



**ANNUAL
HYBRID MEETING OF
THE BOARD OF COMMISSIONERS**

**Monday, May 19, 2025
3:00 pm**

Webinar Meeting:

<https://kcha-org.zoom.us/j/84244814646>

Webinar ID: 842 4481 4646

Phone: (253) 215-8782

ANNUAL HYBRID MEETING OF THE BOARD OF COMMISSIONERS AGENDA

Monday, May 19, 2025 - 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 – April 2025
- V. Approval of Agenda**
- VI. Consent Agenda** **2**
 - A. Voucher Certification Reports for March 2025
- VII. Resolutions for Discussion**
 - A. Resolution No. 5792 -** **3**
 - A Resolution authorizing the Authority’s participation
In the development, financing and operation of a manufactured
housing community in Skyway.
 - B. Resolution No. 5793 –** **4**
 - Application for HUD’s Rental Assistance Demonstration
(RAD) Program
 - C. Resolution No. 5794 -** **5**
 - Authorizing the Housing Authority to Establish Homeownership
Option Under Its Tenant-Based Housing Choice Voucher Program.

VIII. Executive Session

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

IX. President/CEO Report

X. KCHA in the News

XI. Commissioner Comments

XII. Adjournment

Members of the public who wish to give public comment: We are now accepting public comment during the meeting or written comments. Please send your requests for public comment to the Board Coordinator via email to kamir@kcha.org 3 days prior to the meeting date. If you have questions, please call 206-574-1206.

RCW [42.30.240](#) Public comment.

- (1) Except in an emergency situation, the governing body of a public agency shall provide an opportunity at or before every regular meeting at which final action is taken for public comment. The public comment required under this section may be taken orally at a public meeting, or by providing an opportunity for written testimony to be submitted before or at the meeting. If the governing body accepts written testimony, this testimony must be distributed to the governing body. The governing body may set a reasonable deadline for the submission of written testimony before the meeting.
- (2) Upon the request of any individual who will have difficulty attending a meeting of the governing body of a public agency by reason of disability, limited mobility, or for any other reason that makes physical attendance at a meeting difficult, the governing body shall, when feasible, provide an opportunity for that individual to provide oral comment at the meeting remotely if oral comment from other members of the public will be accepted at the meeting.
- (3) Nothing in this section prevents a governing body from allowing public comment on items not on the meeting agenda.
- (4) Nothing in this section diminishes the authority of governing bodies to deal with interruptions under RCW [42.30.050](#), limits the ability of the governing body to put limitations on the time available for public comment or on how public comment is accepted, or requires a governing body to accept public comment that renders orderly conduct of the meeting unfeasible

RCW [42.30.050](#) Interruptions—Procedure.

In the event that any meeting is interrupted by a group or groups of persons so as to render the orderly conduct of such meeting unfeasible and order cannot be restored by the removal of individuals who are interrupting the meeting, the members of the governing body conducting the meeting may order the meeting room cleared and continue in session or may adjourn the meeting and reconvene at another location selected by majority vote of the members. In such a session, final disposition may be taken only on matters appearing on the agenda. Representatives of the press or other news media, except those participating in the disturbance, shall be allowed to attend any session held pursuant to this section. Nothing in this section shall prohibit the governing body from establishing a procedure for readmitting an individual or individuals not responsible for disturbing the orderly conduct of the meeting. Nothing in this section prohibits the governing body from stopping people from speaking to the governing body when not recognized by the governing body to speak.

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

Monday, April 21, 2025

I. CALL TO ORDER

The special monthly meeting of the King County Housing Authority Board of Commissioners was held as a special hybrid meeting on Monday, April 21, 2025. There being a quorum, the hybrid meeting was called to order by Chair Barnes at 3:01 p.m.

II. ROLL CALL

Present: Commissioner Doug Barnes (Chair) (via Zoom), Commissioner Richard Jackson (via Zoom), Commissioner Tina Keys (via Zoom) and Commissioner Jerry Lee (via Zoom)

Excused: Commissioner Regina Elmi

III. PUBLIC COMMENT

Alex Tsimerman gave public comment.

IV. APPROVAL OF MINUTES

A. Board Meeting Minutes – March 17, 2025

On motion by Commissioner Richard Jackson, and seconded by Commissioner Jerry Lee, the Board unanimously approved the March 17, 2025 meeting minutes.

V. APPROVAL OF AGENDA

On motion by Commissioner Richard Jackson, and seconded by Commissioner Jerry Lee, the Board unanimously approved the April 21, 2025, hybrid Board of Commissioners' meeting agenda.

VI. CONSENT AGENDA

A. Voucher Certification Reports for January 2025

B. **Resolution 5790** - Changes to the Public Housing Admissions and Continued Occupancy Policy (ACOP) and Tenant-based and Project-based Administrative Plans (Admin Plans) relating to income and Assets

On motion by Commissioner Richard Jackson, and seconded by Commissioner Jerry Lee, the Board unanimously approved the April 21, 2025, hybrid Board of Commissioners' meeting consent agenda.

VII. RESOLUTIONS FOR DISCUSSION

A. **Resolution No. 5791** – Recognizing the Dedicated Service of Commissioner Doug Barnes throughout his Tenure on the Board of Commissioners of the King County Housing Authority from 2010 to 2025 and Expressing the Appreciation of Board Members and Staff of the Housing Authority.

Robin Walls, President/CEO read the Resolution in its entirety.

On motion by Commissioner Richard Jackson, and seconded by Commissioner Tina Keys, the Board unanimously approved Resolution 5791.

VIII. BRIEFINGS AND REPORTS

A. 2024 Year End Capital Report and 2025 Preview

JJ Jordan, Senior VP of Capital Construction and Weatherization gave a presentation on a summary of capital expenditures and planned work for 2025 that encompasses Capital Construction, Asset Management, Housing Management and Greenbridge.

These included: Building Envelope Upgrades, Infrastructure Upgrades, Sitework Improvements as well as Security Improvements.

B. 2024 Fourth Quarter Financial Report

Wendy Teh, Vice President of Finance gave a presentation with the financial highlights for the Board.

IX. PRESIDENT/CEO REPORT

Robin Walls, President/CEO gave news updates.

- We are monitoring a bill that is being considered at the State Level in Olympia - HB2127, it is proposing a cap on rent increases for all landlords. The original language in the bill was an increase in 7% for rental adjustments, there is now a movement to change the language to increase it to 10% rental increase cap and also considering costs for landlords that are tied to the consumer price index. We are monitoring that closely as it will impact the Voucher Program, as well as Workforce Housing.
- NY Times had an article on April 17th that indicated part of the current administration's agenda with respect to housing. The Administration is very much in favor of looking at term limits, as well as work requirements for housing programs. Term limits and work requirements for housing programs are not new. Housing Authorities have gone back and forth on both issues and as they have been implemented, and there is usually pullback because of economic impact. The average length of time for a family on our voucher program and public housing is close to 8 years. If term limits are five years, this would impact many families. There is a lot of natural attrition for families, as they are on the program a little longer, you see people graduate from the program. The way work requirements are normally implemented is HA's are required to monitor income for work. The Administration has not put anything in detail. There was also an regarding the concept of transferring the Housing Choice Voucher Program into a Block Grant Program for the States. That is very similar to how programs such as TANF – Temporary Assistance to Needy Families benefits, SNAP food stamps and Medicaid are currently administered. One of the risks in Block Grant Programs to the States, outside of States are not used to implementing Housing Programs, are

- that the states utilize some of the funding for other projects, so that would be an immediate risk to families that are most vulnerable.
- The Washington Post had an article on April 15th regarding mixed families. HUD staff are working on a rule to ban mixed status households. These are households where some members are eligible citizens and other members do not have an eligible citizenship status, meaning that they are a non-citizen or permanent residents that are not able to receive certain benefits. Currently, we do a pro-ration, depending on the number of non-eligible members in the household, their rate is pro-rated. HUD is looking to completely ban mixed status households. We currently have around 130 families that are in this status. We will be looking at any changes in the HUD policy.
 - Emergency Housing Vouchers (EHV) – We currently have around 660 families that have received EHV through the American Rescue Plan. The program has been fully utilized, and funds have been expended quicker than expected nationwide. Reasoning is rental costs have escalated at a higher level than when the program was first rolled out in 2021. There have been many calls in the budget process that is coming up to add additional funds for EHV. EHV's were given to the most vulnerable community members who were homeless, and/or experiencing domestic violence, or at risk for being homeless, generally through coordinated access.
 - We are continuing to evaluate our budgeting, with the understanding that we will most likely be facing a reduction in funds and will look at fiscal year 2025 appropriations. We currently have 16 positions on hold, we strictly evaluate each position.

X. KCHA IN THE NEWS

None.

XI. COMMISSIONER COMMENTS

None.

XII. ADJOURNMENT

Chair Barnes adjourned the meeting at 3:52 p.m.

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

RICHARD JACKSON, Vice Chair
Board of Commissioners

ROBIN WALLS

President/CEO and Secretary-Treasurer

T A B N U M B E R



King County Housing Authority

To: Board of Commissioners

From: Mary Osier, Accounting Manager

Date: May 14, 2025

Re: **VOUCHER CERTIFICATION FOR MARCH 2025**

I, Mary Osier, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, and that the claims represented by the vouchers listed below were just obligations of the Housing Authority of the County of King, and that I am authorized to authenticate and certify said claims.

Mary Osier
Accounting Manager
May 14, 2024

Bank Wires / ACH Withdrawals		3,670,672.49
	<i>Subtotal</i>	3,670,672.49
Accounts Payable Vouchers		
Key Bank Checks - #356283-356739		6,559,720.19
Tenant Accounting Checks - #12398-12429		62,154.10
	<i>Subtotal</i>	6,621,874.29
Payroll Vouchers		
Checks - #911426531-911426534 & 911493683-911493699 & 911573979-911573995		67,693.02
Direct Deposit		2,732,772.84
	<i>Subtotal</i>	2,800,465.86
Section 8 Program Vouchers		
Checks - #654684-655355		1,252,198.77
ACH - #635943-638511		22,819,688.77
	<i>Subtotal</i>	24,071,887.54
Purchase Card / ACH Withdrawal		479,941.90
	<i>Subtotal</i>	479,941.90
	GRAND TOTAL	\$ 37,644,842.08

TO:

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

FROM:

Wen Xu, Director of Asset Management

I, Wen Xu, do hereby certify under penalty of perjury that the claims represented by the wire transactions below were just, due, and unpaid obligations against the Housing Authority, and that I, and my designees, are authorized to authenticate and certify said claims.

Wen Xu

Date

Property	Wired to Operating Account for Obligations of Property			Notes:
	Date	Wire Transaction	Claim	
Bellepark	03/05/2025	\$ 9,917.97	AP & Payroll	
Hampton Greens	03/05/2025	\$ 80,008.63	AP & Payroll	
Kendall Ridge	03/05/2025	\$ 23,798.83	AP & Payroll	
Landmark	03/05/2025	\$ 17,348.58	AP & Payroll	
Riverstone	03/05/2025	\$ 36,856.01	AP & Payroll	
SALMON CREEK	03/05/2025	\$ 6,830.74	AP & Payroll	
Woodside East	03/05/2025	\$ 17,624.42	AP & Payroll	
ALPINE RIDGE	03/06/2025	\$ 5,882.35	AP & Management fee & OCR	
ARBOR HEIGHTS	03/06/2025	\$ 16,246.57	AP & Management fee & OCR	
Aspen Ridge	03/06/2025	\$ 14,953.18	AP & Management fee & OCR	
Auburn Square	03/06/2025	\$ 12,806.62	AP & Management fee & OCR	
Carriage House	03/06/2025	\$ 42,753.70	AP & Management fee & OCR	
Carrington	03/06/2025	\$ 5,837.11	AP & Management fee & OCR	
CASCADIAN	03/06/2025	\$ 16,292.24	AP & Management fee & OCR	
Colonial Gardens	03/06/2025	\$ 15,045.75	AP & Management fee & OCR	
FAIRWOOD	03/06/2025	\$ 13,631.10	AP & Management fee & OCR	
HERITAGE PARK	03/06/2025	\$ 8,374.86	AP & Management fee & OCR	
LAURELWOOD	03/06/2025	\$ 27,871.21	AP & Management fee & OCR	
Meadows	03/06/2025	\$ 13,457.04	AP & Management fee & OCR	
Newporter	03/06/2025	\$ 17,391.12	AP & Management fee & OCR	
OVERLAKE	03/06/2025	\$ 89,555.24	AP & Management fee & OCR	
Parkwood	03/06/2025	\$ 25,052.93	AP & Management fee & OCR	
Pinewood Village	03/06/2025	\$ 20,137.75	AP & Management fee & OCR	
Plum Court	03/06/2025	\$ 40,071.72	AP & Management fee & OCR	
RAINIER VIEW I	03/06/2025	\$ 11,832.05	AP	
RAINIER VIEW II	03/06/2025	\$ 8,575.19	AP	
Salish	03/06/2025	\$ 13,681.76	AP & Management fee & OCR	
Sandpiper East	03/06/2025	\$ 23,101.17	AP & Management fee & OCR	

SI VIEW	03/06/2025	\$ 6,955.54	AP	
SOUTHWOOD SQUARE	03/06/2025	\$ 6,267.31	AP & Management fee & OCR	
Sterling Ridge	03/06/2025	\$ 21,271.52	AP & Management fee & OCR	
Timberwood	03/06/2025	\$ 19,829.66	AP & Management fee & OCR	
Vashon Terrace	03/06/2025	\$ 5,179.41	AP	
Walnut Park	03/06/2025	\$ 23,774.45	AP & Management fee & OCR	
WINDSOR HEIGHTS	03/06/2025	\$ 18,980.79	AP & Management fee & OCR	
Woodridge Park	03/06/2025	\$ 14,032.89	AP & Management fee & OCR	
Argyle	03/12/2025	\$ 30,906.21	AP & Payroll	
Ballinger Commons	03/12/2025	\$ 86,897.43	AP & Payroll	
Bellepark	03/12/2025	\$ 28,856.67	AP	
Emerson	03/12/2025	\$ 127,753.35	AP & Payroll	
GILMAN SQUARE	03/12/2025	\$ 26,875.98	AP & Payroll	
Hampton Greens	03/12/2025	\$ 89,704.58	AP	
Kendall Ridge	03/12/2025	\$ 91,212.63	AP	
Landmark	03/12/2025	\$ 68,664.77	AP	
Meadowbrook	03/12/2025	\$ 86,396.09	AP & Payroll	
Riverstone	03/12/2025	\$ 19,221.61	AP	
Surrey Downs	03/12/2025	\$ 35,416.89	AP & Payroll	
Villages at South Station	03/12/2025	\$ 99,812.71	AP & Payroll	
Woodside East	03/12/2025	\$ 52,310.59	AP	
ALPINE RIDGE	03/13/2025	\$ 12,871.94	AP & Payroll	
ARBOR HEIGHTS	03/13/2025	\$ 11,661.19	AP & Payroll	
Aspen Ridge	03/13/2025	\$ 14,055.77	AP & Payroll	
Auburn Square	03/13/2025	\$ 29,022.47	AP & Payroll	
Carriage House	03/13/2025	\$ 28,364.11	AP & Payroll	
Carrington	03/13/2025	\$ 23,345.28	AP & Payroll	
CASCADIAN	03/13/2025	\$ 82,630.42	AP & Payroll	
Colonial Gardens	03/13/2025	\$ 10,516.83	AP & Payroll	
Cottonwood	03/13/2025	\$ 15,325.70	AP & Payroll	
Cove East	03/13/2025	\$ 72,818.52	AP & Payroll	
FAIRWOOD	03/13/2025	\$ 15,393.35	AP & Payroll	
Henry House	03/13/2025	\$ 12,785.03	AP & Payroll	
HERITAGE PARK	03/13/2025	\$ 15,329.09	AP & Payroll	
Juanita View	03/13/2025	\$ 25,341.75	AP & Payroll	
LAURELWOOD	03/13/2025	\$ 19,492.33	AP & Payroll	
Meadows	03/13/2025	\$ 19,734.26	AP & Payroll	
Newporter	03/13/2025	\$ 21,692.60	AP & Payroll	
NIA	03/13/2025	\$ 57,482.93	AP & Payroll	
OVERLAKE	03/13/2025	\$ 151,699.13	AP & Payroll	

Parkwood	03/13/2025	\$ 17,286.44	AP & Payroll	
Pinewood Village	03/13/2025	\$ 22,858.26	AP & Payroll	
Plum Court	03/13/2025	\$ 17,336.14	AP & Payroll	
Salish	03/13/2025	\$ 30,342.10	AP & Payroll	
SALMON CREEK	03/13/2025	\$ 47,370.36	AP & Payroll	
Sandpiper East	03/13/2025	\$ 28,525.01	AP & Payroll	
SEOLA CROSSING LLC	03/13/2025	\$ 60,698.88	AP & Payroll	
SEOLA CROSSING LLC	03/13/2025	\$ 45,787.90	AP & Payroll	
SOUTHWOOD SQUARE	03/13/2025	\$ 23,577.88	AP & Payroll	
Sterling Ridge	03/13/2025	\$ 37,699.00	AP & Payroll	
Timberwood	03/13/2025	\$ 30,338.38	AP & Payroll	
Vashon Terrace	03/13/2025	\$ 2,692.70	AP & Payroll	
Walnut Park	03/13/2025	\$ 68,542.74	AP & Payroll	
WINDSOR HEIGHTS	03/13/2025	\$ 72,338.32	AP & Payroll	
Woodridge Park	03/13/2025	\$ 51,334.53	AP & Payroll	
Tall Cedars	03/14/2025	\$ 7,135.98	AP	
Bellepark	03/19/2025	\$ 32,980.40	AP & Payroll	
Hampton Greens	03/19/2025	\$ 49,646.04	AP & Payroll	
Kendall Ridge	03/19/2025	\$ 53,945.43	AP & Payroll	
Landmark	03/19/2025	\$ 48,084.05	AP & Payroll	
Riverstone	03/19/2025	\$ 62,038.96	AP & Payroll	
Woodside East	03/19/2025	\$ 20,616.02	AP & Payroll	
ALPINE RIDGE	03/20/2025	\$ 25.00	AP	
ALPINE RIDGE	03/20/2025	\$ 76.00	AP	
ARBOR HEIGHTS	03/20/2025	\$ 34,699.20	AP	
Aspen Ridge	03/20/2025	\$ 66,580.17	AP	
Auburn Square	03/20/2025	\$ 6,453.17	AP	
Carriage House	03/20/2025	\$ 5,906.92	AP	
Carrington	03/20/2025	\$ 8,146.00	AP	
CASCADIAN	03/20/2025	\$ 7,512.43	AP	
Colonial Gardens	03/20/2025	\$ 2,097.51	AP	
FAIRWOOD	03/20/2025	\$ 13,071.34	AP	
HERITAGE PARK	03/20/2025	\$ 879.00	AP	
LAURELWOOD	03/20/2025	\$ 7,216.40	AP	
Meadows	03/20/2025	\$ 1,531.33	AP	
Newporter	03/20/2025	\$ 9,579.67	AP	
OVERLAKE	03/20/2025	\$ 25,350.17	AP	
Parkwood	03/20/2025	\$ 4,765.08	AP	
Pinewood Village	03/20/2025	\$ 5,562.50	AP	
Plum Court	03/20/2025	\$ 5,544.32	AP	

RAINIER VIEW I	03/20/2025	\$ 15,074.19	AP	
RAINIER VIEW II	03/20/2025	\$ 5,640.10	AP	
Salish	03/20/2025	\$ 10,094.00	AP	
Sandpiper East	03/20/2025	\$ 9,678.60	AP	
SI VIEW	03/20/2025	\$ 7,050.81	AP	
SOUTHWOOD SQUARE	03/20/2025	\$ 1,346.68	AP	
Sterling Ridge	03/20/2025	\$ 27,960.36	AP	
Tall Cedars	03/20/2025	\$ 12,936.89	AP	
Timberwood	03/20/2025	\$ 59,618.96	AP	
Walnut Park	03/20/2025	\$ 20,587.63	AP	
WINDSOR HEIGHTS	03/20/2025	\$ 22,041.15	AP	
Woodridge Park	03/20/2025	\$ 5,767.09	AP	
Argyle	03/26/2025	\$ 33,369.06	AP & Payroll	
Ballinger Commons	03/26/2025	\$ 244,331.32	AP & Payroll	
Bellepark	03/26/2025	\$ 509.28	AP	
Emerson	03/26/2025	\$ 99,802.41	AP & Payroll	
GILMAN SQUARE	03/26/2025	\$ 46,304.76	AP & Payroll	
Hampton Greens	03/26/2025	\$ 111,729.77	AP	
Kendall Ridge	03/26/2025	\$ 29,820.78	AP	
Landmark	03/26/2025	\$ 1,427.47	AP	
Meadowbrook	03/26/2025	\$ 54,140.71	AP & Payroll	
Riverstone	03/26/2025	\$ 12,556.76	AP	
Surrey Downs	03/26/2025	\$ 71,416.60	AP & Payroll	
Tall Cedars	03/26/2025	\$ 12,222.37	AP & Payroll	
Villages at South Station	03/26/2025	\$ 77,893.18	AP & Payroll	
Woodside East	03/26/2025	\$ 19,032.43	AP	
ALPINE RIDGE	03/27/2025	\$ 9,509.00	AP & Payroll	
Aspen Ridge	03/27/2025	\$ 15,446.21	AP & Payroll	
Auburn Square	03/27/2025	\$ 43,734.85	AP & Payroll	
Carriage House	03/27/2025	\$ 60,032.68	AP & Payroll	
Carrington	03/27/2025	\$ 15,613.21	AP & Payroll	
CASCADIAN	03/27/2025	\$ 34,910.02	AP & Payroll	
Colonial Gardens	03/27/2025	\$ 27,654.34	AP & Payroll	
Cottonwood	03/27/2025	\$ 8,398.11	AP & Payroll	
Henry House	03/27/2025	\$ 19,097.92	AP & Payroll	
HERITAGE PARK	03/27/2025	\$ 15,567.01	AP & Payroll	
Juanita View	03/27/2025	\$ 19,525.73	AP & Payroll	
LAURELWOOD	03/27/2025	\$ 16,646.73	AP & Payroll	
Meadows	03/27/2025	\$ 17,404.65	AP & Payroll	
Newporter	03/27/2025	\$ 54,010.02	AP & Payroll	

