



**King County
Housing
Authority**

BOARD OF COMMISSIONERS HYBRID MEETING

**Monday,
October 19, 2026**

3:00pm

**700 Andover Park West
Tukwila, WA 98188**

Webinar Zoom ID:

816 0337 3802

HYBRID MEETING OF THE BOARD OF COMMISSIONERS AGENDA

Monday, October 19, 2026 - 3:00 p.m.

King County Housing Authority - Snoqualmie Conference Room
700 Andover Park West, Tukwila, WA 98188

I. Call to Order

II. Roll Call

III. Public Comment

IV. Approval of Minutes

1

A. Board Meeting Minutes – October 19, 2026

V. Approval of Agenda

VI. Consent Agenda

A. Voucher Certification Reports for August 2026

2

B. Resolution No. 5833

3

Authorizing Changes to the Project-Based and Tenant-Based HCV
Administrative Plans Relating to Informal Review and Hearing Procedures

C. Resolution No. 5834

4

Authorizing Marc Garcia as contracting officer and signator

D. Resolution No. 5835

5

Appointment of Auditing Officers for the Purpose of Certifying
Obligations of the Authority in Accordance with RCW 42.24

VII. Resolutions for Discussion

- | | |
|--|----------|
| A. Resolution No. 5836 | 6 |
| Authorizing the acquisition of the leasehold interest in Eastwood Square Apartments effective January 1, 2027. | |
| B. Resolution No. 5837 | 7 |
| Approval of KCHA's Moving to Work Annual Plan for Fiscal Year 2027 | |
| C. Resolution No. 5838 | 8 |
| COLA | |

VIII. Reports

- | | |
|---|-----------|
| A. <u>KCHA Debt and Credit Dashboard</u> | 9 |
| B. <u>KCHA 5 Year Financial Forecast Update</u> | 10 |

IX. President/CEO Report

X. Commissioner Comments

XI. 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 3 days prior to the meeting date. If you have questions, please call 206-574-1206.

T A B N U M B E R

1

**MEETING MINUTES OF THE
KING COUNTY HOUSING AUTHORITY
BOARD OF COMMISSIONERS
SPECIAL HYBRID MEETING**

Monday, September 14, 2026

I. CALL TO ORDER

The monthly meeting of the King County Housing Authority Board of Commissioners was held as a virtual meeting on Monday, September 14, 2026. There being a quorum, the hybrid meeting was called to order by Chair Lee at 3:00 p.m.

II. ROLL CALL

Present: Commissioner Jerry Lee (Chair) (via Zoom), Richard Jackson (Vice-Chair) (via Zoom), Commissioner Neal Black (via Zoom) and Commissioner Tina Keys (via Zoom).

Absent: Commissioner Regina Elmi

III. PUBLIC COMMENT

No public comment.

IV. APPROVAL OF MINUTES

A. Board Meeting Minutes – July 20, 2026

On motion by Commissioner Richard Jackson, and seconded by Commissioner Neal Black, the Board unanimously approved the July 20, 2026 meeting minutes.

V. APPROVAL OF AGENDA

On motion by Commissioner Richard Jackson, and seconded by Commissioner Neal Black, the Board unanimously approved the September 14, 2026, hybrid Board of Commissioners' meeting agenda.

VI. CONSENT AGENDA

A. Voucher Certification Reports for July 2026

On motion by Commissioner Richard Jackson, and seconded by Commissioner Neal Black, the Board unanimously approved the September 14, 2026 hybrid Board of Commissioners' meeting consent agenda.

VII. BRIEFINGS AND REPORTS

A. Second Quarter 2026 Financials

Wendy Teh, Executive Vice President of Administration/Chief Administrative Officer gave a summary with financial highlights and statements in the report.

B. Second Quarter 2026 Procurement Report

Wendy Teh, Executive Vice President of Administration/Chief Administrative Officer included all activity from April through June 2026 that met the following criteria:

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

C. Asset Management Resident Survey

Emily Quinn, Social Impact Senior Program Manager and Kristin Pace, Assistant Vice President of Research, Evaluation and Program Development presented the Survey of residents living in Asset Management properties: Project update.

- KCHA has more than 65 Asset Managed Properties
- KCHA rents nearly 9,500 units at below-market rents. This is 70% of all KCHA-owned units.
- We know little about households living in these units because KCHA does not typically collect household-level data

Project status:

- Completed survey with 30 bond-financed properties in fall 2025
- Currently deploying the survey with 26 additional tax credit financed properties

VIII. PRESIDENT/CEO REPORT

Robin Walls, President/CEO gave updates:

- John Eliason, Vice President of Development will be retiring from KCHA at the end of this month after 24 years at KCHA. Dan Watson, Advisor to the President/CEO read a tribute for John Eliason and all of his accomplishments at KCHA.
- Last month was the groundbreaking for the Trailhead Apartments in Issaquah. This is our first ground up construction that KCHA has done in quite some time. In addition to the mayor and many representatives from the City of Issaquah, was also attended by Representative Kim Schreier. This property is in her district.

- We closed on our bond issuance for that development with a bond issuance rate of 5.03%. Congratulations to Lauren Mathisen and her team
- We closed for Trailhead as well.
- I have been invited by Shoreline City Council to discuss development opportunities. They requested that I attend, and we always like to engage with city councils, particularly within our jurisdiction, who are welcoming and strong partners for KCHA.
- We will also be at Ballinger Commons in November

IX. EXECUTIVE SESSION

A. To review the performance of a public employee. (RCW 42.30.110 (1) (g))

Commissioner Lee announced that the Board will now go into Executive Session at 3:50pm and will reconvene at 4:10pm.

3:50pm – Board meeting was suspended.

4:13pm – Board was re-convened.

X. KCHA IN THE NEWS

XI. COMMISSIONER COMMENTS

None.

XII. ADJOURNMENT

Chair Lee adjourned the meeting at 4:14 p.m.

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

JERRY LEE, Chair
Board of Commissioners

ROBIN WALLS
President/CEO and Secretary-Treasurer

T A B N U M B E R

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King County Housing Authority

To: Board of Commissioners

From: Olivia Hunsinger, Assistant Vice President of Finance

Date: October 8, 2026

Re: **VOUCHER CERTIFICATION FOR AUGUST 2026**

Bank Wire/ACH	Subtotal	<u>8,192,939.89</u>
Accounts Payable Vouchers		
Key Bank Check Run		7,062,570.41
Tenant Accounting Check Run		21,728.08
Key Bank Hand Write-Check		208,877.94
Subtotal		<u>7,293,176.43</u>
Payroll Vouchers		
Direct Deposit		3,015,876.46
Checks		24,876.46
Subtotal		<u>3,040,752.92</u>
Section 8 Program Vouchers		
HAP/UHAP Checks		2,003,677.17
Refund Checks		116,629.93
Direct Deposit		21,391,301.24
Subtotal		<u>23,511,608.34</u>
Purchase Card/ACH Withdrawal	Subtotal	<u>405,223.31</u>
	Grand Total	<u>42,443,700.89</u>

I, Olivia Hunsinger, 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.

Olivia Hunsinger

Olivia Hunsinger
Assistant Vice President of Finance
October 8, 2026

TO: THE BOARD OF COMMISSIONERS, HOUSING AUTHORITY OF THE COUNTY OF KING, WASHINGTON					
FROM: Dave Allan, Senior VP of Asset Management					
I Dave Allan, 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.					
_____ Dave Allan					
	Property	Wired to Operating Account for Obligations of Property			Notes:
		Date	Wire Transaction	Claim	
	Bellepark	08/05/2026	\$ 78,417.01	AP + Payroll	
	Hampton Greens	08/05/2026	\$ 149,069.24	AP + Payroll	
	Kendall Ridge	08/05/2026	\$ 142,931.39	AP + Payroll	
	Landmark	08/05/2026	\$ 25,963.65	AP + Payroll	
	Riverstone	08/05/2026	\$ 92,060.72	AP + Payroll	
	Tall Cedars	08/05/2026	\$ 9,186.62	AP	
	Woodside East	08/05/2026	\$ 20,064.16	Payroll	
	Alpine Ridge	08/06/2026	\$ 881.61	AP	
	Arbor Heights	08/06/2026	\$ 1,613.29	AP	
	Aspen Ridge	08/06/2026	\$ 12,040.69	AP	
	Auburn Square	08/06/2026	\$ 23,674.08	AP	
	Carriage House	08/06/2026	\$ 9,926.28	AP	
	Carrington	08/06/2026	\$ 18,789.68	AP	
	Cascadian	08/06/2026	\$ 3,639.67	AP	
	Colonial Gardens	08/06/2026	\$ 5,070.24	AP	
	Fairwood	08/06/2026	\$ 2,265.57	AP	
	Haven	08/06/2026	\$ 26,802.99	AP	
	Heritage Park	08/06/2026	\$ 5,175.91	AP	
	Highlander House	08/06/2026	\$ 1,035.65	AP	
	Laurelwood	08/06/2026	\$ 6,602.59	AP	
	Meadows	08/06/2026	\$ 4,562.72	AP	
	Newport	08/06/2026	\$ 13,684.57	AP	
	Overlake	08/06/2026	\$ 345,823.07	AP	
	Parkwood	08/06/2026	\$ 6,134.62	AP	
	Pinewood Village	08/06/2026	\$ 2,676.13	AP	
	Plum Court	08/06/2026	\$ 10,575.20	AP	
	Rainier View I	08/06/2026	\$ 11,551.86	AP	

	Rainier View li	08/06/2026	\$ 9,775.53	AP	
	Salmon Creek	08/06/2026	\$ 7,152.27	AP	
	Sandpiper East	08/06/2026	\$ 9,378.30	AP	
	Si View	08/06/2026	\$ 8,360.47	AP	
	Southwood Square	08/06/2026	\$ 8,867.72	AP	
	Sterling Ridge	08/06/2026	\$ 27,794.73	AP	
	The Newporter	08/06/2026	\$ 7,125.88	AP	
	Timberwood	08/06/2026	\$ 6,952.01	AP	
	Vashon Terrace	08/06/2026	\$ 2,310.89	AP	
	Walnut Park	08/06/2026	\$ 11,205.43	AP	
	Windsor Heights	08/06/2026	\$ 30,377.46	AP	
	Woodridge Park	08/06/2026	\$ 10,152.39	AP	
	Argyle	08/12/2026	\$ 64,014.62	AP + Payroll	
	Ballinger Commons	08/12/2026	\$ 178,666.30	AP + Payroll	
	Bellepark	08/12/2026	\$ 118,856.77	AP	
	Brier Woods	08/12/2026	\$ 43,557.00	AP + Payroll	
	Emerson	08/12/2026	\$ 74,192.00	AP + Payroll	
	Gilman Square	08/12/2026	\$ 87,382.15	AP + Payroll	
	Hampton Greens	08/12/2026	\$ 74,210.97	AP	
	Kendall Ridge	08/12/2026	\$ 25,152.69	AP	
	Landmark	08/12/2026	\$ 43,315.74	AP	
	Meadowbrook	08/12/2026	\$ 52,563.88	AP + Payroll	
	Riverstone	08/12/2026	\$ 21,839.12	AP	
	Surrey Downs	08/12/2026	\$ 132,812.12	AP + Payroll	
	Villages At South Station	08/12/2026	\$ 64,599.47	AP + Payroll	
	Woodside East	08/12/2026	\$ 16,498.00	AP	
	Alpine Ridge	08/13/2026	\$ 43,663.15	AP + Payroll	
	Arbor Heights	08/13/2026	\$ 24,225.60	AP + Payroll	
	Aspen Ridge	08/13/2026	\$ 9,913.30	AP + Payroll	
	Auburn Square	08/13/2026	\$ 30,182.94	AP + Payroll	
	Carriage House	08/13/2026	\$ 51,995.35	AP + Payroll	
	Carrington	08/13/2026	\$ 58,847.93	AP + Payroll	
	Cascadian	08/13/2026	\$ 45,976.16	AP + Payroll	
	Colonial Gardens	08/13/2026	\$ 21,125.23	AP + Payroll	
	Cottonwood	08/13/2026	\$ 24,061.95	AP + Payroll + OCR	
	Cove East	08/13/2026	\$ 82,110.43	AP + Payroll + OCR	
	Eastbridge	08/13/2026	\$ 70,061.17	AP + Payroll + OCR	
	Fairwood	08/13/2026	\$ 28,590.40	AP + Payroll	
	Haven	08/13/2026	\$ 101,137.33	AP + Payroll	

	Henry House	08/13/2026	\$ 10,547.48	AP + Payroll + OCR	
	Heritage Park	08/13/2026	\$ 44,136.92	AP + Payroll	
	Highlander House	08/13/2026	\$ 6,359.14	AP + Payroll	
	Juanita View	08/13/2026	\$ 27,794.86	AP + Payroll + OCR	
	Laurelwood	08/13/2026	\$ 26,881.98	AP + Payroll	
	Meadows	08/13/2026	\$ 17,227.67	AP + Payroll	
	Newport	08/13/2026	\$ 47,138.19	AP + Payroll	
	Nia	08/13/2026	\$ 46,344.46	AP + Payroll + OCR	
	Overlake	08/13/2026	\$ 75,256.77	AP + Payroll	
	Parkwood	08/13/2026	\$ 47,648.52	AP + Payroll	
	Pinewood Village	08/13/2026	\$ 56,090.89	AP + Payroll	
	Plum Court	08/13/2026	\$ 18,040.42	AP + Payroll	
	Rainier View I	08/13/2026	\$ 12,494.48	AP	
	Rainier View li	08/13/2026	\$ 2,363.14	AP	
	Salmon Creek	08/13/2026	\$ 35,366.38	AP + Payroll + OCR	
	Sandpiper East	08/13/2026	\$ 117,491.63	AP + Payroll	
	Seola Crossing	08/13/2026	\$ 72,385.69	AP + Payroll + OCR	
	Seola Crossing	08/13/2026	\$ 37,223.25	AP + Payroll + OCR	
	Si View	08/13/2026	\$ 1,561.79	AP	
	Sixth Place	08/13/2026	\$ 7,274.00	AP + Payroll + OCR	
	Southwood Square	08/13/2026	\$ 26,851.81	AP + Payroll	
	Sterling Ridge	08/13/2026	\$ 35,329.39	AP + Payroll	
	The Newporter	08/13/2026	\$ 35,252.95	AP + Payroll	
	Timberwood	08/13/2026	\$ 27,001.11	AP + Payroll	
	Vashon Terrace	08/13/2026	\$ 3,707.98	AP	
	Walnut Park	08/13/2026	\$ 38,545.24	AP + Payroll	
	Windsor Heights	08/13/2026	\$ 86,733.15	AP + Payroll	
	Woodridge Park	08/13/2026	\$ 52,397.61	AP + Payroll	
	Bellepark	08/19/2026	\$ 22,775.74	AP + Payroll	
	Hampton Greens	08/19/2026	\$ 89,143.15	AP + Payroll	
	Kendall Ridge	08/19/2026	\$ 45,674.25	AP + Payroll	
	Landmark	08/19/2026	\$ 56,557.51	AP + Payroll	
	Riverstone	08/19/2026	\$ 234,212.83	AP + Payroll	
	Tall Cedars	08/19/2026	\$ 12,071.05	AP	
	Woodside East	08/19/2026	\$ 27,868.45	AP + Payroll	
	Alpine Ridge	08/20/2026	\$ 519.07	AP	
	Arbor Heights	08/20/2026	\$ 16,549.77	AP	
	Aspen Ridge	08/20/2026	\$ 4,240.52	AP	
	Auburn Square	08/20/2026	\$ 25,190.03	AP	

	Carriage House	08/20/2026	\$ 13,277.17	AP	
	Carrington	08/20/2026	\$ 45,732.94	AP	
	Cascadian	08/20/2026	\$ 5,981.34	AP	
	Colonial Gardens	08/20/2026	\$ 7,848.82	AP	
	Fairwood	08/20/2026	\$ 17,293.36	AP	
	Haven	08/20/2026	\$ 63,198.53	AP	
	Heritage Park	08/20/2026	\$ 7,028.24	AP	
	Highlander House	08/20/2026	\$ 6,090.72	AP	
	Laurelwood	08/20/2026	\$ 10,666.77	AP	
	Meadows	08/20/2026	\$ 5,190.57	AP	
	Newport	08/20/2026	\$ 20,737.01	AP	
	Overlake	08/20/2026	\$ 29,050.53	AP	
	Parkwood	08/20/2026	\$ 11,192.93	AP	
	Pinewood Village	08/20/2026	\$ 2,907.49	AP	
	Plum Court	08/20/2026	\$ 6,091.19	AP	
	Rainier View I	08/20/2026	\$ 62,563.13	AP	
	Rainier View II	08/20/2026	\$ 7,292.06	AP	
	Sandpiper East	08/20/2026	\$ 12,635.97	AP	
	Si View	08/20/2026	\$ 6,108.75	AP	
	Southwood Square	08/20/2026	\$ 2,669.51	AP	
	Sterling Ridge	08/20/2026	\$ 44,802.76	AP	
	The Newporter	08/20/2026	\$ 23,687.95	AP	
	Timberwood	08/20/2026	\$ 7,630.22	AP	
	Vashon Terrace	08/20/2026	\$ 742.79	AP	
	Walnut Park	08/20/2026	\$ 6,786.92	AP	
	Windsor Heights	08/20/2026	\$ 5,293.03	AP	
	Woodridge Park	08/20/2026	\$ 7,156.75	AP	
	Argyle	08/26/2026	\$ 57,789.26	AP + Payroll	
	Ballinger Commons	08/26/2026	\$ 180,362.52	AP + Payroll	
	Brier Woods	08/26/2026	\$ 60,661.73	AP + Payroll	
	Emerson	08/26/2026	\$ 120,056.17	AP + Payroll	
	Gilman Square	08/26/2026	\$ 49,760.28	AP + Payroll	
	Hampton Greens	08/26/2026	\$ 1,078.79	AP	
	Kendall Ridge	08/26/2026	\$ 28,901.86	AP	
	Meadowbrook	08/26/2026	\$ 142,744.37	AP + Payroll	
	Surrey Downs	08/26/2026	\$ 68,981.80	AP + Payroll	
	Villages At South Station	08/26/2026	\$ 97,895.59	AP + Payroll	
	Woodside East	08/26/2026	\$ 3,586.79	AP	
	Alpine Ridge	08/27/2026	\$ 16,216.98	AP + Payroll	

	Arbor Heights	08/27/2026	\$ 23,632.54	AP + Payroll	
	Aspen Ridge	08/27/2026	\$ 26,876.81	AP + Payroll	
	Auburn Square	08/27/2026	\$ 46,063.17	AP + Payroll	
	Carriage House	08/27/2026	\$ 28,771.19	AP + Payroll	
	Carrington	08/27/2026	\$ 10,967.23	AP + Payroll	
	Cascadian	08/27/2026	\$ 27,835.61	AP + Payroll	
	Colonial Gardens	08/27/2026	\$ 26,577.88	AP + Payroll	
	Cottonwood	08/27/2026	\$ 17,101.40	AP + Payroll + OCR	
	Cove East	08/27/2026	\$ 91,479.74	AP + Payroll + OCR	
	Eastbridge	08/27/2026	\$ 36,430.00	AP + Payroll + OCR	
	Fairwood	08/27/2026	\$ 30,150.94	AP + Payroll	
	Haven	08/27/2026	\$ 150,667.06	AP + Payroll	
	Henry House	08/27/2026	\$ 28,328.22	AP + Payroll + OCR	
	Heritage Park	08/27/2026	\$ 14,604.38	AP + Payroll	
	Highlander House	08/27/2026	\$ 13,108.60	AP + Payroll	
	Juanita View	08/27/2026	\$ 29,502.31	AP + Payroll + OCR	
	Laurelwood	08/27/2026	\$ 38,875.73	AP + Payroll	
	Meadows	08/27/2026	\$ 23,187.42	AP + Payroll	
	Newport	08/27/2026	\$ 56,029.56	AP + Payroll	
	Nia	08/27/2026	\$ 19,822.25	AP + Payroll + OCR	
	Overlake	08/27/2026	\$ 69,078.51	AP + Payroll	
	Parkwood	08/27/2026	\$ 15,147.20	AP + Payroll	
	Pinewood Village	08/27/2026	\$ 13,330.49	AP + Payroll	
	Plum Court	08/27/2026	\$ 11,234.12	AP + Payroll	
	Rainier View I	08/27/2026	\$ 36,813.66	AP	
	Rainier View II	08/27/2026	\$ 7,894.10	AP	
	Salmon Creek	08/27/2026	\$ 30,474.56	AP + Payroll + OCR	
	Sandpiper East	08/27/2026	\$ 29,173.93	AP + Payroll	
	Seola Crossing	08/27/2026	\$ 38,486.73	AP + Payroll + OCR	
	Seola Crossing	08/27/2026	\$ 29,571.93	AP + Payroll + OCR	
	Si View	08/27/2026	\$ 6,518.28	AP	
	Sixth Place	08/27/2026	\$ 19,201.61	AP + Payroll + OCR	
	Southwood Square	08/27/2026	\$ 10,635.42	AP + Payroll	
	Sterling Ridge	08/27/2026	\$ 49,583.82	AP + Payroll	
	The Newporter	08/27/2026	\$ 36,435.52	AP + Payroll	
	Timberwood	08/27/2026	\$ 20,666.84	AP + Payroll	
	Vashon Terrace	08/27/2026	\$ 2,779.86	AP	
	Walnut Park	08/27/2026	\$ 26,508.17	AP + Payroll	
	Windsor Heights	08/27/2026	\$ 48,730.74	AP + Payroll	

	Woodridge Park	08/27/2026	\$ 29,504.42	AP + Payroll	
	Alpine Ridge	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
	Arbor Heights	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
	Arbor Heights	08/28/2026	\$ 4,948.84	Management Fee + OCR	
	Argyle	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
	Aspen Ridge	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
	Aspen Ridge	08/28/2026	\$ 4,702.85	Management Fee + OCR	
	Asset Management Reserve Account	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
	Auburn Square	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
	Auburn Square	08/28/2026	\$ 8,288.91	Management Fee + OCR	
	Ballinger Commons	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
	Bellepark	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
	Brier Woods	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
	Carriage House	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
	Carriage House	08/28/2026	\$ 7,816.10	Management Fee + OCR	
	Carrington	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
	Carrington	08/28/2026	\$ 5,683.45	Management Fee + OCR	
	Cascadian	08/28/2026	\$ 14,915.98	Management Fee + OCR	
	Colonial Gardens	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
	Colonial Gardens	08/28/2026	\$ 3,037.66	Management Fee + OCR	
	Cottonwood	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
	Cove East	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
	Eastbridge	08/28/2026	\$ 2,281.69	Q2.2026 Bank Fees reimbursement to Cascadian	
	Emerson	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
	Fairwood	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
	Fairwood	08/28/2026	\$ 8,757.49	Management Fee + OCR	
	Gilman Square	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
	Hampton Greens	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
	Haven	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
	Haven	08/28/2026	\$ 11,390.72	Management Fee + OCR	
	Henry House	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
	Heritage Park	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
	Heritage Park	08/28/2026	\$ 5,697.47	Management Fee + OCR	
	Highlander House	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
	Highlander House	08/28/2026	\$ 1,490.23	Management Fee + OCR	
	Juanita View	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
	Kendall Ridge	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
	Landmark	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
	Laurelwood	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	

Laurelwood	08/28/2026	\$ 5,083.64	Management Fee + OCR	
Meadowbrook	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
Meadows	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
Meadows	08/28/2026	\$ 6,213.03	Management Fee + OCR	
Newport	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
Newport	08/28/2026	\$ 6,822.51	Management Fee + OCR	
Nia	08/28/2026	\$ 1,711.27	Q2.2026 Bank Fees reimbursement to Cascadian	
Overlake	08/28/2026	\$ 1,711.27	Q2.2026 Bank Fees reimbursement to Cascadian	
Overlake	08/28/2026	\$ 14,612.73	Management Fee + OCR	
Parkwood	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
Parkwood	08/28/2026	\$ 5,104.98	Management Fee + OCR	
Pinewood Village	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
Pinewood Village	08/28/2026	\$ 7,241.32	Management Fee + OCR	
Plum Court	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
Plum Court	08/28/2026	\$ 4,349.04	Management Fee + OCR	
Rainier View I	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
Rainier View II	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
Riverstone	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
Salmon Creek	08/28/2026	\$ 2,281.69	Q2.2026 Bank Fees reimbursement to Cascadian	
Sandpiper East	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
Sandpiper East	08/28/2026	\$ 9,791.47	Management Fee + OCR	
Seola Crossing	08/28/2026	\$ 2,852.11	Q2.2026 Bank Fees reimbursement to Cascadian	
Si View	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
Sixth Place	08/28/2026	\$ 2,281.69	Q2.2026 Bank Fees reimbursement to Cascadian	
Southwood Square	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
Southwood Square	08/28/2026	\$ 5,104.73	Management Fee + OCR	
Sterling Ridge	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
Sterling Ridge	08/28/2026	\$ 8,823.34	Management Fee + OCR	
Surrey Downs	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
Tall Cedars	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
The Newporter	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
The Newporter	08/28/2026	\$ 7,947.02	Management Fee + OCR	
Timberwood	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
Timberwood	08/28/2026	\$ 11,481.38	Management Fee + OCR	
Vashon Terrace	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
Villages At South Station	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
Walnut Park	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
Walnut Park	08/28/2026	\$ 8,012.44	Management Fee + OCR	
Windsor Heights	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	

Windsor Heights	08/28/2026	\$ 15,239.79	Management Fee + OCR	
Woodridge Park	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	
Woodridge Park	08/28/2026	\$ 8,921.25	Management Fee + OCR	
Woodside East	08/28/2026	\$ 570.42	Q2.2026 Bank Fees reimbursement to Cascadian	

Total Amount	\$ 7,091,497.54
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T A B N U M B E R

3



To: Board of Commissioners

From: Judi Jones, Senior Strategic Advisor

Date: September 4, 2026

Re: **Resolution No. 5833** – Authorizing Changes to KCHA’s Project-based and Tenant-based HCV Administrative Plans relating to Informal Review and Hearing Procedures

Attached for your review and approval are changes to the Informal Review and Hearing Procedures which are included in KCHA’s Tenant-based and Project-based Housing Choice Voucher (HCV) Administrative Plans (Sections 13 and 24, respectively). Revisions are proposed to (1) help ensure HCV informal review and hearing procedures in accordance with 24 CFR 982, Subpart L, applicable regulations and RAD requirements; (2) align, to the extent practicable, with the Public Housing Grievance Procedures adopted by the Board in May of this year, and (3) promote consistency across KCHA policy documents, thereby improving clarity and understanding. The proposed changes are summarized below:

- *Clarify the Purpose:* Changes proposed to better explain the process is not a judicial review - it is an informal way for participants to challenge notices from the Housing Authority that affect their rights or responsibilities.
- *Clearer Rules About When and How the Procedure applies such as:*
 - Clarifies KCHA’s practice to provide an Informal Settlement Review as a first step in the Hearing process except for cases involving termination.
 - Removes references to Landlord requests for an Informal Hearing as this falls outside the scope of HUD requirements.
 - Removes restrictions on the number or age of people present at a hearing.
- *Clarify Selection of Hearing Officers:* The Housing Authority will continue to maintain a list of qualified individuals to serve as Hearing Officers.
 - Approved individuals may be current or former Housing Authority employees, agency partners, or other persons as deemed necessary by the Housing Authority. Hearing Officers selected from the established list will be impartial and free from conflicts of interest.
- *Add HUD-required additional protections for participants in RAD Project-based developments.*
- *Reorganizing some sections and rephrasing certain provisions* while retaining the same policy intent. Revisions that result in a change in policy or procedure are indicated in **red**.
- Other technical and minor changes including those such as using “business days” consistently instead of “days.” For example, as proposed, Participants will have ten (10) business days to request an informal settlement meeting or Informal Hearing, slightly more time than under the current ten-day period.

