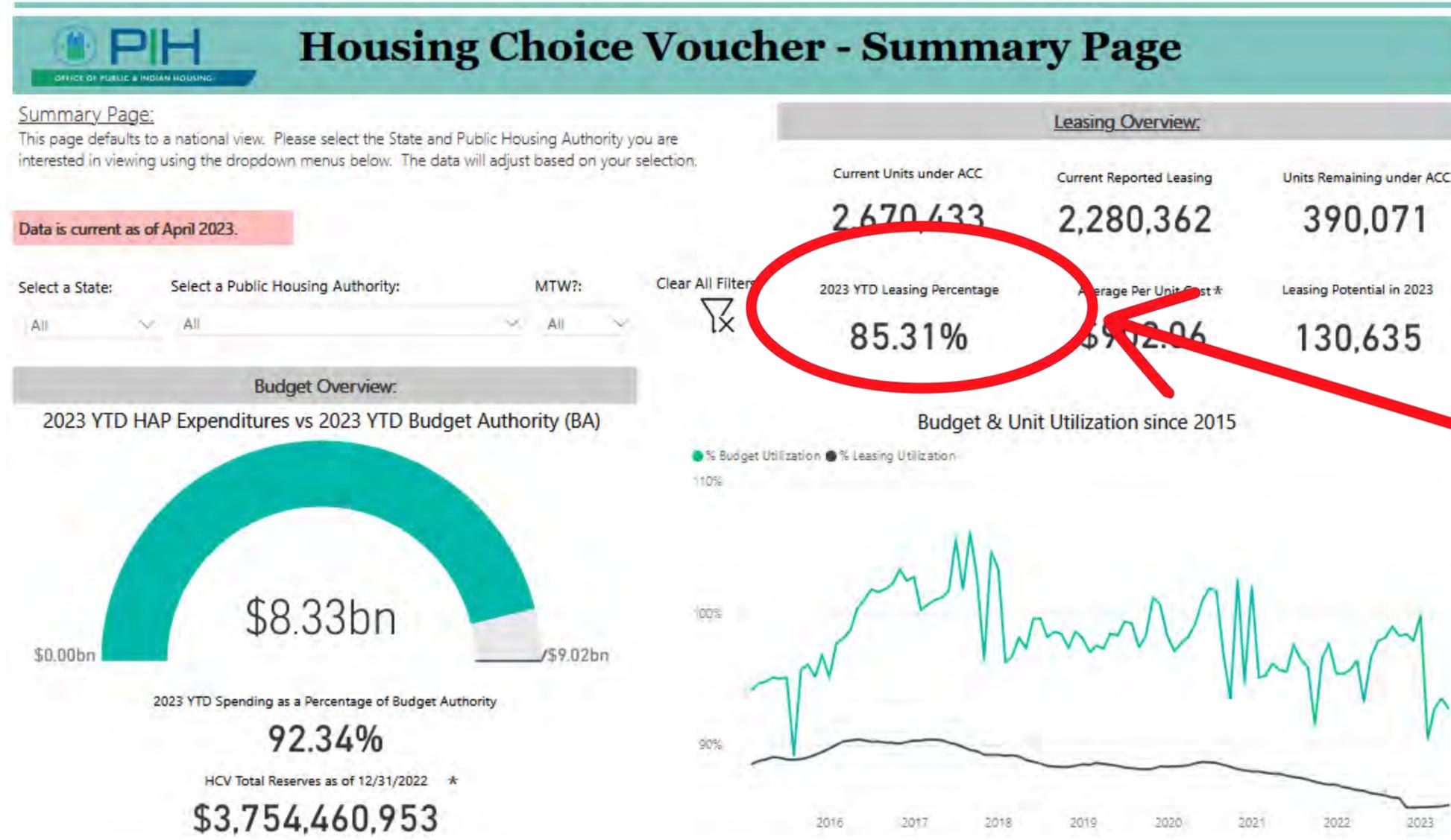
# KCHA Housing Choice Voucher Program Team

VACANT POSITIONS BY MONTH	June	July	August	September	October	November	December	January	February	March	April	May	June	
Intern	3	3	3	3	3	2	2	2	2	2	1	1	1	
Housing Assistant	4	3	3	3	2	4	4	8	4	4	3	3	4	
Housing Specialist	0	0	1	1	2	2	2	1	1	1	1	2	4	
Inspector	0	0	0	0	0	0	0	1	1	1	1	3	2	
Senior Housing Specialist	6	3	3	2	2	1	0	4	7	7	7	6	2	
Senior Housing Specialist (Floater)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Senior Housing Quality Inspection Manager	0	0	0	0	0	0	0	0	0	0	1	1	1	
Senior Housing Program Manager	0	0	0	0	0	0	0	0	0	1	1	1	1	
Senior Administrative Program Manager	0	0	1	1	1	1	1	1	0	0	0	0	0	
<b>Totals</b>	<b>13</b>	<b>9</b>	<b>11</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>9</b>	<b>17</b>	<b>15</b>	<b>16</b>	<b>15</b>	<b>17</b>	<b>15</b>	
													13	
														Average vacancies over prior 12 months

Currently operating at 86.6% staffing at May 31, 2023



# National HCV Utilization Rate



National Utilization Rate

# National Context - 2023

**Housing Choice Voucher - Summary Page**

**Leasing Overview:**

Current Units under ACC	Current Reported Leasing	Units Remaining under ACC
10,284	10,487	-203

**2023 YTD Leasing Percentage: 101.55%**

**Average Per Unit Cost: \$1,343.00**

**Leasing Potential in 2023: 0**

**Budget Overview:**

2023 YTD HAP Expenditures vs 2023 YTD Budget Authority (BA)

\$59.76M / \$74.38M

2023 YTD Spending as a Percentage of Budget Authority: **80.34%**

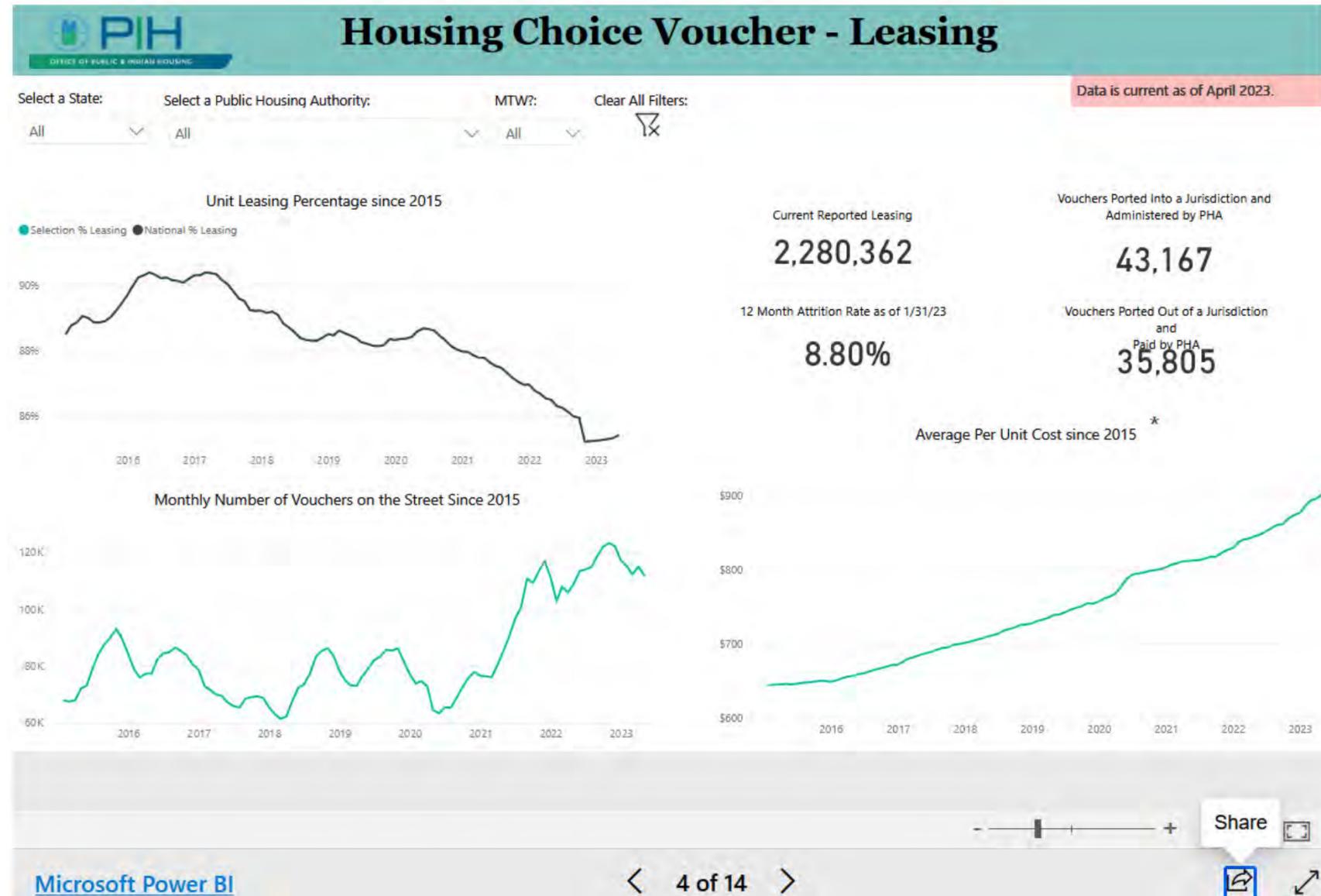
HCV Total Reserves as of 12/31/2022: **\$27,636,025**

**Budget & Unit Utilization since 2015**

% Budget Utilization (green line), % Leasing Utilization (black line)

**KCHA  
Utilization  
Rate**

# National Context - 2023



- KCHA's strong utilization rate counters national trends of lower leasing percentages and higher rates of "Vouchers on the Street," since 2015, which indicates that voucher holders are having a harder time finding housing, nationally.

# KCHA Housing Choice Voucher Program: Budget

- Total HCV Department Budget 2023
  - Total Expenses: \$261,877,564
- Housing Assistance Payments (HAP) 2023 Budget - \$248.9 million
- Salaries & Benefits - \$12 million
  
- Budget assumed a 5% Renewal Funding Inflation Factor (actual 17.5%).
- Budget assumed 99% Prorate (actual 100%)



# Basic Types of HCV Subsidy



**Tenant-Based**

- Provides a subsidy linked to the tenant.
- The tenant may take the voucher to any rental property, where the unit meets safety and rent reasonableness requirements.



**Project-Based**

- Here, the voucher is linked to the unit rather than the tenant.
- If the tenant leaves the unit, they no longer have a subsidy.

# Project Based Voucher Partners

## KCHA Asset Management



NIA Apartments



678 of 8,463  
Are PBV Units

## KCHA Property Management



Birch Creek



1,228 of 3833  
Are PBV Units



Project-Based  
3,001 Total Units

## Community Partners

1,095  
PBV Units

100+  
Contracts



William J. Wood Veteran Housing



# Tenant Based Voucher Partners

## KCHA Asset Management



Hampton Greens



1440 of 8,746  
Are TBV Units



Tenant-Based

11,290 Total (including Port-Ins)

## Private Landlords & Nonprofits

2,479  
Landlords



# Block Grant vs. Non-Block Grant: Two Sets of Rules



## Block Grant Vouchers

- Full funding (subject to Congressional proration) for all vouchers that are part of the block grant is automatically renewed each year, enabling KCHA to continue to receive the benefit of savings realized through efficiencies in operations.



## Non-Block Grant Vouchers

- This is in contrast to our non-block-grant programs where renewal funding is limited to the actual cost of vouchers leased in the prior year.
- This is the formula for non-MTW housing authorities.
- Voucher eligibility is dictated by HUD.