OVERLAKE	03/27/2025	\$ 67,480.32	AP & Payroll	
Parkwood	03/27/2025	\$ 27,565.06	AP & Payroll	
Pinewood Village	03/27/2025	\$ 25,868.68	AP & Payroll	
Plum Court	03/27/2025	\$ 13,705.61	AP & Payroll	
RAINIER VIEW I	03/27/2025	\$ 8,698.94	AP & Payroll	
RAINIER VIEW II	03/27/2025	\$ 3,083.88	AP & Payroll	
SALMON CREEK	03/27/2025	\$ 63,186.06	AP & Payroll	
Sandpiper East	03/27/2025	\$ 47,383.46	AP & Payroll	
SEOLA CROSSING LLC	03/27/2025	\$ 47,790.27	AP & Payroll	
SEOLA CROSSING LLC	03/27/2025	\$ 31,196.99	AP & Payroll	
SI VIEW	03/27/2025	\$ 11,908.84	AP & Payroll	
SOUTHWOOD SQUARE	03/27/2025	\$ 12,103.46	AP & Payroll	
Sterling Ridge	03/27/2025	\$ 37,110.81	AP & Payroll	
Timberwood	03/27/2025	\$ 41,461.99	AP & Payroll	
Walnut Park	03/27/2025	\$ 45,919.92	AP & Payroll	
WINDSOR HEIGHTS	03/27/2025	\$ 59,912.12	AP & Payroll	
Woodridge Park	03/27/2025	\$ 40,148.43	AP & Payroll	
ALPINE RIDGE	03/28/2025	\$ 250,000.00	Q1 Distribution	
ARBOR HEIGHTS	03/28/2025	\$ 30,402.59	Q1 Distribution	
Argyle	03/28/2025	\$ 1,200,000.00	Q1 Distribution	
Aspen Ridge	03/28/2025	\$ 150,000.00	Q1 Distribution	
Auburn Square	03/28/2025	\$ 450,000.00	Q1 Distribution	
Ballinger Commons	03/28/2025	\$ 300,000.00	Q1 Distribution	
Bellepark	03/28/2025	\$ 450,000.00	Q1 Distribution	
Carriage House	03/28/2025	\$ 100,000.00	Q1 Distribution	
Carrington	03/28/2025	\$ 350,000.00	Q1 Distribution	
CASCADIAN	03/28/2025	\$ 400,000.00	Q1 Distribution	
Cottonwood	03/28/2025	\$ 200,000.00	Q1 Distribution	
Cove East	03/28/2025	\$ 300,000.00	Q1 Distribution	
Cove East	03/28/2025	\$ 61,342.26	Q1 Distribution	
Emerson	03/28/2025	\$ 200,000.00	Q1 Distribution	
FAIRWOOD	03/28/2025	\$ 700,000.00	Q1 Distribution	
FAIRWOOD	03/28/2025	\$ 30,141.15	Q1 Distribution	
GILMAN SQUARE	03/28/2025	\$ 200,000.00	Q1 Distribution	
HERITAGE PARK	03/28/2025	\$ 175,000.00	Q1 Distribution	
Juanita View	03/28/2025	\$ 200,000.00	Q1 Distribution	
Kendall Ridge	03/28/2025	\$ 150,000.00	Q1 Distribution	
Landmark	03/28/2025	\$ 1,000,000.00	Q1 Distribution	
LAURELWOOD	03/28/2025	\$ 155,000.00	Q1 Distribution	
Meadowbrook	03/28/2025	\$ 200,000.00	Q1 Distribution	

Meadows	03/28/2025	\$ 500,000.00	Q1 Distribution	
Newporter	03/28/2025	\$ 450,000.00	Q1 Distribution	
NIA	03/28/2025	\$ 15,300.54	Q1 Distribution	
Parkwood	03/28/2025	\$ 300,000.00	Q1 Distribution	
Pinewood Village	03/28/2025	\$ 234,863.00	Q1 Distribution	
Riverstone	03/28/2025	\$ 600,000.00	Q1 Distribution	
Salish	03/28/2025	\$ 50,000.00	Q1 Distribution	
Salish	03/28/2025	\$ 48,794.53	Q1 Distribution	
Sandpiper East	03/28/2025	\$ 409,129.00	Q1 Distribution	
SOUTHWOOD SQUARE	03/28/2025	\$ 700,000.00	Q1 Distribution	
Sterling Ridge	03/28/2025	\$ 250,000.00	Q1 Distribution	
Surrey Downs	03/28/2025	\$ 1,000,000.00	Q1 Distribution	
Tall Cedars	03/28/2025	\$ 200,000.00	Q1 Distribution	
Timberwood	03/28/2025	\$ 500,000.00	Q1 Distribution	
Walnut Park	03/28/2025	\$ 500,000.00	Q1 Distribution	
WINDSOR HEIGHTS	03/28/2025	\$ 200,000.00	Q1 Distribution	
Woodridge Park	03/28/2025	\$ 175,000.00	Q1 Distribution	
Woodside East	03/28/2025	\$ 1,000,000.00	Q1 Distribution	
NIA	03/31/2025	\$ 102,542.00	Q1 Distribution	
OVERLAKE	03/31/2025	\$ 64,538.72	Q1 Distribution	
SALMON CREEK	03/31/2025	\$ 70,064.02	Q1 Distribution	
SEOLA CROSSING LLC	03/31/2025	\$ 186,350.01	Q1 Distribution	
SEOLA CROSSING LLC	03/31/2025	\$ 139,415.42	Q1 Distribution	
	211 Wires	\$ 20,173,303.27		

T A B N U M B E R

3



To: Board of Commissioners

From: Tim Walter, Senior Vice President of Development and Asset Management

Date: May 12, 2025

Re: Resolution 5792 – A Resolution authorizing the Authority’s participation in the development, financing and operation of a manufactured housing community in Skyway.

Resolution No. 5792 authorizes the Housing Authority to create a new manufactured housing community in Skyway on a vacant undeveloped land owned and/or controlled by KCHA and leased to the Manufactured Housing Community Preservationists (“MHCP”), a local non-profit that owns and operates low-income housing mobile/manufactured housing parks. This new development is called Vue Terrace and will consist of 30 newly constructed single family two, three and four-bedroom homes. The homes will be sold to low-income households with incomes at or below 80% of the AMI and the homeowners will lease the pad spaces from MHCP. KCHA will provide the majority of the underlying land, assist with the development and entitlement of the project, facilitate the interim financing for the acquisition and placement of the manufactured homes and provide a portion of the permanent financing for the project.

Background

In late 2019, a local developer donated three tax parcels totaling approximately six acres of undeveloped land to KCHA. The developer had owned the properties since the late 1990s but ultimately determined that multifamily development was financially infeasible due to site constraints such as drainage, steep slopes, and zoning challenges. Two of the parcels are contiguous and located on a hillside above the Duwamish River at S 129th St and Beacon Hill-Coal Mine Road in Skyway. The third parcel lies just southeast, situated directly between two MHCP-owned and operated low-income mobile home parks: Empire Vue and Vue Estates.

Following the donation, KCHA conducted due diligence and reached the same conclusion: the two westernmost parcels were unsuitable for development due to topography and lack of access to drainage easements. However, the third parcel was deemed potentially feasible for development as a manufactured housing community, especially if MHCP were willing to contribute a portion of its adjacent property and provide necessary easements and access. KCHA approached MHCP with this proposal, and MHCP expressed strong interest in the opportunity.

Site Planning/Design

Since early 2021, KCHA and MHCP have been working on site designs and a comprehensive financing plan that would enable this project to come to fruition. KCHA has sold the two most westerly parcels that were determined to be undevelopable to the King County Parks department to be used as permanent park/greenspace for the community. The proceeds of

the sale were approximately \$1.2 million and are available to use to help finance the development of Vue Terrace. KCHA and MHCP have finalized the site plan and designs which require complex site drainage and boundary line adjustments as well as a number of building and permitting modifications and waivers that will be needed from the County.

Financing

The projected cost of the project is \$18 million. MHCP has applied for and received a combined \$5.8 million in funding by King County and the Washington State Department of Commerce. KCHA will make a loan of approximately \$1 million from the proceeds of the sale of the other Skyway parcels and contribute the land for the project. In order to have a large enough site for the project, MHCP will also contribute approximately .7 acres of adjacent undeveloped land it owns. The pad rents are projected to be sufficient for MHCP to leverage approximately \$1.5 million in a tax-exempt 501(c)3 loan and the new construction home sales with an average home sale price of approximately \$260,000 are anticipated to cover the remaining cost of the project (approximately \$7.7 million).

Uses

Site Control	\$2,000,000
Hard Construction	\$14,000,000
Soft Cost	\$1,500,000
Financing/Other	<u>\$500,000</u>
Total	\$18,000,000

Sources

KCHA Land Contribution	\$1,700,000
MHCP Land Contribution	\$300,000
King County Funding	\$2,900,000
Dept. of Commerce Funding	\$2,900,000
KCHA Permanent Loan	\$1,000,000
MHCP 501c3 Loan	\$1,500,000
Home Sale Proceeds	<u>\$7,700,000</u>
Total	\$18,000,000

Financing (Continued)

In addition to the KCHA permanent loan, Resolution 5792 further authorizes the Authority to make an interim revolving loan to MHCP in the amount of up to \$3 million to finance the purchase and installation of the manufactured homes. It is anticipated that between 4 – 8 homes will be purchased and installed in phases and then sold by MHCP to qualified low-income homebuyers. As the homes are sold, the sales proceeds would then be used to purchase the next group of homes, and this process would continue until the site is completely sold out. When the final homes are installed and sold, the proceeds of the home sales will be used to repay KCHA's interim revolving loan. This process is anticipated to take between 18-24 months.

Housing Cooperation Agreement

There are a number of land use, and building code requirements impacting the site that cannot realistically or feasibly be met in the development of Vue Terrace and a number of modifications and waivers will be necessary to develop and construct the project. To secure these modifications and waivers, KCHA will need to enter into a Housing Cooperation Agreement with the County to facilitate the viability of this undertaking. A Housing Cooperation Agreement (as set forth in RCW 35.83 – the “Housing Cooperation Law”) is a formal agreement between a housing authority and a local government (either the County or

a City) whereby the parties can agree on waivers, deviations and/or alternative requirements from standard building and zoning conditions for a specific affordable housing project. While the statute does not directly grant a blanket exemption from local codes, it allows a local jurisdiction to use their discretionary authority—through the cooperation agreement—to provide flexibility in how codes are applied. KCHA has determined that a Housing Cooperation Agreement is necessary to provide relief from existing stormwater, suburban greenfield, roadway, setbacks and other site conditions that cannot otherwise be met. None of the modifications or waivers being requested are related to safety concerns and alternative mitigation approaches will be used to address the regulatory requirements that cannot otherwise be met.

Home Sales

The site plan contemplates the installation of 4 – two-bedroom homes (1,000 sq ft), 18 – three-bedroom homes (1,100 sq ft) and 8 – four-bedroom homes (1,200 sq ft). The homes (and future resale of the homes) are restricted to households earning less than 80% of the AMI and are currently expected to sell for an average cost of about \$260,000. The monthly cost for an average 3-bedroom home with a mortgage of \$235,000 is \$1,550/mo (assuming a 7% interest rate with a 30-year amortization loan and a 10% down payment on a purchase price of \$260,000). Including taxes (\$50/mo – manufactured homes are subject to personal property tax not real property tax and the property tax for the land is part of the pad rental charge), insurance (\$100/mo) and pad rental (\$800), the total monthly payment would be approximately \$2,500/mo.

Although KCHA does not intend to provide any homebuyer downpayment or mortgage assistance, Resolution 5792 authorizes KCHA to make up to \$1 million in down payment and/or mortgage assistance to low income home buyers at the park in the event KCHA deems it to be in the best interest of the Authority to participate in a low income homebuyer lending program at the time the homes are sold.

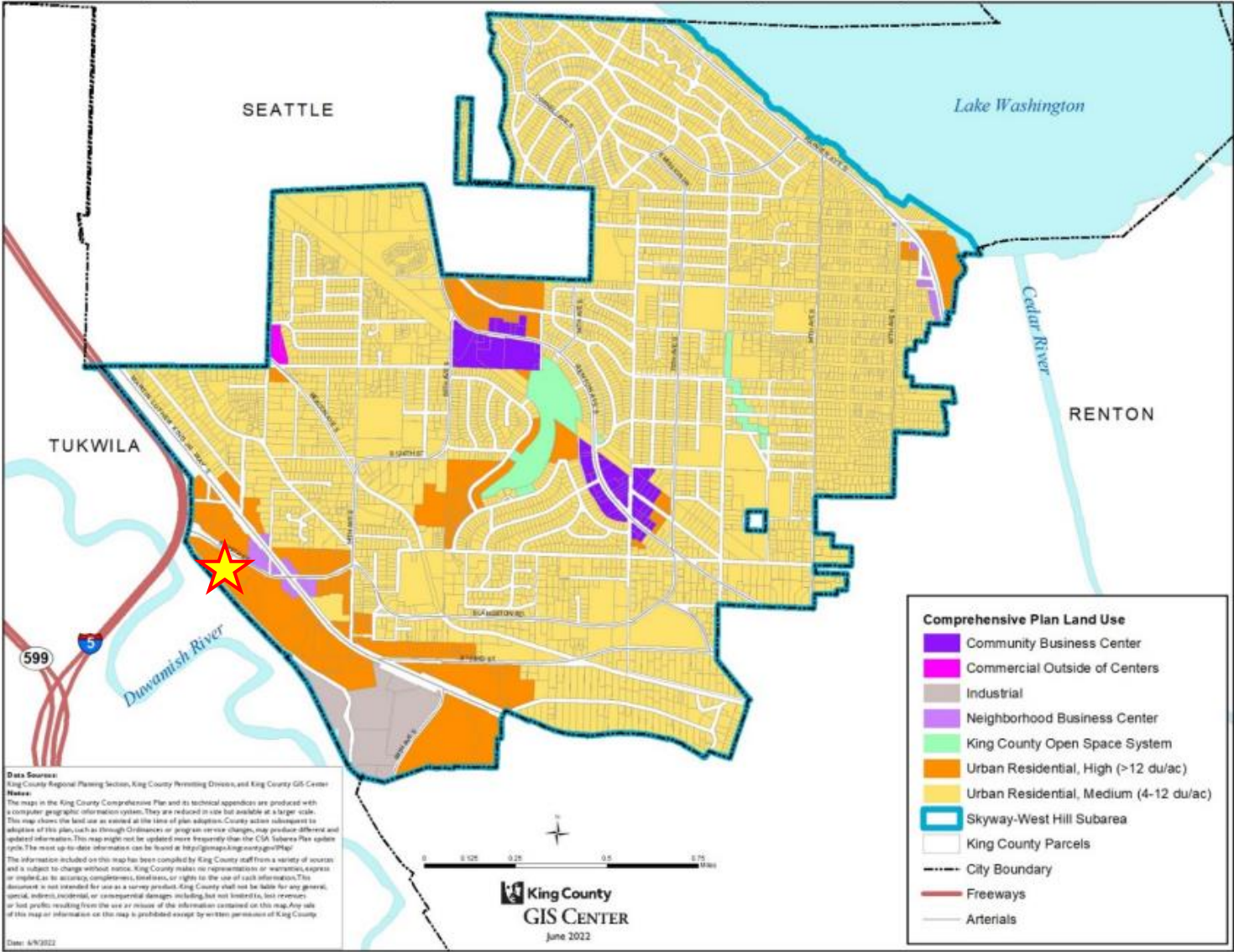
Summary

Vue Terrace is an exciting opportunity to create an affordable homeownership community in Skyway and enable thirty new homeowners from this historically underinvested neighborhood to have a once in a lifetime opportunity to purchase their own home, start building equity, avoid displacement due to the gentrification of the area and maintain their roots in their hometown and own homes large enough to provide for multigenerational living which the residents of the community have identified as a priority. The single-family homes will be sold and operated under a 'limited equity' model where the sale and re-sale of the homes will be limited to home buyers with household incomes at or below 80% of the Area Median Income. The re-sale price of the homes will be able to appreciate over time but will be constrained by the affordability covenant ensuring the properties maintain their affordability for decades to come. The projected average home sale price of approximately \$260,000 is almost two-thirds less than the cost of the average single-family home in King County.

The project has received substantial funding from both the County and the State. MHCP, which owns and operates the two existing co-located mobile home parks, has supported the project by making adjacent land and utility connections available. MHCP is also committed to the development, financing, and long-term operation of Vue Terrace. With KCHA's involvement—through its financial commitments and its partnership with the County under a Housing Cooperation Agreement—Vue Terrace has the potential to serve as a creative alternative model for affordable homeownership development.

Staff recommends passage of Resolution No. 5792

Skyway West-Hill neighborhood



History of Land Acquisition

- Previously owned by a local developer who pursued private multifamily development on these three parcels; however, the plan was unfeasible due to site challenges
- In late 2019, the site was donated to King County Housing Authority (KCHA).
- In September 2024, KCHA sold two parcels (A&B) to King County Parks for \$1.125M and KCP plans to create a public park on those parcels.
- KCHA kept the remaining parcel (C) to develop the site in partnership with MHCP.



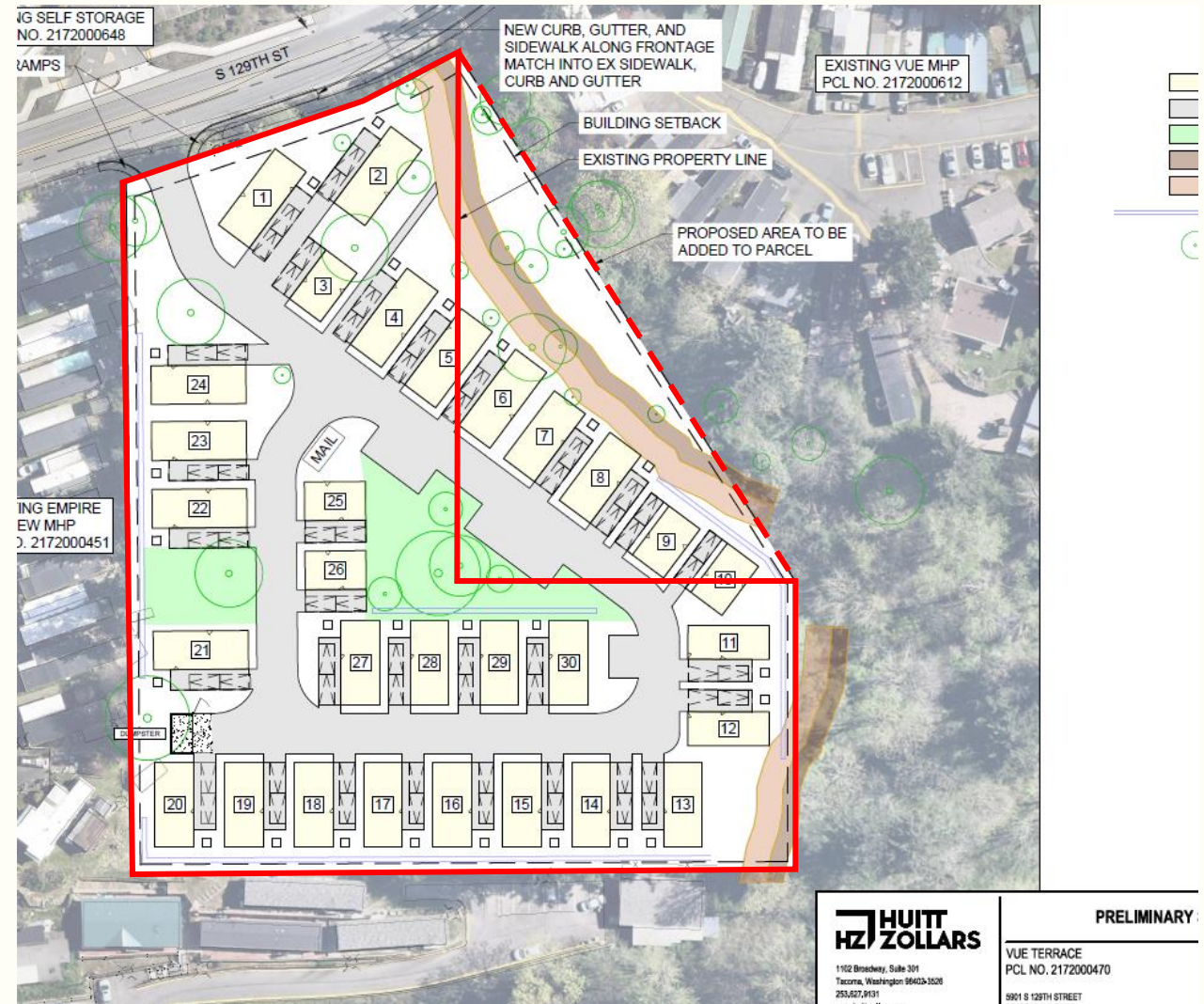
Current Site Condition





Vue Terrace: Concept

- 🏠 Expanding MHCP's Empire View mobile home park
- 🏠 Enable site development by connecting to neighboring properties (e.g. water, sewer, storm drainage and access points)
- 🏠 Utilize a Housing Cooperation Agreement between King County and KCHA to facilitate necessary modifications and waivers to building and land use regulations that can't otherwise be accommodated on the site.
- 🏠 Homeownership financing model to be structured to provide more affordable homes



Current Site Plan

- 🏠 30 new lots for new construction single family manufactured homes (4 - two-bedroom, 18 - three-bedroom and 8 - 4-bedroom homes).
- 🏠 Average home sale price projected to be approximately \$260,000.
- 🏠 Home sizes to range between 1,000 – 1,200 square feet.
- 🏠 Each home will have a covered carport, shed and private off-street parking.
- 🏠 The park will include a guest parking area and children's playground/recreation space.
- 🏠 Space pad rent estimated to be approximately \$800/mo.



