

Public Engagement at Commission Meetings

All Board meetings and Budget/Planning Sessions of the Washington State Housing Finance Commission are open to the public. Our intention is to welcome all members of the public and to provide a clear and reasonable process through which they can share their thoughts with us.

Different Ways to Join a Commission Meeting:

1. For **Monday, May 20, 2024 (day 1 of 2)** click [here](#) to go to the meeting directly.

For **Tuesday, May 21, 2024 (day 2 of 2)** click [here](#) to go to the meeting directly

2. At www.zoom.us, go to “Join” or “Join a Meeting,” and enter:

For Monday, May 20, 2024 (day 1 of 2):

- Webinar/Meeting ID: 825 2065 4727
- Passcode: 429465

For Tuesday, May 21, 2024 (day 2 of 2):

- Webinar/Meeting ID: 898 9244 2831
- Passcode: 385796

3. To participate by phone, dial toll-free either **1 (888) 788-0099** or **1 (877) 853-524**.
4. Members of the public can attend the meeting in-person on either or both days at the meeting room location at the Rialto – Meeting Room “C”, located at 3600 Suncadia Trail, Cle Elum, WA 98922.

During Meetings:

During Commission board meetings and budget/planning sessions, attendees in-person and virtually can see and hear all presentations and business taking place. Microphones will be turned off except to receive comment during the public general comment period (during the Commission business board meeting only on Monday, May 20th – day one).

Public Hearings:

Commission meetings often include public hearings for specific housing projects or other policy decisions. Please limit comments to those directly related to the public hearing topic.

Public Comment:

- **Purpose of Public Comment**

During this period, the Commissioners listen to public concerns and comments but do not generally engage in dialogue. Staff will follow up with commenters who request assistance or answers to questions, providing that contact information is shared. Anyone who wishes to speak during the public comment period can take this opportunity.

- **When to Comment**

The public comment period takes place near the end of the morning Commission business board meeting on day one only (and **not** at any time during the Budget/Planning Session). The starting time for the public comment

period depends on the length of the Commission's other business. Typically, the public comment period is reached after about 15-20 minutes (9:15-9:20 a.m.) but may be sooner or later.

- **Raising Your Hand in Zoom or Through Phone Participation**

To give us a sense of the number of people wishing to speak and help us call on you in an orderly fashion, the meeting Chair will ask you to use the Zoom "raise hand" feature to indicate you would like to speak. People participating on the telephone can press *9 to virtually "raise a hand." Whether or not you are able to virtually raise a hand, the Chair will provide time and opportunity for all to share their comments before closing the public comment period.

- **Timing of Comments:**

We ask that speakers keep their comments brief (2 to 3 minutes). The chair may ask you to begin bringing your statement to a close after that time, especially if others are waiting to speak. Our intention is not to impose a specific time limit unless it seems necessary to give a large number of speakers an equal chance to share their comments.

**WASHINGTON STATE HOUSING FINANCE COMMISSION
COMMISSION MEETING AGENDA**

YOU ARE HEREBY NOTIFIED that the Washington State Housing Finance Commission will hold a **Special Meeting & Budget and Planning Session (day 1 of 2)** in the **Rialto – Meeting Room “C”**, located at **3600 Suncadia Trail, Cle Elum, WA 98922**, on **Monday, May 20, 2024 at 9:00 a.m.**, to consider the items in the agenda below.

Pursuant to RCW 42.30.030(2), which encourage public agencies to provide for public access to meetings, this meeting can also be viewed via Zoom or joined telephonically.

To join virtually, please go to [Zoom Mtg. Link](#), go to “Join a Meeting” or “Join” and enter:

Login information for Monday, May 20, 2024:

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Participants wishing to provide public comments, please see public engagement opportunities on pages one and two above for instructions.

- I. Chair: Approval of the Minutes from the April 25, 2024, Special Meeting. (5 min.)**
- II. Briefing - Lisa Vatske:** Brief description and overview of projects for which public hearings were held and the potential for resolutions in June 2024. (5 mins)
- III. Consider and Act on the Following Action Items:**
 - A. Resolution No. 24-77, The Mill at First Hill, OID # 24-67A**

Lisa Vatske: A resolution approving the proposed issuance of one or more series of tax-exempt revenue bonds to provide a portion of the financing for the acquisition and rehabilitation of a 358-unit multifamily housing facility located at 1000 8th Avenue and 801 Spring Street, Seattle, WA 98104, to be owned by SRMAHMill LLC, a Washington limited liability company. Proceeds of the bonds may also be used to pay all or a portion of the costs of issuing the bonds. The total estimated bond amount is not expected to exceed \$15,000,000. The public hearing was held April 25, 2024. (5 mins)
 - B. Resolution No. 24-76, Crestview Terrace Apartments, OID # 24-47A**

Lisa Vatske: A resolution approving the proposed issuance of one or more series of tax-exempt revenue notes to provide a portion of the financing for the acquisition and rehabilitation of a 168-unit multifamily housing facility located at

2000 & 2101 North Alder Street, Ellensburg, WA 98926, to be owned by Crestview Terrace Community Partners, LP, a Washington limited partnership. Proceeds of the notes may also be used to pay all or a portion of the costs of issuing the notes. The total estimated note amount is not expected to exceed \$38,000,000. The public hearing was held April 25, 2024. (5 min.)

C. Resolution No. 24-75, Camas Flats 4%, OID # 23-46A

Lisa Vatske: A resolution approving the proposed issuance of one or more series of tax-exempt revenue notes to finance a portion of the costs for the acquisition, construction and equipping of an 82-unit multifamily housing facility, located on current vacant land extending southwest from the corner of NE 10th Avenue and NE Cordero Place to a western boundary of N. Oak Harbor Street, Oak Harbor, WA 98277, to be owned by Camas Flats Oak Harbor 1, LLLP, a Washington limited liability limited partnership. Proceeds of the notes may also be used to pay all or a portion of the costs of issuing the notes. The maximum note amount is not expected to exceed \$20,000,000 (a portion of which may be taxable). The public hearings were held February 22, 2024, and May 15, 2024. (5 min.)

