

Washington State Housing Finance Commission
Preservation Strategy RFP
Questions and Answers
Distributed January 30, 2018

- **Question: The Scope of Work indicates that a key step will be to analyze the Commission's current Preservation Program. Please confirm that there is an existing Preservation Program in place, and that the intention with this RFP is to improve / update / expand / refine / replace that Program.**

The Commission has many processes and policies in place to address preservation needs. These processes were developed during a year-long internal focus-group discussion. We have published guidelines across divisions (Allocation and Compliance), program policies (i.e. allocation policies for resyndications, post year-15 monitoring policies), and general processes to address struggling project operations. The primary goal of this RFP effort is to refine the pieces of preservation that we have developed into a comprehensive program document that will address our preservation needs and activities going forward. It is anticipated that we will be adjusting or re-thinking some of the things we are already doing, if it is determined that we can be more efficient or streamlined.

- **Question: The RFP notes that nearly 40% of monitored properties are over 15 years old. Is the Commission's data on things like this fairly comprehensive/accurate or is it likely that existing AM data may not reflect full information? Specifically, we're asking about data on things like # of properties, # of units, AMI set-asides, entities/Sponsors, funding sources, balances, annual performance, occupancy, etc.**

The Commission's data on property characteristics such as age, ownership, number of units, commitments, set-asides, and original funding sources (especially if the sources are public) is extensive. In terms of performance, we do not require projects to submit performance data (except on ARRA projects), as we are not lenders to the projects. However, if other public funders are requiring this data be submitted, we may be able to access it.

- **Question: Is the expectation that any new Preservation Program will be funded using existing resources (i.e. will decrease other types of funding) or does the Commission have a new source of funds that's been earmarked for this purpose?**

We have not identified any new resources here at the Commission, but rather have focused on improving the borrowing position of projects by examining set-asides, utility allowances, and other operating characteristics of the property. We have done this in situations where a project has come back in to do a portfolio bond/4% credit project, and when a project simply needs to develop a strategy to address deferred maintenance without re-committing to a new regulatory agreement.

- **Question: Has WSHFC ever done a review to assess the owners in its portfolio? Specifically, would the Commission have insight into which project Sponsors and/or management agents have had particularly strong or weak asset management performance over time?**

The Commission has not done a formal review of owners, however we have generated data regarding types of ownership, and we can share anecdotal data. In addition we can identify a sample of owners for additional research.

- **Question: P. 7 notes that the Commission would like to meet periodically with the Contractor. Does the Commission have a desired frequency for those progress update meetings or should the RFP response suggest a schedule?**
 - o Please suggest a schedule – we are flexible. We are also able and willing to meet remotely in order to limit travel expenses for your organization

- **Question: P. 2 references that the Asset Management and Compliance Division monitor 1000 assets – is this the full WSHFC portfolio or are there other assets monitored elsewhere and/or not monitored at all?**
 - o Our portfolio consists of LIHTC, LIHTC/Bond Projects, and Bond only (state and federal) projects. This portfolio represents about half of the affordable projects in the state, but the remainder are outside of our purview, and are not necessarily multifamily rental properties. The scope of this RFP is only to focus on these 1000 projects. In addition, the Commission is not a lender on these projects, but has a stake in keeping them affordable and operational for as long as possible.