Staff recommends approval of Resolution No. 5833 as attached.

KCHA Housing Choice Voucher Tenant-based Administrative Plan Section 13 & Project-based Administrative Plan Section 24

INFORMAL REVIEW AND HEARING PROCEDURES

A. APPLICANTS: INFORMAL REVIEW PROCEDURES

I. General Information

The process for applicant appeals of a Housing Authority decision is called an Informal Review. An Informal Review is not a formal judicial review. It is an opportunity to informally discuss a Housing Authority decision to deny assistance to the applicant.

For purposed of this policy, an applicant is defined as an individual or household that has applied for admission to the Housing Choice Voucher program but is not yet a program participant. Applicants include individuals or households who have been issued a Housing Voucher but are not currently leased up under the program.

II. Applicability

A. Decisions subject to an Informal Review for Applicants

The Housing Authority must give an applicant the opportunity for an Informal Review of a decision denying assistance under the following circumstances:

1. Denying listing on the waiting list;
2. Denying or withdrawing issuance of a Housing Voucher;
3. Refusing to process or provide assistance under applicable portability procedures; or
4. Denying participation in the program.

B. Decisions NOT subject to an Informal Review for Applicants

The HA will not provide any applicant with an Informal Review for any of the following:

1. Discretionary administrative determinations by the HA or to consider general policy issues or class grievances;
2. HA determination of the family unit size under the HA subsidy standards;
3. HA determination not to approve a request for an extension or suspension of a voucher term;
4. HA determination not to grant approval to lease a unit under the program or to approve a proposed lease;
5. HA determination that a unit selected by the applicant is not in compliance with Housing Quality Standards (HQS); or
6. HA determination that the unit is not in accordance with HQS because of the family size or composition.

III. Notice to Applicant:

- A. The HA will give prompt written notice to an Applicant of a decision denying assistance for each of the circumstances listed in Section II above. The notice will include:
 1. A brief written statement of the reason(s) for the denial,
 2. Information regarding the applicant's right to request an Informal Review of the decision and the procedure for doing so;
 3. A statement informing the applicant that any request for review must be submitted within ten (10) **business** days of the date of the notice from the HA.
- B. Failure to submit a request for review within the above time limit will result in the Applicant forfeiting any further rights under this policy. However, if the Applicant establishes to the HA's satisfaction that the failure to comply with this requirement was for good cause the HA may extend the time for submission. **"Good cause" is defined** as an unavoidable conflict that prevented the applicant from presenting their request within the time limit provided. KCHA may request documentation of the good cause.

IV. Informal Review Process

The HA procedures for conducting the review are as follows:

1. The review will be conducted by a person designated by the HA other than a person who made or approved the decision under review or a subordinate of such person.
2. The person conducting the review will have sole responsibility for regulating the conduct of the review.
3. The Applicant will be given the opportunity to present written or oral information or objections to the HA decision. **Information will be received**

without regard to admissibility under the rules of evidence applicable to judicial proceedings. All reviews shall be conducted informally and both oral and documentary evidence pertinent to the facts and issues raised may be received. The challenges to the admissibility of evidence shall be determined solely by the hearing officer.

4. If the **Applicant** fails to appear at the time scheduled or attempts to reschedule the review with less than 24 hours' notice, the person conducting the review may determine that the family has waived the right to a review. **For purposes of this policy, failure to appear includes arrival/appearance more than 30 minutes past the scheduled meeting time. In cases of documented good cause (see Section III.B above),** the person conducting the review may postpone the meeting for a period not to exceed five (5) **business** days. In selecting a new meeting date, documented emergencies (i.e., medical reasons or other unavoidable conflicts) that would limit the client's ability to reschedule in a timely manner will be considered.

~~5.—Both the family and the HA may have a maximum of three (3) other persons in attendance at the informal review. Because of the serious nature of the review process, children will not be allowed in the review room unless they are serving as a witness. Families are responsible for arranging for necessary childcare.~~

5. The HA will notify the Applicant in writing of its final decision within ten (10) **business** days following completion of the Informal Review. Such notice will include a brief statement of the reasons for the final decision.

V. Families denied assistance as a result of their immigration status:

Applicants denied assistance due to immigration status will be informed of their right to request an appeal of the results of the INS verification to the INS or request an Informal Review with the Housing Authority (in lieu/upon completion of the INS appeal). The notice will also inform the applicant:

1. Of the reason for the denial;
2. That they may be eligible for proration of assistance based on the number of family members with "eligible immigration status".
3. Of the time limits and procedures that must be followed when requesting an appeal to the INS and/or Housing Authority.
4. That assistance may not be delayed, denied or reduced until the conclusion of the INS appeal process, but, that assistance may be

delayed while awaiting the outcome of the Housing Authority's Informal Review process.

B. PARTICIPANTS: INFORMAL REVIEW AND HEARING PROCEDURES

I. General Information

The process for Participant appeals of a Housing Authority decision is called an Informal Hearing. A Participant is defined as an individual or household currently leasing a unit subsidized under KCHA's Housing Choice Voucher (HCV) program. For purposes of this policy, a household with an active (unexpired) "moving voucher" to relocate under the program is considered a current participant.

The Informal Hearing process is not a formal judicial review. It is an opportunity for an informal review to consider whether HA decisions relating to the individual circumstances of the family are in accordance with the law, HUD regulations and/or HA policies.

II. Applicability

A. **When a Hearing is Required. The HA will provide** a participant in its HCV Program an opportunity for an Informal Review and Hearing to consider whether decisions relating to the individual circumstances of the family are in accordance with the law, HUD regulations and/or policies, in the following cases:

1. A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment;
2. A determination of the appropriate utility allowance (if any) for tenant-paid utilities from the HA utility allowance schedule;
3. A determination of the family unit size under the HA subsidy standards;
4. A determination to terminate assistance for a participant family because of the family's action or failure to act (see 24 CFR 982.552);
5. A determination to terminate assistance because the participant family has been absent from the assisted unit for longer than the maximum period permitted under HA policy and HUD rules;

B. **When a Hearing is NOT Required:** The HA will not provide a participant family an opportunity for an Informal Review and Hearing for any of the following:

1. Discretionary administrative determinations by the Housing Authority;
2. General policy issues or class grievances;
3. Establishment of the HA schedule of utility allowances for families in the program;
4. The HA's determination not to approve a request for an extension of the voucher term;
5. The HA's determination not to approve a unit or tenancy;
6. The HA's determination that an assisted unit is not in compliance with Housing Quality Standards (HQS) or alternate HUD or KCHA inspection standard. However, the HA must provide the opportunity for an Informal Hearing for a decision to terminate assistance for a breach of inspection standards caused by the family as described in 24 CFR 982.551(c);
7. The HA's determination that the unit is not in accordance with HQS or alternate HUD or KCHA standard because of the family size or;
8. A determination by the HA to exercise or not to exercise any right or remedy against the owner under the HAP contract.

III. Notice to Family:

- A. In the cases described in Section II.A, items 1-3, the HA will notify the family of the action. The notice will include a brief statement of the action and inform the Participant that:
 1. They have the opportunity to request an Informal Settlement meeting and explanation of the basis for the HA's determination and the right to an Informal Hearing on the decision if they do not agree with the HA's decision; and
 2. The Participant request for an Informal Settlement must be presented to the HCV office within ten (10) business days of the date of the notice to the family.
- B. In the cases described in Section II.A, items 4 and 5, the HA must give the family prompt written notice that they may request an Informal Hearing. The notice must:
 1. Contain a brief statement of the reason for the decision to terminate subsidy,
 2. State that if the family does not agree with the decision, they may request an Informal Hearing on the decision, and
 3. Any such request must be presented to the HCV office within ten (10) business days.

- C. In cases of termination as listed in Section II.A, items 4 and 5, the HA will give the Participant an opportunity for an Informal Hearing before the termination of housing assistance payments under an outstanding HAP contract.

IV. Terminations due to determinations regarding immigration status:

A family being terminated due to immigration status must be notified of their right to request an appeal of the results of the INS (or successor agency) verification to the INS (or successor agency) instead of, or in addition to, an Informal hearing with the Housing Authority. In addition, the Notice must also inform the tenant of:

- A. The reason for the proposed termination of assistance;
- B. That they may be eligible for prorated assistance, continued assistance, or a temporary deferral of termination and the procedures for obtaining each;
- C. The time limits and procedures to follow in order to pursue an INS (or successor agency) and/or Housing Authority appeal and that, if the family chooses to pursue the appeals process the tenant's occupancy cannot be terminated until all appeals are processed.

V. Steps in the Informal Hearing Process:

A. STEP 1 – Participant Submission of request for review of HA determination

Requests for review of HA determinations must be presented in writing by the Participant to the HCV Office within **ten (10) business days** of receipt of the Housing Authority's notice of action.

Failure to submit a request for review within the above time limits will result in the Participant forfeiting any further rights under this policy. However, if the Participant establishes to the HA's satisfaction that the failure to comply with this requirement was for good cause the Assistant Vice President (AVP) of HCV (or their designated equivalent) may extend the time for submission.

“Good cause” is defined as an unavoidable conflict that prevented the Participant from presenting their request within the time limit provided. KCHA may request documentation of the good cause.

B. STEP 2 – Informal Settlement Meeting

1. In cases for which a Participant exercises their right to have an informal review of the HA's action (see Section III.A above), an Assistant VP of HCV ("AVP") (or their designated equivalent) will hold an Informal Settlement meeting with the Participant so that their concerns may be discussed informally and, if possible, settled without need for an Informal Hearing. **This is an opportunity for the Participant to bring forward any additional information or discuss extenuating circumstances that might support reversal or modification of the HA's decision.**
2. After the meeting, the AVP will write a summary of the meeting which includes: (1) the date of the meeting; (2) the pertinent facts discussed; (3) the names of the participants; (4) the proposed disposition and reasons therefore and (5) information regarding how a Participant may obtain an Informal Hearing if they are not satisfied with the AVP's proposed disposition. The decision shall be sent to the Participant within **ten (10) business days** after the meeting.
3. A Participant request for an Informal Hearing must be submitted in writing to the HCV Office within five (5) business days of their receipt of the AVP's summary. When AVP summary is mailed to the Participant, receipt is defined as five days from the date of proper mailing.

C. STEP 3 – Informal Hearing

As stated in Section III.B above, Participants served with a notice to terminate program participation are eligible for an Informal Hearing. This opportunity is also provided to Participants served notice of HA action under Section II.A, items 1-3) of this policy who have received the AVP's summary of their Informal Settlement meeting and are not satisfied with the proposed disposition.

1. **Request for an Informal Hearing.** The Participant must submit a written request for an Informal Hearing to the HCV Office prior to the applicable deadline established in this policy. The written request must specify: (1) the Participant's complaint; (2) the reasons for their complaint; and (3) the action or relief sought.
 - a. The Participant's request for an Informal Hearing will be dated immediately upon receipt at HCV Office and placed in the Participant file (together with the summary of the Informal Settlement meeting).
2. **Failure to Request an Informal Hearing.** If the Participant does not request an Informal Hearing in the manner described above, the Housing Authority's disposition of the matter under Section IV.B above will become final.

- 3. Scheduling of Informal Hearings.** The Hearing Officer or HA designee will schedule the Informal Hearing within a reasonable time. If the hearing cannot be scheduled within 15 days following receipt of the Participant's request, the reason for delay will be clearly documented. The place of the hearing will be reasonably convenient to both the Participant and the Housing Authority. The Participant and the Housing Authority shall be given written notice of the time, place, and procedures governing the hearing.

VI. Selection of the Hearing Officer

- A. To support an expeditious process, the Housing Authority will establish a list of qualified individuals to serve as Hearing Officers. Qualified individuals need not be legal professionals and may be current or former Housing Authority employees, agency partners or other persons deemed necessary by the Housing Authority.
- B. A qualified Hearing Officer is an impartial person (or persons) selected by the Housing Authority other than the person who made or approved the decision under review. The Housing Authority will avoid selecting an individual who may have a conflict of interest with the Participant or may lack impartiality.

The Housing Authority reserves the right to pay Hearing Officers for their services and to provide training on such areas as the Informal Review and Hearing procedure, dwelling lease requirements, and other related policies and procedures.

VII. Procedures Governing the Informal Hearing

- A. The Participant will be afforded a fair hearing providing the basic safeguards of due process which include:
1. Participant opportunity, prior to the hearing, to examine any HA documents (including records and regulations) that are directly relevant to the hearing. The Participant will be allowed to copy any such document at their own expense. Any document not made available to family prior to the hearing cannot be relied upon at the hearing.
 2. The HA opportunity, prior to the hearing, to examine any family documents that are directly relevant to the hearing. The HA must be allowed to copy any such document at the HA's expense. Any document not made available to the HA prior to the hearing cannot be relied upon at the hearing.

3. The right, at their expense, to be represented by counsel or any other person designated by Participant as Participant's representative.
 4. Opportunity for Participant and Housing Authority to present evidence and question any witnesses. Evidence may be considered without regard to admissibility under rules of evidence applicable to judicial proceedings. The Hearing Officer conducts the hearing and regulates conduct of the hearing in accordance with the Housing Authority's hearing procedures.
 5. A decision based solely and exclusively on the facts presented at the hearing.
- B. The Hearing Officer may render a decision without proceeding with the hearing if it is determined that the issue raised by the Participant has been the subject of a decision in a previous proceeding that provided the procedural safeguards at least equal to those required herein.
- C. If the Participant fails to appear at the time scheduled for the hearing the hearing officer may determine that the family has waived the right to a hearing. For purposes of this policy, failure to appear will include an attempt to reschedule the hearing with less than 24 hours' notice or a Participant failing to arrive/appear within 30 minutes of the scheduled meeting time. However, the Hearing Officer may postpone the hearing for a period of no more than five (5) business days for documented good cause (as defined in Section V.A). Both the Participant and the Housing Authority shall be notified of the decision of the Hearing Officer.
- D. At the hearing, the Participant will first explain why they think that the Housing Authority action was incorrect and why they are entitled to the relief sought. Afterwards, the Housing Authority shall present its reason for taking or failing to take the action that is in dispute. Either party will have the opportunity to rebut the information presented during the hearing, including the right to confront and cross examine witnesses.
- E. All hearings shall be conducted informally by the Hearing Officer. The Hearing Officer will have sole responsibility for regulating the conduct of the review. Oral and documentary evidence pertinent to the facts and issues may be received regardless of whether such evidence would be admissible in a judicial proceeding. Irrelevant and unduly repetitive evidence will be excluded. Challenges to the admissibility of evidence shall be determined solely by the Hearing Officer in their reasonable discretion. The Hearing Officer shall require everyone in attendance to conduct themselves in an orderly fashion. **Failure to comply with the directions of the Hearing Officer may result in exclusion from the**

proceedings, in a decision adverse to the interests of the disorderly party, or in such other relief as the hearing officer shall reasonably determine.

VIII. Decision of the Hearing Officer

- A. The Hearing Officer shall prepare a written decision promptly, stating the findings of fact and conclusions upon which the result is based. If the decision cannot be completed within ten (10) business days following the date of the hearing, the reason for delay will be clearly documented. Factual determinations relating to the individual circumstances of the family shall be based on a preponderance of evidence presented at the hearing. Copies of the decision shall be furnished to the Participant and to the Housing Authority. The Housing Authority shall retain a copy of the decision in the Participant's tenant file. A log of all hearing officer decisions will be maintained by the Housing Authority and made available upon request of the hearing officer, a prospective Participant, or a prospective Participant's representative(s). Distribution of such information will be completed in a manner to protect personally identifiable information (PII) as required to ensure Participant privacy.
- B. The decision of the Hearing Officer shall be binding on the Housing Authority unless:
 - 1. The decision concerns a matter for which the HA is not required to provide an opportunity for an Informal Hearing, or otherwise exceeds the authority of the hearing officer under the HA hearing procedures;
 - 2. The decision is contrary to HUD regulations or requirements, or otherwise contrary to federal, State, or local law.
- C. If the HA determined it is not bound by a hearing decision, the HA will promptly notify the family of the determination and of the reasons for the determination.

IX. Accommodation of Person with Disabilities

- A. At any time during the Informal Hearing process, the Participant may request reasonable accommodation due to the handicap or disability of a household member, that would allow the Participant to meet the obligations of participation in the program or other program requirements.

- B. The Housing Authority shall provide reasonable accommodation for persons with disabilities to participate in the Informal Hearing process. Reasonable accommodation may include but is not limited to qualified sign language interpretation, readers, and accessible locations.
- C. If the Participant is visually impaired, any notice to the Participant that is required as part of the Informal Hearing procedure will be in an accessible format.

X. Additional Requirements – RAD PBV Developments ONLY

These additional policies protect participants living in former KCHA public housing developments converted to HUD's Rental Assistance Demonstration (RAD) program. These changes are intended to supplement (not replace) policies listed above with respect to the Lease between the Participant and the Housing Authority.

- A. **Applicability.** Policies in this Section XI apply to all PBV residents of the designated RAD development.
- B. **Notice of Termination.** In addition to the regulations at 24 CFR § 983.257 related to Project Owner termination of tenancy and eviction termination procedure for RAD conversions to PBV will require that PHAs provide adequate written notice of termination of the lease which shall be:
 - 1. A reasonable period of time, but **not to exceed 30 days**:
 - a) If the health or safety of other tenants, Project Owner employees, or persons residing in the immediate vicinity of the premises is threatened; or
 - b) In the event of any drug-related or violent criminal activity or any felony conviction;
 - 2. **Not less than 30 days** in the case of nonpayment of rent and in conformance with the terms of the Tenancy Addendum (HUD Form 52530c or replacement form); and
 - 3. **Not less than 30 days in any other case, except that if a State or local law provides for a shorter period of time**, such shorter period shall apply.
- C. **Informal Hearing Process.** Pursuant to requirements in the RAD Statute, additional resident procedural rights are established to comply with section 6 of the Act as follows:.
 - 1. **When a Hearing is Allowed:** In addition to opportunities for an Informal Hearing as shown in Section II above, the HA will allow opportunity for an Informal Hearing regarding Participant disputes concerning a:

- a) Project Owner or Contract Administrator's action in accordance with the individual's lease or RAD PBV requirements that adversely affect the resident's rights, obligations, welfare, or status.

C. INFORMAL HEARING PROCEDURES FOR A LANDLORD

- ~~1. The Housing Authority will provide an owner in its Section 8 Program an opportunity for an informal review to consider whether decisions relating to the individual circumstances of the owner are in accordance with the law, HUD Regulations, the HA-MTW agreement, and/or other policies in the following cases:~~
 - ~~a. To review the HA's determination that a unit is not in compliance with HQS;~~
 - ~~b. To dispute a rent reasonableness determination made by the HA; or~~
 - ~~c. To dispute a denial of participation on the Section 8 program.~~
- ~~2. Owners wishing to dispute one of the above reasons must request a review of the determination in writing, making reference to the specific problem they wish reviewed. A time will be scheduled with a Section 8 supervisor who was not a party to the original decision within ten (10) days of the request. The review, depending on the request can be performed either by telephone or in a meeting at the Section 8 office with all parties present.~~
- ~~3. Utilizing either method, the owner shall have the right to submit any documentation they believe should be considered in making a decision. After all items have been discussed, the owner will receive a written response from the HA within ten (10) business days of the review detailing the final determination and the reasoning behind the decision.~~
- ~~4. If the owner is not satisfied with the decision, they may request, in writing, that the Section 8 Program Coordinator review the information. No formal meeting will be held. The response of the Section 8 Program Coordinator is final and will be issued within (10) business days of the request.~~

THE HOUSING AUTHORITY OF THE COUNTY OF KING, WASHINGTON

RESOLUTION NO. 5833

**AUTHORIZING CHANGES TO THE PROJECT-BASED AND TENANT-BASED HCV
ADMINISTRATIVE PLANS RELATING TO INFORMAL REVIEW AND HEARING
PROCEDURES**

WHEREAS, the King County Housing Authority (KCHA) is a Public Housing Authority (PHA) administering Housing Choice Vouchers (HCV) through one or more Annual Contributions Contracts (ACCs) with HUD; and

WHEREAS, KCHA's Tenant-based and Project-based Housing Choice Voucher programs must be administered in accordance with HUD regulations and established Administrative Plans (Ad Plans); and

WHEREAS, staff has reviewed the Informal Review and Hearing Procedures of the Tenant-based and Project-based Ad Plans (Sections 13 and 24, respectively) and identified changes designed to clarify policies and simplify program administration; and

WHEREAS, such changes are intended to help improve efficiency, program support and consistent operations while ensuring program compliance with HUD regulations; and

WHEREAS, KCHA Board of Commissioners approval of the proposed modification of the Ad Plans is required prior to implementation;

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

SECTION 1. Formally adopts the proposed changes as detailed in the attached documents and authorizes the Housing Authority to take the necessary steps to implement the changes effective immediately;

ADOPTED AT A REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING AT AN OPEN PUBLIC MEETING THIS 19th DAY OF OCTOBER, 2026.

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

JERRY LEE, Chair
Board Of Commissioners

ROBIN WALLS
President/CEO and Secretary-Treasurer

T A B N U M B E R

4



To: Board of Commissioners

From: Kami Robinson, Executive Assistant to CEO

Date: October 13, 2026

Re: **Resolution 5834:** Authorizing Marc Garcia as contracting officer and signator

Resolution No. 5834, includes the authorization for Mr. Garcia to:

1. Sign contracts and agreements and financial reports or any other such documentation for and on behalf of the Housing Authority
2. Act as a signatory to the Authority's numerous bank accounts

Passage of Resolution No. 5834 is recommended

THE HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5834

AUTHORIZING MARC GARCIA AS CONTRACTING OFFICER AND SIGNATOR

WHEREAS, Marc Garcia has been named by the President/CEO as the VP for Finance, effective September 21, 2026, with the responsibility of executing the duties of that position; and

WHEREAS, it is necessary for the Vice President of Finance to sign contracts and agreements for and on behalf of the Housing Authority and to execute financial and other documents as may be necessary to conduct the business of the Authority; and

WHEREAS, the banks with which KCHA conducts its business must be affirmatively notified of the addition of a new signatory to the Authority's numerous bank accounts.

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

Section 1. Marc Garcia is hereby appointed a Contracting Officer of the King County Housing Authority with the authority to sign such contracts, agreements, financial reports or any other such documentation as may be necessary to conduct the business of the Housing Authority.

Section 2. Marc Garcia is hereby authorized as a designated signer for current and any future bank accounts used by the Authority to deposit its funds during the term of his employment.

ADOPTED AT THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING AT AN OPEN PUBLIC MEETING THIS 19th DAY OF OCTOBER, 2026.

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

JERRY LEE, Chair
Board of Commissioners

ROBIN WALLS
President/CEO and Secretary-Treasurer

T A B N U M B E R

5



To: Board of Commissioners

From: Kami Robinson

Date: October 12, 2026

Re: Resolution 5835: Appointment of Auditing Officers for the Purpose of Certifying Obligations of the Authority in Accordance with RCW 42.24

This is to update current employees listed on Resolution of auditing officers.

A fundamental obligation of the Board of Commissioners is to review and approve the vouchers paid by the Authority as it conducts its operations. Under RCW 42.24, such vouchers are certified by auditing officers elected or appointed pursuant to statute or, in the absence of statute, an appropriate charter provision, ordinance or resolution of the municipal corporation or political subdivision.

Resolution 5835 names as auditing officers for KCHA:

- Wendy Teh
- Marc Garcia (added)
- Olivia Hunsinger (added)
- Tesh Assefa (added)
- Shannon Nicholas
- Sean Lay
- Alfred Dulay
- Crystal Barrow-Mendez
- Diana Spisak (added)
- Lauren Mathisen
- Dave Allan (added)

Providing a current record of those authorized by the Board.
Passage is recommended.

THE HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5835

**APPOINTMENT OF AUDITING OFFICERS FOR THE PURPOSE OF CERTIFYING
OBLIGATIONS OF THE AUTHORITY IS IN ACCORDANCE WITH RCW 42.24**

WHEREAS, the Board of Commissioners is responsible for ensuring that the system of auditing and certifying vouchers in a manner such as to provide the greatest possible protection for Board members and the Authority, which said responsibility cannot be delegated, and

WHEREAS, RCW Chapter 42.24 requires the appointment of an auditing officer or officers, and

WHEREAS, all claims against the Authority must be certified by the auditing officer to assure that the claim is just, due and is an unpaid claim of the Authority, and

WHEREAS, such claims may be certified individually or by blanket certification by the auditing officer so long as the particular vouchers so certified are clearly indicated.

