

WASHINGTON STATE HOUSING FINANCE COMMISSION

WORK SESSION MINUTES

March 26, 2015

The March 26, 2015 work session was called to order at 11:00 a.m. by Karen Miller. In attendance were Commissioners Pam Tietz, M.A. Leonard, Steve Moss, Randy Robinson, Lloyd Weatherford, Regina Stark, Dan McConnon and Gabe Spencer.

Paul Fitzgerald and Gail Monahan, Robin Boyce and Emily Schelling from Housing Development Center gave a briefing on the recently completed Capital Needs Assessment of the Department of Commerce and the Commission's affordable housing portfolio.

Kim Herman gave his Executive Director's report.

The work session was adjourned at 12:00 p.m.

**WASHINGTON STATE
HOUSING FINANCE COMMISSION
MINUTES**

March 26, 2015

The Commission meeting was called to order by Chair Karen Miller at 1:00 p.m. in the Board Room of the Washington State Housing Finance Commission at 1000 Second Avenue, Seattle, Washington. Those Commissioners present were Pam Tietz, M.A. Leonard, Steve Moss, Beth Baum, Randy Robinson, Lloyd Weatherford, Regina Stark, Dan McConnon and Gabe Spencer.

Approval of the Minutes

The minutes of the February 26, 2015 Commission meeting were approved as mailed.

Employee Recognition

Kim Herman recognized Paul Fitzgerald, Director of Asset Management and Compliance on his retirement. Mr. Fitzgerald's last day will be April 1, 2015. Mr. Fitzgerald started at the Commission in 1989 then left in 1999 to work for a non-profit. Then in 2012 Paul returned to the Commission to become the director of Asset Management and Compliance. Ms. Miller stated working with Paul has always been a pleasure and he will be missed.

**Public Hearing:
Meadowdale
Apartments, OID
#15-60A**

Ms. Miller opened a public hearing on OID 15-60A, Meadowdale Apartments, at 1:08 p.m.

David Clifton, Assistant Director of the Multifamily Housing and Community Facilities Division, stated that the public hearing is for the proposed refinancing of a tax-exempt bond previously issued by the Commission for the acquisition of a 108-unit multifamily housing facility at 5011 168th Street SW, Lynnwood, WA, and to pay for capital improvements. The project is owned by Low Income Housing Institute (LIHI), a Washington 501(c)(3) nonprofit organization. The

estimated bond amount is not expected to exceed \$8,000,000. Mr. Clifton introduced Robin Amadon, LIHI Director of Housing and Development.

Ms. Amadon stated that Meadowdale Apartments will be getting some capital repairs and modest improvements. Meadowdale Apartments is a 10 buildings complex located on 5.5 acres of land with a club house and swimming pool, playground and plenty of parking.

Meadowdale's set-asides will stay the same with 45% at 30% area median income (AMI) and below, 30% at 30-50% AMI, and 25% at 50-80% AMI. This includes 15 units that will be available for 15 homeless families.

There was no further public comment and the hearing was closed at 1:14 p.m.

**Public Hearing:
Dawson Place
Child Advocacy
Center, OID #15-
57A**

Ms. Miller opened a public hearing on OID 15-57A, Dawson Place Child Advocacy Center, at 1:14 p.m.

Mr. Clifton said this was a public hearing for the proposed refinancing of existing debt originally used for the acquisition of and capital improvements to the Dawson Place Child Advocacy Center at 1509 California Street, Everett, WA. The project is owned by Child Advocacy Center of Snohomish County at Dawson Place, dba Dawson Place, a 501(c)(3) nonprofit organization. The estimated bond amount is not estimated to exceed \$1,350,000. Mr. Clifton introduced Lori Vanderburg, Director at Dawson Place and Heidi Scott, an investigator for Dawson Place the facility's therapy dog handler.

Ms. Vanderburg stated that Dawson Place Child Advocacy Center is a not for profit multidisciplinary team serving child victims of sexual or physical abuse in Snohomish County, Washington. Law enforcement, child protective services, medical, victim advocacy, prosecution, and mental health agencies all work together to provide the best possible services to children and their families victimized by sexual or physical abuse.

Ms. Scott stated that Harper is a four year old full service dog. Harper was bred and raised to do this job. His main duties are to sit with children while they are being interviewed. He also can go to court and therapy with children to support them.

There was no further public comment and the hearing was closed at 1:20 p.m.

**Public Hearing:
The Adriana Senior
Apartments, OID
#15-62A**

Ms. Miller opened a public hearing on OID 15-62A, The Adriana Senior Apartments, at 1:21 p.m.

