



Service
Integrity
Respect
Community
Leadership
Wisdom
Creativity

Special Meeting of the Board of Commissioners

Date: Friday, October 13, 2023

Time: 12:00 p.m.

Location: Hybrid Meeting; EHA Administrative Office, 3107 Colby Ave or Zoom

<https://us02web.zoom.us/j/673982739?pwd=WDVWK2FFVXNZOVRwaVJkbkszNUcxdz09>

Meeting ID: 673-982-739; passcode 514202

Contact Chris Neblett at chrisn@evha.org or (425) 303-1186 at least one hour in advance of the meeting if you wish to attend in person, while the Housing Authority office is open by appointment only.

Roll Call

Administer Oath of Office Reappointing Commissioner John Traynor

Items for Individual Consideration

- 1)** Resolution No. 1582 Confirming the Appointment of Major S. Galloway III as Executive Director and Secretary-Treasurer, and Related Confirmations
- 2)** Resolution No. 1583 Approval for Commencement of Predevelopment Activities at Park District Phase 2
- 3)** Resolution No. 1584 Adopting Change to the Housing Choice Voucher Administrative Plan

Adjournment

Everett Housing Authority does not discriminate on the basis of disability in the administration of, or access to, its programs or activities. Requests for assistance or accommodations can be arranged by contacting Chris Neblett at (425) 303-1186, or chrisn@evha.org.

Resolution No. 1582

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF EVERETT, CONFIRMING THE APPOINTMENT OF MAJOR S. GALLOWAY III TO THE POSITION OF EXECUTIVE DIRECTOR AND SECRETARY-TREASURER, AND RELATED CONFIRMATIONS

WHEREAS, at a special meeting of the Board of Commissioners (the "Board") of the Housing Authority of the City of Everett (the "Housing Authority") held on July 21, 2023, the Board identified Major S. Galloway III as its choice to serve as the Executive Director of the Housing Authority; and

WHEREAS, pursuant to that decision and execution of Resolution No. 1578, the Board executed an employment contract with Major S. Galloway III, appointing him as Executive Director of the Housing Authority; and

WHEREAS, consistent with RCW 35.82.040, the Bylaws of the Housing Authority provide that the offices of Secretary and Treasurer shall be held by the Executive Director of the Housing Authority; and

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

WHEREAS, the banks and some other entities with which the Housing Authority conducts its business must be affirmatively notified of the addition of a new signatory to the Housing Authority's bank accounts; and

WHEREAS, the Executive Director has previously been authorized as the individual designated by the Housing Authority to receive any claims made for damages pursuant to RCW 4.96, Section 2(20), and should specifically be named in a required filing to Snohomish County;

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF EVERETT:

Section 1. Appointment of Executive Director. Major S. Galloway III's appointment as Executive Director and Secretary-Treasurer of the Housing Authority is hereby confirmed, effective as of September 18, 2023.

Section 2. Contracting Officer. Major S. Galloway III, in his role as Executive Director, is hereby confirmed as the primary Contracting Officer of the Housing Authority and any affiliates of the Housing Authority, with the authority to sign such contracts, agreements, legal documents, financial reports, or any other such documentation as may be necessary to conduct the business of the Housing Authority and its affiliates, or to delegate such authority to other Housing Authority personnel.

Section 3. Agent for Receipt of Claims. Major S. Galloway III is hereby designated the Agent of the Housing Authority for the purpose of receiving claims for tortious actions of the Housing Authority.

Section 4. Ratification and Confirmation. All actions of the Housing Authority and its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.

Section 5. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

ADOPTED by the Board of Commissioners of the Housing Authority of the City of Everett at an open public meeting this 13th day of October, 2023.

HOUSING AUTHORITY OF THE CITY OF
EVERETT


Chip Burgess (Dec 18, 2023 13:14 PST)

Chair, Board of Commissioners

ATTEST:

Major Galloway

Executive Director

TO: Board of Commissioners
FROM: Jason Morrow, Director of Development
SUBJECT: Approving Commencement of Predevelopment Activities at Park District Phase 2
DATE: October 13, 2023

Background

EHA's 10-Year Strategic Plan calls for the creation of 1,500 units of affordable housing over the next ten years, with a focus on housing for families with children and seniors. The Park District (formerly Baker Heights Public Housing) is approximately 16-acres in the Delta neighborhood of the City of Everett.

