

FEBRUARY 23, 2023

**WASHINGTON STATE HOUSING FINANCE COMMISSION
COMMISSION MEETING PACKET**

WSHFC



**WASHINGTON STATE
HOUSING FINANCE
COMMISSION**

Opening doors to a better life

Public Engagement at Commission Meetings

All Board meetings 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. Click [here](#) to go to the meeting directly
2. At www.zoom.us, go to “Join” or “Join a Meeting,” and enter:
 - Webinar/Meeting ID: **861 8440 8252**
 - Passcode: **646944**
3. To participate by phone, dial toll-free in the U.S. either: **1-(888)-788-0099 or 1-(877)-853-5247**.
4. Members of the public can attend the 1 p.m. Special Meeting in-person in the 28th Floor Board Room, located at 1000 Second Avenue, Seattle, WA 98104-3601.

During Meetings:

During Commission board work sessions and board meetings, attendees can see and hear all presentations and business taking place. Microphones will be turned off except to receive comment during public hearings and the public general comment period.

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 afternoon Commission board meeting (not the morning work 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 an hour (2 p.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** in the **28th Floor Board Room**, located at **1000 Second Avenue, Seattle, WA 98104-3601**, on Thursday, February 23, 2023, at 1:00 p.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 www.zoom.us, go to “Join” or “Join a Meeting,” and enter:

**Webinar/Meeting ID: 861 8440 8252
Passcode: 646944**

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.

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

- I. **Chair: Approval of the Minutes from the January 26, 2023, Special Meeting** **1**
(5 min.)

- II. **Chair: Conduct a Public Hearing on the following:**

 - A. **Copper Way, OID # 21-122A** **2**
Claire Petersky: The proposed issuance of one or more series of tax exempt and/or taxable revenue notes to finance a portion of the costs for the acquisition, construction and equipping of a 256-unit multifamily housing facility located at 19422 Mountain Highway East, Spanaway, WA 98387, to be owned by Copper Way 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 \$60,000,000. (5 min.)

 - B. **Fremont Village and Crescent Terrace, OID # 23-29A-B** **3**
Claire Petersky: The 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 two multifamily housing facilities, each to be owned by FVCT, LP, a Washington limited partnership. Fremont Village will include 31 units and Crescent Terrace will include 15 units. The project addresses and estimated maximum bond amounts are below. (10 min.)

(The projects’ information, costs, and bond amounts are listed on the next page).

Project:	Fremont Village & Crescent Terrace
Project Addresses, Units, and Estimated Maximum Bond Amount per Project:	<p>Fremont Village 1416 3rd Avenue Longview, WA 98632 31 units \$4,000,000</p> <p>Crescent Terrace 910 9th Avenue Longview, WA 98632 15 units \$2,000,000</p>
Total Estimated Project Cost:	\$6,100,000
Estimated Aggregate Maximum Bond Amount:	\$6,000,000

C. Polaris at Totem Lake, OID # 21-42A

4

Claire Petersky: The proposed issuance of one or more series of tax exempt and/or taxable revenue notes to finance a portion of the costs for the acquisition, construction and equipping of a 260-unit multifamily housing facility located at 12335 120th Avenue NE, Kirkland, WA 98034, to be owned by Polaris at Totem Lake, 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 \$72,500,000. (5 min.)

III. Consider and Act on the Following Action Items:

A. Lisa DeBrock & Dietrich Schmitz: Request approval of PRI Application for the Clark County Down Payment Assistance Program. (10 min.)

5

B. Resolution No. 23-30, The Boulevard, OID # 22-97A

6

Lisa Vatske: A resolution approving the issuance of one or more series of tax exempt and/or taxable revenue notes to finance a portion of the costs to refinance all or a portion of existing taxable debt used to finance the acquisition of an existing 136-unit facility and finance a portion of the costs of the rehabilitation of the facility, located at 2136 S. 272nd Street, Kent, WA 98032, to be owned by The BLVD LLC, a Washington limited liability company, the sole member of which is Bellwether Housing, a Washington nonprofit corporation and organization described under section 501(c)(3). 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 \$25,000,000. The public hearing was held January 26, 2023. (5 min.)

C. Resolution No. 23-31, El Centro de la Raza at Columbia City, OID # 22-36A

7

Lisa Vatske: A resolution approving the issuance of one or more series of tax exempt and/or taxable revenue bonds to finance a portion of the costs for the

acquisition, construction and equipping of an 87-unit multifamily housing facility located at 3818 South Angeline Street, Seattle, WA 98118, to be owned by El Centro de la Raza at Columbia City 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 \$35,000,000. The public hearing was held January 26, 2023. (5 min.)

- D. Resolution No. 23-32, KWA 15th & Tacoma, OID # 22-38A** **8**
Lisa Vatske: A resolution approving the issuance of one or more series of tax exempt and/or taxable revenue notes to finance a portion of the costs for the acquisition, construction and equipping of an 88-unit senior housing facility located at 1353 Tacoma Avenue S., Tacoma, WA 98402, to be owned by KWA 15th & Tacoma 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 \$22,000,000. The public hearing was held January 26, 2023. (5 min.)

IV. Informational Report on Department of Commerce Activities. (10 min.)

V. Executive Director’s Report (10 min.)

VI. Commissioners’ Reports (10 min.)

VII. Chair: Consent Agenda (5 min.)

- A. Homeownership & Homebuyer Education Programs Monthly Activities Report** **9**
- B. Multifamily Housing and Community Facilities Monthly Activities Report** **10**
- C. Asset Management and Compliance Monthly Activities Report** **11**
- D. Financial Statements as of January 31, 2023** **12**

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

- A. Miscellaneous Correspondence and Articles of Interest** **13**
- B. HFC Events Calendar** **14**

IX. Chair: Public Comment

X. Executive Session (if necessary)

XI. Adjourn

Bill Rumpf, Chair

Consent Agenda items will only be discussed at the request of a Commissioner.

WASHINGTON STATE HOUSING FINANCE COMMISSION

WORK SESSION MINUTES

January 26, 2023

The January work session was called to order at 10:03 a.m. by Chair Bill Rumpf. In attendance were Chair Bill Rumpf and Commissioners Alishia Topper, Ken Larsen (Zoom), Corina Grigoras (Zoom), Mike Pellicciotti, Lowel Krueger (Zoom), Wendy Lawrence (zoom), and Pedro Espinoza (arrived at 11:00 am)

Cheryl Engstrom reported out on Housing Washington 2022 and begin looking forward to the 2023 conference.

Steve Walker and Keri Williams presented an update on the Commission's Racial Justice and Equity Team (RJET), celebrating their work over the past 2 years.

Lisa Vatske and Kate DeCramer gave an overview and discussed the Inflation Reduction Act (IRA).

Dr. Carmen Phelps gave a presentation on the Commission progress with the Racial Equity Strategic Plan (RESP).

The Work Session was adjourned at 12:00 p.m.

WASHINGTON STATE HOUSING FINANCE COMMISSION

COMMISSION MEETING MINUTES

January 26, 2023

The Commission meeting was called to order by Chair Bill Rumpf at 1:02 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 teleconference. Those Commissioners present via Zoom were: Albert Tripp, Corina Grigoras, Lowel Krueger, Wendy Lawrence and Ken Larsen.

Chair Rumpf, Mike Pellicciotti, Nicole Bascomb-Green, Alishia Topper and Pedro Espinoza were present in-person in the 28th Floor Board Room.

Approval of the Minutes

The December 8, 2022 Commission Meeting minutes were approved as distributed.

Employee Recognition

Steve Walker announced the following Year of Service and Employee Recognition awards. Our Employee Recognition program is employee driven and with three types of awards:

1. Tenure with the Commission
2. Special Achievements by individuals and groups of employees
3. Employee of the Quarter and an Employee of the Year at those important passages of time.

Steve also thanked the current Employee Recognition Committee members for their work in this program: Ashley Shtikel, Sarah Watson, Shirleen Noonan, Kathleen (Kat) Komin and Tanya Scratchley.

Ten Years

Margret Graham

Fifteen Years

Anna Porkalob
Jason Hennigan

Twenty-Five Years

Duane Bakke
Mike Gary

Employee of 4th quarter (2022): Joe Jen

The Employee of the Fourth Quarter wears many hats and is quiet in demeanor, humble, patient, and dependable. Their smile can brighten a room and they have a

great sense of humor. You can rely on them to provide a thoughtful response if asking for an opinion regarding a program question or scenario.

They consistently provide excellent customer service, even with the most difficult situations. They're a good sounding board when staff have questions and is a person of reason.

This person would be one of the first to volunteer to put in extra hours when needed to catch up with file overflow to prevent files from falling behind as well as displays a personal commitment to our files and families he assists.

He will drop everything at a moment's notice to help assist the Manager or Director with research for a project. He is also known as being able to provide prospective and solutions to a potential issue."

He has been with the Commission for over 7 years and is a leader within the Homeownership Division. Prior to COVID, he could often be found in the mornings in the stairwell climbing at least 27 floors. He also enjoys a good horror movie and is the best foodie in the division as he plans his vacations around the food. Please join me in congratulating Joe Jen as employee of the Fourth Quarter!

Employee of the Year (2022): Miyuki Rapp

The Employee of the Year has more than proven herself as one of the most valuable members of our team and is crucial to the success of our entire division in many ways. They consistently complete their tasks in a polite, timely, and flawless manner.

This person goes above and beyond what is expected of them, conducts insightful research, interacts with division members well, and collaborates with other staff members to ensure that the data is recorded promptly and accurately. As a result, she exceeds the criteria set for her. She completes all tasks without hesitation, even those containing unexpected surprises in Excel formulas. She also looks for other jobs where she can contribute, reducing the workload for all of us. Her exceptional and selfless dedication to the Commission that we all benefit from in some way. For instance, she's recently taken on much of the payroll processes and become the division's travel guru, acting as the main point of contact for travel questions from the rest of the Commission.

Even though she takes on an enormous workload, she still finds time to participate in the RJET as one of our division representatives, AND a founding member – she's been on the team since the beginning!

She is truly a rockstar, and we are incredibly thankful to have her on our team. Please join me in congratulating and thanking our Employee of the Year, Miyuki Rapp!

**Public Hearing:
The BLVD, OID
#22-97A**

The Chair opened a public hearing for The BLVD, OID #22-97A, at 1:11 p.m.

Ms. Claire Petersky, Manager of the Multifamily Housing and Community Facilities ("MHCF") Division, said this was a public hearing for the proposed issuance of one or more series of tax exempt and/or taxable revenue notes to finance a portion of the costs to refinance all or a portion of existing taxable debt used to finance the acquisition of an existing 136-unit facility and finance a portion of the costs of the rehabilitation of the facility, located at 2136 S. 272nd Street, Kent, WA 98032, to be owned by The BLVD LLC, a Washington limited liability company, the sole member of which is Bellwether

Housing, a Washington nonprofit corporation and an organization described under section 501(c)(3). 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 \$25 million. This project is not financed with private activity bond cap but is financed through our non-profit bond program. Nonprofit naturally occurring housing project, rehabilitating it and making it affordable for decades to come.

Mr. Jacob Gelb, Associate Director of Real Estate Development, Bellwether Housing, stated The BLVD is a well-located community located in Kent, comprised of 136 units. It was built in 1986 consisting of five residential buildings all three story garden style stacked flats, secure entry, units accessed from the interior. Additionally there is a single, two story community building with business center, fitness center, leasing office, clubhouse. Outside there is also a seasonal outdoor pool and sundeck. Unit mix of property includes studios, 69 one-bedroom units and 51 two-bedroom units.

Mr. Gelb stated that Bellwether was interested in the property because it was naturally occurring affordable-housing. They purchased the property in September of 2021 because they saw surrounding area rents increasing. The goal is to purchase the property and stabilize the housing. They acquired the property through:

- \$13 million taxable loan from Citibank
- \$15.5 million in an equity investment from Amazon's Housing Equity Fund
- A little over \$1 million from Bellwether housing sponsored equity.

The request today is for \$21.5 million in 501(c)(3) bonds to refinance the \$13 million Citibank loan and use the remaining money to rehabilitate the property. The building will maintain at least 40% at 60% AMI income levels for a 99-year period.

The rehabilitation scope proposed is replacing existing siding, insulation, exterior windows and patio doors, roof and repairing patio decks as well as exterior lighting.

There were no comments or questions from the Commissioners. There were no other comments from members of the public and the hearing was closed at 1:15 p.m.

**Public Hearing:
El Centro de la
Raza at Columbia
City, OID No. 22-
36A**

The Chair opened a public hearing for El Centro de la Raza at Columbia City, OID #22-36A, at 1:16 p.m.

Ms. Petersky stated that this is the proposed issuance of one or more series of tax exempt and/or taxable revenue bonds to finance a portion of the costs for the acquisition, construction and equipping of an 87-unit multifamily housing facility located at 3818 South Angeline Street, Seattle, WA 98118, to be owned by El Centro de la Raza at Columbia City 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 \$35 million.

Estela Ortega, Executive Director El Centro de la Raza and Shantell Rice, Sr. Housing Director and Financial Analyst with Beacon Development Group provided more detail on the project.

Ms. Ortega explained that El Centro de la Raza is celebrating 15 years and in that time they have served 500,000 people in the area, children and youth services, human and

emergency services, and skill and asset building programs, housing and economic development, and also advocacy and committing to organizing. 2021 data indicates they've served over 21,076 individuals. It started with a peaceful occupation of the old Beacon Hill School. After 3 months the building was turned over to El Centro and development began. The building is now on the National Registry of Historic Places, not so much because of the age of the building but the unity that came together with people of color and all people to establish a place for the Latino community. They've also expanded into South County, purchasing 2 ½ acres in Federal Way last year to develop housing and other mixed unit services for the community.

Ms. Ortega stated they are excited to be developing this property because it's only 2 light rail stops from El Centro de la Raza 30 to 60% of AMI still require services. Navigators who specifically work with affordable housing.

Ms. Ortega turned it over to Ms. Rice who spoke about the specifics of the project.

Ms. Rice stated the project is new construction affordable housing located in Columbia City consisting of 3 parcels: two of the parcels were acquired and owned by El Centro and the third is under a Purchase & Sale Agreement. The site will be redeveloped with a 6-story building with 87 apartments for families. Project will have one-, two- and three-bedroom units and serve families between 30 and 60% AMI. There are no project-based vouchers with this project.

In addition to the residential component there will be two non-residential units. One is a multi-cultural child development center that will be owned and managed by El Centro de la Raza and church space for the Church of Hope. The project will include an integration of art that is inclusive and celebrates the fusion of faces that make up the LatinX community. Additionally, there will be commercial space owned by residential portion of the project to be subleased by Casejo Counseling and Referral Services.

Total project cost estimated at \$59 million. Residential portion consists of \$52 million and the non-residential portion makes up \$7 million. Heritage Bank will be the bond purchaser as well as the permanent lender and Enterprise is the tax credit investor.

Team is El Centro de la Raza as the sponsor, Beacon Development Group as a consultant, SMR Architects, 7 Directions Architects and Planners, and Walsh Construction. This is the same team that developed the Plaza Roberto Maestas project.

El Centro de la Raza is currently looking to secure MUP approval; expect to have MUP approval and building permits by late Feb/early March; bid period ended 1/25 and they will be working with Walsh for a final construction budget by the end of February. Closing date is March 2nd and issuance of the Notice to Proceed concurrently. Construction is approximately 20 months. Opening is anticipated in October 2024.

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

The Chair congratulated them on their anniversary as well as their increased development work. He also called out their profile in the paper.

**Public Hearing:
KWA 15th &
Tacoma, OID No.
22-38A**

The Chair opened a public hearing for KWA 15th & Tacoma, OID #22-38A, at 1:25 p.m.

Ms. Petersky stated that this hearing is for the proposed issuance of one or more series of tax exempt and/or taxable revenue notes to finance a portion of the costs for the acquisition, construction and equipping of an 88-unit senior housing facility located at 1353 Tacoma Avenue S., Tacoma, WA 98402, to be owned by KWA 15th & Tacoma 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 \$22 million.

Presenters were Beth Boram, Development Director, Beacon Development Group, and Myung Park, Board Chair, Korean Women's Association.

Ms. Park stated that KWA has been working with community partners to ensure all families and individuals in the community can lead a stable and happy life. Tacoma is in an affordable housing crisis. KWA has been servicing the area since 1972 and we're grateful to be a part of the solution to the affordability crisis.

Ms. Boram stated this will be 88 units of affordable housing for seniors comprised of 48 studios and 39 one-bedrooms. Ground floor will include a community area that will provide a learning center operated by KWA to provide community services for seniors in the building as well as the community.

Project funding includes a HUD 202 Funds awarded after the program had not been active for over 10 years. Project is bringing federal, city, county and state funds, Tax Credit Investor from Key Bank and a Permanent Lender/Bond Holder from Heritage Bank.

Project restricted to all units at 50% of AMI; however, 20 units set aside at 30% of people's income as well as 15 VA VASH units.

Total project cost is \$43.75 million, total expected bond amount is \$22 million. The anticipated closing date is on or around March 1st.

There were no comments or questions from the Commission.

There were no other comments from members of the public and the hearing was closed at 1:29 p.m.

**Action Item:
Request for
Approval of the
Recommendation
to hire a Seller
Servicer
Consultant**

Ms. Lisa DeBrock, Director of the Homeownership Division spoke seeking approval for the Executive Director to enter into contract negotiations with Affiliated Consulting Services as a seller servicer consultant.

Ms. DeBrock stated they last discussed this in May of 2022 at the budget and planning session. Then in January 2022 the Commission approved sourcing a consultant. In July 2022, contract negotiations ended due to scope change and inability to agree to terms as state law does not allow for pre-payment of services and the selected vendor required that. In November 2022 we opened a new RFP with applications due on December 31, 2022, and were able to identify some additional vendors in this space. This identified one additional company: Affiliated Consulting Services. On January 5, 2023, staff

interviewed finalists with panel consisting of Steve Walker, Bob Peterson, Fenice Taylor, Lucas Loranger, Corinna Obar, Faith Pettis and Mike Awadis.

Ms. DeBrock stated that she expects a roughly 2 year timeline from the date we begin the work, with an option to extend the contract if necessary.