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

The following persons are hereby designated as Auditing Officers in accordance with the requirements contained in RCW Chapter 42.24:

Wendy Teh, Executive Vice President of Administration/Chief Administrative Officer

Marc Garcia, Vice President of Finance

Olivia Hunsinger, Assistant Vice President of Finance

Tesh Assefa, Financial Reporting Manager

Shannon Nicholas, Financial Reporting Manager

Sean Lay, Interim Finance Reporting Manager

Alfred Dulay, Accounting Manager

Crystal Barrow-Mendez, Accounting Manager

Diana Spisak, Interim Accounting Manager

Lauren Mathisen, Executive VP of Real Estate Development/Chief Development Officer

Dave Allan, Senior Vice President of Asset Management

**ADOPTED AT THE REGULAR MEETING OF THE BOARD OF
COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING AT
AN OPEN PUBLIC MEETING THIS 19th DAY OF OCTOBER, 2026.**

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

JERRY LEE, Chair
Board of Commissioners

ROBIN WALLS
CEO/President

T A B N U M B E R

6



To: Board of Commissioners

From: Dave Allan, Senior VP of Asset Management

Date: October 19, 2026

Re: **Resolution No. 5836** – Authorizing the Acquisition of the leasehold interest in Eastwood Square Apartments effective January 1, 2027

Resolution No. 5836 authorizes the Housing Authority to acquire the leasehold interest in Eastwood Square Apartments effective January 1, 2027, and to complete the related lease buyout, loan repayment, transfer, and assumption documents necessary to bring the property under KCHA ownership and control.

Eastwood Square is a 48-unit low-income housing property consisting of two- and three-bedroom apartments in Bellevue, Washington. KCHA already owns the land (the “fee interest”) and leases the improvements (a “leasehold interest”) to Park Villa, LLC under a long-term lease that began in 2001 and expires December 31, 2056. Park Villa, LLC is seeking to transfer the leasehold interest prior to the lease expiration due to its Managing Member’s deteriorating health.

The original Eastwood Square structure was established to preserve the property as affordable housing, in part by using KCHA’s governmental tax advantages to support the property’s financial viability. Under the lease, Park Villa, LLC is responsible for operating the property as low-income housing, maintaining compliance with applicable regulatory requirements, and making required payments, deposits, and fees to KCHA.

In 2014, KCHA loaned approximately \$3.79 million to Park Villa, LLC to refinance prior Eastwood Square bond debt. The loan was later modified in 2020, reducing the interest rate to 3.25 percent and extending the amortization and maturity to January 1, 2041. The outstanding balance will be approximately \$2,523,774 as of January 1, 2027, subject to final closing adjustments.

The fair value of the leasehold interest is determined to be \$8,600,000, based on the net present value of projected semi-annual cash flows through December 31, 2041, discounted at an 8% annual rate. After deduction of the \$2,523,774 outstanding KCHA loan balance, the net acquisition cost to KCHA is \$6,076,226.

The proposed acquisition would terminate Park Villa, LLC’s remaining lease, repay the KCHA loan, and transfer the relevant contractual, regulatory, and property management obligations to KCHA. KCHA ownership will allow budgetary efficiencies and ensure that smooth operations of the property are maintained. Following closing, KCHA would control the property directly, preserve the existing affordability requirements, and continue property operations with Coast Property Management for the time being.

Staff recommends approval of Resolution No. 5836.



King County
Housing
Authority

Eastwood Square

Resolution No. 5835

KCHA Board of Commissioners

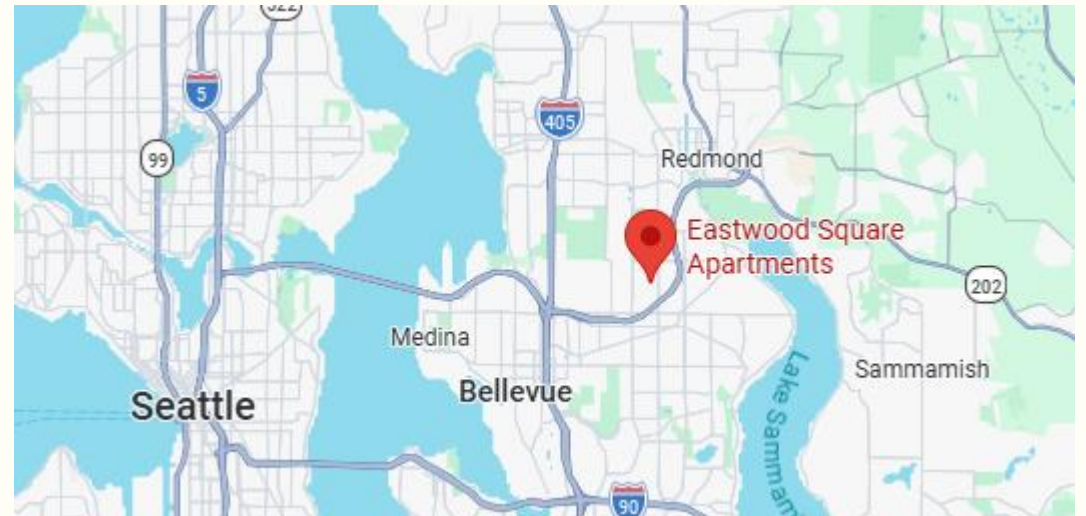
October 2026



Eastwood Square Apartments



- 🏠 48 low-income apartments located in Bellevue
 - 34 2BR and 14 3BR units
- 🏠 Previously financed with LIHTC
 - Income Limits: 24 @ 50% AMI and 24 @ 60% AMI
- 🏠 All Units Subsidized via HUD HAP contract



Current ownership and proposed acquisition

- **Background:**
 - KCHA owns the land (“fee interest”) in the Eastwood Square property.
 - Park Villa, LLC leases the improvements (“leasehold interest”) under a lease that began in 2001 and expires in 2056.
- **Acquisition**
 - Park Villa seeks an early transfer of the leasehold interest because of its Managing Member’s deteriorating health.
 - Acquisition effective January 1, 2027 would end the remaining lease and bring the property under direct KCHA control.
 - KCHA previously loaned \$3.8MM to Park Villa, LLC. The remaining loan balance of \$2.5MM will be deducted from the purchase price paid by KCHA.

Net acquisition cost: \$6,075,809

Fair value of leasehold interest ¹	\$8,600,000
Less credit for KCHA Loan ²	(\$2,523,774)

Net acquisition cost to KCHA	\$6,076,226
-------------------------------------	--------------------

¹Valuation: Projected cash flow through December 31, 2041, discounted at an 8% annual rate.

²Loan balance as of January 1, 2027, subject to final closing adjustments.

Staff recommends Resolution No. XXXX

- **Resolution authorizes:**
 - Acquisition of the leasehold interest effective January 1, 2027.
 - Completion of the lease buyout, loan repayment, transfer and assumption documents.
 - Bringing the contractual, regulatory and property management obligations under KCHA control while preserving existing affordability requirements.
 - Plan to continue with Coast Property Management for the time being



Questions?



HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5836

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING AUTHORIZING ACQUISITION OF THE EASTWOOD SQUARE APARTMENTS LEASEHOLD INTEREST, APPROVING THE EXECUTION AND DELIVERY OF DOCUMENTS RELATED TO THE ACQUISITION, AND DETERMINING RELATED MATTERS.

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

Section 1. Recitals and Findings. The Board of Commissioners (the “Board”) of the Housing Authority of the County of King (the “Authority”) finds and determines that:

(a) Statutory Authorization. The Authority is authorized by the Housing Authorities Law (chapter 35.82 RCW) to, among other things: (i) “[w]ithin its area of operation...acquire...housing projects” (RCW 35.82.070(2)); (ii) “acquire by the exercise of the power of eminent domain any real property any real property which it may deem necessary for its purposes under [the Housing Authorities Law]” (RCW 35.82.110, 35.82.070(5)); (iii) “purchase...any real...property or any interest therein” (RCW 35.82.070(5)); and (iv) “make and execute contracts and other instruments” (RCW 35.82.070(1)).

(b) The Property. The Eastwood Square Apartments (the “Property”) is a 48-unit apartment complex located at 14501 NE 35th St. Bellevue, Washington (King County Parcel Number 222505-9107). The Property is located near Microsoft Campus in Redmond.

(c) Preservation of Affordable Housing. KCHA already owns the fee interest in the property and leases the improvements to Park Villa, LLC under a long-term lease that began in 2001 and expires December 31, 2056. Park Villa, LLC is seeking to transfer the leasehold interest prior to the lease expiration due to the Managing Member’s deteriorating health.

Section 2. Authorization to Acquire of the Leasehold Interest. The Board hereby authorizes the President / Chief Executive Officer to give notice to the current owner of the Property of the Authority’s intention to acquire the Leasehold Interest.

Section 3. Authorization to Make Final Determination for Acquisition. The President / Chief Executive Officer is hereby vested with the authority, and with discretion in the exercise of such authority, to make a final determination after reviewing the results of inspection of the Property as to whether to proceed with the acquisition of the leasehold interest if the President / Chief Executive Officer deems it in the best interest of the Authority and the region’s housing goals to do so. If the President / Chief Executive Officer makes a final determination to proceed, the Board hereby further authorizes the President / Chief Executive Officer to take any and all actions necessary to acquire the Property, and authorizes, approves and/or ratifies the execution of a termination of Park Villa, LLC’s remaining leasehold interest at a price equal to Eight Million Six Hundred Thousand Dollars (\$8,600,000.00).

Section 4. Authorization to Execute Lease Termination Documents. If the President / Chief Executive Officer is successful in negotiation of the lease termination of the Property from Park Villa, LLC, then the President / Chief Executive Officer is hereby authorized to acquire the Property on such terms and conditions as are customary in such transactions and as are deemed by the President / Chief Executive Officer to be in the best interests of the Authority. The foregoing includes, without limitation, negotiation and execution of all contracts, agreements, certifications or other documents in connection with the Authority's acquisition of the Property leasehold interest pursuant to this Resolution.

Section 5. Interim and Permanent Financing Authorization. The Board hereby authorizes the President / Chief Executive Officer to execute any and all applications, agreements, certifications, or other documents in order to provide all or part of the interim and/or permanent financing of the acquisition of the leasehold interest pursuant to this Resolution.

Section 6. Acting Officers Authorized. The Board of Commissioners hereby authorizes each of the following, in addition to the President / Chief Executive Officer, to execute on behalf of the Authority any and all contracts, agreements, certifications or other documents in connection with the Authority's acquisition and financing of the Property pursuant to this Resolution: the Executive Vice President of Administration / Chief Administrative Officer; or the Senior Vice President of Development & Asset Management.

Section 7. Ratification. All actions of the Authority and its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.

Section 8. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

**ADOPTED AT A REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF KING AT AN OPEN PUBLIC
MEETING THIS 19th DAY OF OCTOBER, 2026.**

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

JERRY LEE, Chair
Board of Commissioners

ATTEST:

ROBIN WALLS,
President / CEO and Secretary-Treasurer

CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting President / Chief Executive Officer 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 attached Resolution No. 5836 (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 Authority’s regular meeting place on October 19, 2026 (the “Meeting”), and duly recorded in the minute books of the Authority;

2. That the public was notified of access options for remote participation at the Meeting via the Authority’s website; 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 19th day of October, 2026.

Robin Walls

Secretary-Treasurer and President / Chief Executive Officer
of the Authority

T A B N U M B E R

7



To: Board of Commissioners

From: Grace Wood, Moving to Work Program Manager

Date: October 2, 2026

Re: Resolution No. 5837 - Approval of KCHA's Moving to Work Plan for FY 2027

Summary

Resolution No. 5837 authorizes the approval of KCHA's fiscal year 2027 Moving to Work (MTW) Plan. As a participant in the Department of Housing and Urban Development's (HUD) MTW program, KCHA is required to submit a board-approved annual plan that outlines the agency's goals, operations, programs, and proposed new MTW activities for HUD's review and approval. For 2027, KCHA is proposing two new MTW activities, Housing Assistance for Justice-Involved Individuals and Direct Rental Assistance, and the continued use of flexibilities to ensure the agency has the ability to continue to support residents and keep people housed in the coming year.

At the October 19 board meeting, staff will present a summary of feedback received during the public comment period, a final version of the plan, and request board approval.

Summary of the Public Process and Comments

The public comment period for KCHA's FY 2027 MTW Plan began on September 8 and concluded on October 8, 2026. During this time, KCHA provided multiple and varied opportunities for residents, partners, and the public to review and comment on the draft plan. KCHA's outreach activities included:

- **Advertising the plan's availability** and the date of the Public Hearing on KCHA's website, in KCHA buildings, and in local newspapers including the Seattle Times, the Daily Journal of Commerce, and the NW Asian Weekly.
- **Holding a Virtual Public Hearing** (September 17) to inform the public and residents of KCHA's plans and proposals for the next fiscal year; and
- **Providing Information to the Resident Advisory Committee (RAC)** and soliciting feedback.

A full summary of the public comment period is provided in Section VI of the MTW Plan. KCHA used the public review process to inform the finalization of the 2027 MTW Plan and made non-substantive technical changes prior to Board adoption and submission to HUD.

Approval of the resolution is recommended.



King County
Housing
Authority

2027 MTW Plan

October 19, 2026

Grace Wood, MTW Program Manager



King County
Housing
Authority



FY 2027 MTW Plan Development and Public Review

- **July 31 – August 31:** KHCA held public comment on the FY 2027 MTW Plan, including a public hearing and meeting with the Resident Advisory Committee.
- **August 26:** KCHA received feedback from HUD on the FY 2026 MTW Amendment previously approved at the July 2026 board meeting.
- **Early September:** Proposed amendment changes were incorporated into the FY 2027 MTW Plan and the 2026 MTW Plan Proposed Amendment was rescinded.
- **September 8 – October 8:** An updated public comment period was conducted so residents, partners, and the public could review all proposed changes within a single plan document.

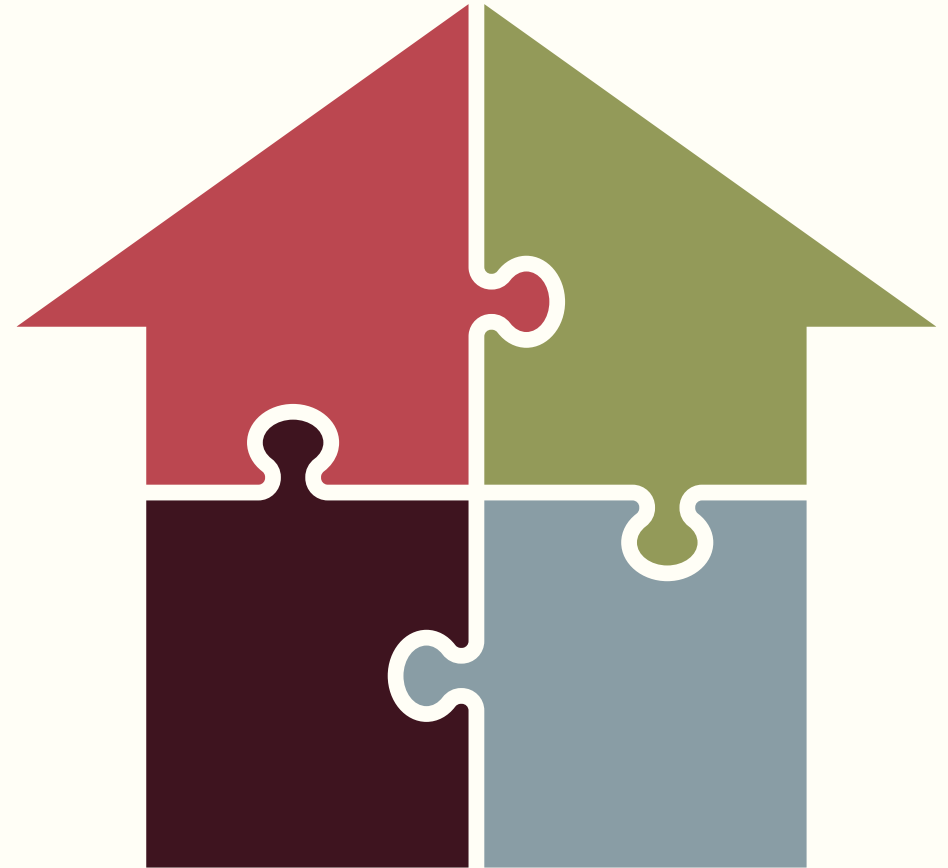
FY 2027 MTW Plan

New Activities

- 🏠 2027-1: Housing Assistance for Justice-Involved Individuals
- 🏠 2027-2: Direct Rental Assistance

Updates

- 🏠 Increase asset limits (MTW activity 2008-10 and 2008-11)
- 🏠 Inspection variance (MTW activity 2004-5)
- 🏠 MTW activities that may be applied to RAD PBV households are called out



New Activity: 2027-1 Overview

Housing Assistance for Justice-Involved Individuals

- Provides rental assistance to eligible individuals transitioning from incarceration or participating in a King County diversion court program.
- Combines tenant-based rental assistance with supportive services provided by partner agencies.
- Up to 30 households served through tenant-based vouchers with assistance lasting 2-5 years.
- Benefits: Increase housing stability, expand housing choice, and support successful community reintegration for individuals facing significant housing barriers.

New Activity: 2027-2 Overview

Direct Rental Assistance

- 🏠 Testing a new subsidy model where KCHA pays the housing subsidy directly to households
- 🏠 KCHA has partnered with MDRC to participate in a national study to evaluate impacts
- 🏠 Pilot Features:
 - Direct HAP payments to households
 - Simplified subsidy calculation
 - Streamlined lease-up and verifications
- 🏠 Benefits: Increased housing choice, reduced administrative complexity, and evidence to guide future program expansion.

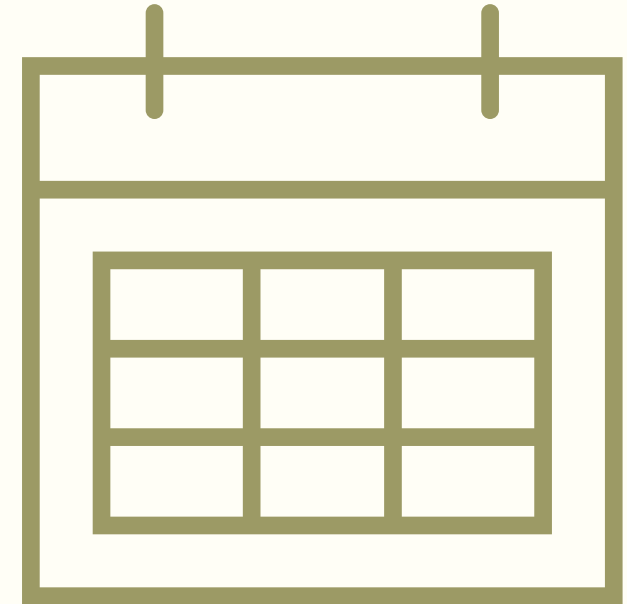
Public Comment Overview

PUBLIC COMMENT PERIOD

The public comment period ran from September 8th through October 8th.

OUTREACH PERFORMED

- Virtual public hearing
- Flyers posting at Public Housing sites, with translated versions available
- Flyer posted at KCHA's Section 8 lobby
- One-pager distributed to KCHA's RAC
- Draft available on KCHA's website, and hard copies available upon request
- Information included in local newspapers



Questions & Comments



THE HOUSING AUTHORITY OF THE COUNTY OF KING
RESOLUTION NO. 5837
APPROVING KCHA’S MOVING TO WORK ANNUAL PLAN
FOR FISCAL YEAR 2027

WHEREAS, the King County Housing Authority (KCHA or Authority) entered the U.S. Department of Housing and Urban Development’s (HUD) Moving to Work Demonstration Program (MTW) in 2003; and

WHEREAS, KCHA and HUD have entered into an Amended and Restated Moving to Work Agreement (Agreement), which has been extended by Congress through 2038; and

WHEREAS, as intended by Congress, the Agreement authorizes KCHA to design and test new ways of providing housing assistance and needed services to low-income households; and

WHEREAS, the Agreement requires the Authority to develop an MTW Annual Plan (the Plan) that identifies anticipated MTW program resources and expenditures, outlines ongoing MTW activities, and details new initiatives that KCHA intends to pursue during the coming fiscal year; and

WHEREAS, staff has developed the required MTW Annual Plan covering Fiscal Year 2027 (January 1, 2027 through December 31, 2027) in a manner that is responsive to and complies with the Restated Agreement requirements; and

WHEREAS, in developing the FY 2027 MTW Annual Plan, KCHA provided opportunity for public and resident input regarding the Plan components, including a Public Hearing; and

WHEREAS, the Plan envisions some changes in operational policies and programs which are consistent with the goals of the MTW Demonstration and KCHA’s mission; and

WHEREAS, a Board Resolution approving the amended Plan and certifying that it complies with MTW Plan requirements must be included when it is submitted to HUD.

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

The Board of Commissioners hereby:

1. Certifies that the public comment and public hearing requirements have been met and authorizes the Secretary-Treasurer of the Board to execute the attached HUD Certification of Compliance with MTW Plan Requirements and Related Regulations.
2. Approves the 2027 MTW Plan attached to this resolution and the accompanying memorandum for implementation and submission to HUD.
3. Authorizes the staff to take actions necessary to finalize the Plan for HUD approval and to implement approved activities.

ADOPTED AT A REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING AT AN OPEN PUBLIC MEETING THIS 19th DAY OF OCTOBER, 2026.

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

JERRY LEE, Chair
Board of Commissioners

ROBIN WALLS
President/CEO and Secretary-Treasurer

T A B N U M B E R

8

To: Board of Commissioners

From: Tonya Harlan

Date: October 19, 2026

Re: **Resolution 5838:** Authorizing a 4.06% Cost-of-Living Adjustment for Administrative Employees

Executive Summary

Resolution No. 5838 authorizes a 4.06% Cost-of-Living Adjustment (COLA) for KCHA administrative employees, effective the first day of the first full pay period occurring entirely in November 2026. This action applies only to non-represented administrative employees. It does not establish or authorize a wage adjustment for employees represented by Seattle Building Trades. KCHA and Seattle Building Trades are currently bargaining a successor collective bargaining agreement, and the current agreement expires October 31, 2026. Any wage or COLA provisions for represented employees remain subject to collective bargaining and subsequent Board action, as appropriate.

Background

KCHA has historically used the Seattle-Tacoma-Bellevue CPI-W HALF1 measure when considering annual cost-of-living adjustments. The HALF1 index compares average prices during the first six months of one year with the first six months of the prior year, smoothing short-term fluctuations while reflecting sustained changes in the cost of living. The 2026 CPI-W HALF1 measure is 4.06%.

For 2026, the proposed action applies the full 4.06% CPI-W HALF1 measure to administrative pay. Fully funding the COLA supports the integrity and market position of the administrative pay structure adopted in 2026, helps preserve progress made through KCHA's pay equity and classification work, and reduces the risk that inflation will reintroduce pay compression.

KCHA's current financial position supports the adjustment: the November effective date limits the 2026 cash impact, and the ongoing base-pay cost are incorporated into the 2027 budget and future financial planning. The annual cost of this increase to administrative staff wages is approximately \$2 million. Although longer-term federal funding remains uncertain and future compensation decisions will require careful management, the financial analysis does not rely on this action being limited to administrative employees because any bargained wage adjustment will be retroactive.

Recommendation

Approval of Resolution No. 5838 authorizing a 4.06% COLA for administrative employees is recommended.

THE HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5838

AUTHORIZING AN INCREASE IN THE PAY SCHEDULE FOR ADMINISTRATIVE EMPLOYEES OF 4.06% EFFECTIVE NOVEMBER 14, 2026

Section 1. FINDINGS AND DETERMINATIONS. The Board of Commissioners (the “Board”) of the Housing Authority of the County of King, Washington (the “Authority” or “KCHA”), takes note of the following facts and makes the following findings and determinations:

- 1.1 The Board annually reviews the salaries and benefits paid to administrative employees of the Authority; and
- 1.2 KCHA has historically used the Seattle-Tacoma-Bellevue CPI-W HALF1 measure when considering annual cost-of-living adjustments for administrative employees; and
- 1.3 The 2026 Seattle-Tacoma-Bellevue CPI-W HALF1 measure is 4.06%, and management recommends applying the full measure to the Administrative Salary Schedule; and
- 1.4 This cost-of-living adjustment supports the integrity and market position of KCHA’s administrative pay structure and helps preserve progress made through KCHA’s compensation and pay equity work; and
- 1.5 KCHA’s adopted 2026 budget and current financial position provide sufficient capacity to fund the proposed adjustment for administrative employees, and
- 1.6 This resolution applies only to administrative employees. Wages and cost-of-living adjustments for employees represented by the Seattle Building Trades Union remain subject to collective bargaining; and
- 1.7 Management recommends that the Board authorize a 4.06% cost-of-living adjustment to the Administrative Salary Schedule effective November 14, 2026.

Section 2. THEREFORE, IT IS RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING THAT:

- 2.1 The Administrative Salary Schedule is amended to reflect a 4.06% cost of living increase in all ranges which are incorporated into this resolution as Exhibit A.
- 2.2 The amended Administrative Salary Schedule and the corresponding 4.06% increase to the base wages of eligible administrative employees are effective November 14, 2026.
- 2.3 The President/Chief Executive Officer, or designee, is authorized to take the administrative actions necessary to implement this resolution.
- 2.4 Nothing in this resolution establishes wages or a cost-of-living adjustment for represented employees, whose terms remain subject to collective bargaining.

**ADOPTED AT A REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE
HOUSING AUTHORITY OF THE COUNTY OF KING AT AN OPEN PUBLIC MEETING
THIS 19th DAY OF OCTOBER, 2026.**

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

Attest:

JERRY LEE, Chair
Board of Commissioners

ROBIN WALLS
President/Chief Executive Officer and
Secretary-Treasurer

EXHIBIT A
Administrative Salary Schedule
Effective 11/14/2026 - 11/13/2027
4.06% COLA

	Minimum	Midpoint	Maximum
10	\$46,863.42	\$53,330.75	\$60,286.15
11	\$67,345.00	\$77,446.92	\$87,548.83
12	\$71,386.41	\$82,094.16	\$92,801.90
13	\$75,668.87	\$87,019.78	\$98,369.63
14	\$80,209.45	\$92,240.87	\$104,272.28
15	\$85,022.01	\$97,775.53	\$110,529.05
16	\$88,204.38	\$103,641.92	\$119,075.86
17	\$91,550.77	\$109,860.28	\$128,170.86
18	\$97,043.83	\$116,451.96	\$135,861.15
19	\$102,866.48	\$123,439.35	\$144,013.29
20	\$113,152.92	\$135,783.29	\$158,413.66
21	\$125,599.25	\$150,719.10	\$175,838.95
22	\$139,415.11	\$167,298.56	\$195,180.95
23	\$150,568.71	\$180,682.45	\$210,796.19
24	\$162,613.99	\$195,137.21	\$227,659.37
25	\$175,623.49	\$210,748.19	\$245,872.89
26	\$186,160.58	\$223,392.91	\$260,625.24
27	\$197,330.17	\$236,796.00	\$276,261.82
28	\$221,010.09	\$265,211.69	\$309,414.35
29	\$224,900.04	\$281,124.52	\$337,350.06

T A B N U M B E R



King County
Housing
Authority

KCHA Debt and Credit Dashboard

Board of Commissioners Meeting | October 19, 2026

Prepared by CSG Advisors
Presented by Joanie Monaghan



Two Dynamic Tools, One Static Board View

Under Task 1 (Baseline Review) and Task 2 (Financial Strategy Guidelines and Reporting) of CSG's engagement, CSG and KCHA Finance built two live, maintainable Excel tools. This deck is a printable snapshot drawn from them, and an example of the board reporting the tools can produce going forward.