D. Resolution No. 24-74, Parkshore Juanita Bay, OID # 24-66A

Lisa Vatske: A resolution approving the proposed issuance of one or more series of tax-exempt revenue bonds to finance a portion of the costs for (i) the construction and equipping of a continuing care retirement community with 50 independent living units known or to be known as Parkshore Juanita Bay, located in Kirkland, Washington, (ii) the funding of capitalized interest and working capital expenditures with respect to the Bonds, (iii) the funding of a debt service reserve fund, and (iv) the payment of costs of issuing the Bonds. The project is located at 11853 97th Avenue NE, 11925 97th Avenue NE and 9480 NE 120th Street, Kirkland, WA 98034, to be owned by German Retirement Home of the State of Washington, a Washington nonprofit corporation and organization described under section 501(c)(3). The total estimated bond amount is not expected to exceed \$65,000,000. The public hearing was held April 25, 2024. (5 min.)

E. Resolution No. 24-72, Aventine, OID # 24-25A

Lisa Vatske: A resolution approving the proposed issuance of one or more series of tax-exempt revenue bonds to finance the acquisition and rehabilitation of an existing 68-unit nonprofit housing facility, located at 211 - 112th Avenue NE, Bellevue, WA 98004, to be owned by LIHI Aventine LLC, a Washington limited liability company, the sole member of which is Low Income Housing Institute (LIHI), a Washington nonprofit corporation and organization described under section 501(c)(3). Proceeds of the bonds may also be used to pay all or a portion of the costs of issuing the bonds. The total estimated bond amount is not expected to exceed \$14,000,000. The public hearing was held April 25, 2024. (5 min.)

IV. Chair: Miscellaneous Correspondence and Articles of Interest (5 min.)

A. Miscellaneous Correspondence and Articles of Interest

B. HFC Events Calendar

V. Chair: Public Comment

VI. Executive Session (if necessary)

VII. Adjourn Special Business Meeting

Nicole Bascomb-Green, Chair

The Budget/Planning Session will start five (5) minutes after the adjournment of the Special Commission Business Meeting, or at 9:45 a.m. (whichever comes later) in the Rialto Meeting Room – Room “C”.

Members of the public joining the Budget & Planning Session virtually will be muted, and there will be no in-person or virtual public comment periods.

Please see the next page for Day 1 Budget & Planning Session agenda.

****BUDGET PLANNING SESSION AGENDA - SUBJECT TO CHANGE****

Monday, May 20, 2024

BUSINESS MEETING:

- 9:00 am Call to Order: Special Commission Business Meeting to approve necessary bond resolutions and other action items (please see agenda on pages three through five above)
- 9:30 am Executive Session

****ADJOURN BUSINESS MEETING****
Suspend Executive Session until 9:00 am on Tuesday, May 21st

BUDGET AND PLANNING SESSION – DAY 1

- 10:30 am Chair: Call to Order – Commission Budget & Planning Session (day 1 of 2)
Steve Walker, Executive Director: Housekeeping Items & Agenda Review
- 10:35 am Bob Peterson, Deputy Director, Margret Graham, Communications Director, and Nashika Stanbro, DEI Director: Mission Vision Values & Racial Equity Strategic Plan – Goals, Activities, Progress, Discussion (45 mins)

Division Reports; Successes; Meeting Challenges in FY 2025

Single Family: Market Updates and Division Reports - Successes; Meeting Challenges in FY2025

- 11:20 am Homeownership (45 mins)
- Mina Choo, Managing Director, RBC Capital Markets
 - Mike Awadis, Managing Director, Hilltop Securities Inc.

12:05-1:05 pm Lunch Break

- 1:05 pm Lisa DeBrock (Homeownership Director) (25 mins)

Multi Family: Market Update and Division Report - Successes; Meeting Challenges in FY2025

- 1:30 pm Multi Family Housing (30 mins)
Mike Hemmens, Managing Director, Citi Community Capital
- Lisa Vatske, Multifamily Housing and Community Facilities (MHCF) Director (30 mins)

Remaining Division Reports - Successes; Meeting Challenges in FY2025

2:30 pm Wubet Biratu, Director, Asset Management and Compliance (15 mins)

Lucas Loranger, Senior Finance Director: Finance Division (10 mins)

Bob Peterson: Administration/Executive Division (10 mins)

Bob Woodard, IT Director: Information Technology (10 mins)

3:15-3:30 pm Break

Budget Topics

3:30 pm Lucas Loranger: Overview of Proposed FY2025 Budget (45 mins)

4:15 pm Steve Walker, Lucas Loranger, Directors: Program Related Investments – Status report and Proposed Investments for FY2025 (25 mins)

****ADJOURN****

Please see the next page for Day 2 Budget & Planning Session agenda.

YOU ARE HEREBY NOTIFIED that the Washington State Housing Finance Commission will hold a **Budget and Planning Session (day 2 of 2)** in the **Rialto – Meeting Room “C”**, located at **3600 Suncadia Trail, Cle Elum, WA 98922**, on **Tuesday, May 21, 2024 at 9:00 a.m.**, to consider the items in the agenda below.

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Participants who wish to participate telephonically in the United States, please dial either toll free number: 1 (888) 788-0099 or 1 (877) 853-5247.

Members of the public joining the Budget & Planning Session virtually will be muted, and there will be no in-person or virtual public comment periods.

BUDGET AND PLANNING SESSION – DAY 2:

- 9:00 am Executive Session – Executive Director’s Performance Evaluation (60 mins)
- 10:00 am 2024 Legislative Budget Proviso: Steve Walker (20 mins)
- 10:20 am Break for room checkout (25 min)
- 10:45 am DEI Activities Update: Nashika (15 min)
- 11:00 am Communications Activities Update: Margret Graham (15 mins)
- 11:15 am Chair: Discussion of FY2025 Budget, reflections, and direction to staff.

****ADJOURN****

**WASHINGTON STATE
HOUSING FINANCE COMMISSION
MINUTES**

April 25, 2024

The Commission meeting was called to order by Chair Nicole Bascomb-Green at 1:05 p.m. in the 28th Floor Board Room of the Washington State Housing Finance Commission at 1000 Second Avenue, Seattle, Washington 98104 and via Zoom. Those Commissioners present via Zoom were: Albert Tripp, Alishia Topper, Corina Grigoras, Ken Larsen, Lowel Krueger, and Mike Pellicciotti. Chair Bascomb-Green, Bill Rumpf, and Pedro Espinoza were present in-person in the 28th Floor Board Room.