Ms. Bascomb-Green moved to approve moving forward with contract negotiations. Mr. Albert Tripp seconded. The motion was approved unanimously.

Ms. Grigoras gave the report on Department of Commerce (“Commerce”) activities as follows:

**Informational
Report on
Department of
Commerce
Activities**

HOUSING DIVISION – LEGISLATIVE SESSION

Governor’s Capital Budget

Gov. Inslee’s proposed capital budget would appropriate over \$1 Billion for affordable housing programs and new initiatives. To achieve this historic budget, Gov. Inslee proposed a bill to authorize the sale of \$4 Billion in general obligation bonds over the next six years. Highlights include the following:

- \$700 million for the Housing Trust Fund (HTF)
- \$75 million for a Transit Oriented Housing Development public-private partnership program
- \$60 million for a Capital Housing Acquisition Program to house unsheltered people living on publicly owned land.
- \$50 million for the Capital Infrastructure Pre-Development Program (CHIP)
- \$50 million for a Workforce Housing Accelerator Revolving Loan Fund administered by the Housing Finance Commission
- \$35 million for the Land Acquisition Program administered by the Housing Finance Commission

Governor’s Operating Budget

Gov. Inslee’s proposed operating budget would appropriate almost \$1 Billion for multiple housing and homelessness assistance programs. New initiatives include the following:

- \$152 million to continue emergency housing support for approx. 2000 beds that were created and funded through the pandemic.
- \$150 million for housing outreach and services to transition people living in publicly owned land to stable housing.
- \$119 million for the Housing and Essential Needs program
- \$20 million in long-term rent subsidies for people with mental health and substance use disorders and who are enrolled in the Foundational Community Support Program
- \$6.4 million to increase current contracts in response to inflationary costs and reduced workforce.

Bills

The Housing Division is monitoring about 85 bills. Below are a few highlights:

- SB 5386 (Robinson) – Document recording fees (technical bill, agency requested)
- SB 5301 (Mullet) – Commerce housing programs (HTF technical bill, agency requested)
- SB 5060 (Kuderer) – Rental & vacant properties
- HB 1389 (Ramel) – Residential rent increases
- HB 1388 (Macri) – Residential rent practices
- SB 5466 (Liiias) – Transit-oriented development
- SB 5167 (Kuderer) – Eviction process

HOUSING DIVISION - MULTIFAMILY HOUSING UNIT

Traditional HTF Funding Round

Commerce awarded \$63.9M from the state Housing Trust Fund and National Housing Trust Fund to 31 projects in Washington to build 1,265 affordable housing units, including \$12.2 million set aside to serve people with intellectual and developmental disabilities. Nine projects are partially funded, as the team reviews them for Apple Health and Homes - Capital eligibility, and an additional 19 projects are waitlisted. We will continue coordinating closely with the Housing Finance Commission on projects utilizing tax credits to keep them moving as fast as possible. Press release:

<https://content.govdelivery.com/accounts/WADOC/bulletins/33e84e5>

Apple Health and Homes

In February, Commerce will release an application for Apple Health and Homes to award \$60M in capital funding for permanent supportive housing (PSH) projects.

Rapid Capital Program

The final Rapid Capital awards will be announced in March.

HOUSING DIVISION - POLICY UNIT

Rights-of-Way Initiative

- Since the \$145 million Right-of-Way (“ROW”) Safety Initiative was launched last spring, more than 170 individuals living in 12 encampments in five counties were transitioned to housing or shelter. Most remain housed, thanks to extensive efforts to connect individuals to appropriate services.
- The first ROW property acquisition, the Catalyst, began housing people in Spokane this week.

Legislative Reports

- The Ruckelshaus 2022 report "Pathways to Housing Security" was published in December: <https://ruckelshauscenter.wsu.edu/projects/current-projects/pathways-to-housing-security/>

- Two reports are in the review process and will be published soon:
 1. Condominium Conversions (AHAB report, Exploring viability for affordable homeownership opportunities per Chapter 165, Laws of 2022)
 2. Housing-Related Support for People Discharging from Long-Term Care (Commerce report, “Report on community behavioral health services for people leaving long-term civil commitment settings” per Section 128 (139) of Chapter 297, Laws of 2022)

HOUSING DIVISION - APPLE HEALTH & HOMES AND PERMANENT SUPPORTIVE HOUSING UNIT

The team has been very busy over the last six months since the unit’s creation:

- In the process of hiring staff (9 position openings)
- Launched capacity grants for AHAH/FCS and PSH capacity building.
- AHAH Program guidelines open for public comment.
- 1724 PSH Advisory committee launched in November.
- 1277 PSH Assistance Program in development through committee and stakeholder engagement
- Approximately 160 PSH projects receiving OMS funding.
- CBRA Funds are expected to be expended in every region.
- A second round of HUD 811 project-based voucher funding is about to be released.

HOUSING DIVISION - HOMEOWNERSHIP UNIT

Capital Programs

Fall 2022 Capital Funding Round closed on Jan. 19. Approximately 44 applications were received; team is tallying the amount requested and overall project-related data. This is the largest pool of applicants for homeownership funding that we’re aware of. \$25 million is available.

HOUSING DIVISION – HOMELESSNESS ASSISTANCE UNIT

- Over 12,000 applications to the Homeless Worker Stipend Program (thru June 2023) with payments totaling almost \$18 million made to date. This was a \$55 million proviso in the 2022 operating budget.
- Launch of the new Landlord Portal Imminent - Claims for relief will be easier to submit and track for payment.
- The Temporary COVID Relief Homeless Programs are under three audits from SAO and HUD.

PRIVATE ACTIVITY BOND CAP PROGRAM

The Washington State Housing Finance Commission has received an initial allocation in 2023 equal to the initial set-asides for Housing plus the Remainder and Redevelopment category. This amount was split between the Commission’s

Homeownership and Multifamily Programs: \$50 million and \$417 million, respectively.

**Executive
Director's Report**

Mr. Walker gave the Executive Director's report as follows:

Introduced Kari Zimmerman as Deputy Director Bob Peterson's new Executive Assistant.

MULTIFAMILY HOUSING & COMMUNITY FACILITIES (MHCF):

- The 9% 2023 allocation list was posted in coordination with the HTF announcements in late December. Allocation decisions in the Seattle/King County pool are in a holding pattern as funding from the Apple and Health and Homes funding comes available. In a coordinated and intention approach with Commerce, Commerce decided to make partial funding commitments to Seattle/King County projects with the express intent to have many of those projects apply to the funding stream created with new criteria under this new program. It is hoped that by late March/early April final allocations can be made.

Efforts are underway to start a policy reset/reframing in the 9% program. A survey is currently open to solicit engagement with geographic pool meetings scheduled March 1st and 2nd.

- Bond/4% - Intents to apply are in -29 projects totaling over \$860 million in bond requests with approx. \$250 million to allocate. See full list here: [2023 Intents to Apply List for Web Posting.xlsx \(wshfc.org\)](#)
- FarmPai – We closed a FarmPAI loan with Jefferson Land Trust for \$55K. The loan will be used to conserve 39 acres of pastureland in Chimacum, WA.

HOMEOWNERSHIP:

Homeownership Assistance Fund (HAF):

As of January 18, 2023, there have been 1,650 applications submitted into the system. Of those, 500 grants have been funded, totaling nearly \$9.5 million dollars in grant assistance. For the same period there are 62 applications, with funding reserved totaling over \$2.6 million and many continue to be processed.

Through our vendor, HOTB, we continue to create the relationships with servicers necessary for program success. Reports from our counseling and civil legal aid partners are positive and they continue to be excited about this program and how it can work well in the overall default counseling support programs offered to homeowners.

We continue to fine-tune the program based upon feedback received from our counseling and civil legal aid network, as well as others that can benefit from the program, and we are finalizing the program procedures for those with non-traditional financing to participate in the program. Although taking a bit longer than anticipated, we are close to starting a “small lender” program with our partner, HomeSight, to expand the HAF program's reach. The small lender program is being designed with

the input from our civil legal aid partner, Northwest Justice Project, along with our counseling network, HomeSight and our vendor, HOTB.

We continue our bi-weekly meeting with our counseling network to talk through program ideas, concerns, and best practices to make sure that the entire network is supported and working towards a common goal.

Outreach to underserved communities regarding the HAF Program continues to reach all areas of the state and in multiple languages. Advertising in social media, along with local publications and radio stations, has shown results through the steady traffic to our HAF Program landing site (WashingtonHAF.org) as well as the “Hotline” at the Washington Homeownership Resource Center.

As we close the books on the fourth quarter of 2022 (which is also the first six months of the program) we will start to analyze trends, distribution, and the effectiveness of our outreach and overall HAF Program.

Home Advantage:

- \$47 million in new reservations serving 143 households.

ASSET MANAGEMENT & COMPLIANCE:

- Portfolio analysts successfully reviewed all 2021 Tax Credit annual reports by 12/31/22.
- Notifications requesting all 2022 Bond and Tax Credit annual reports were sent out.
- Our inspection RFP process was concluded, and we are drafting contracts to execute with our successful bidders.
- AMC continues to participate on the Commission-wide racial equity strategic planning. This month the team met and developed draft action items for the four proposed goals for FY 24. The team will continue to work on running each item through a planning tool over the next 5 months.
- Wubet, Erik and Chrystal participated in NCSHA HFA institute 2023 in Washington DC from January 8 – 13.

FINANCE:

- The final audit report on Commission’s FY2022 financial statements was released last month.
- Finance is gearing up for the FY 2024 budget process.

OTHER:

- Lisa DeBrock and Steve met with Senator Murray along with other housing related agencies/state leaders to discuss the current housing climate and our HAF.
- Commissioner Confirmation Hearings have gone well.
- NCSHA’s Legislative Conference will be March 27-29 in Washington DC. Checking with offices to see who will be there and if they’re taking in-person meetings. Some legislators will be attending and presenting at the conference (Sen. Maria Cantwell and Rep. Suzan DelBene have been invited). Will keep the Commissioners apprised of more details as they are made available.

LEGISLATIVE UPDATE:

- February 17th is the last day for bills to be introduced.
- 1600+ bills as of January 25th; Commission is tracking approximately 100 of these bills.
- Key Topics in this session are Affordable Housing/Energy/Finance/Tenant Protections/mobile home parks/land use.
- The Commission staff is meeting weekly and in additional ad-hoc meetings as necessary.
- Staff is keeping an eye on opportunities to either testify in person and/or provide support and is also providing fiscal notes on a quick turnaround.

Key Bills

SB 5202/HB 1149 – Governor’s Referendum

Mentions Commission for 2 specific programs: Land Acquisition Program and Housing Accelerated Program

HB 1474/SB 5496 – Covenant Homeownership

This bill would authorize the Commission to create a special purpose credit program for racial minority populations to correct past discrimination caused by the State.

HB 1111 – Housing Benefit Districts - 3rd try for passage

Authorizing cities to establish housing benefit districts acquire land around transit areas for housing to complement the state’s investment in transit.

HB 1094/ SB 5125 – Washington Futures Fund

Mike Pellicciotti described his Washington Future Fund bi-partisan bill (SJR 8205) which provides \$4,000 to each child born the State’s Apple Health program

<https://lawfilesexternal.wa.gov/biennium/2023-24/Pdf/Bills/Senate%20Joint%20Resolutions/8205.pdf?q=20230203131338>

Lisa Vatske spoke on legislative highlights: the Capital Budget and the Governor’s Referendum. The Commission presented and testified regarding its Land Acquisition program, the Accelerator Partnership with Microsoft and its work with Amazon.

Commissioners’ Reports

Ms. Bascomb-Green thanked Steve, Lisa and the staff for their time and willingness to educate her on the Multi-Family division. She reported that the Senate confirmation hearings went well.

Ken Larsen testified for 3rd confirmation hearing for his second term. He applauded Ms. Bascomb-Green for her appearance during the hearings.

Consent Agenda

The consent agenda was approved as distributed.

Adjournment

Chair Rumpf adjourned the meeting at 2:11 p.m.

Signature: _____

NOTICE OF PUBLIC HEARING

The Washington State Housing Finance Commission (the "Commission") will hold an open public hearing with respect to a proposed plan of financing for the issuance by the Commission of one or more series of tax-exempt and/or taxable revenue obligations (the "Notes") to finance a portion of the costs for the acquisition, construction and equipping of a new multifamily housing facility in Spanaway, Washington, to be owned by Copper Way Apartments, LLC, a Washington limited liability company. The Notes may be issued as one or more series issued from time to time and may include one or more series of refunding obligations. The public hearing will be held starting at 1:00 p.m., Thursday, February 23, 2023, in the 28th Floor Board Room of the Commission's offices located at 1000 Second Avenue, Seattle, Washington 98104-3601.

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

Webinar/Meeting ID: 861 8440 8252

Passcode: 646944

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.

Please note the line will be muted to the public except during the public comment portions of the hearing.

The Notes will be issued pursuant to Chapter 43.180 Revised Code of Washington for the purpose of financing a qualified residential rental facility under Section 142(d) of the Internal Revenue Code of 1986, as amended (the “Code”).

The proceeds of the Notes will be used to provide financing for the following project:

Project:	Copper Way Apartments
Project Address:	19422 Mountain Highway East Spanaway, WA 98387
Total Estimated Project Cost:	\$82,403,729
Estimated Maximum Note Amount:	\$60,000,000 (a portion of which may be taxable).

Proceeds of the Notes will be used to provide a portion of the financing for the acquisition, construction and equipping of a 256-unit multifamily housing facility in Spanaway, Washington, and to pay all or a portion of the costs of issuing the Notes. Each apartment will be a complete and separate dwelling unit consisting of living, eating and sanitation facilities. A percentage of the total units will be set aside for persons or households with low incomes.

This notice is intended to comply with the public notice requirements of Section 147(f) of the Code. Written comments with respect to the proposed Project and the proposed Notes may be mailed or faxed to the attention of Jason Hennigan, WSHFC, MHCF Division, 1000 Second Avenue, Suite 2700, Seattle, WA 98104-3601 or to (206) 587-5113, for receipt no later than 5:00 p.m. on Wednesday, February 22, 2023. Public testimony will be heard from all interested members of the public attending the hearing. The Commission will consider the public testimony and written comments in determining if the project will receive funding from tax-exempt and/or taxable obligations. Testimony and written comments regarding land use, zoning and environmental regulation should be directed to the local jurisdiction that is authorized to consider these matters when issuing building permits for the project.

Anyone requiring an accommodation consistent with the Americans with Disabilities Act should contact the MHCF division at 206-464-7139 or 1-800-767-HOME (in state) at least 48 hours in advance of the hearing.

The results of the hearing will be sent to the Governor for approval.

Multifamily Housing Program

Project Name

Copper Way Apartments

Developer

Inland Group

Description

Copper Way Apartments project site consists of two parcels that together equate to 18.77 AC – the majority of which is currently vacant land – in Spanaway. The site is located on Mountain Highway E – a major arterial in Spanaway that continues to see development of both residential and commercial property. A future Bus Rapid Transit Line along Mountain Highway E is scheduled to be completed in 2024. The site is bordered by Joint Base Lewis-McChord (JBLM) land, providing a nice backdrop to the property.

Copper Way Apartments will consist of 256 units of low-income apartments designed for individuals and families of all ages. Occupancy of Copper Way Apartments will be restricted to households earning less than 60% of the Pierce County Area Median Income. Twenty percent of units will be set aside for Large Households. A unit mix including one, two, three, and four-bedroom units will be offered. The units will include open floor plans, walk in closets, full-size washer/dryer & appliances, faux wood plank vinyl flooring, wood euro style cabinets, and a patio/balcony for storage. Planned amenities include a fitness center, business center, and game room which will all be situated in a central clubhouse. All buildings will be wood frame built on slabs, 4-story walk-up buildings. In addition to ample surface parking, reserved carport and garage parking will also be available. Outdoor amenity spaces will include a seasonal pool adjacent to the clubhouse, a sport court, and a playground area. Electric vehicle charging stations will be offered, and a solar PV system is planned.

Location

19422 Mountain Highway East
Spanaway, WA 98387

Project Type

New Construction

Units	One Bedroom	48
	Two Bedroom	128
	Three Bedroom	48
	Four Bedroom	32
	Total	256
Housing Tax Credits	Yes	
Income Set-Aside	100% at 60% AMI	
Regulatory Agreement Term	Minimum 40 years	
Evaluation Plan Scoring	Cost Efficient Development	10
	Commitments for Priority Populations	2
	CBO Ownership	8
	CBO Inclusion	5
	Application of Community Engagement	2
	Donation in Support of Local Nonprofit Programs	2
	Energy Efficiency, Healthy Living, & Renewable Energy – New Construction	10
	Total Points	39
Estimated Tax-Exempt Note Amount (Not to exceed)	\$60,000,000	
Bond/Note Structure	Private Placement	
Permanent Lender	Citi Community Capital	
Development Budget		
	Acquisition Costs	\$5,800,000
	Construction	\$52,663,823
	Soft Costs	\$7,454,752
	Financing Costs	\$10,051,798
	Capitalized Reserves	\$931,389
	Other Development Costs	\$10,531,371
	Total Development Costs	\$87,433,133
Permanent Sources		
	Permanent Tax-Exempt Bonds	\$35,490,000
	Deferred Developer Fee	\$6,237,423
	Evergreen Impact Housing Fund Loan	\$9,500,000
	Tax Credit Equity at \$0.94 per credit x 10 years	\$36,205,710
	Total Permanent Sources	\$87,433,133

Total Development Cost Limit

Project's Total Development Cost Limit	\$102,336,000
Total Development Cost (minus land and reserves)	\$79,901,744
Waiver	Not required

Project Operations

<i>Unit Size</i>	<i>Market Rents</i>	<i>Proposed Rent Range</i>
One Bedroom	\$1,750	\$978
Two Bedroom	\$1,910	\$1,167
Three Bedroom	\$2,250	\$1,340
Four Bedroom	\$2,400	\$1,488

Action

Public Hearing for OID # 21-122A

Anticipated Closing Date

March 2022

NOTICE OF PUBLIC HEARING

The Washington State Housing Finance Commission (the "Commission") will hold an open public hearing with respect to a proposed plan of financing for the issuance by the Commission of one or more series of tax-exempt revenue obligations (the "Bonds") to finance a portion of the costs for the acquisition and rehabilitation of two multifamily housing facilities located in Longview, WA, to be owned by FVCT, LP, a Washington limited partnership. The Bonds may be issued as one or more series issued from time to time and may include series of refunding obligations. The public hearing will be held starting at 1:00 p.m. Thursday, February 23, 2023, in the 28th Floor Board Room of the Commission's offices located at 1000 Second Ave., Seattle, Washington 98104-3601.

