

HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5590

(Ballinger Commons)

A RESOLUTION of the Board of Commissioners of the Housing Authority of the County of King providing for the issuance of revenue bonds of the Authority in the aggregate principal amount of not to exceed \$90,000,000 for the purpose of refinancing a portion of the acquisition and rehabilitation of the Ballinger Commons, in Shoreline, King County, Washington, and to pay costs of issuing the bonds; delegating to the Executive Director the authority to determine the form, terms and covenants of the bonds and to execute such documents as are useful or necessary to the purposes of this resolution.

ADOPTED MARCH 19, 2018

This document was prepared by:

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WHEREAS, the Housing Authority of the County of King (the “Authority”) seeks to encourage the provision of long-term housing for low-income persons residing in King County, Washington (the “County”); and

WHEREAS, RCW 35.82.070(2) provides that a housing authority may acquire and operate housing projects; and

WHEREAS, RCW 35.82.020 defines “housing project” 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”; and

WHEREAS, RCW 35.82.020(11) and 35.82.130 together provide that a housing authority may issue bonds, notes or other obligations for any of its corporate purposes; and

WHEREAS, pursuant to Resolution No. 5575 adopted November 20, 2017, the Authority previously issued its Non-Revolving Line of Credit Revenue Note, 2017 (Ballinger Commons Project) (the “Refunded Note”), drawn in the principal amount of \$132,500,000, to finance the acquisition of and improvements to a 485-unit apartment complex located at 2405 North 202nd Place in Shoreline, Washington (the “Project”); and

WHEREAS, the Board of Commissioners of the Authority deems it necessary and advisable and in the best interest of the Authority to refinance the Project and to issue its Revenue Bonds, 2018 (Ballinger Commons) (the “Bonds”), in an aggregate principal amount not to exceed \$90,000,000, for the purpose of refunding, on a current basis, a portion of the Refunded Note; and

WHEREAS, the County and Authority previously entered into a Credit Enhancement Agreement pursuant to which the County agreed to provide credit enhancement for up to \$200 million of obligations of the Authority; and

WHEREAS, it is anticipated that KeyBanc Capital Markets Inc. will offer to purchase the Bonds under the terms and conditions set forth in this resolution; and

WHEREAS, RCW 35.82.040 provides that a housing authority may delegate to one or more of its agents or employees such powers or duties as it may deem proper;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the County of King as follows:

Section 1. Definitions. As used in this resolution, unless a different meaning clearly appears from the context, the following words have the following meanings:

“Authority” means the Housing Authority of the County of King, a public body corporate and politic duly organized and existing under and by virtue of the laws of the State of Washington.

“Authorized Officer” means the Chair of the Board, Executive Director of the Authority, or any Deputy Executive Director of the Authority.

“Board” means the Board of Commissioners of the Authority.

“Bond Fund” means the Authority's Revenue Bond Fund, 2018 (Ballinger Commons Apartments).

“Bond Purchase Agreement” means a Bond Purchase Agreement between the Underwriter and the Authority relating to the sale of the Bonds.

“Bond Registrar” means the entity serving as registrar, authenticating agent and paying agent under the Indenture, initially the Trustee.

“Bond” or “Bonds” means the one or more of the Authority's Revenue Bonds, 2018 (Ballinger Commons Apartments), issued pursuant to, under the authority of and for the purposes provided in this resolution.

“Business Day” means any day, other than a Saturday or Sunday, on which banking institutions are open in the state of Washington.

“Code” means the Internal Revenue Code of 1986, as amended.

“Credit Enhancement Agreement” means the Credit Enhancement Agreement between the County and the Authority dated as of October 26, 2017 pursuant to which the County is providing up to \$200 million of revolving credit enhancement to obligations of the Authority.

“Continuing Disclosure Agreement” means the Continuing Disclosure Agreement between the Authority and The Bank of New York Mellon Trust Company, N.A., as dissemination agent, relating to the Bonds, including any supplements or amendments thereto.