Approval of the Minutes

The March 28, 2024 Commission meeting minutes were approved as distributed.

Employee Recognition

Mr. Steve Walker, Executive Director, stated that every quarter, the Commission does Employee Recognition to: 1) recognize staff tenure through Years of Service awards; 2) recognize any individual/group Special Achievement awards; and 3) recognize the recipient(s) of the Employee of the Quarter award, and yearly, the Employee of the Year award.

He reminded Commissioners that Employee Recognition is a 100% peer-driven program and thanked the following Commission staff members of the Employee Recognition Committee: Mike Gary, Patricia Williams, Kat Komin, Angel Galgana, and Tanya Scratchley.

Mr. Walker then presented Years of Service awards to the following Commission staff members:

2 years of service:

- Emily Northrup

20 years of service:

- Cindy Felker

Employee of the 1st Quarter, 2024 – Emily Northrup:

Mr. Walker then presented the Employee of the 1st Quarter, 2024 award:

“Our Employee of the 1st Quarter of 2024 has not only been an incredible asset to the Homeownership Division, but to the Commission as a whole. This person exhibits effective and honest communication skills, dedication, patience, and leadership, and has worked across all divisions as we work through the important work of DEI and our mission, vision, and values, and our strategic plan and our safe space principles.

She has shown that she can break down and dissect topics in a way that is easier to digest and easier to understand. This person is enthusiastic and passionate about equity, and this shines through in all areas of her work as the co-Chair of the Commission’s strategic planning committee. She's facilitated and managed the task of shepherding the mission vision and values process through to completion.

Despite challenges, she spent countless hours and tirelessly working to ensure all voices were heard. She has successfully and empathetically facilitated the difficult conversations and feelings that came up during these group discussions. Her powerful desire to achieve an equitable result for the mission, vision, and values statement showed important leadership qualities, including emotional intelligence, patience, and diplomacy.

Through her leadership the delivery of an unmanageable task was not just completed, but completed well, with the support of all. This person always gives 100% and has undertaken the most difficult and important work that the Commission has faced with grace and with commitment.

April 25, 2024

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This is why we should all be proud to congratulate Emily Northrup for being our employee of the first quarter, 2024!”

Chair Bascomb-Green congratulated the years of service and Employee of the Quarter recipients.

**Public Hearing:
Covenant
Homeownership
Program (CHP)**

The Chair opened a public hearing for the Covenant Homeownership Program (CHP) at 1:11 p.m.

Ms. Lisa DeBrock, Director, Homeownership Division, gave a PowerPoint presentation, with slides provided in the board meeting packet on what the Covenant Homeownership Program (CHP) is and its initial program recommendations.

She mentioned that the CHP Study along with FAQs and a timeline, are all posted on the Commission’s website at: <https://wshfc.org/covenant/index.htm>.

Ms. DeBrock first thanked stakeholders from around the state, plus the Black Home Initiative (BHI), and finally, Homeownership Division staff for all of their input and work in this important work to help homeowners who have been harmed by racially restrictive covenants in Washington State.

She stated the CHP comes from bipartisan legislation approved by the Legislature through the Covenants Homeownership Act and signed into law by the Governor in Spring of 2023. This bipartisan legislation was enacted to address legacy housing discrimination in Washington State. The key components of this legislation: 1.) A new source of funding from real-estate recording fees; 2.) a research study on discrimination, its impacts, and effective remedies; and 3.) a new program to provide downpayment assistance to homebuyers. The Commission will oversee the design and implementation of the CHA Program and will oversee the study. In addition, the Department of Financial Institutions (DFI) will have an oversight committee established for the CHA Program.

Ms. DeBrock then stated that the 197-page CHA research study, created for the Commission by the National Fair Housing Alliance (NFHA) and is posted on the Commission's website, highlighted a few items: 1.) the history of housing discrimination by the state that kept families from owning a home and building wealth; 2.) impacts persist to this date in the form of lower homeownership rates; and 3.) recommends program elements that can address disparities as part of a Special Purpose Credit Program (SPCP). She added that a SPCP is part of the Equal Credit Opportunity Act, which serves economically distressed groups under certain narrow circumstances can consider race or ethnicity (race-conscious vs. race neutral), and the Covenant study establishes parameters to narrowly tailor the CHP as a SPCP.

She stated the timeline: March 22, 2024 was date the Covenant Study was released; a webinar on the Study's findings was held April 2; a program listening session was held on April 15; the public hearing being held now at this month's Commission Meeting; then sometime from May-June, the program finalized with lender/partner training and homebuyer outreach; and finally on July 1, the CHP is officially launched!

Ms. DeBrock highlighted the policy goals, the first, making sure this program helps and not harms those that this program is meant to serve. The second is complying with CHP/SPCP requirements by being flexible as possible, ensuring that eligible households can afford to purchase a home of a decent quality, serve as many eligible households as feasible, providing homebuyers with a reasonable choice of homes, and last, allowing homebuyers to purchase homes in high-cost counties and also other parts of the state as well.

Ms. DeBrock then summarized the program parameters per the legislation: 1.) downpayment assistance loan (not a grant) repaid upon sale or transfer; 2.) an owner-occupied home; and 3.) individual eligibility, such as being a Washington state resident by showing either a Washington driver's license or state I.D. card, income at 100% or less the county's area median income (AMI), first-time homebuyer (which is unique to CHA), and specifically a Washington resident or

descendent of one – who would have been excluded from homeownership in Washington by racially restrictive covenants on or before April of 1968 (must show records to prove this).

Ms. DeBrock then mentioned that the CHP would work with the Commission's first-mortgage programs, House Key and Home Advantage. These loans will be reserved by trained Commission lenders (currently about 120 lending companies with hundreds of loan professionals trained) utilizing VA, Freddie Mac, Fannie Mae, Ginnie Mae, USDA, & FHA loans. For the main first mortgage, the lender could choose an interest rate that suits the borrower, including a Covenant loan rate that could be slightly lower, all with no credit overlays, and a property inspection required. Also, one & two-unit properties would be allowed, with the exception that two-unit properties would be done only through Home Advantage.