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.

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Webinar/Meeting ID: 861 8440 8252

Passcode: 646944

Participants who wish to participate telephonically, please dial either: 1 (888) 788-0099 or 1 (877) 853-5247 U.S. toll-free

The Bonds will be issued pursuant to Chapter 43.180 Revised Code of Washington for the purpose of financing a qualified residential rental facility under Section 142(d) of the Internal Revenue Code of 1986, as amended (the “Code”).

The proceeds of the Bonds will be used to provide financing for the following projects:

Project:	Fremont Village & Crescent Terrace
Project Addresses, Units, and Estimated Maximum Bond Amount per Project:	Fremont Village 1416 3rd Avenue Longview, WA 98632 31 units \$4,000,000 Crescent Terrace 910 9th Avenue Longview, WA 98632 15 units \$2,000,000
Total Estimated Project Cost:	\$6,100,000
Estimated Aggregate Maximum Bond Amount:	\$6,000,000

Proceeds of the Bonds will be used to provide a portion of the financing for the acquisition and rehabilitation of two multifamily housing facilities located in Longview, WA with an aggregate total of 46 units, and to pay a portion of the costs of issuing the Bonds. Each apartment will be a complete and separate dwelling unit

consisting of living, eating and sanitation facilities. A percentage of the total units will be set aside for persons or households with low incomes.

This notice is intended to comply with the public notice requirements of Section 147(f) of the Code. Written comments with respect to the proposed Project and the proposed Bonds may be mailed or faxed to the attention of Jason Hennigan, WSHFC, MHCF Division, 1000 Second Avenue, Suite 2700, Seattle, WA 98104-3601 or to (206) 587-5113, for receipt no later than 5 p.m. on Wednesday, February 22, 2023. Public testimony will be heard from all interested members of the public attending the hearing. The Commission will consider the public testimony and written comments in determining if the project will receive funding from tax-exempt obligations. Testimony and written comments regarding land use, zoning and environmental regulation should be directed to the local jurisdiction that is authorized to consider these matters when issuing building permits for the project.

Anyone requiring an accommodation consistent with the Americans with Disabilities Act should contact the MHCF division at 206-464-7139 or 1-800-767-HOME (in state) at least 48 hours in advance of the hearing.

The results of the hearing will be sent to the Governor for approval.

Recycled Bond Cap Program Project Summary

Project Description

Acquisition and rehabilitation of two rent-subsidized housing properties in Longview.

Project Name

Fremont Village & Crescent Terrace

OID #

23-29A-B

Location

1416 3rd Avenue & 910 9th Avenue
Longview, WA 98632-3278

Borrower Name:

Redwood Housing

Project Type

Acquisition and Rehabilitation

Low Income Housing Tax Credits

Yes

Total Units

46

Public Policy Criteria

Income Set-Aside

20% at 50% Area Median Income

Relation to Mission and Goals

To provide effective, low-cost financing for housing and nonprofit facilities

Financial Information

Estimated Bond Amount

\$6,000,000	Tax-Exempt
<u>\$0</u>	<u>Taxable</u>
\$6,000,000	Total

Bond Structure

Private Placement

Lender

TBD

Expected Closing

March 2023

Action

Public hearing for OID # 23-29A-B

NOTICE OF PUBLIC HEARING

The Washington State Housing Finance Commission (the "Commission") will hold an open public hearing with respect to a proposed plan of financing for the issuance by the Commission of one or more series of tax-exempt and/or taxable revenue obligations (the "Notes") to finance a portion of the costs for the acquisition, construction and equipping of a new multifamily housing facility in Kirkland, Washington, to be owned by Polaris at Totem Lake, LLC, a Washington limited liability company. The Notes may be issued as one or more series issued from time to time and may include one or more series of refunding obligations. The public hearing will be held starting at 1:00 p.m. Thursday, February 23, 2023, in the 28th Floor Board Room of the Commission's offices located at 1000 Second Ave., Seattle, Washington 98104-3601.

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.

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Please note the line will be muted to the public except during the public comment portions of the hearing.

The Notes will be issued pursuant to Chapter 43.180 Revised Code of Washington for the purpose of financing a qualified residential rental facility under Section 142(d) of the Internal Revenue Code of 1986, as amended (the "Code").

The proceeds of the Notes will be used to provide financing for the following project:

Project:	Polaris at Totem Lake
Project Address:	12335 120th Avenue NE Kirkland, WA 98034
Total Estimated Project Cost:	\$123,100,000
Estimated Maximum Note Amount:	\$72,500,000 (a portion of which may be taxable).

Proceeds of the Notes will be used to provide a portion of the financing for the acquisition, construction and equipping of a 260-unit multifamily housing facility in Kirkland, Washington, and to pay all or a portion of the costs of issuing the Notes. Each apartment will be a complete and separate dwelling unit consisting of living, eating and sanitation facilities. A percentage of the total units will be set aside for persons or households with low incomes.

This notice is intended to comply with the public notice requirements of Section 147(f) of the Code. Written comments with respect to the proposed Project and the proposed Notes may be mailed or faxed to the attention of Jason Hennigan, WSHFC, MHCF Division, 1000 Second Avenue, Suite 2700,

Seattle, WA 98104-3601 or to (206) 587-5113, for receipt no later than 5:00 p.m. on Wednesday, February 22, 2023. Public testimony will be heard from all interested members of the public attending the hearing. The Commission will consider the public testimony and written comments in determining if the project will receive funding from tax-exempt and/or taxable obligations. Testimony and written comments regarding land use, zoning and environmental regulation should be directed to the local jurisdiction that is authorized to consider these matters when issuing building permits for the project.

Anyone requiring an accommodation consistent with the Americans with Disabilities Act should contact the MHCF division at 206-464-7139 or 1-800-767-HOME (in state) at least 48 hours in advance of the hearing.

The results of the hearing will be sent to the Governor for approval.

Multifamily Housing Program

Project Name

Polaris at Totem Lake

Developer

Inland Group

Description

Polaris at Totem Lake is a part of a mixed-use and mixed-income community that will provide a variety of affordable housing choices in Kirkland, WA. In total, the development will create 442 units in three separately financed communities. 260 units of housing at 50%-60% AMI financed through the 4%/Tax Exempt bond program, 40 units at 30-50% AMI financed with 9% LIHTC's, and 142 +/- units of workforce/market rate housing for households between 50%-100% AMI. Additionally, 30 units will be set-aside for formerly homeless families in the 9% community. The development's community benefits are further enhanced by its location to transit and services for residents to access. Once the redevelopment is complete the Totem Lake development will also provide small commercial spaces, which we hope to fill with onsite service providers for residents including behavioral health a health clinic and other service providers. The proposed project lies in the heart of the Totem Lake Business District, an area that has seen continuous growth and transformation since the City of Kirkland's dedication to invest in its redevelopment in 2002.

Polaris at Totem Lake will bring 260 units of affordable housing to the Totem Lake community, with 30% of the units set aside for 50% AMI housing and 70% of the units set aside for 60% AMI housing. Twenty percent of the units will be set aside for Large Households. The units will range from studios to 3-bedroom units, providing a much-needed affordable option for larger families in the area. Project amenities will include a business center, game room, theater, fitness room, playground, outdoor BBQ, and outdoor patios and courtyards. Unit amenities will include full size washer and dryer in every apartment; fully equipped kitchens with full-size appliances, including microwave hoods; shaker style cabinets and laminate countertops in kitchens and bathrooms; vinyl plank faux wood flooring in the living room, kitchen, bathroom and hallways; carpet in bedrooms and living rooms; ceiling fans in master bedrooms; and electric heat. Electric vehicle charging stations will be offered, and a solar PV system is planned.

Location	12335 120th Ave NE Kirkland, WA 98034	
Project Type	New Construction	
Units	Studio	3
	One Bedroom	74
	Two Bedroom	131
	Three Bedroom	52
	Total	260
Housing Tax Credits	Yes	
Income Set-Aside	30% at 50% AMI, 70% at 60& AMI	
Regulatory Agreement Term	Minimum 40 years	
Evaluation Plan Scoring	Cost Efficient Development	8
	Additional Low-Income Housing Commitments	2
	Commitments for Priority Populations	2
	Systemic Barrier	0
	CBO Ownership	8
	CBO Inclusion	5
	Community Engagement Process	2
	Application of Community Engagement	3
	Donation in Support of Local Nonprofit Programs	2
	Energy Efficiency, Healthy Living, & Renewable Energy – New Construction	10
	Combo Properties	5
	Pipeline Transition	5
	Total Points	52
Estimated Tax-Exempt Note Amount (Not to exceed)	\$72,500,000	
Note Structure	Private Placement	
Permanent Lender	Citi Community Capital	
Development Budget		
	Acquisition Costs	\$13,235,294
	Construction	\$76,347,750
	Soft Costs	\$21,439,218
	Financing Costs	\$13,393,590
	Capitalized Reserves	\$1,194,418
Total Development Costs		\$125,610,270

Permanent Sources

Permanent Tax-Exempt Bonds	\$48,000,000
ARCH	\$5,500,000
Evergreen Impact Housing Fund	\$13,000,000
Deferred Developer Fee	\$10,729,144
Tax Credit Equity at \$0.92 per credit x 10 years	\$48,381,126
Total Permanent Sources	\$125,610,270

Total Development Cost Limit

Project's Total Development Cost Limit	\$120,266,885
Total Development Cost (minus land and reserves)	\$106,680,558
Waiver	Not required

Project Operations

<i>Unit Size</i>	<i>Market Rents</i>	<i>Proposed Rent Range</i>
Studio	\$1,525	\$955- \$1,158
One Bedroom	\$1,825	\$1,012- \$1,229
Two Bedroom	\$2,675	\$1,229- \$1,490
Three Bedroom	\$2,975	\$1,414- \$1,715

Action

Public Hearing for OID # 21-42A

Anticipated Closing Date

March 2023

Program-Related Investments Application Form

Program Name: Clark County Down Payment Assistance

Program Purpose: Downpayment and closing cost assistance for eligible borrowers purchasing a home within Clark County

Amount Requested: \$667,000

- A. **Please describe the proposed investment:** Please provide specifics of the program(s) or organization(s) the funds will be invested in. (Attach any supporting documentation including correspondence, brochures, etc. Include how the investment will be administered.)

The Clark County Down Payment Assistance Program is a downpayment assistance program tied exclusively to the Commission's Home Advantage & House Key first mortgage programs. Clark County has obligated \$2,000,000 of funds that will be leveraged with up to \$667,000 of Program Related Investments from the Commission. The maximum amount of Program Related Investments in an individual loan will not exceed \$15,000.

Prospective benefits from this program have been as follows:

- i. Increased partnership with the Clark County.*
- ii. Increased production of Home Advantage & House Key first mortgages in the Clark County market.*
- iii. Assisting borrowers earning 90% and below of Clark County area median income to purchase a home in a desired market.*
- iv. Lower origination fees than charged by other administering entities.*
- v. No servicing fee to the borrower on the downpayment loan.*

The maximum Down Payment Assistance loan will be for \$60,000.

The Clark County Down Payment Assistance program will continue to be an in-house program. Participating lenders underwrite the loans, Idaho Housing & Lakeview will continue to service the loans and the Commission administers the funds.

- B. **Please describe specifically how will it meet the Commission's Mission** to increase housing access and affordability and to expand the availability of quality community services according to the definitions below:

Definitions:

- Multifamily Housing should be for low-income households/individuals or those with special needs.*
- Single Family households should be at or below 100% local median income.*

Program-Related Investments Application Form

- *Nonprofit facility/equipment participants should provide community services primarily to lower income persons, persons with special needs, or organizations that serve a unique or special purpose in the community. Private schools generally should be excluded as beneficiaries unless serving households/individuals with lower income or with special needs.*

This program will serve Clark County borrowers at or below 90% of area median income. Initial use of funds will be restricted to Community Land Trusts and Habitats local to the area.

C. **Source of Funds:** (Please indicate below)

PRI:

<input checked="" type="checkbox"/> Undesignated Funds	\$667,000
<input type="checkbox"/> Transfer from Existing Program	\$

External fund source(s) and amount(s):

Clark County

Are these Federal grant funds? No

1) If the program includes external funds please outline the following terms:

a) What are the specific restrictions on the external funds (demographic, etc.)?

Must be used for eligible borrowers 90% & below of Clark County area median income purchasing within Clark County limits. Presently, the funds are targeted to be used with borrowers in Community Land Trusts or Habitats, though this is open to being expanded to all in Clark County (under the other limits such as income) who are purchasing a primary residence.

b) When does the agreement and availability of the funds end?

The funds will be a revolving. Either party may end the program if they wish with advanced notice. However, as funds are returned from paid off loans they will be revolved back into the program and continue to be used. There is otherwise not end date.

c) What is the matching requirement? What ratio of external funds will be used to PRI funds?

Program-Related Investments Application Form

The Commission's maximum contribution for each loan is \$15,000. The remaining \$45,000 of the maximum \$60,000 loan amount is the County's contribution.

d) Describe the reporting requirements and what position will complete them.

The Homeownership Division Down Payment Assistance Program Administrator (Dietrich Schmitz) is responsible for compliance with the following reporting requirements:

- 1. The Commission shall provide bi-annual reports regarding the Second Mortgages to the County, in January and July each year setting forth the following information as of the last day of the prior month, substantially in the form of Exhibit B:*
 - a. the principal amount of the Second Mortgages, and accrued and unpaid interest;*
 - b. site address associated with the loan;*
 - c. the number and amount of Second Mortgages that have been purchased by the Commission and the allocation of those Second Mortgages between the County Contribution and the Commission Contribution;*
 - d. geographic, economic and demographic characteristics of the Eligible Homebuyers;*
 - e. price and structure characteristics of the houses financed;*
 - f. Second Mortgage loan production of each Mortgage Lender;*
 - g. delinquency rates on the First Mortgages; and*
 - h. such other information as the County may request from time to time.*

e) Are the external funds to be returned?

No. They will revolve in the program.

If yes, how often? What is the trigger for repayment?

How much is to be repaid?

Principal only

Earnings only (please describe calculation, could include interest, shared appreciation, other)

Program-Related Investments Application Form

Principal and Earnings only (please describe calculation, could include interest, shared appreciation, other)

- D. **Return of PRI Investment** – Please describe the investment repayment to the Commission. Grants are not an eligible use of PRI monies.

PRI funds shall return as loans are paid off through the normal course of refinancing and home sales. The majority of this is likely to take place as homeowners decide to upgrade to another home or refinance if interest rates go down at some point.

Amortization method and period:

2% simple interest, deferred for 30 years, principal at the maturity date or in the event of sale, refinance, or ineligible use.

Principal - How often will the Commission receive principal payments? (monthly, quarterly, annually, etc.)

When loan is paid off at end of 30 years, or in the event of a sale, refinance, or ineligible use.

If principal payments are to be made less than annually, please describe the steps the borrower will take to assure funds will be available for repayment?

Borrower's repayment does not begin until year 30, it is anticipated that the borrower will have sufficient time to structure the household budget to accommodate new loan to satisfy the debt repayment..

Will the principal repayments return (revolve) for use in this program OR to PRI Undesignated?

Commission funds will revolve into undesignated which again can be used to fund this or other DPA Programs

When will the principal payments stop revolving?

At such time, as the program is discontinued.

Program-Related Investments Application Form

Interest - How often will the Commission receive interest payments? (monthly, quarterly, annually, etc.)

Interest will be received as the DPA loans are paid off by homeowners, or if they elect to, as they make voluntary payments.

Will the interest repayments return (revolve) for use in this program OR to PRI Undesignated?

PRI Undesignated

Commented [DS1]: Assuming that is correct. @Lucas

When will the interest payments stop revolving?

Not applicable.

Please describe the proposed return on investment. (From 0-5%, compounded annually unless otherwise described.)

At such time, as the program is discontinued.

Shared Appreciation terms, if any:

Not applicable.

Proposed Investment Risk Analysis: Please provide an analysis of the investment risk. Please describe what makes it risky and what steps will be taken to mitigate the risks.

Risk Assessment (scale of 1 [low] to 5 [high]): 2

Risk Commentary:

Funds shall be secured against the property. In the event of default, we are able to pursue recovery of part or all of the funds assuming there is adequate equity in the property at that time. Generally, the longer the loan is in place, the more secure the funds will be.

Division presenting the application: *Homeownership*

Division Director: Lisa DeBrock

Date: January 26th, 2023

Program-Related Investments Application Form

AFTER Executive Management Team Meeting Action:

EMT Recommendation:

Executive Director (or Designee) Signature: _____

Date: _____

AFTER Commission Meeting Action:

Commission Action: _____

Date: _____

WASHINGTON STATE HOUSING FINANCE COMMISSION

RESOLUTION NO. 23-30

A RESOLUTION of the Washington State Housing Finance Commission authorizing the issuance of a tax-exempt nonrecourse revenue note in a principal amount of not to exceed \$25,000,000, to finance and refinance the acquisition and rehabilitation of a nonprofit multifamily housing facility in Kent, Washington, to be owned by Bellwether The BLVD LLC; approving the issuance and delivery of the note to Citibank, N.A.; approving the form of a funding loan agreement, a borrower loan agreement, a regulatory agreement and a tax certificate; and authorizing the Chair, Vice-Chair, Treasurer, Secretary, or the Secretary's designee, and Executive Director of the Commission to amend and execute such documents and other related documents.