# Another Key Distinction



## General Vouchers

- A housing subsidy is provided to the voucher-holder.
- Target Population: Low-Income Community

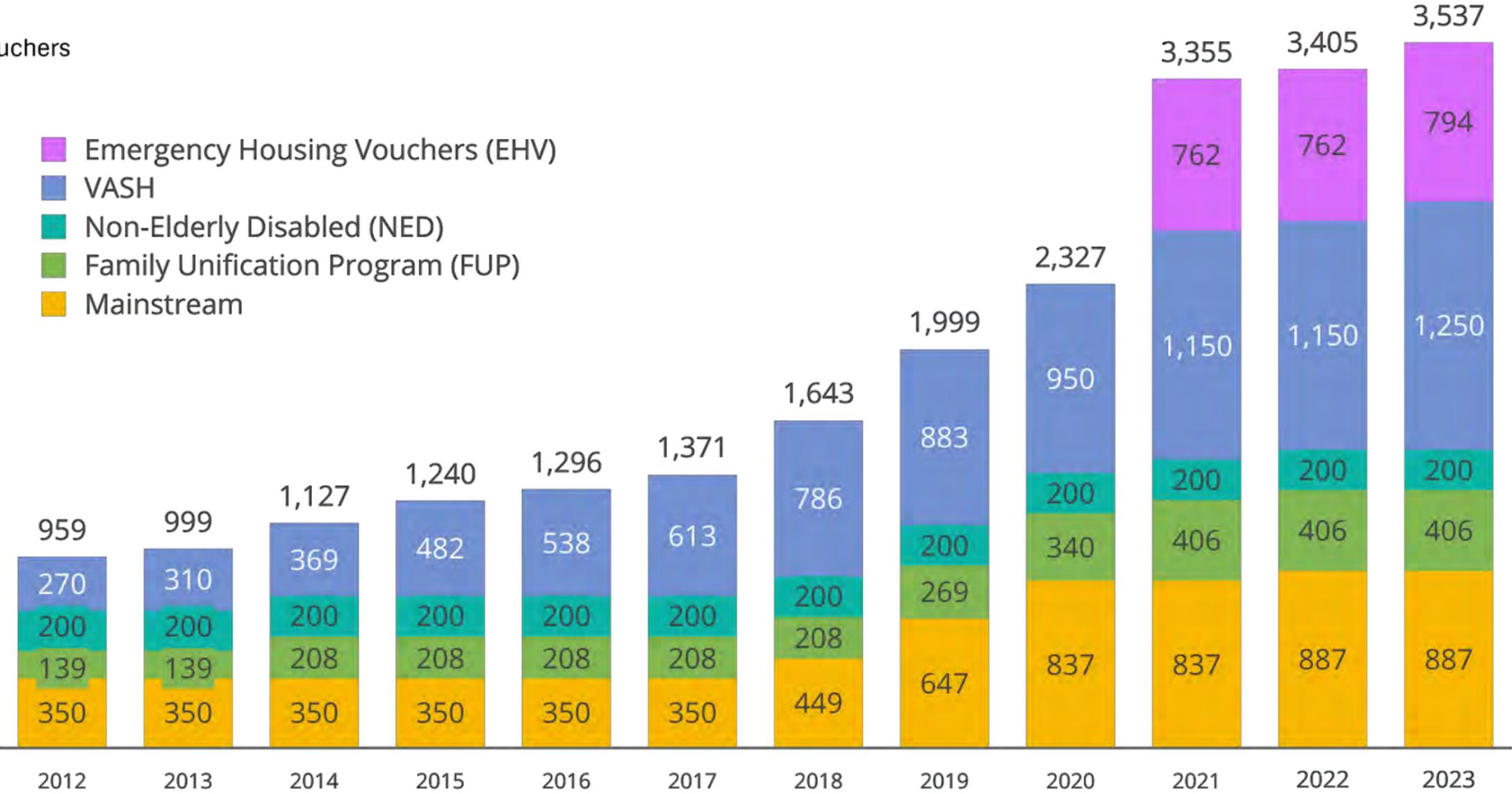
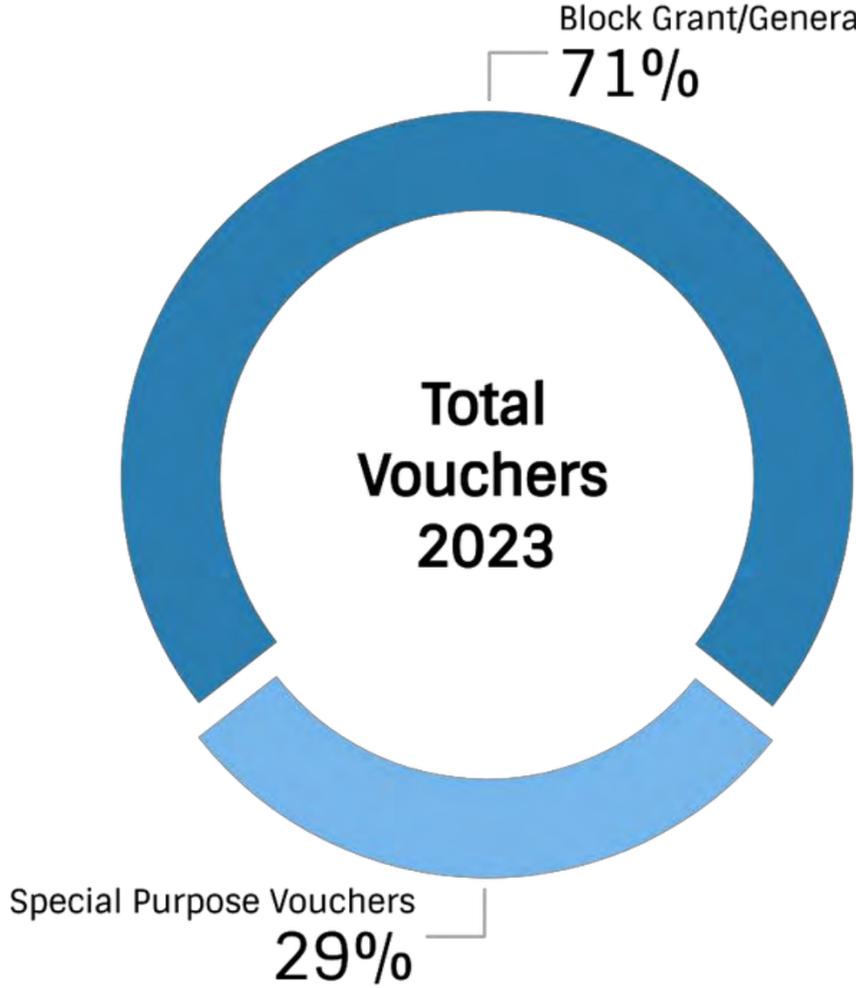
Vs.



- Here, a housing subsidy is paired with supportive services.
- Target Population: Various special population groups, such as veterans, individuals with disabilities, youth aging out of foster care

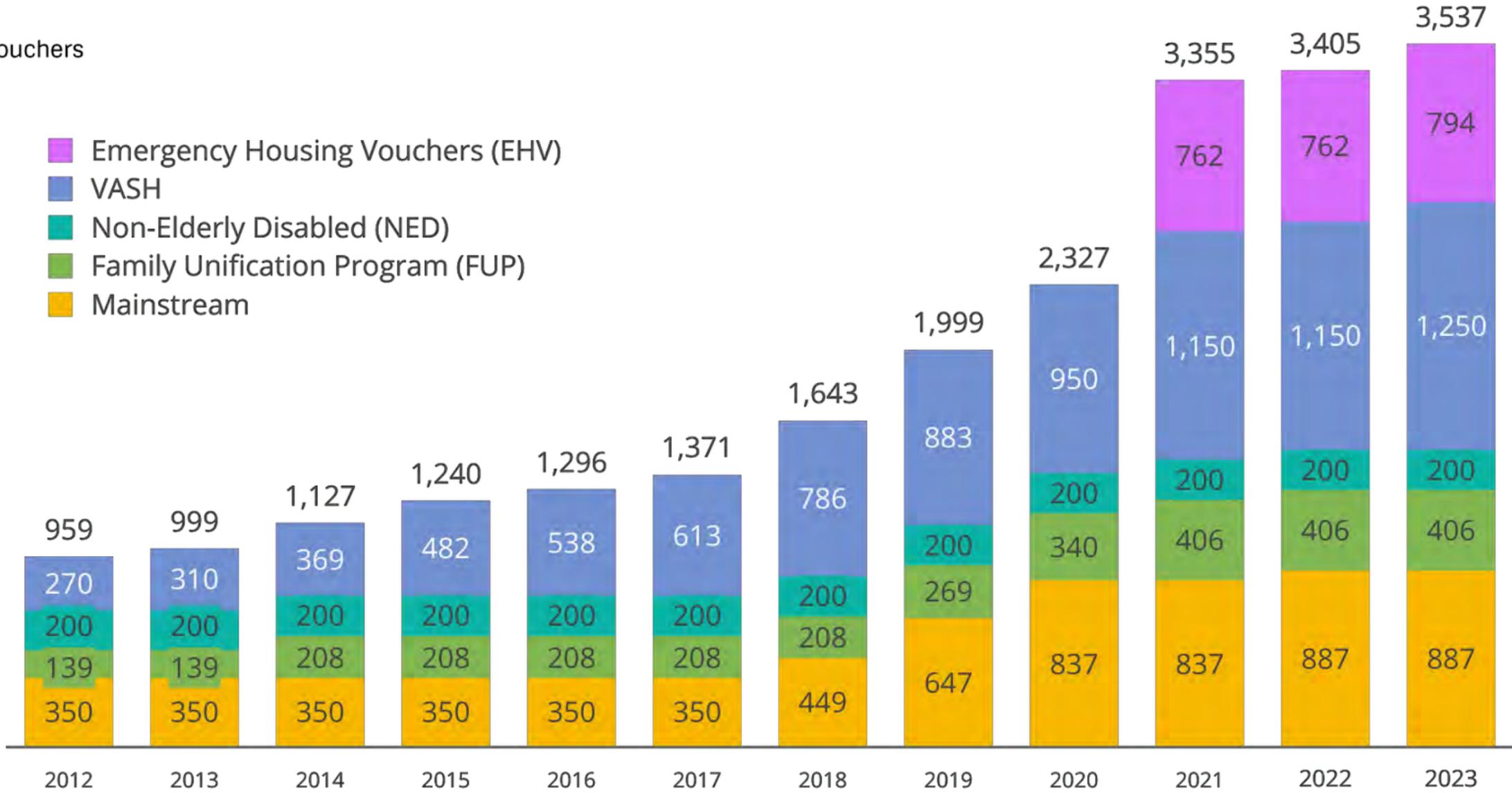
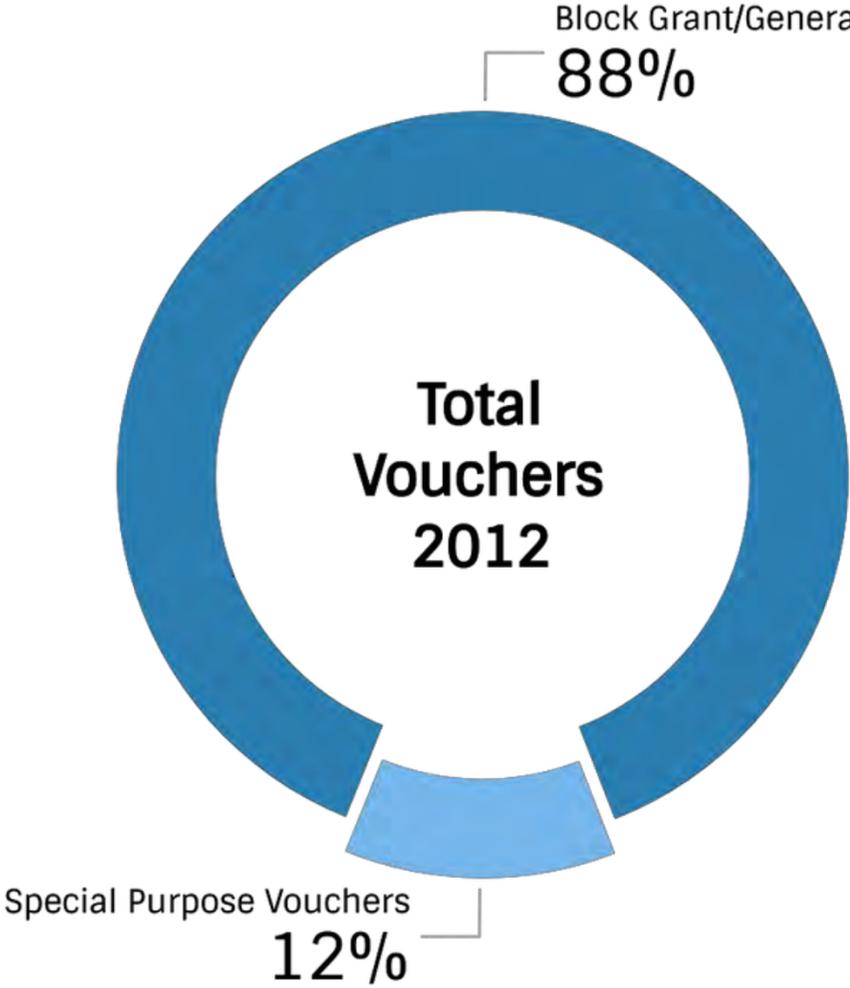
## Supportive Housing/Special Purpose Vouchers