Other factors include, the CHP can combine with other DPA programs, with at least one borrower on the note/deed must document family requirement, the DPA amount plus homebuyer's need will be individually customized, and finally, as with all of the Commission's single-family programs, a Commission-sponsored homebuyer education class will be required of the borrower(s) with a certificate issued on successful completion.

Ms. DeBrock briefly mentioned the legislative parameters of the definition of a first time homebuyer is someone who had no ownership interest in the past three years, a single-parent who only owned a house while previously married, a displaced homemaker who only owned a house with a spouse on July 23, 2023 or subsequent date, a person who only has owned a principal residence not permanently affixed to a foundation, and a person who owned a property to be deemed uninhabitable by a licensed building inspector.

She then stated the recommendations the Commission has made per the study findings: 1.) Eligible groups should be Black, Native American, Hispanic, Alaska Native, Native Hawaiian, Other Pacific Islander, Korean, or Asian Indian, with the study basing on recommendation of both historic discrimination and current homeownership disparities; 2.) will rely on records to show the race of

the person who was a Washington resident prior to 1968 – either the homeowner themselves or a direct ancestor such as a grandparent or parent; and 3.) will be flexible in accepting documentation, but relying on statutory descriptions of acceptable documents, thus, will create a review committee.

Further recommendations include customized DPA loan amounts by recommending a model that puts DPA amounts in order to put decent homes within reach, but with lower DPA amounts, it doesn't account for lack of availability of modest-cost homes in many counties. The model will be tailored to account for varied home prices and inventory in different parts of the state, and a cap on the maximum DPA amount will be part of the final recommendations. Also, customized DPA will be utilized, to offer DPA amounts for homes at city/county levels. She added that Abt, the Commission's research partner, is currently updating the numbers for 2024, and then every year thereafter, the numbers will be updated as well.

Ms. DeBrock concluded that the final further recommendations are to not require an asset test, which would not force households to use their assets, unless they choose to, and one-on-one counseling required for all borrowers. These counselors can also help out homebuyer(s) with long term budgeting/planning as well as assisting with gathering required family documentation.

Chair Bascomb-Green then asked if there were comments from members of the public.

Mr. Darryl Smith, Executive Director, HomeSight, commended the Commission for the development and the implementation of the CHP and on behalf of HomeSight, is proud to be a partner with the Commission regarding CHP. He commented that the CHP needs to be strong and bold in its initial years and development so that additional steps can be taken, especially to address the fact that Washington is a very high-cost state regarding homeownership with very low inventory statewide.

Mr. Marty Kooistra, from Civic Commons and Black Home Initiative (BHI), which is a consortium of 93 organizations from public, private, and nonprofit sectors (the Commission is one of these organizations), commented that homeownership in Washington is a complex issue and a challenge. He added that BHI focuses on the supply and demand, plus the enabling environment, and that with the CHP this would help further bolster the efforts of the BHI and make good on the promise for those finally achieving their dream/goal for homeownership, especially in outlying areas BHI is focusing on, that surrounds Seattle. He concluded by stating that the Mortgage Bankers Association and their convergence study highlighted four key gaps for increasing Black homeownership – knowledge gap, trust gap, income gap, and a supply gap.

Mr. Kooistra concluded his remarks by stating that he agrees with the Commission's recommendations for no asset test and one-on-one homebuyer counseling.

Ms. Denise Rodriguez, Executive Director, Washington Homeownership Resource Center (WHRC) commented that the CHP is a very needed program, and that the housing counseling should be done with HUD-certified counselors. She added that this counseling should be done on the front end of the homebuying process and not towards the end or just simply as a last-minute formality. Also, there should be no asset test, and also no requirement for 100% of a person's/household's savings should be used for purchasing a home – instead, use those savings for an emergency repair or routine maintenance.

Ms. Rodriguez added that the Commission should choose a DPA cap that considers the cost of mid-level homes and prioritize giving as many choices as possible. She concluded that the WHRC is ready to partner with the Commission and is fully supportive of the CHP.

Mr. Ali Sheibani, Homeowner Service Director, Habitat for Humanity of Seattle-King, and Kittitas Counties, stated that Habitat was in full support of the CHP purchase program. Habitat strongly recommends a low barrier requirement that there would be a minimum one-hour long counseling session that occurs at the

very beginning of the homeownership process, with the emphasis of the prospective homeowner(s) being able to ask all of the questions needed without feeling intimidated. Finally, Habitat fully supports not requiring an asset test, to allow homebuyers to keep their savings as a safety net, or for emergency renovations/maintenance.

Ms. Jessica Talton, Branch Leader & Loan Originator, Movement Mortgage, was in full support of the CHP program, and was in favor of DPA caps not to exceed \$500,000, especially to help new homebuyers in King and Pierce Counties. She was in favor of recommending housing counseling, but felt that it should not be required, as that could be another hurdle for new homeowners and foster further intimidation.

Mr. Mark Rowley, Banner Bank, commented that he was in full support of the CHP, and has done homebuyer education with the Commission for 35 years. He noted that the home prices are a challenge in Eastern Washington as well and very limited inventory. He gave a personal example that he was able to find a house in the Tri-Cities area that was affordable, but it was a prefabricated house from the 1940s that was meant for temporary housing for workers on the Manhattan Project, at Hanford.

Ms. Patience Malaba, CEO, Housing Development Consortium (HDC), expressed HDC's full support of the CHP, as a partner with the BHI. She felt that the CHP helps fulfill the goal of the BHI of 1,500 Black homeowners in 5 years. She added that the CHP also addresses generations of housing discrimination. She concluded that HDC commends the work of Ms. DeBrock and the Homeownership Division especially regarding the custom DPA approach.

Chair Bascomb-Green asked if any Commissioners had any further questions or comments. Mr. Rumpf asked if the CHP will be city by city, or by county only. Ms. DeBrock replied that it would be city by city. He also asked if the funds would run out quickly. Ms. DeBrock stated that currently, there would only be a few individuals who would qualify, but, if demands outstrip supply, policies can

be enacted at a later date.