The purpose of this resolution is to secure Board approval to authorize commencement of predevelopment activities for Phase 2 of the Park District ("Development"). The Development is located at 1300 Hemlock Street, Everett, WA 98201.

Additionally, this resolution secures authorization from the Board for the Executive Director or his named designee to procure, engage, and sign contracts on behalf of the Housing Authority for predevelopment work and products in connection with this Development that individually exceed \$500,000, up to an aggregate amount of \$9,200,000, without further Board approval.

Site / Project Description

The 16-acre masterplan landholdings are being rezoned for a variety of mixed-use housing building types and preliminary concept design estimates suggest that the Park District can accommodate 1,500+ units. Phase 2 of the Development is expected to consist of approximately 260 moderate income units with complimentary civic, retail, office, and open space.

The Development is proposed to have multiple open spaces including a new major park and community gardens, play areas, gathering plaza and a great lawn area. In addition, planning includes approximately 20,000 SF of retail, 24,000 SF of office and 26,000 SF of civic spaces and services.

The previous public housing units have received Section 18 disposition approvals and are vacant. Demolition is in the planning phase.

Predevelopment Budget

The scope of work within the predevelopment budget is for activities contributing to the design, entitlement, and project management of Phase 2 of the Park District. This will involve design and development plan refinement through the major design and entitlement phases: Schematic Design, Design Development, and Construction Documents.

Consultant	Proposed Amount
Legal & Related Costs	\$200,000
Closing Costs	\$100,000
Municipal Fee	\$3,000,000
Architectural Fee	\$2,000,000
Engineering & Related Fee	\$1,750,000
Construction Management Fee	\$400,000
Owner Soft Cost Contingency	\$1,750,000
Total	\$9,200,000

Early phase distributions of the proposed budget will be spent on design programming prior to completion of the Development Agreement and the Planned Development Overlay (PDO) Final Development Plan entitlement. In the potential scenario in which the Final Development Plan and Development Agreement are different from the current Design Program, we may need to re-design later at additional cost part of the masterplan to lower height structures below the 12- / 15-story structures in the current programming. Since Phase 2 is planned to be a low-/mid-rise structure, any adverse impacts from the PDO entitlement phase are not anticipated.

Recommended Action

Adopt Resolution No. 1583, authorizing commencement of pre-development activities for Phase 2 of the Park District Development located at 1300 Hemlock Street, Everett, WA 98201, up to an aggregate amount of \$9,200,000, without further Board approval.

Resolution No. 1583

APPROVING COMMENCEMENT OF PREDEVELOPMENT ACTIVITIES AT PARK DISTRICT PHASE 2

WHEREAS, Everett Housing Authority's (EHA) 10-Year Strategic Plan calls for the creation of 1,500 units of affordable housing over the next ten years, with a focus on housing for families with children and seniors; and

WHEREAS, EHA is in the late stages of a multi-year redevelopment master planning process for the remaining parcels of the former Baker Heights Public Housing, now called the Park District; and

WHEREAS, in order to proceed with redevelopment of the site and to achieve EHA's Strategic Plan objectives, it is necessary for EHA to begin land use and pre-development activities for Phase 2 of the Park District;

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF EVERETT:

Section 1. The Executive Director is authorized to commence pre-development activities for development of the property located at 1300 Hemlock Street, Everett, WA 98201, including but not limited to: financial analysis; legal analysis and document preparation; legal formation of one or more entities required to limit liabilities and form project partnerships; pursuit of prospective financing; consultant and vendor engagement; design development; and regulatory compliance and entitlements coordination.


Section 2: The Executive Director or his named designee is authorized to procure, engage, and sign contracts on behalf of the Housing Authority for pre-development work and products in connection with this site as described in Section 1 above that individually exceed \$500,000, up to an aggregate amount of \$9,200,000, without further Board approval.