# We Serve Special Population Groups More Than Ever



Non-Block Grant Supportive Housing/SPV Growth

# We Serve Special Population Groups More Than Ever



Non-Block Grant Supportive Housing/SPV Growth

# SPV Participants May Need More Support



# Veterans Affairs Supportive Housing

## Population Served:

Veterans experiencing homelessness

- Tenant-based Vouchers
- Project-based Vouchers

## Referrals from:

- VA Puget Sound Healthcare System
- King County Veterans Program (pilot)

## Services Available

- Housing Search Assistance
- Voluntary case management services



# Housing Access & Services Program (HASP)

## Population Served

People with disabilities that are age 62 or younger

- Tenant-based Vouchers
- Project-based Vouchers



## Referrals from

A consortium of King County disability systems and providers

## Services Available

- Housing Search Assistance
- Voluntary tenancy services for 1 year

Program uses U.S. HUD Mainstream and Non-elderly Disability Vouchers

# Family Unification Program & Foster Youth to Independence

## Population Served

Families with children involved in the child welfare system without housing and

Young adults exiting, or about to exit foster care without housing

- Tenant-based Vouchers



## Referrals from

WA State Dept. of Children, Youth & Family Services (DCYF)

## Services Available

- Housing Search Assistance
- Voluntary tenancy services for 1 year
- Voluntary self-sufficiency services

Program uses U.S. HUD FUP and Foster Youth to Independence (FYI) vouchers

# Other Targeted Special Programs

## Population Served

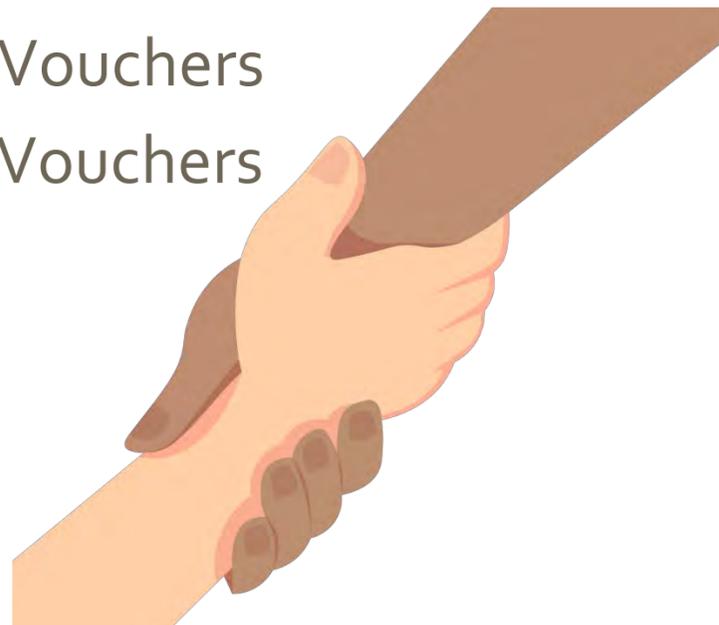
People experiencing homelessness

People fleeing domestic violence

People exiting the criminal justice system

People living with a disability

- Project-based Vouchers
- Tenant-based Vouchers



## Referrals from

Community Based Organizations

Coordinated Entry

## Services Available

A wide variety of tailored supportive services are available on site

# Emergency Housing Vouchers

## Population Served

People experiencing homelessness

People attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking

People Moving-on from Permanent Supportive Housing or Rapid Rehousing

- 794 Tenant-based Vouchers

## Referrals from

King County Regional Homelessness Authority (Coordinated Entry)

Community Based Organizations

## Services Available

- Housing Search Assistance
- Voluntary tenancy supports for 1 year



# 2022 Headwinds Have Subsided

## 2022 Updates & Hot Topics: Rental Market Dynamics

Business | Local News | Local Politics | Project Homeless | Real Estate

### King County will close rent assistance program to new applicants as money runs out

Feb 14, 2022 at 3:09 pm | Updated Feb 14, 2022 at 4:41 pm



Renters will no longer be able to apply for King County help after Feb. 28 because the county has already received more applications than it can fund with the

By Heidi Groover  
Seattle Times Business reporter

With thousands of renters still awaiting help and federal funds running out, King County will soon stop accepting new applications for pandemic rent assistance.

Tenants will no longer be able to apply for county help after Feb. 28 because the county has already received more applications than it can fund with the

lendingtree

The Federal Reserve has indicated they'll raise rates several times in 2022. Refi before they meet next on March 15th!

FEBRUARY 15, 2022

Loan amount: \$225,000

Loan term: 15-Year Fixed

Credit score: Excellent

Calculate Payment

- Tight rental market - low vacancy
- Expensive rental market - rising costs
- Expiration of moratoria
- Ending of Emergency Rental Assistance

- In 2022, HCV faced significant concerns about the emergence from the pandemic, the high number of voucher holders shopping for housing and steep rental increases
- Image (left) shows a slide from the February 2022 HCV Board update.

<https://www.seattletimes.com/business/real-estate/king-county-will-close-rent-assistance-program-to-new-applications-as-money-runs-out/>



# 2022 Headwinds Have Subsided

## 2022 Updates & Hot Topics: Shopping Success Rate

### Shopping Success Report

August 22 Metric	Last 12 Monthly Cohorts*	2021 Cohorts*	2020 Cohorts*	2019 Cohorts*	2018 Cohorts*	Lease Outcomes by Payment Standard Tier				
120 Days	42%	46%	63%	59%	61%	Tier 1	7.3%	7.1%	4.3%	6.9%
240 Days	65%	65%	78%	75%	78%	Tier 2	31.0%	32.6%	31.8%	33.5%
						Tier 3	23.7%	24.8%	23.5%	24.6%
						Tier 4	13.1%	11.5%	11.2%	10.3%
						Tier 5	7.3%	6.6%	9.8%	7.3%
						Tier 6	18.4%	17.4%	19.4%	18.3%

### Success Rates by Month: Last 16 Monthly Cohorts

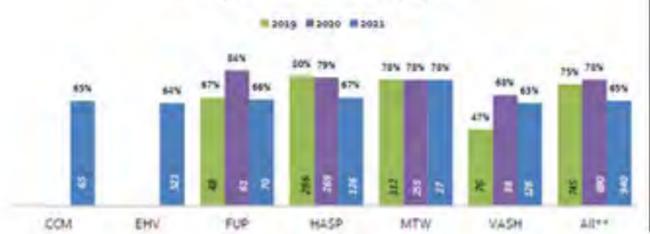


• Success rate at 120 days has plummeted



### Success by Voucher Type @ 240 Days

Shown only for vouchers that have reached 240 day mark.



### Success by Bedroom Size @ 240 Days

Shown only for vouchers that have reached 240 day mark.



Notes: \* Data pulled from Truwest on 8/11/2022. Success rates are calculated using adjusted sample sizes depending on the time frame and issue month.

- Image (left) shows report from the February 2022 HCV Board Update.
- At the time, shopping success rate at 120 days had plummeted to 37%.
- Shopping success rate measures the date of issuance to lease-up.
- It tells us how successful are participants are in becoming housed within a given time frame.



# 2023 Update: Shopping Success Rate Improves

## Shopping Success Report

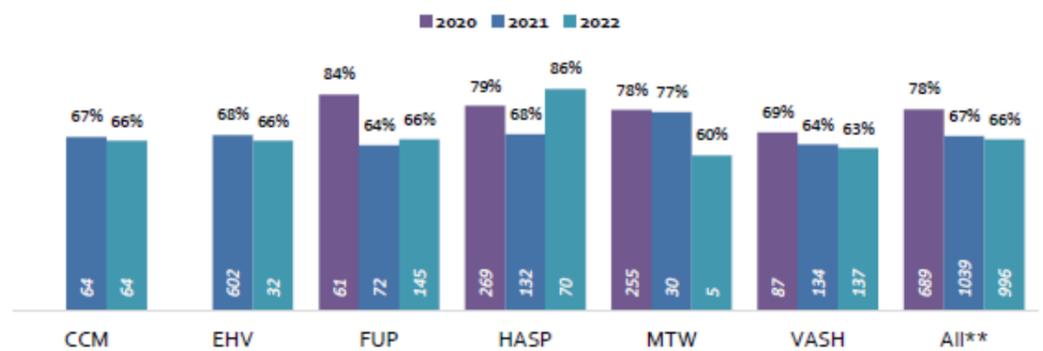
June 23 Metric	Last 12 Monthly Cohorts*	2022 Cohorts*	2021 Cohorts*	2020 Cohorts*	2019 Cohorts*	Lease Outcomes by Payment Standard Tier				
120 Days	53%	52%	48%	63%	58%	2019	2020	2021	2022	
240 Days	66%	66%	67%	78%	80%	Tier 1	7.1%	4.3%	6.1%	5.5%
						Tier 2	32.5%	22.5%	22.8%	16.1%
						Tier 3	25.0%	32.8%	26.3%	32.6%
						Tier 4	11.5%	10.8%	8.8%	7.7%
						Tier 5	6.6%	7.7%	6.0%	7.2%
						Tier 6	17.4%	21.8%	30.0%	31.0%

Success Rates by Month: Last 16 Monthly Cohorts

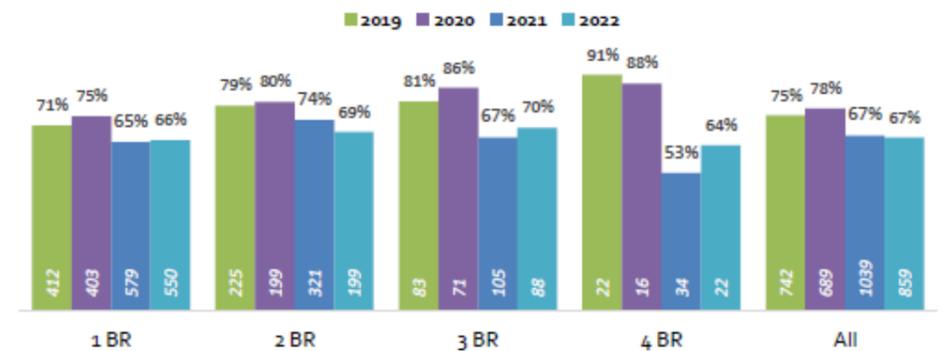


- In 2023, shopping success rate has improved significantly.
- For the January 2023 cohort, the rate had improved to 60%.

Success by Voucher Type @ 240 Days  
Shown only for vouchers that have reached 240 day mark.