Financing

Uses

Site Control	\$2,000,000
Hard Construction	\$14,000,000
Soft Cost	\$1,500,000
Financing/Other	<u>\$500,000</u>
Total	\$18,000,000

Sources

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KCHA Permanent Loan	\$1,000,000
MHCP 501c3 Loan	\$1,500,000
Home Sale Proceeds	<u>\$7,700,000</u>
Total	\$18,000,000





Thank You!
Q&A

HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5792

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING, AUTHORIZING THE AUTHORITY'S PARTICIPATION IN THE DEVELOPMENT, FINANCING AND OPERATION OF A MANUFACTURED HOME COMMUNITY IN SKYWAY, INCLUDING THE ACQUISITION AND CONVEYANCE OF PROPERTY, THE MAKING OF LOANS, ONE OR MORE COOPERATION AGREEMENTS, AND OTHER ACTIONS RELATING THERETO, 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) Undertaking of the Authority. The Authority is the owner of certain undeveloped land located in the vicinity of 5901 S 129th Street, Skyway, Washington in an unincorporated area of King County (the "County"). The Authority has determined that the land, which is located between two mobile and manufactured home parks, is well suited to be developed as a manufactured home community. In order to develop the land, the Authority must acquire by lease or purchase a portion of an adjacent undeveloped parcel of land (together with the land currently owned by the Authority, the "Project Site"), and obtain cooperation from the County in the planning, undertaking and development of the manufactured housing community to be located on the Project Site (the "Project"). The Authority will carry out its powers and purposes under the Housing Authorities Law (as defined below) through its participation in the development and financing of the Project. In order to efficiently develop and operate the Project, the Authority desires to cooperate with Manufactured Housing Community Preservationists, or one or more affiliates thereof (collectively, "MHCP"), in carrying out the Project.

(b) Statutory Authorization – Housing Authorities Law. The Authority is authorized by the Housing Authorities Law (chapter 35.82 RCW) to, among other things: (i) "prepare, carry out, acquire, lease and operate housing projects; to provide for the construction, reconstruction, improvement, alteration or repair of any housing project or any part thereof" (RCW 35.82.070(2)); (ii) "own, hold, and improve real or personal property" (RCW 35.82.070(5)); (iii) "lease or rent any dwellings . . . buildings, structures or facilities embraced in any housing project and . . . to establish and revise the rents or charges therefor" (RCW 35.82.070(5)); (iv) "make and execute contracts and other instruments" (RCW 35.82.070(1)); (v) "delegate to one or more of its agents or employees such powers or duties as [the Authority] may deem proper" (RCW 35.82.040); (vi) "make . . . loans for the acquisition, construction, reconstruction, rehabilitation, improvement, leasing or refinancing of land, buildings, or developments for housing for persons of low income" (RCW 35.82.070(19)); and (vii) "make, purchase, participate in, invest in, take assignments of, or otherwise acquire loans to persons of low income to enable them to acquire, construct, reconstruct, rehabilitate, improve, lease, or refinance their dwellings" (RCW 35.82.070(18)). For purposes of the Housing Authorities Law, "housing project" is defined by RCW 35.82.020 to include, among other things, "any work or undertaking . . . to provide decent, safe and

sanitary urban or rural dwellings, apartments, mobile home parks or other living accommodations for persons of low income.”

(c) Statutory Authorization – Housing Cooperation Law. The Housing Cooperation Law (chapter 35.83 RCW) authorizes any state public body (including, without limitation, any city, town, or county) to, among other things: (i) “[p]lan or replan, zone or rezone any part of such state public body; make exceptions from building regulations and ordinances” (RCW 35.83.030(4)); (ii) “[d]o any and all things, necessary or convenient to aid and cooperate in the planning, undertaking, construction or operation of such housing projects” (RCW 35.83.030(8)); and (iii) “[e]nter into agreements (which may extend over any period, notwithstanding any provision or rule of law to the contrary), with a housing authority respecting action to be taken by such state public body pursuant to any of the powers granted by [the Housing Cooperation Law]” (RCW 35.83.030(10)). For purposes of the Housing Cooperation Law, “housing project” is defined by RCW 35.83.030(2) to mean “any work or undertaking of a housing authority pursuant to the housing authorities law or any similar work or undertaking of the federal government.”

(d) The Project; Project Site. The Authority intends to acquire by lease, purchase or assignment approximately 0.7 acres of land currently owned by MHCP (the “Adjacent Property”), which is adjacent to the property owned by the Authority located in the vicinity of 5901 S 129th Street, Skyway, Washington. The Adjacent Property will be combined with the Authority’s property and the combined property is referred to herein as the Project Site. The Authority expects that the Project Site will be conveyed (by lease or otherwise), or otherwise made available for development and operation by, MHCP. The Authority anticipates that manufactured homes within the Project will be purchased and installed on mobile home lots within the Project Site. The mobile home pads will be leased, and the homes will be sold, to persons of low income.

(e) Sources of Funding. The Project is expected to be funded with various sources, which may include, without limitation, funding from the County, the State of Washington, proceeds of conduit bonds issued by the Authority, and the Housing Authority Project Loans (as defined below). The Housing Authority Loans (as defined below) are important for the feasibility of the Project and are necessary to enable the Authority to carry out its powers and purposes under the Housing Authorities Law.

Section 2. Approval of Real Estate Transactions. In furtherance of its statutory authority to provide decent, safe, and sanitary living accommodations for persons of low income, the Authority is authorized to (i) acquire by gift, purchase, lease, assignment, or other arrangement, the Adjacent Property to facilitate the development of the Project; (ii) convey to MCHP, the Project Site, and/or the Authority’s interest in any improvements and personal property located on such land and in such improvements (conveyance of all, or any portion, of such property may be effected via long-term lease, long-term lease with an option to purchase, transfer of fee title, or otherwise); and (iii) if required by Project funders or otherwise necessary or desirable in connection with the development, financing, and/or operation of the Project, encumber the Authority’s interest in the Project Site pursuant to covenant agreements and other encumbrances. The Authority’s President/Chief Executive Officer, Executive Vice President of Administration/Chief Administrative Officer, Executive Vice President of Development, and Senior Vice President of Development and Asset Management (collectively, the “Authorized Officers” and each, an “Authorized Officer”), and each of them acting alone, are authorized on behalf of the Authority to negotiate, execute, deliver and, if applicable, file (or cause to be executed and delivered and, if applicable, filed) on behalf of the Authority, all agreements necessary or desirable to effect the transactions described in this Section (collectively, the “Real Estate

Documents”) in such forms as any Authorized Officer may approve. The Authorized Officers (and each of them acting alone) are further authorized and directed to take any other action and to execute such other documents as may be required to be taken or executed by the Authority, under the provisions of or as necessary to carry out the transactions contemplated by the Real Estate Documents (including the amendment of any such documents if necessary to further the purposes thereof or resolve ambiguities therein). An Authorized Officer’s signature on a Real Estate Documents or other instrument contemplated by this Section shall be construed as the Authority’s approval of such Real Estate Documents or other instrument.

Section 3. Authorization to Lend Money; Authorization for Housing Authority Project Loan Documents. The Authority is authorized to make (a) one or more loans to MHCP in a combined principal amount of up to \$1,500,000 to provide financing for costs of the Project; and (b) one or more loans to MHCP in a combined principal amount of not to exceed \$3,000,000 at any one time outstanding to provide temporary financing for the acquisition of manufactured homes to be installed on the Project Site (collectively, the “Housing Authority Project Loans”). The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority to determine the source (or sources) of funds for each Housing Authority Project Loan and the terms of each Housing Authority Project Loan, and to negotiate, execute, deliver and, if applicable, file (or cause to be executed and delivered and, if applicable, filed) on behalf of the Authority, documents pertaining to and evidencing each Housing Authority Project Loan (collectively, the “Housing Authority Project Loan Documents”) in such forms as any Authorized Officer may approve. Without limiting the foregoing, as determined by the Authorized Officers, or each of them acting alone: (i) any Housing Authority Project Loan may be structured as a revolving or non-revolving facility; and (ii) any temporary Housing Authority Project Loan made available to finance predevelopment or other preliminary costs of the Project may be amended or replaced with a new Housing Authority Project Loan to provide long-term financing for the Project. The Authorized Officers (and each of them acting alone) are further authorized and directed to take any other action and to execute such other documents as may be required to be taken or executed by the Authority, under the provisions of or as necessary to carry out the transactions contemplated by the Housing Authority Project Loan Documents (including the amendment of any such documents as set forth above, or if necessary to further the purposes thereof or resolve ambiguities therein). An Authorized Officer’s signature on a Housing Authority Project Loan Document or other instrument contemplated by this Section shall be construed as the Authority’s approval of such Housing Authority Project Loan Document or other instrument.

Section 4. Authorization to Lend Money; Authorization for Housing Authority Homeowner Loan Documents. The Authority is authorized to develop a program pursuant to which the Authority would make one or more loans, in an aggregate principal amount not to exceed \$1,000,000 at any time outstanding, to persons of low income to provide financial assistance for a portion of the purchase price for manufactured homes to be installed on the Project Site (collectively, the “Housing Authority Homeowner Loans” and, together with the Housing Authority Project Loans, the “Housing Authority Loans”). The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority to determine the source (or sources) of funds for each Housing Authority Homeowner Loan, the terms of each Housing Authority Homeowner Loan and the security for each Housing Authority Homeowner Loan as is necessary and prudent, and to negotiate, execute, deliver and, if applicable, file (or cause to be executed and delivered and, if applicable, filed) on behalf of the Authority, documents pertaining to and evidencing each Housing Authority Homeowner Loan (collectively, the “Housing Authority Homeowner Loan Documents”) in such forms as any Authorized Officer may approve. The Authorized Officers (and each of them acting alone) are further authorized and directed to take any other action and to execute such other documents as may be required to be taken or executed by the

Authority, under the provisions of or as necessary to carry out the transactions contemplated by the Housing Authority Homeowner Loan Documents (including the amendment of any such documents as set forth above, or if necessary to further the purposes thereof or resolve ambiguities therein). An Authorized Officer's signature on a Housing Authority Homeowner Loan Document or other instrument contemplated by this Section shall be construed as the Authority's approval of such Housing Authority Homeowner Loan Document or other instrument.

Section 5. Cooperation with Public Bodies; Authorization for Housing Cooperation Agreements.

The Authority is authorized to cooperate with the County and any other public body to further the development, financing, and/or operation of the Project. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority to negotiate, execute, deliver and, if applicable, file (or cause to be executed and delivered and, if applicable, filed) on behalf of the Authority, one or more cooperation agreements intended to facilitate the development, financing, and/or operation of the Project (collectively, the "Housing Cooperation Agreements") in such forms as any Authorized Officer may approve. Such Housing Cooperation Agreements may be between the Authority and the County and/or any other state public body (as defined in the Housing Cooperation Law). The Authorized Officers (and each of them acting alone) are further authorized and directed to take any other action and to execute such other documents as may be required to be taken or executed by the Authority, under the provisions of or as necessary to carry out the transactions contemplated by the Housing Cooperation Agreements (including the amendment of any such documents if necessary to further the purposes thereof or resolve ambiguities therein). An Authorized Officer's signature on a Housing Cooperation Agreement or other instrument contemplated by this Section shall be construed as the Authority's approval of such Housing Authority Cooperation Agreement or other instrument.

Section 6. Cooperation with MHCP. The Authority is authorized to cooperate with MHCP to further the development, financing, and/or operation of the Project.

Section 7. Increase in Authority Participation. The Authorized Officers, and each of them acting alone, are authorized to decrease the principal amount of the Housing Authority Loans authorized by this resolution by any amount, and to increase the aggregate outstanding principal amount of the Housing Authority Loans by an amount up to \$500,000 more than the maximum aggregate principal amount for the Housing Authority Loans stated in this resolution.

Section 8. Supplemental Authorization. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority to: (i) determine that any document authorized by this resolution is, at the time such document otherwise would be executed, no longer necessary or desirable and, based on such determination, cause the Authority not to execute or deliver such document; (ii) execute and deliver and, if applicable, file (or cause to be delivered and/or filed) any government forms, affidavits, certificates, letters, documents, agreements, and instruments that such officer determines to be necessary or advisable to give effect to this resolution and to consummate the transactions contemplated herein and/or further the development, financing, and/or operation of the Project; (iii) cause the Authority to expend such funds as are necessary to pay for all filing fees, application fees, registration fees, and other costs relating to the actions authorized by this resolution; and (iv) notwithstanding any other Authority resolution, rule, policy, or procedure, to create, accept, execute, send, use, and rely upon such tangible medium, manual, facsimile, or electronic documents, records, and signatures under any security procedure or platform, as in such Authorized Officer's judgment may be necessary or desirable to give effect to this resolution and to consummate the transactions contemplated herein.

Section 9. Execution of Duties and Obligations. The Board authorizes and directs the Authorized Officers, and each of them acting alone, and all other proper officers, agents, attorneys and employees of the Authority to carry out, or cause to be carried out, all obligations of the Authority under the instruments authorized by this resolution, and to perform or cause to be performed such other acts as they shall consider necessary or advisable in order to give effect to this resolution and the transactions contemplated herein.

Section 10. Acting Officers Authorized. Any action required or authorized by this resolution to be taken by the President/Chief Executive Officer may, in the absence of such person, be taken by the Executive Vice President of Administration/Chief Administrative Officer or Executive Vice President of Housing Operations/Chief Operations Officer of the Authority.

Section 11. Ratification and Confirmation. 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 12. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

ADOPTED AT THE ANNUAL MEETING OF THE COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING AT AN OPEN PUBLIC MEETING THIS 19th DAY OF MAY, 2025.

**HOUSING AUTHORITY OF THE COUNTY
OF KING**

RICHARD JACKSON, Vice Chair
Board of Commissioners

ATTEST:

ROBIN WALLS
President/Chief Executive Officer 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. 5792 (the “Resolution”) is a true and correct copy of the resolution of the Board of Commissioners of the Authority as adopted at a regular meeting of the Authority held at the regular meeting place on May 19, 2025 (the “Meeting”), and duly recorded in the minute books of the Authority;

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

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 May, 2025.

Robin Walls

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

T A B N U M B E R



To: Board of Commissioners

From: Chris Clevenger, Housing Initiatives Officer

Date: May 19, 2025

Re: Resolution 5793: Authorizing the Submission of (1) a Rental Assistance Demonstration (RAD) Program Portfolio Award Application to the U.S. Department of Housing and Urban Development All Public Housing Units, and (2) RAD Applications for All Public Housing Units in Six Properties

Resolution No. 5793 seeks authorization to submit a Portfolio Award application for HUD's Rental Assistance Demonstration (RAD) program. This application aims to reserve RAD authority to convert up to all of KCHA's Low Income Public Housing (public housing) inventory to either Project-Based Voucher (PBV) or Project-Based Rental Assistance (PBRA), as appropriate for each development. Additionally, this resolution authorizes the submission of RAD Applications to convert the following six public housing properties to RAD PBV.

- Briarwood
- Brittany Park
- Lake House
- Munro Manor
- Riverton Terrace II
- Yardley Arms

The submission of RAD Applications for these sites is for the purpose of replacing the current HUD public housing subsidy program with the Section 8 subsidy program. While funding for both programs must be appropriated annually by Congress, historically the Section 8 subsidy has been more stable and has increased from year to year, whereas the public housing operating and capital funds have been more volatile. Converting from the public housing subsidy program to the Section 8 subsidy program will provide greater assurance of long-term funding stability while preserving deep rental subsidies for residents.

Background

The RAD program allows public housing authorities (PHAs) to convert public housing units to Section 8 PBV or PBRA funding. After evaluating both models, staff determined that, at this time, the PBV model is the superior option for KCHA. However, staff will continue to evaluate funding options for each property and will select the best model for each property. As discussed at the January 21, 2025 Board of Commissioners Meeting, a RAD conversion would provide greater assurance of long-term funding stability while preserving deep rental

subsidies for residents. For PBV, the initial HAP Contract term will be 20 years and after the initial term, the contract must be renewed.

By applying for a RAD Portfolio Award, if approved by HUD, KCHA would reserve the authority to convert up to all units in our current public housing contract with HUD to the Section 8 program, without binding KCHA to complete those conversions. Additionally, the Section 8 subsidy to be paid for all converted units included in the Portfolio Award would be based on current public housing funding eligibility, including over \$2 million of annual operating subsidy for an Energy Performance Contract (EPC), which will expire on December 31, 2025.

For a successful Portfolio Award, KCHA must also submit RAD Applications for at least four developments. Prior to submitting RAD Applications, HUD requires PHAs to provide a RAD Resident Information Notice (RIN) to each household living at a converting development and to hold at least two meetings with residents to discuss the conversion plans and gather feedback.

Following that Board meeting, staff distributed RAD Resident Information Notices and held all meetings at each of the six properties. A summary of residents' comments and questions, and responses from staff are attached and will be included with the RAD application submission to HUD.

Next Steps

To apply for a Portfolio Award, KCHA must submit a list of all projects proposed for the Portfolio Award and complete RAD Applications for at least four projects.

KCHA proposes submitting a Portfolio Award application, including all public housing developments (all public housing units under contract with HUD), along with RAD Applications for six properties: Briarwood, Brittany Park, Lake House, Munro Manor, Riverton Terrace II, and Yardley Arms, for conversion to RAD Project-Based Vouchers. Staff also plan to prepare a HUD-required RAD Amendment to KCHA's Moving to Work Annual Plan for public comment and Board action this summer.

Staff recommends approval of Resolution No. 5793.



King County
Housing
Authority

RAD Conversion Update

Chris Clevenger, Housing Initiatives Officer

May 19, 2025





Changes to KCHA's Plan for RAD Conversion

Summary of changes since our last RAD presentation
to the Board of Commissioners in January 2025



Changes to KCHA's RAD Conversion Plan

1. Properties included in first RAD conversion

🏠 REMOVED

- Southridge House (Federal Way)

🏠 ADDED

- + Riverton Terrace II (Tukwila)
- + Lake House (Shoreline)
- + Briarwood (Shoreline)

1ST RAD Conversion Properties (340 units):

- Briarwood (70 units, Shoreline)
- Lake House (70 units, Shoreline)
- Riverton Terrace II (30 units, Tukwila)
- Munro Manor (60 units, Burien)
- Yardley Arms (67 units, Burien)
- Brittany Park (43 units, Normandy Park)

Changes to KCHA's RAD Conversion Plan

2. Scope of Work

REMOVED:

- Improved climate control (air cooling)



We plan to improve climate control for these buildings in the future, after RAD conversion

Changes to KCHA's RAD Conversion Plan

3. Portfolio Award (RAD Reservation)

■ ADDED:

- + **23** public housing properties added to the RAD reservation

A total of 48 properties (KCHA's entire public housing portfolio)




Up to **100%**
of our public housing

Changes to KCHA's RAD Conversion Plan

4. Timeline

- **1st RAD Conversion:** We could complete the 1st conversion by **December 2025**
 - Up to 6 months sooner than initially planned
- **Portfolio Award:** We could complete all RAD conversions in **less than 5 years**
 - 2nd RAD Conversion: 2026
 - Remaining RAD Conversion(s): 2027 – 2029 (2-5 years)

A red oval callout with a black border, containing white text.

We will come back to the Board for each group of RAD Applications



RAD Conversion Update

1st RAD Conversion



Resident Meetings

- 🏠 **Resident Advisory Committee (RAC)** - February 11th (virtual)
- 🏠 **Brittany Park** - April 14th (in-person)
- 🏠 **Yardley Arms** - April 15th (in-person)
- 🏠 **Riverton Terrace II** - April 16th (in-person)
- 🏠 **Munro Manor** - April 16th (in-person)
- 🏠 **Lake House** - April 18th (in-person)
- 🏠 **Briarwood** - April 18th (in-person)
- 🏠 **RAD Webinar** – May 1st (virtual)

8 meetings
Over 130
attendees



Subsidized Housing Residents

Rent Payment

Resident Responsibilities

Family & Income Changes

Hardship Policy

Grievances

Rental Assistance
Demonstration Project



Resident Services

Reasonable Accommodations

Family Self-Sufficiency

School Success for K-12 & College

Emergency Preparedness

Fraud & Crime Reporting



Rental Assistance Demonstration



The Rental Assistance Demonstration (RAD) is a program from the US Department of Housing and Urban Development (HUD) that gives public housing authorities like KCHA new flexibility to preserve and improve public housing properties like yours. KCHA has to apply to HUD to participate in the program.

If KCHA is accepted into the RAD program, then we will start a “RAD conversion.” This means that the funding for your rental assistance will change from traditional public housing to a Section 8 project-based voucher. Having a project-based voucher means that the rental assistance can only be used for a specific unit, like the one you already live in.

Resident Meetings

Webinar: Thursday, May 1st, 5:00 PM – 6:00 PM

<https://kcha-org.zoom.us/j/86894956493>

Zoom Webinar ID: 868 9495 6493

Webinar information (PDF format): English, አማርኛ, Bosanski, 中文, فارسی, বাংলা, 한국
어, Polski, Русский, Soomaali, Español, ትግርኛ, Українська, Tiếng Việt

Briarwood: Friday, April 18th, 1:00 PM – 2:00 PM

1 UKW111, WA 98188

A RAD Project webpage was added to the KCHA website, containing information about RAD and KCHA's plans for RAD conversion

www.kcha/residents/radp

Certified

(206) 574-1248

Fax: (206) 574-1241



Resident Feedback

Summary of questions and comments from residents



Resident Feedback (Questions & Comments)

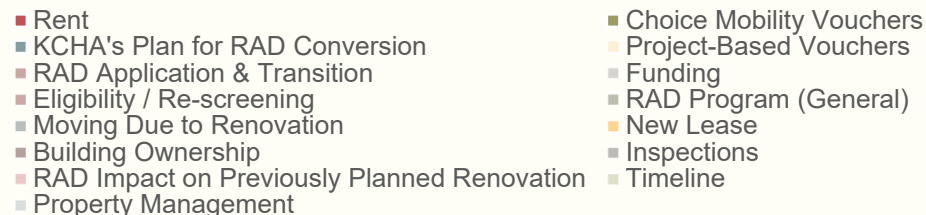
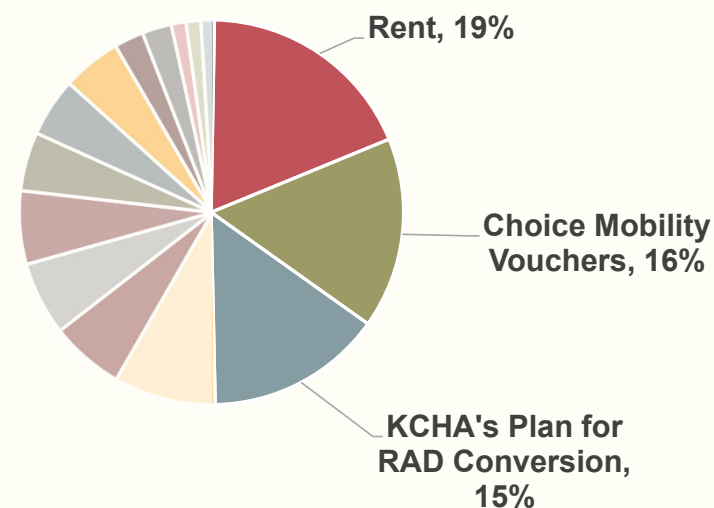
🏠 Most Common Questions:

- Rent
- Choice Mobility Vouchers
- Plan for RAD Conversion and Reason

🏠 Comments:

- General feedback about building condition, repairs and improvements needed
- Relocation would have detrimental impacts on senior residents, and should be avoided
- Concerns expressed about KCHA being evasive about the potential for rent to increase

Resident Questions by Topic





Next Steps



Next Steps

- KCHA staff propose submitting a **Portfolio Award** application, including all public housing units under contract with HUD, along with RAD Applications for six properties, for conversion to RAD Project-Based Vouchers:

- **Briarwood**
- **Brittany Park**
- **Lake House**
- **Munro Manor**
- **Riverton Terrace II**
- **Yardley Arms**

We will come back to the Board in the summer for a HUD-required RAD Amendment to KCHA's MTW Plan

1st RAD Conversion (Six Properties)

- ✓ Resident RAD Information Notice
- ✓ Resident Meetings
- ❑ **Board Action - RAD Application**
- ❑ Submit Application to HUD
- ❑ Board Action – MTW Plan Amendment
- ❑ HUD Initial Approval (CHAP Award)
- ❑ Resident Meetings
- ❑ HUD Approval of Financing Plan
- ❑ HUD RAD Conversion Commitment
- ❑ Resident Meetings
- ❑ RAD Conversion (Closing)

Questions?