APPROVED ON FEBRUARY 23, 2023

PREPARED BY:

PACIFICA LAW GROUP LLP
1191 Second Avenue, Suite 2000
Seattle, Washington 98101

Table of Contents

	Page
Section 1. Definitions	2
Section 2. Findings	3
Section 3. Financing Program.....	3
Section 4. Authorization of the Note.....	4
Section 5. Approval of Documents	4
Section 6. Issuance and Delivery of the Note	5
Section 7. Executive Director	5
Section 8. Effective Date	5
 Exhibit A Loan Commitment	

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WHEREAS, the Washington State Housing Finance Commission, a public body corporate and politic and instrumentality of the State of Washington (the "Commission") has been duly constituted pursuant to the authority and procedures of Laws of 1983, Chapter 161 of the State of Washington, as amended, and codified at RCW 43.180 et seq. (the "Act"); and

WHEREAS, the Act authorizes the Commission to finance and refinance eligible facilities owned and operated by nonprofit organizations described under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the Code grants an exemption from federal income tax for interest paid on bonds where the proceeds thereof are used to finance projects owned and operated by 501(c)(3) organizations; and

WHEREAS, the Commission adopted a Housing Finance Plan (the "Plan") on December 12, 2019, following public notice and hearings as required by the Act; and

WHEREAS, Citibank, N.A. ("Citi") has offered to make a loan in a principal amount of not to exceed \$25,000,000 to the Commission (the "Funding Loan") to provide funds to finance and refinance the acquisition and rehabilitation of a 136-unit nonprofit multifamily housing

facility (the “Project”) located in Kent, Washington, to be owned by Bellwether The BLVD LLC, a Washington limited liability company (the “Borrower”), whose sole member is Bellwether Housing, a Washington nonprofit corporation and an organization described under Section 501(c)(3) of the Code; and

WHEREAS, the Commission will use the proceeds of the Funding Loan to acquire a loan originated by a mortgage lender to the Borrower (the “Borrower Loan”) for the Project; and

WHEREAS, it is desirable for the Commission to provide the Borrower with tax-exempt financing of the Project through: (1) the incurrence of the Funding Loan, as evidenced by its Nonprofit Housing Revenue Note (The BLVD Apartments Project), Series 2023 (the “Note”) in the principal amount of not to exceed \$25,000,000; and (2) its acquisition of the Borrower Loan with proceeds of the Note; and

WHEREAS, the Note is unrated and privately placed and will be issued with terms consistent with and in furtherance of the Commission’s policy for unrated obligations; and

WHEREAS, the Commission has previously given preliminary approval of the Project by Official Intent Declaration No. 22-97A, the Commission held a public hearing on January 26, 2023, and the Governor has, or by the closing on the Note will have, approved the Project and the Note; and

WHEREAS, the Commission has received an offer to make the Funding Loan evidenced by the Note (the “Loan Commitment”) from Citi; and

NOW, THEREFORE, BE IT RESOLVED by the Washington State Housing Finance Commission as follows:

Section 1. Definitions. Unless otherwise defined in this resolution, capitalized terms used herein shall have the meanings set forth in the following documents filed with the

Executive Director of the Commission: the Funding Loan Agreement (the “Funding Loan Agreement”), among Citi, the Commission and U.S. Bank Trust Company, National Association, as fiscal agent (the “Fiscal Agent”); the Borrower Loan Agreement (the “Borrower Loan Agreement”), among the Commission, the Fiscal Agent, Citi, acting as mortgage lender, and the Borrower; the Non-Arbitrage Certificate of the Commission (the “Tax Certificate”); and the Regulatory Agreement (the “Regulatory Agreement”) between the Borrower and the Commission.

Section 2. Findings. The Commission hereby ratifies its prior findings that there are a substantial number of persons and families in the state of Washington who are unable to rent apartments in various parts of the state or the rents required are substantially in excess of the available income of such persons or families. As a result, many persons and families are unable to rent safe and sanitary housing at reasonable cost without financial assistance. A principal reason that the cost of renting apartments is not affordable for such persons and families is the interest rate on mortgage loans used to acquire, construct and rehabilitate multifamily rental projects. The provision of lower interest rate loans will encourage developers to acquire, construct and rehabilitate projects which will make additional units available to persons and households at affordable cost and will act as a significant stimulant to the economy of the state.

Section 3. Financing Program. The Commission hereby confirms and ratifies its program for the acquisition of loans for the financing and refinancing of eligible nonprofit housing facilities under the Act which are owned by organizations described under Section 501(c)(3) of the Code through the issuance of privately placed nonrecourse revenue obligations (the “Program”). The Commission hereby finds and determines that the Program and the Note are in furtherance of the Act and the Plan.

Section 4. Authorization of the Note. The Commission hereby authorizes the issuance and delivery of its Note to be designated “Nonprofit Housing Revenue Note (The BLVD Apartments Project), Series 2023” in a principal amount of not to exceed \$25,000,000, pursuant to and in accordance with the provisions of the Act, the Code and the Funding Loan Agreement.

Section 5. Approval of Documents. It is hereby found and determined that the Funding Loan Agreement, the Borrower Loan Agreement, the Regulatory Agreement and the Tax Certificate conform to the requirements of the Act and the Code and provide appropriate security for the Note consistent with the Act and the Code.

The Funding Loan Agreement, the Borrower Loan Agreement, the Regulatory Agreement and the Tax Certificate are hereby approved in substantially the forms filed with the Executive Director of the Commission. The Commission hereby authorizes the Chair, Vice-Chair, Treasurer, Executive Director and the Secretary, or the Secretary’s designee, to execute on its behalf such documents, the documents contemplated therein, and any other necessary documents or certificates, and to do all things necessary on its behalf to proceed with the Program and the issuance and delivery of the Note as authorized herein. Such officers, the Executive Director and the Secretary’s designee, are each authorized to approve such changes in these documents as are recommended by counsel to the Commission that are consistent with the Program and which do not materially increase the obligations of the Commission as described in the documents on file with the Commission. The designee of the Secretary may execute documents on behalf of the Secretary, and all prior acts of such designee on behalf of the Secretary are hereby ratified and confirmed.

Section 6. Issuance and Delivery of the Note. The Commission hereby authorizes and approves the issuance and delivery of the Note to Citi to evidence the Funding Loan, in accordance with the terms and conditions set forth in the Loan Commitment, attached hereto as Exhibit A.

Section 7. Executive Director. The Deputy Director is hereby authorized to act on behalf of the Executive Director for all purposes of this resolution if it is necessary or desirable to accomplish the purposes hereof.

Section 8. Effective Date. This resolution shall become effective immediately after its adoption and signature by the Chair and attestation by the Secretary of the Commission or the Secretary's designee and when effective shall act to ratify and confirm all acts taken previously in furtherance of and consistent with this resolution.

[Signature Page Follows]

ADOPTED at a special meeting duly noticed and called this 23rd day of February, 2023.

WASHINGTON STATE HOUSING
FINANCE COMMISSION

By _____
Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel

EXHIBIT A
Loan Commitment

Nonprofit Housing Program

Project Name	The BLVD
Developer	Bellwether Housing
Description	The BLVD is a 136-unit new acquisition and rehabilitation of a market rate apartment complex. Bellwether Housing was able to use a taxable loan from Citibank and investment from Amazon's Housing Equity Fund to purchase the property in 2021. The Commission's nonprofit bond will be used to pay off the taxable loan and provide proceeds for capital expenditures.
Location	2136 S. 272nd Street Kent, WA 98032
Relation to Mission and Goals	To provide effective, low-cost financing for nonprofit housing
Project Type	Acquisition and rehabilitation of an existing facility, and refinance of existing debt.
Estimated Tax-Exempt Bond Amount (Not to exceed)	\$25,000,000
Bond Structure	Private Placement
Lender	Citi Community Capital
Action	Approval of Resolution No. 23-30
Anticipated Closing Date	March 2023

WASHINGTON STATE HOUSING
FINANCE COMMISSION

RESOLUTION NO. 23-31

A RESOLUTION of the Washington State Housing Finance Commission authorizing the issuance of a nonrecourse multifamily revenue bond in the principal amount of not to exceed \$35,000,000 to finance the acquisition, construction and equipping of a mixed-use multifamily housing facility located in Seattle, Washington, to be owned by El Centro de la Raza at Columbia City LLLP; approving the sale of the bond to Heritage Bank pursuant to its purchase offer; approving the form of a financing agreement, regulatory agreement and tax certificate; and authorizing the Chair, Vice-Chair, Treasurer, Secretary or the Secretary's designee, and Executive Director of the Commission to execute such documents and other related documents.

APPROVED ON FEBRUARY 23, 2023

PREPARED BY:

PACIFICA LAW GROUP LLP

1191 Second Avenue, Suite 2000
Seattle, Washington 98101

Table of Contents

	Page
Section 1. Definitions	2
Section 2. Findings	3
Section 3. Financing Program.....	3
Section 4. Authorization of the Bond.....	3
Section 5. Approval of Documents	3
Section 6. Sale of the Bond.....	4
Section 7. Executive Director	4
Section 8. Effective Date	4
 Exhibit A Purchase Offer	

RESOLUTION NO. 23-31

A RESOLUTION of the Washington State Housing Finance Commission authorizing the issuance of a nonrecourse multifamily revenue bond in the principal amount of not to exceed \$35,000,000 to finance the acquisition, construction and equipping of a mixed-use multifamily housing facility located in Seattle, Washington, to be owned by El Centro de la Raza at Columbia City LLLP; approving the sale of the bond to Heritage Bank pursuant to its purchase offer; approving the form of a financing agreement, regulatory agreement and tax certificate; and authorizing the Chair, Vice-Chair, Treasurer, Secretary or the Secretary's designee, and Executive Director of the Commission to execute such documents and other related documents.

WHEREAS, the Washington State Housing Finance Commission, a public body corporate and politic of the State of Washington (the "Commission") has been duly constituted pursuant to the authority and procedures of the Laws of 1983, Chapter 161 of the State of Washington, as amended, and codified at RCW 43.180 *et seq.* (the "Act"); and

WHEREAS, the Act authorizes the Commission to issue its bonds for the purpose of acquiring mortgage loans used to finance multifamily housing facilities in Washington; and

WHEREAS, the Internal Revenue Code of 1986, as amended (the "Code"), exempts from federal income tax the interest paid on bonds the proceeds of which are used to finance multifamily housing facilities meeting the requirements of the Code; and

WHEREAS, the Commission adopted a Housing Finance Plan (the "Plan") on December 12, 2019, following a public notice and hearings as required by the Act; and

WHEREAS, Heritage Bank (the "Bank") has offered to originate a mortgage loan in a principal amount of not to exceed \$35,000,000 (the "Loan") to finance the acquisition, construction and equipping of a new mixed-use multifamily housing facility with a total of 87 housing units located in Seattle, Washington (the "Project"), to be owned by El Centro de la

Raza at Columbia City LLLP, a Washington limited liability limited partnership (the “Borrower”), and to sell the Loan to the Commission; and

WHEREAS, it is desirable for the Commission to provide the Borrower with tax-exempt financing for the Project through: (1) the issuance of its Washington State Housing Finance Commission Multifamily Housing Revenue Bond (El Centro de la Raza at Columbia City Apartments Project), Series 2023, in the principal amount of not to exceed \$35,000,000 (the “Bond”); and (2) its acquisition of the Loan with proceeds of the Bond; and

WHEREAS, the Commission has previously given preliminary approval of the Project by Official Intent Declaration No. 22-36A, the Commission held a public hearing on January 26, 2023, and the Governor has, or by the closing on the Bond will have, approved the Project and the Bond; and

WHEREAS, the Commission has received an offer to purchase the Bond (the “Purchase Offer”) from the Bank; and

NOW, THEREFORE, BE IT RESOLVED by the Washington State Housing Finance Commission as follows:

Section 1. Definitions. Unless otherwise defined in this resolution, capitalized terms used herein shall have the meanings set forth in the following documents filed with the Executive Director of the Commission: the Financing Agreement among the Commission, U.S. Bank Trust Company, National Association, as the fiscal agent, the Borrower and the Bank (the “Financing Agreement”), the Non-Arbitrage Certificate executed by the Commission of even date with the Bond (the “Tax Certificate”), and the Regulatory Agreement between the Commission and the Borrower (the “Regulatory Agreement”).

Section 2. Findings. The Commission hereby ratifies its prior findings that a substantial number of persons and families in the state of Washington are unable to rent apartments in various parts of the state or the rents required of such persons or families substantially exceed their available income. As a result, many persons and families are unable to rent safe and sanitary housing at reasonable cost without financial assistance. A principal reason that the cost of renting apartments is not affordable for such persons and families is the interest rate on mortgage loans used to acquire, construct and rehabilitate multifamily rental projects. The issuance of the Bond by the Commission will encourage developers to construct new projects and rehabilitate existing projects, which will make additional units available to persons and families at affordable rents and will act as a significant stimulant to the economy of the state.

Section 3. Financing Program. The Commission hereby confirms and ratifies its program for the acquisition of loans under the Act for the financing of eligible housing facilities through the issuance of privately placed nonrecourse revenue bonds (the “Program”). The Commission hereby finds and determines that the Program and the Bond are in furtherance of the Act and the Plan.

Section 4. Authorization of the Bond. The Commission hereby authorizes the issuance and sale of the Bond in a principal amount not to exceed \$35,000,000 pursuant to and in accordance with the provisions of the Act and the Code.

Section 5. Approval of Documents. It is hereby found and determined that the Financing Agreement, the Tax Certificate and the Regulatory Agreement conform to the requirements of the Act and the Code and provide appropriate security for the Bond consistent with the Act and the Code.

The Financing Agreement, Tax Certificate and Regulatory Agreement are hereby approved in substantially the forms filed with the Executive Director of the Commission. The Commission hereby authorizes the Chair, Vice-Chair, Treasurer, Executive Director and the Secretary, or the Secretary's designee, to execute on its behalf such documents, the documents contemplated therein, and any other necessary documents or certificates, and to do all things necessary on its behalf to proceed with the Program and the issuance, sale and delivery of the Bond. Such officers, the Executive Director and the Secretary's designee, are each authorized to approve such changes in these documents as are recommended by counsel to the Commission that are consistent with the Program and do not materially increase the obligations of the Commission as described in the documents on file with the Commission. The designee of the Secretary may execute documents on behalf of the Secretary, and all prior acts of such designee on behalf of the Secretary are hereby ratified and confirmed.

Section 6. Sale of the Bond. The Commission hereby authorizes and approves the sale of the Bond to the Bank, in accordance with the Purchase Offer attached hereto as Exhibit A.

Section 7. Executive Director. The Deputy Director is hereby authorized to act on behalf of the Executive Director for all purposes of this resolution if it is necessary or desirable to accomplish the purposes hereof.

Section 8. Effective Date. This resolution shall become effective immediately after its adoption and signature by the Chair and attestation by the Secretary of the Commission or the Secretary's designee and when effective shall act to ratify and confirm all acts taken previously in furtherance of and consistent with this resolution.

ADOPTED at a special meeting duly noticed and called this 23rd day of February, 2023.

WASHINGTON STATE HOUSING
FINANCE COMMISSION

By _____
Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel

EXHIBIT A
Purchase Offer

Multifamily Housing Program

Project Name	El Centro de la Raza at Columbia City								
Developer	El Centro de la Raza								
Description	<p>El Centro de la Raza is developing the new construction of a seven-story building. Five stories of residential units will sit above two, non-residential condominium units on the ground floor of the building.</p> <p>The residential component of El Centro de la Raza Columbia City will consist of 87 apartments of affordable housing for families.</p> <p>The two, non-residential components of the project will consist of space for a child development center and a community church. The child development center will be approximately 6,600 square feet. The center will have four classrooms, a commercial grade kitchen, restrooms, offices for staff, and outdoor play space. The second unit will be a 2,600 square foot community church for the Church of Hope, financed separately.</p>								
Location	3818 South Angeline Street Seattle, WA 98118								
Project Type	New Construction								
Units	<table><tr><td>One Bedroom</td><td>40</td></tr><tr><td>Two Bedroom</td><td>29</td></tr><tr><td>Three Bedroom</td><td>18</td></tr><tr><td>Total</td><td>87</td></tr></table>	One Bedroom	40	Two Bedroom	29	Three Bedroom	18	Total	87
One Bedroom	40								
Two Bedroom	29								
Three Bedroom	18								
Total	87								
Housing Tax Credits	Yes								
Income Set-Aside	70% at 50% AMI 30% at 60% AMI								
Regulatory Agreement Term	Minimum 40 years								
Evaluation Plan Scoring	Additional Low-Income Housing Commitments								

Commitments for Priority Populations	2
Systemic Barrier	8
CBO Ownership	8
CBO Inclusion	5
Community Engagement Process	2
Application of Community Engagement	3
Donation in Support of Local Nonprofit Programs	2
Energy Efficiency, Healthy Living, & Renewable Energy – New Construction	10
Total Points	46

Estimated Tax-Exempt Bond Amount (Not to exceed) \$35,000,000

Bond Structure Private Placement

Lender Heritage Bank

Development Budget

Acquisition Costs	\$5,203,056
Construction	\$37,169,640
Soft Costs	\$5,866,131
Capitalized Reserves	\$620,165
Other Development Costs	\$2,887,528
Total Development Costs	\$51,746,520

Permanent Sources

Heritage Bank - 1st mortgage	\$10,613,084
City of Seattle - Office of Housing	\$11,610,233
State of WA - Housing Trust Fund	\$2,077,478
Amazon - sponsor loan	\$3,500,000
Deferred developer fee	\$1,912,310
Federal HOME/NHTF	\$4,573,184
CMF Funds	\$750,000
Solar Energy Tax Credit Equity	\$54,906
Tax Credit Equity at \$0.9525 per credit x 10 years	\$16,655,325
Total Permanent Sources	\$51,746,520

Total Development Cost Limit

Project's Total Development Cost Limit	\$34,773,400
Total Development Cost (minus land and reserves)	\$45,939,407
Waiver	Approved

Project Operations

<i>Unit Size</i>	<i>Market Rents</i>	<i>Proposed Rent Range</i>
One Bedroom	\$2,100	\$616- \$1,267
Two Bedroom	\$2,685	\$731- \$1,513
Three Bedroom	\$3,535	\$822- \$1,725

Action Approval of Resolution No. 23-31

Anticipated Closing Date March 2023

WASHINGTON STATE HOUSING
FINANCE COMMISSION

RESOLUTION NO. 23-32

A RESOLUTION of the Washington State Housing Finance Commission authorizing the issuance of a nonrecourse multifamily revenue bond in the principal amount of not to exceed \$22,000,000 to finance the construction and equipping of a mixed-use multifamily housing facility for seniors located in Tacoma, Washington, to be owned by KWA 15th & Tacoma LLLP; approving the sale of the bond to Heritage Bank pursuant to its purchase offer; approving the form of a financing agreement, regulatory agreement and tax certificate; and authorizing the Chair, Vice-Chair, Treasurer, Secretary or the Secretary's designee, and Executive Director of the Commission to execute such documents and other related documents.