Bob Peterson, Manager in the Multifamily Housing and Community Facilities Division, said that the hearing was for the proposed issuance of a tax-exempt note to finance a portion of the costs for the acquisition of land and new construction and equipping of a 119-unit senior housing facility at 22525 7th Avenue South, Des Moines, WA 98198. The project will be owned by The Adriana Senior Apartments, LLLP, a Washington limited liability limited partnership. The note amount is not estimated to exceed \$16,000,000. Mr. Peterson introduced Dave Baus, Development Coordinator at Village Concepts representing The Adriana Senior Apartments.

Mr. Baus stated that The Adriana Senior Apartments will be 100% at 60% AMI. The project will have 5 story secured buildings, two underground floors for secured parking and rooftop gardens. He also stated that this project is located by the water and near transit.

He also stated that this project is supported by the City of Des Moines.

There was no further public comment and the hearing was closed at 1:26 p.m.

**Public Hearing:
Projects
Recommended for
Allocation of
LIHTC**

The Chair opened a public hearing on the recommended allocation of Low Income Housing Tax Credits at 1:26 p.m.

Lisa Vatske, Director of the Multifamily Housing and Community Facilities Division, stated that there will be seven projects in this public hearing today.

Father Bach Haven II

Mr. Peterson stated that the first project will be Father Bach Haven II and introduced John Fisher and Chris Jowell from Catholic Housing Services.

Mr. Fisher stated that this project will provide 50 units of newly constructed, permanent, supportive housing for extremely low income, homeless men and women who are struggling with multiple special needs including mental illness, chemical dependency, developmental disabilities, lack of job skills and opportunities and chronic poverty. Father Bach Haven II will provide a mix of studio and one-bedroom units each with its own small kitchen and bath sufficient in size and amenities for independent living and privacy. The construction of a new building provides the opportunity to design a space that reflects best practices in housing first design including features to increase resident safety and building durability including incorporating common space that promotes the creation of community and a support network among residents.

Mr. Jowell stated that project is a great opportunity to address homelessness and believes that they are half way there to solving the homelessness problem in Spokane.

Volunteers of America

For the next project Mr. Peterson introduced Chris Jowell and Marilee Roloff, CEO of Volunteers of America (VOA).

Ms. Roloff stated that the VOA project will provide 50 units of newly constructed, permanent, supportive housing for extremely low income, chronically homeless men and women who are struggling with multiple special needs including mental illness, chemical dependency, developmental disabilities, lack of job skills and opportunities and chronic poverty. VOA will provide a mix of studio and one-bedroom units each with its own small kitchen and bath sufficient in size and amenities for independent living and privacy. The

construction of a new building provides the opportunity to design a space that reflects best practices in homeless housing design including incorporating common space that promotes the creation of community and a support network among residents.

Mr. Jowell stated that 10% of the units will be at 30% AMI, 60% of units will be at 40% AMI and 30% of the units at 50% AMI. Additionally he said that there will be a service coordinator onsite.

Devoe II

For the next project Mr. Peterson introduced Jenny Weinstein from Catholic Community Services (CCS).

Ms. Weinstein stated that Devoe II will provide permanent housing and on-site supportive services for 50 homeless individuals in Olympia and Thurston County; 50% of units will be at 30% AMI and the other 50% of units at 50% AMI, which includes 25 units serving homeless Veterans.

In addition to the 50 studio apartments and 27 parking spaces, the site plan includes opportunities for residents to develop gardens, an area for service dogs, and covered outdoor areas with seating for socializing. Devoe II is a natural expansion of the shelter and housing programs and services CCS currently provides at their adjacent property, Drexel House.

West 315

For fourth project Mr. Peterson introduced Max Benson, from Community Frameworks representing West 315.

Mr. Benson stated that West 315 is located just north of downtown Spokane in a dense urban area with good walkability and with very good transit access. The building will be a 3-story elevator serviced building with bicycle parking, WIFI, a photovoltaic solar system, a community room and green space outside for the

use of residents. 20% of the units are set aside for homeless and 20% for disabled. Spokane Housing Ventures will be the property manager.

Guadalupe Haven

For the next project Mr. Peterson introduced John Fisher representing Guadalupe Haven.

Mr. Fisher stated that Guadalupe Haven will provide affordable and quality housing for farmworkers and their families working in the Columbia Basin, specifically Othello, WA. The design of the units and overall site plan will be targeted to the needs of families and especially their children. There are currently 50-90 families on a waiting list for the other farmworker housing in Othello, Desert Haven. Guadalupe Haven shares a property line with Desert Haven.