Mr. Tripp asked if there has been value in having counseling with the Commission's homeownership programs. Ms. DeBrock replied that there is, that homebuyer education is required before participation in any of the programs the Commission offers, and that specifically for Home Choice, that is the only homeownership program that required additional homebuyer counseling,

Mr. Espinoza concurred with the testimony given earlier by Mr. Kooistra in that the CHP addressed 3 out of 4 points from the BHI, and the challenge is the supply side with bolstering inventory. He added further that to address this, more individuals can be trained to be builders, and that not having a college degree should not be an impediment. He commented to Congressman Adam Smith that more programs should be developed on the Federal and State levels to develop more workers in the various skilled trades.

Chair Bascomb-Green commended Ms. DeBrock and her staff, and thanked the many partners, and looked forward to CHP being reality on July 1st.

After hearing no further board member questions/comments, or hearing any further comments or testimony from members of the public, Chair Bascomb-Green closed the public hearing at 1:58 p.m.

**Public Hearing:
Proposed updates
to the policies for
financing bonds &
to the Nonprofit
Bond Programs**

The Chair opened the public hearing at 1:58 p.m.

Ms. Claire Petersky, Manager, Multifamily Housing & Community Facilities (MHCF) Division stated that this was a public hearing regarding proposed updates to the policies for financing bonds and to the Nonprofit Bond Programs. The proposed updates were included in the board member packet and posted on the Commission's website.

Ms. Petersky commented that the General Bond Financing policy did have a substantive change, in that public sales will be allowed for all investment-

grade bond instead of just bonds rated “A” or above. She added that this was presented and discussed at last month’s Work Session. She concluded that feedback was favorable from members of the Commission’s Finance Team and borrowers, and no written testimony was submitted.

After hearing no comments/testimony from the public, the public hearing was closed at 2:00 p.m.

**Public Hearing:
Aventine, OID #24-
25A**

The Chair opened the public hearing for Aventine, OID #24-25A at 2:00 p.m.

Mr. Dan Schilling, Senior Finance Analyst, MHCF Division, stated that this was a public hearing for the proposed issuance of one or more series of tax-exempt revenue bonds to finance the acquisition and rehabilitation of an existing 68-unit nonprofit housing facility, located at 211 - 112th Avenue NE, Bellevue, WA 98004, to be owned by LIHI Aventine LLC, a Washington limited liability company, the sole member of which is Low Income Housing Institute (LIHI), a Washington nonprofit corporation and organization described under section 501(c)(3). Proceeds of the bonds may also be used to pay all or a portion of the costs of issuing the bonds. The total estimated bond amount is not expected to exceed \$14,000,000.

Mr. Schilling then introduced Ms. Kalyssa Eversman, Development Associate, Low-Income Housing Institute (LIHI).

Ms. Eversman stated that Aventine is a five-story 68 unit apartment building in Downtown Bellevue, to be acquired sometime in May, and rehabilitated by LIHI. Besides the nonprofit housing bonds issued by the Commission, the City of Bellevue is contributing \$10 million for this project, along with \$6.8 million from the Amazon Equity Fund. She added that they will ask for a bridge loan from the City of Bellevue, but also apply for Housing Trust Fund and money from King County, to pay back the bridge loan.

Ms. Eversman stated further that of the 68 total units, 2 of which will be taken offline and converted into case management units. Also, the unit mix is 30, 50, 60, & 80% of AMI. She added that the building is currently occupied by workforce individuals making 80% of AMI and some units are market rate. Current tenants are not being displaced, instead, once a tenant moves out, the set-aside units are established. In addition, LIHI has partnered with the King County Housing Authority for 32 project-based vouchers, for the 30% and 50% set-aside units, along with a partnership with the Bellevue School District for two, 2-bedroom units for families making 30% of AMI. She concluded that SeaMar has been contracted to provide on-site behavioral health services.

Mr. Rumpf asked how long it will take for the building to have all of its units be affordable and how long the turnover would occur. Ms. Eversman replied that they project about 16 units out of 68 turning over within a year and the remaining units, perpetually, for a period of approximately two years, until all the units are set-aside units.

There were no comments or written testimony from members of the public, and the public hearing was closed at 2:08 p.m.

**Public Hearing:
Parkshore Juanita
Bay, OID #24-66A**

The Chair opened the public hearing for Parkshore Juanita Bay, OID #24-66A at 2:08 p.m.

Mr. Dan Schilling, Senior Finance Analyst, MHCF Division, stated that this was a public hearing for the proposed issuance of one or more series of tax-exempt revenue bonds to finance a portion of the costs for (i) the construction and equipping of a continuing care retirement community with 50 independent living units known or to be known as Parkshore Juanita Bay, located in Kirkland, Washington, (ii) the funding of capitalized interest and working capital expenditures with respect to the Bonds, (iii) the funding of a debt service reserve fund, and (iv) the payment of costs of issuing the Bonds. The project is located at 11853 97th Avenue NE, 11925 97th Avenue NE and 9480 NE 120th Street, Kirkland, WA 98034, to be owned by German Retirement Home of the State of

Washington, a Washington nonprofit corporation and organization described under section 501(c)(3) of the IRS Tax Code (the “Code”). The total estimated bond amount is not expected to exceed \$65,000,000.

Mr. Schilling then introduced Mr. Mitchell Connell, CFO & Treasurer of Transforming Age.

Mr. Connell stated that Parkshore Juanita Bay is a satellite CCRC community located in Kirkland with 50 independent units (45 of which are entry fee units, and the remainder rental units), and 10% of the units affordable at 50% of local AMI, consisting of 1, 2, and 2-bedroom with a den units. He added that there is a very strong market demand in that area as it’s located in Kirkland's historic Juanita Bay section, which is very walkable for seniors, whether down to Lake Washington or into the village. He concluded that already 85% of the market rate units have been pre-sold, and Transforming Age, the nonprofit parent company, has contributed \$1 million into the project as equity.

There were no comments or written testimony from members of the public, and the public hearing was closed at 2:14 p.m.