“County” means King County, Washington.

“Executive Director” means the Executive Director of the Authority, or his or her designee.

“General Revenues” means all revenues of the Authority from any source, but only to the extent those revenues are available to pay debt service on the Bonds and are not now or hereafter

pledged, by law, regulation, contract, covenant, resolution, deed of trust or otherwise (including restrictions relating to funds made available to the Authority under the U.S. Housing Act of 1937), solely to another particular purpose.

“Indenture” means the Trust Indenture between the Authority and the Trustee relating to the Bonds, including any supplements or amendments thereto made in conformity herewith and therewith.

“Project” means, depending on the context, (1) the 485-unit housing project known as Ballinger Commons located at 2405 North 202nd Place in Shoreline, Washington, or (2) the refinancing of a portion of the costs to acquire and rehabilitate the Ballinger Commons project.

“Refunded Note” means the Authority’s Non-Revolving Line of Credit Revenue Note, 2017 (Ballinger Commons Project), drawn and currently outstanding in the principal amount of \$132,500,000.

“Registered Owner” means the owner of any Bond registered as such on the registration books maintained by the Bond Registrar.

“Trustee” means the entity serving as trustee under the Indenture, initially The Bank of New York Mellon Trust Company, N.A.

“Underwriter” means KeyBanc Capital Markets Inc.

All capitalized terms used but not defined herein shall have the meanings assigned to, them in the Indenture.

Section 2. Authorization of Bonds and Application of Proceeds. For the purpose of providing all or part of the money required to accomplish the Project and to pay costs of issuing the Bonds, the Authority shall issue its Revenue Bonds, 2018 (Ballinger Commons Apartments), in the maximum aggregate principal amount of not to exceed \$90,000,000. Such Bond financing

is declared and determined to be important for the feasibility of the Project. All proceeds of the Bonds shall be deposited with the Trustee for those purposes, as provided in the Indenture. The Board finds that it is in the best interests of the Authority to issue the Bonds for the purposes set forth in this resolution.

Section 3. Description of Bonds. The Bonds shall be called the Revenue Bonds, 2018 (Ballinger Commons Apartments), and shall be in an aggregate principal amount not to exceed \$90,000,000. The Bonds shall be in authorized denominations of \$5,000 or any integral multiple thereof within a single maturity, shall be dated such date, shall bear interest payable on such dates and at such rates, shall mature at such times and in such amounts, shall have such prepayment or redemption provisions and shall have such other provisions consistent with the terms of this resolution as are approved by the Executive Director.

Section 4. Security for the Bonds. The Bonds shall be special, recourse obligations of the Authority payable solely from sources described herein and in the Indenture. The Bonds shall be secured by a pledge of the Trust Estate, which shall include (a) all rights, title and interest of the Authority in the proceeds of any loans made by the County with respect to the Bonds under the Credit Enhancement Agreement, (b) General Revenues of the Authority, subject to the parity lien of other obligations, as described herein and in the Indenture, (c) certain funds and accounts established under the Indenture (subject to disbursements from any such fund or account), (d) money and securities from time to time held by the Trustee under the Indenture, and (e) to the extent not covered, all proceeds of the foregoing, all as described in the Indenture.

The Bonds shall not be a debt of the County, the State or any political subdivision thereof, and the Bonds shall so state on their face. Neither the County, the State nor any political subdivision thereof (except the Authority, from the sources identified herein and in the Indenture)

shall be liable for payment of the Bonds nor in any event shall principal of, premium, if any, and interest on the Bonds be payable out of any funds or assets other than those pledged to that purpose by the Authority herein and in the Indenture. The Authority has no taxing power.

The Authority reserves without limitation the right to issue other obligations, the principal of and interest on which are to be paid from the General Revenues on a parity of lien with the Bonds. At its option, the Authority may pledge any revenues that comprise a portion of the General Revenues to the payment of other obligations, such payments to have priority over the payments to be made under the Bonds with respect to that portion of the General Revenues so pledged.