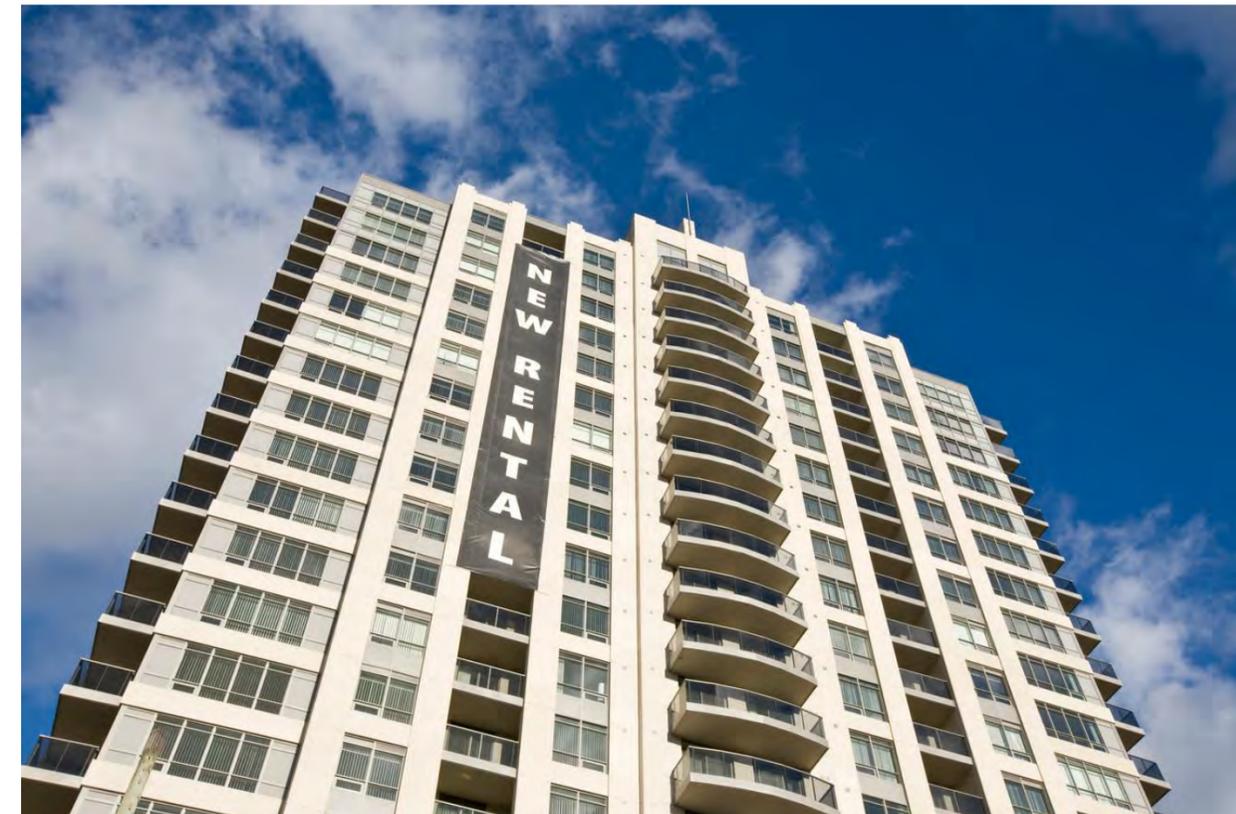


Success by Bedroom Size @ 240 Days  
Shown only for vouchers that have reached 240 day mark.



# 2023 Update: Rental Market Dynamics

- Residents appear to be having more success with finding units in 2023.
  - Participants have requested approvals for 1,354 tenancies through May 2023.
  - This is up 315 from the same time last year.
- Payment Standards Review: KCHA 's Social Impact Department conducted a full review of KCHA's Payment Standards & Rental Market data.
  - No changes are needed at this time for participants to continue to be successful on the rental market.

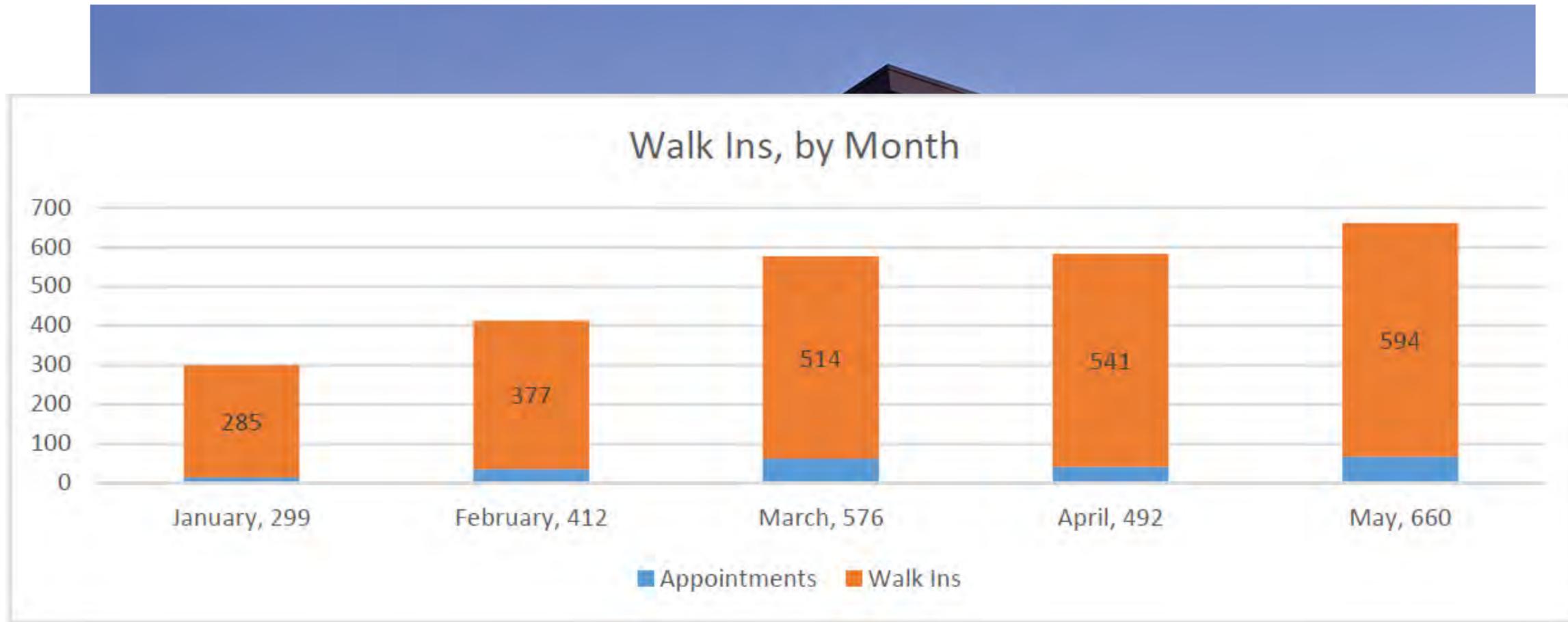


# 2023 Update: HCV Lobby Opened in December 2022



- 2023 saw the opening of the HCV Lobby at 700 Andover Park West
- The lobby was open 22 weekdays in May
- 660 visitors in May
- Represents a 34% increase from April
- Security remains a significant focus area

# 2023 Update: HCV Lobby Opened in December 2022



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- The lobby was open 22 weekdays in May
- 660 visitors in May
- Represents a 34% increase from April
- Security remains a significant focus area



# 2023 Update: Inspections Trends

- KCHA has seen changing trends with inspections post-pandemic, creating increased workload:
  - Increased cancellation/no show rate
  - Increased first time failures - 98% increase
- HUD has released a new inspection standard called NSPIRE - the team is preparing.
- HCV is also preparing for the retirement of longtime Inspection Leader, Carolyn Robinson, and will be celebrating her 29 years of leadership.



# 2023 Update: Project Based Voucher Lease Ups



- Plymouth Crossing lease up is underway
- 13638 SE Eastgate Way, Bellevue, WA 98005



- Providence John Gabriel House is fully leased with 42 units
- 8632 160th Ave NE, Suite 110, Redmond, WA 98052

# 2023 Update: Strong Landlord Outreach Continues

## LANDLORD ENGAGEMENT

### Landlord Orientation

Launching a new landlord orientation to providing new or potential landlords with education on the HCV program ensuring, landlords have a thorough understanding of and feel comfortable with the HCV process.

Topics:

- HCV Program Overview
- Landlord Roles and Responsibilities
- Request for Tenancy Approval and Specific Application Paperwork for Landlords
- Housing Assistance Payments (HAP) Contract Overview
- Inspections

### Site Visits

Landlord Site visits will also begin in the hopes to increase visibility within our community. The team will return to visiting owners on site to assist with:

- Landlord Tenant questions
- Account Reconciliation
- HAP/ Lease retrieval
- Additional Landlord support
- Thank you /Swag Bags

# 2023 Update: Strong Landlord Outreach Continues

## LANDLORD ENGAGEMENT

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#### Topics:

- HCV Program Overview
- Landlord Roles and Responsibilities
- Request for Tenancy Approval and Specific Application Paperwork for Landlords
- Housing Assistance Payments (HAP) Contract Overview
- Inspections

<i>Month</i>	<i>New Landlords Welcomed</i>	
<i>Year</i>	<b>2023</b>	2022
<i>January</i>	35	35
<i>February</i>	30	28
<i>March</i>	32	35
<i>April</i>	29	9
<i>May</i>	<b>30</b>	12
<i>June</i>		24
<i>July</i>		12
<i>August</i>		18
<i>September</i>		44
<i>October</i>		46
<i>November</i>		53
<i>December</i>		35
<b>Total</b>	<b>156</b>	<b>353</b>

# 2023 Update: Strong Landlord Outreach Continues

## LANDLORD ENGAGEMENT

### Landlord Symposium

- Hosting our 3rd Regional Landlord Symposium, in conjunction with Seattle and Tacoma in October
  - Speakers:
    - Legislative Updates: Jim Henderson
    - Housing Quality Standards Training
    - Landlord Mitigation Fund
- 2022 Survey Results
  - 91% rated positively.
  - 200 Owners Attended
  - Individual sessions were rated favorably at 80% or higher.
  - Future attendance: 80% of attendees would attend another event in the future.



### Trends Tradeshow

The Owner Liaison Team plan to attend and present at Trends Tradeshow in December. Trends is the largest one-day rental housing ownership and management conference and trade show on the West Coast.

In 2022:

- Over 60 speakers
- 200 Displays
- 1500 Attendees



LACIE (THA) MELISSA, ANTHONY, BETSY, JORDAN, & AMAR

# Building Relationships: Welcome Landlords



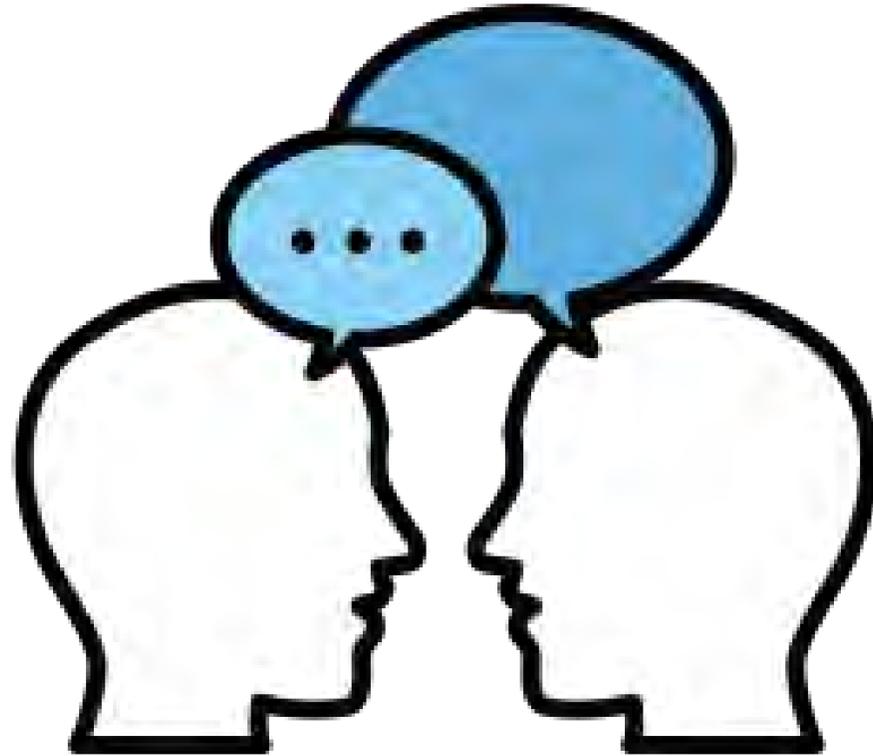
HOUSING CHOICE VOUCHERS - \$8



ManageCasa



# Discussion & Questions



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7

To: Board of Commissioners

From: Pam Taylor, Director of Housing Choice Vouchers

Date: July 7, 2023

Re: 2023 Mid-Year Payment Standards Review

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As the Director of the HCV department, it is my commitment to ensure that our voucher holders have access to affordable housing options in the community. This continues to be a challenging task, especially considering the rising housing costs and the limited funding available for our programs.

We analyzed the data over the past year and considered the impact of the previous increases. The conclusion we came to is that raising our current payment standards is not necessary at this time. We are committed to helping our clients find affordable housing and with the August 2022 increase, this is being accomplished.

After careful consideration, we decided that the current payment standards are already high enough to meet the needs of our voucher holders. This is evident in current median rents which are below payment standards, and we are seeing an increase in shopper success since December '22.