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Table of Contents

	Page
Section 1. Definitions	2
Section 2. Findings	3
Section 3. Financing Program.....	3
Section 4. Authorization of the Bond.....	3
Section 5. Approval of Documents	3
Section 6. Sale of the Bond.....	4
Section 7. Executive Director	4
Section 8. Effective Date	4
 Exhibit A Purchase Offer	

RESOLUTION NO. 23-32

A RESOLUTION of the Washington State Housing Finance Commission authorizing the issuance of a nonrecourse multifamily revenue bond in the principal amount of not to exceed \$22,000,000 to finance the construction and equipping of a mixed-use multifamily housing facility for seniors located in Tacoma, Washington, to be owned by KWA 15th & Tacoma LLLP; approving the sale of the bond to Heritage Bank pursuant to its purchase offer; approving the form of a financing agreement, regulatory agreement and tax certificate; and authorizing the Chair, Vice-Chair, Treasurer, Secretary or the Secretary's designee, and Executive Director of the Commission to execute such documents and other related documents.

WHEREAS, the Washington State Housing Finance Commission, a public body corporate and politic of the State of Washington (the "Commission") has been duly constituted pursuant to the authority and procedures of the Laws of 1983, Chapter 161 of the State of Washington, as amended, and codified at RCW 43.180 et seq. (the "Act"); and

WHEREAS, the Act authorizes the Commission to issue its bonds for the purpose of acquiring mortgage loans used to finance multifamily housing facilities in Washington; and

WHEREAS, the Internal Revenue Code of 1986, as amended (the "Code"), exempts from federal income tax the interest paid on bonds the proceeds of which are used to finance multifamily housing facilities meeting the requirements of the Code; and

WHEREAS, the Commission adopted a Housing Finance Plan (the "Plan") on December 12, 2019, following a public notice and hearings as required by the Act; and

WHEREAS, Heritage Bank (the "Bank") has offered to originate a mortgage loan in a principal amount of not to exceed \$22,000,000 (the "Loan") to finance the construction and equipping of a new mixed-use multifamily housing facility for seniors with a total of 88 housing units located in Tacoma, Washington (the "Project"), to be owned by KWA 15th & Tacoma

LLLP, a Washington limited liability limited partnership (the “Borrower”), and to sell the Loan to the Commission; and

WHEREAS, it is desirable for the Commission to provide the Borrower with tax-exempt financing for the Project through: (1) the issuance of its Washington State Housing Finance Commission Multifamily Housing Revenue Bond (KWA 15th & Tacoma Apartments Project), Series 2023, in the principal amount of not to exceed \$22,000,000 (the “Bond”); and (2) its acquisition of the Loan with proceeds of the Bond; and

WHEREAS, the Commission has previously given preliminary approval of the Project by Official Intent Declaration No. 22-38A, the Commission held a public hearing on January 26, 2023, and the Governor has, or by the closing on the Bond will have, approved the Project and the Bond; and

WHEREAS, the Commission has received an offer to purchase the Bond (the “Purchase Offer”) from the Bank; and

NOW, THEREFORE, BE IT RESOLVED by the Washington State Housing Finance Commission as follows:

Section 1. Definitions. Unless otherwise defined in this resolution, capitalized terms used herein shall have the meanings set forth in the following documents filed with the Executive Director of the Commission: the Financing Agreement among the Commission, U.S. Bank Trust Company, National Association, as the fiscal agent, the Borrower and the Bank (the “Financing Agreement”), the Non-Arbitrage Certificate executed by the Commission of even date with the Bond (the “Tax Certificate”), and the Regulatory Agreement between the Commission and the Borrower (the “Regulatory Agreement”).

Section 2. Findings. The Commission hereby ratifies its prior findings that a substantial number of persons and families in the state of Washington are unable to rent apartments in various parts of the state or the rents required of such persons or families substantially exceed their available income. As a result, many persons and families are unable to rent safe and sanitary housing at reasonable cost without financial assistance. A principal reason that the cost of renting apartments is not affordable for such persons and families is the interest rate on mortgage loans used to acquire, construct and rehabilitate multifamily rental projects. The issuance of the Bond by the Commission will encourage developers to construct new projects and rehabilitate existing projects, which will make additional units available to persons and families at affordable rents and will act as a significant stimulant to the economy of the state.

Section 3. Financing Program. The Commission hereby confirms and ratifies its program for the acquisition of loans under the Act for the financing of eligible housing facilities through the issuance of privately placed nonrecourse revenue bonds (the “Program”). The Commission hereby finds and determines that the Program and the Bond are in furtherance of the Act and the Plan.

Section 4. Authorization of the Bond. The Commission hereby authorizes the issuance and sale of the Bond in a principal amount not to exceed \$22,000,000 pursuant to and in accordance with the provisions of the Act and the Code.

Section 5. Approval of Documents. It is hereby found and determined that the Financing Agreement, the Tax Certificate and the Regulatory Agreement conform to the requirements of the Act and the Code and provide appropriate security for the Bond consistent with the Act and the Code.

The Financing Agreement, Tax Certificate and Regulatory Agreement are hereby approved in substantially the forms filed with the Executive Director of the Commission. The Commission hereby authorizes the Chair, Vice-Chair, Treasurer, Executive Director and the Secretary, or the Secretary's designee, to execute on its behalf such documents, the documents contemplated therein, and any other necessary documents or certificates, and to do all things necessary on its behalf to proceed with the Program and the issuance, sale and delivery of the Bond. Such officers, the Executive Director and the Secretary's designee, are each authorized to approve such changes in these documents as are recommended by counsel to the Commission that are consistent with the Program and do not materially increase the obligations of the Commission as described in the documents on file with the Commission. The designee of the Secretary may execute documents on behalf of the Secretary, and all prior acts of such designee on behalf of the Secretary are hereby ratified and confirmed.

Section 6. Sale of the Bond. The Commission hereby authorizes and approves the sale of the Bond to the Bank, in accordance with the Purchase Offer attached hereto as Exhibit A.

Section 7. Executive Director. The Deputy Director is hereby authorized to act on behalf of the Executive Director for all purposes of this resolution if it is necessary or desirable to accomplish the purposes hereof.

Section 8. Effective Date. This resolution shall become effective immediately after its adoption and signature by the Chair and attestation by the Secretary of the Commission or the Secretary's designee and when effective shall act to ratify and confirm all acts taken previously in furtherance of and consistent with this resolution.

ADOPTED at a special meeting duly noticed and called this 23rd day of February, 2023.

WASHINGTON STATE HOUSING
FINANCE COMMISSION

By _____
Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel

EXHIBIT A
Purchase Offer

Multifamily Housing Program

Project Name

KWA 15TH & Tacoma

Developer

Korean Women's Association

Description

KWA 15th & Tacoma, located in downtown Tacoma, will provide housing for seniors in an environment structured to support residents' ability to age in place and will specifically target underserved seniors with limited English proficiency. The building will include 87 units for seniors who are at or below 50% of AMI with 48 studios and 39 1-bedroom units. There will be one unrestricted manager's unit. Twenty units will be set-aside as HUD 202 units and 18 units will be set-aside for seniors who are homeless with fifteen of these units specifically for veterans through the VA-VASH program.

The building's common areas are on the main street level of the building and include an open common area living room for residents to relax and socialize. This main area also includes three staff offices for the community manager, resident services coordinator and visiting service providers. This floor also includes a 2,200-sf multipurpose room called the Learning Center that will be operated by Korean Women's Association to provide programs and services for both residents and members of the community. An adjacent kitchen will support the activities and functions of the Learning Center space and will include a meal program for seniors. There will also be an exercise room on the top floor of the building and a small outdoor deck. Residential amenities are included throughout the building that will support residents as they navigate aging. These include accessible, clear lines of site into the building, slip resistant flooring, 42-inch hallways with hand- rails, enhanced lighting, and visible signage. In unit amenities include open floor plans, 32-inch interior doors, emergency two-way call system, strobe light smoke detectors, enhanced lighting, accessible light switches and window openings, and kitchen task lighting.

Location

1353 Tacoma Avenue S.
Tacoma, WA 98402

Project Type

New Construction

Units	Studio	48
	One Bedroom	39
	Two Bedroom	1
	Total	88
Housing Tax Credits	Yes	
Income Set-Aside	100 at 60% AMI	
Regulatory Agreement Term	Minimum 40 years	
Evaluation Plan Scoring	Commitments for Priority Populations	2
	Systemic Barrier	5
	CBO Ownership	8
	CBO Inclusion	5
	Community Engagement Process	2
	Application of Community Engagement	3
	Donation in Support of Local Nonprofit Programs	2
	Energy Efficiency, Healthy Living, & Renewable Energy – New Construction	10
	Total Points	37
Estimated Tax-Exempt Note Amount (Not to exceed)	\$22,000,000	
Note Structure	Private Placement	
Construction Lender	Key Bank	
Permanent Lender	Heritage Bank	
Development Budget		
	Acquisition Costs	\$527,040
	Construction	\$34,442,194
	Soft Costs	\$5,181,910
	Financing Costs	\$2,557,719
	Capitalized Reserves	\$339,523
	Other Development Costs	\$706,100
Total Development Costs		\$43,754,486

Permanent Sources

City of Tacoma	\$4,198,594
Pierce County	\$3,713,997
State of Washington	\$6,412,423
Federal Home Loan Bank	\$750,000
HUD 202	\$3,150,000
Heritage Bank	\$2,990,000
Korean Women's Association	\$900,000
Deferred Developer Fee	\$509,291
Tax Credit Equity at \$1.00 per credit x 10 years	\$21,130,181
Total Permanent Sources	\$43,754,486

Total Development Cost Limit

Project's Total Development Cost Limit	\$34,482,290
Total Development Cost (minus land and reserves)	\$41,387,962
Waiver	Approved

Project Operations

<i>Unit Size</i>	<i>Market Rents</i>	<i>Proposed Rent Range</i>
Studio	\$1,425	\$211 - \$785
One Bedroom	\$1,655	\$215 - \$840

Action Approval of Resolution No. 23-32

Anticipated Closing Date March 2023

Washington State Housing Finance Commission
Homeownership Programs
Fiscal Year Loan Production
July 1, 2022 - January 31, 2023

**Fiscal Year Goal - 5,000 households purchase an affordable home using the Home Adv/HK programs.*

Percentage of Goal reached YTD - 31.5%

HOME ADVANTAGE			
	Loans	\$ Volume	% Households of Color
Conventional FNMA	109	\$ 38,236,175	34.8%
Conventional FHLMC	14	\$ 5,000,627	28.5%
Government	1134	\$ 413,218,921	33.3%
Energy Spark	0	\$ -	0.0%
Total	1257	\$ 456,455,723	33.4%

HOUSE KEY OPPORTUNITY			
	Loans	\$ Volume	% Households of Color
Conventional FNMA	162	\$ 42,505,221	45.1%
Conventional FHLMC	27	\$ 7,336,493	51.8%
Government	130	\$ 38,905,783	34.6%
Total	319	\$ 88,747,497	41.4%

DOWNPAYMENT ASSISTANCE			
	Loans	\$ Volume	% Households of Color
Home Adv 0%	1215	\$ 16,787,642	33.1%
Home Adv Needs Based 1%	10	\$ 97,120	50.0%
Opportunity	284	\$ 3,966,413	41.5%
HomeChoice	16	\$ 225,290	12.5%
Bellingham	0	\$ -	0.0%
East King County	4	\$ 118,953	75.0%
Pierce County	1	\$ 54,000	0.0%
Seattle	3	\$ 165,000	33.3%
Tacoma	3	\$ 90,000	33.3%
University of WA	1	\$ 61,495	100.0%
Veterans	0	\$ -	0.0%
CLT	0	\$ -	0.0%
Social Justice DPA	21	\$ 210,000	100.0%
Total	1558	\$ 21,775,913	35.6%

Washington State Housing Finance Commission/Homeownership Division
 Counseling & Grants:
 Default Counseling, Pre-Purchase and Other Homeowner Assistance
Report for January 2023

Grant Name/ Description/Service Area	Granting Entity	Subgrantees/ Partners	Service Provided to Clients	Grant Amount/ Date	Amount Disbursed to Date	Balance Remaining	Grant Expiration
HUD SuperNOFA 2020 Default and Pre-Purchase Counseling. Service Area: Statewide	Department of Housing and Urban Development	AFS; CVH; KCLT; OIC; OPAL; Parkview; RRCA; SNAP	1,388	\$510,864 2020/2022	\$455,285	\$55,579	3/31/2023 Extended
HAF Counseling Pay-Per- Service Grant Default Housing Counseling. Service Area: Statewide	U.S. Department of the Treasury	AFS; OIC; NJP; Parkview; RRCA; SNAP; ULMS; ECDLR	0	\$3,390,174 Jan 2022	\$0.00	\$3,390,174	6/30/2024
Foreclosure Fairness Act Default Housing Counseling and Mediation. Service Area: Statewide	Department of Commerce	WHRC; AFS; NJP; Parkview; RRCA; SNAP; ULMS; ECDLR	1,733	\$3,400,000 July, 2019- 2023	\$1,370,610	\$2,029,390	6/30/2023
HAF/STATE Civil Legal Aid Legal Representation for Low- Income Clients Service Area: Statewide	U.S. Department of the Treasury	NJP	931	\$5,246,636 Jan 2022	\$1,365,196	\$3,506,049	6/30/2024
HAF Application Assistance Post-HAF Application Assistance Service Area: Statewide	U.S. Department of the Treasury	AFS; OIC; NJP; Parkview; RRCA; SNAP; ULMS; ECDLR	996	\$2,000,000 Oct 2022	\$91,745	\$1,908,255	6/30/2024
KC VSHSL *In process* Counseling Navigator Service Area: King County	King County	AFS; Parkview; ULMS	0	\$195,000 Jan 2023	\$0.00	\$195,000	12/31/2023

AFS – American Financial Solutions CVH – Columbia Valley Affordable Homeownership ECDLR – El Centro de la Raza KCLT – Kulshan Community Land Trust NJP – Northwest Justice Project OPAL – Opal Community Land Trust	OIC – Opportunities Industrialization Center Parkview – Parkview Services RRCA – Rural Resources Community Action SNAP – Spokane Neighborhood Action Partners WHRC – Washington Homeownership Resource Center
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HOMEOWNERSHIP PROGRAMS

HOMEBUYER EDUCATION PRODUCTION and HOME LOAN TRAINING

July 1, 2022 - January 31, 2023

HOMEBUYER CLASS

Fiscal year goal - 800 classes, 8,000 participants by June 30, 2023

Percentage of goal reached YTD: 123%

	Classes	Participants
Virtual:	1,244	6,029
In-Person:	467	1,614
Online Classes:	2,164	2,164
Total:	3,875	9,807

Classes not yet reporting participation: 698

Data lags 3 months due to data collection process

In-Person and Virtual All-Time Totals 1992 to Present

Classes:	29,284
Participants	220,627

PROGRAM TRAINING ATTENDEES

Fiscal year goal - 10 Instructor classes by June 30, 2023

Percentage of goal reached YTD: 70%

Month	Classes	Attendees
July	1	49
August	1	50
September	1	50
October	1	59
November	1	58
December	1	50
January	1	63
February		
March		
April		
May		
June		
Total:	7	379

Legend:
 Lists 1-4: New Production
 Lists 5-8: Preservation (Acquisition-Rehab)
 King County Requests
 Balance of State Requests
 **Waiting List Projects (Alphabetic order)

WASHINGTON STATE HOUSING FINANCE COMMISSION
 Bonds with 4% Housing Tax Credit Program
 2022 Allocation List

Total Applications: 21 Total Requested: \$561,098,624
 Total Allocations: 10 Total Allocations: \$249,261,103
 Total homes financed: 1,431