None of the Commissioners, officers or employees of the Authority shall be personally liable for the payment of the Bonds.

Section 5. Form and Execution of Bonds. The Bonds shall be in a form consistent with the provisions of this resolution, the Indenture and state law, shall bear the manual or facsimile signatures of the Chair of the Board and Executive Director of the Authority and shall be impressed with the seal of the Authority or shall bear a facsimile thereof.

The Bonds shall be authenticated by the Bond Registrar as set forth in the Indenture. No Bonds shall be valid for any purpose until so authenticated. The authorized signing of a Certificate of Authentication shall be conclusive evidence that the Bond so authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of this resolution.

Section 6. Preservation of Tax Exemption of Interest on the Bonds. The Authority covenants that it will take all actions necessary to prevent interest on the Bonds from being included in gross income for federal income tax purposes and it will neither take any action nor make or permit any use of proceeds of the Bonds or other funds of the Authority treated as

proceeds of the Bonds at any time during the term of the Bonds which would cause interest on the Bonds to be included in gross income for federal income tax purposes. The Authority also covenants that, to the extent arbitrage rebate requirements of Section 148 of the Code are applicable to the Bonds, it will take all actions necessary to comply (or to be treated as having complied) with that requirement in connection with the Bonds, including the calculation and payment of any penalties that the Authority has elected to pay as an alternative to calculating rebatable arbitrage, and the payment of any other penalties if required under Section 148 of the Code to prevent interest on the Bonds from being included in gross income for federal income tax purposes.

Section 7. Bond Fund. The Bond Fund is hereby established as a special fund of the Authority designated the Revenue Bond Fund, 2018 (Ballinger Commons Apartments). The Bond Fund shall be drawn upon for the sole purpose of paying the principal of and interest on the Bonds. The Authority irrevocably obligates and binds itself to set aside and pay into the Bond Fund money in an amount sufficient to make payments required to be made under the Bonds, and no other payments into the Bond Fund shall be required.

Upon the issuance of the Bonds, the Authority will execute the Indenture, and the Trustee shall thereafter shall apply amounts on deposit in the Bond Fund to the payment of the principal of and interest on the Bonds.

Section 8. Delegation; Authorization of Documents and Execution Thereof. The Board hereby delegates to the Executive Director the authority to negotiate and approve the forms of the Indenture, the Bond Purchase Agreement, the Continuing Disclosure Agreement, and the Federal Tax Certificate, with such changes as the Executive Director of the Authority shall deem necessary or appropriate and in the best interest of the Authority. The Authority

authorizes and approves the execution and delivery of, and the performance by the Authority of its obligations contained in the Bonds, the Indenture, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Federal Tax Certificate and this resolution and the consummation by the Authority of all other transactions contemplated by this resolution in connection with the issuance of the Bonds.

The Executive Director of the Authority is further authorized and directed to do everything necessary for the issuance, execution and delivery of the Bonds, including appointing the Trustee and “deeming final” the preliminary official statement for the Bonds for the sole purpose of the Underwriter’s compliance with Securities and Exchange Commission Rule 15c2-12(b)(1), and to execute and deliver, on behalf of the Authority, any other documents that may be useful or necessary in connection with the issuance of the Bonds and to ensure the proper use and application of the proceeds from the sale of the Bonds.

The delegation to the Executive Director set forth in this resolution shall include setting the final principal amount, maturity date, principal and interest payment dates, redemption provisions and interest rates for the Bonds; *provided* that (a) the aggregate principal amount of the Bonds does not exceed \$90,000,000, (b) the final maturity of the Bonds shall not exceed forty years, and (c) the true interest cost for the Bonds does not exceed 5.00%.

The authority granted to the Executive Director by this Section 8 shall expire 90 days after the date of final approval of this resolution. If the Bonds do not close within 90 days after the date of final approval of this resolution, the authorization for the issuance the Bonds shall be rescinded, and the Bonds shall not be issued nor their sale approved unless the Bonds shall have been re-authorized by resolution of the Board of Directors. The resolution re-authorizing the issuance and sale of such Bonds may be in the form of a new resolution repealing this resolution

or may be in the form of an amendatory resolution approving a sale or establishing terms and conditions for the authority delegated under this Section 8.