**Public Hearing:
Crestview Terrace
Apts., OID #24-47A**

The Chair opened the public hearing for Crestview Terrace Apartments, OID #24-47A at 2:14 p.m.

Mr. Dan Schilling, Senior Finance Analyst, MHCF Division, stated that this was a public hearing for the proposed issuance of one or more series of tax-exempt revenue notes to provide a portion of the financing for the acquisition and rehabilitation of a 168-unit multifamily housing facility located at 2000 & 2101 North Alder Street, Ellensburg, WA 98926, to be owned by Crestview Terrace Community Partners, LP, a Washington limited partnership. Proceeds of the notes may also be used to pay all or a portion of the costs of issuing the notes. The total estimated note amount is not expected to exceed \$38,000,000.

Mr. Schilling then introduced Mr. Ryan Kucich, Senior Development Manager, Community Preservation Partners (CPP Housing).

Mr. Kucich stated that CPP Housing is based out of Irvine, California and has preserved over 15,000 total units across the country. He added that CPP's main mission is to preserve affordable housing. He stated further that Crestview Terrace was originally built in 1970-71 as two properties but were combined and renovated as one LIHTC property in 2008.

Mr. Kucich stated that Crestview Terrace's unit mix consists of 95 1-bedroom, 36 2-bedroom, 26 3-bedroom, and 11 4-bedroom units serving individuals making 40-50% of local AMI. Also, 163 of 168 units are Section 8 HAF, and at bond closing, this Section 8 HAF will be extended for 20 additional years. Also, there will be three separate set-aside units for large households, persons experiencing homelessness, and persons with disabilities.

He added that there will be work done in each unit with new fixtures and cabinets, plus replaced wiring and plumbing, along with new exterior windows and roofing. Also, the community building will have an upgraded leasing office and workout room, along with a new dog park and community garden.

There were no comments or written testimony from members of the public, and the public hearing was closed at 2:18 p.m.

**Public Hearing:
The Mill @ First
Hill, OID #24-67A**

The Chair opened the public hearing for The Mill at First Hill, OID #24-67A at 2:18 p.m.

Mr. Jason Hennigan, Acting Manager, MHCF Division, stated that this was a public hearing for the proposed issuance of one or more series of tax-exempt revenue bonds to provide a portion of the financing for the acquisition and rehabilitation of a 358-unit multifamily housing facility located at 1000 8th Avenue and 801 Spring Street, Seattle, WA 98104, to be owned by SRMAHMill LLC, a Washington limited liability company. Proceeds of the bonds may also be

used to pay all or a portion of the costs of issuing the bonds. The total estimated bond amount is not expected to exceed \$15,000,000.

Mr. Hennigan added that The Mill at First Hill will be utilizing recycled bond cap and funding from the Amazon Equity Fund, with closing expected around June 12. He then introduced Mr. Conor Hansen, Managing Principal of Affordable Housing, SRM Development.

Mr. Hansen stated that The Mill at First Hill originally was built in 1949 in the heart of Seattle's First Hill neighborhood, and for a time, it was the largest apartment community west of the Mississippi River. He stated further that half of the total unit mix will be for persons making 60% of AMI, and the other half for persons making 80% of AMI. There are unit sizes ranging from studios to 2-bedroom units, located in two 14-story towers. He noted that SRM purchased the property for \$8 million less than what it was sold at, back in 2015.

He concluded that the Amazon Equity Fund will contribute \$32 million, the recycled volume cap bond proceeds of \$10 million, and the remainder using private equity. They anticipate it will take around 2 ½ to 3 years for full compliance with the AMI unit mix as they will use attrition; they will not evict anyone currently residing in their current units. Also, only about \$1.5 in modest renovations are needed, as the property was extensively renovated a few years ago by the previous owners.

There were no comments or written testimony from members of the public, and the public hearing was closed at 2:24 p.m.

**Public Hearing:
Project(s) for
Allocation of Low-
Income Housing
Tax Credits in the
2024 funding round**

The Chair opened a public hearing on the recommended allocation of 9% Low-income Housing Tax Credits ("LIHTC") for the following two projects at 2:24 p.m.:

TC #	Project Name	City	County	Annual Tax Credit Amount
24-01	Felida Park Senior Housing	Felida	Clark	\$1,403,366
24-08	WWHA Meadow Grove	Walla Walla	Walla Walla	\$1,321,183

Mr. Richardson stated that Felida Park and WWHA Meadow Grove are the first two (of 13 total) projects for consideration for an allocation of 2024 9% LIHTCs this year, with the remaining eleven LIHTC projects to be considered/approved by the end of the summer.

Felida Park Senior Housing

Mr. Richardson stated that Felida Park Senior Housing is being developed by Specialized Housing, Inc. It will have 65 units and will be located at 12314 NW 36th Avenue, in Felida (unincorporated Clark County), 98685. The project is in the Metro allocation pool.

Mr. Richardson then introduced Mr. Brian McCarl, Executive Director, & Ms. Karina Angulo, Real Estate Transaction Manager, both from Specialized Housing, Inc.

Mr. McCarl stated that without the allocation of \$14 million in LIHTCs, there would be 65 less units of senior housing and up to 400 seniors without comprehensive health care. He mentioned that based on a study done, there is currently a deficit of 3,000 affordable housing units in unincorporated Clark County, with continued demand for new senior housing 1 to 2-bedroom units serving very low-income seniors. In addition, 8% of people in unincorporated Clark County only make \$15,000 or less, with another 8% making \$25,000 or less.

Mr. McCarl added that Felida Park will have half of the total units for seniors making 30% or less of local AMI, and the other half making 50% or less of local

AMI. In addition, the other portion of this transaction deals with PACE, or all inclusive comprehensive Medicare & Medicaid health and dental care with free transportation offered within a 45-mile radius, that has been offered for the past 50 years. The PACE program would be contracted and run by Providence ElderPlace.

Ms. Angulo thanked the Commission for their assistance in providing this much needed resource to help out seniors in the Vancouver and unincorporated Clark County area.

WWHA Meadow Grove

Mr. Richardson stated that WWHA Meadow Grove is being developed by the Walla Walla Housing Authority. It will have 50 units and will be located at a TBD address on Woodland Avenue, Walla Walla, 99362. The project is in the non-Metro allocation pool. Mr. Richardson noted that this project received a Land Acquisition Program (LAP) loan from the Commission back in early 2020.