Section 3: The Executive Director is further authorized to take any actions that are necessary or advisable to give effect to this Resolution.


Section 4: The Resolution shall be in full force and effect from and after its adoption and approval.

Adopted by the Board of Commissioners of the Housing Authority of the City of Everett, Washington, this 13th day of October 2023.

HOUSING AUTHORITY OF THE CITY OF EVERETT


Chip Burgess (Dec 18, 2023 13:14 PST)
Chair, Board of Commissioners

ATTEST:



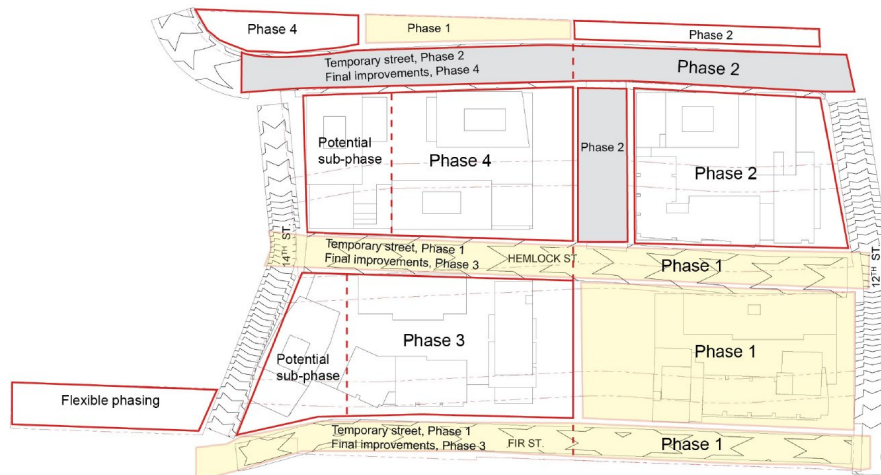
Executive Director

Appendix 1 – Project Layout:



Phase 2

Phase 2 Targeted Plan:



Appendix 2 – Project Renderings:



Appendix 3 – Project Schedule:

Task Name	Duration	Start	Finish	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26	Q3'26	Q4'26	Q1'27	Q2'27	Q3'27			
Park District Project Schedule	56 Months	Dec-22	Jul-27																							
Entitlement Process	15 Months	Dec-22	Mar-24																							
PLANNED DEVELOPMENT OVERLAY	9 Months	Jun-23	Mar-24																							
Development Agreement	6 Months	Mar-24	Aug-24																							
Regulatory / Municipal Approvals	13 Months	Feb-23	Mar-24																							
Street Vacate CC Approval	9 Months	Jun-23	Mar-24																							
GCCM Appointment / On-boarding	1 Day	Oct-23	Oct-23																							
Existing Structure Demolition	6 Months	Jun-24	Nov-24																							
Financing	12 months	Feb-24	Jan-25																							
Infra Design & Construction	22 months	May-24	Dec-25																							
Phase-2 Design & Construction	46 months	Oct-23	Jul-27																							
Design	20 months	Oct-23	May-25																							
Construction	26 months	Jun-25	Jul-27																							

TO: Board of Commissioners
FROM: Kristen Cane, Senior Director of Asset Management and Housing Choice Vouchers
SUBJECT: Adopting Update to the Housing Choice Voucher Program Administrative Plan
DATE: October 13, 2023

Background

In the Housing Choice Voucher (HCV) Administrative Plan effective 7/1/2023, approved by Resolution No. 1575, EHA allowed for the payment of Vacancy Loss in Project-Based Voucher (PBV) units. HUD allows PHAs to provide up to 2 months of contract rent to landlords for vacant PBV contract units. The reason for PBV vacancy payments is to provide critical revenue to the landlord while EHA is processing PBV applications.

After a PBV tenant has lived in their PBV unit for 12 months, they can request continued assistance from EHA, which comes in the form of a tenant-based voucher that the participant can use to rent a home in the private market. EHA refers to these households as PBV Graduates and they are prioritized for turnover vouchers before applicants on the HCV waitlist list.