RAD INFORMATION SESSION Q&A

Following is a summary of the questions that were asked at the first round of RAD Information sessions held at Brittany Park, Yardley Arms, Riverton Terrace II, Munro Manor, Lake House, and Briarwood in April 2025, as well as a Zoom webinar on May 1. Repeat questions about the same topic have been consolidated.

Before the Q&A at each meeting, KCHA staff provided an overview of the Rental Assistance Demonstration (RAD) program and related plans. The information in this Q&A is accurate as of the writing of this document, but should not be referred to as policy, which may change in the future.

RAD INFORMATION MEETINGS

ARE WE REQUIRED TO ATTEND THESE MEETINGS?

You are not required to attend, but we appreciate your participation.

SECTION 8

WHAT ARE SECTION 8 VOUCHERS?

In the Section 8 program, tenants pay a portion of their rent, based on a percentage of their income. The voucher pays the difference between the tenant portion of the rent and the total rent for the unit.

There are two main varieties of Section 8 vouchers: tenant-based and project-based. A tenant-based voucher stays with the tenant; a project-based voucher stays with the unit (and functions much like public housing).

Under RAD, KCHA will convert your property to project-based vouchers. After living in a RAD unit for one year, you can choose to request a tenant-based voucher for use elsewhere. You can also stay in your RAD unit indefinitely, as long as you remain in good standing with your lease.

DOES BEDROOM SIZE MATTER IN DETERMINING THE RENT IN THE SECTION 8 PROGRAM?

Bedroom size does not impact tenant rent for project-based vouchers, except in very limited circumstances.

DOES THE AMOUNT OF THE VOUCHER CHANGE?

For project-based vouchers, the value of the voucher impacts the amount of subsidy KCHA receives for the unit. It does not impact the rent you will pay, unless your household contains people who are not eligible to receive rental assistance.

THE RAD PROGRAM

WHEN DID RAD START?

2012.

IS RAD DIFFERENT FROM SECTION 8?

RAD is a program under HUD that allows us to convert units from a public housing subsidy to a project-based Section 8 subsidy. Project-based Section 8 is different from tenant-based Section 8, in that the subsidy stays with the unit (similar to public housing) instead of the tenant.

WHAT PROPERTIES ARE GOING TO BE CONVERTED TO RAD?

Initially, we plan on applying to convert Brittany Park, Yardley Arms, Riverton Terrace II, Munro Manor, Lake House, and Briarwood. We plan to convert more public housing properties to RAD in the future.

HOW DID KCHA DECIDE WHICH BUILDINGS TO CONVERT?

For our first batch of RAD conversions, we chose properties that would see a decrease in funding at the end of 2025 if we did not convert to RAD, that don't need a lot of renovations, and that were close to one another geographically. We picked four one-bedroom apartment complexes in southwest King County, as well as two one-bedroom complexes in Shoreline.

WHY AREN'T YOU CONVERTING ALL OF YOUR PROPERTIES TO RAD?

We are looking into converting more properties in the future, but we're starting with these six.

WHY DOES KCHA WANT TO MAKE THIS CHANGE?

Congress determines the funding for federally subsidized housing annually. The funding amount for each program varies from year to year. Public housing has historically been funded at significantly lower rates than Section 8. This consistent underfunding of public housing jeopardizes KCHA's ability to maintain quality housing for residents. While Congress can make different choices in the future, we strongly anticipate that Section 8 will continue to have more stable and sufficient funding than public housing. Converting these properties to project-based Section 8 allows us to take advantage of stabler, better funding.

WHAT ENCOURAGED KCHA TO LOOK INTO RAD CONVERSION?

KCHA has an energy performance contract (EPC). By making improvements to reduce the amount of water our public housing properties use, we received more funding under the EPC. The EPC expires at the end of 2025. By moving to RAD we can maintain that higher funding level for longer.

WILL OTHER HOUSING AUTHORITIES MOVE TO RAD?

Over 500 PHAs across the country have undergone a RAD conversion. Locally, Tacoma Housing Authority has done some conversions, while Seattle Housing Authority has not.

This will be KCHA's first RAD conversion, though we've converted public housing buildings to project-based Section 8 in the past through a different program (Section 18).

CAN I LOOK UP WHAT OTHER HOUSING AUTHORITIES ARE PARTICIPATING IN RAD ON HUD'S WEBSITE?

Yes. But be aware that most RAD conversions are different from what KCHA is doing. Because public housing has historically been underfunded, many RAD conversions include major renovations. With our flexibility under the MTW program, we don't have the same level of repair needs as other PHAs. Many of these conversions require outside investment and changes in property management. None of these will occur with KCHA's plan for RAD conversion for these properties.

IS CONVERTING TO RAD BENEFICIAL TO RESIDENTS?

RAD gives residents in converted properties the additional right to a tenant-based "choice mobility" voucher. KCHA also anticipates it will be better able to invest in maintaining and improving our RAD properties than it could under public housing.

WHAT ARE THE DOWNSIDES TO RAD?

A RAD conversion takes time and resources and can cause concern and inconvenience for tenants (such as having to understand the changes and sign a new lease). Once your building converts to RAD, there is no option to convert back to public housing, so RAD conversions lead to a permanent reduction of public housing units. Historically, the most significant downside, impacting residents, has had to do with temporary tenant displacement because of renovations related to the RAD conversion. We do not anticipate that being the case with these six properties.

WHAT ARE THE ADVANTAGES OF PUBLIC HOUSING OVER RAD?

If public housing were ever better funded in the future, it might be a better choice to have stayed with public housing. But we do not anticipate that public housing will be better funded in the future, given the decades of lack of investment in public housing.

APPLICATION TO THE RAD PROGRAM

WHO IS MAKING THE DECISION ABOUT APPLYING TO RAD?

KCHA is governed by a board of commissioners who need to approve the plan before we can submit our application to HUD.

ARE RESIDENTS INVOLVED IN THE APPLICATION TO RAD?

Not directly. KCHA is handling the application to the program. Residents are involved through meetings like these to learn about the program and process where they can ask questions and share comments about KCHA's plans for RAD conversion. Residents unable to attend the RAD meetings also had the opportunity to submit written comments to RAD@kcha.org. The questions and comments are recorded in this summary, which will be shared with KCHA's CEO/President and Board of Commissioners for consideration before we ask for their approval to apply for the RAD program. These questions and comments are also submitted to HUD with the RAD application, for HUD's consideration for approving KCHA's RAD application.

IS THERE ANYTHING RESIDENTS NEED TO DO TO GET READY FOR THE APPLICATION?

No, KCHA is handling the entire application process. If our application is accepted, we will hold more meetings and let you know next steps.

IS THERE A CHANCE THAT THE APPLICATION WON'T BE ACCEPTED?

Yes. It's an application, so there's a chance that the application won't be accepted by HUD or that the KCHA board won't approve it. Historically, most housing authorities who apply for the RAD program are approved. We do not anticipate that our application will be rejected. It is also possible that KCHA could withdraw its application before converting to RAD.

WHAT IF KCHA IS NOT ACCEPTED BY RAD?

Each building whose application is rejected will remain as public housing.

FUNDING

WHAT IS THE DIFFERENCE IN FUNDING? WILL YOU STILL RECEIVE PUBLIC HOUSING FUNDING AS WELL AS SECTION 8 FUNDING?

Units cannot receive both subsidy types at the same time. Because it's a full conversion, the funding for each property will switch from public housing to Section 8.

With public housing, Congress appropriates funding separately for operating costs and capital costs. HUD then distributes the funding based on a formula. Because Congressional appropriations for public housing tend to be lower than Section 8, we will likely get more money through the Section 8 program than we would under public housing. Also, funding for public housing has not kept up with inflation and capital needs. Section 8 funding is more stable and is more likely to keep up with inflation and rising costs.

HOW IS THE SECTION 8 PROGRAM A MORE STABLE SOURCE OF FUNDING?

Primarily, Congress has more consistently funded Section 8 and the subsidy is adjusted based on local rents and utility changes. Section 8 also allows the housing authority to access additional outside funding.

WHO CONTROLS THE FUNDING FOR SECTION 8?

Congress appropriates funds to HUD for Section 8. HUD then distributes the funding based on a complex set of rules, regulations, data, and assumptions.

DOES WASHINGTON STATE COVER ANY OF THE COST?

No. Public housing and Section 8 are federally funded programs. Occasionally, KCHA may get grants from Washington state for specific projects, but the main source of funding for our housing programs is the federal government, through the Department of Housing and Urban Development (HUD).

WILL WE LOSE OUR FUNDING BECAUSE OUR CITY IS A SANCTUARY CITY?

This is not a consideration under current funding processes.

ELIGIBILITY

IF I WAS PREVIOUSLY REMOVED FROM SECTION 8, WILL I QUALIFY?

All public housing tenants who are in compliance with their public housing lease when their property is converted will be eligible for a RAD project-based Section 8 subsidized unit.

IF I WAS PREVIOUSLY TURNED DOWN FOR A SECTION 8 VOUCHER, WILL THAT AFFECT MY ELIGIBILITY?

No. In the past, residents in KCHA's public housing didn't qualify for KCHA Section 8 vouchers. KCHA recently changed that policy. If you remain in good standing with your public housing voucher, you will automatically qualify for a project-based Section 8 subsidized unit after the RAD conversion. And after you've lived in a RAD unit for a year, you can apply for a tenant-based "choice mobility" voucher.

DOES OUR ELIGIBILITY CHANGE?

No. If you were eligible for public housing, you will be eligible for project-based Section 8.

WILL SCREENING CRITERIA CHANGE UNDER RAD?

Our screening criteria for tenants will not change due to the RAD conversion.

RENOVATION

IN THE PAST, THERE WAS WORK DONE ON A/C IN UNITS. IS THAT STILL HAPPENING?

We are continuing to work on our properties and to prioritize repairs and improvements to buildings based on needs and resources. The RAD conversion will not change our plans to install A/C in units as we are able.

MOVING DUE TO RENOVATION

HOW LIKELY IS IT THAT I WOULD NEED TO MOVE DUE TO RENOVATION?

KCHA does not anticipate that the RAD conversion will require any of these properties to be renovated. We've kept our buildings in good repair, so we don't think it's likely that a move will be necessary from any of these six properties.

IF MY UNIT NEEDS TO BE REPAIRED AND I NEED TO MOVE, WHERE DO I GO AND WHO PAYS FOR IT?

KCHA does not anticipate any renovation of these properties due to the RAD conversion. Therefore, we don't think anyone will need to move. If something changes, and you have to move because of required construction under RAD, KCHA will pay for your moving costs and, if needed, temporary lodging. This is built into the RAD program.

IF MY UNIT NEEDS TO BE RENOVATED AND I'M MOVED TO A DIFFERENT UNIT, WHAT WILL MY RENT BE?

KCHA does not anticipate any renovation of these properties due to the RAD conversion. If, however, you are moved to a hotel room or temporarily to a different unit due to a renovation, you will continue to pay rent for your original unit.

WHAT HAPPENS TO MY FURNITURE IF I NEED TO BE MOVED OUT DURING A RENOVATION?

KCHA does not anticipate any renovation of these properties due to the RAD conversion. If, however, there is a renovation that requires that your furniture be moved, KCHA will pay for necessary moving and the storage fees.

NEW LEASES

WHEN DO WE SIGN THE NEW LEASES?

The lease signing is typically within two months before the conversion. There will be future meetings if we're accepted into the RAD program to keep you updated, including before the lease signing and if there are any major changes.

WOULD WE HAVE TO SIGN THE PROJECT-BASED LEASE BEFORE THE PUBLIC HOUSING LEASE IS UP?

Yes. You would have to sign a new lease and RAD project-based voucher lease addendum before we convert to RAD.

WHAT IS THE TERM FOR A RAD LEASE?

Twelve months, the same as your public housing lease.

RAD CONVERSION

WHAT IS THE START DATE FOR THE CONVERSION?

We don't have a firm start date, but we think it will happen before the end of 2026. We plan to apply to the RAD program in June of this year. Typically, HUD takes between 30 and 60 days to accept or reject an application, so we expect to hear back from HUD by the end of August. After that, RAD conversion typically take between six to eighteen months.

WILL RAD INSPECT THE PROPERTY?

RAD is a program, not an entity. But conversion requires an inspection, and we will hire a HUD-approved independent contractor to do that. As with public housing, we will give a 48-hour notice before entering a unit.

IF THE PROPERTY CHANGES TO SECTION 8, DO THE RESIDENTS' STATUSES CHANGE TOO?

Yes. By signing a Project-based Section 8 lease, you will be a Section 8 tenant and not a public housing tenant.

WHAT IF YOU DON'T WANT TO SWITCH TO SECTION 8?

If we make the RAD conversion, and you want to stay in public housing, you could apply for a transfer to another KCHA property that's still public housing, but there's no guarantee that it won't also undergo a RAD conversion.

WHAT DOES "GOOD STANDING" MEAN IN THE CONTEXT OF THE RAD CONVERSION?

If KCHA is in an active legal process with you when the RAD conversion happens, we will resolve the legal matter and then move forward with RAD if applicable.

DO WE NEED LEGAL REPRESENTATION?

The housing authority cannot provide legal advice, but you have the right to seek legal representation. If you need assistance, there are organizations that offer free or low-cost legal aid for housing-related matters. If you think your rights aren't being protected, you may also contact the HUD Field Office in Seattle.

PROPERTY MANAGEMENT

IS PROPERTY MANAGEMENT STAYING THE SAME AFTER THE RAD CONVERSION?

Yes. KCHA is keeping our management and maintenance teams in place.

IF OUR PROPERTY IS RESERVED FOR SENIORS AND THE DISABLED, WILL IT STAY THAT WAY AFTER THE CONVERSION?

Yes. However, unlike public housing, in Section 8 there isn't an official designation process through HUD. KCHA may need to adopt new policies under the project-based voucher program to maintain the elderly and disabled focus at these properties.

SECTION 8 RELIES ON PRIVATE LANDLORDS. IF THE APPLICATION IS APPROVED, WILL WE NO LONGER BE UNDER KCHA?

This use of project-based Section 8 under RAD does not rely on private landlords. KCHA will continue to be the landlord of these six apartment buildings. KCHA has no plans to sell any of these properties.

IS THERE A RISK OF THE BUILDING BEING TRANSFERRED TO SOME OTHER ENTITY?

KCHA has no plans to sell or transfer ownership of any of these properties to any entity outside of the housing authority's control. Additionally, the land for each property is required to be used for affordable housing, so even if there were redevelopment in the future, it would still need to be affordable.

RENT

WILL RENT STILL BE BASED ON OUR INCOMES?

Yes. You will continue to pay a percentage of your income for rent.

IS THERE A CAP FOR RENT UNDER RAD?

Yes. The rent for project-based units is typically capped at a "contract rent." KCHA determines the contract rent for a unit looking at the rents of other nearby unassisted units, of a similar quality, size, unit type, and age.

CAN KCHA RAISE THE RENT AT ANY TIME?

Under project-based Section 8, your portion of the rent may increase or decrease for the same reasons as under public housing, such as changes to your income, deductions, or energy assistance supplement. In addition, the contract rent may increase once a year, only impacting households with incomes high enough to be paying the capped rent and households where one or more members are not eligible to receive rental assistance. KCHA provides 30 days' notice of rent increases.

IS OUR RENT 28% OR 30% OF OUR INCOME?

Under KCHA's EASY rent policy, rent is calculated at 28% of your adjusted income minus any energy assistance supplement for most households. If after the RAD conversion you no longer qualify for EASY rent because of your earned income, your rent will be subject to our WIN rent policy, which relies on

income bands to determine rent, and you could pay as much as 28.3% of your adjusted income, minus your energy assistance supplement.

WILL WE EVER HAVE TO PAY FOR WATER OR OTHER UTILITIES?

The conversion to RAD won't have any direct effect on your utilities.

WILL THE ENERGY ASSISTANCE SUPPLEMENT CHANGE?

Not because of RAD. It may change in the future based on other factors such as energy costs, consumption and policy changes.

WHAT FORMS OF PAYMENT ARE ACCEPTED FOR RENT?

RAD will not change how you pay rent to KCHA.

In the coming months, we are going to be changing our property management software and if you pay your rent online, you will pay via RentCafe, instead of Zego. This change is unrelated to the RAD conversion. We will communicate more about this change in the coming months.

IF I AM A SENIOR CITIZEN, WILL MY RENT INCREASE?

KCHA is not changing its rent policies due to RAD. Some households may change to WIN rent from EASY rent, but our rent analysis indicated that those households would see a decrease in their rent. According to that same rent analysis, we only found one household whose rent would increase and it would increase by one dollar.

WILL THIS CHANGE ANYTHING FOR TENANTS WHOSE RENT IS PAID FOR BY A PAYEE?

No. As with public housing, if your rent changes, your payee will be notified.

WHAT HAPPENS IF OUR RENT GOES UP DUE TO THE RAD CONVERSION?

According to our preliminary analysis due to the RAD conversion, we were only able to identify one tenant whose rent will increase, and it is projected to increase by one dollar. If you are concerned you may encounter a rent increase, your property manager can help answer your questions.

WHAT WILL THE PERCENTAGE INCREASE IN RENT BE?

RAD will not change how your rent is calculated, with very limited exceptions due to the contract rent cap which can impact those with high incomes and households with mixed immigration statuses.

WHAT HAPPENS TO HIGH INCOME EARNERS CURRENTLY LIVING IN PUBLIC HOUSING?

Existing households at the time of conversion will not have to re-qualify and their income will not impact their eligibility for the new subsidy for their unit.

CAN I STAY IN A PROJECT-BASED SECTION 8 UNIT IF I HAVE NO INCOME?

Yes. RAD does not change your eligibility to stay in your unit.

DO I HAVE TO LET DSHS KNOW THAT THIS CHANGE IS HAPPENING?

We are not aware of any reason that would be necessary.

INSPECTIONS

HOW WILL INSPECTIONS BE HANDLED UNDER PROJECT-BASED SECTION 8?

KCHA's inspection policy will not change due to RAD. However, as part of the process of converting to RAD a HUD-approved inspector must also inspect the property to make sure the building is in good condition.

PROJECT-BASED VOUCHERS

DO I HAVE TO APPLY FOR A PROJECT-BASED VOUCHER?

No. The conversion to project-based voucher subsidy will be handled by KCHA.

DO THE PROJECT-BASED VOUCHERS HAVE AN EXPIRATION DATE?

No. Technically the initial contract will be for 20 years, but HUD is required to renew that contract after it expires (contingent on funding availability, similar to other housing subsidies).

CAN I STAY IN MY UNIT WITH A PROJECT-BASED SECTION 8 VOUCHER FOREVER?

Like with public housing, tenants may remain in project-based Section 8 units if they stay in compliance with the terms of their lease and KCHA's policies.

TENANT-BASED "CHOICE MOBILITY" VOUCHERS

DOES THE TWELVE MONTHS START WHEN I SIGN THE NEW LEASE?

The twelve-month period starts on the effective date of the lease, not the signing date.

DOES CHOICE MOBILITY MEAN THAT I CAN STAY IN MY APARTMENT RATHER THAN MOVING INTO AN APARTMENT FOR PEOPLE WHO HAVE ENHANCED MOBILITY NEEDS?

The "mobility" in "choice mobility" refers to geographic mobility and the opportunity to move to a unit on the private market either inside or outside KCHA's jurisdiction. If you want to stay in your current apartment, you should not choose to take a tenant-based choice mobility voucher.

DO I HAVE TO APPLY FOR A TENANT-BASED VOUCHER?

You can request a tenant-based voucher after living in a RAD unit for at least 12 months, but you are not required to apply for a tenant-based voucher. If you request a tenant-based voucher you will receive priority for the next available voucher without needing to complete a full Section 8 application.

IF I GET A TENANT-BASED VOUCHER, CAN I STAY IN THE PROGRAM INDEFINITELY OR WILL MY VOUCHER BE TERMINATED AFTER A CERTAIN AMOUNT OF TIME?

KCHA does not have limits on how long you can participate in the tenant-based voucher program (except for federally required limits for a limited number of special purpose vouchers). If you receive a tenant-based voucher there are, however, limits to how long you have to find a unit and enter into a lease with the voucher. The voucher can be terminated if it is not successfully used within those limits.

IF I GET A TENANT-BASED VOUCHER, CAN I USE IT AT A KCHA PROPERTY?

Tenant-based vouchers cannot be used in units that already have other subsidies such as project-based voucher or public housing. There is no limitation on using a tenant-based voucher in KCHA's properties that do not receive subsidy.

WHAT IF THE SECTION 8 WAITING LIST IS CLOSED?

It will not matter if the waiting list is closed. There will be separate processes for residents in RAD-converted properties to access a "choice mobility" voucher (which may be in the form of a traditional tenant-based Section 8 voucher or comparable tenant-based rental assistance).

CAN WE GET BOTH TYPES OF VOUCHERS?

Not at the same time. After living in a RAD unit with project-based Section 8 subsidy for 12 months, you may you can request a "choice mobility" voucher to use in "shopping" for a new rental home. But you will have to move out of your project-based unit before you can start using your choice mobility voucher to help pay rent in your new home.

IF WE GET A TENANT-BASED SECTION 8 VOUCHER, CAN WE ONLY MOVE TO OTHER SECTION 8 PROPERTIES?