KCHA Debt Portfolio Dashboard

- Instrument-level detail on every bond, note, and line of credit - current balances, amortization, redemption terms, and balloon/call dates.
- Maintained by KCHA Finance with CSG support; refreshed 1-2x/year and organized around five guiding questions.



KCHA Credit Rating Model

- Projects KCHA's financials and an S&P-methodology-based PHA credit rating out to FY2051 - same horizon as the debt forecast.
- Built from FY2024 audited actuals, Craig Violante's 5-year forecast, and the debt dashboard's own paydown schedule.
- Includes a Scenario Testing tool.

The Five Questions This Dashboard Answers

Every visual in this deck ties back to one of these five questions from the Debt Dashboard Framework – the throughline for the rest of the presentation.

Q1 What do we owe / what is our debt profile today?

Q2 What do our debt obligations look like over the next 12-60 months?

Q3 Which obligations could create liquidity, refinancing, or covenant pressure?

Q4 Where can we reduce cost, simplify the portfolio, or improve flexibility?

Q5 What decisions need to be made, by whom, and when?

What Do We Owe Today?

Question this answers: What do we owe / what is our debt profile today? (Framework Q1) Source: KCHA Debt Portfolio Dashboard, balances as of 9/30/2025 (KCHA long-term debt listing), updated for FY2026 issuances through 9/2/2026 (Bond List, Notes Payable, LOC, Public Subordinate & Public Forgivable tabs).

\$1.37B

Total LT Debt Outstanding
(9/30/25, updated for FY26
issuances)

86%

Bonds

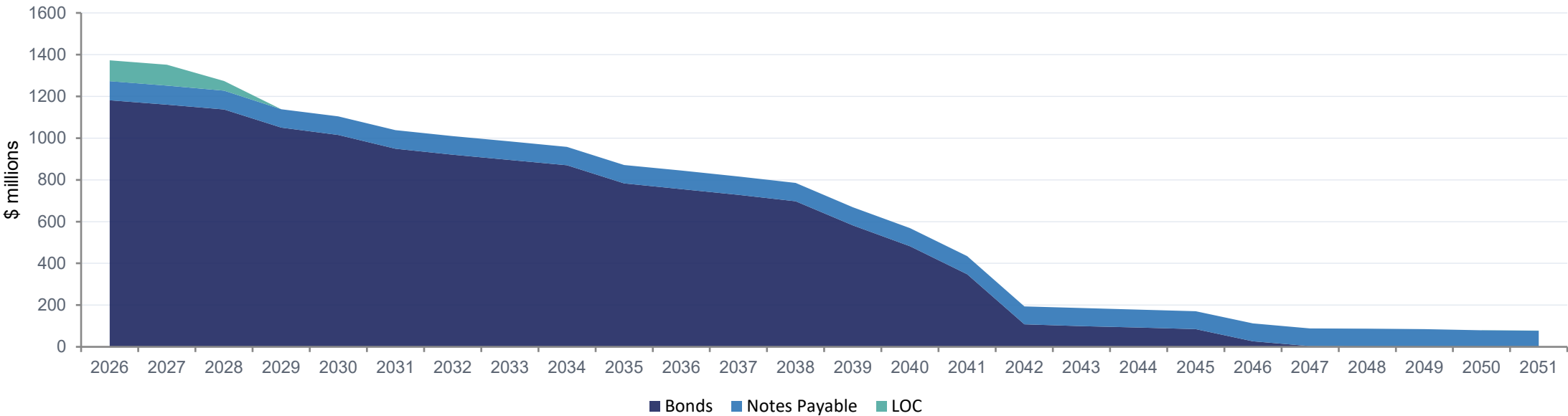
7%

Notes Payable & Other

7%

Lines of Credit

Total Long-Term Debt Outstanding by Category, FY2026-FY2051



What Do We Owe Today?

Question this answers: What do we owe / what is our debt profile today? (Framework Q1) Source: KCHA Debt Portfolio Dashboard, balances as of 9/30/2025 (KCHA long-term debt listing), updated for FY2026 issuances through 9/2/2026 (Bond List, Notes Payable, LOC, Public Subordinate & Public Forgivable tabs).

\$1.37B

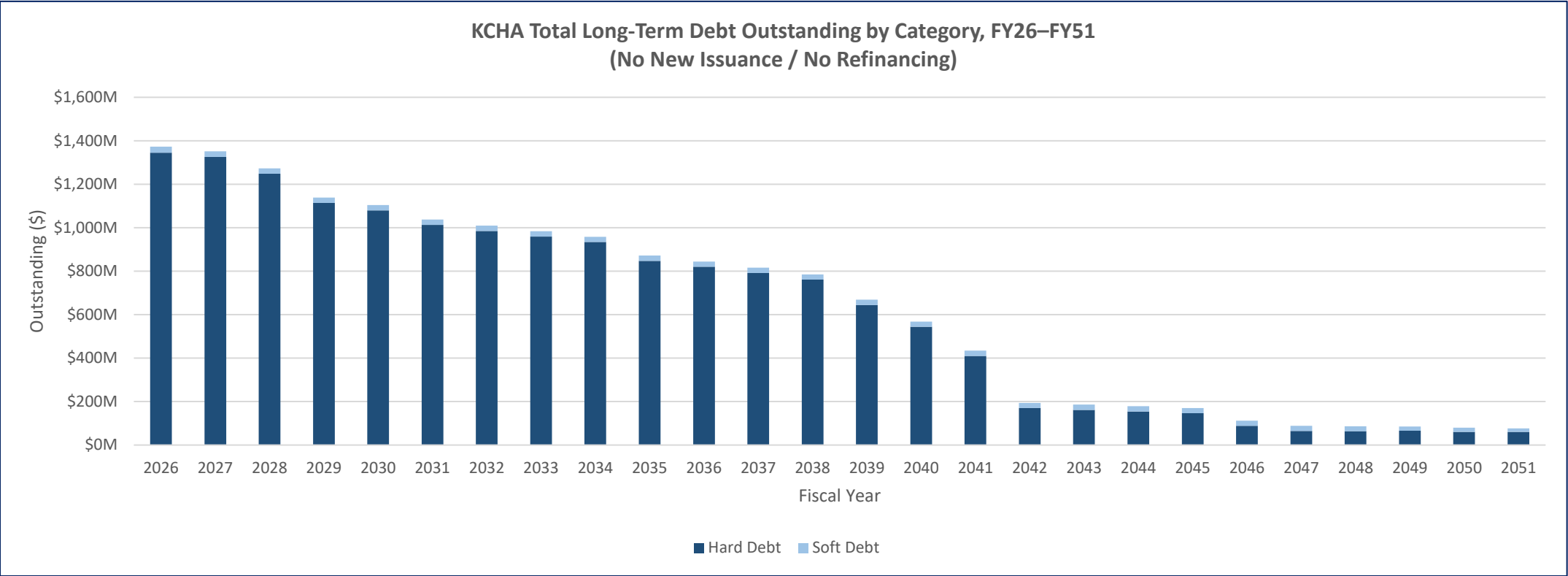
Total LT Debt Outstanding
(9/30/25, updated for FY26 issuances)

98%

Hard Debt
(Must Pay)

2%

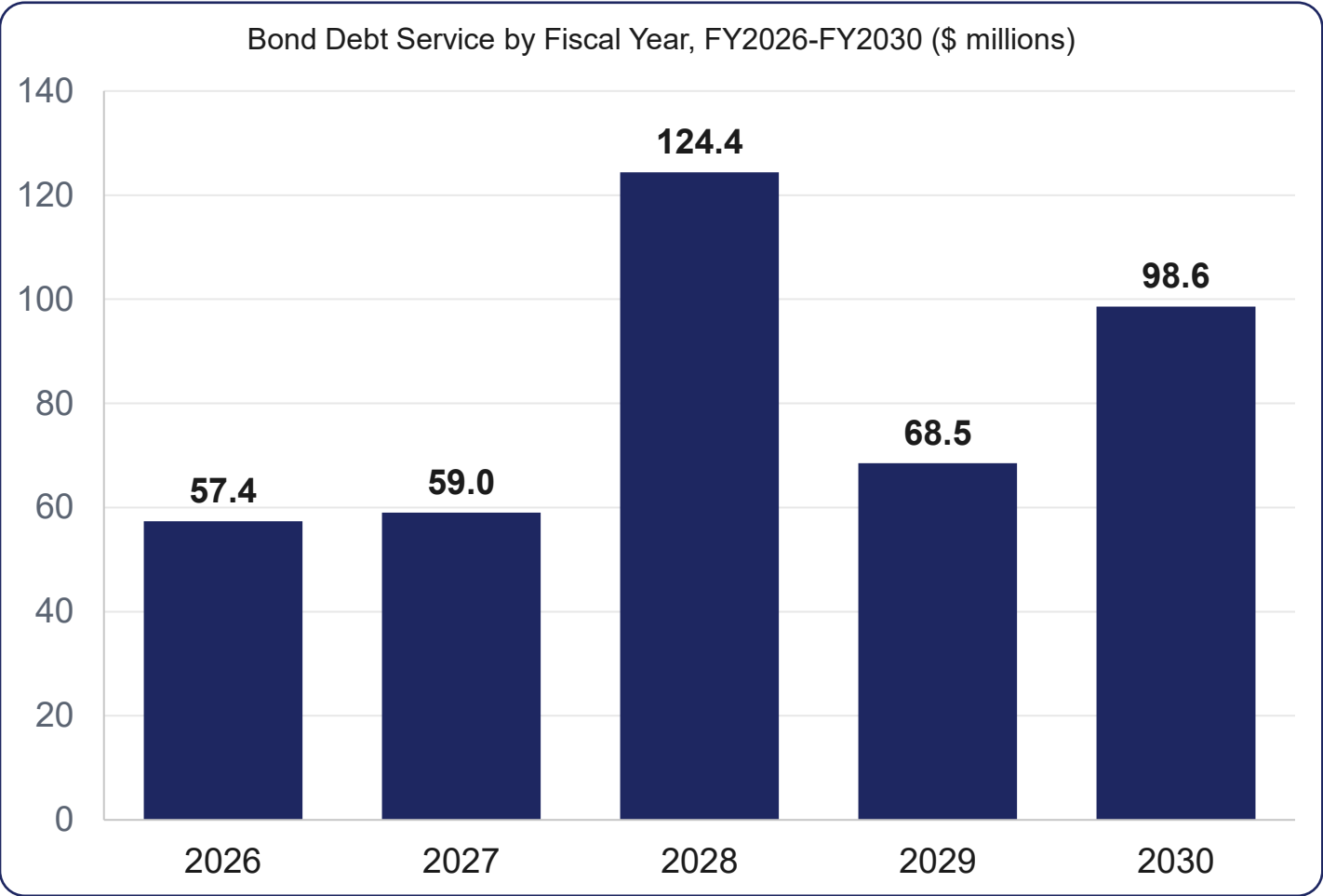
Soft Debt
(forgivable or not mandatory pay)



Q2

What is Our Debt Service Over the Next 12-60 Months?

Question this answers: What do our debt obligations look like over the next 12-60 months? *(Framework Q2)*



Bond Debt Service, Near-Term

- Peak: **FY2028 at about \$124.4M**, driven by \$64.6M of Kirkland Heights 2023 Series A principal, **mostly repaid from tax credit equity**
- FY2030 rises to about \$98.6M as \$40.6M of Trailhead 2026A principal comes due
- LOC draws and renewals are a routine financing tool, not a bond debt-service obligation - see the next slide for capacity and undrawn cushion



Lines of Credit: Capacity & Renewal (Q2 Follow-On)



KeyBank Facility — *Tax Credit & Acquisition Warehousing*

- ✓ Total capacity: \$110M across 6 properties (Patricia Harris Manor, Vashon Terrace, Juanita View, Plum Court Apartments, Kirkland Heights Partnership Development (\$37.3M), Eastwood Square (\$6.2M))
- ✓ Drawn as of 9/2/26: \$53.7M, about 49% of capacity (the Trailhead draw was repaid by the 2026 Trailhead bonds)
- ✓ Undrawn cushion: about \$56.3M available for new warehousing
- ✓ Rate: 4.47%, variable; matures FY2027



Bank of America Facility — *Haven Apartment Homes*

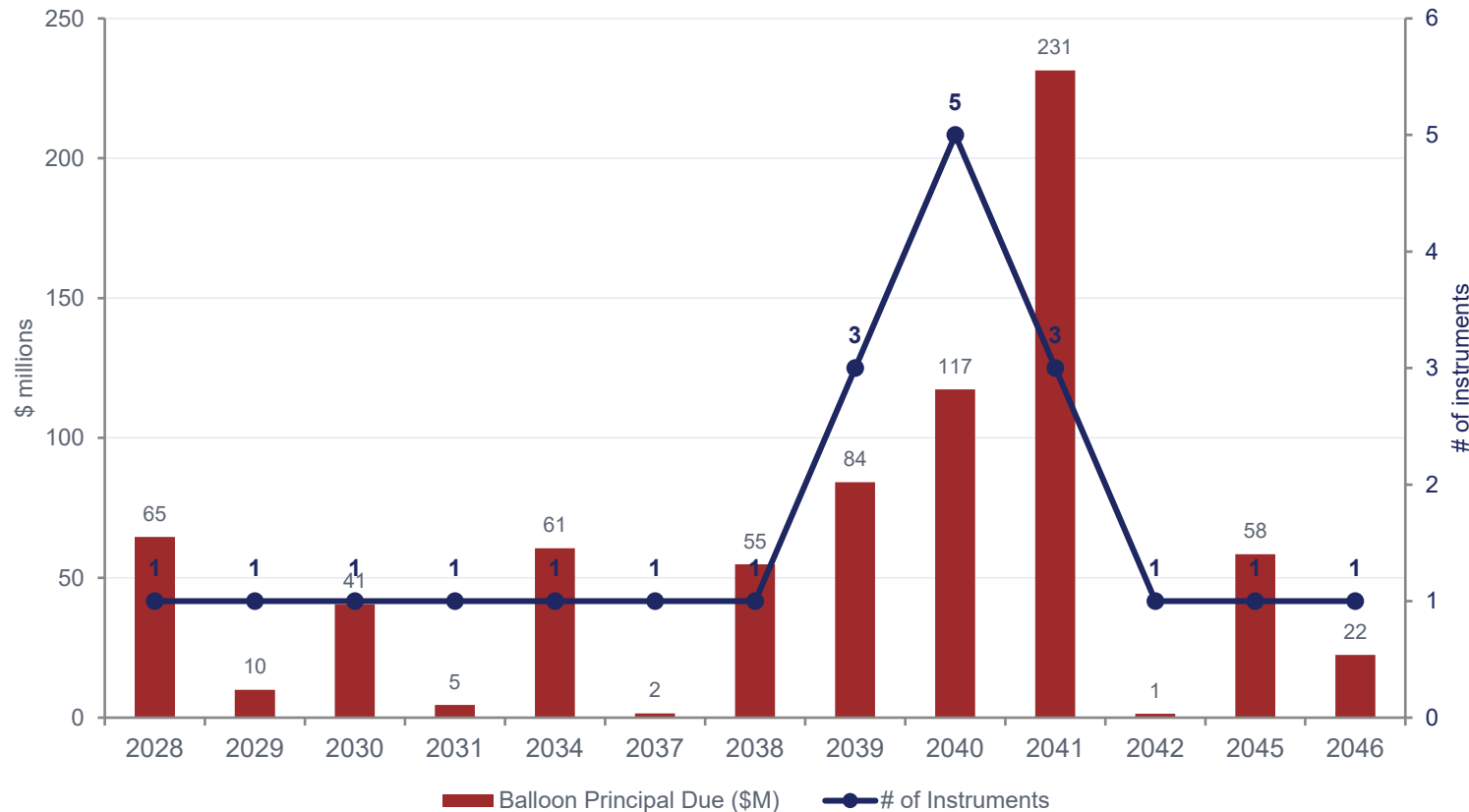
- Total capacity: \$50M
- Drawn as of 9/2/26: \$46.1M — about 92% of capacity
- Undrawn cushion: about \$3.9M — the tighter of the two facilities today
- Rate: 4.21%, variable; established 2026, matures FY2028
- Renewal/maturity is routine and gets renewed regularly — Finance should monitor renewal timing and risk, but it is not, in itself, a liquidity event for the board

Total LOC as of 9/2/26: \$99.8M drawn and \$60.2M undrawn (\$160M combined capacity). The lines warehouse projects until they are pooled into a bond issue; fewer, larger issues lower costs.

Q3 Which Obligations Could Create Refinancing Pressure?

Question this answers: Which obligations could create liquidity, refinancing, or covenant pressure? (Framework Q3)

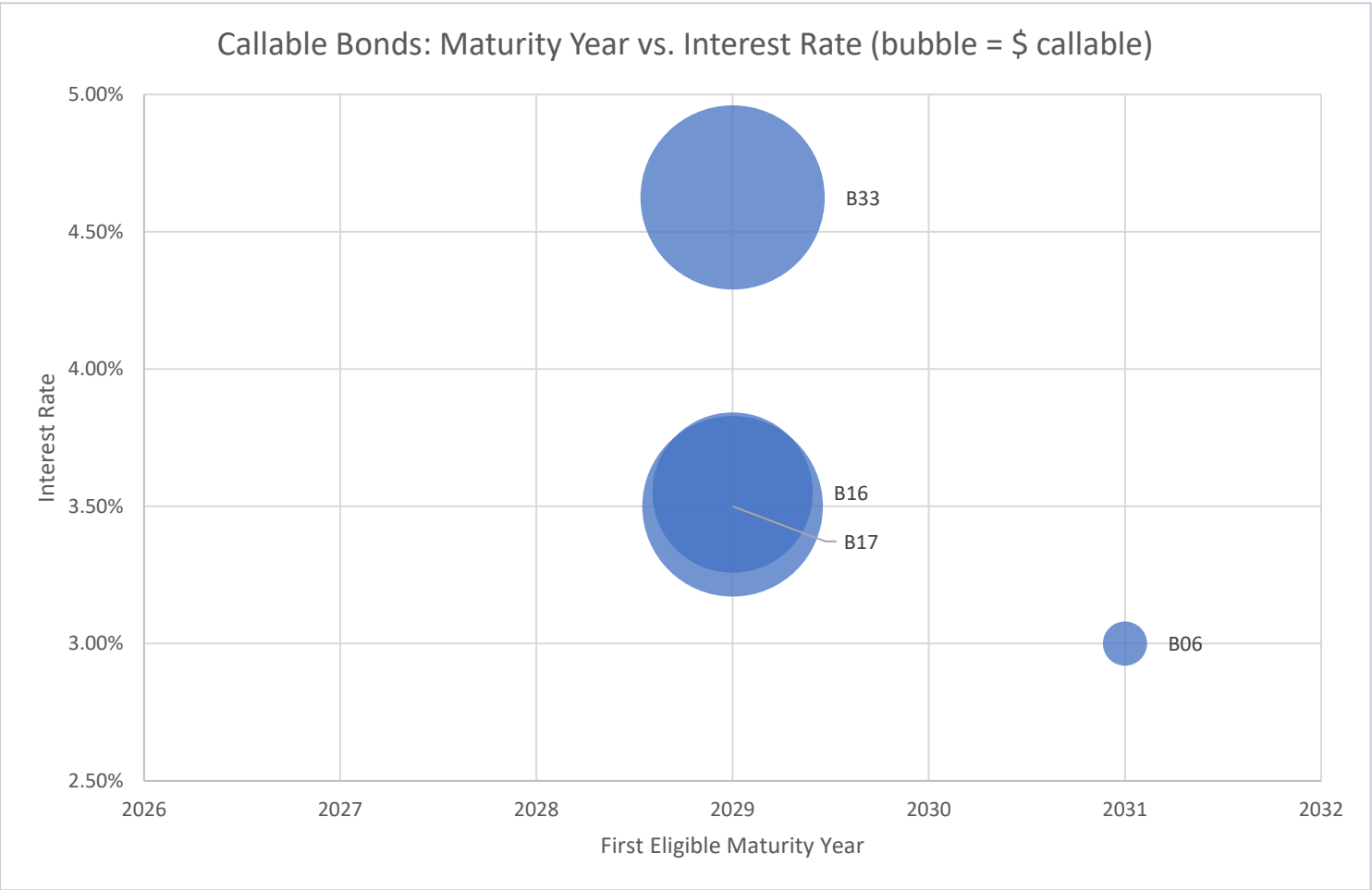
Balloon / Bullet Principal Due by Fiscal Year (\$ millions, bars) and # of Instruments (line)



Where the Pressure Concentrates

- \$751.9M of balloon/bullet principal comes due across 21 instruments in 13 years
- Nearest: \$115.2M in FY2028-FY2030, planned to be repaid mainly from tax credit equity
- 58% (\$433M) falls in FY2039-FY2041: FY2040 \$117M (5 loans), FY2041 \$231M (3 loans)
- A “no action” view: staff plans refinancing well before these dates

Question this answers: *Where can we reduce cost, simplify the portfolio, or improve flexibility? (Framework Q4)*



Identifies Refunding Candidates

- B12 (off chart): \$47.3M at 4.61%, callable 1/1/2033; 2.53% PV savings miss the 3% screen, so monitor for now
- Four bonds (\$212.4M*) callable 2026–2028: B06 \$4.4M (9/1/26), B16 \$58.0M and B17 \$73.5M (5/1/28), B33 Trailhead \$76.5M at 4.25%–5% (7/1/28); worth pre-positioning now
 - Six older, smaller financings (B01–B05, B23, B25–27) are already callable today; mostly legacy/low-balance, they are candidates to simplify when rates allow

*Callable par: principal remaining at the first eligible maturity (after scheduled amortization). Current outstanding: B16 \$63.6M, B17 \$78.9M.

Where KCHA Stands Today — Per S&P

Question this answers: how creditworthy are we, as the rating agency itself scores it? Every figure below is from S&P's June 2026 report on KCHA, not our internal model.

AA / Stable

Issuer Credit Rating (ICR)

aa

Stand-Alone Credit Profile (SACP)

1.4

Enterprise Risk Profile — Extremely Strong

2.33

Financial Risk Profile — Very Strong

Enterprise Risk Profile	
Factor	Score
Industry Risk	2
Regulatory Framework	2
Market Dependencies	1
Management & Governance	1
Enterprise Risk Profile	1.4

Financial Risk Profile	
Factor	Score
Financial Performance	4
Debt Profile	2
Liquidity	1
Financial Risk Profile	2.33

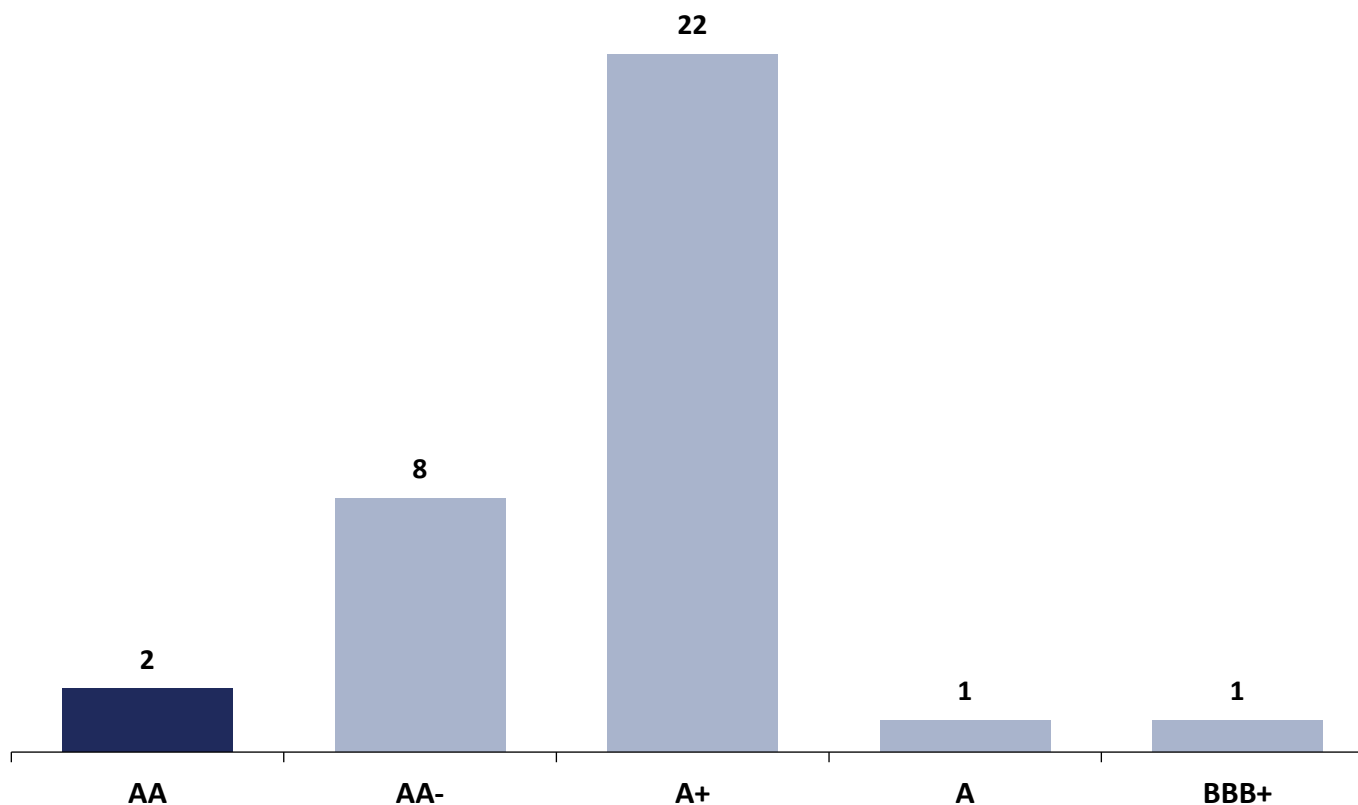
Source: S&P Global Ratings, “King County Housing Authority, WA Series 2026 Affordable Housing Revenue Bonds Assigned ‘AA’ Rating,” June 23, 2026. Scores run 1 (strongest) to 6 (weakest); Enterprise and Financial Risk Profile are S&P’s assessments.