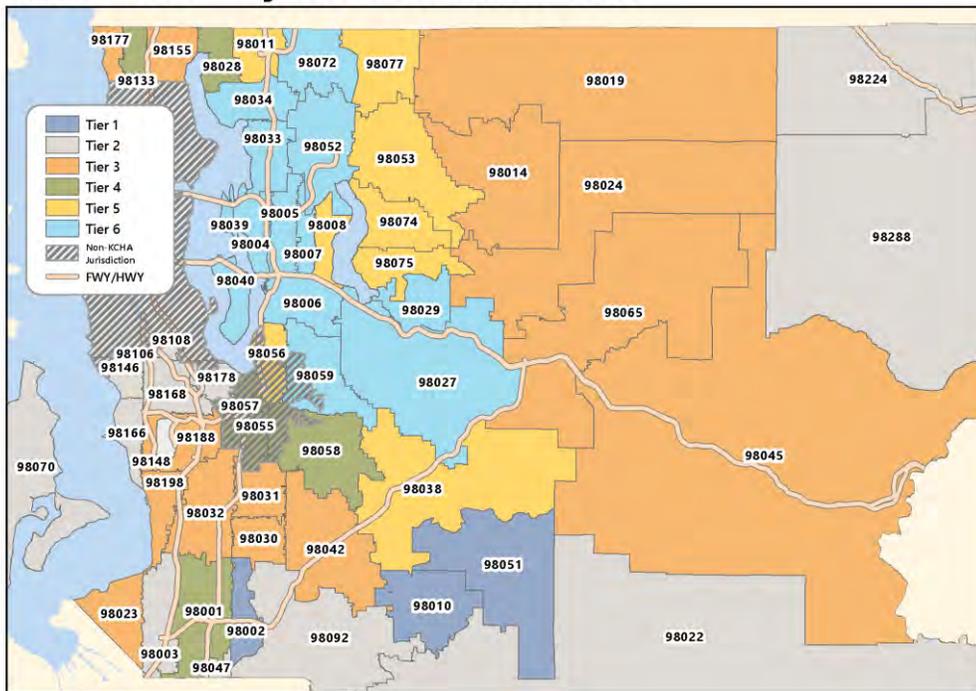
We collaborated with our front-line staff which confirmed our recommendation that the current standards were effective and households were able to successfully find units. In the end, we were proud of our commitment to responsible stewardship of the program and to the needs of our clients.

# Summary of 2023 Mid-Year Payment Standards Analysis by Social Impact<sup>1</sup>

## Background

Traditionally, housing authorities have a single payment standard set by HUD, based on 40 percent of units being affordable with a voucher (referred to as the 40th percentile). KCHA implemented multi-tiered standards in 2016, setting different payment standards for different regions of the county (see Exhibit 1), and began conducting biannual reviews of payment standards in 2018. Social Impact research & evaluation staff conducts the analysis in support of HCV decision-making; reviews occur at the middle (June) and end (December) of each year. The purpose of the reviews 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.

## KCHA 2022 Payment Standard Tiers



2 BR Payment Standard (last adjusted at mid-2022 review)	
Tier 1	\$1,720
Tier 2	\$1,820
Tier 3	\$1,960
Tier 4	\$2,130
Tier 5	\$2,480
Tier 6	\$2,740

HCV last raised payment standards at the 2022 mid-year review in response to significant price increases in the rental market, as well as low shopping success, particularly in larger bedroom sizes. The last review was completed in August 2022, slightly delayed in order to observe impacts from the July 1 ending of pandemic-related moratoria on evictions and rent increases. Following the end of those moratoria, landlords appeared to try to “make up for lost time” by increasing rents at higher rates, according to HCV staff. 40th percentile rents increased by over 10% in most tiers. Additionally,

<sup>1</sup> Extensive analysis is performed for each review, only a portion of which is included in this report. Additional data and analysis are available upon request.

low vacancy rates and a continued influx of higher income technology workers were all pressuring the rental market upward.<sup>2</sup>

In response to these changes in the rental market, at the 2022 mid-year review HCV implemented payment standard increases in the range of 5% to 15% for two-bedroom units.<sup>3</sup> The new payment standards were estimated to raise annualized Block Grant housing assistance payment (HAP) costs by an additional \$8.1 million over existing expectations, for a total increase in annualized HAP costs of \$17.8 million.<sup>4</sup>

Since the summer of 2022, rents have stabilized, in part due to the completed construction of a number of new multi-family buildings, as well as downsizing in the tech sector and a wave of move-outs by tech employees.<sup>5</sup> Rents for HCV households as well as the 40th percentile of the rental market are below the existing payment standards for most Tiers and unit sizes. Due to the current payment standards being competitive in the market, and balancing the four goals analyzed below, in discussion with HCV there is consensus that we should not recommend increasing the payment standard at this time.

## Meeting Our Goals

We have four data-driven goals in mind when determining our payment standard amounts, in addition to trying to meet the 40th percentile of affordable units:

- 1) Support shopping success: if we don't set our payment standards at the right amount, families will struggle to find a place that they can afford.
- 2) Limiting shelter burden: if our payment standards are too low, families end up paying more costs out of pocket and will become shelter burdened.
- 3) Increasing geographic choice: we want families to find a unit in any area of the county they want to live in, not just the most affordable areas.
- 4) Ensure cost containment: by having lower payment standards in more affordable areas, we ensure that the agency is not overspending on housing costs.

---

<sup>2</sup> CoStar Seattle Multi-Family Market Report, June 13th 2023 at pages 2, 4.

<sup>3</sup> The payment standard for larger bedroom sizes is determined in relation to the two bedroom standard – the three bedroom standard is approximately 130% of the two bedroom standard, and the four bedroom standard is approximately 170% of the two bedroom standard.

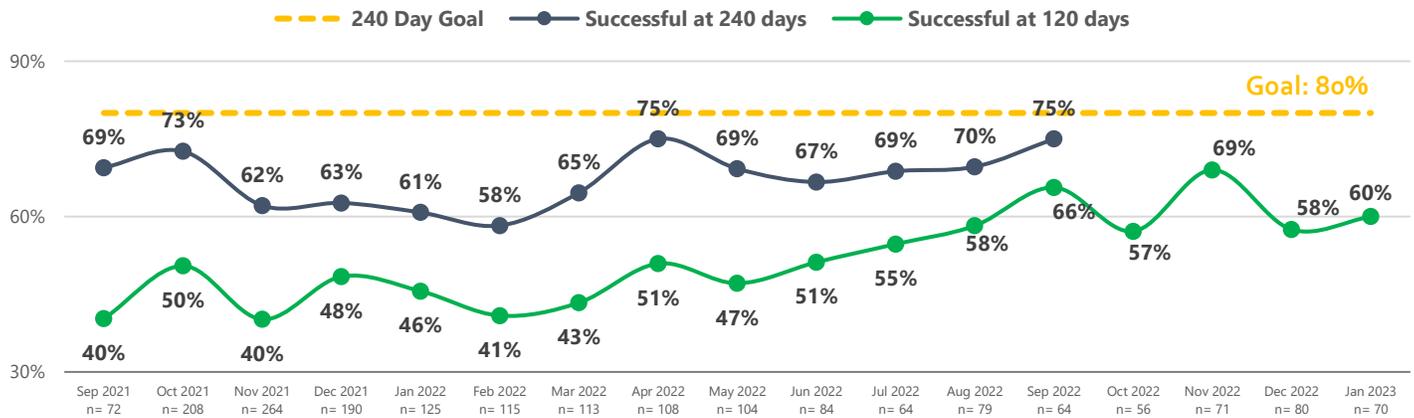
<sup>4</sup> The major driver of HCV HAP costs is the expected rent increases on households leased in units currently below the payment standard. As these rents increase, KCHA pays the full cost of the increase that is below the payment standard. At the 2022 review, we assumed voucher-level rent increases of 10% across the program through the end of 2023, and HAP costs were estimated to increase by \$9.8 million without any changes to the payment standards.

<sup>5</sup> CoStar Seattle Multi-Family Market Report, June 13th 2023, page 4.

## Shopping Success

While there has been variability in 120-day shopping success, our 240-day success rate for new households finding units has been trending upward, including the August and September 2022 cohorts, which would have been shopping with our latest payment standard (see Exhibit 2). In discussions with HCV staff, we learned that that households are not having difficulty finding units they can afford within the current payment standard.

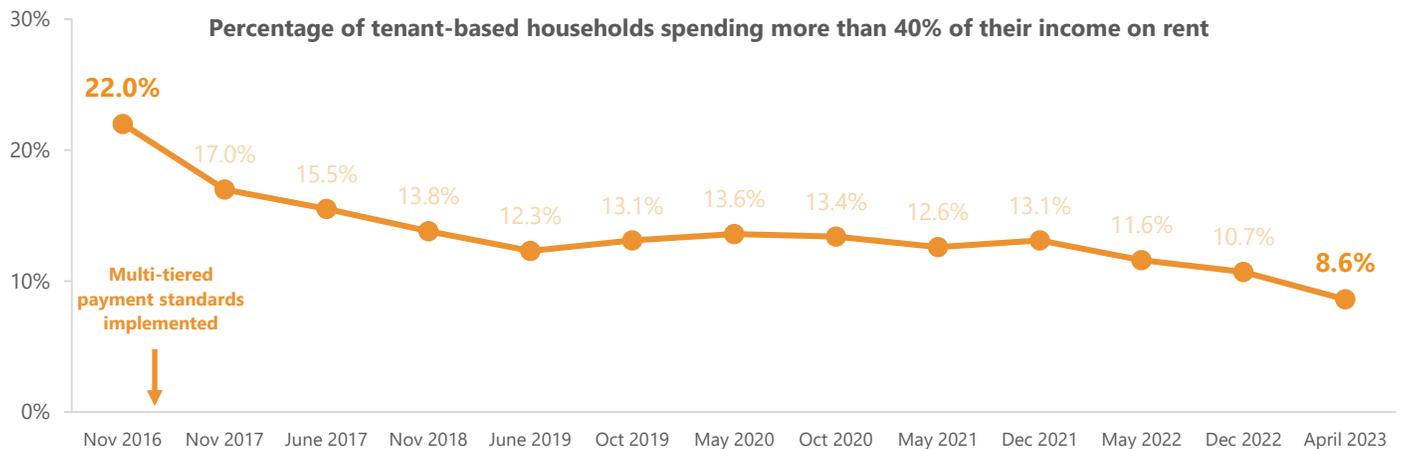
Exhibit 2: Shopping Success Trends



## Limiting Shelter Burden

The percentage of KCHA voucher households paying more than 40% of their income on rent is at its lowest point since we implemented multi-tiered payment standards in 2016 (see Exhibit 3). The higher payment standards implemented in 2022 mean that households have to pay less out of their own pockets to cover rents above the existing standard.

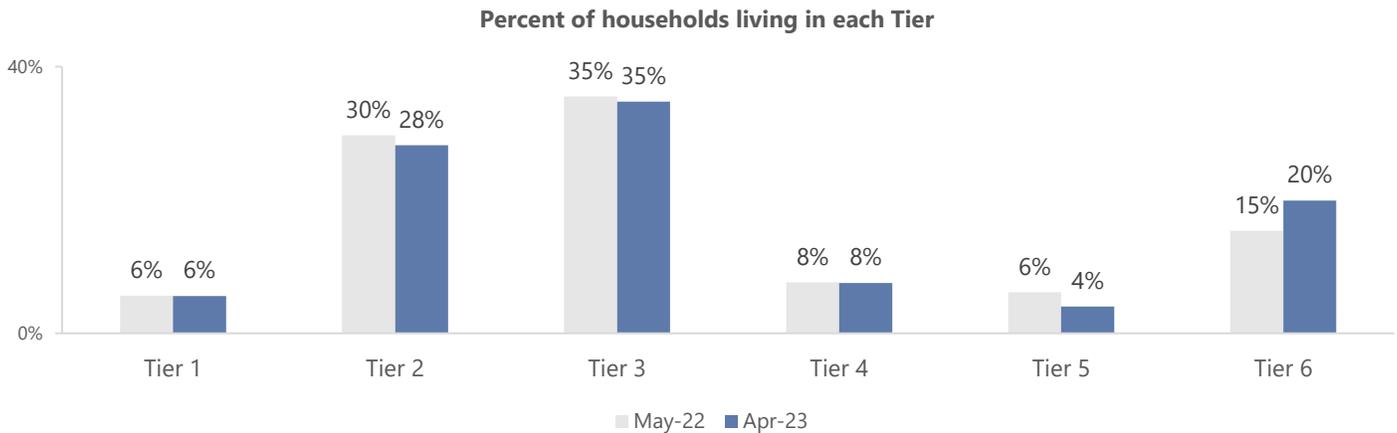
Exhibit 3: Shelter Burden Trend



### Increasing Geographic Choice

The vast majority of households live in South King County, which is primarily lower-cost Tiers 2 and 3. However, in the last year, the portions of households living in these tiers has dropped, and more families are leasing up in lower poverty, higher opportunity neighborhoods than ever before (see Exhibit 4). Almost 1 in 5 KCHA households now live in Tier 6, which encompasses most of the Eastside.