Mr. Richardson then read a submitted written letter from Renee Rooker, Executive Director, Walla Walla Housing Authority, that was included in the board member packet:

“Meadow Grove will be a newly constructed affordable housing community with 5 two-story buildings on a 3.78 acres site in Walla Walla, WA. The site is nestled in an existing neighborhood. The Walla Walla Housing Authority (WWHA) is the developer, general partner, and property manager for Meadow Grove.

The fifty (50) units will target 13 units to homeless, at or below 30% Area Median Income (AMI); 25 units at or below 40% AMI, and 12 units at or below 60% AMI. The 13 units at or below 30% AMI will be permanent supportive housing. The site will have a community building, recreation equipment and laundry facilities.

The site was purchased with assistance from the Washington State Housing Finance Commission’s Land Acquisition Program (LAP) with the specific intent to develop affordable housing. We [WWHA] closed on the LAP loan March 2020 in the amount of \$502,500. This program was a vital component of taking advantage of the rare opportunity to purchase vacant land in Walla Walla. The development received an award from Washington State’s Housing Trust Fund in the amount of \$5,000,000 and also received an award from the State’s Connecting Housing to Infrastructure Program for \$883,320.

We are excited to be considered for an award of 9% Low Income Housing Tax Credits from your organization. Like many communities in the State of Washington, Walla Walla has a shortage of affordable housing. The WWHA’s wait lists exceed 1,000 families in need of affordable housing. Meadow Grove is critical to our community to assist in addressing our affordable housing needs.

My apologies for not being able to present Meadow Grove personally but hope you will consider this especially important development for an award of 9% Low Income Housing Tax Credit.”

There were no comments or written testimony from members of the public, and the public hearing was closed at 2:35 p.m.

**Action Item:
Resolution No. 24-69, 2024 Allocations of Credit for the Housing Tax Credit Program**

Ms. Lisa Vatske, MHCF Division Director, said this is a resolution authorizing the Executive Director to make reservations and/or allocations of 2024 LIHTCs for the following two projects:

TC #	Project Name	City	County	Annual Tax Credit Amount
24-01	Felida Park Senior Housing	Felida	Clark	\$1,403,366
24-08	WWHA Meadow Grove	Walla Walla	Walla Walla	\$1,321,183

Ms. Vatske stated that the public hearing for these projects was just held prior to the consideration of this resolution.

Ms. Topper moved to approve the resolution. Mr. Larsen seconded the motion. The resolution was unanimously approved.

**Action Item:
Resolution No. 24-
68, Calvary
Christian School,
OID #24-61A**

This action item was pulled from the agenda.

**Action Item:
Resolution No. 24-
60, Lansdale
Pointe, OID #23-
26A**

Ms. Vatske said this is a resolution approving the proposed issuance of one or more series of tax-exempt revenue notes to finance a portion of the costs for the acquisition, construction and equipping of a 162-unit multifamily housing facility located at 911 Burr Road SE, Olympia, WA 98501, to be owned by VBT Lansdale Pointe LLC, a Washington limited liability company. Proceeds of the notes may also be used to pay all or a portion of the costs of issuing the notes. The maximum note amount is not expected to exceed \$32,000,000. The public hearing was held February 22, 2024.

Ms. Vatske stated that this bond issuance will be a public sale, thus, no bond/note purchase letter will be issued.

Mr. Krueger moved to approve the resolution. Ms. Grigoras seconded the motion. The resolution was unanimously approved.

**Action Item:
Approval for
Interagency
Agreement with
Sound Transit for
up to \$20 million
for the LAP
Program**

Ms. Vatske stated that this was an authorization request presented to the Commission board to authorize the Executive Director to negotiate and administer up to \$20 million of funds for the Land Acquisition Program (LAP).

She stated that as was presented at the Work Session last month, the Commission has been working with Sound Transit. Sound Transit was directed by the Legislature to place up to \$20 million into a fund to support land acquisition and predevelopment costs around Sound Transit areas where they do not own properties per se. She noted that after two years of looking at different structures and working with different partners, she feels the Commission is finally at a place where there is an agreement and a term sheet, and they will be going to their board (Sound Transit's) in May for approval.

Ms. Vatske then stated that Commission staff are seeking a motion for approval from the board, to authorize the Executive Director to negotiate and enter into that agreement with Sound Transit, so that the Commission can help administer those funds for them very similar to the Commission's Land Acquisition Program, with a few other criteria, mostly Sound Transit filled out areas.

Mr. Rumpf motioned to approve the request from Commission staff for the Executive Director to enter into an interagency agreement with Sound Transit for up to \$20 million of funds for the Land Acquisition Program (LAP). Mr. Krueger seconded the motion. The motion was unanimously approved.

**Action Item:
Approval for
Interagency
Agreement with
WA Department of
Commerce's State
Energy Office re:
participation in the
HEAR program**

Ms. Vatske stated that this was an authorization request presented to the Commission board to authorize the Executive Director to negotiate and enter into an interagency agreement with the State Energy Office at the Washington Department of Commerce to participate in the Washington Home Electrification and Appliance Rebates (HEAR) program.

Ms. Vatske state this is an opportunity that the Commission has with the Department of Commerce and their Energy Office to actually invest money into three specific projects that have been identified as a first pilot to use some of

their climate action money that's specifically for appliance rebates, specifically for energy-efficient heat pumps. She added that one of those projects is at Crestview Terrace in Ellensburg, of which, the note issuance public hearing was held just earlier in this meeting.

She noted that heat pumps are especially needed in Eastern Washington to combat climate resiliency. She noted further that the final negotiations are being done, with the final dollar amount for around \$9 million.

Mr. Espinoza motioned to approve the request from Commission staff for the Executive Director to enter into an interagency agreement with the Washington Department of Commerce's State Energy Office to participate in their Washington HEAR (Home Electrification and Appliances Rebates) program. Mr. Rumpf seconded the motion. The motion was approved unanimously, with Ms. Grigoras abstaining, as her employer is the Washington Department of Commerce.