With a tenant-based voucher, you can move to any apartment in the private market where Section 8 vouchers are taken and that meet program requirements like passing an inspection. In Washington state, we have a Source of Income Discrimination protection law, so all landlords must accept a Section 8 voucher. This may not be the case in other states or cities with different laws.

DO PEOPLE PAY FOR THEIR OWN MOVE IF THEY MOVE TO A DIFFERENT LOCATION WITH THEIR SECTION 8 VOUCHER?

Yes. If you are moving while using a tenant-based voucher, you would be responsible for the costs of your move.

AREN'T MOST SECTION 8 PROPERTIES MARKET RATE?

Yes. Most vouchers are used to help tenants afford rent in market rate units. Rents in these units can exceed the voucher payment standard (maximum subsidy) in which case the tenant may be responsible for paying the difference. Housing authorities can also assign vouchers to specific units (project-based vouchers) that the owner agrees to keep affordable. This means rent for these units will always be within the amount the voucher covers.

CAN I APPLY FOR PUBLIC HOUSING IN A DIFFERENT LOCATION IF I HAVE A TENANT-BASED SECTION 8 VOUCHER?

Yes, you can apply for public housing in another jurisdiction, but you can also use the voucher immediately in a new location.

IF I WANT TO MOVE TO ANOTHER STATE, DO I HAVE TO MOVE BEFORE I GET THE VOUCHER?

When you first receive a “choice mobility” voucher from KCHA, you will have a limited amount of time to find a unit. Once you do, you will need to move out of your unit before you can use the voucher to pay your rent in your new home. When moving out of KCHA’s jurisdiction with a voucher (“porting out”) there are some additional steps that need to be taken with the housing authority in the new area.

I’VE HEARD THAT SOME PEOPLE UNDER SECTION 8 HAVEN’T BEEN GETTING THEIR VOUCHERS.

Applicants on KCHA’s standard tenant-based voucher waitlist must meet specific eligibility criteria and preferences to receive a voucher. These requirements generally will not apply to tenants accessing “choice mobility” vouchers. If you request a “choice mobility” voucher you will receive priority for the next available voucher without needing to complete a full Section 8 application.

COMMENTS

At each meeting, tenants were asked to share concerns about the condition of their building to help inform capital planning. Tenants were also given the opportunity to provide other comments or questions about RAD and KCHA’s plan for their apartment building.

WRITTEN COMMENTS SUBMITTED BY EMAIL (RAD@KCHA.ORG)

NONE.

BRITTANY PARK – APRIL 14, 2025 (IN-PERSON MEETING)

NONE.

YARDLEY ARMS – APRIL 15, 2025 (IN-PERSON MEETING)

CONCERNS ABOUT THE CONDITION OF THEIR BUILDING:

- Dryers aren't drying clothes adequately.
- People are losing money in the washing machines.

Your property maintenance team will inspect the dryer vents to ensure proper ventilation, and your management team will follow-up with Hainsworth (the washing machine and dryer vendor) and request repairs to the washing machines and dryers.

RIVERTON TERRACE II – APRIL 16, 2025 (IN-PERSON MEETING)

CONCERNS ABOUT THE CONDITION OF THEIR BUILDING:

- Our units need new water heaters with improved capacity (Tankless water heaters?)
- We'd like air conditioning in the units
- We need new carpeting

We have made note of these concerns and requests for improvement, and we will take them into consideration.

MUNRO MANOR – APRIL 16, 2025 (IN-PERSON MEETING)

NONE.

LAKE HOUSE – APRIL 18, 2025 (IN -PERSON MEETING)

COMMENTS ON RAD AND KCHA'S PLAN FOR THEIR APARTMENT BUILDING:

- Concerns expressed about KCHA being evasive about the potential for rent to increase

Rent is unlikely to increase because of RAD conversion. Our rent analysis only identified one household that would see their rent increase because of RAD, and their rent would only increase by one dollar.

CONCERNS ABOUT THE CONDITION OF THEIR BUILDING:

- The front door needs to be repaired
- The sliding doors need to be repaired

Your property maintenance team will inspect the doors and repair the doors if needed. We have also made note of these concerns, and we will share them with the inspector completing the Capital Needs Inspections of this building.

BRIARWOOD – APRIL 18, 2025 (IN-PERSON MEETING)

COMMENTS ABOUT RAD AND KCHA'S PLAN FOR THEIR APARTMENT BUILDING:

- At least one tenant said they needed more time to research RAD before the next meeting.

All residents are welcome to join the RAD Webinar on May 1st. If our application for RAD is approved, we will have more resident meetings.

CONCERNS ABOUT THE CONDITION OF THEIR BUILDING:

- Unit 210 has cracks in the bathroom ceiling
- Several residents reported cracks elsewhere in the building
- There was a desire for a survey for residents to report issues with the property
- Some residents complained of sugar ants and bed bugs

Your property management team has made notes about these concerns, and they will look into them. We will also share these concerns with the inspector completing the Capital Needs Inspections of this building.

RAD WEBINAR – MAY 1, 2025 (VIRTUAL ZOOM WEBINAR)

None.

THE HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5793

**AUTHORIZING THE SUBMISSION OF (1) A RENTAL ASSISTANCE
DEMONSTRATION (RAD) PROGRAM PORTFOLIO AWARD APPLICATION TO
THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT ALL PUBLIC
HOUSING UNITS, AND (2) RAD APPLICATIONS FOR ALL PUBLIC HOUSING
UNITS IN SIX PROPERTIES**

WHEREAS, the Housing Authority of the County of King (KCHA) administers more than 2,450 affordable housing units under the federal Low Income Public Housing (LIPH or public housing) program; and

WHEREAS, for many years Congressional appropriations for both the public housing Operating Fund and Capital Fund have been insufficient to adequately fund the reasonable and necessary expenses to administer the public housing program and to maintain the physical assets; and

WHEREAS, KCHA has utilized its Moving to Work (MTW) single fund authority to supplement public housing capital funds with other MTW funding sources; and

WHEREAS, Congress has authorized a Rental Assistance Demonstration (RAD) program that enables public housing agencies to convert public housing units to Project-Based Vouchers (PBV) or Project-Based Rental Assistance (PBRA); and

WHEREAS, Congressional appropriations available for PBV and for PBRA have more closely kept pace with rising costs than those available for public housing; and

WHEREAS, KCHA staff have analyzed funding needs and prospects under public housing and RAD options, and found that conversion to RAD PBV or PBRA would provide

greater assurance of long-term funding stability while preserving deep rental subsidies, resident protections and most MTW flexibilities; and

WHEREAS, HUD provides RAD Portfolio Awards that allow a PHA to reserve RAD conversion authority for multiple projects without binding the agency to complete the conversions; and

WHEREAS, HUD requires that to apply for a RAD Portfolio Award, a PHA must submit both the total number of units to be converted and RAD Applications for the lesser of four developments or 25% of the units identified in the portfolio application.

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

Section 1. Approves the submission of a RAD Portfolio Award application to HUD for conversion of up to the entirety of KCHA public housing units to PBV or PBRA; and

Section 2. Approves the submission of RAD Applications for all public housing units in the following developments:

1. Briarwood;
2. Brittany Park;
3. Lake House;
4. Munro Manor;
5. Riverton Terrace II;
6. Yardley Arms; and

Section 3. Authorizes KCHA staff to execute and submit all required materials relating to the application.

**ADOPTED AT THE ANNUAL MEETING OF THE BOARD OF
COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING AT
AN OPEN PUBLIC MEETING THIS 19th DAY OF MAY, 2025.**

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

RICHARD JACKSON, Vice 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: Kristy Johnson, Senior VP Policy, Research and Social Impact Initiatives

Kristin Pace, Assistant VP Research, Evaluation and Program Development

Sandeep Kamoh, Homeownership Program Manager

Date: May 19, 2025

Re: Resolution 5794 – Implementation of a Housing Choice Voucher (HCV) Homeownership Program

Introduction:

Resolution 5794 adopts Exhibit M to KCHA's HCV Administrative Plan. Exhibit M authorizes KCHA to administer a Housing Choice Voucher (HCV) Homeownership Program using existing HCV resources. The HCV Homeownership Program allows eligible participants of KCHA's federal rental assistance programs to apply an HCV towards a portion of monthly mortgage payments. This enables eligible participants to transition from renting to homeownership, supporting long-term housing stability and asset building. This approach aligns with KCHA's mission to expand access to affordable housing and promote pathways to financial stability and long-term self-sufficiency for low-income families.

Background:

The HCV Homeownership Program builds on federal policy designed to expand affordable homeownership opportunities through existing rent assistance resources. The option to use HCV rental assistance for homeownership was established under Section 8 of the United States Housing Act of 1937, authorized by the Housing and Community Development Act of 1992, and amended under the Quality Housing and Work Responsibility Act of 1998. The option provides Public Housing Authorities (PHAs) with administrative flexibility to implement local HCV Homeownership Programs.

Under the HCV Homeownership Program, eligible first-time homebuyers who meet certain requirements can apply their voucher to the mortgage of single-family homes, townhouse/condos, units in a cooperative, or manufactured homes.

Over 650 PHA's nationwide have successfully implemented similar programs, with nearly 9,600 active households¹. The programs have demonstrated strong homeownership retention rates and financial growth among participants.

The implementation of this program will benefit communities by:

¹ U.S. Department of Housing and Urban Development (HUD) February 2025 HCV Homeownership Dashboard

1. **Building Generational Wealth:** Families can build equity and pass on assets to future generations.
2. **Promoting Housing Stability:** Homeownership offers a long-term solution to housing insecurity, increasing rents, and potential displacement.
3. **Encouraging Self-Sufficiency:** Participants will engage in first-time homebuyer education, financial education, and pre-/post- purchase counseling to ensure successful homeownership.
4. **Strengthening engagement:** Homeownership can facilitate social interactions and connections within the community, leading to stronger social networks and increased opportunities for social engagement.

The implementation of an HCV Homeownership Program will expand the ways KCHA supports long-term housing stability and asset-building opportunities for the families it serves. The program will serve as another tool in addressing affordable housing challenges in King County, where access to stable rental housing remains competitive.

Program Framework:

KCHA staff has thoroughly reviewed applicable HUD regulations alongside the regulatory waivers granted under the 2023 MTW plan to develop the proposed program and accompanying policy.

The HCV Homeownership Program is structured to ensure participants are financially ready to commit to homeownership and have the necessary pre & post purchase education. There are several core components to the Program.

Eligibility

Participants must meet the eligibility requirements:

- Be an existing KCHA federal rent assistance participant in good standing for the past 12 months.
- Be a first-time home buyer.
- Make at least WA State wage or receive SSI/SSD income.
- Be employed continuously for the past 12 months (does not apply to elderly or disabled participants).
- Have a minimum of at least a 3% down payment for the purchase of the home, with 1% coming from their own resources.

Pre-Homeownership Counseling through a HUD-Certified Agency

Participants are required to complete a homeownership counseling program through a HUD certified agency prior to being approved by the PHA. Counseling topics include budgeting and financial planning, credit counseling, how to work with a lender and real estate professional, home maintenance, and strategies to prevent foreclosure.

Partnerships

A key component of the HCV Homeownership Program is the intentional development of a support network of partnerships with other agencies that include mortgage lenders, real estate professionals, and agencies that assist with downpayment and debt reduction programs for low-income families. These partnerships will be critical to ensuring first-time homebuyers have access to tools, resources, and support to successfully navigate the homebuying process.

Mortgage Assistance Payment Subsidy

Under the HCV Homeownership Program, the Housing Assistance Payment (HAP) that traditionally covers a portion of the participant's rent will be applied toward the monthly mortgage payment. KCHA's MTW waiver allows the program to adopt a payment standard that meets local conditions. The Tier 6 payment standard amount used for rental housing will become the HCV Homeownership Program payment standard. The Tier 6 payment standard was selected to provide the most opportunity in a competitive housing market. The assistance will cover a portion of the principal, interest, taxes, and mortgage insurance (PITI). Participants will be responsible for paying the difference between the total mortgage cost and the assistance amount. Mortgage assistance will be provided for up to 15 years for a mortgage term of 20 years or more, and 10 years for mortgage terms less than 20 years. The maximum term does not apply for elderly or disabled households.

Ongoing Support and Post Purchase Counseling

Ongoing post-purchase support is an important tool to assist with long-term housing stability and success for first-time home buyers. Many homeowners face potential challenges such as unexpected maintenance costs, property tax increases, and budgeting home expenses. KCHA will provide referral resources to third-party agency support to homeownership participants that showcase a need for additional post-purchase support such as financial coaching, foreclosure prevention resources, and connection to home maintenance programs.

Next Steps:

Program Launch and Ongoing Evaluation:

With the adoption of Resolution 5794, the HCV Homeownership Program is set to launch its pilot phase in June of 2025 with the goal of assisting three participants into homeownership by year end. The initial phase will allow KCHA to assess program processes, identify potential challenges, and refine operational strategies for ongoing long-term operational assistance.

Partner Engagement:

KCHA will continue to develop and nurture key partnerships with community professionals to ensure a smooth transition throughout the home purchase and owning process to provide comprehensive support. KCHA will continue to strengthen its network of community organizations, financial institutions, and real estate professionals to ensure continued success and expansion of the program.

Summary:

The implementation of the HCV Homeownership Program represents a significant opportunity to support low-income families in achieving financial independence, housing stability and making homeownership a reality. In creating a pathway to homeownership by providing a structured first-time home buying process framework for our participants, KCHA is opening doors to opportunities that will extend to generations forward. Staff recommends approval of Resolution 5794, effective June 1, 2025.

Exhibit M: HCV Homeownership Program

As identified in its approved FY 2024 MTW Annual Plan, the King County Housing Authority (KCHA) is committed to utilizing MTW flexibility to support wealth-building opportunities for low-income households in King County - including development of a Housing Choice Voucher Homeownership Program (HCVHP) option within its Tenant-based Housing Choice Voucher program.

This exhibit details KCHA's policies for providing a homeownership option under the Housing Choice Voucher (HCV) program to promote homeownership and housing stability for low-income, first-time homebuyers - helping them build financial equity in their own home.

The HCVHP uses vouchers within KCHA's authority for families that meet specific eligibility and program criteria. When a voucher is used under the homeownership option KCHA classifies it as a "homeownership voucher." Unless noted in this exhibit, homeownership vouchers follow KCHA HCV policies detailed elsewhere in this Administrative Plan.

KCHA may exercise discretion to limit the number of vouchers available for use in the HCVHP for initial purchase or moves with continued assistance.

A. DEFINITIONS: All definitions below are specific to the HCV Homeownership Program.

1. **First-time Homebuyer:** A family that meets one of the following at the commencement of homeownership assistance:
 - a. A family in which no member has had an ownership interest in a residential property within the past three years, except for a single parent or displaced homemaker who, while married, owned a home with a spouse or resided in a home owned by the spouse.
 - b. A cooperative member – defined as a family of which one or more members owns membership shares in a cooperative; or
 - c. A family of which a family member is a person with disabilities and use of the homeownership option is needed as a reasonable accommodation.
2. **Homeownership Expenses:** the monthly costs of owning a home. In general, this may include the principle and interest on mortgage debt, taxes, insurance, HOA dues, utilities and a repair and replacement allowance and other items as detailed below.
3. **Homeownership Payment Standard:** The payment standard used by the homeownership program. The homeownership payment standard uses the same chart as the rental HCV payment standards with the following exceptions:
 - a. Homeownership will use the highest tier of the payment standard, regardless of where the home is located within King County; and
 - b. A family that qualifies for a one (1) bedroom based on their family composition will be granted a two (2) bedroom payment standard.

4. **Housing Choice Voucher Homeownership Program (HCVHP):** A program that allows the use of a Housing Choice Voucher to assist a family in purchasing a home, consistent with 24 CFR 982.625 and KCHA's MTW authority.
5. **Mortgage Assistance Payment (MAP):** A monthly assistance payment made by KCHA to the owner or the lender to apply toward a mortgage payment.
6. **Mortgage Assistance Pre-Approval Letter:** An estimate of the subsidized monthly assistance payment when purchasing a home using the HCVHP.

B. OUTREACH, APPLICATION, SCREENING, AND WAITLIST

1. KCHA will use a variety of outreach strategies to market HCVHP such as direct communication, workshops, information sessions, digital and print media, and internal and community partnerships. KCHA may also use alternative names to refer to the program for marketing and communication purposes, such as "Dream to Keys."
2. Families interested in applying are required to participate in an information session to learn about HCVHP eligibility and the homeownership process.
3. Completed applications with all required supporting documents will be reviewed by KCHA on a first-come, first-served basis to determine eligibility.
4. If a family does not meet the eligibility requirements, KCHA will provide a written explanation outlining the reasons. Families who do not meet the eligibility requirements may reapply.
5. KCHA may limit the number of applications accepted based on program capacity and available funding. If applications exceed program capacity or budget authority, KCHA may establish a waitlist or temporarily close the application process to new applicants.

C. ELIGIBILITY FOR THE HCVHP

The family must meet all eligibility requirements prior to the issuance of a Mortgage Assistance Pre-Approval Letter:

1. **Current Subsidized Housing Participant:** HCVHP is available to families who have been receiving rental assistance through KCHA's federal rent assistance programs listed below for no less than a 12-months lease term and who are eligible to end their lease and move under KCHA's policies:

- a. KCHA's Tenant-based Housing Choice Voucher Programs (including Special Purpose Vouchers, however term limited voucher programs do not apply) in KCHA's jurisdiction.
 - i. Tenants who have ported in from other jurisdictions may not be served by HCVP unless their voucher is absorbed by KCHA, following the guidelines in Section 11 of this plan.
 - b. KCHA's Project-based Voucher Program
 - i. Includes units that are under contract by KCHA within the city of Renton.
 - c. KCHA's Public Housing Program.
- 2. **Good Standing:** Families must be in good standing with their current housing program and in compliance with their lease and the obligations, requirements and/or responsibilities of their respective housing program.
- 3. **First-time Homebuyer:** Families must be a first-time homebuyer, as defined above.
- 4. **No Debts Owed to PHAs:** The family must not owe money to KCHA or any other PHA.
- 5. **No Prior Mortgage Default:** No member of the household has previously defaulted on a mortgage under an HCV homeownership program.
- 6. **Minimum Income:** Families must meet the following minimum income requirements:
 - a. Elderly and Disabled Families: The family's minimum income must be equal to the current Supplemental Security Income (SSI) monthly payment for an individual living alone, multiplied by 12.
 - b. Other Families: The family must demonstrate that the annual income of the adult family members who will own the home is at least equal to the Washington State minimum wage multiplied by 2,000 hours.
 - c. Treatment of Welfare Assistance: KCHA will include welfare assistance for the adult family members who will own the home in determining if the family meets the minimum income requirement only for Elderly or Disabled families, as defined.
- 7. **Employment:** Unless exempted, at least one adult family member who will own the home must meet the following employment criteria.
 - a. Full Time Employment: Must be employed full-time, working an average of at least 30 hours per week. KCHA may consider self-employment as employment, with proof of sufficient hours worked.
 - b. Continuous Employment: Must be continuously employed full-time for at least one year. KCHA may determine if an employment interruption is permissible (e.g. maternity leave, or other leave authorized by federal and/or state law)

- c. An Elderly or Disabled family is exempt from the employment requirement.
 - d. If a household that is not Elderly or Disabled includes a person with disabilities, KCHA may grant an exemption from the employment requirement if KCHA determines it is necessary as a reasonable accommodation.
- 8. **Homeownership Counseling:** Successfully complete a KCHA-approved, HUD-certified pre-purchase counseling program and provide a copy of the certificate of completion or a signed letter on agency letterhead from the HUD-certified counselor. Families who have completed a HUD-certified pre-purchase counseling program within the last three years meet this requirement if they are able to provide the required documentation.
- 9. **Down Payment:** Families must have a minimum down payment of three percent (3%) of the home purchase price. At least one percent (1%) must come from the family's own resources, which may include funds from a HUD Family Self-Sufficiency (FSS) program escrow account. The remaining two percent (2%) may come from the family's own funds, public or private agency grants or loans and/or gifts from family or friends.

D. LOCATING A HOME

- 1. KCHA will issue the family a Mortgage Assistance Pre-Approval Letter once the family has met all eligibility requirements except for the 3% down payment amount. The family must save at least 1% downpayment of the approximate purchase price and provide an acceptable plan to KCHA of the plan for the remaining 2% of the home to be issued a Mortgage Assistance Pre-Approval Letter.
- 2. After receiving the Mortgage Assistance Pre-Approval Letter, the family will have 180 days to enter into an approved purchase and sale agreement on an eligible home. The family will have an additional 180 days to close on the home. Extensions may be permitted in accordance with paragraph H below.
- 3. The family is required to check in with KCHA every 30 days to provide updates on the progress of their home search and closing process. Failure to do so may result in removal from the HCVHP.
- 4. **Eligible Home Types:** The home selected for purchase must meet the following guidelines.
 - a. The unit must not be an Ineligible Unit type outlined in Section 9 of this Plan.
 - b. It must be a one-unit property (including a manufactured home) or a single unit in a condominium or cooperative.
 - i. The property may not include other residential or commercial space intended for leasing out by the homeowner. This includes duplexes, accessory dwelling units or commercial space.

- c. The unit must be in KCHA's jurisdiction or within the jurisdiction of other housing authorities in the local region with which KCHA has a related written interlocal agreement.
- d. If the family will not own the fee title to the land on which the home is located, such as a manufactured home or as part of a community land trust, the home must:
 - i. be located on a permanent foundation and
 - ii. the family must have the right to occupy the home site for at least forty years.
- e. The family may enter into a sales contract for homes not yet under construction. However, MAP cannot begin until an Environmental Review is completed by a Responsible Entity, construction is completed, and all HCVHP requirements are met.
- f. Homes that are owned by KCHA may qualify for purchase. KCHA will inform all eligible families in the home search process, in writing, if a KCHA-owned home is available for purchase. Families will be reminded that they have the right to purchase any eligible home, and that selection of a KCHA-owned property is up to the family. Families will not be steered or persuaded to purchase a KCHA-owned home for sale. If an eligible KCHA-owned home is made available, KCHA will:
 - i. Obtain an independent agency to inspect the home for compliance with the applicable inspection standards.
 - ii. Obtain an independent agency to review the inspection report, sales contract, determine the reasonableness of the sales price for the area, and review any KCHA provided financing terms.