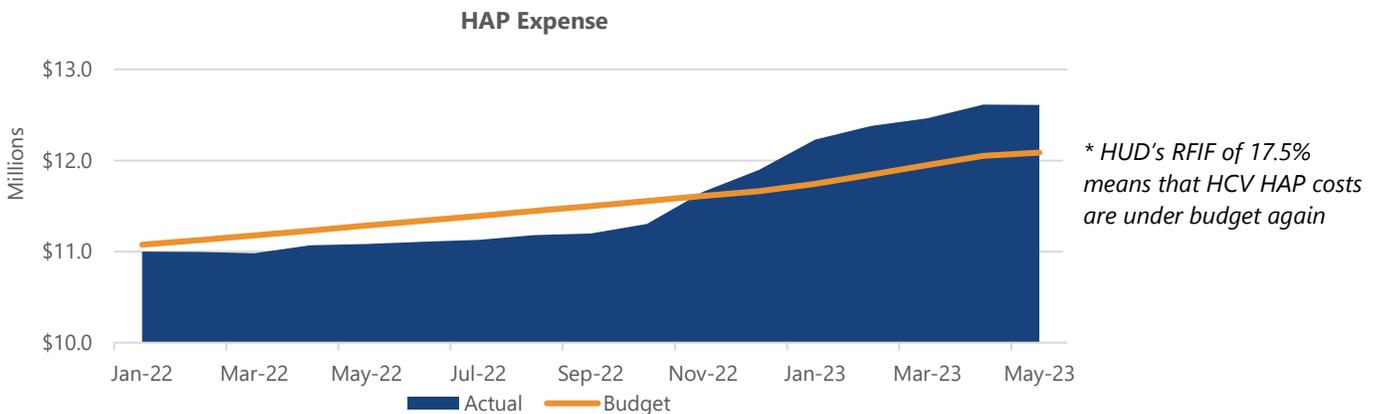
Exhibit 4: HCV Households by Tier, 2022 vs 2033



### Ensure Cost Containment

Achieving our goals around shelter burden, shopping success, and geographic choice must be balanced with cost containment. Increasing the payment standards means that HCV has to pay additional costs for existing households currently leased over the payment standard. The Finance Department reported that beginning in November 2022, there was a large increase to HCV costs, mainly due to the absorption of a number of port-ins, which led the HCV department to be over-budget (see Exhibit 5) for a number of months. HUD later announced a Renewal Funding Inflation Factor (RFIF) of 17.505% for our area earlier this year, resulting in \$22.3 million in additional block grant revenue and bringing HCV HAP costs under budget again.

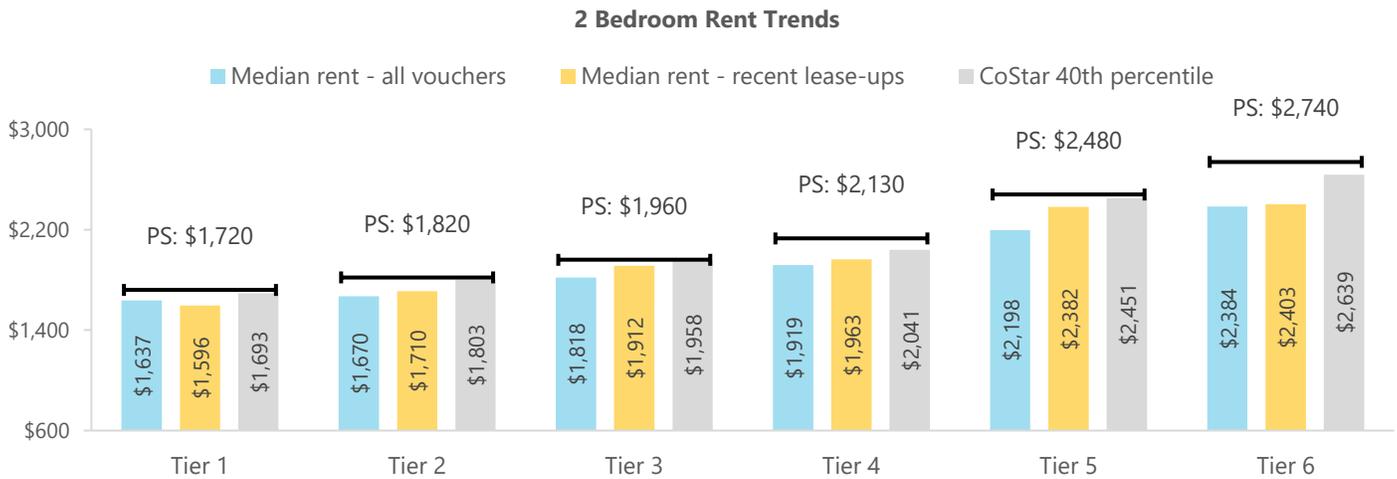
Exhibit 5: June Financial Report HAP Costs



## Market Rents and Changes Over Time

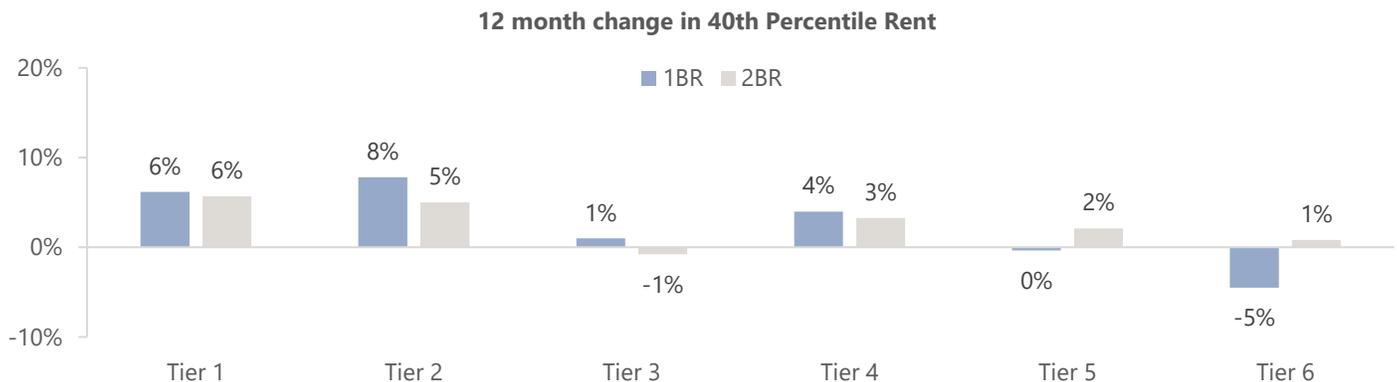
In addition to measuring progress on HCV’s four goals, the Social Impact team tracks market rents and compares current voucher rent levels against payment standards. The median rent for HCV households is below the current payment standard for virtually all bedroom sizes and tiers, including households that recently moved. Looking at households that moved within the last six months can be a more accurate depiction of the rental market than overall HCV rents, and in past reviews these households were often finding units above the payment standard, which is no longer the case. 40th percentile rents calculated from CoStar (our market rent data source) also are at or below the payment standard, meaning that KCHA is potentially leading the market (see Exhibit 6 for an example using data on 2 bedroom units).

Exhibit 6: HCV and Market Rents Relative to Current Payment Standard



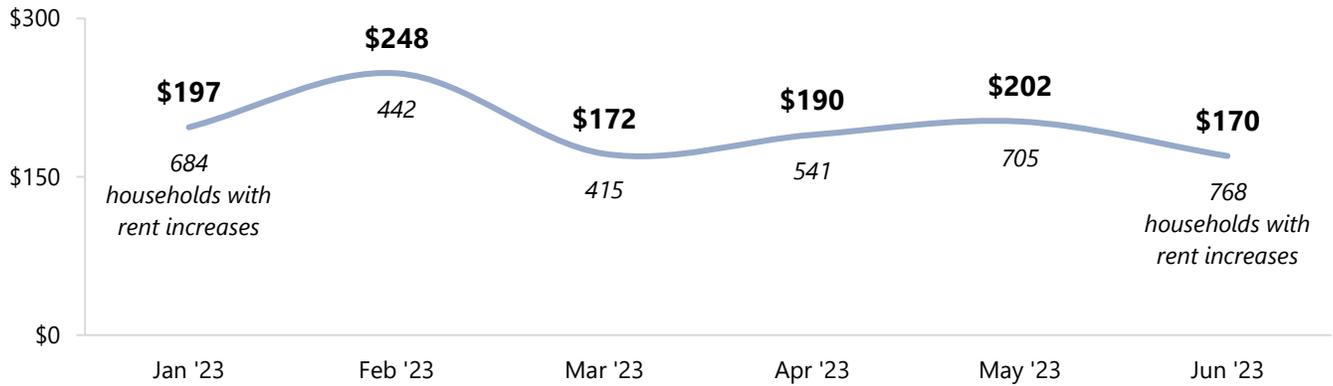
In the mid-year review for 2022, rents had been increasing significantly in every Tier, particularly in our higher Tiers. For example, in 2022, two bedroom rents in Tier 3 increased by 12% and in Tier 6 increased 18% over the previous year. In comparison, from May 2022 to May 2023, we observe smaller increases or declines; rents in Tier 3 declined by 1% and increased by only 1% in Tier 6 (see Exhibit 7). Rents have begun increasing in our lowest two tiers, and while we aren’t recommending a change at this time we will continue to monitor these Tiers for the end-of-year review.

Exhibit 7: Recent Market Trends by Tier



Rent increase requests approved since the mid-2022 payment standards went into effect have been significant, often matching the latest payment standard. Between January 2023 and June 2023, there were 3,555 rent increase requests approved, averaging a 12% increase from the previous rent amount, with a mean dollar increase of \$195 (see Exhibit 8) over the six month period.

Exhibit 8: Average rent increase requests approved in 2023





# 2023 Mid-Year Payment Standards Review

## Housing Choice Voucher Program

**Tyler Shannon**  
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Director of Housing Choice Voucher Program

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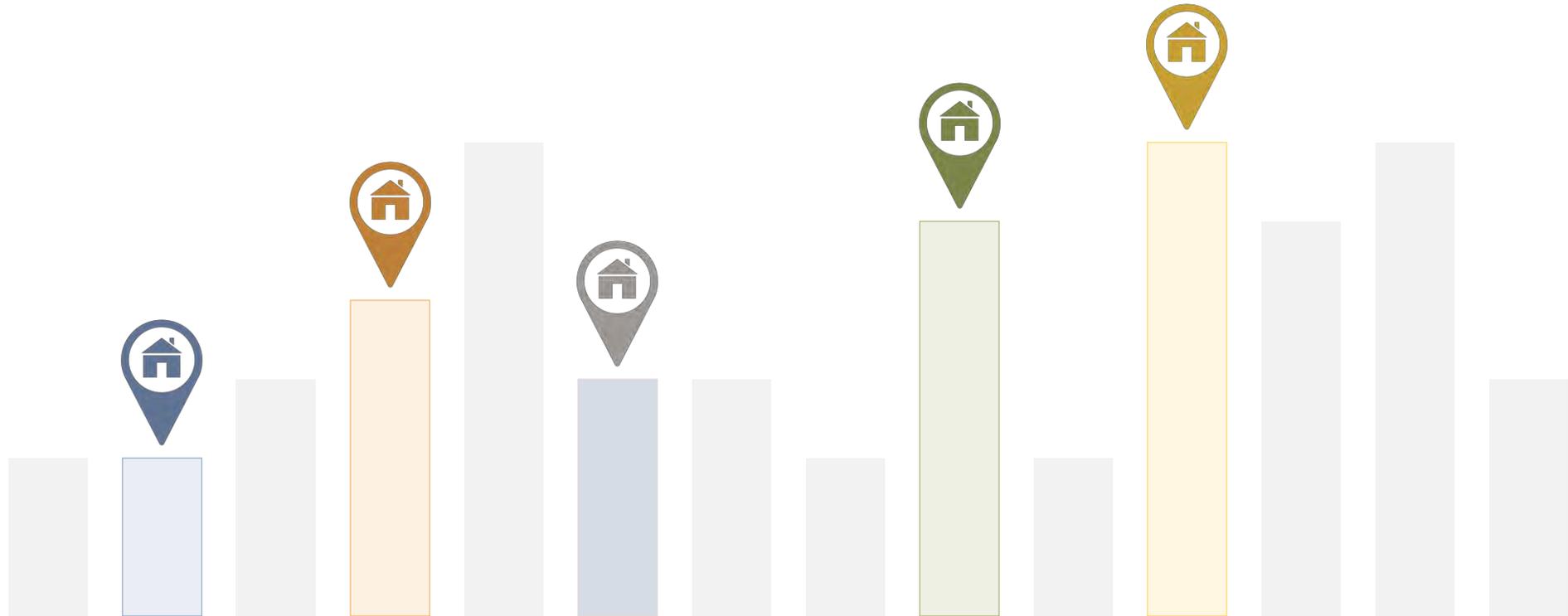
# Background

# Voucher Payment Standard

The maximum subsidy a housing authority can pay on behalf of a family.