Guadalupe Haven will have 85 units that range from two to four bedrooms. The set-asides for this project are 10% of units at 30% AMI, 60% of units at 40% AMI and 30% of units at 50% AMI.

Mercy Othello Plaza West

For the second to the last project Mr. Peterson introduced Bill Rumpf, Joanna LaTuchie and Colin Morgan Cross representing Mercy Othello Plaza West.

Mr. Cross stated that Mercy Othello Plaza West is the first phase of a two-phase mixed-use project in Southeast Seattle. The site is directly adjacent to the Othello Light Rail station, which makes this an ideal location for a workforce housing development. The ground floor commercial space will accommodate Mercy Housing Northwest's central office.

The units are meant to be family sized for working families and the project will have services geared towards families. The set-asides for Mercy Othello Plaza West will be 50% of units at 30% AMI and 50% of units at 50% AMI.

Providence Redmond Senior Housing

For the final project Mr. Peterson introduced Tim Zaricznyj and Joel Ing representing Providence Redmond Senior Housing.

Mr. Zaricznyj stated that Providence Redmond Senior Housing is a 74 unit elderly development in an urban walkable community with access to many vital amenities including a grocery store, public library, public transportation and a public walking trail.

Mr. Ing stated that this project will also house a local PACE (Program for All Inclusive Care for the Elderly) facility. He stated this facility will be nursing home eligible and will accept Medicare and Medicaid. They are dedicated to keeping seniors in their homes, promoting aging in place and home health. The set-asides for this facility will be 50% of units at 30% AMI, 25% of units at 40% AMI and 25% of units at 60% AMI.

Additionally Ms. Miller stated that there is also a cost waiver for this project that was included in the Commissioners packets.

There were no additional comments from members of the public, and the hearing was closed at 2:13 p.m.

**Action Item:
Resolution No. 15-
67 for the
Allocation of Credit
for the 2015
Housing Tax Credit
Program**

Ms. Vatske said this was a resolution authorizing the Executive Director to make reservations and/or allocations of 2015 Housing Tax Credits to the following project:

- Father Bach Haven II
- Volunteers of America 2nd Avenue
- Devoe II Veteran's Housing
- West 315
- Guadalupe Haven
- Mercy Othello Plaza West
- Providence Redmond Senior Housing

Mr. Moss moved to approve the request. Ms. Baum seconded the motion. The request was approved with two abstention by M.A. Leonard and Pam Tietz due to potential conflicts of interest by their employers.

**Action Item:
Resolution No. 15-
66, The Winthrop**

Ms. Vatske said that this is a resolution approving the issuance of revenue notes by the Commission in the principal amount not to exceed \$30,000,000 to provide a portion of the financing for the acquisition and rehabilitation of a 194-unit multifamily housing facility in Tacoma, WA. The project will be owned by The Winthrop, LP, a Washington limited partnership. The public hearing for this project was held on February 26, 2015.

Ms. Tietz moved to approve the request. Mr. Moss seconded the motion. The request was unanimously approved.

**Action Item:
Sustainable Energy
Trust (SET) PIF
Request**

The Sustainable Energy Trust (SET) PIF Request was pulled from the agenda.

**Report on
Department of
Commerce
Activities**

Dan McConnon stated that the Homeless Youth Act (HB 1436/SB 5404) is in the Senate. This bill will create the Office of Homeless Youth Programs (OHYP), establish the goal that Washington not discharge young people from state systems into homelessness and add youth and young adults to the Washington Families Fund eligible populations.

Mr. McConnon also stated that the Housing Trust fund (HTF) he expects the HTF to be funded at around \$80 million dollars. The funds will be divided into categories. Commerce will have discretion on what projects will be funded in each category.

**Commissioners'
Reports**

Ms. Leonard, Ms. Tietz and Ms. Miller stated that they went to NCSHA's 2015 Legislative Conference and wanted to Thank Tera and any other staff members involved in orchestrating all the meetings and accommodations.

Ms. Miller stated she spoke at the Mercy Housing celebration on March 24, 2015.

Ms. Baum reported that the Audit Committee discussed the new pronouncement by the Government Accounting Standards Board and GASB 68 – Pension Accounting.

Consent Agenda

The Consent Agenda was approved as mailed.

Adjournment

The meeting was adjourned at 2:33 p.m.

Signature