List #	Buckets/ Pools	Project Sponsor	Community Based Organization	City	County	Points	Tax-Exempt Bond Request	Recycled/Taxable Bond Request	Total Low-Income Units	% of Low-Income Housing Units and Set-Asides			
										50% AMI	60% AMI	Elderly	Large Households
1	New Production/Public Leverage/King						\$287,377,665	\$38,588,408					
	Polaris at Totem Lake	Inland Construction and Develop	Hopelink	Kirkland	King	52	\$50,420,000	\$20,500,000	257	78	179		52
	El Centro de la Raza at Columbia City	El Centro de la Raza	El Centro de la Raza	Seattle	King	46	\$23,500,000	\$5,200,000	86	61	25		18
	Bryant Manor Redevelopment Phase I	First A.M.E. Housing Association	First A.M.E. Housing Association	Seattle	King	45	\$30,889,322	\$7,157,928	100	70	30		20
							\$104,809,322	\$32,857,928					
**	Creekside Village	Shelter America Group	N/A	Vashon	King		\$10,380,000		40	20	20		8
	Elements at Georgetown	TWG Development	Georgetown Community Dev. Auth	Seattle	King		\$28,000,000		152	107	45		31
	Mercy Angle Lake Family Housing	Mercy Housing Northwest	Arc of King County	SeaTac	King		\$28,188,343	\$5,730,480	98	69	29		20
	MLK Mixed Use	Low Income Housing Institute (LHI)	N/A	Seattle	King		\$30,000,000		147	103	44		30
	SRM NE Seattle	SRM Development, LLC	N/A	Seattle	King		\$43,000,000		219		219		44
	Via7	Mount Baker Housing Association	Mount Baker Housing Association	Seattle	King		\$43,000,000		220		220		
2	New Production/Public Leverage/Balance of State						\$57,067,781	\$3,892,219					
	KWA 15TH & Tacoma	Korean Women's Association	Korean Women's Association	Tacoma	Pierce	37	\$17,904,506	\$1,295,494	86		86		
	Millworks Family Housing	Mercy Housing Northwest	Whatcom Family YMCA	Bellingham	Whatcom	36	\$18,863,275	\$2,596,725	83		83		17
	The Lookout	Southport Financial Services	Anchor Church	Tacoma	Pierce	32	\$20,300,000		131		131	###	##
							\$57,067,781	\$3,892,219					
3	New Production/No Public Leverage/King and Snohomish						\$64,671,000	\$12,250,000					
	Ovation at Paine Field	DevCo, LLC	Rise Up Academy	Everett	Snohomish	54	\$33,500,000	\$12,250,000	222	156	66		222
							\$33,500,000	\$12,250,000					
**	Village at 47th	Veterans Village	Veterans Village	Tukwila	King		\$31,171,000		170		170		170
4	New Production/No Public Leverage/Balance of State						\$39,980,000	\$9,500,000					
**	Copper Way Apartments	Inland Construction and Developm	N/A	Spanaway	Pierce		\$39,980,000	\$9,500,000	276		276		56
5	Preservation/Public Leverage/King						\$55,452,178	\$1,250,114					
	Eastern and NP Hotel Rehabilitation	Interim Community Dev. Assn.	Interim Community Dev. Assn.	Seattle	King	79	\$16,034,000		107	75	32		
							\$16,034,000						
**	Pacific Apartments Rehabilitation	Plymouth Housing	Plymouth Housing	Seattle	King		\$21,251,945	\$1,250,114	87	61	26		
	The Madison	Southport Financial Services	N/A	Seattle	King		\$18,166,233		72		72		
6	Preservation/Public Leverage/Balance of State						\$24,350,000	\$0					
	Englewood Gardens	Shelter Resources, Inc./HopeSou	N/A	Yakima	Yakima	49	\$24,350,000		256		256		256
							\$24,350,000						
7	Preservation/No Public Leverage/King and Snohomish						\$32,200,000	\$5,000,000					
	Pine Ridge Apartments	DH&G	West African Community Coun	SeaTac	King	92	\$13,500,000	\$5,000,000	103	73	30		
							\$13,500,000	\$5,000,000					
**	Chancery Place	Catholic Housing Services of West. W	N/A	Seattle	King		\$18,700,000		84	59	25		84
8	Preservation/No Public Leverage/Balance of State												
	No applications received												

Statewide Bond Round Totals: Total Applications: 21 Total Requested: \$561,098,624 \$70,480,741 2,996 932 2,064 949 296
 Total Allocations: 10 Total Allocations: \$249,261,103 \$54,000,147 1,431

Allocations by List:

List	Allocation Description	Applications Received	Applications Allocated
List 1	New/Public Leverage/ King and SnoCo	9	3
List 2	New/Public Leverage/ Balance of State	3	3
List 3	New/No Public Leverage/ King and SnoCo	2	1 (1*)
List 4	New/No Public Leverage/ Balance of State	1	(1*)
List 5	Acq-Rehab/ Public Leverage/ King and SnoCo	3	1
List 6	Acq-Rehab/ Public Leverage/ Balance of State	1	1
List 7	Acq-Rehab/ No Public Leverage/ King and SnoCo	2	1
List 8	Acq-Rehab/ No Public Leverage/Balance of State	0	0

* Projects prioritized on waiting list

WASHINGTON STATE HOUSING FINANCE COMMISSION
9% Housing Tax Credit Program
2023 Allocation List

Final Allocation amounts may change if new Federal resources are made available.

King County Pool (November 2022 application round)

TC#	Project Status	Project Name	Project Sponsor	City	County	Points	Credit/Unit	Credit Request	Total Low-Income Units	% of Low-Income Housing Units				Units for Priority Populations						
										30% AMI	40% AMI	50% AMI	60% AMI	Farm workers	Large Households	Elderly	Persons with Disabilities	Homeless		
King County Credit Allocated:									\$0	0										
King County Credit Available:									\$5,371,084											
Balance:									TBD											

King County Waiting List

23-08		*Fifth & Seneca	YWCA Seattle King Snohomish	Seattle	King	188	\$27,640	\$3,150,960	114	57	29	0	28	0	0	0	0	0	86
23-18		*DESC 15th Avenue	Downtown Emergency Service Center	Seattle	King	185	\$20,604	\$2,163,396	105	53	0	52	0	0	0	0	0	0	79
23-10		*MHA Homeless Supportive Housing Project	Muckleshoot Housing Authority	Auburn	King	182	\$28,309	\$1,415,458	50	25	13	0	12	0	0	0	0	0	38
23-20		*Kenmore Supportive Housing	Plymouth Housing	Kenmore	King	181	\$21,638	\$2,163,800	100	50	0	50	0	0	0	0	0	0	75
23-04		*Pacific Apartments Rehabilitation	Plymouth Housing	Seattle	King	180	\$14,201	\$1,235,483	87	44	0	43	0	0	0	0	0	0	66
King Waiting List Balance:									\$10,129,097	456									344

Metro Pool (November 2022 application round)

TC#	Project Status	Project Name	Project Sponsor	City	County	Points	Credit/Unit	Credit Request	Total Low-Income Units	% of Low-Income Housing Units				Units for Priority Populations					
										30% AMI	40% AMI	50% AMI	60% AMI	Farm workers	Large Households	Elderly	Persons with Disabilities	Homeless	
Preservation and Recapitalization Pool																			
									\$0	0									

New Production

23-05		Lincoln Place II	Vancouver Housing Authority	Vancouver	Clark	170	\$27,640	\$1,105,600	40	20	0	20	0	0	0	0	0	0	20
23-14		Lincoln District Senior Housing	Asia Pacific Cultural Center	Tacoma	Pierce	168	\$27,640	\$2,128,280	77	39	0	38	0	0	0	0	0	0	39
23-12		Hifumi-en	Spokane Housing Authority	Spokane	Spokane	167	\$25,158	\$2,163,557	86	22	43	0	21	0	0	0	86	18	53
23-06		Scriber Place	Housing Hope	Lynnwood	Snohomish	158	\$28,803	\$1,497,756	52	26	0	26	0	0	0	0	0	0	26
Total Metro Credit Allocated:									\$6,895,193	255									85
Metro Credit Available:									\$6,720,901										
Metro Balance (Total):									(\$164,292)										

Metro Wait List

23-15		Salish Family Haven	Catholic Housing Services of Eastern Washington	Spokane	Spokane	171	\$27,990	\$1,959,280	70	35	7	0	28	0	0	0	0	0	35
Metro Waiting List Balance:									\$1,959,280	70									35

Non-Metro Pool (November 2022 application round)

TC#	Project Status	Project Name	Project Sponsor	City	County	Points	Credit/Unit	Credit Request	Total Low-Income Units	% of Low-Income Housing Units				Units for Priority Populations					
										30% AMI	40% AMI	50% AMI	60% AMI	Farm workers	Large Households	Elderly	Persons with Disabilities	Homeless	
Preservation and Recapitalization Pool																			
									Non-Metro Rehab Credit Allocated:	\$0	0								

New Production

23-22		Clarkston Family Housing	Horizon Housing Alliance	Clarkston	Asotin	186	\$27,515	\$1,926,069	70	35	7	0	28	0	0	0	0	0	35
23-07		Rocky Point Housing Development	Othello Housing Authority	Othello	Adams	184	\$27,521	\$1,100,851	40	4	20	16	0	30	0	0	0	0	0
23-16		The Cape at Interlake	Trillium Housing Services	Moses Lake	Grant	184	\$25,499	\$1,784,920	70	7	35	28	0	53	0	0	0	0	0
23-11		Sunrise Village	Longview Housing Authority DBA Housing Opportunities of S	Longview	Cowlitz	181	\$28,289	\$1,131,560	40	20	4	0	16	0	0	0	0	0	20
Non-Metro Credit Allocated:									\$5,943,400	220									55
Non-Metro Credit Available:									\$4,606,526										
Non-Metro Balance:									(\$1,336,874)										

Non-Metro Wait List

23-09		Colville Homes V	Confederated Tribes of the Colville Reservation	Omak	Okanogan	174	\$28,456	\$711,400	25	13	3	0	9	0	5	0	0	0	5
Non-Metro Waiting List Balance:									\$711,400	25									5

Non-Metro Non-Fully Funded - Unranked

23-13		CCHS Casa de la Mora (Yakima East)	Catholic Charities Housing Services	Yakima	Yakima	183	\$27,848	\$2,005,040	72	18	36	0	18	0	0	0	0	0	36
23-17		Alderwood Apartments	Trillium Housing Services	Yakima	Yakima	176	\$25,344	\$1,774,082	70	7	35	28	0	53	0	0	0	0	0
23-19		CCHS Grant County Preservation	Catholic Charities Housing Services	Quincy	Grant	175	\$17,237	\$1,603,018	93	10	47	36	0	70	0	0	0	0	0
23-21		Camas Flats	Opportunity Council	Oak Harbor	Island	173	\$27,810	\$444,960	16	8	0	8	0	0	0	0	0	0	8
23-01		Farmview Village	Housing Authority of Skagit County	Burlington	Skagit	171	\$29,302	\$879,053	30	0	8	22	0	23	0	0	0	0	0
Non-Metro Unranked Balance:									\$6,706,153	281									44

Statewide Allocation Round Totals:		Total Project Applications: 20		Total Credit Requested:		\$32,344,523	1,307							229	5	86	18	568
		Total Projects Above Line: 8		Total Credit Above Line:		\$12,838,593	475							83	0	86	18	140
		Application Success Percentage: TBD		Total Credit Available:		\$16,708,511												
				Statewide FWD Commit:		(\$1,501,166)												

*Final King County Pool project rankings pending additional public funding award announcements
Final Allocation amounts may change if new Federal resources are made available.

9% Housing Tax Credit Program Credit Summary

State Credit Authority	Status	Population	Per Capita Rate	Credit	
2023 Per Capita Credit	Not Confirmed	*IRS Notice Pending	7,738,692	\$ 2.75000	\$ 21,281,403
2023 National Pool	Not Confirmed				\$ -
					\$ 21,281,403
King County					
35% of Total Credit Authority		35%			\$ 7,448,491.05
less 2022 KC fwd allocation of 2023 KC Credit					\$ (2,077,407.00)
plus KC Returned Credit					\$ -
Credit Allocated					\$ -
King County Balance					\$ 5,371,084
Metro Credit					
37% of Total Credit Authority		37%			\$ 7,874,119.11
less 2022 KC fwd allocation of 2023 Metro Credit					\$ (1,143,218.00)
plus Metro Returned Credit					\$ -
Credit Allocated					\$ -
Metro Balance					\$ 6,730,901
Non-Metro Credit					
28% of Total Credit Authority		28%			\$ 5,958,792.84
less 2022 KC fwd allocation of 2023 NM Credit					\$ (1,352,267.00)
plus NM Returned Credit					\$ -
Credit Allocated					\$ -
Non-Metro Balance					\$ 4,606,526
Metro Pool per County Limit 35% of Pool Authority					\$ 2,755,942
Non-Metro per County Limit 35% of Pool Authority					\$ 2,085,577
Statewide Accounting of 2023 Credit					
Total 2023 Credit Authority					\$ 21,281,403.00
2022 Unused Credit					\$ -
2022 KC Forward Commitment					\$ (2,077,407.00)
2022 Metro Forward Commitment					\$ (1,143,218.00)
2022 Non-Metro Forward Commitment					\$ (1,352,267.00)
Returned Credit from King County					\$ -
Returned Credit from Metro Pool					\$ -
Returned Credit from Non-Metro Pool					\$ -
Credit Allocated to King County					\$ -
Credit Allocated to Metro					\$ -
Credit Allocated to Non-Metro					\$ -
Balance of 2023 Credit					\$ 16,708,511.00
% of credit authority forward committed					
Qualified Nonprofit Allocations					
Total 2023 Credit Authority for Geographic Credit Pool Division					\$ 21,281,403
2023 Unused Credit					\$ -
Returned Credit from King County					\$ -
Returned Credit from Metro Pool					\$ -
Returned Credit from Non-Metro Pool					\$ -
Total 2023 Credit Authority for QNP Requirement					\$ 21,281,403
Credit Allocated to QNPs					
Percent allocated to QNPs					0%
Forward Commitment RACs of 2023 Credit					
Summary for 8610					
2023 Per Capita Credit					\$ 21,281,403
2023 National Pool Credit					\$ -
2023 Returned Credit					\$ -
Less forward Commitment from 2022					\$ (4,572,892.00)
TOTAL credit to allocate					\$ 16,708,511
2023 credit allocated (all pools)					\$ -
Forward commitment of 2023 credit					\$ -

ASSET MANAGEMENT & COMPLIANCE ACTIVITY REPORT

REPORTING MONTH: January 2023

The Asset Management & Compliance Division is charged with ensuring the long-term viability of Commission financed or assisted projects. This is accomplished through project compliance monitoring efforts and training of program users.

PROGRAM PURPOSE: To ensure that the public benefits of all Commission housing programs are fulfilled.

BUSINESS OBJECTIVE: Review 100% of compliance annual reports within 12 months from report receipt dates and issue compliance status letters.

Within the 12-month period, staff will:

- review Owner's Annual Certification and other reporting materials for every project.
- review resident certification packages for 5% - 20% (depending on type of review year) of the units in each project.
- notify the Internal Revenue Service of any noncompliance discovered in tax credit assisted projects.
- notify the Multifamily Housing division of any significant noncompliance issues.

Tax Credit Reports *

Calendar Year 2023	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
REPORTS REVIEWED	2												2	1,055	0%

Calendar Year 2022	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
REPORTS REVIEWED	1	1	16	134	130	134	74	97	75	131	140	102	1,035	1,010	102%

Tax credit reports are due January 31st of every year for the previous calendar year.

Bond Reports **

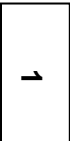
Calendar Year 2023	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
REPORTS REVIEWED	9												9	75	12%

Calendar Year 2022	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
REPORTS REVIEWED	6	37	33	2	0	0	0	0	0	0	0	0	78	75	104%

Bond reports are due January 7th of every year for the previous calendar year.

Notes: * Tax credit reporting bridges two fiscal program years.

** Goal total for bonds indicates both bond property annual reports and initial reports for Acquisition-Rehab bonds and New Construction bonds quarterly reporting as needed. New properties with both bonds and tax credits are reviewed as bonds until placed in service, then converted to tax credits for annual reviews.



ASSET MANAGEMENT & COMPLIANCE ACTIVITY REPORT

REPORTING MONTH: January 2023

BUSINESS OBJECTIVE: *Complete on-site review of 33^{1/3}% of all projects by December 31, 2023.*

Within the 12-month calendar year, the Commission will:

- conduct on-site inspections of 33^{1/3}% of projects monitored according to HUD’s Uniform Physical Conditions Standards.
- inspect 20% of all low-income units for health and safety issues.
- notify the Internal Revenue Service of any project noncompliance discovered through the inspections.

Project Inspections

Calendar Year 2023	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
ON-SITES COMPLETED	2												2	375	1%

Calendar Year 2022	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
ON-SITES COMPLETED	0	1	10	7	44	67	36	35	36	36	44	9	325	325	100%

NOTE: Cumulative totals for all goals may be greater or lesser than goal totals as new projects are coming on-line throughout the year; placed in service dates for projects can move forward or be delayed, affecting the number of reports and/or inspections that need to be completed each year. Inspections are sometimes canceled due to delayed placed in service dates or for other reasons.

COMPLIANCE TRAININGS: The next Tax Credit Compliance Workshops are scheduled for:

TBA

The next Bond Compliance Workshop is scheduled for:

TBA

TAB 12

Financial Statements as of
January 31, 2023 to be sent
separately via email before the
meeting

Financial Statements as of
December 31, 2022, included behind
this sheet



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Bill Rumpf
Chair
Steve Walker
Executive Director

January 25, 2023

Commissioners
Washington State Housing Finance Commission
Seattle, Washington

We have compiled the UNAUDITED statement of Net Position of the Washington State Housing Finance Commission (the “Commission”) General Operating Fund as of December 31, 2022, and the related statement of Activities and Changes in Net Position for the month ended, in accordance with generally accepted accounting principles.

This compilation is limited to presenting, in the form of financial statements, information that is accurate to the best of our knowledge and belief. These statements have not been audited or reviewed by an independent third party.

We have elected to omit substantially all of the disclosures required by generally accepted accounting principles including the statement of cash flow. If the omitted disclosures were included in the financial statements, they might influence the users' conclusions about the Commission's financial position, results of operations and changes in financial position. Accordingly, these financial statements are not designed for those who are not informed about these matters.