Payment standards are typically established based on HUD Fair Market Rents, however KCHA has local autonomy in setting its payment standards due to its **Moving to Work** status.

KCHA has used its MTW flexibility to create multiple payment standards that reflect different market conditions around the county.





# Multi-Tiered Payment Standards Goals

Support  
Shopping  
Success



Limit  
Shelter  
Burden



Increase  
Geographic  
Choice



Support Cost  
Containment



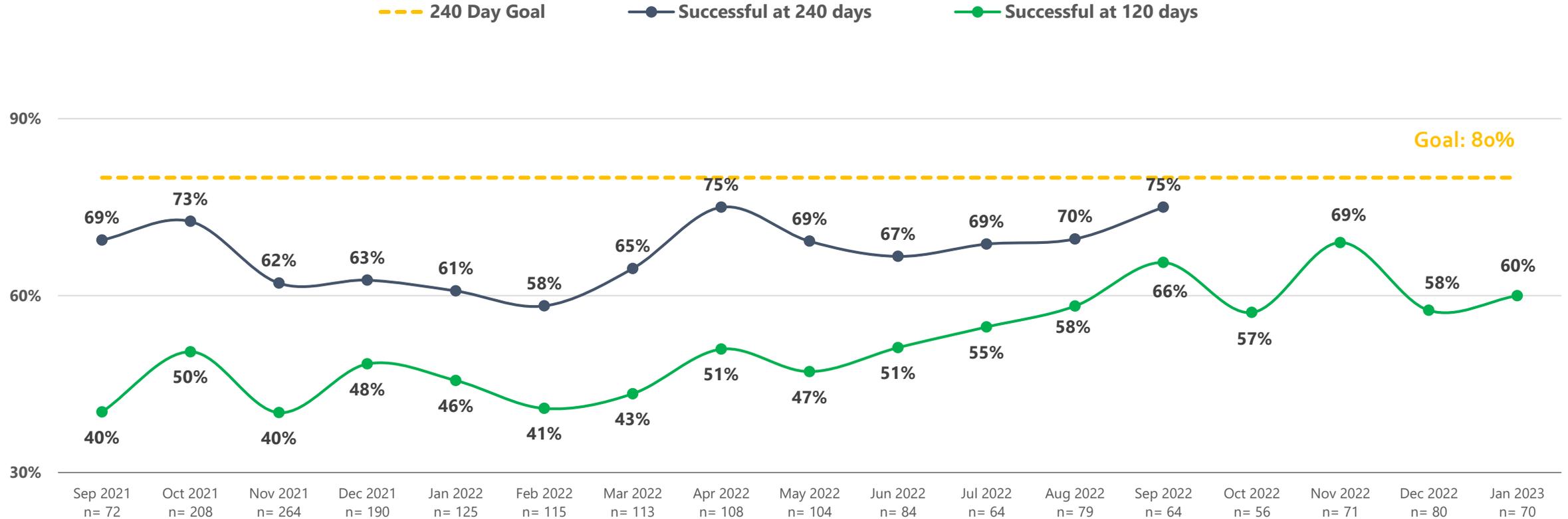
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# Meeting our goals

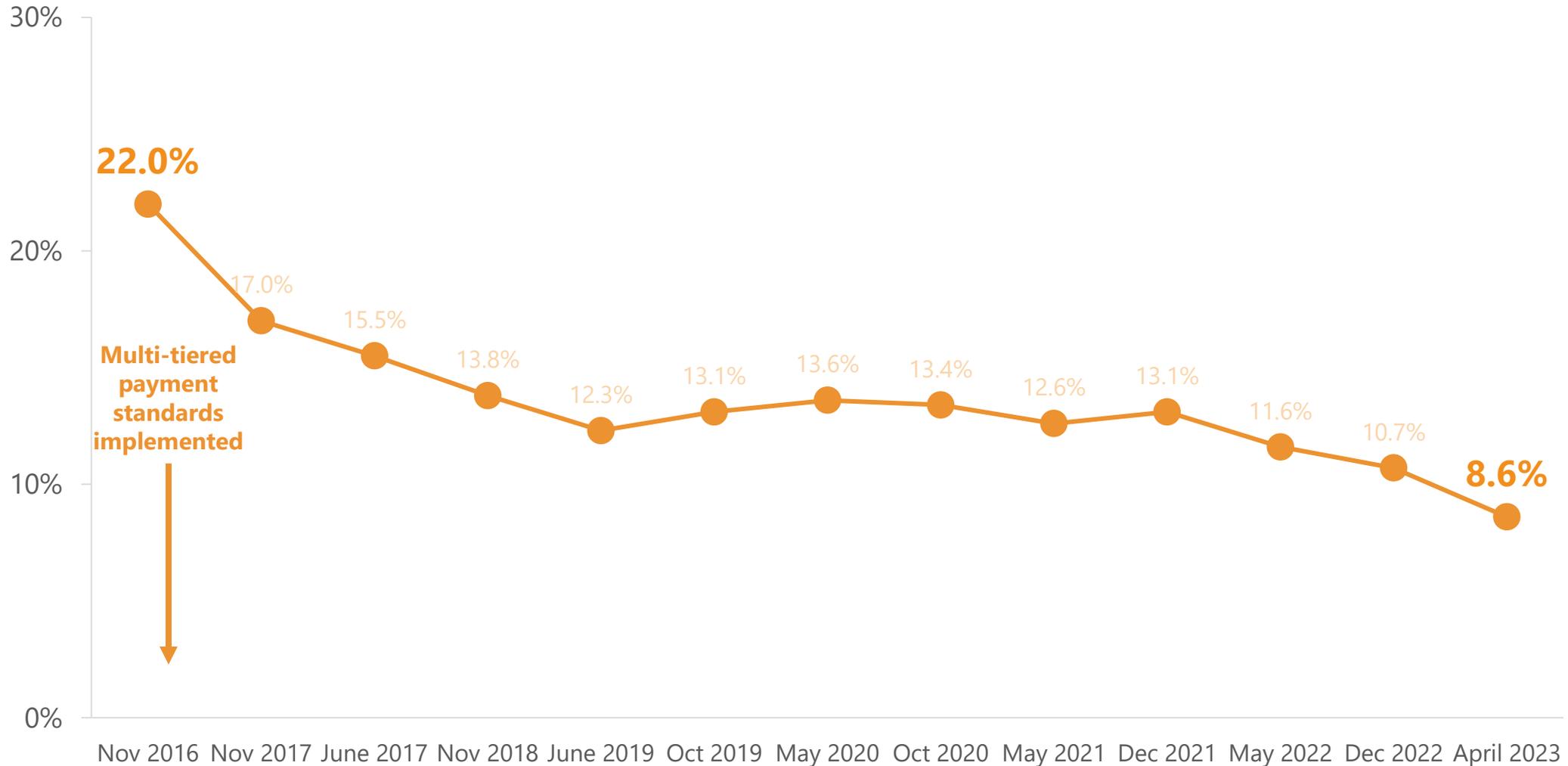
# Support shopping success: higher success than previous reviews

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



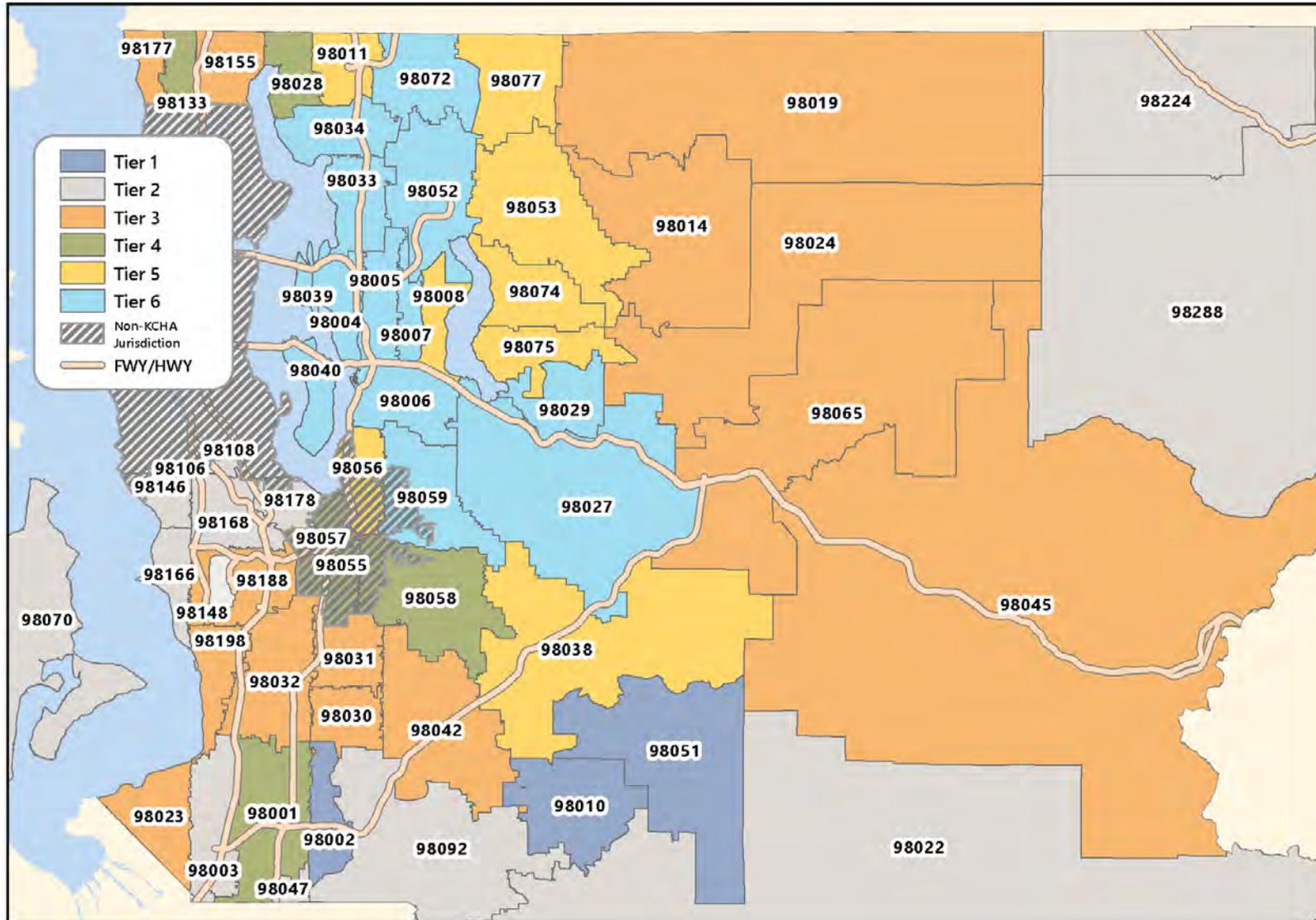
# Limit shelter burden: % burdened at lowest point since 2016

Percentage of tenant-based households spending more than 40% of income on rent, excluding those in KCHA owned units and units with more bedrooms than the voucher subsidizes.\*