KCHA Debt and Credit Dashboard | Board of Commissioners | October 19, 2026

S&P How KCHA Compares Nationally

Question this answers: How does KCHA's rating compare with other rated housing authorities? Source: S&P Global Ratings, U.S. Social Housing Providers sector report, Sept. 9, 2025 (full report in appendix).

S&P-Rated Public Housing Authorities by Rating (34 PHAs, as of Aug. 2025)



What This Tells the Board

- Only 34 housing authorities are rated by S&P; most (22) are A+
- KCHA and Seattle Housing Authority are the only two rated AA
- Size doesn't drive the rating: Chicago (27,000+ units) is AA-; HACLA (~14,800) is A+; KCHA ~12,800
- S&P can add a notch for government support; KCHA's AA is earned on its own



What Could Move the Rating

Question this answers: which obligations or metrics create rating pressure — and what would move it the other way? (Framework Q3/Q5) — S&P's own named triggers, checked against where KCHA sits today.

10.3x

5-yr Hard Debt / EBITDA
— downside: >15x

18.4%

EBITDA Margin (5-yr avg)
— watch line: 20%

3.9x

12-mo Liquidity —
downside line: <2.5x

4 / Adequate

Financial Performance —
the one factor to watch

Downside Triggers (S&P's own words)

- Hard debt / EBITDA consistently more than 15x
- EBITDA margins consistently below 20% AND reduced rate-setting flexibility
- Liquidity deteriorates to less than 2.5x

Upside Path

- Consecutive years of improved EBITDA margins
- Debt metrics improve to levels S&P regards as extremely strong
- Both conditions together, not either alone

Why the Margin Line Isn't a Red Flag Yet

- KCHA's margin already sits below S&P's 20% line
- S&P applied a positive adjustment for KCHA's unusual ability to raise rents if needed
- Preserving that flexibility, not the margin number itself, is the real watch item

The Scenario Testing Tool

Question this answers: what decisions need to be made, by whom, and when? (Framework Q5) — built directly into the Credit Rating Model to test a proposed decision against the SAME three Financial Risk Profile factors S&P scores today.

Input (tied to a Financial Risk Profile factor)	Example Use
Financial Performance — revenue/expense adjustment	What if HUD subsidy drops \$10M/year?
Debt Profile — new issuance or defeasance	What if we issue bonds to acquire three properties over 2 years? Or defease B12 early?
Liquidity — LOC draw or reserve change	What if the KeyBank LOC draw increases \$15M?

Output: Side-by-Side

- Base Case score vs. Scenario score, factor by factor and year by year
- Full Financial Performance / Debt Profile / Liquidity detail under both cases
- One scenario tested at a time against the base case, for a clean comparison
- Illustrative only — not a proposal or recommendation

One scenario is tested at a time against the base case, so the comparison stays clean; base case figures are never altered.

The Scenario Testing Tool

Question this answers: what decisions need to be made, by whom, and when? (Framework Q5) — built directly into the Credit Rating Model to test a proposed decision against the SAME three Financial Risk Profile factors S&P scores today.

This example demonstrates the impact that acquiring / building three properties with 360 units staggered over two years (2027-2028) would have. The 5.26% interest rate assumption is based on spot rates for AA-rated public housing authorities on September 24, 2026. Purchase prices total \$126.0M; \$54.9M is financed with new bonds sized to 1.15x debt service coverage, with the balance from other sources.

Property name	Units	Acq year	Purchase price	New bonds	Gross revenue	Operating exp	NOI \$/yr
Property A	60	2027	\$21,000,000	\$8,870,620	\$1,340,400	\$657,000	\$683,400
Property B	120	2027	\$42,000,000	\$17,741,240	\$2,680,800	\$1,314,000	\$1,366,800
Property C	180	2028	\$63,000,000	\$28,258,193	\$4,021,200	\$1,971,000	\$2,050,200
Total	360		\$126,000,000	\$54,870,052	\$8,042,400	\$3,942,000	\$4,100,400

FY2028 metric	Base case	With pipeline	Change
Operating revenue	\$618.5M	\$626.6M	+\$8.1M
EBITDA	\$116.7M	\$120.8M	+\$4.1M
Hard debt	\$1,247.7M	\$1,302.2M	+\$54.5M
Hard debt / EBITDA	10.69x	10.78x	+0.08x
EBITDA / hard-debt interest	2.97x	2.97x	0.00x
Liquidity ratio	3.90x	4.09x	+0.19x
Projected rating	aa+/aa	aa+/aa	No change

Illustrative only — not a proposal or recommendation. One scenario is tested at a time against the base case so the comparison stays clean; base case figures are never altered. Projected rating is the model's indicative range, not an S&P rating.



Q5: How We'll Use and Maintain These Tools



How It Works Going Forward

- ✓ KCHA Finance maintains both tools, with CSG support
- ✓ Refreshed 1-2x a year: after the annual audit and after any new financing
- ✓ Major debt or acquisition proposals come to the board with a dashboard view and a tested scenario
- ✓ Proposed next step: a short quarterly dashboard in the board packet (green / yellow / red on key measures)



Decisions Ahead (Owner, Timing)

- Line of credit renewals: KeyBank FY2027, Bank of America FY2028 (Finance)
- Tax credit equity repays short-term bonds: Kirkland Heights FY2028, Trailhead FY2029-30 (Development / Finance)
- ~\$212M of bonds callable 2026-2028: refinance if savings justify it (Finance / Municipal Advisor)
- FY2039-2041 maturities: begin the refinancing plan ~5 years ahead; update S&P annually and before new borrowing (Finance / CSG)

Discussion

Figures reflect projections and modeling assumptions as of the dates noted, not an S&P rating action. The live tools are maintained by KCHA Finance with CSG support.

Q4 Appendix: B12 Refunding Illustration

Question this answers: *Where can we reduce cost, simplify the portfolio, or improve flexibility? (Framework Q4)*

B12 refunding of 2040/2041 bonds at 1/1/2033 call: annual debt service savings

Avg. annual debt service, existing bonds (FY2033–FY2040)	\$2.77M
Avg. annual debt service, after refunding (FY2033–FY2040)	\$2.53M
Avg. annual debt service savings (FY2033–FY2040)	\$241K (8.7%)
First-year savings (FY2033, refunding year)	\$261K
Cumulative savings through final maturity (FY2041)	\$1.28M

B12 refunding terms and savings screen (3% PV minimum)

Refunded principal, 2040/2041 bonds (at par, 1/1/2033 call)	\$47.3M
New bond amount (incl. 1.5% cost of issuance)	\$48.0M
Existing coupon (2040/2041 weighted) vs. illustrative new rate*	4.61% → 4.00%
PV savings (% of refunded principal): fails 3% screen	\$1.20M (2.53%)

Operations held unchanged. Coupons and call dates per 2023A1–A3 Official Statement; 2029–2033 serials non-callable. FY2041 savings –\$645K (issuance cost in final maturity); FY2033–41 avg. \$142K (2.0%). Source: Credit Rating Model v6, Bond Refunding (2033 call) tab.

**Illustrative purposes only – actual market rates should be evaluated before proceeding with economic refunding*

Identifies Refunding Candidates*

B12 - \$47.3M of 2040/2041 bonds (4.61%) are first callable 1/1/2033; at an illustrative 4.00% rate, PV savings of 2.53% miss the 3% screen, so monitor rather than refund now

- B16 and B17 (about \$58M and \$74M) become callable in 2028 (first optional call 5/1/2028) and are worth pre-positioning for analysis now
- Six older, smaller financings (B01–B05, B23, B25–27) are already callable today; mostly legacy/low-balance, they are candidates to simplify when rates allow

EXHIBIT I

KCHA Consolidated Debt — Summary List

Balances as of 9/30/2025, updated for FY2026 issuances through 9/2/2026

Appendix: KCHA Consolidated Debt — Summary List

Balances as of 9/30/2025, updated for FY2026 issuances through 9/2/2026

Ref#	Description	Property	Lender / Funder	Hard / Soft	FY Issued	Amount Issued	Amount Outstanding	Interest Rate	FY Maturity
Lines of Credit (LOC)									
L1	Line of credit draw	Patricia Harris Manor	KeyBank	Hard	2015	—	\$3,400,000	4.47%	2027
L1	Line of credit draw	Vashon Terrace	KeyBank	Hard	2015	—	\$1,120,000	4.47%	2027
L1	Line of credit draw	Juanita View	KeyBank	Hard	2015	—	\$3,250,000	4.47%	2027
L1	Line of credit draw	Plum Court Apartments	KeyBank	Hard	2015	—	\$2,440,995	4.47%	2027
L1	Line of credit draw	Kirkland Heights Partnership Development	KeyBank	Hard	2015	—	\$37,252,910	4.47%	2027
L1	Line of credit draw	Eastwood Square Apartments	KeyBank	Hard	2015	—	\$6,200,000	4.47%	2027
L2	Line of credit draw	Haven Apartment Homes	Bank of America	Hard	2026	—	\$46,128,009	4.21%	2028
Subtotal — Lines of Credit (LOC) (7)							\$99,791,914		
Notes Payable									
NP1	Overlake - 4	Sterling Ridge; Henry House; Brier Woods; Highlander House; Overlake	WA State Convention & Trade Center	Soft	2000	\$1,500,000	\$1,500,000	0.00%	2051
NP2	Overlake - 5	Sterling Ridge; Henry House; Brier Woods; Highlander House; Overlake	King County (DCHS)	Soft	2000	\$500,000	\$500,000	0.00%	2052
NP3	Seola Crossing I&II - WA CTED	Seola Crossing I & II	WA State CTED (HTF)	Hard	2006	\$1,000,000	\$1,073,471	1.00%	2057
NP4	Seola Crossing I&II - KC DCHS	Seola Crossing I & II	King County (DCHS)	Hard	2005	\$2,000,000	\$2,000,000	1.00%	2058
NP5	Soosette Creek	Sooset (Birch) Creek	King County (DCHS - HFP)	Soft	2009	\$1,950,000	\$1,950,000	0.00%	2064
NP6	Highland Village - DOC	Highland Village	WA Dept of Commerce (HTF)	Soft	2022	\$1,500,000	\$1,500,000	0.00%	2072
NP7	Vantage Point	Vantage Point	King County (DCHS)	Soft	2017	\$2,000,000	\$2,000,000	0.00%	2066
NP8	Corinthian Apartments KC TOD	Corinthian	King County (DCHS)	Hard	2019	\$3,076,377	\$3,076,377	1.00%	2056
NP9	Riverstone KC TOD	Riverstone	King County (HHCDD)	Hard	2021	\$13,000,000	\$13,000,000	1.00%	2072
NP10	Juanita View KC TOD	Juanita View	King County (HHCDD)	Hard	2021	\$5,800,000	\$5,800,000	1.00%	2072
NP11	Kirkland Heights KC TOD	Kirkland Heights	King County (HHCDD)	Hard	2021	\$11,200,000	\$11,200,000	1.00%	2072
NP12	Abbey Ridge KC TOD	Abbey Ridge	King County (HHCDD)	Hard	2022	\$2,635,000	\$2,635,000	1.00%	2072
NP13	Kirkland Heights KC	Kirkland Heights	King County (HHCDD)	Soft	2023	\$1,075,725	\$1,075,725	0.00%	2038
NP14	Kirkland Heights ARCH	Kirkland Heights	ARCH member cities (14; c/o City of Bellevue)	Hard	2023	\$1,056,300	\$1,056,300	1.00%	2078
NP16	Plum Court - WA DOC	Plum Court Apartments	WA State CTED (HTF)	Hard	2004	\$800,000	\$419,818	1.00%	2044
NP17	Plum Court - KC	Plum Court Apartments	King County (CDBG)	Hard	2003	\$1,070,000	\$1,070,000	1.00%	2053
NP18	Plum Court - KC	Plum Court Apartments	King County (CDBG)	Hard	2003	\$158,354	\$158,354	0.00%	2053
NP19	Plum Court - Other ARCH	Plum Court Apartments	ARCH	Hard	2023	\$890,924	\$890,924	1.00%	2072
NP20	Hidden Village - State	Hidden Village	WA State Dept of Community Development	Hard	1992	\$292,157	\$283,628	5.00%	2044
NP21	Windsor Heights - WA State	Gilman Square; Meadowbrook; Windsor Heights	WA State CTED	Hard	1999	\$1,040,000	\$614,074	1.00%	2039

Ref#	Description	Property	Lender / Funder	Hard / Soft	FY Issued	Amount Issued	Amount Outstanding	Interest Rate	FY Maturity
NP22	Windsor Heights - King County	Gilman Square; Meadowbrook; Windsor Heights	King County (HOME/CDBG)	Hard	1999	\$950,000	\$950,000	0.00%	2049
NP23	Windsor Heights - SeaTac	Gilman Square; Meadowbrook; Windsor Heights	City of SeaTac (via KC note)	Hard	1999	\$90,000	\$90,000	0.00%	2049
NP24	Fairwind - King County	Fairwind	King County (DCHS)	Hard	2012	\$2,500,000	\$2,500,000	1.00%	2064
NP25	Bellevue Manor - ARCH Loan	Bellevue Manor	ARCH member cities (12; c/o City of Bellevue)	Hard	2014	\$549,117	\$549,117	1.00%	2054
NP26	Patricia Harris - ARCH Loan	Patricia Harris Manor	ARCH member cities (12; c/o City of Bellevue)	Hard	2014	\$224,001	\$224,001	1.00%	2054
NP27	Harrison House - King County	Harrison House	King County (DCHS)	Hard	2005	\$750,000	\$750,000	1.00%	2054
NP28	Arbor Heights - King County HOME	Arbor Heights	King County (DCHS)	Hard	2005	\$775,000	\$775,000	1.00%	2054
NP29	Valley Park, KC	Valley Park	King County (DCHS)	Hard	2005	\$750,000	\$750,000	1.00%	2054
NP30	Birch Creek - CTED	Sooset (Birch) Creek	WA State CTED (HTF)	Hard	2009	\$2,000,000	\$2,000,000	1.00%	2050
NP31	Nia - CTED	Nia Apartments	WA State CTED (HTF)	Hard	2007	\$1,250,000	\$1,376,929	1.00%	2058
Subtotal — Notes Payable (30)							\$61,768,719		
Bonds Payable									
B01	Greenbridge Nia	Nia Apartments	—	Hard	2006	\$3,000,000	\$2,310,000	4.75%	2037
B02; B03	Seola Crossing I & II	Seola Crossing I & II	—	Hard	2006	\$6,700,000	\$5,038,163	6.38%	2046
B04	Sooset (Birch) Creek	Sooset (Birch) Creek	—	Hard	2008	\$37,500,000	\$13,135,000	5.200% to 5.500%	2038
B05	Eastbridge Apartments	Eastbridge Apartments	—	Hard	2008	\$7,120,000	\$6,080,000	5.500% to 5.625%	2030
B06	Corinthian	Corinthian	—	Hard	2016	\$7,000,000	\$5,405,000	3.00%	2031
B07	Somerset	Somerset Gardens	—	Hard	2019	\$14,875,000	\$13,275,000	3.625% to 3.875%	2039
B08	Highland Village	Highland Village	—	Hard	2020	\$11,835,000	\$10,675,000	2.625% to 4%	2040
B09	2020 Rev Bond	Abbey Ridge	—	Hard	2020	\$8,439,000	\$7,558,500	3.00% to 4.00%	2040
B10	2020 Rev Bond	Bellevue Manor	—	Hard	2020	\$19,691,000	\$17,636,500	3.00% to 4.00%	2040
B11	2020 Rev Bond	Woodland North Apts	—	Hard	2020	\$10,000,000	\$8,894,408	2.375% to 2.500%	2040
B12	Kirkland Heights 2023 Series A	Kirkland Heights	—	Hard	2023	\$114,615,000	\$114,615,000	4.61%	2041
B13	2025 Pooled Hsg Ref Rev Bonds	Sterling Ridge; Henry House; Brier Woods; Highlander House; Overlake	—	Hard	2025	\$101,060,000	\$101,060,000	5% to 5.375%	2045
B14	Rural Housing Loan	—	—	Hard	1997	\$2,230,000	\$420,000	n/a	2028
B15	Hannon Armstrong	Hannon Armstrong	—	Hard	2016	\$0	\$5,812,050	n/a	2037
B16	2018 AA Pooled Hsg Ref Rev Bond	Aspen Ridge; Ballinger Commons; Bellepark East; Carriage House; Cottonwood; Cove East; Newporter; Timberwood; Woodside East	—	Hard	2018	\$74,000,000	\$63,610,000	3.350% to 3.750%	2038
B17	2018 AAA Refunding Rev Bonds	Ballinger Commons	—	Hard	2018	\$90,000,000	\$78,930,000	3.00% to 4.00%	2038
B18	2019 AA Refunding Rev Bonds	—	—	Hard	2019	\$63,235,000	\$55,635,000	3.00% to 4.00%	2039

Ref#	Description	Property	Lender / Funder	Hard / Soft	FY Issued	Amount Issued	Amount Outstanding	Interest Rate	FY Maturity
B19	2019 Credit Enhanced Pooled Housing Refunding Rev Bonds	—	—	Hard	2019	\$72,510,000	\$65,515,000	4.00%	2039
B20	Hampton Greens Bond Pool	Cascadian; Hampton Greens; Walnut Park; Woodridge Park	—	Hard	2020	\$136,885,000	\$127,565,000	3% to 4%	2040
B21	2021 Pooled Housing Ref Rev Bonds	—	—	Hard	2021	\$83,530,000	\$70,690,000	2.000% to 4.000%	2041
B22	2021 Workforce Housing Preservation Reform	—	—	Hard	2021	\$52,290,000	\$47,635,000	2% to 2.375%	2041
B23	Salmon Creek	Salmon Creek	—	Hard	2011	\$4,250,000	\$3,305,000	Variable	2042
B25;B26;B27	Rural Preservation Projects	Rainier View I; Rainier View II; Si View	—	Hard	1998	\$494,090	\$257,845	5.75%	2048
B28	2018 Columbia Pool	Fairwood; Southwood Square; Villages at South Station	—	Hard	2018	\$32,000,000	\$27,156,561	n/a	2048
B29	Arbor Heights CTED Loan	Arbor Heights	—	Hard	2004	\$775,000	\$571,393	n/a	2043
B30	Microsoft Loan	—	—	Hard	2019	\$60,000,000	\$60,000,000	n/a	2034
B31	2021 Columbia Bank Pool Refunding	Gilman Square; Meadowbrook; Windsor Heights	—	Hard	2021	\$35,532,802	\$30,621,447	2%-4%	2045
B32	2021 Amazon Note	Argyle; Carrington; Pinewood Village; Sandpiper East; Surrey Downs	—	Hard	2021	\$161,500,000	\$161,500,000	n/a	2041
B33	2026 Trailhead Project	Trailhead Apartments	—	Hard	2026	\$76,535,000	\$76,535,000	4.25%-5%	2046
Subtotal — Bonds Payable (29)							\$1,181,441,866		
Public Forgivable Loans / Recoverable Grants									
—	King County	Aspen Ridge; Ballinger Commons; Bellepark East; Carriage House; Cottonwood; Cove East; Newporter; Timberwood; Woodside East	King County	Soft	1998	\$327,785	\$327,785	0.00%	2028
—	City of Bellevue	Highland Village	City of Bellevue	Soft	2018	\$2,000,000	\$3,500,000	0.00%	2058
—	King County	Highland Village	King County	Soft	2016	\$3,500,000	\$3,500,000	0.00%	2068
—	King County	Laurelwood Gardens	King County	Soft	1999	\$195,000	\$195,000	0.00%	2034
—	WA Dept. of Commerce	Nike Manor	WA Dept. of Commerce	Soft	2010	\$640,511	\$640,511	0.00%	2046
—	King County	Northwood Square	King County	Soft	2015	\$195,000	\$195,000	0.00%	2066
—	King County	Patricia Harris Manor	King County	Soft	2015	\$225,000	\$225,000	0.00%	2066
—	King County	Patricia Harris Manor	King County	Soft	2015	\$400,000	\$400,000	0.00%	2066
—	King County	Rural Portfolio	King County	Soft	1999	\$190,480	\$190,480	0.00%	2034
—	King County	Fairwood; Southwood Square; Villages at South Station	King County	Soft	2001	\$575,000	\$575,000	0.00%	2051
—	King County	Tall Cedars	King County	Soft	1993	\$350,000	\$350,000	0.00%	2028
—	WA Dept. of Commerce	Vantage Point	WA Dept. of Commerce	Soft	2015	\$1,950,000	\$1,950,000	0.00%	2027
—	King County	Vashon Terrace	King County	Soft	2015	\$180,000	\$180,000	0.00%	2066
—	King County	Gilman Square; Meadowbrook; Windsor Heights	King County	Soft	1999	\$1,040,000	\$1,040,000	0.00%	2049
—	WA Dept. of Commerce	Wonderland Estates	WA Dept. of Commerce	Soft	2009	\$3,500,000	\$3,500,000	0.00%	2049

Ref#	Description	Property	Lender / Funder	Hard / Soft	FY Issued	Amount Issued	Amount Outstanding	Interest Rate	FY Maturity
—	King County	Wonderland Estates	King County	Soft	2010	\$2,000,000	\$2,000,000	0.00%	2059
—	King County	Cascadian; Hampton Greens; Walnut Park; Woodridge Park	King County	Soft	1995	\$350,000	\$350,000	0.00%	2030
Subtotal — Public Forgivable Loans / Recoverable Grants (17)							\$19,118,776		
Public Subordinate Loans									
—	City of Bellevue	Bellevue Manor	City of Bellevue	Hard	2015	\$226,882	\$226,882	1.00%	2055
—	King County	Trailhead Apartments	King County	Hard	2025	\$10,000,000	\$10,000,000	1.00%	2078
—	WSHFC (TCAP)	Zephyr	WSHFC (TCAP)	Hard	2010	\$500,000	\$500,000	0.00%	2050
Subtotal — Public Subordinate Loans (3)							\$10,726,882		
GRAND TOTAL — all debt (86)							\$1,372,848,158		

Summary	# of line items	Amount Outstanding	% of total
Lines of Credit (LOC)	7	\$99,791,914	7.3%
Notes Payable	30	\$61,768,719	4.5%
Bonds Payable	29	\$1,181,441,866	86.1%
Public Forgivable Loans / Recoverable Grants	17	\$19,118,776	1.4%
Public Subordinate Loans	3	\$10,726,882	0.8%
Total	86	\$1,372,848,158	100.0%
Hard debt (must pay on schedule)		\$1,345,203,657	98.0%
Soft debt (forgivable, or repaid only from available cash)		\$27,644,501	2.0%

Balances as of 9/30/2025 (KCHA long-term debt listing), updated for FY2026 issuances through 9/2/2026. Line of credit balances as of 9/2/2026.

Lines of credit: KeyBank facility shown by property draw (L1); Bank of America facility (L2). The Issaquah Trailhead KeyBank draw was repaid by the 2026 Trailhead bonds and is not shown.

Hard debt must be repaid on schedule; soft debt is forgivable or repaid only from available cash. Interest rates shown as ranges where an issue has multiple coupons; B12 shows the weighted coupon.

Source: KCHA Debt Portfolio Dashboard (Debt List), prepared by CSG Advisors with KCHA Finance.

EXHIBIT II

*S&P Global Ratings: “U.S. Social Housing Providers Chart A Course Through A Shifting Funding Landscape”
September 9, 2025*

U.S. Social Housing Providers Chart A Course Through A Shifting Funding Landscape

September 9, 2025

This report does not constitute a rating action.

Key Takeaways

- Facing federal funding and policy uncertainty, U.S. public housing authorities and nonprofit social housing providers posted stable but stagnant performance in 2024 and the first half of 2025.
- S&P Global Ratings expects federal affordable housing funding to be consistent with that of prior years despite early indications of drastic budgetary cuts, but funding gaps will remain given the backlog of deferred maintenance and ongoing need for new affordable housing units.
- Immigration and eligibility policy shifts will have a minimal credit impact on U.S. social housing providers.
- Debt profiles might weaken in the short term as issuers execute aggressive development strategies spurred further by the expansion of low-income housing tax credits through the U.S. tax and spending bill, signed July 4.

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U.S. social housing providers | By the numbers

Overview



Average financial ratios



Portfolio overview



Source: S&P Global Ratings.
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Ratings Performance Across U.S. Social Housing Providers Remains Stable

S&P Global Ratings' U.S. social housing provider (SHP) ratings are mostly in the 'AA' and 'A' categories given providers' strong enterprise risk profiles, which incorporate low industry risks, along with solid market positions, good management, and, in certain cases, strong government funding. These SHPs consist of public housing authorities (PHAs) and nonprofit SHPs (NPs), also referred to as affordable housing developers. In the case of PHAs, we have flexibility to raise our issuer credit rating (ICR) up to one notch above the stand-alone credit profile, reflecting PHAs' ongoing public policy role, strong link with the federal government, and the moderate likelihood of extraordinary government support. (For more detail on our methodology, see "[Rating Government-Related Entities: Methodology And Assumptions](#)," March 25, 2015.)

Since January 2024, we took four rating actions on U.S. SHPs: one upgrade because of improved financial performance, and three downgrades due to weakened financial performance, weakened management and governance, and lack of timely presented information. We also assigned eight ICRs to PHAs:

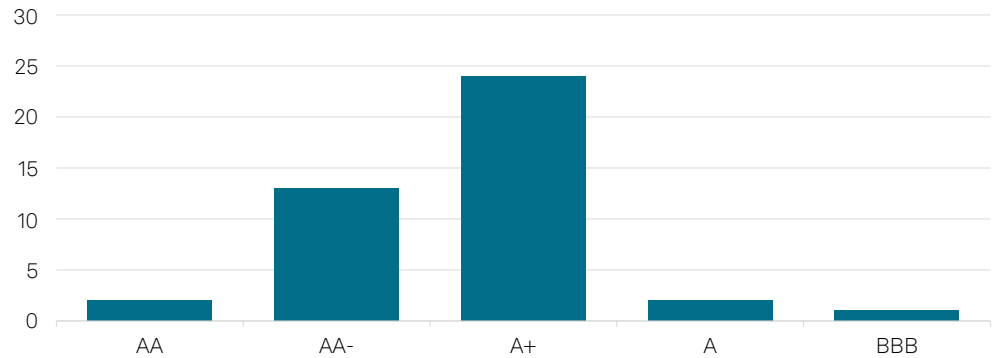
- Stanislaus Regional Housing Authority, Calif.
- Santa Clara County Housing Authority, Calif.
- San Bernardino County Housing Authority, Calif.
- Salt Lake City Housing Authority, Utah
- the Housing Authority of the City of Charleston, S.C.
- Maiker Housing Partners, Colo.
- San Antonio Housing Authority, Texas, and
- Raleigh Housing Authority, N.C.

