



## SHORELINE CITY COUNCIL WORKSHOP DINNER MEETING

Monday, July 22, 2019  
5:45 p.m.

Conference Room 303 · Shoreline City Hall  
17500 Midvale Avenue North

### KING COUNTY HOUSING AUTHORITY (KCHA)

1. **CALL TO ORDER** 5:45 p.m.
2. **INTRODUCTIONS AND KCHA BACKGROUND DISCUSSION**
3. **DISCUSSION OF KEY ISSUES**
  - KCHA Presence in Shoreline
  - Challenges of Homelessness
4. **ADJOURNMENT** 6:45 p.m.

*The Council meeting is wheelchair accessible. Any person requiring a disability accommodation should contact the City Clerk's Office at 801-2231 in advance for more information. For TTY service, call 546-0457. For up-to-date information on future agendas, call 801-2230 or see the web page at [www.shorelinewa.gov](http://www.shorelinewa.gov). Council meetings are shown on Comcast Cable Services Channel 21 and Verizon Cable Services Channel 37 on Tuesdays at 12 noon and 8 p.m., and Wednesday through Sunday at 6 a.m., 12 noon and 8 p.m. Online Council meetings can also be viewed on the City's Web site at <http://www.shorelinewa.gov/government/council-meetings>.*



## Memorandum

**DATE:** July 15, 2019

**TO:** Shoreline City Council

**FROM:** Jim Hammond, Intergovernmental Relations Manager

**RE:** Council Dinner Meeting with King County Housing Authority Executive Director Stephen Norman and Deputy Director for Development, Dan Watson

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Tonight, Council will have the opportunity to hear from King County Housing Authority (KCHA) Executive Director Stephen Norman and Deputy Director for Development Dan Watson, regarding KCHA's latest Shoreline-related initiatives and a general update on the organization.

### **Background**

The KCHA is an independent municipal corporation. It was created by the State of Washington in 1939 to provide affordable housing and related services. KCHA receives no operating funds from the State of Washington, King County, or the region's cities. It covers operating costs by rents charged to tenants and through federal funding. Its annual consolidated budget is about \$301 million, and it has roughly 400 full-time employees at administrative offices in Tukwila and field offices throughout the county.

KCHA is governed by a five-member volunteer Board of Commissioners. The King County Executive appoints the commissioners, who are then approved by the Metropolitan King County Council.

The KCHA provides rental housing and rental assistance to more than 20,000 households, serving low-income people in 33 cities—not including Seattle and Renton—as well as in unincorporated areas of King County. King County is home to more than 1.8 million residents and covers more than 2,000 square miles. KCHA's service area includes 1.2 million of the county's residents and the majority of its low-income households.

KCHA's core mission is to provide housing for low-income households, but it also provides workforce and mixed-income housing such as Meadowbrook and Ballinger Commons in Shoreline. Countywide, KCHA owns and manages 4,269 units of federally funded housing for families, the elderly, and people with disabilities. An additional 7,000 units of low- and moderate-income housing are financed through tax credits or tax-exempt bonds. Federally funded Section 8 Vouchers help more than 10,000 households rent affordable housing on the private market.

Through partnerships with communities and a wide variety of nonprofit service providers and affordable housing developers, KCHA's housing and supportive services combine to reach 55,000 people who earn less than the county median income. The combination of housing and services put self-sufficiency within most families' reach, usually within six years.

### **Executive Director Stephen Norman**

Mr. Norman has served as KCHA's Executive Director for over 20 years and has an extensive background in the design, financing, development and operation of service-enriched and affordable housing. He previously served as an assistant housing commissioner for the City of New York. Subsequently, he was the founding national vice-president of the Corporation for Supportive Housing (CSH) where he established CSH's program operations and worked around the country with local governments, foundations and nonprofits to develop supportive housing for homeless and special-needs populations. Mr. Norman held an appointment as Loeb Fellow at Harvard University's Graduate School of Design in 1985-86. He has a Master's in Public Administration from the University of Washington. He currently serves as president of the Council of Large Public Housing Authorities and as chair of the CSH Board of Directors.

### **Deputy Director for Development Dan Watson**

Mr. Watson has been a member of KCHA's senior management team for over 30 years and has overseen the planning, financing and development of new affordable housing during most of his tenure. KCHA is one of the largest developers of affordable housing in the state of Washington and over the last 10 years has acquired or developed more than 2,700 units of housing, of which over two-thirds are for lower and moderate-income households. Since 1990, KCHA has issued more than \$1 billion in housing bonds. Mr. Watson holds an M.A. in Economics from Northwestern University, an M.A. in Software Engineering from Seattle University and an B.A. in Economics from Washington State University. He is the past president of Housing Development Consortium and past regional president of the National Association of Housing and Redevelopment Officials.

## **Key Issues**

The following section of this memo provides information on the key initiatives that KCHA is planning to talk about tonight:

### **KCHA Presence in Shoreline**

KCHA owns a substantial affordable housing inventory in Shoreline, totaling 1,226 units in separate multifamily communities which can be categorized as follows:

- Low-income/subsidized housing for families - 140 units
- Low-income/subsidized housing for seniors and disabled individuals - 414 units
- Mixed-income workforce housing - 672 units

Additionally, KCHA issues housing vouchers to very low-income households, enabling them to rent apartments and rental homes in private and nonprofit-owned housing.

According to KCHA staff, most of what KCHA develops or acquires these days serves a range of income groups. Its most recent acquisitions in Shoreline, Meadowbrook and Ballinger Commons, target the local workforce where incomes are typically at or below 80% of area median income (AMI), although under state law only 50% of housing units have to be rented to households at or below 80% AMI.

A significant number of units at Meadowbrook and Ballinger Commons are currently rented to households with incomes greater than 80%. This may change over time as rents become more affordable compared to the market and the resident mix evolves. Very low-income households with incomes below 30% AMI are served at these properties, but only to the extent that holders of Section 8 vouchers choose to live there. However, since KCHA properties are welcoming to very low-income renters, 10% to 15% of these units might eventually house very low-income renters.

### ***Discussion Questions***

- What does “affordable housing” mean? And how does that term fit with “workforce housing”?
- How did KCHA come to acquire Ballinger Commons and what are the current and long-term plans for this property?
- KCHA has been mentioned in conversations with the State Legislature regarding the future of Fircrest. What might affordable housing look like at that site?

### **Challenges of Homelessness**

Shoreline and the north King County have housing needs that are not unfamiliar to the rest of the region. A growing proportion of low-income (50% AMI) and very low-income households (30% AMI) that are unable to secure subsidized housing are cost burdened, meaning that more than 30% of their income goes to housing costs. As Shoreline sees an increase in homeless adults and families, there is, within the Shoreline School District, a growing number of students known to be homeless - a total of 337 (or 3.4%) for the most recent school year.

### ***Discussion Questions***

- Do renters with Section 8 vouchers face additional challenges in finding housing in the private market? In Shoreline?
- How can housing for homeless and very low-income households be expanded?
- Does KCHA see a need for increased senior housing?
- What are the most effective steps local government can take to facilitate the preservation and development of low-income and affordable housing?