E. FINANCING

- 1. KCHA must approve financing terms for the initial purchase and any subsequent refinancing to qualify for MAPs.
- 2. Families must secure their own financing to participate in the HCVHP. MAPs made by KCHA will be provided to the family or lender to help cover mortgage expenses and may be used to help the borrower qualify for a mortgage.
- 3. Families may select a lender of their choice. KCHA will provide eligible families with a list of lenders that have expressed willingness to work with MAPs provided by a PHA.
- 4. KCHA will review and approve the proposed financing terms before they are finalized to check against predatory lending. Examples of financing that will be considered predatory and will not be approved by KCHA include:
 - a. balloon payment mortgages

- b. variable rate mortgages
 - c. early mortgage payoff penalties or prepayment penalties
 - d. seller financing or owner-held mortgages
- 5. The lender and loan terms must be:
 - a. insured or guaranteed by the state or federal government (e.g., of HUD FHA, Fannie Mae, Freddie Mac, the Federal Home Loan Bank) or
 - b. comply with generally accepted mortgage underwriting standards in the secondary mortgage market or private lending institutions.
- 6. Final Approval – the following items must be provided to KCHA for review and final approval:
 - a. a copy of final loan approval and financing documents
 - b. verification of 3% down payment and
 - c. completed KCHA certification paperwork.

F. INSPECTIONS

1. **Initial Inspections:** The home must pass two home inspections prior to closing. KCHA will not commence MAPs for the family until the home has passed both inspections:
 - a. **KCHA Inspection:** KCHA staff will conduct an inspection using the inspection standard for the HCV program.
 - b. **Independent Professional Home Inspection:** The family must select and pay for an independent, professional home inspector certified by the American Society of Home Inspectors or other recognized professional organization.
 - i. A completed copy of the independent home inspection report must be provided to the family and KCHA upon completion.
 - ii. KCHA reserves the right to disapprove of the home for MAPs due to the information contained in the inspection report even if the unit was found to comply with the KCHA inspection standards.
2. **Good Cause Inspections:** KCHA reserves the right to conduct inspections of a HCVHP family's home during the term of the MAP for good cause. Good cause inspections may occur when KCHA has reason to believe or has received information that there may be:
 - a. criminal activity occurring in the home, or
 - b. unauthorized individuals living in the home, or
 - c. concerns about the family's maintenance of the property, or
 - d. other violations of program rules.

G. CONTRACT OF SALE / SALES AGREEMENT

1. A member or members of the family must enter into a contract of sale with the seller of the home to be acquired by the family before commencement of the MAPs.

2. The contract of sale and/or sales agreement must be provided to KCHA for review and approval. To be approved the sales agreement must include:
 - a. Purchase price and terms of sale.
 - b. Provide that the family will arrange for:
 - i) A pre-purchase inspection of the home by an independent inspector selected by the family and
 - ii) A KCHA inspection.
 - c. Provide that the family is not obligated to buy the home unless the inspections are satisfactory to the family and to KCHA.
 - d. Provide that the family is not obligated to pay for necessary repairs.
 - e. Contain the seller's certification that they have not been barred, suspended, or subject to a limited denial of participation from the HCV program.
3. KCHA may deny approval of a seller for the same reason it may disapprove an owner under the HCV rental assistance program.

H. EXTENSIONS AND FAILURE TO COMPLETE PURCHASE

1. The family will be permitted to retain their rental assistance provided by KCHA under the terms of their current program if the family is unable enter into an approved purchase and sales agreement within 180 days of receiving the Mortgage Assistance Pre-Approval Letter.
2. KCHA may grant an extension to the initial 180-day timeframe the family has to locate the home or the 180-day timeframe for closing, if there is good cause. Good cause extensions include delays in completing the home purchase beyond the family's control. Extensions will be made on a case-by-case basis.
 - a. Extensions must be approved by the Homeownership Program Manager and the Assistant Vice President or their designee.
 - b. Extensions may not be for longer than 60 days.
 - c. In general, only one extension each for locating a home and closing on a home will be allowed.

I. MORTGAGE ASSISTANCE PAYMENT (MAP) CALCULATION

1. Families who have completed the HCV Homeownership process and do not have a current voucher eligible for the HCVHP will be issued a Housing Choice Voucher to be utilized for the HCVHP once the closing is complete, per Section 5.F of this plan.
2. The MAP will be calculated as the lower of:
 - a. The approved HCV Homeownership Payment Standard minus the Total Tenant Payment; or,

- b. The monthly Homeownership Expenses minus the Total Tenant Payment.

3. Homeownership Payment Standard:

- a. The payment standard for the HCVHP uses the same chart as the rental HCV payment standards with the following exceptions:
 - i. Homeownership will use the highest tier of the payment standard, regardless of where the home is located within King County; and
 - ii. a family that qualifies for a one (1) bedroom based on their family composition will be granted a two (2) bedroom payment standard.
 - b. KCHA will use the HCV homeownership payment standards in effect at the time of closing to determine the amount of initial MAP.
 - c. At reexaminations in which the payment standard amount is updated, KCHA will utilize the higher of:
 - i. the applicable payment standard amount for the certification's effective date.
 - ii. The payment standard amount in effect at the start of the MAP.
4. KCHA will include the following homeownership expenses, if applicable, when determining the MAP:
- a. Principal and interest: Payments on the initial mortgage debt, including any mortgage insurance premium (MIP) required to finance the purchase or the refinance of the home.
 - b. Real Estate Taxes and Public Assessments: Property taxes and public assessments associated with the home.
 - c. Homeowners Insurance: Lender-required insurance costs for the home.
 - d. Land lease payments: For families who do not own the land on which the home is located.
 - e. Homeowner Association (HOA) Dues: Regular HOA fees or charges assessed to the homeowner.
 - f. Energy Assistance Supplement: Based on KCHA's Energy Assistance supplement as described elsewhere in this plan.
 - g. Maintenance and major repair and replacement allowance: A monthly allowance of one percent of the purchase price of the home divided by 12.
 - h. Additional Homeownership Loan Debt: Principal and interest on mortgage debt incurred to finance costs for major repairs, replacements, or improvements for the home.
5. For families participating in a cooperative homeownership arrangement, KCHA will include the following expense, if applicable, when determining MAP:
- a. Cooperative Charges: Monthly cooperative charge under the cooperative occupancy agreement, including real estate taxes and public assessments.

- b. Principal and Interest on Cooperative Share Loan: Payments on the initial debt incurred to finance the purchase of cooperative membership shares and any refinancing of such debt.
 - c. Homeowners Insurance: Lender-required insurance costs for the home.
 - d. Energy Assistance Supplement (also known as a utility allowance): Based on KCHA's Energy Assistance supplement in accordance with the HCV administrative plan.
 - e. Maintenance and major repair and replacement allowance: A monthly allowance of one percent of the purchase price of the home divided by 12.
 - f. Additional Homeownership Loan Debt: Principal and interest on mortgage debt incurred to finance costs for major repairs, replacements, or improvements for the home.
- 6. **MAP Payments:** KCHA will issue the monthly MAP to the family directly, unless otherwise instructed by the mortgage lender. When MAP is paid to the family directly the following applies:
 - a. It is the family's responsibility to ensure the full mortgage payment is made to the lender on time.
 - b. KCHA requires the family to provide documentation that the mortgage was paid on a quarterly basis for the first year and at least annually thereafter.
 - c. Failure to provide documentation or make the full mortgage payment or provide documentation may result in termination from the HCVHP as outlined in Section L.
- 7. **Changes in family size:**
 - a. If a family household size decreases during the term of the mortgage assistance, the family will continue to receive the payment standard that was issued at commencement of MAP.
 - b. If the family size increases after commencement, the payment standard will be based on the lower of the current family size or the unit size of the property the family purchased.
- 8. The family will be terminated from HCVHP 365 days after the last MAP has been paid by KCHA. KCHA may grant relief from this requirement if there is extreme hardship, such as an involuntary decrease in income, and the family engages in post-purchase counseling.
- 9. The HCV tenant-based assistance affordability limit (maximum total tenant payment as a percentage of income at initial occupancy) does not apply to the HCV Homeownership program.

10. The family must promptly notify KCHA if they are at risk of defaulting on their mortgage. KCHA may require the family to participate in post-purchase counseling or meetings to review their mortgage standing and provide ongoing support in maintaining homeownership stability.

J. TERMS OF ONGOING MORTGAGE ASSISTANCE PAYMENT (MAP)

1. **HCV program requirements:** Families participating in the HCVHP are required to comply with KCHA's tenant-based voucher policies, unless superseded or waived by this Appendix M. This includes completing regularly scheduled reexaminations and reporting changes to income and family composition
2. **Maximum term of mortgage assistance payments:**
 - a. The maximum length of time a family can receive MAP is:
 - i. 15 years if the initial mortgage term for the home purchase is 20 years or longer; or
 - ii. 10 years in all other cases.
 - b. The maximum term applies to any member of the family who:
 - i. Holds an ownership interest in the home while receiving MAP; or
 - ii. Is the spouse of any household member who has an ownership interest in the home during the time MAP is provided.
 - c. For families who sell or purchase another home and remain eligible for the HCVHP, the maximum term begins on the date the first MAP is made under any HCVHP.
 - d. If the family has received mortgage assistance for different homes or assistance from a different PHA, the total assistance period is subject to the maximum term limits described above.
 - e. The maximum term does not apply to families that:
 - i. Qualify as elderly and qualified as such at the start of homeownership
 - ii. Qualify as disabled
 - iii. If during the course of mortgage assistance, the family ceases to qualify as elderly or disabled, the maximum terms apply from the date the mortgage assistance began.
 - f. Families will be provided with at least 6 months' notice before MAPs are discontinued.
3. **Continued Assistance Payment Requirements:**
 - a. Families must use the home purchased through HCVHP as their sole, primary residence.
 - b. MAPs will only be provided while the family resides in the home.

- i. If the family member(s) listed on the mortgage and on the HCVHP subsidy move out of the home, KCHA will discontinue MAPs the month after the move occurs.
- ii. Neither the family nor the lender is required to refund to the KCHA the MAP received for the final month of assistance.

4. Moving with Continued Assistance:

- a. A family receiving MAP may move with continued assistance in two ways:
 - i. They may move with continued mortgage assistance if they purchase another home and meet all HCVHP eligibility requirements.
 - ii. The family may also choose to revert to an HCV for rental assistance if they sell the home and continue to meet the HCV requirements.
 - iii. Requests to move of either type will be approved or denied in accordance with Section 11 of this plan.
- b. Continued mortgage or rental assistance for a new home cannot begin if any family member holds title to the prior home.
- c. KCHA may deny the family permission to move to a new home with continued mortgage or rental assistance:
 - i. In accordance with Section 11 of this plan; or
 - ii. The family defaulted on an FHA-insured mortgage; and,
 - The family has not conveyed title to the home, as required by HUD, to HUD or HUD's designee; and
 - The family has not moved from the home within the period established or approved by HUD.
- d. In cases where the family purchases another home under the HCVHP, the necessity of post purchase support counseling will be determined by KCHA.

K. PORTABILITY

- 1. **Port-outs with a Homeownership Voucher.** KCHA will not prevent the ability of families determined eligible for KCHA's HCVHP to exercise portability to PHAs that administer an HCV homeownership program and admit the family.
 - a. Families must follow the receiving PHA's program rules.
 - b. The receiving PHA must promptly notify KCHA if the family has purchased an eligible home under the program or if they are unable to purchase a home within the maximum time established by the receiving PHA.
- 2. **Port-ins with a Homeownership Voucher.** For families porting into KCHA with a homeownership voucher from their originating PHA:

- a. Eligibility for the HCVHP requires that families lived in the originating PHA's jurisdiction in good standing for at least 12 months and meet all other eligibility requirements under this policy.
 - b. KCHA has the sole discretion to determine if it can absorb the MAP or choose to administer the MAP on behalf of the originating PHA.
3. **Port-ins with a Rental Voucher.** Families that port-in to KCHA's jurisdiction with a regular tenant-based voucher are eligible for the HCVHP if:
 - a. they have lived in KCHA's jurisdiction for the 12 months prior to enrollment; and
 - b. meet all program requirements; and
 - c. KCHA determines it is able absorb the voucher.

L. DENIAL OR TERMINATION OF MORTGAGE ASSISTANCE

1. KCHA may deny or terminate a family's MAP if:
 - a. the family violates any of the Homeownership Program Family Obligations (homeownership obligations, as described below; or
 - b. the family violates any of the tenant-based HCV program requirements that may result in denial or termination as described in Section 11 of this plan.
2. In these instances, KCHA will follow the HCV Termination Procedures outlined in this HCV Administrative Plan.

M. HOMEOWNERSHIP PROGRAM FAMILY OBLIGATIONS

1. Families must sign and agree to the terms of form HUD-52649, Statement of Homeowner Obligations prior to the start of MAPs.
2. KCHA may deny or terminate mortgage assistance to families who do not comply with their homeownership obligations. These obligations include those outlined in the form HUD-52649 and:
 - a. Be a KCHA participant in good standing with KCHA's program.
 - b. No family member under assistance may have ownership interest in any other residential property(s).
 - c. Comply with the terms of the mortgage securing debt incurred to purchase the home or any refinancing of such debt.
 - d. Use the home as the family's sole, primary residence and notify KCHA of any absence from the home.
 - e. Do not lease any portion of the home or grounds.
 - f. Do not convey or transfer ownership of the home, except for purposes of financing, refinancing, or pending settlement of the estate of a deceased family member (any changes to the financing or ownership must be approved by KCHA for continued MAPs).

- g. Supply any information, certification, release or other documentation required by KCHA.
 - h. Notify KCHA before moving out of the home.
 - i. Notify KCHA if the family defaults on the mortgage used to purchase the home or is at risk of default.
 - j. Notify KCHA prior to any refinance of the mortgage on the home.
 - k. Notify KCHA of changes to the family's monthly mortgage payment, including any changes in tax assessment value, homeowners' insurance, or homeowners' association dues.
 - l. Provide current mortgage statement on a quarterly basis for the first year and at least annually thereafter.
 - m. Comply with all the family obligations listed in Section 12 of this plan except for the following:
 - i. Inspection requirements.
 - ii. Compliance with lease requirements.
 - iii. Provide KCHA with any eviction notice from the owner.
 - iv. Refrain from owning or maintaining any interest in the unit.
3. At KCHA's discretion, families participating in the HCVHP may be required to engage in post-purchase housing support counseling. In making determination if this counseling is required, KCHA will consider if:
- a. the family is not meeting their obligations under HCVHP;
 - b. is in default on their mortgage;
 - c. has a history of not paying their portion of the mortgage on-time;
 - d. is failing to maintain homeowner's insurance;
 - e. needs budget support to help plan for home maintenance, repair, or unplanned HOA assessments;
 - f. is planning to refinance the home; or
 - g. the family has requested such counseling.

Other Admin Plan Edits

Section 6, paragraph F (page 5-6)

F. EXCEPTIONS TO THE WAITLIST

1. Tenant Protection Assistance - When the HA receives funding from HUD targeted for families living in specified units, the family may be admitted to the program without placement on a waiting list. Families qualifying for Tenant Protection Assistance may be selected any time the targeted assistance is made available. Examples include current Public Housing residents who are living in units being demolished as a result of HOPE VI or other community redevelopment programs or families being displaced from other HUD assisted housing where the owner is opting out of the contract.
2. Executive Exception – Applicants who, as determined by the HA, are in urgent situations where they may or may not be currently on a waiting list. All such situations will be verified as to the urgency of the applicant’s housing needs and will only be approved by the Executive Director or their designee.
3. Homeownership Program – Current KCHA Public Housing and Project-based Section 8 participants who have been accepted into the HCV Homeownership Program will be granted a voucher if they are approved for Mortgage Assistance Payments (MAPs) per Appendix M of this plan. Participants being granted a homeownership voucher will be treated as current participants of the Tenant-based voucher program and will not be subject to standard Housing Authority applicant screening procedures or wait list requirements.
4. Other special voucher allocations, which may be issued by HUD in response to emergency needs.



DREAM TO KEYS; HCV Homeownership Program



As a national leader in affordable housing, King County
Housing Authority serves to provide ***innovative,***
effective, and ***equitable*** housing solutions ***so that all***
people and communities can prosper.



**What is a Housing Choice
Voucher (HCV)
Homeownership Program?**



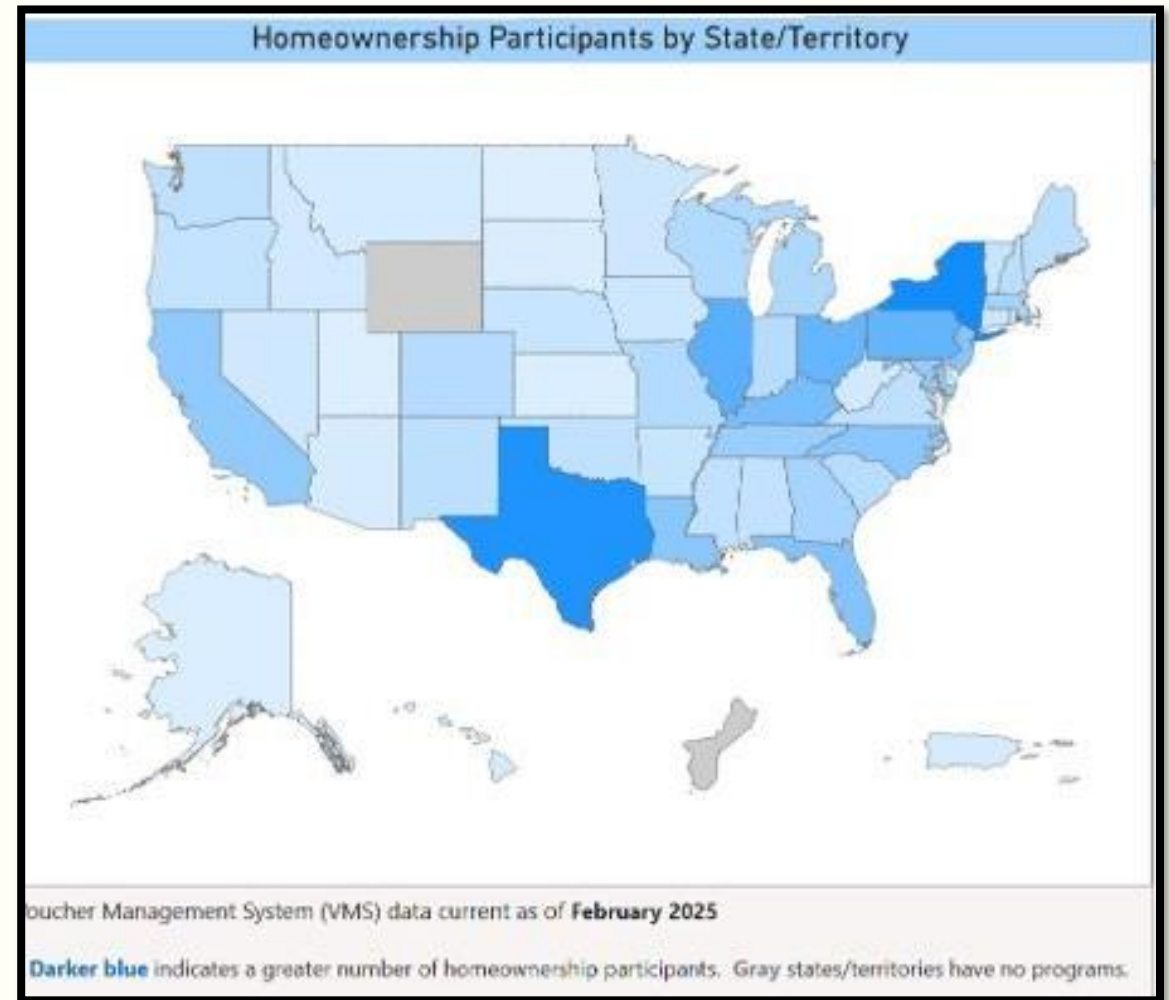
HCV Homeowners Program Authorization

- 🏠 **1937:** Section 8 established under the U.S. Housing Act
- 🏠 **1992:** Homeownership option authorized by the Housing and Community Development Act
- 🏠 **1998:** Homeownership option *amended* by the Quality Housing and Work Responsibility Act to give Public Housing Authorities (PHAs) flexibility to design and implement local Housing Choice Voucher (HCV) Homeownership Programs



HCV Homeownership Programs are Nationwide

- 🏠 650 PHAs Nationwide
- 🏠 13 PHAs in Washington State
- 🏠 9,700 Families being supported



Why is an HCV Homeownership Program important?

- 🏠 Intergenerational Wealth
- 🏠 Housing Stability
- 🏠 Community belonging
- 🏠 Federal Spending



Who can participate?

🏠 Eligibility Requirements

- Resident of KCHA for at least past 12 months and in good standing
- First Time Homebuyer
- Employed full-time for previous 12 months*
- Makes at least WA State minimum wage or SSI/SSD
- No prior mortgage default
- No debts owed to a PHA

**employment requirements do not apply to elderly and disabled households*



How does the program work?

