

WASHINGTON STATE HOUSING FINANCE COMMISSION

WORK SESSION MINUTES

October 24, 2019

The October 24, 2019 work session was called to order at 11:00 a.m. by Karen Miller. In attendance were Commissioners Jason Richter, Diane Klontz, Alishia Topper and Ken Larsen.

Lisa Vatske gave a briefing on the JLARC report.

Kim Herman gave his Executive Director's Report.

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

**WASHINGTON STATE
HOUSING FINANCE COMMISSION
MINUTES**

October 24, 2019

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 Randy Robinson, Jason Richter, Diane Klontz, Alishia Topper and Ken Larsen.

**Approval of the
Minutes**

The minutes of the September 26, 2019 special meeting were approved as mailed.

**Employee
Recognition**

Two Years

Shukri Rodol

Employee of the Third Quarter

Eli Chabot Lieberman

“After just one year of being at the Commission, Eli has jumped in and we haven’t missed a beat. In the past quarter he has been instrumental in the updating of our Energy Policies and point scoring for our MHCF Division programs. Whether it is about Housing, Non-Profit Facilities or a Biodigester, Eli has rolled up his sleeves and left his fingerprints all over it.

He has also done a great job at learning how to document and close real estate financings using our programs. This involved reviewing loan documents, negotiating key provisions and communicating across Divisions to ensure all the areas of need are covered. In this past quarter, working with Val and the AMC division, Eli was able to add the Snohomish PUD to the list of utilities that can help low-income households reduce their utility bills.

He also arranged for the Division to take a tour of one of the projects where we financed equipment. This was a very interesting day that allowed for Team Members to see how we affect our communities in ways other than housing.

Eli also managed our Division Intern this year. He involved her in all the inner workings of our energy program and took the time to make her experience worthwhile. He leaves us feeling he truly learned about our industry and about how the Commission works with sponsors around the state to become GREENER and energy efficient.

Congratulations Eli Chabot Lieberman, our Employee of the Third Quarter.”

**Public Hearing:
Columbia Park,
OID # 19-79A**

The Chair opened a public hearing on OID # 19-79A, Columbia Park at 1:05 p.m.

Bob Peterson, Manager of the Multifamily Housing and Community Facilities Division, said this is a proposed issuance of one or more series of tax-exempt revenue bonds to finance a portion of the costs for the acquisition and rehabilitation of a 139-unit multifamily housing facility located at 1682 Jadwin Avenue, Richland, WA 99354, to be owned by LIH Columbia Park, LP, a Washington limited partnership. 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 \$20,000,000. Mr. Peterson introduced Dimitry Gourkine, President of LEDG Capital LLC and Project Manager Luyang Lui.

Mr. Gourkine stated that this project will focus on large units. He said the bedroom break down is 8 one-bedroom units, 53 two-bedroom, 50 three-bedroom and 28 four-bedroom.

In response to a question from Ms. Topper, Ms. Lui stated that all 130 units are occupied, and this project will be doing an in-place rehab (except for the seven ADA units). Residents in units that require relocation will be reimbursed for all expenses.

There were no other comments from members of the public and the hearing was closed at 1:10 p.m.

**Public Hearing:
Ravenswood
Apartments, OID #
18-130A**

The Chair opened a public hearing on OID # 18-130A, Ravenswood Apartments at 1:10 p.m.

Mr. Peterson stated that this is a proposed issuance of one or more series of tax-exempt and taxable revenue notes to finance a portion of the costs for the acquisition of land and the construction and equipping of a multifamily housing facility, expected to include 295 units, located at 16011 Admiralty Way, Lynnwood, WA 98087, to be owned by Ravenswood Apartments, 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 total estimated note amount is not expected to exceed \$88,725,000, a portion of which may be taxable. Mr. Peterson introduced David Ratliff, Vice President at DevCo, LLC.

Mr. Ratliff stated that twenty percent of the units will be set aside for large households. The amenities for this project include a community garden, indoor basketball court, a smoking shelter, bicycle storage, business learning center, media room, and playground.

There were no other comments from members of the public and the hearing was closed at 1:14 p.m.

**Public Hearing:
Vantage II, OID #
18-129A**

The Chair opened a public hearing on OID # 18-129A, Vantage II at 1:14 p.m.

Mr. Peterson stated that this is a proposed issuance of one or more series of tax-exempt and taxable revenue bonds to finance a portion of the costs for the acquisition of land and the construction and equipping of a multifamily housing facility, expected to include 176 units, located at 12731 Mukilteo Speedway, Lynnwood, WA 98087, to be owned by Speedway II, 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 \$50,085,000, a portion of which may be taxable. Mr. Peterson introduced David Ratcliff, Vice President at DevCo, LLC.

Mr. Ratcliff stated that twenty percent of the units will be set aside for large households and persons with disabilities but unlike the prior project there will be no five-bedroom units in this project. The amenities will be similar to other DevCo projects. This project will have a cross use agreement for shared facilities with the Vantage I project.