Section 9. Credit Enhancement Agreement. The Executive Director and other appropriate officers of the Authority are authorized to take any actions and to execute documents as in their judgment may be necessary or desirable in order to enter into the Credit Enhancement Agreement with the County.

Section 10. Acting Officers Authorized. Any action required by this resolution to be taken by the Chair of the Board or Executive Director of the Authority may in the absence of such person be taken by the duly authorized acting Chair of the Board or by a Deputy Executive Director, respectively.

Section 11. Ratification and Confirmation. Any actions of the Authority or its officers taken prior to the date of this resolution and consistent with its terms are hereby ratified and confirmed.

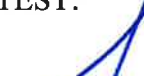
Section 12. Severability. If any provision in this resolution is declared by any court of competent jurisdiction to be contrary to law, then such provision shall be null and void and shall be deemed separable from the remaining provision of this resolution and shall in no way affect the validity of the other provisions of this resolution or of the Bonds.

Section 13. Legal Action. Any legal action concerning the enforcement of the terms of this resolution or the Bonds may be brought only in the Superior Court of King County, Washington, or in the United States District Court for the Western District of Washington. In any such legal action (including any arbitration, appeal, or insolvency proceeding), the nonprevailing party shall pay or reimburse the prevailing party for the reasonable attorneys' fees and other expenses incurred.

ADOPTED by the Board of Commissioners of the Housing Authority of the County of King at a regular meeting thereof this 19th day of March, 2018.

By Douglas Barnes
Chair

ATTEST:



Secretary - Treasurer

CERTIFICATE

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

1. That the attached Resolution No. 5590 (the "Resolution") is a true and correct copy of the resolution of the Board of Commissioners (the "Board") of the Authority, as adopted at a meeting of the Authority held on March 19, 2018, and duly recorded in the minute books of the Authority.
2. That such meeting was duly convened and held in all respects in accordance with law, and, to the extent required by law, due and proper notice of such 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 March, 2018.



Executive Director of the Authority

THE HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5589

**A RESOLUTION AUTHORIZING ACQUISITION OF
HOUGHTON COURT APARTMENTS**

WHEREAS, there is an increasingly serious shortage of affordable housing in King County, which the King County Housing Authority (“Housing Authority”) is charged with addressing pursuant to its mission of providing quality affordable housing opportunities equitably distributed within King County; and

WHEREAS, it is a goal of local government and the Housing Authority to further fair housing in the region affirmatively, in part through preservation of existing affordable housing opportunities in areas with significantly appreciating housing costs; and

WHEREAS, RCW 35.82.070 and RCW 35.82.020(9) authorize the Housing Authority to provide decent, safe, and sanitary urban and rural... apartments ... for persons of low income; and

WHEREAS, RCW 35.82.070(2) provides, in part, that a housing authority shall have the power to acquire housing projects within its area of operation; and

WHEREAS, the Houghton Court Apartments (the “Property”) is comprised of 15 apartments in two 2-story buildings located at 6705 and 6711 106th Avenue NE in Kirkland, Washington, in an area of King County where rents are increasingly unaffordable to low-income households; and

WHEREAS, on February 2, 2018, the City of Kirkland ("City") passed Resolution R-5293 finding the Property to be surplus to the needs of the City and, with the purpose of reducing the lack of affordable housing near downtown Kirkland, authorized the sale of the Property to KCHA pursuant to RCW 35.83 which allows any state public body to "sell...any of its interest in any property...to a housing authority"; and

WHEREAS, the Housing Authority intends to convert the Property to public housing under the U.S. Housing Act of 1939 in order to preserve the affordability of these units for the long term; and

WHEREAS, the acquisition of the Property will serve the mission of the Housing Authority and the housing goals of the region by preserving the site as affordable housing through an approach that is considerably less expensive than constructing the same number of new housing units in the Kirkland area where the Property is located.