In March 2019, EHA was required to freeze voucher issuances, including for PBV Graduates because EHA's annual Housing Assistance cost exceeded EHA's annual amount of funding awarded by HUD. Throughout the COVID-19 pandemic, EHA continued the voucher issuance freeze due to large staff turnover in the HCV and Housing Management departments.

Once staffing returned to full capacity, EHA resumed issuing vouchers to PBV Graduate households in May 2023. Voucher issuances for PBV Graduates were completed in August of 2023 and EHA has now started pulling applicants off of the HCV waitlist again.

As a result of the delayed HCV waitlist pulls, EHA's voucher utilization has steadily decreased and, therefore, EHA is projected to spend less in Housing Assistance Payments (HAP) to landlords this year than HUD is providing. Because the funding calculation used to determine annual HAP funding is based in part on prior year spending, EHA's HAP spending this year could negatively impact the amount of funding EHA receives from HUD in future years.

To preserve the agency's budget authority, HUD encouraged EHA to spend and obligate as much HAP as possible. Staff have determined that one strategy to increase HAP is to make the PBV vacancy loss policy retroactive to January 1, 2023. Paying vacancy loss to EHA-controlled PBV properties will provide an additional \$106,000 to these properties, which mitigates some of the additional costs of PBV Graduate movers on EHA-controlled properties. Adoption of this resolution is projected to provide vacancy loss payments of the following amounts to EHA-controlled properties:

Property Group	Projected Vacancy Loss Payments for 1/1/23-9/30/23
Bakerview / Grandview	\$22,073
Broadway Plaza	\$21,787
Wiggums	\$18,713
EAHP	\$6,905
RAD for PRAC Properties	\$29,328
Pivotal Point	\$7,422
Total	\$106,228

EHA staff will continue to revisit this policy given available resources each year to determine if PBV Vacancy Loss is a strategic priority.

Recommended Action

Adopt Resolution No. 1584, adopting the described update to the Housing Choice Voucher Program Administrative Plan, effective retroactive to January 1, 2023.

Resolution No. 1584

ADOPTING UPDATE TO THE HOUSING CHOICE VOUCHER PROGRAM ADMINISTRATIVE PLAN

WHEREAS, pursuant to 24 C.F.R. 982.54, the U.S. Department of Housing and Urban Development ("HUD") requires the Housing Authority of the City of Everett ("EHA") to have an Administrative Plan that establishes local policies for the administration of the Housing Choice Voucher (HCV) Program; and

WHEREAS, the Administrative Plan must be updated and changed from time to time as program regulations, community needs, and agency resources change; and


WHEREAS, EHA has identified the need to make retroactive vacancy loss payments to certain Project-Based Voucher (PBV) assisted properties to decrease the significant impact of restarting issuance of tenant-based vouchers to PBV residents in EHA's portfolio;

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF EVERETT:


Section 1: That a revision to the HCV Administrative Plan, contained in Exhibit "A," is attached hereto.

Section 2: This revision to the Administrative Plan shall be effective retroactive to January 1, 2023.

Adopted by Board of Commissioners of the Housing Authority of the City of Everett, Washington, this 13th day of October, 2023.


Chip Burgess (Dec 18, 2023 13:14 PST)
Chair, Board of Commissioners

Attest:



Secretary

Exhibit "A" to Resolution No. 1584

17-V.F. ADDITIONAL HAP REQUIREMENTS

Vacancy Payments [24 CFR 983.352(b)]

At the discretion of the PHA, the HAP contract may provide for vacancy payments to the owner for a PHA-determined period of vacancy extending from the beginning of the first calendar month after the move-out month for a period not exceeding two full months following the move-out month. The amount of the vacancy payment will be determined by the PHA and cannot exceed the monthly rent to owner under the assisted lease, minus any portion of the rental payment received by the owner (including amounts available from the tenant's security deposit).

EHA Policy

The PHA will not provide for vacancy payments only in PBV-assisted properties that are owned, controlled, or operated by EHA.