There were no other comments from members of the public and the hearing was closed at 1:20 p.m.

**Public Hearing:
Willow Crossing,
OID # 19-72A**

The Chair opened a public hearing on OID # 18-79A, Willow Crossing at 1:20 p.m.

Mr. Peterson stated that this is a proposed issuance of one or more series of tax-exempt and taxable revenue notes to finance a portion of the costs for the acquisition of land and the construction and equipping of a 211-unit mixed use multifamily housing facility located at 6901 Martin Luther King Jr. Way South and 3823 South Willow Street, Seattle, WA 98118, to be owned by Willow Crossing 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 total estimated note amount is not expected to exceed \$48,000,000, a portion of which may be taxable. Mr. Peterson introduced Emily Thompson, Partner at GMD Development.

Ms. Thompson stated that this project will 100% at or below 60% of the area median income. Twenty percent of the units will be set aside for persons with disabilities.

There were no other comments from members of the public and the hearing was closed at 1:24 p.m.

**Action Item:
Resolution No. 19-
109, Copper Gate,
OID # 18-114A**

Lisa Vatske, Director of the Multifamily Housing and Community Facilities Division, said this is a resolution approving the issuance of one or more series of tax-exempt and taxable revenue notes to finance a portion of the costs for the acquisition of land and the construction and equipping of a 500-unit low income multifamily housing facility located at 4750 Auburn Way North, Auburn, WA 98002, to be owned by Copper Gate Apartments 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 total estimated note amount is not expected to exceed \$90,000,000 (a portion of which may be taxable). The public hearing was held September 26, 2019.

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

**Action Item:
Resolution No. 19-
110, Esterra Block
6B 4%, OID # 19-
70A**

Ms. Vatske said this is a resolution approving the issuance of one or more series of tax-exempt and taxable revenue notes to finance a portion of the costs for the acquisition of land and the construction and equipping of a 212-unit low income multifamily housing facility located at 2710 Tagore Avenue NE and 2715 156th Avenue NE, Redmond, WA 98052, to be owned by Esterra Park 4 Percent 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 total estimated note amount is not expected to exceed \$65,000,000 (a portion of which may be taxable). The public hearing was held September 26, 2019.

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

**Action Item:
Resolution No. 19-
99, Filipino
Community
Village, OID # 19-
74A**

Ms. Vatske said this is resolution approving the issuance of one or more series of tax-exempt and taxable revenue bonds to finance a portion of the costs for the acquisition of land and the construction and equipping of a mixed-use building which includes a 95-unit multifamily housing facility located at 5715 37th Avenue S., Seattle, WA 98118, to be owned by Filipino Community Village LLLP, a Washington limited liability limited partnership. 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 \$22,000,000, a portion of which may be taxable. The public hearing was held August 28, 2019.

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

**Action Item:
Resolution No. 19-
111, Opportunity
Place Apartments,
OID # 19-67A**

This item was pulled from the agenda.

**Action Item: 2020
Commission
Meeting Calendar**

Ms. Topper moved to approve the 2020 Commission meeting calendar. Ms. Lawrence seconded the motion. The request to approve the 2020 Commission meeting calendar was unanimously approved

**Informational
Report on
Department of
Commerce**

Diane Klontz mentioned that 81 applications were received for state Housing Trust Fund (HTF), federal HOME, and National HTF funding, for a total ask of \$170 million, and totaling 4,395 affordable units and beds. Approximately \$116 million is available for the 2019 and 2020 state and federal rounds. The Housing Finance Unit released the HTF Housing Preservation NOFA on September 26 for \$10 million in available funds. Applications are due by December 31. HFU released the Stage 1 NOFA for the \$10 million available for Modular Housing projects on Oct. 17. Applications are due November 18, 2019. HFU is updating the HTF Handbook, starting with the Homeownership chapter. They are accepting comments on changes through December 31. HFU will also discuss the handbook update at the next Policy Advisory Team meeting. HFU is coordinating the new legislatively mandated report for Total Development Costs

with WSHFC. Big thanks to Lisa Vatske, Margret Graham, and Sojung Choi for their great partnership on this report.

House Bill 1406 rulemaking is underway. Commerce filed a Preproposal Statement of Inquiry CR-101 on June 27, 2019 and conducted informal consultation with stakeholders for six weeks. Commerce distributed a draft rule on October 22, 2019, anticipates filing the Notice of Rulemaking CR-102 in November 2019 and will hold a formal hearing in December 2019. Commerce will file the final rule with the Code Reviser in January or February 2020 and expects the rule will become effective in April 2020.

Housing Assistance Unit (HAU) staff continue to provide counties with technical assistance as they finalize new five-year homeless housing strategic plans, due to be completed on December 1.

Consent Agenda

The consent agenda was approved as mailed.

Adjournment

The meeting was adjourned at 1:35 p.m.

Signature