Prepare

- HUD Certified Pre-Purchase Counseling
- Financial readiness

Search

- Secure lending and a realtor
- Find home

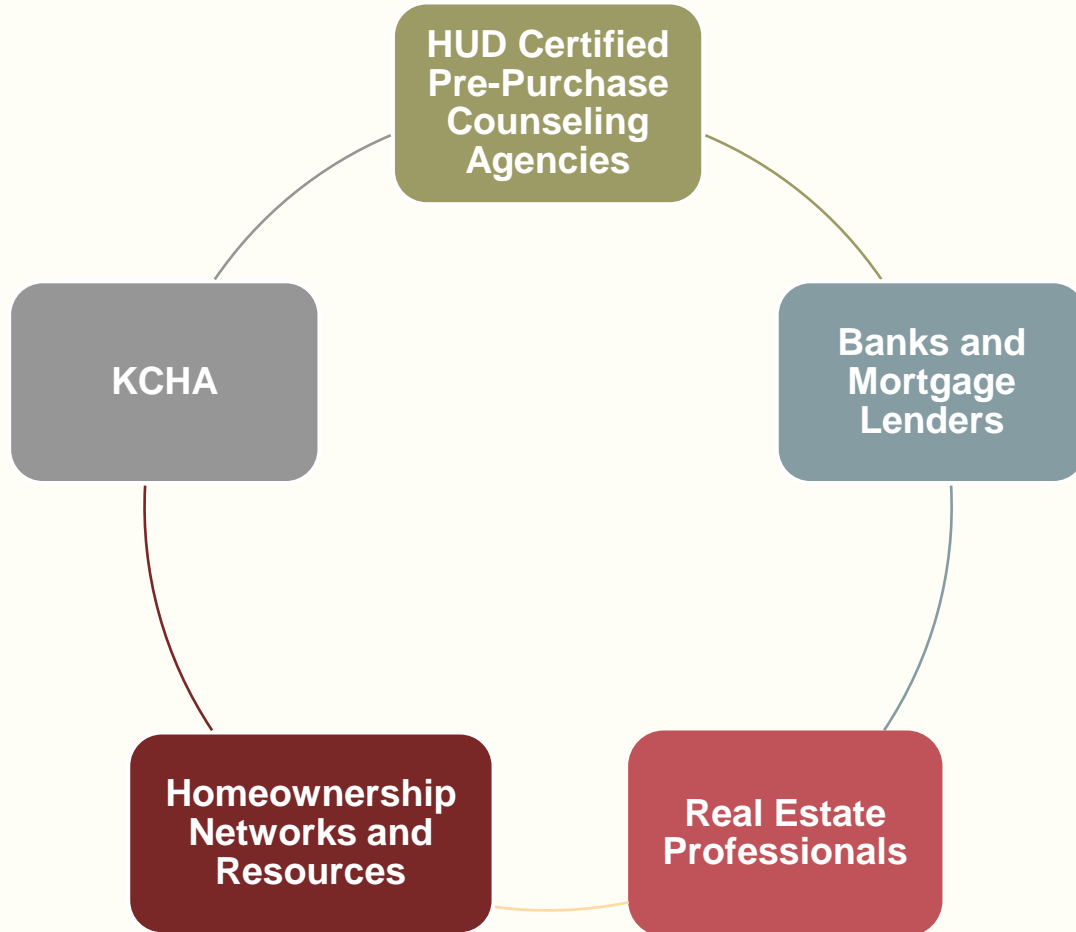
Purchase

- Inspections
- Closing

Move-In

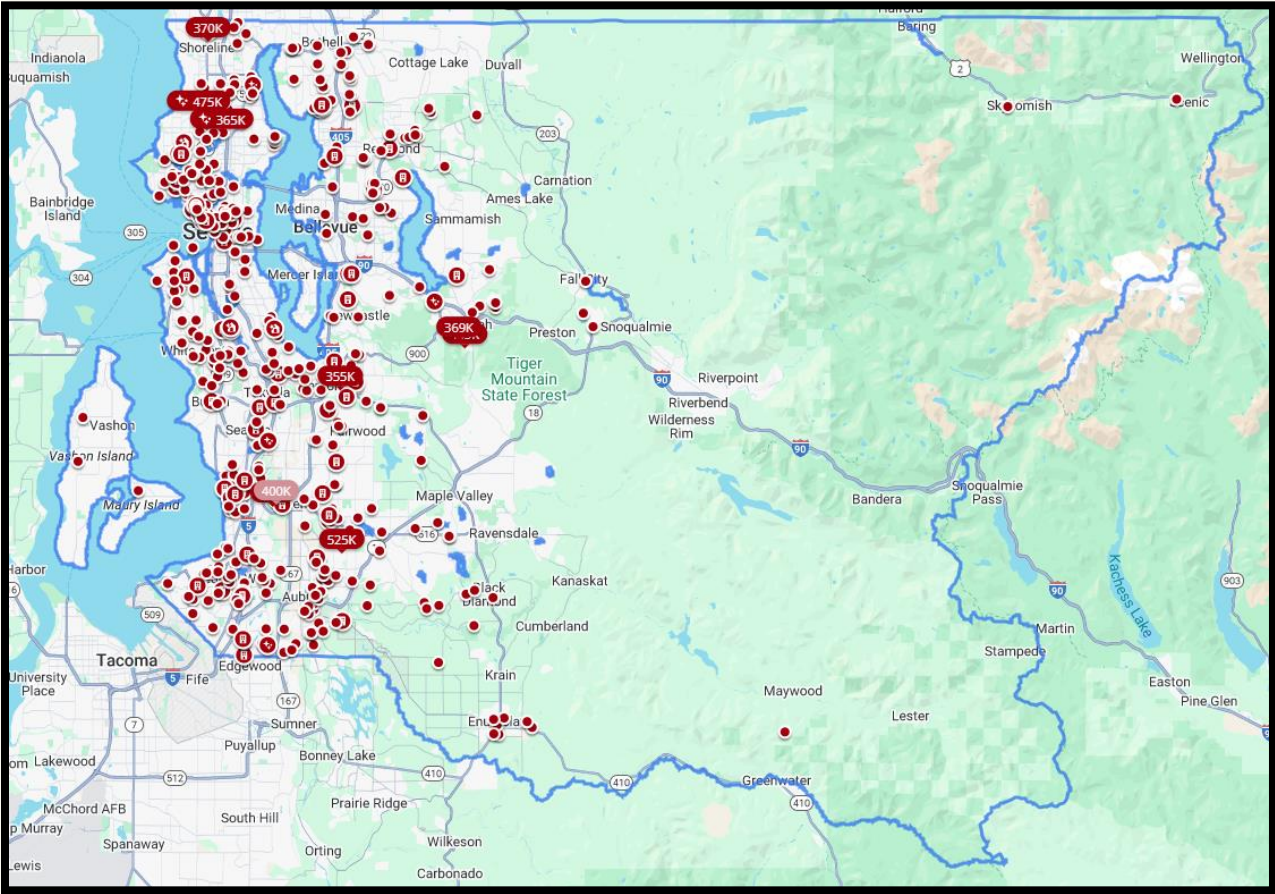
- Mortgage Assistance Payment
- Post-Purchase activities

Partnerships and Resources



Mortgage Assistance Payments (MAP)

Units for Purchase In King County*:\$150K-\$550K



Bedroom Size	Maximum Mortgage Assistance Payment
2	\$2,800
3	\$3,650
4	\$4,760

*Zillow.com (5/9/2025)

Earned Income Household – Annual Income \$75,000

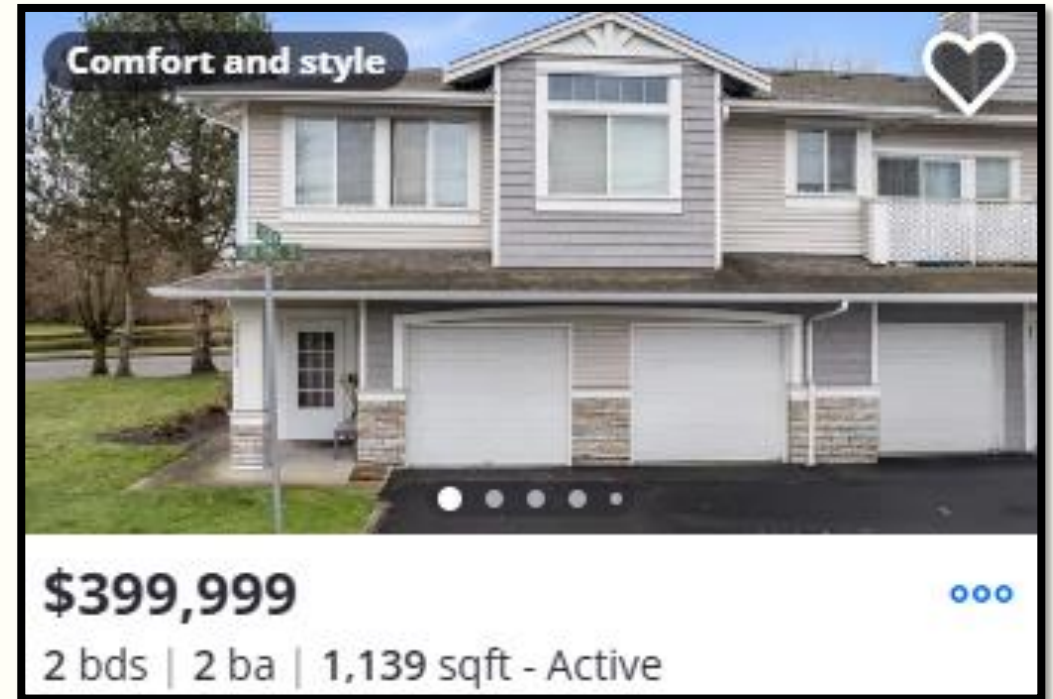
Family Size: Three

🏠 Down Payment and Closing Cost: \$90,000

- WA Housing Finance Commission: \$35,000
- Lender First Time Homebuyer Grant: \$20,000
- City Grant: \$27,500
- Other Non-Profit Grant: \$3,500
- Personal Contribution (1%): \$4,000

🏠 Loan Amount after DP: \$317,999

- Mortgage Payment \$3,669 (PITI, PMI, HOA)
- KCHA MAP: \$300
- Homeowner Contribution: \$3,369
- Cost Burden: 54%



State Minimum Wage – Annual Income \$33,500

Family Size: Two

🏠 Down Payment and Closing Cost: \$50,000

- WA Housing Finance Commission: \$ 25,000
- Lender First Time Homebuyer Grant: \$10,000
- City Grant: \$12,710
- Personal Contribution (1%): \$2,290

🏠 Loan Amount after DP: \$183,580

- Mortgage Payment \$2,605 (PITI, PMI, HOA)
- KCHA MAP: \$1,897
- Homeowner Contribution: \$708
- Cost Burden: 25%



SSD/SSI – Annual Income \$14,500

Family Size: One

🏠 Down Payment and Closing Cost: \$50,000

- WA Housing Finance Commission: \$20,000
- Lender First Time Homebuyer Grant: \$5,000
- City Grant: \$10,000
- Other Non-Profit Grant: \$13,200
- Personal Contribution (1%): \$1,800

🏠 Loan Amount after DP: \$133,600

- Mortgage Payment \$1,875 (PITI and Pad Fee)
- KCHA MAP: \$1,533
- Homeowner Contribution: \$342
- Cost Burden: 28%



Dream to Keys: Next Steps

June 2025 Launch



STRENGTHEN
COMMUNITY
PARTNERSHIPS



INCREASE
PROGRAM
AWARENESS



STREAMLINE THE
HOMEOWNERSHIP
PROCESS



MONITOR &
MEASURE
SUCCESS





Thank you!
Questions



THE HOUSING AUTHORITY OF THE COUNTY OF KING
RESOLUTION NO. 5794
AUTHORIZING THE HOUSING AUTHORITY TO ESTABLISH HOMEOWNERSHIP
OPTION UNDER ITS TENANT-BASED HOUSING CHOICE VOUCHER (HCV)
PROGRAM

WHEREAS, on August 8, 2003, the King County Housing Authority (KCHA) entered into an agreement with the Department of Housing and Urban Development (HUD) for participation in the Moving to Work (MTW) Demonstration Program; and

WHEREAS, as a participant in the Department of Housing and Urban Development's MTW program, KCHA is authorized, in lieu of federal program regulations, to develop policies, procedures and test approaches to achieving greater cost effectiveness in Federal expenditures and give incentives to families to obtain employment and become economically self-sufficient; and

WHEREAS, as identified in its FY 2024 MTW Annual Plan, KCHA is committed to utilizing MTW flexibility to support wealth-building opportunities for low-income households in King County - including development of an HCV Homeownership option under its Tenant-based Housing Choice Voucher program that operates effectively within KCHA's jurisdiction; and

WHEREAS, KCHA staff has reviewed applicable federal regulations and local market conditions and developed a Homeownership Program policy supplement (shown as Exhibit M) to its Tenant-based Administrative Plan (Ad Plan); and

WHEREAS, such policy is designed to promote homeownership and housing stability for low-income, first-time homebuyers as they build financial equity in their own home; and

WHEREAS, Board approval for implementing operational policies and procedures is required before KCHA can implement such changes

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

Section 1. The Board of Commissioners hereby authorizes KCHA to establish Homeownership option under its Housing Choice Voucher program; and,

Section 2. Authorizes modification of the Tenant-based Administrative Plan as described within the attached Exhibit Mor as reasonably necessary to facilitate implementation as well as the on-going successful, effective and efficient administration of the HCV Homeownership program.

ADOPTED AT THE ANNUAL MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING AT AN OPEN PUBLIC MEETING THIS 19th DAY OF MAY, 2025.

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

RICHARD JACKSON, Vice Chair
Board of Commissioners

ROBIN WALLS
President/CEO and Secretary-Treasurer

T A B N U M B E R

6



To: Board of Commissioners

From: Tim Walter, Senior Vice President of Development and Asset Management

Date: May 14, 2025

Re: Resolution 5795: A Resolution authorizing the acquisition of the Highlander House Apartments in Shoreline.

Resolution No. 5795 authorizes the Housing Authority to purchase the Highlander House Apartments, an existing 23-unit apartment complex located in Shoreline.

The Highlander House Apartments were built in 1963 and consists of one two-story garden style residential building comprising 4 - one bedroom/one bath and 19 - two bedroom/one bath apartments. The property has one common laundry facility and is situated in a "U" shape building built with an interior courtyard. The property is situated at 1115 N 183rd Street in Shoreline on a single .68-acre parcel.

Rents at the property are well below market with an average one-bedroom rents at \$1,530 and average two-bedroom rents at \$1,690. 20 of the 23 units are currently occupied by East African households and this apartment complex also serve as an informal community support network for these families. Given the zoning for the site, if not acquired by KCHA, the property would likely be purchased by a developer who would displace the existing residents, demolish the existing affordable units and build a much higher density property with significantly higher rents consistent with the other new construction development in the area. Acquiring and preserving this building would prevent displacement, support immigrant families, and help preserve equitable housing opportunities in Shoreline.

A full Project Profile for the property is attached which describes the property, the strategic rationale for acquiring the property, the proposed financing plan and the risks and risk mitigations associated with the acquisition. Staff will provide an overview of the property at the May, 2025 Board of Commissioners' meeting.

Staff recommends approval of Resolution No. 5795.

The Highlander House Apartments Project Profile

The Highlander House Apartments (“Highlander House”) is a 23-unit multifamily building located in Shoreline in north King County. The property is situated just east of Highway 99 (Aurora Ave) and south of North 185th Street. The complex contains a large number of 2-bedroom units, and a large open courtyard. The complex is surrounded by condominiums, apartment communities and local businesses.

Purchase Status

The Highlander House Apartments, located at 1115 N 183rd St in Shoreline, recently came on the market for sale. The property is owned by La Piazza Properties LLC, a company formed and operated by a Canadian citizen who has recently passed away. The estate has decided to dispose of a handful of properties in the Seattle area and among them is Highlander House. The property, located in an area that has been upzoned to allow for six-story multifamily construction, would most likely sell to a developer who would redevelop the property to take advantage of the opportunity to significantly increase the density of the site. KCHA became aware of this property after being notified by a local real estate broker who is familiar with KCHA’s desire to preserve affordable housing especially naturally occurring affordable housing at risk of being redeveloped. The property is predominately occupied by a lower income population comprised primarily of East African households. Because these residents are likely to be displaced, the City of Shoreline also reached out to KCHA asking if there would be a way for it to preserve this property and that it would “be incredible if we could keep it from being redeveloped.” KCHA has toured the property and performed its own assessment of the potential for its redevelopment and agrees that if KCHA did not acquire the property, it would likely be demolished and redeveloped and the existing households would be displaced. The property purchase price is well below replacement cost and KCHA’s acquisition of this site would ensure this housing remains available and affordable for residents of Shoreline. If acquisition of the property is authorized by KCHA’s Board of Commissioners, the purchase agreement would make the final commitment to acquire dependent upon the Executive Director’s satisfaction with the results of KCHA’s full due diligence assessment.

The proposed sale terms under discussion include a purchase price of \$4,290,000 (\$186,522 per unit) and a due diligence inspection period sufficient to allow KCHA time to complete a comprehensive review of title, survey, the environmental and physical condition of the structures, and overall feasibility of the project. Earnest money, in the amount of \$600,000, will be offered and the purchase and sale agreement will set the closing date to be on or before 60 days from signing (mid to late July).

Due Diligence Status

KCHA will be obtaining from third party consultants and reviewing a property appraisal, a survey, Phase I environmental assessment, zoning and title report in connection with this potential acquisition, and will also be arranging for a capital needs assessment to be performed by KCHA’s construction staff. KCHA intends to complete the review of this initial due diligence work within 30 days of signing the purchase agreement, providing time to address any concerns that have been identified prior to the due diligence waiver date.

Property Description

The Highlander House Apartments is situated at 1115 N. 183rd Street in Shoreline on a single 0.68 acre parcel and is comprised of a single two-story wood frame building. The garden style apartments were built in 1963 for residential use, consistent with current zoning and are arranged in a “U”-shape around an open courtyard. The property features 4 - one bedroom and 19 - two bedroom units.

There are 33 parking spaces for resident use (1.43 per unit), of which 2 are garages, 18 are tuck-under carport spaces and the balance are uncovered surface parking spaces. Property amenities are modest but include a grassy outdoor courtyard and common laundry facilities.

The King County Department of Assessments rates the building as in average condition and it appears to have been adequately maintained, however, KCHA will be assessing the property condition carefully through its own independent due diligence inspections.

Unit Configuration

The unit mix includes 23 units with an average of approximately 836 square feet (square footage based on King County records):

- 4 one-bedroom, one bath units (approximately 700 sq. ft.),
- 19 two-bedroom, two bath units (approximately 850 sq. ft.)

Neighborhood Description

Highlander House is centrally located within walking distance of grocery and numerous retail and other services. The Interurban Trail for walking and bicycling is located just east of the property and Highway 99, which includes the RapidRide E Line bus route, is directly to the west. The new Shoreline North Link Light Rail station is approximately 1.3 miles east of the property. The location is in a very high opportunity neighborhood with excellent schools. This is a sub-market with rapidly escalating rents.

Strategic Rationale for Acquisition

The Highlander House Apartments is unique in its relatively large number of 2-bedroom (family size) units, its low density for an urban setting, its proximity to a variety of transit options and its potential highest and best use as a redevelopment site. Many apartment complexes consist of studio, one bedroom and some two-bedroom units. Not only does Highlander House contain a relatively large number of two-bedroom units (19 of 23 two-bedroom units with over 850 sq. ft./unit), it also has a large interior open courtyard.

Rents at the property are well below market with an average one-bedroom rents at \$1,530 and average two-bedroom rents at \$1,690. 20 of the 23 units are currently occupied by East African households and this apartment complex serves as an informal community support network for these families. Given the zoning for the site, if not acquired by KCHA, the property would likely be purchased by a developer who would displace the existing residents, demolish the existing affordable units and build a much higher density property with significantly higher rents consistent with the other new construction development in the area. Acquiring and preserving this building would prevent displacement, support immigrant families, and help preserve equitable housing opportunities in Shoreline.

The expansion of Light Rail to Shoreline and the upzoning in Shoreline along Aurora and near the light rail stations has resulted in increasing land costs and the demolition of a number of existing residential properties which have been redeveloped into high density, and mostly small bedroom size, properties with much higher rents than the existing rents at Highlander House. The City of Shoreline is very interested in identifying opportunities for preserving the few existing low-income multi-family developments that remain. While there is growing pressure overall on rents in North King County, these pressures are particularly acute in the case of larger bedroom apartments, reflecting the overall shortage of units that can accommodate families in the region. There is a concern that escalating rents on this site will increase housing instability and potentially displace existing lower income residents.

KCHA's acquisition of the Highlander House Apartments will help ensure long-term stability and affordability for the families currently living in this community.

The cost of new construction in our region also continues to escalate. The price per unit at Highlander House is about \$186,000 per unit which is significantly below what it would cost to acquire land and construct an equal number of units of similar quality and size. Based on County records for land value (\$2,215,300) and gross building sq. ft., the acquisition cost of the building improvements at Highlander House is equal to approximately \$83/foot. This is well below replacement cost and represents a price of less than 25% of what it would cost KCHA on a square foot basis to build a similar property in this area today.

The Highlander House Apartments has been identified as a strategic acquisition under these criteria. The purchase of this property by KCHA will preserve 23 units of well-situated rental housing, with a significant number of 2-bedroom units, as an ongoing affordable housing resource for individuals and families in the face of increasing market pressures in this particular submarket.

Proposed Financing

Interim Financing – This acquisition would be financed in the short-term using KCHA's line of credit with KeyBank. The current interest rate on the line of credit is slightly under 5%.

Permanent Financing – KCHA is currently in the process of refinancing a pool of properties [approved by the Board of Commissioner's in March 2025 (Resolution No. 5789)] and this property could be rolled into this pool as a source of permanent financing for the property. Alternatively, given the relatively small purchase price, KCHA could solicit soft funding through the County, State and/or City of Shoreline to assist with all or a portion of the purchase price and to pay off any residual balance with cash reserves held by KCHA.

Sources & Uses

USES

Acquisition	\$4,290,000
Closing Costs	\$50,000
TOTAL	\$4,340,000

SOURCES

KeyBank Line of Credit	\$4,290,000
KCHA Cash	\$50,000
TOTAL	<u>\$4,340,000</u>

Future Redevelopment Opportunity

While KCHA's immediate intent in acquiring this property is to preserve this housing resource that is currently supporting a largely underserved population within Shoreline and ensure the current families are not otherwise displaced, the acquisition of Highlander House also creates an opportunity for KCHA to redevelop this property at some point in the future. KCHA's redevelopment of the site would be able to be done in a manner that would not only increase the number of affordable units at this site but also in a way that ensured existing low-income families would not be displaced from Shoreline and that they would continue to have access to quality affordable housing in Shoreline meeting their needs. KCHA owns both the Ballinger Commons and Meadowbrook Apartments in Shoreline which are close to this site and would provide comparable size apartments at comparable rents and also significantly greater levels of amenities for the residents. These communities could serve as either interim housing, should KCHA need to temporarily relocate residents in order to redevelop the site, or as permanent replacement housing should a resident elect to remain at one of KCHA's other Shoreline properties.

Risks & Mitigation

Acquisition Risk & Mitigation

- (Risk) The condition of the property has title or physical defects unforeseen/unknown.
- (Mitigation) KCHA will obtain a full title report from a title insurance company and will also conduct extensive site and environmental due diligence on the property. KCHA will ensure that, upon closing, KCHA will be able to obtain a full owner's policy insuring clean title with extended coverage. KCHA will also conduct a Phase 1 environmental assessment and obtain an ALTA survey of the property.

Rehab Risk & Mitigation

- (Risk) Additional repair and improvement costs are needed beyond what is visible from due diligence inspections.
- (Mitigation) Unforeseen repairs that are not paid for from property operations could be funded from additional draws on a KCHA line of credit or from KCHA reserves. KCHA has extensive experience in assessing this type of property, estimating potential repairs and related costs, and in undertaking needed repairs and upgrades.