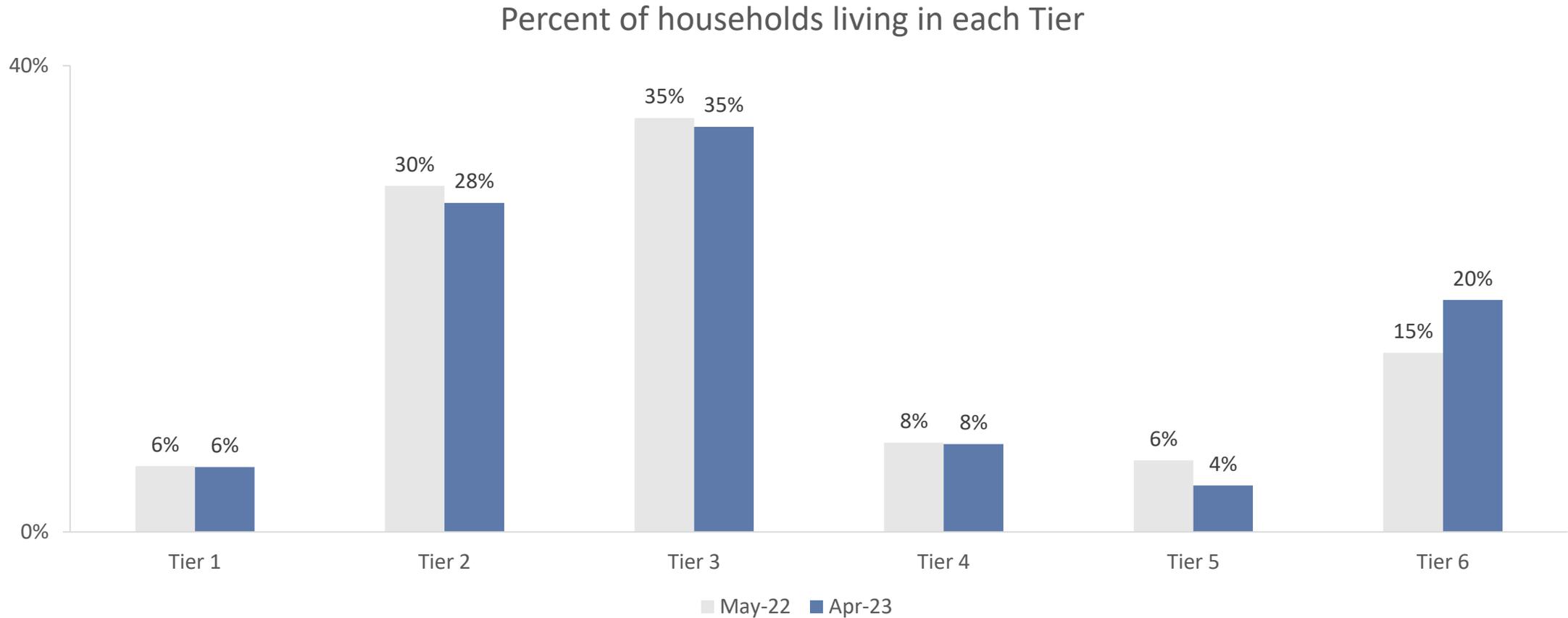
\*For shelter burden figures, we exclude households renting units with more bedrooms than our occupancy standards will subsidize. For instance, a family that qualifies for a two-bedroom voucher may choose to lease a three-bedroom unit, thus increasing their shelter burden to pay for the unsubsidized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

# Increase geographic choice: where are households living?



# Increase geographic choice: More households living in Tier 6\*

Percentage of tenant-based households living in each tier, excluding those that are in KCHA owned units.

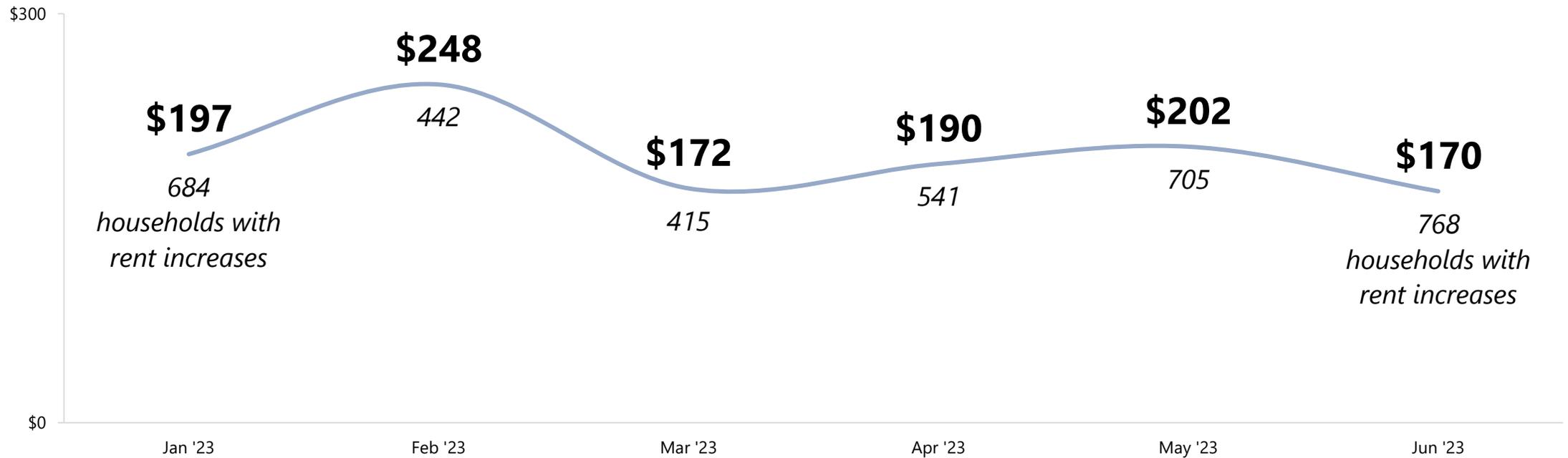


\* One zip code (98034) was moved from Tier 5 to Tier 6 at 2022 mid-year review

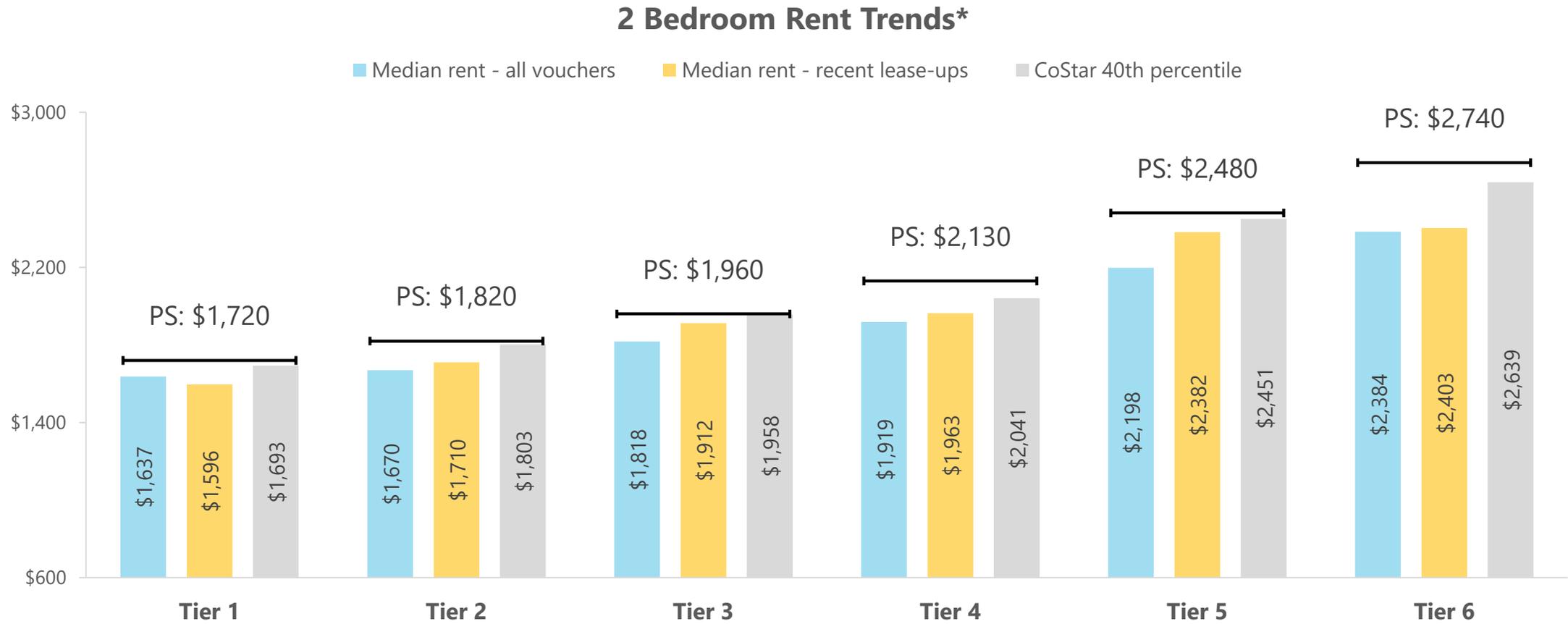
# Containing costs: Rent increases

Between January 2023 and June 2023, there were 3,555 rent increase requests approved, averaging a 12% increase in rent.

Average rent increase requests approved in 2023



# Household rents and rental market below payment standard



\* We exclude households living in KCHA owned units, as our units are priced below the rental market.

# Feedback from HCV Staff



- Households are not having difficulty finding units
- Staff not having to negotiate significantly with landlords to get below PS
- Zip codes currently in alignment with tier structure

**03**

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# **Questions & Discussion**

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# **KCHA IN THE NEWS**

**July 17, 2023**



## King County Housing Authority

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Meet KCHA:  
Ponha Lim

Ponha Lim joined KCHA four months ago as our new Director of Safety and Security. Before coming to KCHA, he worked as a Senior Security Manager for Amazon Corporate Security, managing physical and operations security across Amazon's downtown Seattle campus. Prior to that, he spent 21 years as a law enforcement officer at the Seattle Police Department serving in a variety of roles, including patrol division, downtown bike patrol, Neighborhood Response Team, and Auto Theft and General Investigations.

Ponha's enthusiasm about KCHA's mission is palpable. He is pleased to return to a role of public service that allows him to combine his law enforcement background and security experience to spearhead a comprehensive security program that will provide a safe and secure environment for KCHA residents and staff.

Ponha and his wife, whom he met at Washington State University -- Go Cougs! -- and where he earned bachelor's degrees in criminal justice and sociology, are the proud parents of three children ages 14, 12, and 7. The Pacific Northwest native and his family enjoy spending time outdoors, especially camping, snowboarding, and attending the children's sports activities.





## King County Housing Authority

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Meet KCHA:  
Lisa Herrera

Lisa Herrera is a Senior Property Manager at KCHA. With extensive experience (26+ years) and numerous certifications in residential property management, Lisa's skills ensure that our properties meet the needs of our residents and our funders and that they look beautiful. Prior to joining KCHA in August 2012, Lisa was employed at the Clackamas County Housing Authority in Oregon and the Tacoma Housing Authority. She is proud to work at KCHA, a top-rated housing authority with high REAC scores.

One of the highlights of her career her occurred during the COVID-19 pandemic when KCHA went beyond the normal day-to day routines to make certain that our residents were taken care of.

“The property that I was overseeing in that moment was on the outskirts of the service area, so we did not have food or meals set up for our residents. I was able to make some phone calls to the local food banks and churches and arrange for meal deliveries to our senior and family sites. My staff and I distributed the food and made sure that everyone was taken care of,” Lisa said. “The way that the outside agency came together and their volunteers helped was just amazing. In a scary and unknown time we were able to come together and offer not only food, but also comfort and peace.”

Lisa enjoys spending time with her family. She and her husband celebrated 25 years of marriage last August; they have four children. Lisa and her husband are also pioneering a church in Federal Way, which they are continuing to establish.





## King County Housing Authority

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Meet KCHA

Our Properties: Eastside Terrace

Eastside Terrace is a subsidized community offering one-, two- and three-bedroom townhouse apartments in Bellevue's Crossroads neighborhood. It is located in the highly rated Bellevue School District. The 50-unit community features a playground with equipment, as well as a Boys & Girls Club. The Crossroads Shopping Center, with grocery stores, a movie multiplex and numerous restaurants and stores, is just eight blocks away.

<https://www.kcha.org/housing/property.aspx?PropertyID=33>