We also assigned one ICR to an NP (Better Housing Coalition, Va.). Over this period, two of the newly rated SHP issuers have tapped capital markets to issue debt.

Chart 1

Social housing provider issuer credit ratings

As of Aug. 25, 2025



Source: S&P Global Ratings.

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Volatile messaging on federal funding messaging appears to ease for fiscal 2026

Funding through the U.S. Department of Housing and Urban Development (HUD) plays a pivotal role in supporting PHAs, in the form of Section 8 rental subsidies, public housing operating and capital funds, and other programs designed to increase housing access for low- and moderate-income households. The president’s proposed fiscal 2026 HUD budget sparked considerable concern among housing advocates and stakeholders, as it proposed a 45% reduction in overall HUD funding, equating to a \$33 billion cut from fiscal 2024 levels. As a result, PHAs have recently been operating in a period of uncertainty, as many heavily rely on federal funding as the bedrock of their operations and strategic initiatives.

In late July, the House and Senate appropriations committees released their respective Transportation, Housing and Urban Development, and Related Agencies (THUD) funding levels, which largely maintain fiscal 2025 HUD funding levels.

Table 1

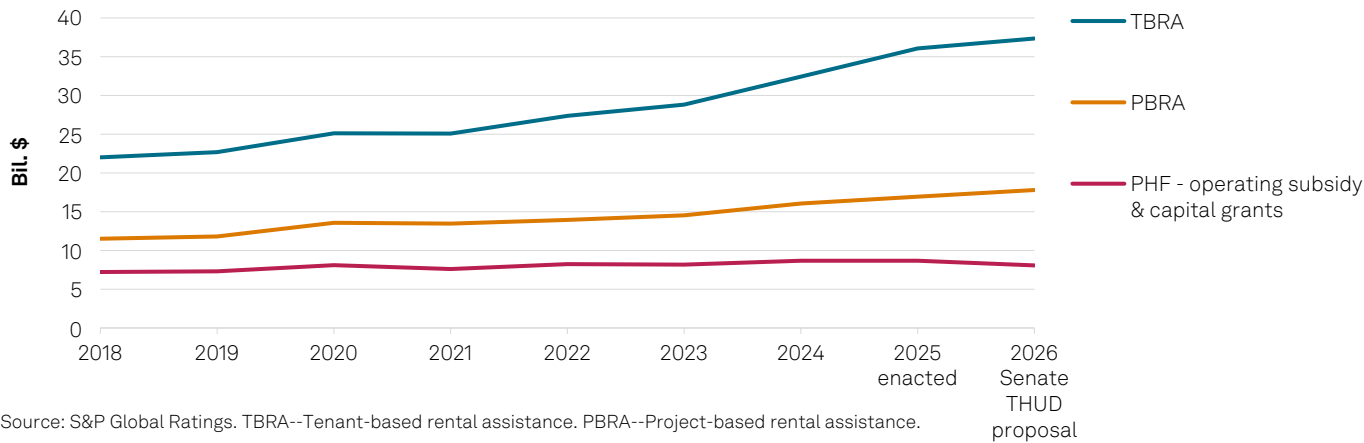
Proposed HUD funding for selected federal housing programs

Program	Senate HUD proposed funding level (bil. \$)	Congress HUD proposed funding level (bil. \$)	Fiscal 2025 appropriation levels (bil. \$)
Tenant-Based Rental Assistance	37.4	35.3	36.0
Project-Based Rental Assistance	17.4	17.1	16.9
Homeless Assistance Grants	4.5	4.2	4.1
HOME Investment Partnership	1.3	0	1.3
Community Development Block Grant	3.1	3.3	3.3
Public Housing Fund	8.4	8.8	8.9

To avoid a federal government shutdown, the appropriations bill or a continuing resolution must be passed by Congress and signed by the president by Sept. 30.

Chart 2

HUD spending by program



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Financial performance projected to remain stagnant

While the pressure valve on funding has been released slightly, the past few months have highlighted the vulnerabilities and strengths of SHPs' ability to pivot quickly amid a changing funding landscape. Whether that is enacting significant budget cuts through trimming nonessential programming or engaging in hyperconservative forecasting to ensure the resilience of the authority, we have seen a range of approaches across our rated universe.

From our numerous conversations with rated SHPs, we believe that PHAs and NPs would be affected by the potential changes to federal funding differently and to varying degrees. We believe that nonprofit affordable housing developers, which do not directly receive federal funding, initially would be somewhat isolated from potential operating subsidy cuts, although any reductions in funding to voucher programs or eligibility requirements could result in a weakening financial performance. On the other hand, we think that PHAs' exposure to federal funding cuts makes them more vulnerable, although the magnitude would fluctuate based on size and structure.

For example, a PHA with a Moving-To-Work (MTW) designation would have exponentially more fungibility to address shortfalls because HUD funds can be applied across Section 8, public housing operating funds, and public housing capital funds. Conversely, a smaller, non-MTW PHA would have limited flexibility to quickly pivot and address gaps in revenue. Accordingly, we view certain MTW designations favorably, with those that have revenue fungibility allowing for flexibility in the face of a changing funding landscape.

HUD Moving To Work Demonstration Program

The MTW program stands as a significant departure from traditional federal housing assistance policies, offering participating PHAs considerable flexibility in program administration and funding utilization since 1996. This flexibility is rooted in legislation permitting HUD to waive nearly all provisions of the United States Housing Act of 1937 and its accompanying regulations. The program's design allows PHAs to test alternative policies for both the Section 8 Housing Choice Voucher program and the public housing program. It also empowers PHAs to design and implement locally tailored strategies to better address the unique needs of their communities. This is achieved through the granting of waivers from statutory and regulatory requirements that typically govern public housing and voucher programs.

Management actions to offset operating pressures

Federal funding pressures aside, SHPs still wrestle with ongoing post-pandemic pressures from personnel, insurance premiums, utilities, and maintenance costs. Many rated SHPs have identified a notable rise in labor costs due to market competitiveness and cost-of-living adjustments. As a result, recent financial results have indicated an uptick in technology investments, partially in attempts to moderate headcounts and stabilize personnel costs. In the past 12 months, SHPs have observed cost increases to property insurance and cyber insurance, due to market factors, recent claims, and rising construction costs. Many have experienced property insurance premium increases of 5%-25%, with some seeing even higher rates, while underwriting requirements become more rigorous. To mitigate these increases, some housing authorities have implemented risk management protocols, negotiated competitive terms, or re-evaluated property values. Others have explored alternative risk transfer programs, insurance pools, captive insurance, splitting of coverage among multiple carriers, or an increase in deductibles to maintain or reduce the premium.

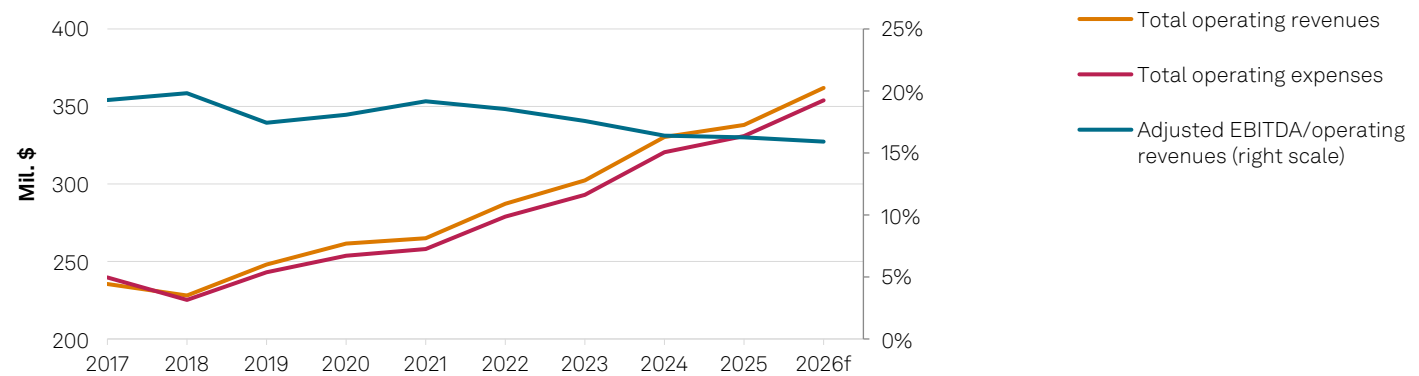
Amid federal funding uncertainty, some management teams have contemplated measures to increase revenue, including potentially raising rents where feasible. For SHPs with mixed-use properties or market rent units, rent increases in line with market standards could alleviate rising operating costs, if providers can balance their social mission and avoid pressuring affordable housing residents. During discussions with SHPs throughout the past few months, we have heard PHAs, in particular, mention that selling property or land from their portfolio could afford them one-time financial relief solutions to maintain programs or services vital to their strategic goals and missions.

As management teams focus on growth strategies and explore ways to reduce vacancies across their portfolios, any revenue-raising efforts will be offset by rising operating costs, resulting in stagnant yet stable financial performance across the sector. Operating revenues and expenses have steadily climbed over time; forecast and budgeted revenues of rated SHPs marginally increase at a slower rate in fiscal 2026, resulting in adjusted EBITDA over operating revenues dropping slightly, but remaining stable, in the coming year (chart 3).

Chart 3

Financial performance

Five-year S&P Global Ratings-adjusted average



Source: S&P Global Ratings. F--Forecast.

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Deferred maintenance and the preservation of units result in growth in RAD conversions

We don't expect the proposed fiscal 2026 public housing operating subsidy and capital grants funding will adequately address the shortfall for a backlog of deferred maintenance needs across the sector. In addition, when considering recent proration estimates and applying the Bureau of Labor Statistics inflation calculations to 2024 needs, this deferred maintenance gap will likely widen and PHAs will struggle to maintain their properties. This can lead to a cycle of decline, where deferred maintenance accumulates, operating costs rise, and the ability to attract and retain residents diminishes. Given the backlog of deferred maintenance, the preservation of affordable housing units is a key component of rated PHAs, and the cost to preserve a unit has historically been less expensive than building new units (especially due to high land costs). For many large metropolitan PHAs, neighborhoods that had deteriorated are now seeing a revival, and as new market rate developments have revitalized neighborhoods, surrounding land value has continued to increase.

Conversions to Section 8 subsidy through the Rental Assistance Demonstration (RAD) program have remained a substantial part of authorities' preservation strategies given the operating cost savings and stability of Section 8 funding. From our discussions with PHAs, initial concerns are abating about how an implementation would affect operations. In addition, with renewed appetite following a period of strategic uncertainty from the pandemic, increasing deferred maintenance has made operating aging stock cost prohibitive without the use of RAD conversions.

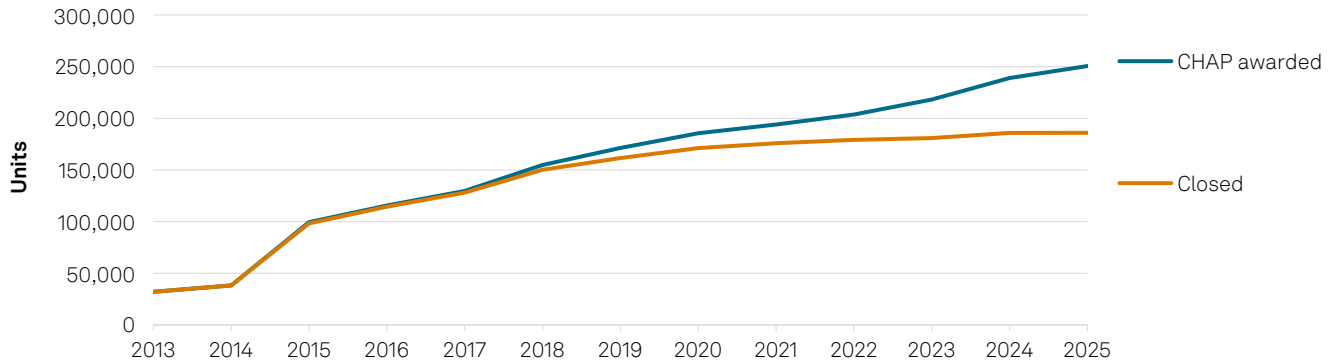
As a result, new RAD conversions are not slowing as occurred in 2021 and 2022 (see chart 4). The number of units awarded a Commitment to enter into a Housing Assistance Payments Contract (CHAP) rose 10% in 2024, the highest year-over-year increase post COVID, and rose 5% this fiscal year to date. These commitments fuel future increases in Section 8 units, demonstrating that the RAD program remains popular.

U.S. Social Housing Providers Chart A Course Through A Shifting Funding Landscape

We believe that management's ability to actively manage the development process and allocate sufficient resources to oversee conversion strategies are paramount to a successful implementation that averts pressure on the income statement and the rating.

Chart 4

Cumulative RAD development status



Source: S&P Global Ratings. RAD--Rental Assistance Demonstration. CHAP--Commitment to Enter into a Housing Assistance Payments Contract.

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SHPs could spur development with changes to tax credits and various financing arrangements

With the reduction to 25% from 50% of the amount of tax-exempt multifamily bonds that are now required for 4% low-income housing tax credits (LIHTC) under recently enacted legislation, 4% LIHTC projects may be easier to facilitate than in the past as SHPs leverage their private activity bond (PAB) financing. In addition, the expansion in 9% LIHTC allocation is expected to help affordable housing developers access more opportunities. Although most authorities we surveyed did not see these LIHTC changes affecting the direction of their housing strategy, they did note that it would increase the feasibility for new construction and the possibilities for mixed financing in preservation projects. As 4% LIHTC and RAD are often combined, the lowered amount of required PAB financing could unlock opportunities for organizations with previous awarded PAB capacity.

Still, the successful impact of these LIHTC changes ultimately hinges on local administrators, federal funding changes, and tax credit pricing. Some housing providers noted they are monitoring how quickly the local officials that administer and allocate credits will embrace these changes and if qualified allocation plans requirements will still pose development challenges. SHPs are also watching tax credit pricing, which could drop if changing tax liability considerations decrease investor demand.

There remains uncertainty surrounding the availability of federal sources of development funding, which could impede gap funding and grants that have contributed to make these developments work. The future of HOME, which is the largest federal grant program dedicated to financing affordable housing, providing funding to state and local governments for a wide range of activities, including development, rehabilitation, and rental assistance, is still pending. The

U.S. Social Housing Providers Chart A Course Through A Shifting Funding Landscape

proposed Senate THUD bill allocates \$1.25 billion for HOME, whereas the proposed House bill does not fund HOME at all.

Along with the positive expectations of LIHTC expansion, SHPs continue to explore a variety of funding strategies, including tapping capital markets.

SHPs' financing strategies that help fund affordable housing developments



Source: S&P Global Ratings.
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Overall, providers expect competing for 9% LIHTC will be easier than in the past, and changes to the 4% LIHTC bond test should open doors for deal structures that were previously tighter to achieve and spur further development. From a credit perspective, we view privately placed debt in the same manner as publicly issued debt. Our analysis of contingent liability risks associated with privately placed debt also includes the review of permissive and restrictive covenants, which we believe could strain an issuer's liquidity.

S&P Global Ratings anticipates the Federal Reserve to ease interest rates by 50 basis points in the final quarter of 2025, when greater downside risk to employment begins to outweigh the upside risks to its inflation outlook. However, the Trump administration's economic policies, including trade policies, could create uncertainty about the timing and magnitude of the Fed's monetary policy. (See "Economic Outlook U.S. Q3 2025: Policy Uncertainty Limits Growth," June 24, 2025.). We have seen a recent trend of SHPs incurring additional debt to fund overall unit growth, and the direction of fiscal policy in the coming years could make certain transactions

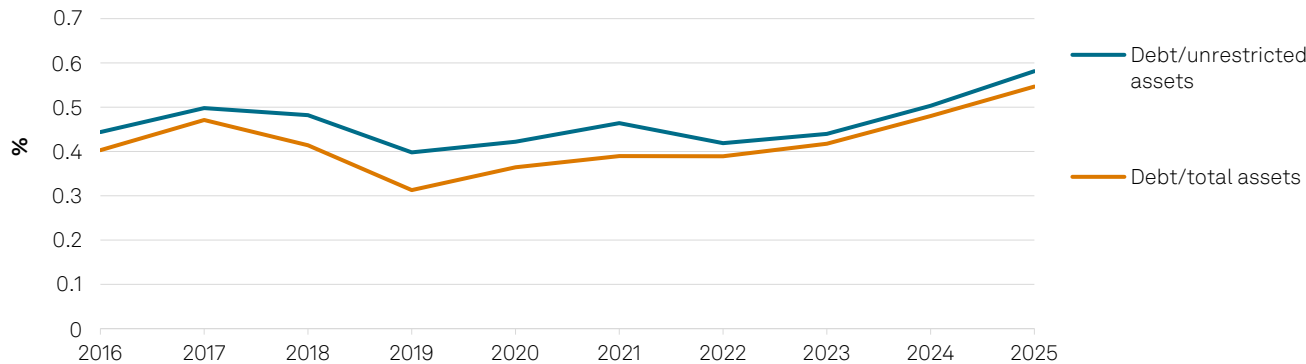
viable that were previously cost-prohibitive in a higher rate environment, resulting in more bond issuance, further raising leverage ratios across the sector.

While we have seen leverage ratios cross the 50% mark in fiscal 2025, many SHPs have preferred to fund the acquisition of cash flowing properties over new constructions, as the immediate cash flow offers less risk associated with the unexpected construction costs and potential delays. In some cases, rehabilitation required on acquisitions varies significantly, but on possession of a project the immediate cash flow can reduce the financial stress of unexpected capital outlays.

Chart 5

Debt to asset ratios

Median



Source: S&P Global Ratings.

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Immigration and eligibility policy changes should have minimal credit impact on SHPs

We do not expect proposed and enacted immigration policy changes to have a credit impact on PHAs, as demand remains high, but new policies may affect agency operations, and specific impacts remain to be seen. Before the proposed and enacted immigration policy change, federal law required affordable housing providers to conduct background checks, audits, and eligibility screening to ensure that assistance is delivered to U.S. citizens and eligible immigrants who qualify for affordable housing programs. Currently, proposals are under consideration on the eligibility of “mixed status” families, comprising documented and undocumented household members, which could result in a high level of turnover.

However, most SHPs noted that the existing eligibility policy has had little-to-no impact on their residents when it comes to occupancy and demand. Some PHAs noted that immigration policy changes have caused confusion among residents, resulting in greater demand for resident services and administrative support. In addition, many SHPs noted that higher labor costs for maintenance and development haven't materialized as anticipated, and that economic policies and tariffs on materials have had a more noticeable impact.

Proposed work requirements for housing support could have varying effects across the cohort of housing residents. While SHPs do not expect adverse impacts to senior citizens or tenants with disabilities, who would be exempt, changes to work requirements could impose additional obstacles for residents with limited employment skills and barriers to employment, childcare,

U.S. Social Housing Providers Chart A Course Through A Shifting Funding Landscape

and transportation, resulting in additional resources allocated to bridge potential gaps in services.

Table 2

Rated U.S. public housing authorities--comparative statistics

Entity	ICR	Outlook	No. of units owned/managed	Rent to market rent (%)	Three-year avg. vacancy rate (%)	EBITDA/operating revenue (%)	Non-sales adj. EBITDA over interest (x)	Debt over non-sales adj. EBITDA (x)	Liquidity ratio (x)
Baltimore City Housing Authority, MD	A+	Stable	5,665	18.6	2.5	5.3	8.3	4.6	5.9
Boston Housing Authority, MA	A+	Stable	8,533	15.3	3.8	9.0	21.3	1.6	2.9
Butte County Housing Authority, CA	A+	Stable	1,426	29.8	2.0	12.6	3.9	10.1	10.4
Chicago Housing Authority, IL	AA-	Stable	27,108	9.1	8.0	16.0	6.7	4.0	5.9
City of Charleston Housing Authority, SC	A+	Stable	2,850	25.0	10.9	17.4	3.8	7.8	4.4
Columbus Metropolitan Housing Authority, OH	A+	Stable	4,719	50.6	5.1	2.2	2.3	27.8	2.0
Cuyahoga Metropolitan Hsg Auth (City of), OH	A+	Stable	5,846	26.1	6.6	10.6	4.4	15.0	2.3
Denver Housing Authority, CO	AA-	Stable	5,869	25.9	4.4	14.9	1.8	24.3	3.1
Elm City Communities, CT	A+	Stable	2,214	57.4	2.5	16.1	3.9	11.5	6.1
Everett Housing Authority, WA	A+	Stable	1,984	29.4	2.0	12.6	1.5	27.4	4.7
Fall River Housing Authority, MA	BBB+	Stable	2,041	16.8	2.2	12.4	57.0	0.7	2.1
Fort Worth Housing Solutions, TX	A+	Stable	8,414	27.2	10.8	20.1	1.8	17.8	2.6
Housing Authority of Santa Barbara County, CA	A+	Stable	5,028	15.8	2.8	8.3	1.6	19.8	3.2
Housing Authority of the City of El Paso, TX (HOME)	A+	Stable	12,063	41.5	2.9	30.4	1.6	22.6	2.8
Housing Authority of the City of Los Angeles (HACLA)	A+	Stable	14,760	13.6	4.5	3.4	15.6	5.5	8.7
Housing Catalyst, CO	AA-	Stable	1,091	59.1	4.1	17.6	1.9	15.5	6.1
Howard County Housing Commission, MD	A+	Stable	2,448	73.4	3.9	28.9	1.8	15.4	1.8
Jacksonville Housing Authority, FL	A+	Stable	3,390	33.6	1.5	7.2	3.8	13.5	8.0
King County Housing Authority, WA	AA	Stable	12,770	41.7	1.4	20.1	4.2	12.5	7.8
Los Angeles County Development Authority, CA	AA-	Stable	3,229	17.4	2.5	7.8	82.0	0.7	24.3
Lucas Metropolitan Housing Authority, OH	A+	Stable	2,643	27.5	2.7	7.7	5.5	9.6	7.9
Maiker Housing Partners, CO	A+	Stable	1,959	50.0	3.1	21.2	1.9	16.1	2.8
Philadelphia Housing Authority, PA	AA-	Positive	13,078	28.0	4.8	31.0	45.6	2.7	5.5
Raleigh Housing Authority, NC	A+	Stable	1,961	22.4	1.4	8.9	32.3	2.3	7.0
Salt Lake City Housing Authority, UT	A+	Stable	4,650	34.5	6.2	6.6	2.4	20.9	7.0
San Antonio Housing Authority, TX	A+	Stable	6,070	45.0	3.6	9.2	4.1	6.7	3.6
San Bernardino County Housing Authority, CA	A+	Stable	2,609	48.4	4.8	4.1	4.1	16.2	7.1
San Diego Housing Commission, CA	AA-	Stable	3,540	49.7	1.5	8.3	3.0	8.5	11.5
Santa Clara County Housing Authority, CA	AA-	Stable	3,281	58.7	2.1	11.8	4.6	5.2	4.8
Seattle Housing Authority, WA	AA	Stable	8,744	27.5	1.8	25.7	8.4	4.0	5.6
Snohomish County Housing Authority, WA	A+	Positive	2,534	41.2	1.9	15.4	3.9	8.5	3.3
Stanislaus Regional Housing Authority, CA	A+	Stable	1,800	38.0	3.2	9.6	10.2	6.3	6.6
Stark Metropolitan Housing Authority, OH	A	Negative	2,301	29.2	6.0	10.1	20.5	1.7	2.3
Vancouver Housing Authority, WA	AA-	Negative	3,738	47.4	6.8	16.0	1.1	28.7	5.1

Table 3

Rated U.S. nonprofit social housing providers--comparative statistics

Entity	ICR	Outlook	No. of units owned/managed	Rent to market rent (%)	Three year avg. vacancy rate (%)	EBITDA/ operating revenue (%)	Non- sales adj. EBITDA over interest (x)	Debt over non- sales adj. EBITDA (x)	Liquidity ratio (x)
Better Housing Coalition	A	Stable	1,858	43.6	6.2	25.5	3.3	13.4	4.9
Bridge Housing	AA-	Stable	14,276	36.3	5.2	40.3	1.5	26.0	5.7
Mercy Housing	AA-	Stable	26,759	37.4	2.1	27.0	1.9	22.3	4.7
Mid-Peninsula Hsg Coalition	AA-	Stable	8,989	49.6	2.2	34.3	1.8	23.7	3.0
National CORE	A+	Negative	10,601	37.2	4.1	19.3	0.7	52.5	2.1
NHP Foundation	AA-	Stable	9,015	30.0	2.6	32.4	1.2	22.4	2.2
Preservation of Affordable Housing	A+	Stable	13,568	44.4	4.8	24.5	1.1	27.1	3.7
Wisconsin Housing Preservation Corp.	AA-	Stable	8,993	31.2	5.9	30.2	2.2	13.8	1.7

Related Research

- [The U.S. Rental Housing Sector Continues Facing Rising Expenses And Capital Needs As Demand Outpaces Supply](#), Aug. 26, 2025
- [Solid Rent Growth Leads To Upgrades Across The U.S. Military Housing Sector In 2024 And First-Half 2025](#), Aug. 14, 2025
- [The U.S. Public Finance Housing Sector Could Face Credit Pressure From Federal Policy Shifts](#), April 3, 2025
- [U.S. Public Finance Credit Ratings Are Typically Resilient To A Federal Government Shutdown](#), March 17, 2025
- [U.S. Public Finance Housing 2025 Outlook: The Stable Era Endures, Underpinned By Strong Management](#), Jan. 16, 2025

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T A B N U M B E R

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KCHA 5-YEAR FINANCIAL FORECAST UPDATE

October, 2026



TOP-LEVEL FORECAST

KCHA has two broad lines of activities: Federal and Non-Federal. For most years in the forecast, the Net Changes in Unrestricted Cash for each are quite different

KCHA Aggregate	2026	2027	2028	2029	2030	2031	2027 to 2031 Totals
Federal Programs and Properties	(\$3,295,120)	\$542,772	\$5,727,210	\$1,549,260	(\$366,577)	(\$3,827,396)	\$3,625,269
Local Programs and Properties	(9,274,656)	2,785,520	2,118,824	5,016,317	4,309,535	335,128	14,565,323
Combined Changes in Unrestricted Cash	(\$12,569,777)	\$3,328,292	\$7,846,033	\$6,565,577	\$3,942,958	(\$3,492,269)	\$18,190,592

TOP-LEVEL FORECAST

Key Overall Administrative Expense Assumptions (in General) Include:

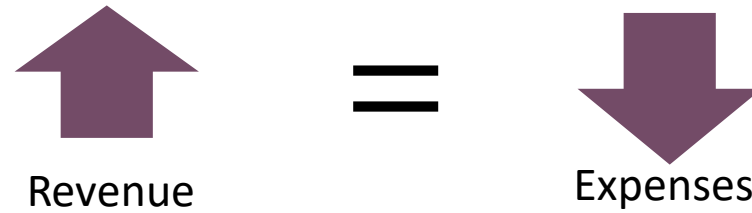
Salary and Benefits

Merit increases-KCHA employees	2.000%	2.000%	2.000%	2.000%	2.000%	2.000%
COLA increases-KCHA employees	3.000%	4.000%	2.000%	2.000%	2.000%	2.000%
Salary increases-property management companies	5.000%	10.000%	5.000%	5.000%	5.000%	5.000%
KCHA Position growth	0	0	0	0	0	0

- Benefit overhead burden rates vary by department and range from 27% to 38
 - Other program-specific assumptions will be covered in other slides.
-

FEDERAL PROGRAMS AND PROPERTIES

In general, Federal Programs and Properties are designed to be revenue-neutral, meaning they are not meant to make or lose money.