Prepared by: Shirleen Noonan
Shirleen Noonan
General Operations Manager

Approved by: Lucas Loranger
Lucas Loranger
Senior Controller

WASHINGTON STATE
HOUSING FINANCE COMMISSION
GENERAL OPERATING FUND

December 31, 2022

CONTENTS

(See Accountant's Compilation Report)

Financial Statements:

Statement of Net Position	3
Statement of Activities and Changes in Net Position	4

Accompanying Information to Financial Statements:

Detailed Statement of Activities	5
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Washington State Housing Finance Commission
Statement of Net Position
Fund: General Operating Fund
Division: All
December 31, 2022
(See Accountant's Compilation Report)

	Current Year	Prior Year	Variance	
			Amount	%
ASSETS				
Cash and Cash Equivalents:				
Demand Deposits	\$ 6,644,609	\$ 6,194,845	\$ 449,764	(1) 7%
Money Market Accounts	176,725,613	45,853,648	130,871,965	(1) 285%
Investment Securities	21,806,011	4,008,192	17,797,819	(1) 444%
Interest Receivable	743,326	162,563	580,763	(2) 357%
Fees Receivables	12,746,374	14,475,277	(1,728,903)	(3) -12%
Prepaid Expenses & Other Receivable	282,087	187,038	95,049	(4) 51%
Furniture and Fixtures (net of depreciation)	418,222	235,529	182,693	(5) 78%
Intangible Lease Asset (net of amortization)*	1,516,569	2,277,021	(760,452)	(6) -33%
Net Pension Asset*	5,925,841	-	5,925,841	NA
<i>Total Assets</i>	<u>226,808,652</u>	<u>73,394,113</u>	<u>153,414,539</u>	<u>209%</u>
Deferred Outflow of Resources (Pension & OPEB Contributions) *	1,960,676	2,338,037	(377,361)	-16%
<i>Total Assets and Deferred Outflows</i>	<u>\$ 228,769,328</u>	<u>\$ 75,732,150</u>	<u>\$ 153,037,178</u>	<u>202%</u>
LIABILITIES				
Accounts Payable and Other Liabilities	\$ 2,916,941	\$ 5,328,552	\$ (2,411,611)	(7) -45%
Unearned Fee Income	171,228,399	15,339,014	155,889,385	(8) 1016%
Accrued Payroll Payable	1,599,062	1,445,587	153,475	(9) 11%
Lease Liability*	1,407,195	2,277,195	(870,000)	(6) -38%
Net Pension Liability *	4,144,035	5,906,223	(1,762,188)	-30%
<i>Total Liabilities</i>	<u>181,295,632</u>	<u>30,296,571</u>	<u>150,999,061</u>	<u>498%</u>
Deferred Inflow of Resources (Change in Investment Return/Assumptions - Pension & OPEB) *	7,567,112	2,383,349	5,183,763	217%
NET POSITION				
Invested in Capital Assets	418,223	235,529	182,694	(5) 78%
Committed - Housing Washington *	496,505	473,047	23,458	5%
Unrestricted	38,991,856	42,343,654	(3,351,798)	-8%
<i>Total Net Position</i>	<u>39,906,584</u>	<u>43,052,230</u>	<u>(3,145,646)</u>	<u>-7%</u>
<i>Total Liabilities, Deferred Inflows and Net Position</i>	<u>\$ 228,769,328</u>	<u>\$ 75,732,150</u>	<u>\$ 153,037,178</u>	<u>202%</u>

- (1) Fluctuations in these accounts are considered in aggregate. The increase is primarily due to the receipt of funds for the Homeowner Assistance Fund (HAF) program.
- (2) Higher interest rates in the current year contributed to the increase in interest receivable. For example, the LGIP rate in the prior year was 0.09% as compared with 4.12% in the current year.
- (3) The decrease in fees receivable is primarily due to a decrease in Down Payment Assistance loans in the Homeownership program. Based on a 2-month average, the number of loans funded decreased by approximately 66%.
- (4) The increase in prepaids and other receivables balance is primarily due to slightly higher prepaid expenses for various software and services, plus, a greater balance in volume cap allocation prepaid fees.
- (5) The increase in net capital assets reflects the capitalization of the Community Build application and Homebuyer Education portal projects, offset by the continued depreciation of prior investments in assets.
- (6) These accounts reflect the implementation of GASB 87 in which long-term, non-ownership-transferring leases are recorded as an intangible right-of-use asset and a lease liability. The balances are primarily related to the office rental contract.
- (7) The overall decrease in accounts payable and other liabilities is primarily due to a decrease of accruals associated with the quarterly transfer of Daily Price Program income to the Commission Fund, lower accruals associated with the Idaho Master Servicing Agreement, offset by greater other payables related to the interest earned on HAF program funds.
- (8) The increase in unearned fee income is primarily due to the receipt of funds for the HAF program, established in Section 3206 of the American Rescue Plan Act of 2021.
- (9) The increase in payroll and related costs is attributable to hiring of open positions, higher salaries, and accruals related to higher vacation and sick leave balances.

* These balances are adjusted only at year-end.

Washington State Housing Finance Commission
Statement of Activities and Changes in Net Position
Fund: General Operating Fund
Division: All
For The Year To Date Ending: December 31, 2022
(See Accountant's Compilation Report)

	<u>Current Period</u>	<u>Current Year to Date</u>	<u>Prior Year to Date</u>	<u>Variance</u>	
				Amount	%
<i>Revenues:</i>					
Fee Income	\$ 4,105,646	\$ 16,825,725	\$ 28,352,609	\$ (11,526,884)	(1) -41%
Interest Earned & Realized Gain	960,654	4,304,225	460,066	3,844,159	(2) 836%
Other	20,819	114,566	93,240	21,326	(3) 23%
<i>Total Unadjusted Revenues</i>	<u>5,087,119</u>	<u>21,244,516</u>	<u>28,905,916</u>	<u>(7,661,400)</u>	<u>-27%</u>
<i>Expenses:</i>					
Salaries, Wages, and Employee Benefits	841,113	5,042,019	4,598,704	443,315	(4) 10%
Travel & Conferences	21,468	103,659	42,432	61,227	(5) 144%
Professional Fees	166,359	912,184	764,118	148,066	(6) 19%
Office Expense	211,725	1,294,586	1,104,999	189,587	(7) 17%
<i>Total Expenses</i>	<u>1,240,665</u>	<u>7,352,448</u>	<u>6,510,254</u>	<u>842,194</u>	<u>13%</u>
<i>Adjustments</i>					
<i>Revenues:</i>					
Unrealized Gain/(Loss) on Investments	63,715	(686,222)	(641,087)	(45,135)	7%
Grant Revenue	4,030,143	12,516,919	1,430,605	11,086,314	775%
<i>Expenses:</i>					
Grant Pass-Through	4,030,143	12,516,919	1,430,605	11,086,314	775%
<i>Total Adjustments</i>	<u>63,715</u>	<u>(686,222)</u>	<u>(641,087)</u>	<u>(45,135)</u>	<u>7%</u>
Excess of Revenues over Expenses	3,910,169	13,205,846	21,754,575	(8,548,729)	-39%
Less transfer to Commission Fund *	(8,707)	(80,509)	(3,223,857)	3,143,348	-98%
Excess of Revenues over Expenses (Net of Transfers)	<u>3,901,462</u>	<u>13,125,337</u>	<u>18,530,718</u>	<u>(5,405,381)</u>	<u>-29%</u>
<i>Net Position</i>					
Total net position, beginning of period	36,005,122	26,781,247	24,521,512	2,259,735	9%
Current Increase (Decrease) - to Net position	3,901,462	13,125,337	18,530,718	(5,405,381)	-29%
Total net position, end of year	<u>\$ 39,906,584</u>	<u>\$ 39,906,584</u>	<u>\$ 43,052,230</u>	<u>\$ (3,145,646)</u>	<u>-7%</u>

- (1) The decrease in fee income is primarily due to reduced production and narrow margins in our Home Advantage program, driven by rising interest rates and limited affordable housing inventory which hinder our ability to reach potential homebuyers.
- (2) The increase in interest income is primarily due to the increase in rates. For example, the LGIP rate has increased from 0.09% in the prior period to a rate of 4.12% in the current period.
- (3) The increase in other income is primarily due to the increase in fee revenue from training sessions held by the Homeownership and Asset Management & Compliance divisions and from additional transfers in the Asset Management & Compliance division.
- (4) The increase in salaries and benefits is attributable to the increase in salaries, primarily from the 3% cost of living increase received at the beginning of the fiscal year, greater accruals related to higher leave balances, and additional health insurance fees.
- (5) The increase in travel and conference expense is primarily due to greater out-of-state travel expenses related to the NCSHA conference in Houston and in-state travel expenses related to the Housing WA Conference held in Spokane.
- (6) Professional fees increase is due to higher legal expenses, primarily related to the Nooksack matter, plus greater property inspection fees in the Asset Management & Compliance Division.
- (7) The increase in office expenses is primarily due to higher database design, research, and support fees for projects related to the organization's intranet, Homeownership's website, and Multifamily Housing's program applications.
- * Effective 1/1/2013, 25% of the Home Advantage Program revenue are transferred to the Single-family bond program's Commission Fund to ensure future indenture and program flexibility as the portfolio of MBS's and bonds diminish.

Washington State Housing Finance Commission
Detailed Statement of Activities
Fund: General Operating Fund
Division: All
For The Year To Date Ending: December 31, 2022
(See Accountant's Compilation Report)

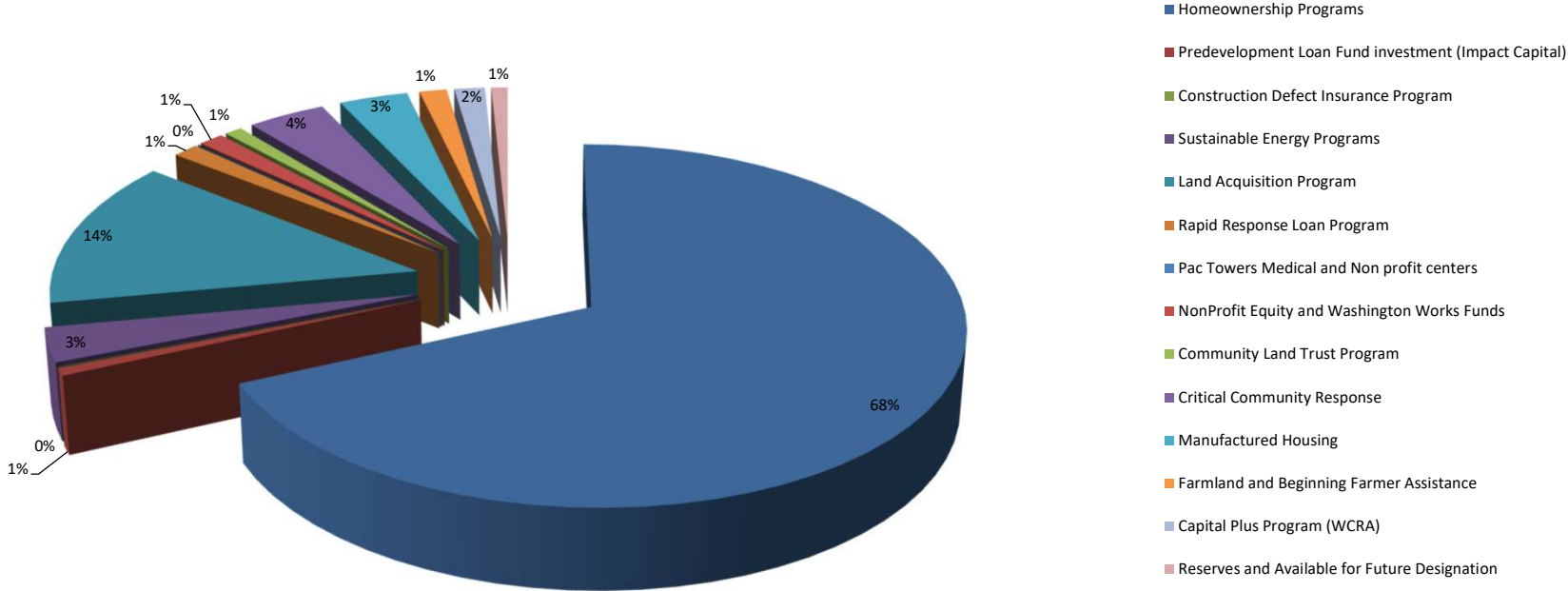
	Variance-YTD vs. PY Actuals		Prior YTD	YTD	YTD	Variance-YTD Budget to	
	%	Amount	Actual	Actual	Budget	Actual	%
<i>Revenues:</i>							
Program Fees	10.1%	\$ 969,961	\$ 9,570,950	\$ 10,540,911	\$ 10,352,990	\$ 187,921	1.8%
Issuance, Application, and Servicing Fees	-66.5%	(12,496,845)	18,781,659	6,284,814	6,234,006	50,808	0.8%
Interest Earned & Realized Gain	835.6%	3,844,159	460,066	4,304,225	618,029	3,686,196	596.4%
Other Income	22.9%	21,326	93,240	114,566	336,400	(221,834)	-65.9%
Total Unadjusted Revenues	-26.5%	(7,661,399)	28,905,916	21,244,515	17,541,425	3,703,091	21.1%
<i>Expenses:</i>							
Salaries & Wages - Staff & Temp. Svcs	8.6%	305,346	3,540,814	3,846,160	4,569,413	(723,253)	-15.8%
Employee Benefits - Staff	13.0%	137,971	1,057,889	1,195,860	1,377,584	(181,724)	-13.2%
Conference, Education & Training	-24.8%	(7,671)	30,884	23,213	53,674	(30,461)	-56.8%
Travel out of state - Staff	536.1%	50,448	9,410	59,858	107,450	(47,592)	-44.3%
Travel in state - Staff	863.0%	18,450	2,138	20,588	53,568	(32,980)	-61.6%
Accounting Fees	10.8%	12,579	116,699	129,278	111,500	17,778	15.9%
Legal Fees	40.8%	81,390	199,580	280,970	315,500	(34,530)	-10.9%
Financial Advisor Fees	3.3%	5,000	150,000	155,000	176,900	(21,900)	-12.4%
Investment Management Fees	9.1%	7,416	81,590	89,006	100,000	(10,994)	-11.0%
Office Rent/Conf. Room Rentals	0.1%	381	461,988	462,369	471,092	(8,723)	-1.9%
Furniture & Equipment Rental	41.2%	3,862	9,373	13,235	11,110	2,125	19.1%
Advertising	2.3%	669	29,499	30,168	214,702	(184,534)	-85.9%
Publications/ Subscriptions/ Dues	11.6%	4,556	39,361	43,917	53,460	(9,543)	-17.9%
Deliveries	-20.5%	(308)	1,505	1,197	2,885	(1,688)	-58.5%
Insurance	6.7%	1,859	27,578	29,437	30,500	(1,063)	-3.5%
Meeting Expense	1076.6%	4,102	381	4,483	57,250	(52,767)	-92.2%
Equipment & Building Maintenance	-76.9%	(20,997)	27,320	6,323	46,416	(40,093)	-86.4%
Software Maint. Support & Other Info Svcs	44.1%	176,279	400,015	576,294	601,233	(24,939)	-4.1%
Non-capitalized Equipment/Supplies	77.9%	14,120	18,132	32,252	57,019	(24,767)	-43.4%
Postage	-73.4%	(2,005)	2,730	725	3,735	(3,010)	-80.6%
Printing	-55.6%	(1,696)	3,051	1,355	9,733	(8,378)	-86.1%
State Services	-77.9%	(1,956)	2,510	554	7,485	(6,931)	-92.6%
Supplies	92.7%	8,880	9,577	18,457	17,300	1,157	6.7%
Telephone	-34.5%	(11,984)	34,699	22,715	39,838	(17,123)	-43.0%
Contract Services	19.3%	41,681	216,249	257,930	591,250	(333,320)	-56.4%
Depreciation	37.1%	13,826	37,280	51,106	71,243	(20,137)	-28.3%
Total Expenses	12.9%	842,198	6,510,255	7,352,450	9,151,840	(1,799,390)	-19.7%
<i>Adjustments</i>							
<i>Revenues:</i>							
Unrealized Investments Gain/(Loss)	7.0%	(45,135)	(641,087)	(686,222)	-	(686,222)	NA
Grant Revenue	774.9%	11,086,314	1,430,605	12,516,919	24,517,262	(12,000,343)	-48.9%
<i>Expenses:</i>							
Grant Pass-Through	774.9%	11,086,314	1,430,605	12,516,919	24,517,262	(12,000,343)	-48.9%
	7.0%	(45,135)	(641,087)	(686,222)	-	(686,222)	NA
Excess of Revenues over Expenses- adjusted	-39.3%	(8,548,732)	21,754,574	13,205,843	8,389,585	4,816,259	57.4%
Less transfer to Commission Fund	-97.5%	3,143,348	(3,223,857)	(80,509)	-	(80,509)	NA
Excess of Revenues over Expenses (Net of Transfers)	-29.2%	\$ (5,405,383)	\$ 18,530,717	\$ 13,125,334	\$ 8,389,585	\$ 4,735,750	56.4%

Washington State Housing Finance Commission
PRI Program Summary
As of December 31, 2022

Program Name	Program Description	Category	Program Assets	Loans/ Investments outstanding	Net Available before Reserve	Portion Reserved for bad debt
HouseKey Plus - Commission investment only	First-time homebuyer downpayment assistance program	Single-family	\$ 33,965,431	\$ 23,274,370	\$ 11,597,990	\$ 906,929
Home Advantage & Home Advantage Rebound Loans	DPA Loans created through Daily Pricing Program	Single-family	426,469,378	274,781,751	163,396,077	11,708,450
HouseKey Plus - Commission with partner investments	First-time homebuyer downpayment assistance program with partner investments and restrictions	Single-family	17,844,038	14,142,453	\$ 3,818,021	\$ 116,436
Home Choice	Downpayment assistance program for first-time homebuyers with disabilities	Single-family	11,267,418	6,991,165	\$ 4,545,413	\$ 269,160
Social Justice DPA		Single-family	2,990,685	270,000	\$ 2,731,080	\$ 10,395
Investment in Single-family program	Initial investment to fund the Single-family Open Indenture	Single-family	30,000,000	70,000,000	\$ (40,000,000)	\$ -
Habitat for Humanity	Participate in loaning funds allowing the recycling of Habitat for Humanity mortgages through purchase of privately placed bonds (National Habitat) or collateralized loans (State affiliate association).	Single-family	20,338,874	13,494,561	\$ 6,872,333	\$ 28,020
Other Single-family programs (WAFA, Open Door)	Other downpayment and farmworker single-family construction loan program	Single-family	598,198	-	\$ 598,198	\$ -
Community Land Trust (CLT) Program		Single-family	7,000,000	-	\$ 7,000,000	\$ -
Investment in Impact Capital	Investment in Impact Capital fund for predevelopment loans	Housing	5,248,614	5,250,000	\$ 11,739	\$ 13,125
Construction Defect Insurance Program	Investment to assist Developers with Defect Insurance	Housing	159,448	79,724	\$ 80,322	\$ 598
Farm PAI and Beginning Farmers Assistance Loans	Investment to assist in access to first time farmers	Housing	10,748,981	1,675,852	\$ 9,073,269	\$ 140
Sustainable Energy Programs	Projects for Energy Sustainability	Energy	24,701,770	6,264,703	\$ 18,193,845	\$ 56,778
Land Acquisition Program	Assist non profit developers in acquisition of land	Housing	107,497,127	94,986,390	\$ 12,594,769	\$ 84,032
Rapid Response Program	Assist developers in acquisition of land, inception from Legislative Action	Housing	10,318,955	9,634,062	\$ 684,893	\$ -
Non profit Equity Fund & Washington Works	Assist Nonprofits in housing development (created per legislative action)	Nonprofit	10,000,250	10,000,000	\$ 250	\$ -
Manufactured Housing	To encourage and enable preservation of affordable housing stock through ownership of manufactured housing	Multi Family	27,089,469	21,283,631	\$ 5,990,871	\$ 185,033
Critical Community Response	To enable preservation of affordable housing stock through ownership and rehabilitation of older LIHTC properties	Multi Family	30,840,053	13,593,208	\$ 17,268,328	\$ 21,483
Northwest Access Fund	Low-interest loans and matched savings accounts for assistive technology, business equipment or home modifications for persons with disabilities	Nonprofit	250,000	-	\$ 250,000	\$ -
Pacific Medical Towers	Assist in the rehabilitation of a property providing services to nonprofits and low-income households.	Nonprofit	-	-	\$ 1,493	\$ 1,493
Capital Plus (WCRA)	Partnership with WCRA to fund below-market financing to nonprofits with capital needs under \$750,000 (up to \$1,500,000 w/ ED approval)	Nonprofit	12,027,551	4,998,964	\$ 7,041,054	\$ 12,467
Racial and Social Equity Programs Reserve		TBD	4,000,000	-	\$ 4,000,000	\$ -
<i>Undesignated Funds</i>			2,222,280	-	2,222,280	-
Totals			\$ 795,578,521	\$ 570,720,834	\$ 237,972,225	\$ 13,414,538