Balance Sheet Impact

- (Risk) The net operating income of the property will cover only a portion of its required debt service. Cash flow from KCHA's existing workforce housing portfolio may be necessary to cover the financing gap.
- (Mitigation) Given the small amount of debt associated with this property, the marginal impact to KCHA and its cashflow would be insignificant.

Highlander House Apartments

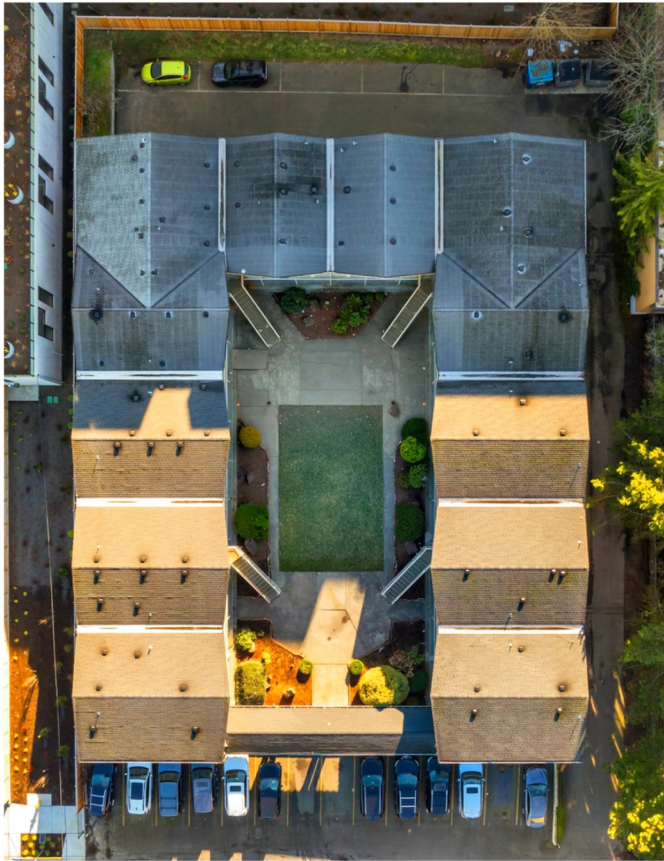
1115 N 183rd St, Shoreline, WA 98133



Picture: CoStar

Highlander House Apartments

1115 N 183rd St, Shoreline, WA 98133



Pictures: CoStar

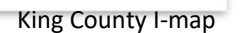
Highlander House Apartments

1115 N 183rd St, Shoreline, WA 98133



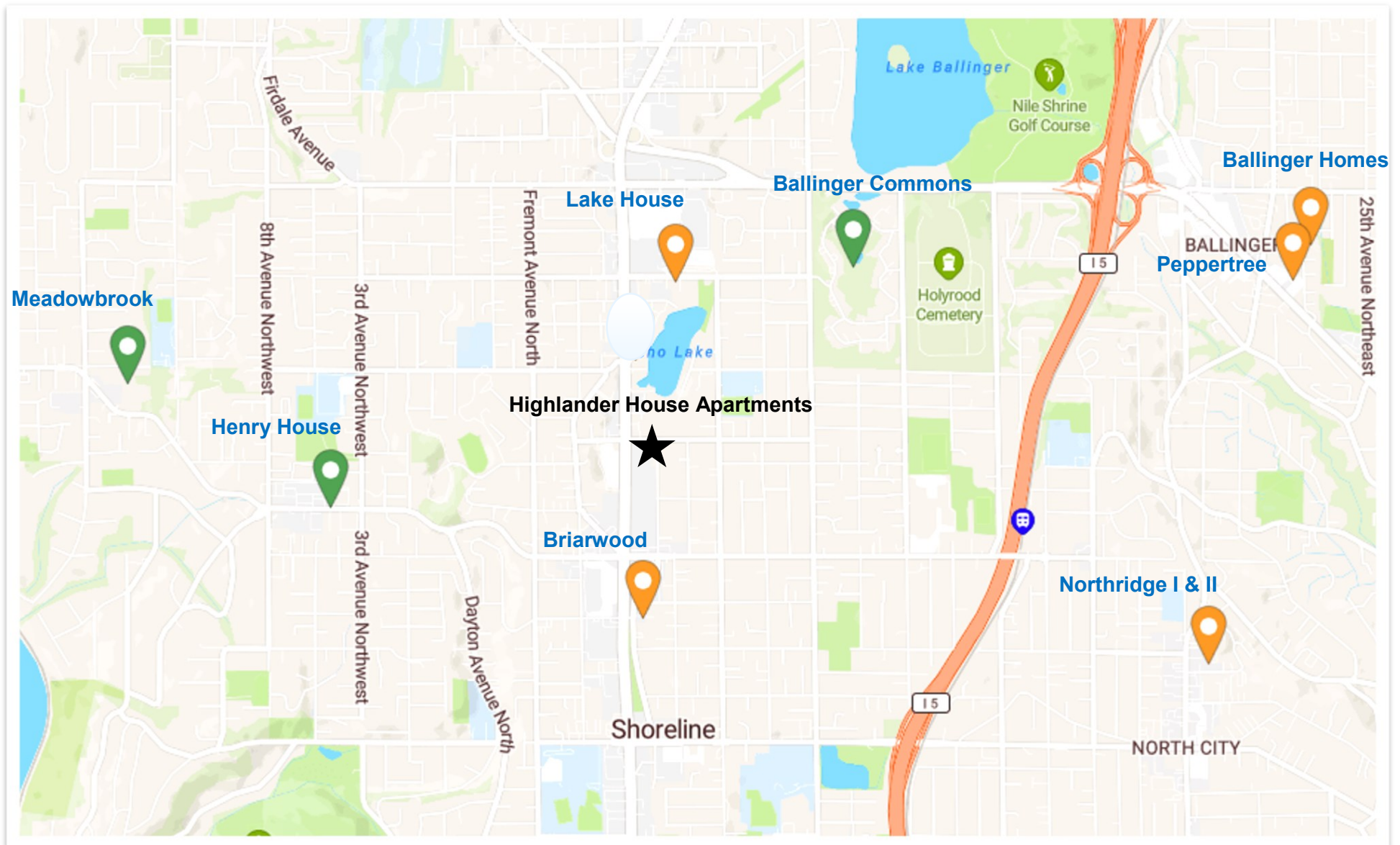
Pictures: CoStar

Highlander House Apartments



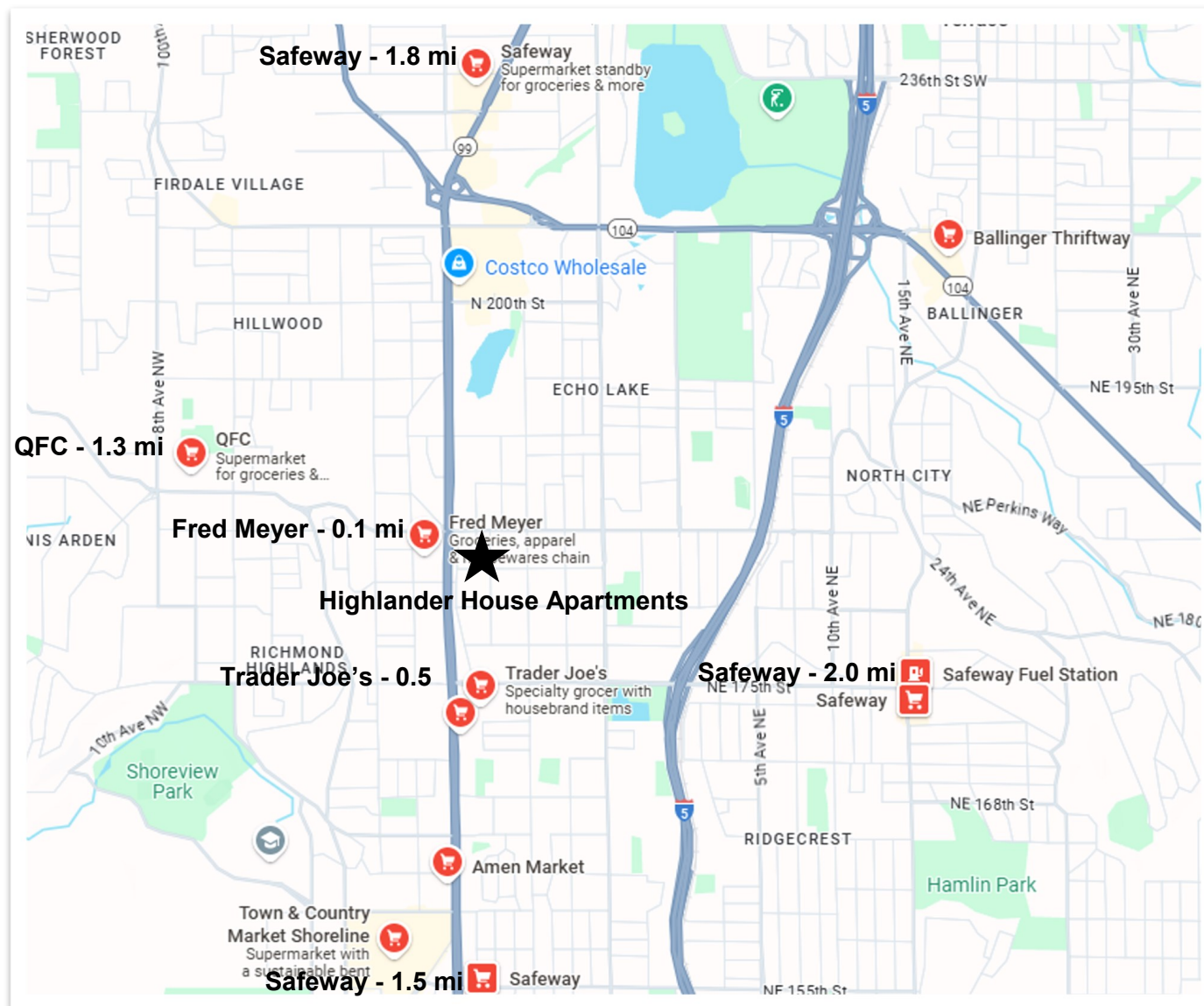
KCHA Nearby Properties

Highlander House Apartments



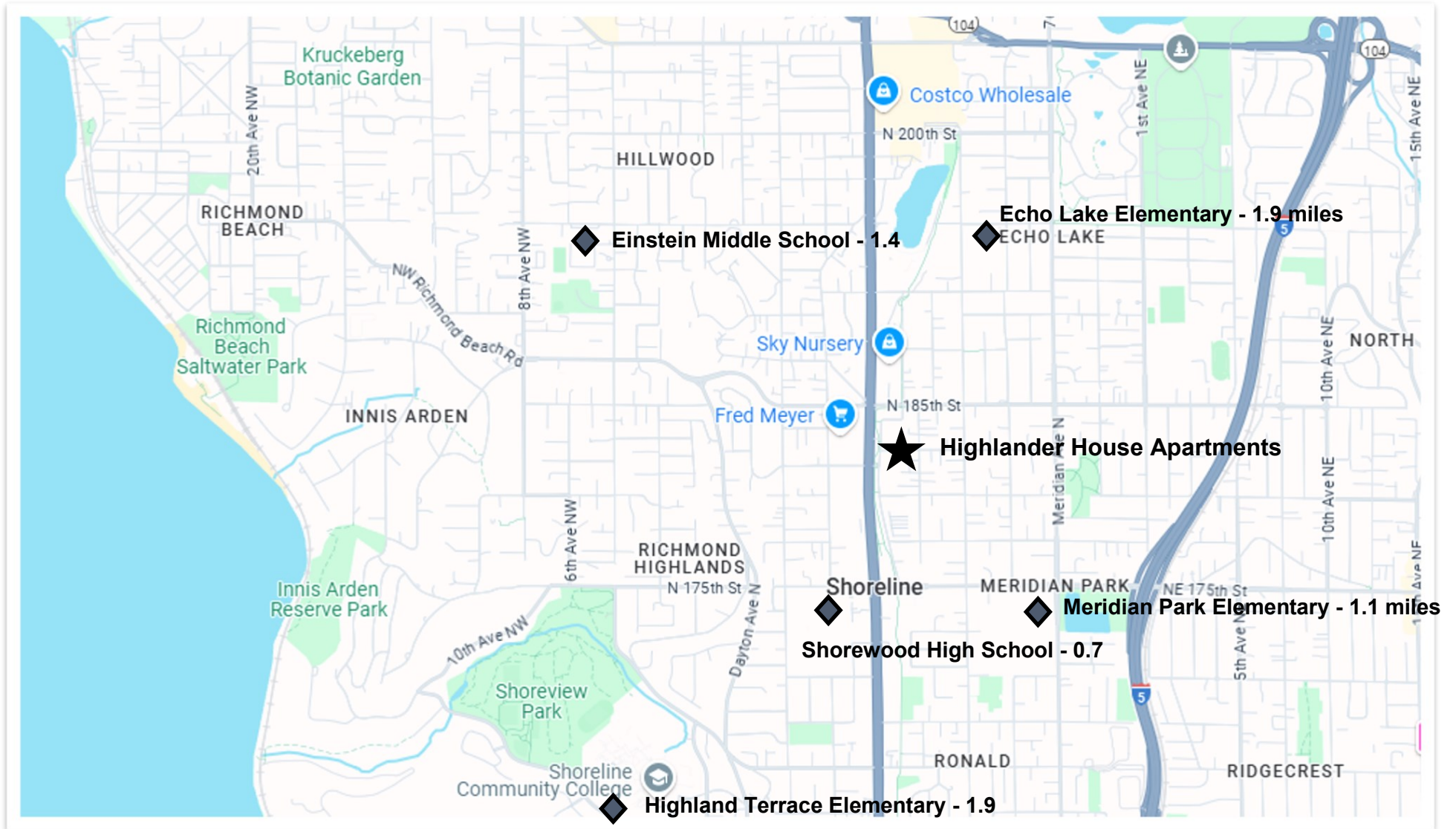
Food Access

Highlander House Apartments



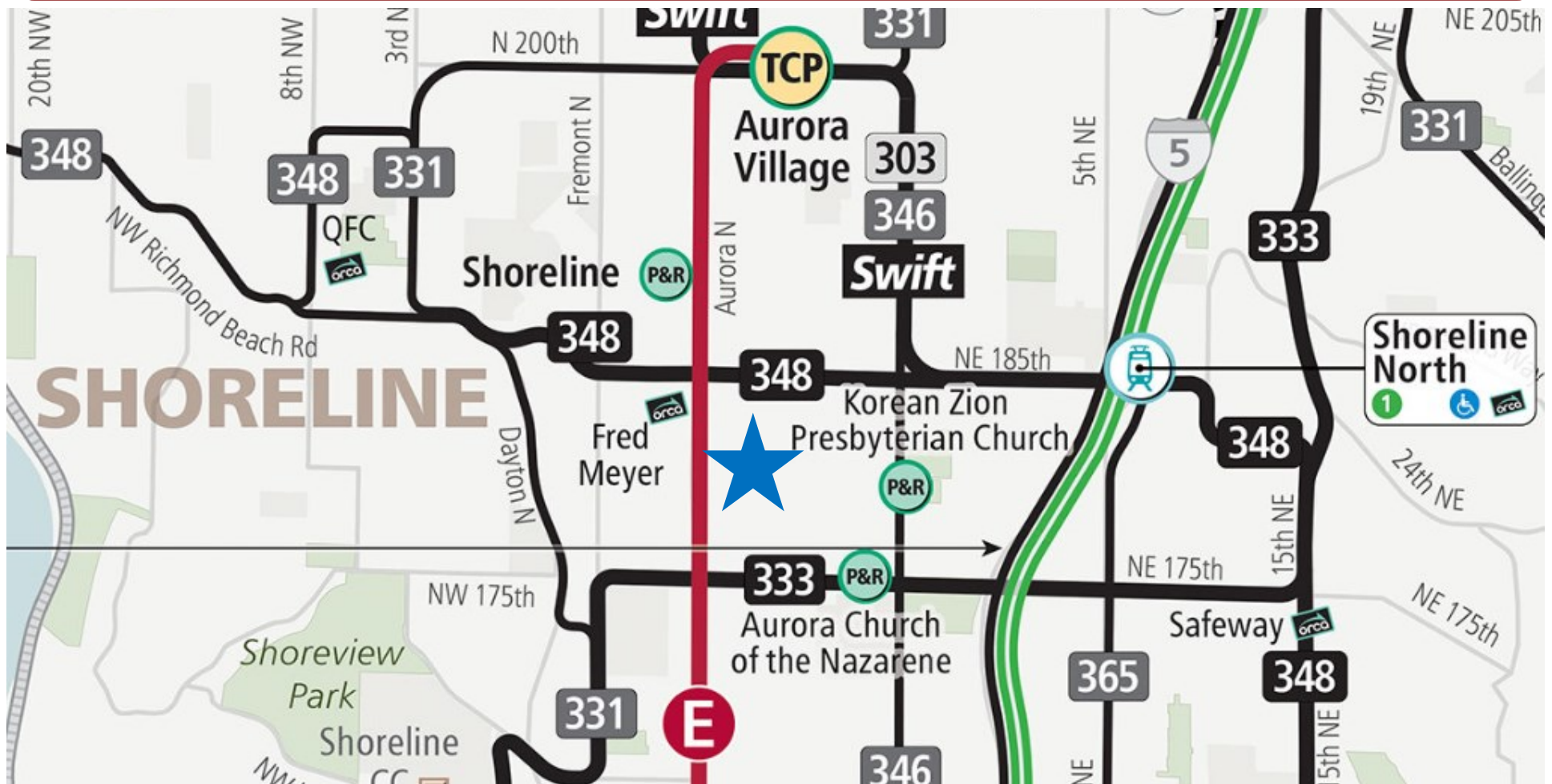
Shoreline School District

Highlander House Apartments

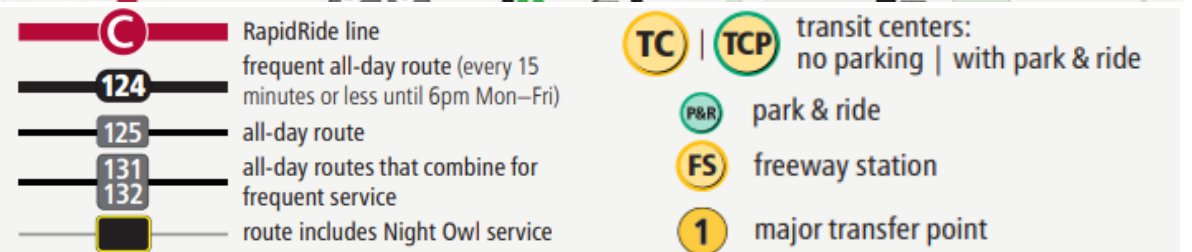


Transit Map

Highlander House Apartments



Highlander House Apartments



HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5795

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING AUTHORIZING ACQUISITION OF THE HIGHLANDER HOUSE APARTMENTS BY CONDEMNATION OR BY PURCHASE IN LIEU THEREOF, 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) **Shortage of Affordable Housing.** There is an increasingly serious shortage of affordable housing in King County, which the Authority is charged with addressing pursuant to its mission of providing quality affordable housing opportunities within King County.

(c) **The Property.** The Highlander House Apartments (the “Property”) is a 23-unit apartment complex located at 1115 N 183rd St, Shoreline, Washington (King County Parcel Number 727610-0236). The Property is located near a variety of public transportation options, including the Interurban trail (less than 0.1 miles), Highway 99, which includes the RapidRide E Line bus route (approximately 0.2 miles), Shoreline Park and Ride (approximately 0.5 miles), and the Shoreline North Link light rail station (approximately 1.3 miles). The Property has ready access to public transportation in an area of King County where rents are increasingly unaffordable to low-income households.

(d) **Preservation of Existing Affordable Equitable Housing.** There is a growing loss of affordable housing for underserved populations including immigrants and minorities. Given current zoning for the site, if the Property is not acquired by the Authority, it would likely be purchased and demolished by a developer, which would result in displacement of the existing residents and loss of the existing affordable units. Units in a newly constructed building would be leased at significantly higher rents consistent with the other new construction in the area. The Authority’s acquisition of the Property would ensure that the minority households that currently occupy no less than 20 of the 23 units will not be displaced by redevelopment. The Authority’s

acquisition and preservation of the existing building at the Property would prevent displacement, support immigrant families, and help preserve equitable housing opportunities in Shoreline.

(e) Housing for Families. The County faces an increasing shortage of affordable housing for families as recent multifamily construction within King County comprises predominantly studio and one-bedroom units, and the Property contains 19 two-bedroom units, which can be used to provide affordable housing for families.

(f) Existing Housing. Acquisition of the Property by the Authority will serve the mission of the Authority and the housing goals of the region through an approach that is considerably less expensive than constructing the same number of new housing units with equivalent amenities.

(g) Additional Findings. It is a goal of local government and the Authority to further fair housing in the region affirmatively, in part through acquisition of equitably distributed affordable housing.

Section 2. Authorization to Purchase by Purchase or by Condemnation. The Board hereby authorizes the President / Chief Executive Officer (i) to give notice to the current owner of the Property of the Authority's intention to acquire the Property and to acquire by eminent domain if it is unsuccessful in acquiring the Property on satisfactory terms through negotiation and purchase in lieu of condemnation; and (ii) to acquire the Property by condemnation through exercise of the Authority's power of eminent domain, if it is unsuccessful in acquiring the Property on satisfactory terms through negotiation with and purchase from the owner in lieu of condemnation.

Section 3. Authorization to Make Final Determination for Purchase. 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 purchase of the Property 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 purchase and sale agreement at a price equal to Four Million Two Hundred Ninety Thousand Dollars (\$4,290,000.00). Notwithstanding the foregoing, the President / Chief Executive Officer is authorized, in her discretion, to determine a different purchase price, provided that such price does not exceed 105% of the appraised value of the Property pursuant to an appraisal completed by a Washington State licensed MAI appraiser.

Section 4. Authorization to Execute Purchase Documents. If the President / Chief Executive Officer is successful in negotiation of the purchase of the Property from the owner in lieu of condemnation for the price authorized above, 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, all contracts, agreements, certifications or other documents in connection with the Authority's acquisition of the Property 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 connection with the submission of various funding and financing applications, in order to provide all or part of the interim and/or permanent financing of the acquisition of the Property 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 THE ANNUAL MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING AT AN OPEN PUBLIC MEETING THIS 19th DAY OF MAY, 2025.

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

RICHARD JACKSON, Vice 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. 5795 (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 May 19, 2025 (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 May 2025.

Robin Walls

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