Ms. Grigoras mentioned a few items from the monthly informational Department of Commerce activities report that was included in the board packet:

Housing Division – Homeownership Unit:

Manufactured Home Relocation Assistance Program:

We have our first Community closure notice since the legislative changes went into effect, expanding the closure period so that it requires two years of notice to residents.

We are applying for \$85 million of HUD Preservation and Reinvestment Initiative for Community Enhancement (PRICE) funding to assist with preserving manufactured housing communities.

Foreclosure Fairness Program:

We are averaging one referral to mediation a day in April. The partner agencies will work together and seek stakeholder input to modify the fee amount and the allocation percentages for each partner to better distribute funding where it is needed. Rep. Tina Orwall will be convening a stakeholder group in June.

Multifamily Unit funding for 2024-2025:

The Legislature awarded more funding for multifamily housing in the supplemental budget, creating a new Housing Repair Fund (\$5 million), a Multifamily Building Energy Efficiency Program (\$55 million) and a renewal of Rapid Capital Housing (\$20 million).

The plan for competitive funding rounds for 2024-25 has been presented to the public, and we are collecting public input. The total competitive funding available in the Traditional NOFA will be \$93 million, down from \$310 million last year. The second year of the biennium is routinely a reduction, and the Legislature provided \$17 million in traditional HTF funding, \$20 million for housing persons with Intellectual and Developmental Disabilities, and \$32 million for direct appropriations to a specific list of projects

Commerce is also releasing a grant application for nonprofits that have not received capital awards previously to receive predevelopment funding. The Capacity Building, Outreach and Support Initiative will offer resources to help By and For and rural serving organizations obtain capital funding. The initiative is jointly administered with the Community Capital Facilities unit in Commerce's Local Government Division and will also assist organizations with the development of community facilities in addition to housing.

Local Government Division – Growth Management Services:

Coordinating Low-Income Housing Planning Grants:

Growth Management is offering grants of up to \$50,000 for the following activities: For counties that have a HUD Consolidated Plan (five counties) - coordinate HUD Consolidated Plans and 5-year homelessness plans with Growth Management Act (GMA) comprehensive plans so they have consistent policies and data.

For Balance-of-State jurisdictions – coordinate the planning of 5-year homelessness plans with GMA comprehensive plans so they have consistent policies and data. Develop countywide planning policies that support planning for the lowest income housing needs and allocations of countywide housing needs to jurisdictions. Coordinate conversations and resource sharing between counties and cities on affordable housing and homelessness planning.

Other activities related to implementing grant objectives, as approved by Commerce - Five counties have been awarded grants, and four counties' applications are under review. For more information:
<https://www.commerce.wa.gov/serving-communities/growth-management/growthmanagement-grants>.

**Executive
Director's Report**

Mr. Walker mentioned that at this month's board meeting alone, a LOT was accomplished: the board approving financing resolutions for just about 1,000 total units of affordable housing, plus units for CCRC's, seniors, large families, and persons with disabilities all serving those that make anywhere from 30 to 80% of local AMI. Also, approval of workforce housing utilizing recycled bond cap and/or Amazon Equity Fund monies, approval of 501 (c)(3) nonprofit bonds, plus allocations of the first two, of 13 total LIHTC 9% projects for 2024. All those, plus the board's approvals of entering into interagency agreements with Sound Transit and Commerce regarding land acquisition for affordable housing near their transit stations and energy efficient appliances, respectively. Finally, having a public hearing with so much support from the Commission's partners and members of the public for the implementation of the Covenant Housing Program on July 1st, makes this month's meeting a great success!

He then mentioned a few items from the Executive Director's Report, which was included in the board packet, as follows:

Multifamily Housing & Community Facilities (MHCF):

Steve Walker and Dan Rothman attended the grand opening of GMD Development's Watershed project in Renton. In addition to utilizing the bond/tax credit program, Evergreen Impact Housing Fund provided \$10.8 million to partially finance 145 units of affordable housing near Renton City Hall. Speakers at the event were Renton's Mayor Armondo Pavone, Kris Hermanns, Fund Manager at Seattle Foundation; Jane Broom, Senior Director at Microsoft Philanthropies; and Steve Dymoke, Partner at GMD Development.

Homeownership:

Homeownership Assistance Fund (HAF): As of April 24, 2024, over 3,600 grants have been funded totaling approximately \$78 million dollars in grant assistance. The program continues to demonstrate excellent geographic distribution of funding and continues to show the success of our marketing in reaching underserved communities and communities of color. The program is on schedule to expend all the funding by June 30, 2025, as anticipated.

Earlier this month, the HAF team met with Treasury to discuss the progress of the Washington HAF Program and can report that Treasury continues to support Washington's efforts.

The State Auditor's Office recently completed its Single Audit of the HAF Program, and the Audit Committee participated in the exit interview. Although the auditors identified some areas that needed improvement, the overall audit, particularly regarding financial issues, was good. We are well into our efforts to address the issues identified in the audit and are confident we can correct them.

Asset Management & Compliance (AMC):

Content Management progress: AMC has successfully completed their archiving process thanks to Mary Lightle & Mizan Irwin. The Records Center in Olympia has scheduled to pick up the 250 boxes from the 28th floor on May 9th. Mizan is also integrating our Utility Allowances from paper format into HomeBase/Laserfiche.

Finance:

Finance oversaw a successful single-family bond pricing for \$100 million and the bonds being rated “AAA.” The bonds are anticipated to close sometime in May.

Finance held final interviews for our open Senior Controller position and expect to make an announcement in the coming weeks. There was a strong candidate pool.

Other information from Steve:

The Executive Management Team (EMT) has initiated a special project in collaboration with The Athena Group. This initiative is centered around equitable change management, organizational development and decision making, and enhancing division-level support. The goal is to cultivate new skills, promote continuous learning, and establish a shared language and understanding that paves the way for ongoing improvement throughout the Commission. In the coming weeks and months, staff will keep the board updated on the progress and explain how leadership plays an integral role in co-creating the Commission’s future.

Consent Agenda

The consent agenda was approved as distributed.

Adjournment

The meeting was adjourned at 2:55 p.m.

Signature