FEDERAL PROGRAMS AND PROPERTIES*

<i>Federal Programs</i>	2026	2027	2028	2029	2030	2031	2027 to 2031 Totals
HCV	(\$0)	\$0	\$0	\$0	\$0	\$0	\$0
Public Housing-Traditional	0	0	0	0	0	0	0
Public Housing-Mixed Financing	(0)	(0)	0	0	0	0	(0)
MTW	(4,772,475)	21,889	6,657,913	9,265,644	1,455,545	(3,259,219)	14,141,772
Other Federal	1,477,355	520,883	(930,703)	(7,716,383)	(1,822,122)	(568,177)	(10,516,503)
Total Federal Programs Change in Unrestricted Cash	(\$3,295,120)	\$542,772	\$5,727,210	\$1,549,260	(\$366,577)	(\$3,827,396)	\$3,625,269

- The Housing Choice Voucher and the Public Housing Programs reflect zero cash flow as that is how they are designed, but they both get to zero cash flow only through additional subsidies from MTW
- The MTW program is HCV-based and is also designed to be zero cash flow, but with some key differences
- The Other Federal Group is showing a decline in cash due to some Energy Performance Contract assumptions to be discussed later

* *Excluding planned RAD cash transfers*

FEDERAL PROGRAMS AND PROPERTIES

HOUSING CHOICE VOUCHER PROGRAM

KEY ASSUMPTIONS

<i>HCV Program</i>	2026*	2027	2028	2029	2030	2031
RFIF	0.0010%	2.0000%	1.1500%	1.0000%	1.0000%	2.5000%
Prorate	99.61%	99.50%	99.50%	99.50%	99.50%	99.50%
Admin Fee Prorate	88.00%	88.00%	88.00%	88.00%	88.00%	88.00%
HAP PUC-Block Grant*	-2.15%	4.00%	4.00%	4.00%	4.00%	4.00%
HAP PUC-VASH*	0.77%	2.00%	4.75%	5.00%	5.00%	5.00%
HAP PUC-FUP*	-2.24%	2.00%	4.75%	5.00%	5.00%	5.00%
HAP PUC-FYI*	-4.38%	2.00%	4.74%	5.00%	5.00%	5.00%
HAP PUC-CDP/NED*	1.55%	2.00%	4.75%	5.00%	5.00%	5.00%
HAP PUC-Mainstream*	0.24%	2.00%	4.75%	5.00%	5.00%	5.00%
Avg # Block Grant Vouchers	9,602	9,713	9,355	9,032	8,838	8,760
Avg # Special Purpose Vouchers (excl EHV)	2,333	2,390	2,473	2,511	2,547	2,583

FEDERAL PROGRAMS AND PROPERTIES

HOUSING CHOICE VOUCHER PROGRAM

<i>HCV</i>	2026	2027	2028	2029	2030	2031	2027 to 2031 Totals
HAP Revenue	\$232,714,816	\$226,858,300	\$229,567,340	\$235,377,360	\$243,664,580	\$254,816,129	\$1,190,283,709
HAP Expenses	(233,071,252)	(228,389,730)	(231,436,099)	(237,028,634)	(245,372,827)	(256,624,756)	(1,198,852,046)
Additional HAP Support from MTW	356,436	1,531,430	1,868,759	1,651,274	1,708,247	1,808,627	8,568,337
Net	0	0	0	0	0	0	0
Direct Admin Fee Revenue	17,639,177	18,605,366	20,353,744	21,045,298	21,940,454	22,716,140	104,661,003
Port Admin Fee Revenue	2,170,000	2,170,000	2,170,000	2,170,000	2,170,000	2,170,000	10,850,000
Additional Admin Fee Support from MTW	2,458,673	2,283,434	1,205,083	1,192,342	1,047,739	1,077,471	6,806,069
Interest Income	0	0	0	0	0	0	0
Admin Expenses	(22,267,850)	(23,058,800)	(23,728,827)	(24,407,641)	(25,158,193)	(25,963,611)	(122,317,072)
Net	(0)	0	0	0	0	0	0
Net Change in Unrestricted Cash	(\$0)	\$0	\$0	\$0	\$0	\$0	\$0

FEDERAL PROGRAMS AND PROPERTIES

HOUSING CHOICE VOUCHER PROGRAM

<i>HCV</i>	2026	2027	2028	2029	2030	2031	2027 to 2031 Totals
HAP Revenue	\$232,714,816	\$226,858,300	\$229,567,340	\$235,377,360	\$243,664,580	\$254,816,129	\$1,190,283,709
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Additional HAP Support from MTW	356,436	1,531,430	1,868,759	1,651,274	1,708,247	1,808,627	8,568,337
Net	0	0	0	0	0	0	0
Direct Admin Fee Revenue	17,639,177	18,605,366	20,353,744	21,045,298	21,940,454	22,716,140	104,661,003
Port Admin Fee Revenue	2,170,000	2,170,000	2,170,000	2,170,000	2,170,000	2,170,000	10,850,000
Additional Admin Fee Support from MTW	2,458,673	2,283,434	1,205,083	1,192,342	1,047,739	1,077,471	6,806,069
Interest Income	0	0	0	0	0	0	0
Admin Expenses	(22,267,850)	(23,058,800)	(23,728,827)	(24,407,641)	(25,158,193)	(25,963,611)	(122,317,072)
Net	(0)	0	0	0	0	0	0
Net Change in Unrestricted Cash	(\$0)	\$0	\$0	\$0	\$0	\$0	\$0

The transfers from the MTW fund (highlighted above) allow the HCV program to break even

FEDERAL PROGRAMS AND PROPERTIES

PUBLIC HOUSING PROGRAM

Over the next five years, funding for the Public Housing program will undergo substantial changes as the properties convert to non-Federal ownership under the Rental Assistance Demonstration (RAD) program.



**RAD for
Public
Housing**

FEDERAL PROGRAMS AND PROPERTIES

PUBLIC HOUSING PROGRAM

Without the transition to RAD, the 5-year Public Housing Forecast looks like this

<i>Traditional Public Housing</i>	2026	2027	2028	2029	2030	2031
PH-Traditional-Operating Cash Flow Before Additional Support	(\$8,426,536)	(\$8,938,433)	(\$9,567,318)	(\$10,227,507)	(\$10,920,399)	(\$11,647,450)
Other Sources/(Uses) of Cash	(639,760)	(652,546)	(665,588)	(678,890)	(692,459)	(706,299)
Additional Support from MTW	9,066,296	9,590,980	10,232,906	10,906,397	11,612,857	12,353,748
Net Change in Unrestricted Cash	\$0	\$0	\$0	\$0	\$0	\$0

<i>Mixed-Financing Public Housing</i>	2026	2027	2028	2029	2030	2031
PH-Mixed Financing-Operating Cash Flow Before Additional Support	(\$2,272,785)	(\$2,766,124)	(\$3,022,738)	(\$3,293,077)	(\$3,577,765)	(\$3,877,457)
Other Sources/(Uses) of Cash	291,420	917,037	921,687	926,292	930,852	935,363
Additional Support from MTW	1,981,365	1,849,088	2,101,052	2,366,784	2,646,913	2,942,094
Net Change in Unrestricted Cash	\$0	\$0	\$0	\$0	\$0	\$0

By 2031, the projected additional support from MTW needed to operate the Public Housing program is nearly \$15.3 million

FEDERAL PROGRAMS AND PROPERTIES

PUBLIC HOUSING PROGRAM

With the transition to RAD, currently planned to be completed by 2030, the forecasted 2031 subsidy transfer from MTW falls from \$15.3 million down to \$7.1 million, a drop of \$8.2 million

	2026	2027	2028	2029	2030	2031
MTW Support Pre-RAD	\$11,047,661	\$11,440,067	\$12,333,958	\$13,273,181	\$14,259,770	\$15,295,842
MTW Support Post-RAD	\$11,047,661	\$8,300,579	\$8,213,718	\$6,380,991	\$6,697,277	\$7,133,301

FEDERAL PROGRAMS AND PROPERTIES

PUBLIC HOUSING PROGRAM

Between 2027 and 2031, the Public Housing Program begins to divest itself of properties, resulting in this forecast:

<i>Traditional Public Housing</i>	2026	2027	2028	2029	2030	2031	2031 Totals
PH-Traditional-Operating Cash Flow Before Additional Support	(\$8,426,536)	(\$5,804,477)	(\$4,136,600)	(\$676,518)	\$0	\$0	(\$10,617,595)
Other Sources/(Uses) of Cash	(639,760)	(396,322)	(136,180)	(13,095)	0	0	(545,597)
Additional Support from MTW	9,066,296	6,200,799	4,272,780	689,613	0	0	11,163,192
Transfers of Unrestricted Cash to RAD properties	0	(3,767,186)	(1,890,556)	(4,932,792)	(560,920)	0	(11,151,454)
Net Change in Unrestricted Cash	\$0	(\$3,767,186)	(\$1,890,556)	(\$4,932,792)	(\$560,920)	\$0	(\$11,151,454)

<i>Mixed-Financing Public Housing</i>							
PH-Mixed Financing-Operating Cash Flow Before Additional Support	(\$2,272,785)	(\$2,766,124)	\$33,034	(\$40,561)	\$0	\$0	(\$5,046,437)
Other Sources/(Uses) of Cash	291,420	917,037	17,706	14,538	0	0	1,240,701
Additional Support from MTW	1,981,365	1,849,088	(50,740)	26,023	0	0	3,805,735
Transfers of Unrestricted Cash to RAD properties	0	0	(1,314,670)	0	(3,523,651)	0	(4,838,321)
Net Change in Unrestricted Cash	(\$0)	(\$0)	(\$1,314,670)	\$0	(\$3,523,651)	\$0	(\$4,838,321)

FEDERAL PROGRAMS AND PROPERTIES

PUBLIC HOUSING PROGRAM

And the “receiving” side of the transactions, which become part of the Local side of KCHA’s activities, looks like this

RAD-Former Traditional Public Housing

	2026	2027	2028	2029	2030	2031	2031 Totals
PH-Traditional-Operating Cash Flow Before Additional Support	\$0	\$3,790,460	\$6,244,137	\$13,703,941	\$15,454,966	\$15,619,501	\$54,813,006
Other Sources/(Uses) of Cash	0	(3,141,013)	(6,815,117)	(14,657,271)	(17,270,037)	(17,751,164)	(59,634,602)
Additional Support from MTW	0	250,692	1,517,604	3,051,959	3,837,968	4,077,339	12,735,561
Transfers of Unrestricted Cash from Traditional Public Housing	0	3,767,186	1,890,556	4,932,792	560,920	0	11,151,454
Net Change in Unrestricted Cash	\$0	\$4,667,326	\$2,837,180	\$7,031,421	\$2,583,817	\$1,945,676	\$19,065,419

RAD-Former Mixed-Financing Public Housing

PH-Mixed Financing-Operating Cash Flow Before Additional Support	\$0	\$0	(\$2,913,226)	(\$3,047,870)	(\$1,138,367)	(\$1,271,755)	(\$8,371,218)
Other Sources/(Uses) of Cash	0	0	439,152	434,473	(1,464,499)	(1,528,165)	(2,119,039)
Additional Support from MTW	0	0	2,474,074	2,613,397	2,859,309	3,055,962	11,002,741
Transfers of Unrestricted Cash from Mixed-Financing Public Housing	0	0	1,314,670	0	3,523,651	0	4,838,321
Net Change in Unrestricted Cash	\$0	\$0	\$1,314,670	\$0	\$3,780,094	\$256,042	\$5,350,806

MTW Transfers decline from \$15.3 million down to \$7.1 million

FEDERAL PROGRAMS AND PROPERTIES

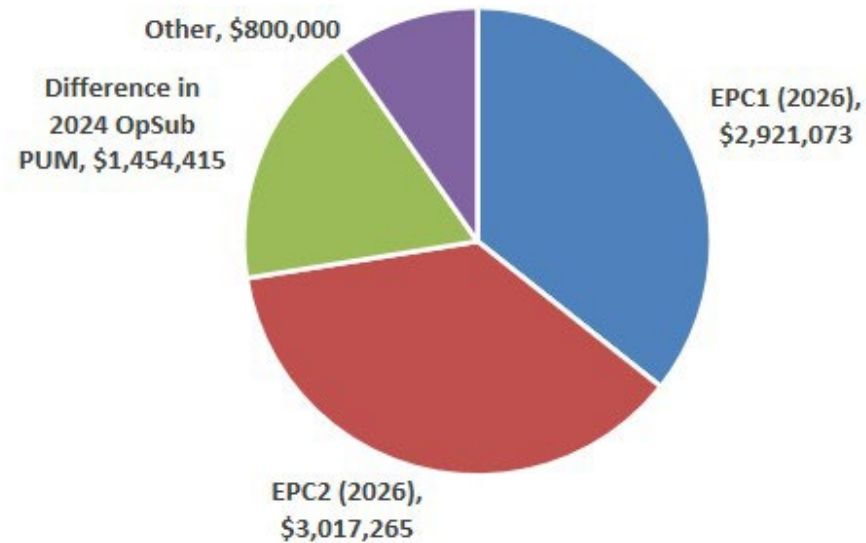
PUBLIC HOUSING PROGRAM

Why does the conversion to RAD result in an increase to the property's fiscal resources?

FEDERAL PROGRAMS AND PROPERTIES

PUBLIC HOUSING PROGRAM

Key Drivers of Revenue Increase



FEDERAL PROGRAMS AND PROPERTIES

PUBLIC HOUSING PROGRAM

ENERGY PERFORMANCE CONTRACTS (EPC): By committing to the RAD conversion, KCHA gets to retain a revenue stream from HUD that was previously used to make debt service payments on loans related to the installation of energy-savings measures at the properties.

- **EPC #1:** All of the loans for EPC #1 have been paid off, but subsidy payments to KCHA will continue and can now be re-directed to property operations, lessening the need for additional subsidy transfers from MTW. This revenue stream will initially be approximately **\$2.9 million**.
 - **EPC #2:** This revenue stream will initially be approximately **\$3.0 million**. To re-direct it to property operations, \$12 million of existing debt (\$8.5 million internal loan from the MTW fund and \$3.5 million in external bonds), will either need to be forgiven (applicable only to the MTW loans) or paid off. The forecast model currently assumes all debt will be paid off by using cash in the Other Federal fund group.
-

FEDERAL PROGRAMS AND PROPERTIES

PUBLIC HOUSING PROGRAM

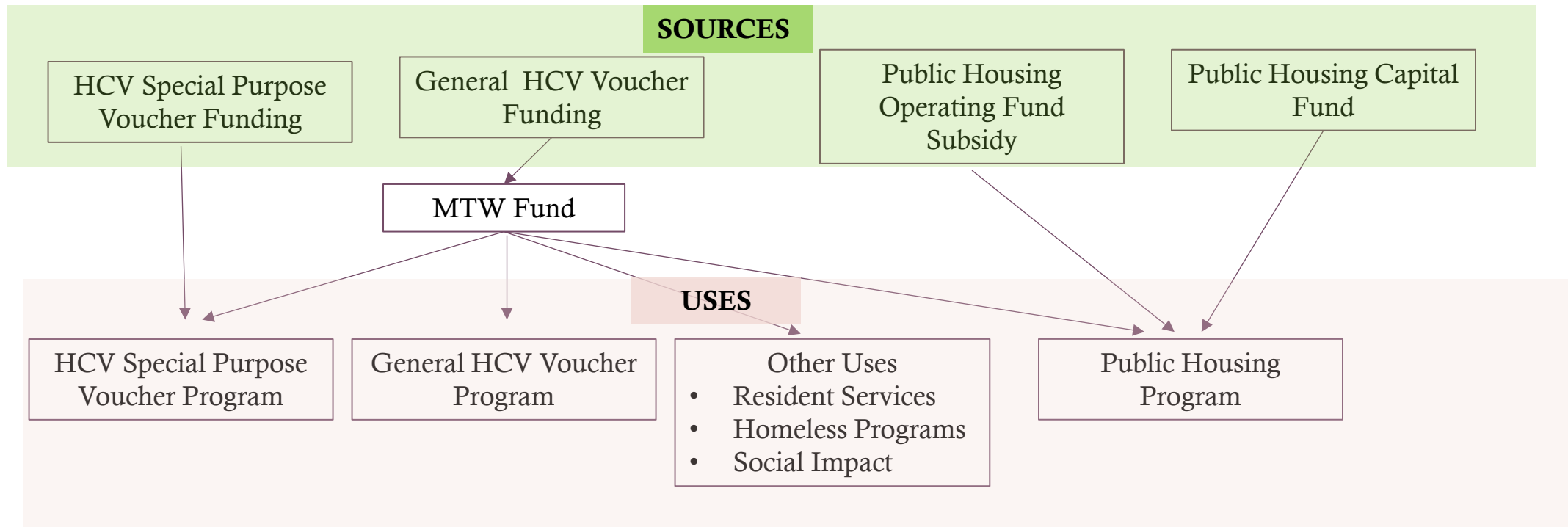
OTHER REASONS FOR THE INCREASED REVENUE: The other two reasons are very technical and beyond the scope of this overview presentation, but in general are:

- **Unknown Source of Some HUD Data :** HUD's numbers related to the 2024 Operating Fund Subsidy (which is a component of the overall RAD funding calculation) differs from KCHA's approved subsidy request filings. The reasons for these discrepancies are currently unknown, but they result in approximately **\$1.4 million** of additional initial annual revenue
 - **Other:** HUD used 2024 as baseline source of data for components of the RAD revenue formula. They then inflated the revenue calculation over the next two years by 5.8% and 5.2%, exceeding the actual inflation of the two components over the same period. This approach by HUD results in **approximately \$800,000** in additional annual revenue.
-

FEDERAL PROGRAMS AND PROPERTIES

MTW PROGRAM

In practice, we have used and accounted for our federal funding as follows:



FEDERAL PROGRAMS AND PROPERTIES

MTW PROGRAM

	2026	2027	2028	2029	2030	2031	2027 to 2031 Totals
Core HCV Activity							
MTW Funding from HCV	\$220,251,213	\$224,411,076	\$226,991,804	\$229,261,722	\$231,554,339	\$237,343,198	\$1,149,562,139
HAP Expenses of Baseline Vouchers	(162,147,762)	(167,295,207)	(174,129,282)	(185,381,496)	(193,398,420)	(201,282,489)	(921,486,894)
HAP Expense of Vouchers in Excess of Baseline	(19,915,406)	(18,464,680)	(11,529,319)	(2,845,041)	0	0	(32,839,040)
Additional Support of Special Purpose Vouchers	(356,436)	(1,531,430)	(1,868,759)	(1,651,274)	(1,708,247)	(1,808,627)	(8,568,337)
Administrative Expenses Funded by Embedded Fees	(13,435,776)	(13,800,000)	(14,400,000)	(14,760,000)	(15,060,000)	(15,600,000)	(73,620,000)
Administrative Expenses Funded by Addtl MTW Trf	(2,458,673)	(2,283,434)	(1,205,083)	(1,192,342)	(1,047,739)	(1,077,471)	(6,806,069)
Net MTW Funding After HCV Uses	21,937,160	21,036,325	23,859,361	23,431,569	20,339,933	17,574,611	106,241,799
Other Recurring Uses of MTW Funds							
Support of Public Housing Operations	(11,047,661)	(8,300,579)	(8,213,718)	(6,380,991)	(6,697,277)	(7,133,301)	(36,725,865)
Other Programmatic Support	(400,069)	(403,837)	(407,644)	(411,488)	(415,370)	(419,292)	(2,057,631)
Resident Services and Social Impact Programs	(10,981,882)	(11,560,510)	(12,023,230)	(12,504,474)	(13,004,984)	(13,525,531)	(62,618,730)
Used for Capital Purposes	(5,292,595)	(2,476,790)	(1,602,461)	(395,449)	0	0	(4,474,699)
Net MTW Funding After Recurring Uses	(5,785,047)	(1,705,390)	1,612,309	3,739,167	222,302	(3,503,513)	364,874
Other Sources of Funds							
MTW Funding via OpSub	374,856	332,370	198,129	5,443	0	0	535,942
Debt Service Payments from EPC & Other Loans	636,732	1,393,915	4,846,471	5,520,020	1,232,220	243,260	13,235,886
Other Sources	984	994	1,004	1,014	1,024	1,034	5,070
Total MTW	(\$4,772,475)	\$21,889	\$6,657,913	\$9,265,644	\$1,455,545	(\$3,259,219)	\$14,141,772

FEDERAL PROGRAMS AND PROPERTIES

MTW PROGRAM

	2026	2027	2028	2029	2030	2031	2027 to 2031 Totals
Core HCV Activity							
MTW Funding from HCV	\$220,251,213	\$224,411,076	\$226,991,804	\$229,261,722	\$231,554,339	\$237,343,198	\$1,149,562,139
HAP Expenses of Baseline Vouchers	(162,147,762)	(167,295,207)	(174,129,282)	(185,381,496)	(193,398,420)	(201,282,489)	(921,486,894)
HAP Expense of Vouchers in Excess of Baseline	(19,915,406)	(18,464,680)	(11,529,319)	(2,845,041)	0	0	(32,839,040)
Additional Support of Special Purpose Vouchers	(356,436)	(1,531,430)	(1,868,759)	(1,651,274)	(1,708,247)	(1,808,627)	(8,568,337)
Administrative Expenses Funded by Embedded Fees	(13,435,776)	(13,800,000)	(14,400,000)	(14,760,000)	(15,060,000)	(15,600,000)	(73,620,000)
Administrative Expenses Funded by Addtl MTW Trf	(2,458,673)	(2,283,434)	(1,205,083)	(1,192,342)	(1,047,739)	(1,077,471)	(6,806,069)
Net MTW Funding After HCV Uses	21,937,160	21,036,325	23,859,361	23,431,569	20,339,933	17,574,611	106,241,799
Other Recurring Uses of MTW Funds							
Support of Public Housing Operations	(11,047,661)	(8,300,579)	(8,213,718)	(6,380,991)	(6,697,277)	(7,133,301)	(36,725,865)
Other Programmatic Support	(400,069)	(403,837)	(407,644)	(411,488)	(415,370)	(419,292)	(2,057,631)
Resident Services and Social Impact Programs	(10,981,882)	(11,560,510)	(12,023,230)	(12,504,474)	(13,004,984)	(13,525,531)	(62,618,730)
Used for Capital Purposes	(5,292,595)	(2,476,790)	(1,602,461)	(395,449)	0	0	(4,474,699)
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Debt Service Payments from EPC & Other Loans	636,732	1,393,915	4,846,471	5,520,020	1,232,220	243,260	13,235,886
Other Sources	984	994	1,004	1,014	1,024	1,034	5,070
Total MTW	(\$4,772,475)	\$21,889	\$6,657,913	\$9,265,644	\$1,455,545	(\$3,259,219)	\$14,141,772

Leasing in excess of ACC vouchers assumed to end in 2030

FEDERAL PROGRAMS AND PROPERTIES

MTW PROGRAM

	2026	2027	2028	2029	2030	2031	2027 to 2031 Totals
Core HCV Activity							
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HAP Expense of Vouchers in Excess of Baseline	(19,915,406)	(18,464,680)	(11,529,319)	(2,845,041)	0	0	(32,839,040)
Additional Support of Special Purpose Vouchers	(356,436)	(1,531,430)	(1,868,759)	(1,651,274)	(1,708,247)	(1,808,627)	(8,568,337)
Administrative Expenses Funded by Embedded Fees	(13,435,776)	(13,800,000)	(14,400,000)	(14,760,000)	(15,060,000)	(15,600,000)	(73,620,000)
Administrative Expenses Funded by Addtl MTW Trf	(2,458,673)	(2,283,434)	(1,205,083)	(1,192,342)	(1,047,739)	(1,077,471)	(6,806,069)
Net MTW Funding After HCV Uses	21,937,160	21,036,325	23,859,361	23,431,569	20,339,933	17,574,611	106,241,799
Other Recurring Uses of MTW Funds							
Support of Public Housing Operations	(11,047,661)	(8,300,579)	(8,213,718)	(6,380,991)	(6,697,277)	(7,133,301)	(36,725,865)
Other Programmatic Support	(400,069)	(403,837)	(407,644)	(411,488)	(415,370)	(419,292)	(2,057,631)
Resident Services and Social Impact Programs	(10,981,882)	(11,560,510)	(12,023,230)	(12,504,474)	(13,004,984)	(13,525,531)	(62,618,730)
Used for Capital Purposes	(5,292,595)	(2,476,790)	(1,602,461)	(395,449)	0	0	(4,474,699)
Net MTW Funding After Recurring Uses	(5,785,047)	(1,705,390)	1,612,309	3,739,167	222,302	(3,503,513)	364,874
Other Sources of Funds							
MTW Funding via OpSub	374,856	332,370	198,129	5,443	0	0	535,942
Debt Service Payments from EPC & Other Loans	636,732	1,393,915	4,846,471	5,520,020	1,232,220	243,260	13,235,886
Other Sources	984	994	1,004	1,014	1,024	1,034	5,070
Total MTW	(\$4,772,475)	\$21,889	\$6,657,913	\$9,265,644	\$1,455,545	(\$3,259,219)	\$14,141,772