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

Section 1: Acquisition of the Property by the Housing Authority is necessary to preserve and provide low income housing in areas of rising rents and high housing market costs in particular.

Section 2: The Board of Commissioners hereby authorizes the Executive Director to acquire the Property from the City for a price anticipated to be

approximately Four Million Seven Hundred Twenty Eight Thousand Dollars (\$4,728,000) which represents the cost of the Property to the City.

Section 3: The Executive Director is hereby authorized to sign a Housing Cooperation Agreement that provides for the acquisition of the Property from the City pursuant to such terms and conditions as are customary in such transactions and as are deemed by the Executive Director to be in the best interests of the Housing Authority.

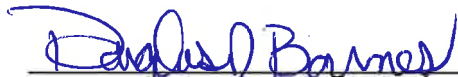
Section 4: The Executive Director is further hereby vested with the authority, and with discretion in the exercise of such authority, to take any and all actions necessary to consummate the acquisition of the Property.

Section 5: The Board of Commissioners hereby authorizes the Executive Director to execute any and all funding agreements, covenants, certifications or other documents in order to provide all or part of the interim and/or permanent financing of the Property.

Section 6: The Board of Commissioners hereby authorizes the Executive Director, Stephen J. Norman, and in his absence, Deputy Executive Director Daniel R. Watson or Deputy Executive Director Constance C. Davis, to execute any and all contracts, agreements, certifications or other documents in connection with the acquisition of Property.

**ADOPTED BY THE BOARD OF COMMISSIONERS OF THE
HOUSING AUTHORITY OF THE COUNTY OF KING THIS 19th DAY
OF MARCH, 2018.**

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



DOUGLAS J. BARNES, Chair

Attest:



STEPHEN J. NORMAN, Secretary

THE HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5588

**AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO AN
INTERLOCAL AGREEMENT WITH THE CITY OF REDMOND, WA**

WHEREAS, The King County Housing Authority is required by RCW 43.325.80 and RCW 43.19.648 to purchase and/or convert the fleet to non-gasoline powered vehicles where practicable; and

WHEREAS, the King County Housing Authority seeks to secure the services of a propane fuel company to assist in the conversion of the KCHA fleet to non-gasoline powered vehicles; and

WHEREAS, KCHA has previously utilized interlocal, cooperative purchasing agreements with in- and out-of-state public agencies; and

WHEREAS, the City of Redmond uses open and competitive procurement policies that are substantially the same as KCHA's; and

WHEREAS, the propane fuel services needed by KCHA is available through the City of Redmond using its competitively bid contract with Blue Star Gas; and

WHEREAS, Chapter 39.34 RCW The Interlocal Cooperation Act permits public agencies to cooperate and exercise joint powers in carrying out their public purposes, including the purchase of goods and services; and

WHEREAS, the City of Redmond routinely enters into Intergovernmental Cooperative Purchasing Agreements with other public agencies in order to reduce the cost of contracts and supplies; and

WHEREAS, the City of Redmond has used competitive bidding procedures which are substantially the same as KCHA's to obtain a reasonable and fair price for the

propane fuel services needed by KCHA and is willing to enter into an Intergovernmental Cooperative Purchasing Agreement allowing KCHA to piggyback on their existing contract at a comparable price.

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

Section 1. The Executive Director is hereby authorized to enter into an Intergovernmental Cooperative Purchasing Agreement with the City of Redmond substantially in the form attached hereto for the purpose of securing a contractor to provide propane powered vehicles.

Section 2. This Interlocal Agreement may also be used to procure other competitively bid services and materials through the City of Redmond without amendment of this Agreement.

ADOPTED AT A MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING THIS 19th DAY OF MARCH 2018.