- (1) Program assets include partner investment of \$13,393,618
- (2) Program Assets are due solely to state investment to date of \$19,484,488
- (3) Program Assets include state investment of \$1,876,654
- (4) Negative availability due to \$40 million of PRI resources loaned to Commission Fund to support single-family mortgage loan purchases
- (5) Program Assets include Microsoft funding of \$48,001,900

PRI Program Assets at December 31, 2022 By Program



Total Program Assets, including Partner Investment \$795,578,520

HomeAdvantage DPA Repayments Comparison to PRI Subsidy



Total Subsidy to Date \$97,356,809

■ HomeAdvantage DPA Purchases

— Home Advantage Principal Repayments

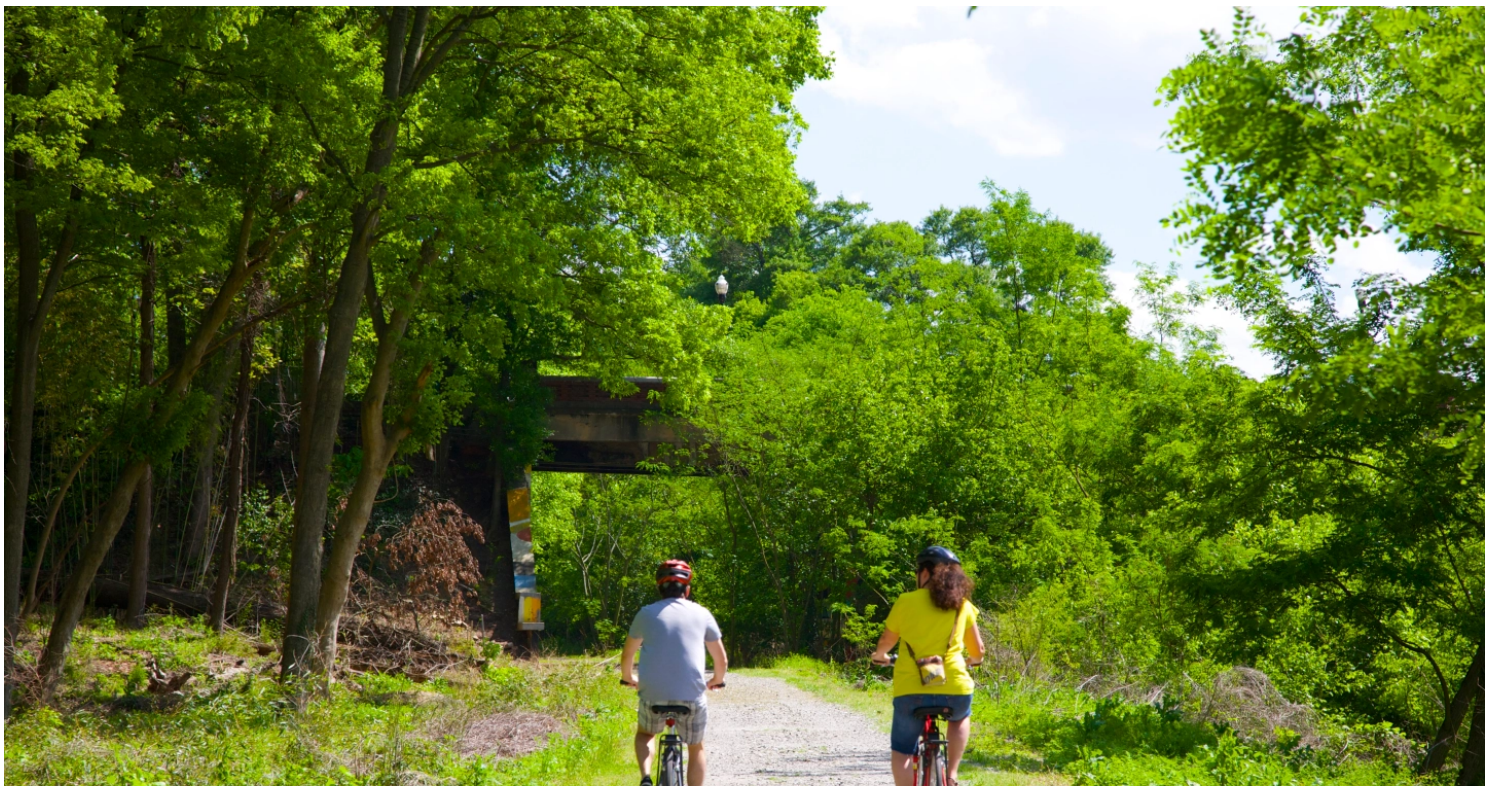
— PRI Revenue Subsidy

SUCCESS · GENTRIFICATION

The road to hell is paved with successful urban planning projects — ‘green gentrification’ is driving up housing costs and creating racial exclusion

BY DAN IMMERGLUCK AND THE CONVERSATION

January 25, 2023 at 2:02 PM PST





Is Atlanta a good place to live? Recent rankings certainly say so. In September 2022, Money magazine rated Atlanta the [best place to live in the U.S.](#), based on its strong labor market and job growth. The National Association of Realtors calls it the [top housing market to watch in 2023](#), noting that Atlanta’s housing prices are lower than those in comparable cities and that it has a rapidly growing population.

But this is only part of the story. My new book, “[Red Hot City: Housing, Race, and Exclusion in Twenty-First Century Atlanta](#),” takes a deep dive into the last three decades of housing, race and development in metropolitan Atlanta. As it shows, planning and policy decisions here have promoted a heavily racialized version of gentrification that has excluded lower-income, predominantly Black residents from sharing in the city’s growth.

One key driver of this division is the [Atlanta BeltLine](#), a 22-mile (35-kilometer) loop of multiuse trails with nearby apartments, restaurants and retail stores, built on a former railway corridor around Atlanta’s core. Although the BeltLine was designed to connect Atlantans and improve their quality of life, it has driven up housing costs on nearby land and pushed low-income households out to suburbs with fewer services than downtown neighborhoods.

The BeltLine has become a prime example of what urban scholars call “[green gentrification](#)” – a process in which restoring degraded urban areas by adding green features drives up housing prices and pushes out working-class residents. If cities fail to prepare for these effects, gentrification and displacement can transform lower-income neighborhoods into areas of concentrated affluence rather than thriving, diverse communities.

The U.S. currently faces a [nationwide housing affordability crisis](#). Many factors have contributed to it, but as an [urban studies scholar](#), I believe it is important to learn from Atlanta’s experience.

No more Black majority

U.S. cities generally are diverse places, and many of them are becoming more so. But the city of Atlanta is going [in the opposite direction](#): It’s becoming wealthier and more white.

In 1990, 67% of the city’s residents were Black; by 2019, that share had fallen to 48%. At the same time, the share of adults with a college degree rose from 27% to more than 56%. Median income in the city increased from 60% of the median income of the [much larger Atlanta metropolitan area](#) to 110%. Median family income in the city in 2021 dollars nearly doubled, rising from approximately \$50,000 to \$96,000.

The most rapid gentrification occurred from 2011 onward, after the [2008-2010 foreclosure crisis](#). Globally, urban scholars call this period one of “[fifth-wave](#)” [gentrification](#), in which a large increase in rental demand triggered speculation in rental real estate that drove up housing costs.

In Atlanta, this was when the BeltLine really hit its stride after being proposed in the early 2000s and formally adopted as a [tax increment financing district](#), or TIF, in 2005. In these districts, anticipated increases in property tax revenues are used

to front-fund development projects. No urban development project in metro Atlanta – and perhaps in the entire country – has been more transformative.

Driving gentrification and displacement

Even before the BeltLine TIF district was adopted, boosters, developers, consultants and many city officials began touting the benefits of a proposed public-private partnership that could remake large parts of the city. Shortly after the special taxing district for the project was formally adopted, the city of Atlanta created an affiliated nonprofit, [Atlanta BeltLine, Inc.](#), to implement and manage the BeltLine.

In 2004, Yale architect [Alexander Garvin](#) published a report called “[The BeltLine Emerald Necklace: Atlanta’s New Public Realm](#).” “The BeltLine’s future users are an attractive market,” Garvin wrote. “Early word of the project has already accelerated real estate values.” In 2005, one developer called the BeltLine the “[most exciting real estate project since Sherman burned Atlanta](#).”

Many neighborhoods that the BeltLine runs through, especially on the south and west sides of the city, had experienced decades of disinvestment and were predominantly Black and lower-income. But boosters weren’t worried about investors and speculators buying up land near the BeltLine, and didn’t prepare for displacement and exclusion. Garvin’s report did not mention the terms “affordable,” “gentrification,” “lower-income” or “low-income.”

In a [2007 study](#) for the community group [Georgia Stand-Up](#), I found that property values were increasing much faster near the BeltLine than in areas farther from it.

This meant that property taxes rose for many lower-income homeowners, and landlords of rental properties were likely to raise rents in response. This process directly displaced lower-income families and made many areas around the BeltLine unaffordable for them.

The BeltLine TIF ordinance included some provisions for funding affordable housing, but as I show in my book, they were fundamentally insufficient and flawed. The BeltLine was the work of a coalition, including core members of Atlanta's traditional "[urban regime](#)" – elected officials and the downtown business elite. Their vision produced a wealthier, whiter city population.

Noninclusive growth

Rather than focusing on securing land for affordable housing when values were low, Atlanta BeltLine, Inc. prioritized building trails and parks. These features helped boost property values, accelerating gentrification and displacement.

After the [subprime mortgage crisis](#) in 2007-2010, foreclosures put pressure on housing markets. Atlanta lost about 7,000 low-cost rental units from 2010 to 2019. Meanwhile, construction of new, pricier apartments boomed: Permits were issued for more than 37,000 units over roughly the same period.

By my calculation, Atlanta's job market exploded from 330,000 jobs in 2011 to over 437,000 jobs by 2019. Companies like [Google](#), [Honeywell](#) and [Microsoft](#) moved in, often with city and state subsidies. Many new jobs paid over \$100,000 per year and went to young, highly skilled workers, driving up housing demand.

In 2017 the Atlanta Journal-Constitution ran a high-profile [investigative series](#) documenting that the BeltLine had produced just 600 units of affordable housing in 11 years – far off the pace required to meet its target of 5,600 by 2030. Some of these units had been resold to high-income households. Soon afterward, [the CEO of Atlanta BeltLine, Inc. resigned](#).

That year, a student and I redid my 2007 study on home values around the BeltLine. Once again, we found that during the years we examined – this time, from 2011 to 2015 – home prices near the BeltLine [rose much faster than in areas farther from it](#). The BeltLine was certainly not the only cause of gentrification and racial exclusion in Atlanta, but it was a key contributor.

Atlanta BeltLine, Inc. has increased its affordable housing activity in recent years, and in late 2020, it initiated a program to pay the increased property taxes of legacy residents. However, by this point in the BeltLine's existence, displacement prevention efforts may be too little, too late. By May 2021, only 128 homeowners had applied for the program. [Just 21 had received assistance](#).

Putting affordability first

What can other cities learn from Atlanta's experience? In my view, the most important takeaway is the importance of [front-loading affordable housing efforts](#) in connection with major redevelopment projects.

This means assembling and banking nearby land as early as possible to be used later for affordable housing. Cities also should limit property tax increases for low-income homeowners and for property owners who agree to keep a substantial

portion of their rental units affordable. They might offer low-cost, long-term financing to existing lower-cost rental properties – again, in exchange for keeping rent affordable.

Some large-scale urban redevelopment projects, such as the 11th Street Bridge Park in Washington, seem to be making serious efforts to [anticipate and mitigate gentrification and displacement](#). I hope that more cities will follow this lead before undertaking “transformative” projects.

Dan Immergluck is a professor of Urban Studies, Georgia State University

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Events Calendar

Date	2/23/2023	Length of Event	1:00 PM - 4:00 PM
Event	Board Meeting (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave-28th Flr. Board Room	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	3/23/2023	Length of Event	1:00 PM - 4:00 PM
Event	Board Meeting (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave-28th Flr. Board Room	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	3/27/2023	Length of Event	All day
Event	2023 NCSHA Leg. Conference	Audience	Conf. Attendees
Address	Hilton Wash. DC Nat'l. Mall The Wharf Hote	Division	Administration
City	Washington, DC	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	3/28/2023	Length of Event	All day
Event	2023 NCSHA Leg. Conference	Audience	Conf. Attendees
Address	Hilton Wash. DC Nat'l. Mall The Wharf Hote	Division	Administration
City	Washington, DC	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	3/29/2023	Length of Event	All day
Event	2023 NCSHA Leg. Conference	Audience	Conf. Attendees
Address	Hilton Wash. DC Nat'l. Mall The Wharf Hote	Division	Administration
City	Washington, DC	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	4/27/2023	Length of Event	1:00PM - 4:00 PM
Event	Board Meeting (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave-28th Flr. Board Room	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	5/22/2023	Length of Event	TBD
Event	Board Meeting/Planning Session (Hybrid)	Audience	General Public
Address	Zoom/Meeting Location TBD	Division	Administration
City	TBD	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	5/23/2023	Length of Event	TBD
Event	Board Meeting/Planning Session (Hybrid)	Audience	General Public
Address	Zoom/Meeting Location TBD	Division	Administration
City	TBD	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/13/2023	Length of Event	All day
Event	2023 NCSHA Housing Credit Connect Conf.	Audience	Conf. Attendees
Address	Sheraton Grand Seattle Hotel	Division	Administration
City	Seattle, WA	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/14/2023	Length of Event	All day
Event	2023 NCSHA Housing Credit Connect Conf.	Audience	Conf. Attendees
Address	Sheraton Grand Seattle Hotel	Division	Administration
City	Seattle, WA	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/15/2023	Length of Event	All day
Event	2023 NCSHA Housing Credit Connect Conf.	Audience	Conf. Attendees
Address	Sheraton Grand Seattle Hotel	Division	Administration
City	Seattle, WA	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/16/2023	Length of Event	All day
Event	2023 NCSHA Housing Credit Connect Conf.	Audience	Conf. Attendees
Address	Sheraton Grand Seattle Hotel	Division	Administration
City	Seattle, WA	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/22/2023	Length of Event	1:00 PM - 4:00 PM
Event	Board Meeting (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave-28th Flr. Board Room	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	7/27/2023	Length of Event	1:00 PM - 4:00 PM
Event	Board Meeting (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave-28th Flr. Board Room	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	8/24/2023	Length of Event	1:00 PM - 4:00 PM
Event	Board Meeting (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave-28th Flr. Board Room	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	9/28/2023	Length of Event	1:00 PM - 4:00 PM
Event	Board Meeting & Work Session (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave-28th Flr. Board Room	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/3/2023	Length of Event	TBD
Event	Housing Washington 2023 Conference	Audience	Conf. Attendess
Address	Greater Tacoma Convention Center	Division	Administration
City	Tacoma	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/4/2023	Length of Event	TBD
Event	Housing Washington 2023 Conference	Audience	Conf. Attendess
Address	Greater Tacoma Convention Center	Division	Administration
City	Tacoma	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/5/2023	Length of Event	TBD
Event	Housing Washington 2023 Conference	Audience	Conf. Attendess
Address	Greater Tacoma Convention Center	Division	Administration
City	Tacoma	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/14/2023	Length of Event	All day
Event	2023 NCSHA Ann'l. Conf. & Showplace	Audience	Conf. Attendees
Address	Sheraton Boston Hotel	Division	Administration
City	Boston, MA	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/15/2023	Length of Event	All day
Event	2023 NCSHA Ann'l. Conf. & Showplace	Audience	Conf. Attendees
Address	Sheraton Boston Hotel	Division	Administration
City	Boston, MA	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/16/2023	Length of Event	All day
Event	2023 NCSHA Ann'l. Conf. & Showplace	Audience	Conf. Attendees
Address	Sheraton Boston Hotel	Division	Administration
City	Boston, MA	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/17/2023	Length of Event	All day
Event	2023 NCSHA Ann'l. Conf. & Showplace	Audience	Conf. Attendees
Address	Sheraton Boston Hotel	Division	Administration
City	Boston, MA	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/26/2023	Length of Event	1:00 PM - 4:00 PM
Event	Board Meeting (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave-28th Flr. Board Room	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	11/16/2023	Length of Event	10:00 AM - 4:00 PM
Event	Board Meeting & Work Session (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave-28th Flr. Board Room	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	12/7/2023	Length of Event	1:00 PM - 4:00 PM
Event	Board Meeting (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave-28th Flr. Board Room	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470