Additional
MTW
support
needed as
Special
Purpose
Vouchers
lease up to
ACC levels

FEDERAL PROGRAMS AND PROPERTIES

MTW PROGRAM

	2026	2027	2028	2029	2030	2031	2027 to 2031 Totals
Core HCV Activity							
MTW Funding from HCV	\$220,251,213	\$224,411,076	\$226,991,804	\$229,261,722	\$231,554,339	\$237,343,198	\$1,149,562,139
HAP Expenses of Baseline Vouchers	(162,147,762)	(167,295,207)	(174,129,282)	(185,381,496)	(193,398,420)	(201,282,489)	(921,486,894)
HAP Expense of Vouchers in Excess of Baseline	(19,915,406)	(18,464,680)	(11,529,319)	(2,845,041)	0	0	(32,839,040)
Additional Support of Special Purpose Vouchers	(356,436)	(1,531,430)	(1,868,759)	(1,651,274)	(1,708,247)	(1,808,627)	(8,568,337)
Administrative Expenses Funded by Embedded Fees	(13,435,776)	(13,800,000)	(14,400,000)	(14,760,000)	(15,060,000)	(15,600,000)	(73,620,000)
Administrative Expenses Funded by Addtl MTW Trf	(2,458,673)	(2,283,434)	(1,205,083)	(1,192,342)	(1,047,739)	(1,077,471)	(6,806,069)
Net MTW Funding After HCV Uses	21,937,160	21,036,325	23,859,361	23,431,569	20,339,933	17,574,611	106,241,799
Other Recurring Uses of MTW Funds							
Support of Public Housing Operations	(11,047,661)	(8,300,579)	(8,213,718)	(6,380,991)	(6,697,277)	(7,133,301)	(36,725,865)
Other Programmatic Support	(400,069)	(403,837)	(407,644)	(411,488)	(415,370)	(419,292)	(2,057,631)
Resident Services and Social Impact Programs	(10,981,882)	(11,560,510)	(12,023,230)	(12,504,474)	(13,004,984)	(13,525,531)	(62,618,730)
Used for Capital Purposes	(5,292,595)	(2,476,790)	(1,602,461)	(395,449)	0	0	(4,474,699)
Net MTW Funding After Recurring Uses	(5,785,047)	(1,705,390)	1,612,309	3,739,167	222,302	(3,503,513)	364,874
Other Sources of Funds							
MTW Funding via OpSub	374,856	332,370	198,129	5,443	0	0	535,942
Debt Service Payments from EPC & Other Loans	636,732	1,393,915	4,846,471	5,520,020	1,232,220	243,260	13,235,886
Other Sources	984	994	1,004	1,014	1,024	1,034	5,070
Total MTW	(\$4,772,475)	\$21,889	\$6,657,913	\$9,265,644	\$1,455,545	(\$3,259,219)	\$14,141,772

Declining
need for
additional
Public
Housing
Support

FEDERAL PROGRAMS AND PROPERTIES

MTW PROGRAM

	2026	2027	2028	2029	2030	2031	2027 to 2031 Totals
Core HCV Activity							
MTW Funding from HCV	\$220,251,213	\$224,411,076	\$226,991,804	\$229,261,722	\$231,554,339	\$237,343,198	\$1,149,562,139
HAP Expenses of Baseline Vouchers	(162,147,762)	(167,295,207)	(174,129,282)	(185,381,496)	(193,398,420)	(201,282,489)	(921,486,894)
HAP Expense of Vouchers in Excess of Baseline	(19,915,406)	(18,464,680)	(11,529,319)	(2,845,041)	0	0	(32,839,040)
Additional Support of Special Purpose Vouchers	(356,436)	(1,531,430)	(1,868,759)	(1,651,274)	(1,708,247)	(1,808,627)	(8,568,337)
Administrative Expenses Funded by Embedded Fees	(13,435,776)	(13,800,000)	(14,400,000)	(14,760,000)	(15,060,000)	(15,600,000)	(73,620,000)
Administrative Expenses Funded by Addtl MTW Trf	(2,458,673)	(2,283,434)	(1,205,083)	(1,192,342)	(1,047,739)	(1,077,471)	(6,806,069)
Net MTW Funding After HCV Uses	21,937,160	21,036,325	23,859,361	23,431,569	20,339,933	17,574,611	106,241,799
Other Recurring Uses of MTW Funds							
Support of Public Housing Operations	(11,047,661)	(8,300,579)	(8,213,718)	(6,380,991)	(6,697,277)	(7,133,301)	(36,725,865)
Other Programmatic Support	(400,069)	(403,837)	(407,644)	(411,488)	(415,370)	(419,292)	(2,057,631)
Resident Services and Social Impact Programs	(10,981,882)	(11,560,510)	(12,023,230)	(12,504,474)	(13,004,984)	(13,525,531)	(62,618,730)
Used for Capital Purposes	(5,292,595)	(2,476,790)	(1,602,461)	(395,449)	0	0	(4,474,699)
Net MTW Funding After Recurring Uses	(5,785,047)	(1,705,390)	1,612,309	3,739,167	222,302	(3,503,513)	364,874
Other Sources of Funds							
MTW Funding via OpSub	374,856	332,370	198,129	5,443	0	0	535,942
Debt Service Payments from EPC & Other Loans	636,732	1,393,915	4,846,471	5,520,020	1,232,220	243,260	13,235,886
Other Sources	984	994	1,004	1,014	1,024	1,034	5,070
Total MTW	(\$4,772,475)	\$21,889	\$6,657,913	\$9,265,644	\$1,455,545	(\$3,259,219)	\$14,141,772

This is the
Repayment
to MTW of
the EPC loan

FEDERAL PROGRAMS AND PROPERTIES

MTW PROGRAM

	2026	2027	2028	2029	2030	2031	2027 to 2031 Totals
Core HCV Activity							
MTW Funding from HCV	\$220,251,213	\$224,411,076	\$226,991,804	\$229,261,722	\$231,554,339	\$237,343,198	\$1,149,562,139
HAP Expenses of Baseline Vouchers	(162,147,762)	(167,295,207)	(174,129,282)	(185,381,496)	(193,398,420)	(201,282,489)	(921,486,894)
HAP Expense of Vouchers in Excess of Baseline	(19,915,406)	(18,464,680)	(11,529,319)	(2,845,041)	0	0	(32,839,040)
Additional Support of Special Purpose Vouchers	(356,436)	(1,531,430)	(1,868,759)	(1,651,274)	(1,708,247)	(1,808,627)	(8,568,337)
Administrative Expenses Funded by Embedded Fees	(13,435,776)	(13,800,000)	(14,400,000)	(14,760,000)	(15,060,000)	(15,600,000)	(73,620,000)
Administrative Expenses Funded by Addtl MTW Trf	(2,458,673)	(2,283,434)	(1,205,083)	(1,192,342)	(1,047,739)	(1,077,471)	(6,806,069)
Net MTW Funding After HCV Uses	21,937,160	21,036,325	23,859,361	23,431,569	20,339,933	17,574,611	106,241,799
Other Recurring Uses of MTW Funds							
Support of Public Housing Operations	(11,047,661)	(8,300,579)	(8,213,718)	(6,380,991)	(6,697,277)	(7,133,301)	(36,725,865)
Other Programmatic Support	(400,069)	(403,837)	(407,644)	(411,488)	(415,370)	(419,292)	(2,057,631)
Resident Services and Social Impact Programs	(10,981,882)	(11,560,510)	(12,023,230)	(12,504,474)	(13,004,984)	(13,525,531)	(62,618,730)
Used for Capital Purposes	(5,292,595)	(2,476,790)	(1,602,461)	(395,449)	0	0	(4,474,699)
Net MTW Funding After Recurring Uses	(5,785,047)	(1,705,390)	1,612,309	3,739,167	222,302	(3,503,513)	364,874
Other Sources of Funds							
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Debt Service Payments from EPC & Other Loans	636,732	1,393,915	4,846,471	5,520,020	1,232,220	243,260	13,235,886
Other Sources	984	994	1,004	1,014	1,024	1,034	5,070
Total MTW	(\$4,772,475)	\$21,889	\$6,657,913	\$9,265,644	\$1,455,545	(\$3,259,219)	\$14,141,772

This is the
Net
Operating
Surplus/
(Deficit) of
the MTW
Fund

FEDERAL PROGRAMS AND PROPERTIES

MTW PROGRAM ASSUMPTIONS

Key Assumptions

<i>HCV Program</i>	2026*	2027	2028	2029	2030	2031
RFIF	0.0010%	2.0000%	1.1500%	1.0000%	1.0000%	2.5000%
Prorate	99.61%	99.50%	99.50%	99.50%	99.50%	99.50%

The assumptions used for the MTW Block Grant were specifically chosen so “MTW Funding After Recurring Uses” for the 5-year period from 2027 to 2031 would be very close to zero

The RFIF (Renewal Funding Inflation Factor) assumptions are quite conservative. Although 2025 and 2026 saw little or no RFIF from HUD, 2020 to 2024 saw increases ranging from 2.8% up to 17.5%. For every 1 percentage point in the RFIF, KCHA receives approximately \$2.2 million in additional funding, compounded annually.

The prorate assumptions should be fairly close to reality.

FEDERAL PROGRAMS AND PROPERTIES

OTHER FEDERAL

<i>Other Federal</i>	2026	2027	2028	2029	2030	2031	2027 to 2031 Totals
Net Cash Flow Before Debt Service	\$3,822,761	\$345,653	(\$49,277)	(\$1,332,751)	(\$1,640,933)	(\$1,736,960)	(\$4,414,269)
Debt Service & Payoff	(2,478,542)	(1,712,665)	(2,369,110)	(7,738,547)	(1,390,200)	0	(\$13,210,522)
Other Activity	133,135	1,887,895	1,487,684	1,354,915	1,209,010	1,168,783	\$7,108,288
Net Change in Unrestricted Cash	\$1,477,355	\$520,883	(\$930,703)	(\$7,716,383)	(\$1,822,122)	(\$568,177)	(\$10,516,503)

This group is the source of the internal and external EPC loans debt repayments. It also includes EPC operating activity as well as other miscellaneous expenses, such as Headstart facilities, Wiley Center, and Birch Creek Rec and Family Centers.

LOCAL PROGRAMS AND PROPERTIES

	2026	2027	2028	2029	2030	2031	2027 to 2031 Totals
<i>Local Programs</i>							
Asset Management	\$1,023,300	\$1,085,418	\$1,021,679	\$1,056,627	\$1,045,851	\$1,073,919	\$5,283,494
Housing Management	1,044,461	1,077,975	1,122,337	1,164,862	1,103,524	1,137,707	5,606,405
RAD-Former Traditional Public Housing	0	4,667,326	2,837,180	7,031,421	2,583,817	1,945,676	19,065,419
RAD-Former Mixed-Financing Public Housing	0	0	1,314,670	0	3,780,094	256,042	5,350,806
Other	(392,614)	(528,443)	(649,703)	(779,678)	(918,842)	(1,067,692)	(3,944,359)
COCC	(10,949,804)	(3,516,755)	(3,527,339)	(3,456,915)	(3,284,910)	(3,010,524)	(\$16,796,443)
Total Local Programs Change in Unrestricted Cash	(\$9,274,656)	\$2,785,520	\$2,118,824	\$5,016,317	\$4,309,535	\$335,128	\$14,565,323

The conversion to RAD adds significantly to the cash flow of the Local programs and Properties group, but the negative cash from in the COCC raises some concerns

LOCAL PROGRAMS AND PROPERTIES

ASSET MANAGEMENT

	2026	2027	2028	2029	2030	2031	2027 to 2031 Totals
<i>Asset Management</i>							
Operating Net Income	\$42,735,166	\$43,432,438	\$45,842,432	\$48,139,644	\$50,493,358	\$53,142,224	\$241,050,095
Other Sources/(Uses) of Cash	(30,311,865)	(29,567,020)	(31,020,752)	(32,133,017)	(33,297,506)	(34,468,305)	(160,486,601)
Transfer to COCC	(11,400,000)	(12,780,000)	(13,800,000)	(14,950,000)	(16,150,000)	(17,600,000)	(75,280,000)
Net Change in Unrestricted Cash	\$1,023,300	\$1,085,418	\$1,021,679	\$1,056,627	\$1,045,851	\$1,073,919	\$5,283,494

General assumptions

- Annual rental growth of 3.5%
 - Salary increases of outside property management company employees of 10.0% in 2027 and 5% thereafter
 - Administrative expense inflation of 4.0% annually
 - Utility costs rising by 5.0% annually
 - Other occupancy expenses climbing between 4.0% and 5.0% annually
-

LOCAL PROGRAMS AND PROPERTIES

ASSET MANAGEMENT

	2026	2027	2028	2029	2030	2031	2027 to 2031 Totals
<i>Asset Management</i>							
Operating Net Income	\$42,735,166	\$43,432,438	\$45,842,432	\$48,139,644	\$50,493,358	\$53,142,224	\$241,050,095
Other Sources/(Uses) of Cash	(30,311,865)	(29,567,020)	(31,020,752)	(32,133,017)	(33,297,506)	(34,468,305)	(160,486,601)
Transfer to COCC	(11,400,000)	(12,780,000)	(13,800,000)	(14,950,000)	(16,150,000)	(17,600,000)	(75,280,000)
Net Change in Unrestricted Cash	\$1,023,300	\$1,085,418	\$1,021,679	\$1,056,627	\$1,045,851	\$1,073,919	\$5,283,494

Over \$75 million of net cash flow is projected to be generated to help fund general KCHA overhead over the five-year period

LOCAL PROGRAMS AND PROPERTIES

HOUSING MANAGEMENT

<i>Local Housing Management</i>	2026	2027	2028	2029	2030	2031	2027 to 2031 Totals
Operating Net Income	\$6,553,490	\$12,773,195	\$12,932,345	\$13,087,848	\$13,239,233	\$13,386,004	\$65,418,625
Other Sources/(Uses) of Cash	(3,009,029)	(5,195,220)	(5,110,009)	(5,022,986)	(4,935,709)	(4,848,296)	(25,112,220)
Transfer to COCC	(2,500,000)	(6,500,000)	(6,700,000)	(6,900,000)	(7,200,000)	(7,400,000)	(34,700,000)
Net Change in Unrestricted Cash	\$1,044,461	\$1,077,975	\$1,122,337	\$1,164,862	\$1,103,524	\$1,137,707	\$5,606,405

General assumptions include:

- Rental growth of 3.0% annually
 - Merit increases of 2.0% annually, COLA bump at 2.0% annually, no increases in staffing levels
 - Administrative, resident services, utilities and other occupancy expenses all rise at 4.0 % each year
-

LOCAL PROGRAMS AND PROPERTIES

HOUSING MANAGEMENT

	2026	2027	2028	2029	2030	2031	2027 to 2031 Totals
<i>Local Housing Management</i>							
Operating Net Income	\$6,553,490	\$12,773,195	\$12,932,345	\$13,087,848	\$13,239,233	\$13,386,004	\$65,418,625
Other Sources/(Uses) of Cash	(3,009,029)	(5,195,220)	(5,110,009)	(5,022,986)	(4,935,709)	(4,848,296)	(25,112,220)
Transfer to COCC	(2,500,000)	(6,500,000)	(6,700,000)	(6,900,000)	(7,200,000)	(7,400,000)	(34,700,000)
Net Change in Unrestricted Cash	\$1,044,461	\$1,077,975	\$1,122,337	\$1,164,862	\$1,103,524	\$1,137,707	\$5,606,405

These properties are projected to generate nearly \$35 million of net cash flow over the 5-year period

LOCAL PROGRAMS AND PROPERTIES

HOUSING MANAGEMENT-RAD-FORMER PUBLIC HOUSING

<i>RAD-FormerTraditional Public Housing</i>	2026	2027	2028	2029	2030	2031	2027 to 2031 Totals
PH-Traditional-Operating Cash Flow Before Additional Support	\$0	\$3,790,460	\$6,244,137	\$13,703,941	\$15,454,966	\$15,619,501	\$54,813,006
Other Sources/(Uses) of Cash	0	(3,141,013)	(6,815,117)	(14,657,271)	(17,270,037)	(17,751,164)	(59,634,602)
Additional Support from MTW	0	250,692	1,517,604	3,051,959	3,837,968	4,077,339	12,735,561
Net Cash Flow from Operations	0	900,140	946,624	2,098,629	2,022,897	1,945,676	7,913,965

Note that there is positive cash flow in addition to transfers from MTW. In the model, each property was analyzed separately. Some needed additional MTW support while others needed none as they had positive cash flow. In practice, excess cash could be transferred from a property with positive cash flow to one with negative cash flow, thus lessening or eliminating the need for additional MTW transfers, but the assumption in the model was that each property will be a stand-alone entity from a fiscal standpoint.

LOCAL PROGRAMS AND PROPERTIES

HOUSING MANAGEMENT-RAD-FORMER TRADITIONAL PUBLIC HOUSING

<i>RAD-FormerTraditional Public Housing</i>	2026	2027	2028	2029	2030	2031	2027 to 2031 Totals
PH-Traditional-Operating Cash Flow Before Additional Support	\$0	\$3,790,460	\$6,244,137	\$13,703,941	\$15,454,966	\$15,619,501	\$54,813,006
Other Sources/(Uses) of Cash	0	(3,141,013)	(6,815,117)	(14,657,271)	(17,270,037)	(17,751,164)	(59,634,602)
Additional Support from MTW	0	250,692	1,517,604	3,051,959	3,837,968	4,077,339	12,735,561
Net Cash Flow from Operations	0	900,140	946,624	2,098,629	2,022,897	1,945,676	7,913,965
Transfers of Unrestricted Cash from Traditional Public Housing	0	3,767,186	1,890,556	4,932,792	560,920	0	11,151,454
Net Change in Unrestricted Cash	\$0	\$4,667,326	\$2,837,180	\$7,031,421	\$2,583,817	\$1,945,676	\$19,065,419

With the transfers of \$11.2 million of unrestricted cash from Public Housing, the properties will be in a strong cash position.

LOCAL PROGRAMS AND PROPERTIES

HOUSING MANAGEMENT-RAD-FORMER MIXED-FINANCING PUBLIC HOUSING

	2026	2027	2028	2029	2030	2031	2027 to 2031 Totals
<i>RAD-Former Mixed-Financing Public Housing</i>							
PH-Mixed Financing-Operating Cash Flow Before Additional Support	\$0	\$0	(\$2,913,226)	(\$3,047,870)	(\$1,138,367)	(\$1,271,755)	(\$8,371,218)
Other Sources/(Uses) of Cash	0	0	439,152	434,473	(1,464,499)	(1,528,165)	(2,119,039)
Additional Support from MTW	0	0	2,474,074	2,613,397	2,859,309	3,055,962	11,002,741
Net Cash Flow from Operations	0	0	0	0	256,443	256,042	512,485

The same issue with MTW transfers and net cash flow also exists in this group, but to a much smaller extent. These properties are not reflecting the same revenue benefit by converting to RAD as the Traditional Public Housing group as they were not participants in the EPC projects, meaning there is no additional EPC subsidy that is being retained.

LOCAL PROGRAMS AND PROPERTIES

HOUSING MANAGEMENT-RAD-FORMER MIXED-FINANCING PUBLIC HOUSING

	2026	2027	2028	2029	2030	2031	2027 to 2031 Totals
<i>RAD-Former Mixed-Financing Public Housing</i>							
PH-Mixed Financing-Operating Cash Flow Before Additional Support	\$0	\$0	(\$2,913,226)	(\$3,047,870)	(\$1,138,367)	(\$1,271,755)	(\$8,371,218)
Other Sources/(Uses) of Cash	0	0	439,152	434,473	(1,464,499)	(1,528,165)	(2,119,039)
Additional Support from MTW	0	0	2,474,074	2,613,397	2,859,309	3,055,962	11,002,741
Net Cash Flow from Operations	0	0	0	0	256,443	256,042	512,485
Transfers of Unrestricted Cash from Mixed-Financing Public Housing	0	0	1,314,670	0	3,523,651	0	4,838,321
Net Change in Unrestricted Cash	\$0	\$0	\$1,314,670	\$0	\$3,780,094	\$256,042	\$5,350,806

With the transfers of \$4.8 million of unrestricted cash from Public Housing, the properties will be in a strong cash position.

LOCAL PROGRAMS AND PROPERTIES

OTHER LOCAL

	2026	2027	2028	2029	2030	2031	2027 to 2031 Totals
Operating Net Income	(\$2,891,043)	(\$513,260)	(\$617,109)	(\$725,960)	(\$840,023)	(\$959,516)	(\$6,546,912)
Other Sources/(Uses) of Cash	2,498,429	(15,183)	(32,594)	(53,718)	(78,819)	(108,177)	2,209,939
Net	(\$392,614)	(\$528,443)	(\$649,703)	(\$779,678)	(\$918,842)	(\$1,067,692)	(\$4,336,973)

This group includes Weatherization, HASP and some local operating grants.

The Operating Net Loss is primarily related to 2026 budgeted shortfalls in HASP (\$164,000) and Weatherization (\$185,000) that grow over time.

LOCAL PROGRAMS AND PROPERTIES

COCC

COCC	2026	2027	2028	2029	2030	2031	2027 to 2031 Totals
Fees Charged to Programs and Properties	\$13,199,572	\$13,579,586	\$13,970,840	\$14,373,671	\$14,788,424	\$15,215,454	\$71,927,975
Other Revenue Sources	693,163	698,230	703,348	708,517	713,737	719,010	3,542,841
Operating Revenue	13,892,735	14,277,816	14,674,188	15,082,187	15,502,161	15,934,464	75,470,816
Salaries & Benefits	(28,245,360)	(29,657,628)	(30,843,933)	(32,077,690)	(33,360,798)	(34,695,230)	(160,635,279)
Other Operating Expenses	(8,344,932)	(8,681,538)	(9,031,749)	(9,396,115)	(9,775,212)	(10,169,634)	(47,054,248)
Operating Expenses	(36,590,292)	(38,339,166)	(39,875,682)	(41,473,806)	(43,136,010)	(44,864,864)	(207,689,527)
Net Operating Surplus/(Deficit)	(22,697,556)	(24,061,350)	(25,201,494)	(26,391,618)	(27,633,849)	(28,930,400)	(132,218,711)
Transfers from Asset Management	11,400,000	12,780,000	13,800,000	14,950,000	16,150,000	17,600,000	75,280,000
Transfers from Housing Management	2,500,000	6,500,000	6,700,000	6,900,000	7,200,000	7,400,000	34,700,000
Other Sources/(Uses) of Cash	(2,152,247)	1,264,595	1,174,155	1,084,703	998,939	919,876	5,442,268
Total Transfers-in and Other Sources/(Uses)	11,747,753	20,544,595	21,674,155	22,934,703	24,348,939	25,919,876	115,422,268
Net Change in Unrestricted Cash	(\$10,949,804)	(\$3,516,755)	(\$3,527,339)	(\$3,456,915)	(\$3,284,910)	(\$3,010,524)	(\$16,796,443)

LOCAL PROGRAMS AND PROPERTIES

COCC

<i>COCC</i>	2026	2027	2028	2029	2030	2031	2027 to 2031 Totals
Fees Charged to Programs and Properties	\$13,199,572	\$13,579,586	\$13,970,840	\$14,373,671	\$14,788,424	\$15,215,454	\$71,927,975
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Internal fees charged to programs and properties are not sufficient to cover operating costs

LOCAL PROGRAMS AND PROPERTIES

COCC

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Net Change in Unrestricted Cash	(\$10,949,804)	(\$3,516,755)	(\$3,527,339)	(\$3,456,915)	(\$3,284,910)	(\$3,010,524)	(\$16,796,443)

To help bridge this gap, cash is transferred from Asset Management and certain Housing Management properties

LOCAL PROGRAMS AND PROPERTIES

COCC

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Net Change in Unrestricted Cash	(\$10,949,804)	(\$3,516,755)	(\$3,527,339)	(\$3,456,915)	(\$3,284,910)	(\$3,010,524)	(\$16,796,443)

But even with these transfers, there is still a gap

LOCAL PROGRAMS AND PROPERTIES

COCC

	2018	2019	2020	2021	2022	2023	2024	2025	2026
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Budget
Human Resources	\$743,098	843,661	977,484	1,082,428	1,295,293	1,675,972	2,140,372	2,540,259	4,013,343
Social Impact	43,251	279,886	396,513	324,597	197,916	127,749	135,257	147,828	140,904
Executive	958,158	1,020,484	1,126,307	1,217,455	1,525,280	1,599,498	1,644,477	1,904,184	2,549,873
Equity, Diversity and Inclusion	0	0	0	115,690	381,377	491,001	317,116	318,414	0
Information Technology	1,587,267	1,733,530	1,771,280	1,857,235	2,098,160	2,364,382	3,178,412	4,549,621	5,048,258
Safety & Security	0	0	0	0	0	157,955	351,056	495,403	509,242
Administrative Services/Finance	3,537,925	3,502,464	3,589,027	3,667,236	4,265,072	4,486,001	5,255,807	5,910,762	6,560,194
Compliance	0	0	0	0	0	0	0	1,271,771	2,032,574
Procurement	0	0	0	0	0	0	0	32,600	313,021
Property Management	1,450,660	1,599,618	1,809,945	1,815,417	2,302,415	1,625,211	1,768,474	1,391,566	1,495,349
Asset Management	1,713,229	1,911,051	1,972,266	2,221,635	2,420,678	2,758,269	3,069,229	3,430,260	3,441,840
Housing Management	0	0	0	0	0	872,003	1,119,685	475,769	602,180
Section 8	24,340	(5,992)	19,008	14,736	0	0	50,699	52,660	53,360
Communications	133,075	140,164	144,927	154,359	189,739	208,076	191,974	375,227	382,991
Construction	547,033	542,421	552,727	592,498	585,348	737,737	976,842	1,701,770	1,102,230
Total	\$10,738,036	\$11,567,288	\$12,359,486	\$13,063,285	\$15,261,278	\$17,103,854	\$20,199,400	\$24,598,094	\$28,245,360
Annual % Increase		7.7%	6.8%	5.7%	16.8%	12.1%	18.1%	21.8%	14.8%

One of the main drivers has been the increase in payroll and benefit costs since 2018

LOCAL PROGRAMS AND PROPERTIES

COCC

There are multiple options for further closing this gap. They include, but are not limited to:

- Raising rents on Asset Management properties beyond current assumptions to generate higher net cash flows that could be transferred to the COCC
 - Reducing capital projects
 - If MTW funding allows, increase the fees charged to the HCV program
 - Transfer some positive cash flow from RAD properties
 - Reduce overhead expenses
-

QUESTIONS?