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



STEPHEN NORMAN
Secretary



Doug Barnes, Chair
Board of Commissioners

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

Monday, February 26, 2018

I. CALL TO ORDER

The meeting of the King County Housing Authority Board of Commissioners was held on Monday, February 26, 2018 at King County Housing Authority, 600 Andover Park West, WA. There being a quorum, the meeting was called to order by Chair Doug Barnes at 8:30 a.m.

II. ROLL CALL

Present: Commissioner Doug Barnes (Chair), Commissioner Michael Brown (Vice-Chair), Commissioner TerryLynn Stewart via phone

Excused: Commissioner Susan Palmer and Commissioner John Welch

III. Public Comment

Residents, Noke Phoumkeo, Heidi Chiat, and Alexa Munoz gave public comment.

IV. APPROVAL OF MINUTES

A. Board Meeting Minutes – December 18, 2017

On motion by Commissioner Brown and seconded by Commissioner Stewart, the Board unanimously approved the December 18, 2017 Board of Commissioners' Meeting Minutes.

B. Board Retreat Meeting Minutes – January 25 and 26, 2018

On motion by Commissioner Brown and seconded by Commissioner Palmer, the Board unanimously approved the January 2018 Board of Commissioners' Retreat Meeting Minutes.

V. APPROVAL OF AGENDA

Chair Barnes announced that Action items would be heard first due to quorum availability.

On motion by Commissioner Brown and seconded by Commissioner Stewart, the Board unanimously approved the February 26, 2018 Board of Commissioners' meeting agenda as revised.

VI. **CONSENT AGENDA**

A. Voucher Certification Reports for November 2017

GENERAL PROPERTIES

Bank Wires / ACH Withdrawals	6,606,078.79
<i>Subtotal</i>	<u>6,606,078.79</u>
Accounts Payable Vouchers	
Key Bank Checks #312788 - #313218	5,505,203.56
Tenant Accounting Checks #10490 - #10501	2,297.15
Commerce Bank Direct Payment	92,838.37
<i>Subtotal</i>	<u>5,600,339.08</u>
Payroll Vouchers	
Checks - #90674 - # 90702	28,791.09
Direct Deposit	1,368,984.73
<i>Subtotal</i>	<u>1,397,775.82</u>
Section 8 Program Vouchers	
Checks - #619698 - #620004	264,108.82
ACH - #399021-#401731	12,317,062.55
<i>Subtotal</i>	<u>12,581,171.37</u>
Purchase Card / ACH Withdrawal	209,978.65
<i>Subtotal</i>	<u>209,978.65</u>
GRAND TOTAL	26,395,343.71

BOND PROPERTIES

Bond Properties Total (31 different properties)	\$8,615,147.39
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B. Voucher Certification Reports for December 2017

GENERAL PROPERTIES

Bank Wires / ACH Withdrawals	22,902,308.06
<i>Subtotal</i>	<u>22,902,308.06</u>
Accounts Payable Vouchers	
Key Bank Checks #313219 - #313869	8,490,829.27

Tenant Accounting Checks #10502 - #10521	3,057.19
Commerce Bank Direct Payment	63,262.43
<i>Subtotal</i>	<u>8,557,148.89</u>
Payroll Vouchers	
Checks - #90703 - # 90742	45,120.88
Direct Deposit	2,146,215.12
<i>Subtotal</i>	<u>2,191,336.00</u>
Section 8 Program Vouchers	
Checks - #620005 - #620303	255,562.14
ACH - #401732-#404505	12,511,042.44
<i>Subtotal</i>	<u>12,766,604.58</u>
Purchase Card / ACH Withdrawal	260,890.55
<i>Subtotal</i>	<u>260,890.55</u>
GRAND TOTAL	46,678,288.08

BOND PROPERTIES

Bond Properties Total (31 different properties)	3,164,301.28
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VII. RESOLUTONS FOR DISCUSSION & POSSIBLE ACTION

- A. **Resolution No. 5584:** Evidencing the intent to operate Friendly Village Mobile Home Park as housing for persons 55 years of age, or older under the terms of the Housing for Older Persons Act

Connie Davis, Deputy Executive Director, presented background information and explained Resolution No. 5584.

On motion by Commissioner Brown and seconded by Commissioner Stewart, the Board unanimously approved Resolution No. 5584.

- B. **Resolution No. 5585:** Authorizing the transfer of the Highland Village Apartments to Somerset Gardens Apartments LLLP; authorizing the execution and delivery of all documents relating to the acquisition, rehabilitation, construction, and financing of the Highland Village Project; and determining related matters

Dan Landes, Senior Development Manager presented Resolution No. 5585, and mentioned that Board approval would revise the previously adopted Resolution Nos. 5577 and 5578. Mr. Landes explained that the selected tax

credit investor requested that the two projects be combined into one partnership for administrative and technical tax credit related reasons. Mr. Landes further clarified that Resolution No. 5585 changes the Highland Village tax credit partnership from Highland Village Apartments LLLP to Somerset Gardens Apartment LLLP.

On motion by Commissioner Brown and seconded by Commissioner Stewart, the Board unanimously approved Resolution No. 5585.

- C. **Resolution No. 5586: Authorizing the Executive Director to amend, rescind, restructure and/or enter into new agreements with HomeSight related to the HomeSight Phase III affordable homeownership project located adjacent to the Greenbridge community**

John Eliason, Development Director presented Resolution No. 5586.

On motion by Commissioner Stewart and seconded by Commissioner Brown, the Board unanimously approved Resolution No. 5586.

- D. **Resolution No. 5587: Acceptance of Washington State Auditor's Office Report on Financial Statements and Federal Single Audit (No. 1020005) , and the Accountability Audit Report (No. 1020479), both for the period ended December 31, 2016**

Craig Violante, Director of Finance, briefed the Board on the annual audits of KCHA, conducted by the State of Washington - Office of the State Auditor. Mr. Violante explained that two reports; (1) the Financial and Single Audit, and (2) the Accountability Audit Report, were created for the period ended in December 2016. Per requirement, the reports are to be presented to the Board for review and approval.

Mr. Violante mentioned that there were no findings in either report and there were no management letter items.

On motion by Commissioner Brown and seconded by Commissioner Stewart, the Board unanimously approved Resolution No. 5587.

VIII. BRIEFINGS AND REPORTS

- A. **2017 Year End Investment Report**

Mr. Violante also provided an update on the 2017 performance of KCHA's investing strategy which includes investments in the Washington State Local Government Investment Pool (LGIP), Government securities, cash

held by trustees/held in traditional saving and checking accounts, loans to housing partners, and to the Energy Performance Contract project. Mr. Violante explained investment structures, average yields and the strategy for 2018.

B. Fourth Quarter 2017 Procurement Report

Connie Davis, Deputy Executive Director, reported on the procurement activities for the period of October through December 2017.

C. Fourth Quarter 2017 Summary Write-off Report

Mr. Violante presented the Write-Offs report for the Fourth Quarter of 2017.

IX. DEBRIEF BOARD RETREAT DISCUSSION

Commissioners and staff had follow-up discussions in regard to the 2018 Board Retreat.

X. EXECUTIVE SESSION

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

Chair Barnes announced the start of the Executive Session at 9:54 a.m.

The meeting of the Board of Commissioners was reconvened at 10:00 a.m. by Chair Barnes.

XI. EXECUTIVE DIRECTOR'S REPORT

Stephen Norman, Executive Director, announced the Renewal Funding Inflation Factor (RFIF) has been projected at 18.24%, and also mentioned that KCHA was awarded an additional 100 Veteran Affairs Supportive Housing (VASH) Vouchers.

XII. KCHA IN THE NEWS

None.

XIII. COMMISSIONER COMMENTS

Chair Barnes asked staff to provide an update on Somerset Gardens.

XIV. ADJOURNMENT

Chair Barnes adjourned the meeting at 10:15 a.m.

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



DOUGLAS J. BARNES, Chair
Board of Commissioners



STEPHEN J. NORMAN
Secretary